

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _____

Commission File Number 001-38611

Cushman & Wakefield plc

(Exact name of Registrant as specified in its charter)

England and Wales
(State or other jurisdiction of
incorporation or organization)

125 Old Broad Street

London

(Address of principal executive offices)

United Kingdom

98-1193584
(I.R.S. Employer
Identification Number)

EC2N 1AR

(Zip Code)

+44

20 3296 3000

(Registrant's telephone number, including area code)

(Former name, former address and
former fiscal year, if changed since last report)

Securities registered pursuant to section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Ordinary Shares, \$0.10 nominal value	CWK	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐.

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

As of April 30, 2020, 220,418,489 of the Registrant's ordinary shares, \$0.10 nominal value per share, were outstanding.

FORM 10-Q

March 31, 2020

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Part I. Financial Information
Item 1. Financial Statements

Cushman & Wakefield plc
Condensed Consolidated Balance Sheets
(unaudited)

(in millions, except per share data)	As of	
	March 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 379.5	\$ 813.2
Trade and other receivables, net of allowance balance of \$63.1 million and \$58.4 million, as of March 31, 2020 and December 31, 2019, respectively	1,244.6	1,524.2
Income tax receivable	35.4	39.0
Prepaid expenses and other current assets	559.0	484.4
Total current assets	2,218.5	2,860.8
Property and equipment, net	274.0	299.4
Goodwill	2,009.6	1,969.1
Intangible assets, net	1,062.7	1,062.6
Equity method investments	105.1	7.9
Deferred tax assets	79.7	86.6
Non-current operating lease assets	470.8	490.7
Other non-current assets	399.0	386.3
Total assets	\$ 6,619.4	\$ 7,163.4
Liabilities and Shareholders' Equity		
Current liabilities:		
Short-term borrowings and current portion of long-term debt	\$ 38.8	\$ 39.3
Accounts payable and accrued expenses	1,037.6	1,145.3
Accrued compensation	637.9	888.8
Income tax payable	44.1	59.6
Current operating lease liabilities	114.1	118.6
Other current liabilities	111.4	71.0
Total current liabilities	1,983.9	2,322.6
Long-term debt	2,611.1	2,620.3
Deferred tax liabilities	74.1	110.0
Non-current operating lease liabilities	443.3	457.1
Other non-current liabilities	422.6	352.1
Total liabilities	5,535.0	5,862.1
Commitments and contingencies (See Note 11)		
Shareholders' Equity:		
Ordinary shares, nominal value \$0.10 per share, 220.5 and 219.5 shares issued and outstanding at March 31, 2020 and at December 31, 2019, respectively	22.1	22.0
Additional paid-in capital	2,822.1	2,819.5
Treasury stock, at cost	(0.4)	(0.4)
Accumulated deficit	(1,362.8)	(1,297.0)
Accumulated other comprehensive loss	(396.8)	(242.8)
Total equity attributable to the Company	1,084.2	1,301.3
Non-controlling interests	0.2	—
Total equity	1,084.4	1,301.3
Total liabilities and shareholders' equity	\$ 6,619.4	\$ 7,163.4

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Cushman & Wakefield plc
Condensed Consolidated Statements of Operations
(unaudited)

(in millions, except per share data)	Three Months Ended March 31,	
	2020	2019
Revenue	\$ 1,895.4	\$ 1,903.0
Costs and expenses:		
Cost of services (exclusive of depreciation and amortization)	1,598.8	1,564.8
Operating, administrative and other	284.0	286.8
Depreciation and amortization	72.0	73.5
Restructuring, impairment and related charges	26.1	3.9
Total costs and expenses	1,980.9	1,929.0
Operating loss	(85.5)	(26.0)
Interest expense, net of interest income	(36.5)	(37.2)
Earnings from equity method investments	1.3	0.8
Other income, net	39.1	0.6
Loss before income taxes	(81.6)	(61.8)
Benefit from income taxes	(26.5)	(40.9)
Net loss	\$ (55.1)	\$ (20.9)
Basic and diluted loss per share:		
Loss per share attributable to common shareholders	\$ (0.25)	\$ (0.10)
Weighted average shares outstanding for basic and diluted loss per share	219.9	216.6

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Cushman & Wakefield plc
Condensed Consolidated Statements of Comprehensive Loss
(unaudited)

(in millions)	Three Months Ended March 31,	
	2020	2019
Net loss	\$ (55.1)	\$ (20.9)
Other comprehensive loss, net of tax:		
Designated hedge losses	(89.3)	(27.4)
Defined benefit plan actuarial gain (loss)	2.0	(0.1)
Foreign currency translation	(66.7)	7.3
Total other comprehensive loss	(154.0)	(20.2)
Total comprehensive loss	\$ (209.1)	\$ (41.1)

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Cushman & Wakefield plc
Condensed Consolidated Statements of Equity for the three months ended March 31, 2020 and 2019
(unaudited)

(in millions)	Accumulated Other Comprehensive Income (Loss)																
	Ordinary Shares	Ordinary Shares (\$)	Additional Paid-in Capital	Accumulated Deficit	Unrealized Hedging (Losses) Gains	Foreign Currency Translation	Defined Benefit Plans	Total Accumulated Other Comprehensive Loss, net of tax	Total Equity								
Balance as of December 31, 2018	216.6	\$	21.7	\$	2,791.2	\$	(1,298.4)	\$	13.9	\$	(163.4)	\$	(4.9)	\$	(154.4)	\$	1,360.1
Net loss	—		—		—		(20.9)		—		—		—		—		(20.9)
Adoption of new stock-based compensation accounting standard (see Note 2)	—		—		(1.2)		1.2		—		—		—		—		—
Stock-based compensation	0.1		—		14.5		—		—		—		—		—		14.5
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	—		—		(3.1)		—		—		—		—		—		(3.1)
Foreign currency translation	—		—		—		—		7.3		—		—		7.3		7.3
Defined benefit plans actuarial loss	—		—		—		—		—		(0.1)		(0.1)		(0.1)		(0.1)
Unrealized loss on hedging instruments	—		—		—		—		(25.2)		—		—		(25.2)		(25.2)
Amounts reclassified from AOCI to the statement of operations	—		—		—		—		(2.2)		—		—		(2.2)		(2.2)
Balance as of March 31, 2019	216.7	\$	21.7	\$	2,801.4	\$	(1,318.1)	\$	(13.5)	\$	(156.1)	\$	(5.0)	\$	(174.6)	\$	1,330.4

(in millions)	Accumulated Other Comprehensive Income (Loss)													Non-Controlling Interests	Total Equity								
	Ordinary Shares	Ordinary Shares (\$)	Treasury Stock (\$)	Additional Paid-in Capital	Accumulated Deficit	Unrealized Hedging (Losses) Gains	Foreign Currency Translation	Defined Benefit Plans	Total Accumulated Other Comprehensive Loss, net of tax	Total Equity Attributable to the Company													
Balance as of December 31, 2019	219.5	\$	22.0	\$	(0.4)	\$	2,819.5	\$	(1,297.0)	\$	(78.4)	\$	(158.4)	\$	(6.0)	\$	(242.8)	\$	1,301.3	\$	—	\$	1,301.3
Net loss	—		—		—		(55.1)		—		—		—		—		(55.1)		—		—		(55.1)
Adoption of new credit loss accounting standard (see Note 2)	—		—		—		(10.7)		—		—		—		—		(10.7)		—		—		(10.7)
Acquisition of non-controlling interests	—		—		—		—		—		—		—		—		—		0.2		0.2		0.2
Stock-based compensation	—		—		—		11.7		—		—		—		—		11.7		—		—		11.7
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	1.0		0.1		—		(9.1)		—		—		—		—		(9.0)		—		—		(9.0)
Foreign currency translation	—		—		—		—		—		—		(66.7)		—		(66.7)		(66.7)		—		(66.7)
Defined benefit plans actuarial gain	—		—		—		—		—		—		—		2.0		2.0		2.0		—		2.0
Unrealized loss on hedging instruments	—		—		—		—		—		(85.3)		—		—		(85.3)		(85.3)		—		(85.3)
Amounts reclassified from AOCI to the statement of operations	—		—		—		—		—		(4.0)		—		—		(4.0)		(4.0)		—		(4.0)
Balance as of March 31, 2020	220.5	\$	22.1	\$	(0.4)	\$	2,822.1	\$	(1,362.8)	\$	(167.7)	\$	(225.1)	\$	(4.0)	\$	(396.8)	\$	1,084.2	\$	0.2	\$	1,084.4

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Cushman & Wakefield plc
Condensed Consolidated Statements of Cash Flows
(unaudited)

(in millions)	Three Months Ended March 31,	
	2020	2019
Cash flows from operating activities		
Net loss	\$ (55.1)	\$ (20.9)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization	72.0	73.5
Impairment charges	2.8	3.9
Unrealized foreign exchange loss	5.8	—
Stock-based compensation	11.9	14.5
Lease amortization	27.8	27.8
Amortization of debt issuance costs	3.2	1.0
Change in deferred taxes	(34.0)	(76.5)
Bad debt expense	4.3	6.0
Other non-cash operating activities	(36.9)	0.2
Changes in assets and liabilities:		
Trade and other receivables	227.6	128.5
Income taxes payable	(14.9)	21.8
Prepaid expenses and other current assets	(56.0)	7.8
Other non-current assets	4.3	(5.3)
Accounts payable and accrued expenses	(109.4)	(116.0)
Accrued compensation	(280.8)	(243.9)
Other current and non-current liabilities	(22.5)	(37.3)
Net cash used in operating activities	(249.9)	(214.9)
Cash flows from investing activities		
Payment for property and equipment	(9.8)	(13.7)
Acquisitions of businesses, net of cash acquired	(102.5)	(262.2)
Investments in equity securities	(11.3)	—
Other investing activities, net	(7.8)	—
Net cash used in investing activities	(131.4)	(275.9)
Cash flows from financing activities		
Shares repurchased for payment of employee taxes on stock awards	(8.9)	(3.1)
Repayment of borrowings	—	(6.8)
Debt issuance costs	(11.1)	—
Payment of finance lease liabilities	(3.6)	(2.8)
Other financing activities, net	(0.3)	0.7
Net cash used in financing activities	(23.9)	(12.0)
Change in cash, cash equivalents and restricted cash	(405.2)	(502.8)
Cash, cash equivalents and restricted cash, beginning of the period	872.3	965.4
Effects of exchange rate fluctuations on cash, cash equivalents and restricted cash	(16.5)	0.7
Cash, cash equivalents and restricted cash, end of the period	\$ 450.6	\$ 463.3

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Cushman & Wakefield plc
Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1: Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared under accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP") and in conformity with rules applicable to quarterly financial information. The Condensed Consolidated Financial Statements as of March 31, 2020 and for the three months ended March 31, 2020 and 2019 are unaudited. All adjustments, consisting of normal recurring adjustments, except as otherwise noted, considered necessary for a fair presentation of the unaudited interim Condensed Consolidated Financial Statements for these interim periods have been included.

Readers of this unaudited interim Condensed Consolidated quarterly financial information should refer to the audited Consolidated Financial Statements and notes thereto of Cushman & Wakefield plc and its subsidiaries ("Cushman & Wakefield," the "Company," "we," "our" and "us") for the year ended December 31, 2019 included in our 2019 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") and also available on our website (www.cushmanwakefield.com). Certain footnote disclosures that would substantially duplicate those contained in such audited financial statements or which are not required by the rules and regulations of the SEC for interim financial reporting have been condensed or omitted.

Refer to Note 2: Summary of Significant Accounting Policies of the Notes to Consolidated Financial Statements in the Company's 2019 Annual Report on form 10-K for further discussion of the Company's accounting policies and estimates.

Due to seasonality, the results of operations for the three months ended March 31, 2020 are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2020.

The Company provides for the effects of income taxes on interim financial statements based on estimates of the effective tax rate for the full year, which is based on forecasted income by country and enacted tax rates.

Note 2: New Accounting Standards

The Company has adopted the following new accounting standards:

Current Expected Credit Loss (CECL)

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (together with all subsequent amendments, (Topic 326)), which replaces the current U.S. GAAP that requires an incurred loss methodology for recognizing credit losses and delays recognition until it is probable a loss has been incurred. Topic 326 replaces the incurred loss methodology with a methodology that reflects expected credit losses and requires consideration of reasonable and supportable information to estimate credit losses. Trade and other receivables are presented on the consolidated balance sheets net of estimated expected credit losses. Upon initial recognition of a receivable, the Company estimates credit losses over the contractual term of the receivable and establishes an allowance based on historical experience, current available information and expectations of future economic conditions.

The Company mitigates credit loss risk from its trade receivables by assessing customers for creditworthiness, including review of credit ratings, financial position, and historical experience with similar customers within similar geographic regions, where available. Credit risk is limited due to ongoing monitoring, high geographic customer distribution and low concentration of risk. As the risk of loss is determined to be similar based on the credit risk factors, the Company aggregates its trade receivables on a collective basis when assessing estimated credit losses.

The Company adopted Topic 326 on January 1, 2020 in accordance with the modified retrospective approach, which resulted in an immaterial cumulative-effect adjustment to the opening balance of Accumulated deficit.

Leases

In February 2016, the FASB issued ASU No. 2016-02, Leases (together with all subsequent amendments, Topic 842), which replaced most existing lease guidance under U.S. GAAP when it became effective on January 1, 2019. The new guidance requires a lessee to record a Non-current operating lease asset and a corresponding lease liability on the balance sheet for all leases with terms longer than 12 months. The Company elected to use the optional transition method upon adoption and did not revise comparative financial statements or disclosures. Adoption of Topic 842 did not have an impact on the opening balance of Accumulated deficit as of January 1, 2019. Refer to Note 13: Leases for additional information on leases.

Stock Compensation

In June 2018, the FASB issued ASU No. 2018-07, Compensation - Stock Compensation: Improvements to Nonemployee Share-Based Payment Accounting (Topic 718). The ASU supersedes ASC 505-50, Equity-Based Payments to Non-Employees and expands the scope of Topic 718 to include stock-based payments granted to non-employees. Under the new guidance, the measurement date and performance and vesting conditions for stock-based payments to non-employees are aligned with those of employees, most notably aligning the award measurement date with the grant date of an award. The new guidance is required to be adopted using the modified retrospective transition approach. The Company adopted the new guidance effective January 1, 2019, with an immaterial impact on its financial statements and related disclosures.

Derivatives and Hedging

In August 2017, the FASB issued ASU No. 2017-12, Targeted Improvements to Accounting for Hedging Activities (Topic 815). The new guidance eliminates the requirement to separately measure and report hedge ineffectiveness and is intended to reduce the complexity of applying hedge accounting by simplifying the designation and measurement of hedging instruments. The ASU is required to be applied retrospectively to eliminate the separate measurement of ineffectiveness through a cumulative-effect adjustment to Accumulated other comprehensive income with a corresponding adjustment to the opening balance of retained earnings. The new guidance is required to be adopted using the retrospective approach. The Company adopted the new guidance effective January 1, 2019 with an immaterial impact on its financial statements and related disclosures.

In April 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. The ASU provides optional expedients and exceptions for applying generally accepted accounting principles (GAAP) to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The new guidance is effective for public companies as of March 12, 2020 through December 31, 2022. The Company is currently evaluating the effect, if any, that the ASU will have on its financial statements and related disclosures.

Taxes

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. The new guidance removes certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income in an interim period, and the recognition of deferred tax liabilities for outside basis differences. The new guidance is effective for public companies for annual reporting periods and interim periods within those annual periods beginning after December 15, 2020. The Company is currently evaluating the effect, if any, that the ASU will have on its financial statements and related disclosures.

Note 3: Segment Data

The Company reports its operations through the following segments: (1) Americas, (2) EMEA and (3) APAC. The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA includes operations in the U.K., France, Netherlands and other markets in Europe and the Middle East. APAC includes operations in Australia, Singapore, China and other markets in the Asia Pacific region.

Adjusted EBITDA is the profitability metric reported to the chief operating decision maker ("CODM") for purposes of making decisions about allocation of resources to each segment and assessing performance of each segment. The Company believes that investors find this measure useful in comparing our operating performance to that of other companies in our industry because this measure generally illustrates the underlying performance of the business before integration and other costs related to mergers, pre-IPO stock-based compensation, acquisition related costs

and efficiency initiatives, and other items. Adjusted EBITDA also excludes the effects of financings, income tax and the non-cash accounting effects of depreciation and intangible asset amortization.

As segment assets are not reported to or used by the CODM to measure business performance or allocate resources, total segment assets and capital expenditures are not presented below.

	Three Months Ended March 31,		
	2020	2019	% Change in USD
Total Revenue			
Americas	\$ 1,394.8	\$ 1,347.6	4 %
EMEA	210.0	202.6	4 %
APAC	290.6	352.8	(18)%
Total Revenue	\$ 1,895.4	\$ 1,903.0	— %
Adjusted EBITDA			
Americas	\$ 64.1	\$ 70.3	(9)%
EMEA	(3.4)	(0.2)	(1,600)%
APAC	9.6	18.3	(48)%

Adjusted EBITDA is calculated as follows (in millions):

	Three Months Ended March 31,	
	2020	2019
Adjusted EBITDA - Americas	\$ 64.1	\$ 70.3
Adjusted EBITDA - EMEA	(3.4)	(0.2)
Adjusted EBITDA - APAC	9.6	18.3
Add/(less):		
Depreciation and amortization	(72.0)	(73.5)
Interest expense, net of interest income	(36.5)	(37.2)
Benefit from income taxes	26.5	40.9
Integration and other costs related to merger	(17.3)	(21.9)
Pre-IPO stock-based compensation	(6.3)	(11.6)
Acquisition related costs and efficiency initiatives	(15.9)	(3.7)
Other	(3.9)	(2.3)
Net loss	\$ (55.1)	\$ (20.9)

Note 4: Earnings Per Share

Earnings (Loss) per Share ("EPS") is calculated by dividing the Net earnings or loss attributable to shareholders by the Weighted average shares outstanding. As the Company was in a loss position for the three months ended March 31, 2020 and 2019, the Company has determined all potentially dilutive shares would be anti-dilutive in these periods and therefore are excluded from the calculation of diluted weighted average shares outstanding. As a result, the calculation of weighted average shares outstanding is the same for basic and diluted EPS.

Potentially dilutive securities of approximately 3.9 million and 7.4 million for the three months ended March 31, 2020 and 2019, respectively, were excluded from the computation of diluted EPS because their effect would have been anti-dilutive in these periods.

The following is a calculation of EPS (in millions, except per share amounts):

	Three Months Ended March 31,	
	2020	2019
Basic and Diluted EPS		
Net loss attributable to shareholders	\$ (55.1)	\$ (20.9)
Weighted average shares outstanding for basic and diluted loss per share	219.9	216.6
Basic and diluted loss per share attributable to common shareholders	\$ (0.25)	\$ (0.10)

Note 5: Revenue

Revenue is recognized upon transfer of control of promised services to clients in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company enters into contracts and earns revenue from its Property, facilities and project management, Leasing, Capital markets and Valuation and other service lines. Revenue is recognized net of any taxes collected from customers.

A performance obligation is a promise in a contract to transfer a distinct service to the client and is the unit of account. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company allocates the contract's transaction price to each performance obligation using the best estimate of the standalone selling price of each distinct service in the contract.

Contract Balances

The Company receives payments from customers based upon contractual billing schedules; accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets include amounts related to the contractual right to consideration for completed performance not yet invoiced or able to be invoiced. As stated in Note 2, the Company adopted Topic 326 on January 1, 2020. Topic 326 replaces the impairment assessment requirement for contract assets with a methodology that reflects expected credit losses. As a result of adopting Topic 326, the Company records contract assets net of expected credit losses which are estimated based on historical experience, current available information and expectations of future economic conditions. The contract asset allowance is recorded in Operating, administrative, and other in the consolidated statement of operations. Contract liabilities are recorded when cash payments are received in advance of performance, including amounts which are refundable. The majority of contract liabilities are recognized as revenue within 90 days. The Company had no material asset impairment charges related to contract assets in the periods presented.

As of March 31, 2020 and December 31, 2019, the company had contract assets of \$337.2 million and \$313.4 million and \$13.3 million and \$26.7 million, which were recorded in Prepaid expenses and other current assets and Other non-current assets, respectively, in the unaudited Condensed Consolidated Balance Sheets.

As of March 31, 2020 and December 31, 2019, the company had contract liabilities of \$51.7 million and \$54.4 million which were recorded in Accounts payable and accrued expenses in the unaudited Condensed Consolidated Balance Sheets.

Disaggregation of Revenue

The following tables disaggregate revenue by reportable segment and service line (in millions):

	Three Months Ended March 31, 2020					
	Revenue recognition timing	Americas	EMEA	APAC	Total	
Property, facilities and project management	Over time	\$ 966.3	\$ 106.6	\$ 228.3	\$ 1,301.2	
Leasing	At a point in time	242.1	40.8	22.8	305.7	
Capital markets	At a point in time	147.3	21.6	14.0	182.9	
Valuation and other	At a point in time or over time	39.1	41.0	25.5	105.6	
Total revenue		\$ 1,394.8	\$ 210.0	\$ 290.6	\$ 1,895.4	

Three Months Ended March 31, 2019					
	Revenue recognition timing	Americas	EMEA	APAC	Total
Property, facilities and project management	Over time	\$ 869.3	\$ 87.9	\$ 275.7	\$ 1,232.9
Leasing	At a point in time	300.1	48.9	26.8	375.8
Capital markets	At a point in time	141.1	26.4	23.9	191.4
Valuation and other	At a point in time or over time	37.1	39.4	26.4	102.9
Total revenue		\$ 1,347.6	\$ 202.6	\$ 352.8	\$ 1,903.0

Exemptions

Remaining performance obligations represent the aggregate transaction prices for contracts where the performance obligations have not yet been satisfied. In accordance with Topic 606, the Company does not disclose unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) variable consideration for services performed as a series of daily performance obligations, such as those performed within the Property, facilities and project management services lines. Performance obligations within these businesses represent a significant portion of the Company's contracts with customers not expected to be completed within 12 months.

Note 6: Goodwill and Other Intangible Assets

The following table summarizes the changes in the carrying amount of goodwill for the three months ended March 31, 2020 (in millions):

	Americas	EMEA	APAC	Total
Balance as of December 31, 2019	\$ 1,417.1	\$ 282.2	\$ 269.8	\$ 1,969.1
Acquisitions	83.4	26.5	—	109.9
Disposals	—	—	(25.2)	(25.2)
Measurement period adjustments	3.9	—	—	3.9
Effect of movements in exchange rates and other	(4.8)	(12.6)	(30.7)	(48.1)
Balance as of March 31, 2020	\$ 1,499.6	\$ 296.1	\$ 213.9	\$ 2,009.6

Portions of goodwill are denominated in currencies other than the U.S. dollar, therefore a portion of the movements in the reported book value of these balances is attributable to movements in foreign currency exchange rates.

There was no impairment of goodwill and other intangible assets for the three months ended March 31, 2020 and 2019, respectively.

The following tables summarize the carrying amounts and accumulated amortization of intangible assets (in millions):

	Useful Life (in years)	As of March 31, 2020			
		Gross Value	Accumulated Amortization	Net Value	
C&W trade name	Indefinite	\$ 546.0	\$ —	\$ 546.0	
Customer relationships	1 – 15	1,332.6	(826.1)	506.5	
Other intangible assets	2 – 13	17.0	(6.8)	10.2	
Total intangible assets		\$ 1,895.6	\$ (832.9)	\$ 1,062.7	

	Useful Life (in years)	As of December 31, 2019			
		Gross Value	Accumulated Amortization	Net Value	
C&W trade name	Indefinite	\$ 546.0	\$ —	\$ 546.0	
Customer relationships	1 – 15	1,333.1	(827.5)	505.6	
Other intangible assets	2 – 13	17.2	(6.2)	11.0	
Total intangible assets		\$ 1,896.3	\$ (833.7)	\$ 1,062.6	

Amortization expense was \$42.5 million and \$47.3 million for the three months ended March 31, 2020 and 2019, respectively.

Note 7: Derivative Financial Instruments and Hedging Activities

The Company is exposed to certain risks arising from both business operations and economic conditions, including interest rate risk and foreign exchange risk. To mitigate the impact of interest rate and foreign exchange risk, the Company enters into derivative financial instruments. The Company maintains the majority of its overall interest rate exposure on floating rate borrowings to a fixed-rate basis, primarily with interest rate swap agreements. The Company manages exposure to foreign exchange fluctuations primarily through short-term forward contracts.

There have been no significant changes to the interest rate and foreign exchange risk management objectives from those disclosed in the Company's audited Consolidated Financial Statements for the year ended December 31, 2019.

Interest Rate Derivative Instruments

As of March 31, 2020, the Company's active interest rate hedging instruments consist of five interest rate swap agreements designated as cash flow hedges. The Company's hedge instrument balances as of March 31, 2020 relate solely to these interest rate swaps. The hedge instruments expire in August 2025 and are further described below.

The Company records changes in the fair value of derivatives designated and qualifying as cash flow hedges in Accumulated other comprehensive loss in the unaudited condensed consolidated balance sheets and subsequently reclassifies the change into earnings in the period that the hedged forecasted transaction affects earnings. As of March 31, 2020 and December 31, 2019, there is \$164.5 million and \$74.5 million in pre-tax losses, respectively, included in Accumulated other comprehensive loss related to these agreements, which will be reclassified to Interest expense as interest payments are made in accordance with the Company's 2018 Credit Agreement; refer to Note 8: Long-term Debt and Other Borrowings for discussion of this agreement. During the next twelve months, the Company estimates that pre-tax losses of \$33.0 million will be reclassified to Interest expense.

Non-designated Foreign Exchange Derivative Instruments

Additionally, the Company enters into short-term forward contracts to mitigate the risk of fluctuations in foreign currency exchange rates that would adversely impact some of the Company's foreign currency denominated transactions. Hedge accounting was not elected for any of these contracts. As such, changes in the fair values of these contracts are recorded directly in earnings. There are losses of \$0.4 million and gains of \$0.6 million for the three months ended March 31, 2020 and 2019, respectively. This activity was included in Other income, net, in the unaudited condensed consolidated statements of operations. As of March 31, 2020 and December 31, 2019, the Company had 26 and 23 foreign currency exchange forward contracts outstanding, respectively, covering a notional amount of \$497.6 million and \$498.2 million, respectively. As of March 31, 2020 and December 31, 2019, the Company has not posted and does not hold any collateral related to these agreements.

The following table presents the fair value of derivatives as of March 31, 2020 and December 31, 2019 (in millions):

Derivative Instrument	March 31, 2020 Notional	March 31, 2020		December 31, 2019	
		Assets	Liabilities	Assets	Liabilities
		Fair Value	Fair Value	Fair Value	Fair Value
Designated:					
Cash flow hedges:					
Interest rate swaps	\$ 2,050.0	\$ —	\$ 183.3	\$ —	\$ 97.7
Non-designated:					
Foreign currency forward contracts	497.6	6.8	8.5	1.0	2.2

The fair value of derivative assets is included within Other non-current assets and the fair value of derivative liabilities is included within Other non-current liabilities in the unaudited condensed consolidated balance sheets. The Company does not net derivatives in the unaudited condensed consolidated balance sheets.

The following table presents the effect of derivatives designated as hedges, net of applicable income taxes, in the unaudited Condensed Consolidated Statements of Operations for the three months ended March 31, 2020 and 2019 (in millions):

	Beginning Accumulated Other Comprehensive Loss (Gain)	Amount of Loss (Gain) Recognized in Other Comprehensive Loss on Derivatives ⁽¹⁾	Amount of (Loss) Gain Reclassified from Accumulated Other Comprehensive Loss into Statement of Operations ⁽²⁾	Ending Accumulated Other Comprehensive Loss (Gain)
Three Months Ended March 31, 2020				
Foreign currency cash flow hedges	\$ —	\$ —	\$ —	\$ —
Foreign currency net investment hedges	(0.6)	—	—	(0.6)
Interest rate cash flow hedges	79.0	85.3	4.0	168.3
	<u>\$ 78.4</u>	<u>\$ 85.3</u>	<u>\$ 4.0</u>	<u>\$ 167.7</u>
Three Months Ended March 31, 2019				
Foreign currency cash flow hedges	\$ —	\$ —	\$ —	\$ —
Foreign currency net investment hedges	(0.6)	—	—	(0.6)
Interest rate cash flow hedges	(13.3)	25.2	2.2	14.1
	<u>\$ (13.9)</u>	<u>\$ 25.2</u>	<u>\$ 2.2</u>	<u>\$ 13.5</u>

⁽¹⁾ Amount is net of related income tax (benefit) expense of \$0.0 million and \$(5.1) million for the three months ended March 31, 2020 and 2019, respectively.

⁽²⁾ Amount is net of related income tax expense of \$0.7 million and of \$0.4 million for the three months ended March 31, 2020 and 2019, respectively.

Gains of \$4.7 million and \$2.6 million were reclassified into earnings during the three months ended March 31, 2020 and 2019, respectively, related to interest rate hedges and were recognized in Interest expense in the unaudited condensed consolidated statements of operations.

Note 8: Long-term Debt and Other Borrowings

Long-term debt consisted of the following (in millions):

	As of	
	March 31, 2020	December 31, 2019
<u>Collateralized:</u>		
2018 First Lien Loan, net of unamortized discount and issuance costs of \$37.0 million and \$28.8 million, respectively	\$ 2,629.2	\$ 2,637.5
Finance lease liability	18.9	20.3
Notes payable to former stockholders	0.3	0.3
Total long-term debt	2,648.4	2,658.1
Less current portion	(37.3)	(37.8)
Total non-current long-term debt	\$ 2,611.1	\$ 2,620.3

2018 Credit Agreement

On August 21, 2018, the Company entered into a \$3.5 billion credit agreement (the "2018 Credit Agreement"), comprised of a \$2.7 billion term loan (the "2018 First Lien Loan") and an \$810.0 million revolving facility (the "Revolver"). Net proceeds from the 2018 First Lien Loan were \$2.7 billion (\$2.7 billion aggregate principal amount less \$13.5 million stated discount and \$20.6 million in debt transaction costs).

On December 20, 2019, the Company amended the Revolver to increase the aggregate principal amount by \$210.0 million, incurring an additional \$0.5 million in debt transaction costs. As of March 31, 2020, the Company had a total \$3.7 billion credit agreement including a \$1.0 billion Revolver.

On January 20, 2020, the Company refinanced the aggregate principal amount of its \$2.7 billion term loan, incurring an additional \$11.1 million in debt transaction costs. The term loan was refinanced under materially the same terms, except that of the applicable margin on the LIBOR for the replacement term loan in respect of the Eurodollar Rate Loans is 2.75% as compared to 3.25%, and for the Base Rate Loans is 1.75% compared to 2.25%.

The 2018 Credit Agreement bears interest at a variable interest rate that the Company may select per the terms of the 2018 Credit Agreement. As of March 31, 2020, the rate is equal to 1-month LIBOR plus 2.75% as a result of the refinancing. The 2018 First Lien Loan matures on August 21, 2025. As of March 31, 2020, the effective interest rate of the 2018 First Lien Loan is 4.0%.

The 2018 Credit Agreement requires quarterly principal payments equal to 0.25% of the aggregate principal amount of the 2018 First Lien Loan, including incremental borrowings.

Revolver

The Company's \$1.0 billion Revolver, which matures on August 21, 2023, was undrawn as of the end of the March 31, 2020 and December 31, 2019.

Financial Covenants and Terms

The 2018 Credit Agreement has a springing financial covenant, tested on the last day of each fiscal quarter if the outstanding loans under the Revolver exceed an applicable threshold. If the financial covenant is triggered, the First Lien Net Leverage Ratio is tested for compliance not to exceed 5.80 to 1.00.

The Company was in compliance with all of the covenants under the 2018 Credit Agreement as of March 31, 2020 and December 31, 2019.

Note 9: Stock-based Payments

Options

The tables below summarize the Company's outstanding time-based stock options (in millions, except for per share amounts):

	Time-Based Options		
	Number of Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)
Outstanding as of December 31, 2019	2.6	\$ 11.51	5.9
Exercised	(0.1)	10.10	—
Outstanding as of March 31, 2020	2.5	\$ 11.54	5.6
Exercisable as of March 31, 2020	2.0	\$ 10.80	5.5

Total recognized compensation cost related to these stock option awards was \$0.2 million and \$1.4 million for the three months ended March 31, 2020 and 2019, respectively. At March 31, 2020, the total unrecognized compensation cost related to non-vested time-based option awards was \$1.0 million.

The tables below summarize the Company's outstanding performance-based stock options (in millions, except for per share amounts):

	Performance-Based Options		
	Number of Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)
Outstanding as of December 31, 2019	1.4	\$ 11.64	5.9
Outstanding as of March 31, 2020	1.4	\$ 11.64	5.7
Exercisable as of March 31, 2020	—	—	—

Total recognized compensation cost related to these stock option awards was \$0.0 million and \$3.1 million for the three months ended March 31, 2020 and 2019, respectively. At March 31, 2020, the compensation cost for performance-based options has been fully recognized.

Restricted Stock Units

The following table provides information about the Company's outstanding restricted stock units ("RSUs") (in millions, except for per share amounts):

	Co-Investment RSUs		Time-Based RSUs		Performance-Based RSUs	
	Number of RSUs	Weighted Average Fair Value Per Share	Number of RSUs	Weighted Average Fair Value Per Share	Number of RSUs	Weighted Average Fair Value Per Share
Unvested as of December 31, 2019	0.0	\$ 17.00	5.7	\$ 15.63	1.1	\$ 17.08
Granted	—	—	1.6	16.87	0.4	17.96
Vested	0.0	\$ 17.00	(1.3)	15.19	(0.1)	17.29
Forfeited	—	—	(0.1)	17.70	—	—
Unvested as of March 31, 2020	—	\$ —	5.9	\$ 16.03	1.4	\$ 17.34

The following table summarizes the Company's compensation expense related to RSUs (in millions):

	Three Months Ended March 31,		Unrecognized at March 31, 2020
	2020	2019	
Time-Based RSUs	\$ 10.8	\$ 9.7	\$ 67.4
Co-Investment RSUs	0.1	0.1	—
Performance-Based RSUs	0.8	0.2	11.9
Total RSU stock-based compensation cost	\$ 11.7	\$ 10.0	\$ 79.3

Note 10: Restructuring

As a result of operating efficiency initiatives announced in February 2020, the Company recognized restructuring charges of \$23.3 million during the three months ended March 31, 2020. The charges primarily consisted of severance and employment-related costs due to reductions in headcount.

All charges were classified as Restructuring, impairment and related charges in the unaudited condensed consolidated statements of operations.

The following table details the Company's severance and employment-related restructuring activity for the three months ended March 31, 2020 (in millions):

	Severance Pay and Benefits	Contract Terminations and Other Costs	Total
Balance as of December 31, 2019	\$ 1.2	\$ —	\$ 1.2
Restructuring (Credits) Charges:			
Americas	12.6	3.4	16.0
EMEA	7.2	—	7.2
APAC	0.1	—	0.1
Total Restructuring (Credits) Charges	19.9	3.4	23.3
Payments and Other:			
Americas	(3.9)	(0.4)	(4.3)
EMEA	—	—	—
APAC	—	—	—
Total Payments and Other	(3.9)	(0.4)	(4.3)
Balance as of March 31, 2020	\$ 17.2	\$ 3.0	\$ 20.2

As of March 31, 2020, and December 31, 2019, \$20.2 million and \$1.2 million were recorded as Other current liabilities within the unaudited condensed consolidated balance sheets.

Note 11: Commitments and Contingencies

Guarantees

The Company's guarantees primarily relate to requirements under certain client service contracts and have arisen through the normal course of business. These guarantees, with certain financial institutions, have both open and closed-ended terms; with remaining closed-ended terms up to 7.5 years and maximum potential future payments of \$48.1 million in the aggregate, with none of these guarantees being individually material to the Company's operating results, financial position or liquidity. The Company's current expectation is that future payment or performance related to non-performance under these guarantees is considered remote.

Contingencies

In the normal course of business, the Company is subject to various claims and litigation. Many of these claims are covered under the Company's current insurance programs, subject to self-insurance levels and deductibles. The

Company is also subject to threatened or pending legal actions arising from activities of contractors. Such liabilities include the potential costs to settle litigation. A liability is recorded for the potential costs of carrying out further works based on known claims and previous claims history, and for losses from litigation that are probable and estimable. A liability is also recorded for the Company's incurred but not reported ("IBNR") claims, based on assessment using prior claims history.

Claims liabilities are presented as Other current liabilities and Other non-current liabilities in the unaudited Condensed Consolidated Balance Sheets. As of March 31, 2020 and December 31, 2019, contingent liabilities recorded within Other current liabilities were \$93.8 million and \$74.8 million, respectively and contingent liabilities recorded within Other non-current liabilities were \$22.8 million and \$22.5 million, respectively. These contingent liabilities are made up of errors and omissions ("E&O") claims, workers' compensation insurance liabilities and other claims and contingent liabilities. At March 31, 2020 and December 31, 2019, E&O and other claims were \$32.7 million and \$30.2 million, respectively, and workers' compensation liabilities were \$83.9 million and \$67.1 million, respectively, included within Other current liabilities and Other non-current liabilities in the unaudited Condensed Consolidated Balance Sheets. The ultimate settlement of these matters may result in payments materially in excess of the amounts recorded due to their contingent nature and inherent uncertainties of settlement proceedings.

The Company had insurance recoverable balances as of March 31, 2020 and December 31, 2019 totaling \$5.0 million and \$3.5 million.

Note 12: Related Party Transactions

On January 6, 2020, the Company formed a new asset services joint venture with Vanke Service, a leading Chinese real estate service provider, and a subsidiary of China Vanke Co. ("Cushman & Wakefield Vanke Service"). Cushman & Wakefield Vanke Service will have more than 1,000 commercial property and facility management projects in over 80 cities across Greater China, with more than 20,000 employees. The Company owns a 35% interest in this joint venture and accounts for its investment using the equity method of accounting. The Company recognized a gain of \$36.9 million upon formation of the joint venture. The gain was calculated as the difference between the fair value of the consideration transferred and the carrying amount of the former subsidiary's assets and liabilities.

For the three months ended March 31, 2020, the Company had \$12.3 million in receivables that resulted from transactions with the joint venture. In addition, the Company had \$2.4 million in sales related to the joint venture for the three months ended March 31, 2020.

For the three months ended March 31, 2020 and 2019, the Company had no other material transactions with majority shareholders or equity accounted investors.

Receivables from affiliates

As of March 31, 2020 and December 31, 2019, the Company had receivables from affiliates of \$29.1 million and \$33.4 million and \$219.2 million and \$198.8 million that are included in Prepaid expenses and other current assets and Other non-current assets, respectively, in the unaudited condensed consolidated balance sheets. These amounts primarily represent prepaid commissions, retention and sign-on bonuses to brokers and other items such as travel and other advances to employees.

Note 13: Fair Value Measurements

The Company measures certain assets and liabilities in accordance with ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), which defines fair value as the price that would be received for an asset, or paid to transfer a liability, in an orderly transaction between market participants on the measurement date. In addition, ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

- Level 3: inputs for the asset or liability that are based on unobservable inputs in which there is little or no market data.

There were no significant transfers in or out of Level 2 assets or liabilities, but there were significant divestitures of Level 1 assets during the three months ended March 31, 2020. There were no significant transfers in or out of Level 1 and Level 2 for the three months ended March 31, 2019. There have been no significant changes to the valuation techniques and inputs used to develop the recurring fair value measurements from those disclosed in the Company's audited Consolidated Financial Statements for the year ended December 31, 2019.

Financial Instruments

The Company's financial instruments include cash and cash equivalents, trade and other receivables, deferred purchase price receivable ("DPP"), restricted cash, accounts payable and accrued expenses, short-term borrowings, long-term debt, interest rate swaps and foreign exchange contracts. The carrying amount of cash and cash equivalents approximates the fair value of these instruments. Certain money market funds in which the Company has invested are highly liquid and considered cash equivalents. These funds are valued at the per unit rate published as the basis for current transactions.

The estimated fair value of external debt was \$2.3 billion and \$2.7 billion as of March 31, 2020 and December 31, 2019, respectively. These instruments were valued using dealer quotes that are classified as Level 2 inputs in the fair value hierarchy. The gross carrying value of the debt was \$2.7 billion as of March 31, 2020 and December 31, 2019, respectively, which excludes debt issuance costs. See Note 8: Long-term Debt and Other Borrowings for additional information.

The estimated fair values of interest rate swaps and foreign currency forward contracts are determined based on the expected cash flows of each derivative. The valuation method reflects the contractual period and uses observable market-based inputs, including interest rate and foreign currency forward curves.

Recurring Fair Value Measurements

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2020 and December 31, 2019 (in millions):

	As of March 31, 2020			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	\$ 27.5	\$ 27.5	\$ —	\$ —
Deferred compensation plan assets	39.9	39.9	—	—
Foreign currency forward contracts	6.8	—	6.8	—
Deferred purchase price receivable	74.8	—	—	74.8
Total	\$ 149.0	\$ 67.4	\$ 6.8	\$ 74.8
Liabilities				
Deferred compensation plan liabilities	\$ 40.9	\$ 40.9	\$ —	\$ —
Foreign currency forward contracts	8.5	—	8.5	—
Interest rate swap agreements	183.3	—	183.3	—
Earn-out liabilities	36.6	—	—	36.6
Total	\$ 269.3	\$ 40.9	\$ 191.8	\$ 36.6

	As of December 31, 2019			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	\$ 206.9	\$ 206.9	\$ —	\$ —
Deferred compensation plan assets	54.9	54.9	—	—
Foreign currency forward contracts	1.0	—	1.0	—
Deferred purchase price receivable	66.9	—	—	66.9
Total	\$ 329.7	\$ 261.8	\$ 1.0	\$ 66.9
Liabilities				
Deferred compensation plan liabilities	\$ 51.3	\$ 51.3	\$ —	\$ —
Foreign currency forward contracts	2.2	—	2.2	—
Interest rate swap agreements	97.7	—	97.7	—
Earn-out liabilities	24.6	—	—	24.6
Total	\$ 175.8	\$ 51.3	\$ 99.9	\$ 24.6

Deferred Compensation Plans

The Company provided deferred compensation plans to certain U.S. employees whereby the employee could defer a portion of employee compensation, which the Company would hold in trust, enabling the employees to defer tax on compensation until payment is made to them from the trust. These plans are frozen. The employee continues to be at risk for any investment fluctuations of the funds held in trust. The fair value of assets and liabilities are based on the value of the underlying investments using quoted prices in active markets at period end. In the event of insolvency of the Company, the trust's assets are available to all general creditors of the Company.

In December 2018, the Company adopted a new deferred compensation plan, which became effective on January 1, 2019. The plan allows highly-compensated employees to defer a portion of compensation, enabling the employee to defer tax on compensation until payment is made. Deferred compensation is credited into an account denominated in ordinary shares of the Company in a number determined based on the fair market value of the Company's ordinary shares on the date of the deposit. All payments are made in ordinary shares.

Deferred compensation plan assets are presented within Prepaid expenses and other current assets and Other non-current assets in the unaudited condensed consolidated balance sheets. Deferred compensation liabilities are presented within Accrued compensation and Other non-current liabilities in the unaudited condensed consolidated balance sheets.

Foreign Currency Forward Contracts and Net Investment Hedges, and Interest Rate Swaps and Cap Agreements

Refer to Note 7: Derivative Financial Instruments and Hedging Activities for discussion of the fair value associated with these derivative assets and liabilities.

Deferred Purchase Price Receivable

The Company recorded a DPP under its A/R Securitization upon the initial sale of trade receivables. The DPP represents the difference between the fair value of the trade receivables sold and the cash purchase price and is recognized at fair value as part of the sale transaction. The DPP is subsequently remeasured each reporting period in order to account for activity during the period, such as the Seller's interest in any newly transferred receivables, collections on previously transferred receivables attributable to the DPP and changes in estimates for credit losses. Changes in the DPP attributed to changes in estimates for credit losses are expected to be immaterial, as the underlying receivables are short-term and of high credit quality. The DPP is included in Other non-current assets in the unaudited condensed consolidated balance sheets and is valued using unobservable inputs (i.e., Level 3 inputs), primarily discounted cash flows. Refer to Note 14: Accounts Receivable Securitization for more information.

Earn-out Liabilities

Earn-out liabilities are classified within Level 3 in the fair value hierarchy because the methodology used to develop the estimated fair value includes significant unobservable inputs reflecting management's own assumptions. The fair value of earn-out liabilities is based on the present value of probability-weighted expected return method related to the earn-out performance criteria on each reporting date. The probabilities of achievement assigned to the performance criteria are determined based on due diligence performed at the time of acquisition as well as actual performance achieved subsequent to acquisition. Adjustments to the earn-out liabilities in periods subsequent to the

completion of acquisitions are reflected within Operating, administrative and other in the unaudited Condensed Consolidated Statements of Operations.

The table below presents a reconciliation of liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) (in millions):

	Earn-out Liabilities	
	2020	2019
Balance as of January 1,	\$ 24.6	\$ 38.3
Purchases/additions	12.7	—
Net change in fair value and other adjustments	(0.6)	0.2
Payments	(0.1)	—
Balance as of March 31,	\$ 36.6	\$ 38.5

Note 14: Accounts Receivable Securitization

On August 20, 2018, the Company amended the A/R Securitization that was initially entered into on March 8, 2017 to increase the investment limit from \$100.0 million to \$125.0 million and extended the termination date to August 20, 2021, unless extended or an earlier termination event occurs. The termination date was further extended to August 20, 2022 in December 2019. Under the A/R Securitization, certain of the Company's wholly owned subsidiaries continuously sell trade receivables to an unaffiliated financial institution. The Company's wholly owned subsidiaries sell (or contribute) the receivables to wholly owned special purpose entities at fair market value. The special purpose entities then sell 100% of the receivables to an unaffiliated financial institution ("the Purchaser"). Although the special purpose entities are wholly owned subsidiaries of the Company, they are separate legal entities with their own separate creditors who will be entitled, upon their liquidation, to be satisfied out of their assets prior to any assets or value in such special purpose entities becoming available to their equity holders and their assets are not available to pay other creditors of the Company. As of March 31, 2020 and December 31, 2019, the Company had an \$85.0 million balance drawn on the investment limit.

All transactions under the A/R Securitization are accounted for as a true sale in accordance with ASC 860, *Transfers and Servicing* ("Topic 860"). Following the sale and transfer of the receivables to the Purchaser, the receivables are legally isolated from the Company and its subsidiaries, and the Company sells, conveys, transfers and assigns to the Purchaser all its rights, title and interest in the receivables. Receivables sold are derecognized from the statement of financial position. The Company continues to service, administer and collect the receivables on behalf of the Purchaser, and recognizes a servicing liability in accordance with Topic 860. Any financial statement impact associated with the servicing liability was immaterial for all periods presented.

This program allows the Company to receive a cash payment and a DPP for sold receivables. The DPP is paid to the Company in cash on behalf of the Purchaser as the receivables are collected; however, due to the revolving nature of the A/R Securitization, cash collected from the Company's customers is reinvested by the Purchaser daily in new receivable purchases under the A/R Securitization. For the three months ended March 31, 2020 and 2019, receivables sold under the A/R securitization were \$299.8 million and \$302.5 million, respectively, and cash collections from customers on receivables sold were \$307.3 million and \$302.9 million, respectively, all of which were reinvested in new receivables purchases and are included in cash flows from operating activities in the unaudited Condensed Consolidated Statement of Cash Flows. As of March 31, 2020 and December 31, 2019, the outstanding principal on receivables sold under the A/R Securitization were \$180.3 million and \$187.8 million, respectively. Refer to Note 13: Fair Value Measurements for additional discussion on the fair value of the DPP as of March 31, 2020 and December 31, 2019.

The Company did not recognize any material income or loss related to receivables sold for the three months ended March 31, 2020 and 2019. Based on the Company's collection history, the fair value of the receivables sold subsequent to the initial sale approximates carrying value. The Company incurred program costs of \$0.6 million and \$0.3 million for the three months ended March 31, 2020 and 2019, respectively, which were included in Operating, administrative and other expenses in the unaudited Condensed Consolidated Statement of Operations.

Note 15: Supplemental Cash Flow Information

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the unaudited Condensed Consolidated Balance Sheets to the sum of such amounts presented in the unaudited Condensed Consolidated Statements of Cash Flows (in millions):

	Three Months Ended March 31,	
	2020	2019
Cash and cash equivalents, beginning of period	\$ 813.2	\$ 895.3
Restricted cash recorded in Prepaid expenses and other current assets, beginning of period	59.1	70.1
Total cash, cash equivalents and restricted cash shown in the statements of cash flows, beginning of period	\$ 872.3	\$ 965.4
Cash and cash equivalents, end of period	\$ 379.5	\$ 411.0
Restricted cash recorded in Prepaid expenses and other current assets, end of period	71.1	52.3
Total cash, cash equivalents and restricted cash shown in the statements of cash flows, end of period	\$ 450.6	\$ 463.3

Supplemental cash flows and non-cash investing and financing activities are as follows (in millions):

	Three Months Ended March 31,	
	2020	2019
Cash paid for:		
Interest	\$ 31.0	\$ 37.9
Income taxes	20.0	11.3
Non-cash investing/financing activities:		
Property and equipment acquired through capital leases	2.2	1.8
Deferred and contingent acquisition payment obligations	32.3	8.6
(Decrease) increase in beneficial interest in a securitization	(7.9)	7.5

Note 16: Subsequent Events

The Company has evaluated subsequent events through May 7, 2020, the date on which these financial statements were issued, and has determined there are no material subsequent events to disclose.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited interim Condensed Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q ("Quarterly Report") and with our audited Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission.

As discussed in "Cautionary Note Regarding Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may materially differ from those discussed in such forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those identified below and those discussed in "Risk Factors" under Part II, Item 1A in this Quarterly Report. Our fiscal year ends December 31.

Overview

Cushman & Wakefield is a leading global commercial real estate services firm, built on a trusted brand and backed by approximately 53,000 employees and serving the world's real estate owners and occupiers through a scalable platform. We operate across approximately 400 offices in 60 countries, managing over 4.1 billion square feet of commercial real estate space on behalf of institutional, corporate and private clients. Our business is focused on meeting the increasing demands of our clients across multiple service lines including Property, facilities and project management, Leasing, Capital markets and Valuation and other services.

Impact of COVID-19

The emergence of a novel coronavirus (COVID-19) around the world, and particularly in the United States, Europe and China, presents significant risks to the Company. The global impact of the outbreak has been rapidly evolving and many countries have reacted by instituting quarantine measures, mandating business and school closure and restricting travel, all of which have had an adverse effect on the Company's operations. The Company cannot reasonably estimate with any degree of certainty the future impact COVID-19 may have on the Company's results of operations, financial position, and liquidity, much of which will depend on when and to what extent current restrictions are lifted and economic conditions improve. In response to the global pandemic, the Company has created a COVID-19 executive task force that has implemented business continuity plans and has taken a variety of actions to ensure the ongoing availability of our services, while also undertaking appropriate health and safety measures. This executive task force is comprised of representatives from every part of our business, including Health, Safety, Security & Environment experts. The task force has authority to make timely, informed decisions relating to our business continuity planning and actions. As a result of these actions, the Company has not experienced disruptions to date in its operations or ability to service our clients. In addition, the Company has been able to respond quickly to our customers' changing business demands related to the COVID-19 pandemic.

The impact of COVID-19 was relatively minor in January and February, but in March, overall demand declined in our transaction related brokerage service lines, including Leasing and Capital markets. In March 2020, Leasing fee activity declined 28% and Capital markets 13%, compared to March 2019. Property, facilities and project management and Valuation and other grew 4% and 5%, respectively, in March 2020 as compared to March 2019.

Overall, the Company maintains sufficient liquidity to continue business operations during these uncertain economic conditions. As discussed in "Liquidity and Capital Resources" below, the Company had liquidity of approximately \$1.4 billion as of March 31, 2020, comprising of cash on hand of \$379.5 million and an undrawn revolving credit facility of \$1.0 billion.

The Company will continue to monitor the situation and may take further actions that affect our business operations and performance. These actions may result from requirements mandated by federal, state or local authorities or that we determine to be in the best interests of our employees, customers, and shareholders. The situation surrounding COVID-19 remains fluid, and the potential for a material impact on the Company increases the longer the virus impacts the level of economic activity in the United States and in other countries. For these reasons, the Company cannot reasonably estimate with any degree of certainty the future impact COVID-19 may have on the Company's results of operations, financial position, and liquidity. See Part II, Item 1A - "Risk Factors" for further information.

Critical Accounting Policies

Our unaudited interim Condensed Consolidated Financial Statements have been prepared in accordance with U.S. GAAP, which requires us to make estimates and assumptions that affect reported amounts. The estimates and assumptions are based on historical experience and on other factors that we believe to be reasonable. Actual results may differ from those estimates. We review these estimates on a periodic basis to ensure reasonableness. Although actual amounts may differ from such estimated amounts, we believe such differences are not likely to be material. For additional detail regarding our critical accounting policies including business combinations, goodwill and indefinite-lived intangible assets and income taxes, see our discussion for the year ended December 31, 2019 included in the Company's 2019 Annual Report on Form 10-K. There have been no material changes to these policies as of March 31, 2020.

Recently Issued Accounting Pronouncements

See recently issued accounting pronouncements within Note 2: New Accounting Standards of the Notes to the unaudited interim Condensed Consolidated Financial Statements.

Leases

The Company adopted ASU No. 2018-11, Topic 842, effective January 1, 2019, which improves clarity and comparability by disclosing the recognition of lease assets and lease liabilities on the balance sheet as well as key leasing arrangements.

Current Expected Credit Loss (CECL)

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (together with all subsequent amendments, (Topic 326)), which replaces the current U.S. GAAP that requires an incurred loss methodology for recognizing credit losses and delays recognition until it is probable a loss has been incurred. Topic 326 replaces the incurred loss methodology with a methodology that reflects expected credit losses and requires consideration of reasonable and supportable information to estimate credit losses. The Company adopted Topic 326 on January 1, 2020 in accordance with the modified retrospective approach, which resulted in an immaterial cumulative-effect adjustment to the opening balance of Accumulated Deficit.

Items Affecting Comparability

When reading our financial statements and the information included in this Quarterly Report, it should be considered that we have experienced, and continue to experience, several material trends and uncertainties that have affected our financial condition and results of operations that could affect future performance. We believe that the following material trends and uncertainties are important to understand the variability of our historical earnings and cash flows and any potential future variability.

Macroeconomic Conditions

Our results of operations are significantly impacted by economic trends, government policies and the global and regional real estate markets. These include the following: overall economic activity; changes in interest rates; the impact of tax and regulatory policies; changes in employment rates; level of commercial construction spending; the cost and availability of credit; the impact of the COVID-19 global pandemic; and the geopolitical environment.

Our operating model helps to partially mitigate the negative effect of difficult market conditions on our margins as a substantial portion of our costs are variable compensation expenses, specifically commissions and bonuses paid to our professionals in our Leasing and Capital market service lines. Nevertheless, adverse economic trends pose significant risks to our operating performance and financial condition.

Acquisitions

Our results include the incremental impact of completed transactions from the date of acquisition, which may impact the comparability of our results on a year-over-year basis. Additionally, there is generally an adverse impact on net income for a period of time after the completion of an acquisition driven by transaction-related and integration expenses. We have historically used strategic and in-fill acquisitions to add new service capabilities, to increase our scale within existing capabilities and to expand our presence in new or existing geographic regions globally. We believe that strategic acquisitions increase revenue, provide cost synergies and generate incremental income in the long term.

Seasonality

A significant portion of our revenue is seasonal, especially for service lines such as Leasing and Capital markets. This impacts the comparison of our financial condition and results of operations on a quarter-by-quarter basis. Generally, our industry is focused on completing transactions by calendar year-end with a significant concentration of activity in the last quarter of the calendar year while certain expenses are recognized more evenly throughout the calendar year. Historically, our revenue and operating income tend to be lowest in the first quarter, and highest in the fourth quarter of each year. The Property, facilities and project management service line partially mitigates this intra-year seasonality, due to the recurring nature of this service line, which generates more stable revenues throughout the year.

Inflation

Our commission and other operating costs tied to revenue are primarily impacted by factors in the commercial real estate market. These factors have the potential to be affected by inflation. Other costs such as wages and costs of goods and services provided by third parties also have the potential to be impacted by inflation. However, we do not believe that inflation has materially impacted our operations.

International Operations

Our business consists of service lines operating in multiple regions inside and outside of the U.S. Our international operations expose us to global economic trends as well as foreign government tax, regulatory, and policy measures.

Additionally, outside of the U.S., we generate earnings in other currencies and are subject to fluctuations relative to the U.S. dollar ("USD"). As we continue to grow our international operations through acquisitions and organic growth, these currency fluctuations, most notably the Australian dollar, euro and British pound sterling have the potential to positively or adversely affect our operating results measured in USD. It can be difficult to compare period-over-period financial statements when the movement in currencies against the USD does not reflect trends in the local underlying business as reported in its local currency.

In order to assist our investors and improve comparability of results, we present the year-over-year changes in certain of our non-GAAP financial measures, such as Fee revenue and Adjusted EBITDA, in "local" currency. The local currency change represents the year-over-year change assuming no movement in foreign exchange rates from the prior year. We believe that this provides our management and investors with a better view of comparability and trends in the underlying operating business.

Key Performance Measures

We regularly review a number of metrics to evaluate our business, measure our progress and make strategic decisions. The measures include Segment operating expenses, Fee-based operating expenses, Adjusted EBITDA, Adjusted EBITDA margin and local currency. Certain of these metrics are non-GAAP measures currently utilized by management to assess performance, and we disclose these measures to investors to assist them in providing a meaningful understanding of our performance. See "Use of Non-GAAP Financial Measures" and "Results of Operations" below.

Use of Non-GAAP Financial Measures

We have used the following measures, which are considered "non-GAAP financial measures" under SEC guidelines:

- i. Segment operating expenses and Fee-based operating expenses;
- ii. Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and Adjusted EBITDA margin; and
- iii. Local currency.

Our management principally uses these non-GAAP financial measures to evaluate operating performance, develop budgets and forecasts, improve comparability of results and assist our investors in analyzing the underlying performance of our business. These measures are not recognized measurements under GAAP. When analyzing our operating results, investors should use them in addition to, but not as an alternative for, the most directly comparable financial results calculated and presented in accordance with GAAP. Because the Company's calculation of these non-GAAP financial measures may differ from other companies, our presentation of these measures may not be comparable to similarly titled measures of other companies.

The Company believes that these measures provide a more complete understanding of ongoing operations, enhance comparability of current results to prior periods, and may be useful for investors to analyze our financial performance. The measures eliminate the impact of certain items that may obscure trends in the underlying performance of our business. The Company believes that they are useful to investors, for the additional purposes described below.

Segment operating expenses and Fee-based operating expenses: Consistent with GAAP, reimbursed costs for certain customer contracts are presented on a gross basis in both revenue and operating expenses for which the Company recognizes substantially no margin. Total costs and expenses include segment operating expenses as well as other expenses such as depreciation and amortization, integration and other costs related to merger, pre-IPO stock-based compensation, acquisition related costs and efficiency initiatives. Segment operating expense includes Fee-based operating expenses and Cost of gross contract reimbursables. We believe Fee-based operating expenses more accurately reflects the costs we incur during the course of delivering services to our clients and is more consistent with how we manage our expense base and operating margins.

Adjusted EBITDA and Adjusted EBITDA margin: We have determined Adjusted EBITDA to be our primary measure of segment profitability. We believe that investors find this measure useful in comparing our operating performance to that of other companies in our industry because these calculations generally eliminate integration and other costs related to merger, pre-IPO stock-based compensation, acquisition related costs and efficiency initiatives and other items. Adjusted EBITDA also excludes the effects of financings, income tax and the non-cash accounting effects of depreciation and intangible asset amortization. Adjusted EBITDA margin, a non-GAAP measure of profitability as a percent of revenue, is measured against service line fee revenue.

Local currency: In discussing our results, we refer to percentage changes in local currency. These metrics are calculated by holding foreign currency exchange rates constant in year-over-year comparisons. Management believes that this methodology provides investors with greater visibility into the performance of our business excluding the effect of foreign currency rate fluctuations.

Results of Operations

In accordance with Item 303 of Regulation S-K, the Company has excluded the discussion of 2018 results in "Management's Discussion and Analysis of Financial Condition and Results of Operations," as this discussion can be found in our Quarterly Report on Form 10-Q for the three months ended March 31, 2019 filed with the SEC under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The following table sets forth items derived from our unaudited Condensed Consolidated Statements of Operations for the three months ended March 31, 2020 and 2019 (in millions):

	Three Months Ended March 31,			
	2020	2019	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 732.1	\$ 706.8	4 %	5 %
Leasing	301.8	372.9	(19)%	(18)%
Capital markets	182.1	190.7	(5)%	(4)%
Valuation and other	104.4	101.6	3 %	5 %
Total service line fee revenue ⁽¹⁾	1,320.4	1,372.0	(4)%	(2)%
Gross contract reimbursables ⁽²⁾	575.0	531.0	8 %	10 %
Total revenue	\$ 1,895.4	\$ 1,903.0	— %	1 %
Costs and expenses:				
Cost of services provided to clients	\$ 1,023.8	\$ 1,033.8	(1)%	— %
Cost of gross contract reimbursables	575.0	531.0	8 %	10 %
Total costs of services	1,598.8	1,564.8	2 %	4 %
Operating, administrative and other	284.0	286.8	(1)%	— %
Depreciation and amortization	72.0	73.5	(2)%	(1)%
Restructuring, impairment and related charges	26.1	3.9	569 %	570 %
Total costs and expenses	1,980.9	1,929.0	3 %	4 %
Operating loss	(85.5)	(26.0)	(229)%	(223)%
Interest expense, net of interest income	(36.5)	(37.2)	2 %	1 %
Earnings from equity method investments	1.3	0.8	63 %	78 %
Other income, net	39.1	0.6	6,417 %	6,240 %
Loss before income taxes	(81.6)	(61.8)	(32)%	(36)%
Benefit from income taxes	(26.5)	(40.9)	35 %	35 %
Net loss	\$ (55.1)	\$ (20.9)	(164)%	(173)%
Adjusted EBITDA	\$ 70.3	\$ 88.4	(20)%	(19)%
Adjusted EBITDA margin ⁽³⁾	5.3%	6.4%		

⁽¹⁾ Service line fee revenue represents revenue for fees generated from each of our service lines

⁽²⁾ Gross contract reimbursables reflects revenue from clients which have substantially no margin

⁽³⁾ Adjusted EBITDA margin is measured against service line fee revenue

Adjusted EBITDA is calculated as follows (in millions):

	Three Months Ended March 31,	
	2020	2019
Net loss	\$ (55.1)	\$ (20.9)
Add/(less):		
Depreciation and amortization ⁽¹⁾	72.0	73.5
Interest expense, net of interest income	36.5	37.2
Benefit from income taxes	(26.5)	(40.9)
Integration and other costs related to merger ⁽²⁾	17.3	21.9
Pre-IPO stock-based compensation ⁽³⁾	6.3	11.6
Acquisition related costs and efficiency initiatives ⁽⁴⁾	15.9	3.7
Other ⁽⁵⁾	3.9	2.3
Adjusted EBITDA	\$ 70.3	\$ 88.4

⁽¹⁾ Depreciation and amortization includes merger and acquisition-related depreciation and amortization of \$48.0 million and \$52.8 million for the three months ended March 31, 2020 and 2019, respectively.

⁽²⁾ Integration and other costs related to merger include certain direct and incremental integration and restructuring efforts.

⁽³⁾ Pre-IPO stock-based compensation represents non-cash compensation expense associated with our pre-IPO equity compensation plans. Refer to Note 9: Stock-based Payments of the Notes to unaudited interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020 for additional information.

⁽⁴⁾ Acquisition related costs and efficiency initiatives reflect costs incurred to implement operating efficiency initiatives in the first quarter of 2020 to allow the Company to be a nimbler and more agile partner to its clients, as well as incremental costs related to in-fill M&A.

⁽⁵⁾ Other reflects compliance implementation and one-time project costs of \$1.4 million for the three months ended March 31, 2020 and other items including accounts receivable securitization.

Three months ended March 31, 2020 compared to three months ended March 31, 2019

Revenue

Revenue of \$1.9 billion was flat versus the three months ended March 31, 2019. Property, facilities and project management and Gross contract reimbursables revenue increased \$25.3 million and \$44.0 million, respectively, in the first quarter due to continued client growth momentum and acquisitions. These trends were offset by lower brokerage activity as well as the impact of contributing the Company's China Property, facilities and project management business into the Cushman & Wakefield Vanke Service joint venture. Leasing declined \$71.1 million or 18% on a local currency basis, including a decline of \$59.2 million or 20% on a local currency basis in the Americas. Capital markets declined \$8.6 million or 4% on a local currency basis. These trends were driven by lower activity experienced in the month of March due to COVID-19. Leasing and Capital markets were down 28% and 13%, respectively, in March 2020 as compared to March 2019. During this time Property, facilities and project management and Valuation and other grew 4% and 5%, respectively, in March 2020 as compared to March 2019.

Cost of services

Cost of services of \$1.6 billion increased \$34.0 million or 2% principally due to Costs of gross contract reimbursables which were up 8% due to growth in the Company's Property, facilities and project management service lines. These costs were partially offset by cost savings actions.

Operating, administrative and other

Operating, administrative and other of \$284.0 million decreased by \$2.8 million. Overall, operating, administrative and other costs were approximately 15% of total revenue for the first quarter of 2020 and the first quarter of 2019.

Depreciation and amortization

Depreciation and amortization was \$72.0 million, a decrease of \$1.5 million. This decrease reflected lower amortization in APAC and EMEA totaling \$5.1 million, partially offset by an increase in depreciation of \$4.2 million from the Americas, due to a larger asset base.

Restructuring, impairment and related charges

Restructuring impairment and related charges were \$26.1 million, an increase of \$22.2 million, due to operating efficiency initiatives implemented in March 2020 as part of our previously announced strategic realignment of our business, which resulted in the Company incurring charges of \$23.3 million for severance and other separation benefits.

Below is a summary of Total costs and expenses (in millions):

	Three Months Ended March 31,	
	2020	2019
Americas Fee-based operating expenses	\$ 861.2	\$ 866.8
EMEA Fee-based operating expenses	192.1	185.4
APAC Fee-based operating expenses	200.2	232.8
Cost of gross contract reimbursables	575.0	531.0
Segment operating expenses:	1,828.5	1,816.0
Depreciation and amortization	72.0	73.5
Integration and other costs related to merger ⁽¹⁾	17.3	21.9
Pre-IPO stock-based compensation	6.3	11.6
Acquisition related costs and efficiency initiatives ⁽²⁾	52.9	3.7
Other	3.9	2.3
Total costs and expenses	\$ 1,980.9	\$ 1,929.0

⁽¹⁾ Integration and other costs related to merger include certain direct and incremental integration and restructuring efforts.

⁽²⁾ Includes severance and employment-related costs due to reductions in headcount, as well as initiatives for the Cushman & Wakefield Vanke Service joint venture.

Interest expense, net

Net interest expense was \$36.5 million, a decrease of \$0.7 million, driven by a lower effective interest rate during the first quarter after the repricing of our term loan in January 2020.

Other income, net

Other income was \$39.1 million, an increase of \$38.5 million, reflecting a \$36.9 million gain as a result of the formation of the Cushman & Wakefield Vanke Service joint venture in China.

Benefit from income taxes

The Company's income tax provision for the first quarter of 2020 was a benefit of \$26.5 million on loss before taxes of \$81.6 million. For the first quarter of 2019, the Company's income tax provision was a benefit of \$40.9 million on loss before taxes of \$61.8 million. The Company's effective tax rate was lower in the three months ended March 31, 2020, compared to the same period last year primarily due to a higher interest limitation deduction as a result of the 2020 U.S. CARES Act, which was partially offset by a release of the valuation allowance, resulting in a lower tax benefit.

Net loss and Adjusted EBITDA

Net loss of \$55.1 million principally reflects the impact of an unfavorable revenue mix experienced during the first quarter, restructuring and operating efficiency costs, as well as a lower tax benefit realized in 2020.

Adjusted EBITDA of \$70.3 million declined \$18.1 million or 19%, on a local currency basis, primarily due to the impact of the lower brokerage activity experienced during the first quarter. As a result, Adjusted EBITDA margin, measured against service line fee revenue, was 5.3% for the three months ended March 31, 2020, compared to 6.4% in the three months ended March 31, 2019 principally due to the mix shift in revenue.

Segment Operations

We report our operations through the following segments: (1) Americas, (2) Europe, Middle East and Africa ("EMEA") and (3) Asia Pacific ("APAC"). The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA includes operations in the United Kingdom, France, Netherlands and other markets in Europe and the Middle East. APAC includes operations in Australia, Singapore, China and other markets in the Asia Pacific region.

For segment reporting, Service line fee revenue represents revenue for fees generated from each of our of service lines. Gross contract reimbursables reflect revenue paid by clients which have substantially no margin. Our measure of segment results, Adjusted EBITDA, excludes depreciation and amortization, as well as integration and other costs related to merger, pre-IPO stock-based compensation, and other items.

In accordance with Item 303 of Regulation S-K, the Company has excluded the discussion of 2018 results in "Management's Discussion and Analysis of Financial Condition and Results of Operations", as this discussion can be found in our Quarterly Report on Form 10-Q for the three months ended March 31, 2019 filed with the SEC under "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Americas Results

The following table summarizes our results of operations by our Americas operating segment for the three months ended March 31, 2020 and 2019 (in millions):

	Three Months Ended March 31,			
	2020	2019	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 501.8	\$ 463.0	8 %	9 %
Leasing	238.1	297.3	(20)%	(20)%
Capital markets	146.5	140.4	4 %	5 %
Valuation and other	38.8	36.4	7 %	7 %
Total service line fee revenue ⁽¹⁾	925.2	937.1	(1)%	(1)%
Gross contract reimbursables ⁽²⁾	469.6	410.5	14 %	14 %
Total revenue	\$ 1,394.8	\$ 1,347.6	4 %	4 %
Costs and expenses:				
Americas Fee-based operating expenses	\$ 861.2	\$ 866.8	(1)%	— %
Cost of gross contract reimbursables	469.6	410.5	14 %	14 %
Segment operating expenses	\$ 1,330.8	\$ 1,277.3	4 %	4 %
Adjusted EBITDA	\$ 64.1	\$ 70.3	(9)%	(8)%
Adjusted EBITDA Margin ⁽³⁾	6.9%	7.5%		

⁽¹⁾ Service line fee revenue represents revenue for fees generated from each of our service lines

⁽²⁾ Gross contract reimbursables reflects revenue from clients which have substantially no margin

⁽³⁾ Adjusted EBITDA margin is measured against service line fee revenue

Three months ended March 31, 2020 compared to three months ended March 31, 2019

Americas revenue was \$1.4 billion, an increase of \$47.2 million or 4%. The change in revenue includes higher gross contract reimbursables of \$59.1 million attributed to the growth in Property, facilities and project management which

was up 9% on a local currency basis. This growth was partially offset by lower leasing activity in March driven by COVID-19.

Fee-based operating expenses of \$861.2 million was generally flat year over year or approximately 93% of total service line fee revenue for the first quarter of 2020 and 2019.

Adjusted EBITDA was \$64.1 million a decrease of \$6.2 million or 8% on a local currency basis driven by a decrease in Leasing and Capital markets service line fee revenue. Adjusted EBITDA margin, measured against service line fee revenue, was 6.9%, compared to 7.5% in the prior year.

EMEA Results

The following table summarizes our results of operations by our EMEA operating segment for the three months ended March 31, 2020 and 2019 (in millions):

	Three Months Ended March 31,			
	2020	2019	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 84.9	\$ 69.8	22 %	25 %
Leasing	40.8	48.8	(16)%	(14)%
Capital markets	21.6	26.4	(18)%	(16)%
Valuation and other	40.2	38.8	4 %	6 %
Total service line fee revenue ⁽¹⁾	187.5	183.8	2 %	5 %
Gross contract reimbursables ⁽²⁾	22.5	18.8	20 %	23 %
Total revenue	\$ 210.0	\$ 202.6	4 %	7 %
Costs and expenses:				
EMEA Fee-based operating expenses	\$ 192.1	\$ 185.4	4 %	6 %
Cost of gross contract reimbursables	22.5	18.8	20 %	23 %
Segment operating expenses	\$ 214.6	\$ 204.2	5 %	8 %
Adjusted EBITDA	\$ (3.4)	\$ (0.2)	(1,600)%	(756)%
Adjusted EBITDA Margin ⁽³⁾	(1.8)%	(0.1)%		

⁽¹⁾ Service line fee revenue represents revenue for fees generated from each of our service lines

⁽²⁾ Gross contract reimbursables reflects revenue from clients which have substantially no margin

⁽³⁾ Adjusted EBITDA margin is measured against service line fee revenue

Three months ended March 31, 2020 compared to three months ended March 31, 2019

EMEA revenue was \$210.0 million, an increase of \$7.4 million or 4%. This increase was principally driven by acquisitions and client growth in Property, facilities and project management which was up 25% on a local currency basis. This increase was partially offset by declines in Leasing and Capital markets in March due to COVID-19. Foreign currency had a \$5.9 million or 3% unfavorable impact on Revenue.

Fee-based operating expenses were \$192.1 million, an increase of \$6.7 million or 6% on a local currency basis. The increase in Fee-based operating expenses was driven primarily by higher cost of services associated with service line fee revenue growth as well as employee investments.

Adjusted EBITDA was \$(3.4) million, a decrease of \$3.2 million driven by unfavorable revenue mix and employee investments. Adjusted EBITDA margin, measured against service line fee revenue, was 1.8%, compared to 0.1% in the prior year.

APAC Results

The following table summarizes our results of operations by our APAC operating segment for the three months ended March 31, 2020 and 2019 (in millions):

	Three Months Ended March 31,			
	2020	2019	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 145.4	\$ 174.0	(16)%	(12)%
Leasing	22.9	26.8	(15)%	(12)%
Capital markets	14.0	23.9	(41)%	(42)%
Valuation and other	25.4	26.4	(4)%	(1)%
Total service line fee revenue ⁽¹⁾	207.7	251.1	(17)%	(14)%
Gross contract reimbursables ⁽²⁾	82.9	101.7	(18)%	(13)%
Total revenue	\$ 290.6	\$ 352.8	(18)%	(13)%
Costs and expenses:				
APAC Fee-based operating expenses	\$ 200.2	\$ 232.8	(14)%	(12)%
Cost of gross contract reimbursables	82.9	101.7	(18)%	(13)%
Segment operating expenses	\$ 283.1	\$ 334.5	(15)%	(12)%
Adjusted EBITDA	\$ 9.6	\$ 18.3	(48)%	(44)%
Adjusted EBITDA Margin ⁽³⁾	4.6%	7.3%		

⁽¹⁾ Service line fee revenue represents revenue for fees generated from each of our service lines

⁽²⁾ Gross contract reimbursables reflects revenue from clients which have substantially no margin

⁽³⁾ Adjusted EBITDA margin is measured against service line fee revenue

Three months ended March 31, 2020 compared to three months ended March 31, 2019

APAC revenue was \$290.6 million, a decrease of \$62.2 million or 18%. The decline in Property, facilities and project management, of 12% on a local currency basis was primarily due to the Company's contribution of its China Property, facilities and project management business into the Cushman & Wakefield Vanke Service joint venture. Leasing and Capital markets were down principally due to the impact of COVID-19. Foreign currency had a \$15.2 million or 4% unfavorable impact on Revenue.

Fee-based operating expenses were \$200.2 million, a decrease of \$32.6 million or 12% on a local currency basis. The decreases in Fee-based operating expenses was driven primarily by lower cost of services associated with service line fee revenue stemming from the formation of the Cushman & Wakefield Vanke Service joint venture in China.

Adjusted EBITDA was \$9.6 million, a decrease of \$8.7 million or 44% on a local currency basis, driven by the decrease in service line fee revenue driven by COVID-19. Adjusted EBITDA margin, measured against service line fee revenue, was 4.6% compared to 7.3% in the prior year.

Liquidity and Capital Resources

While uncertainty exists as to the full impact of the COVID-19 pandemic on our liquidity and capital resources, we believe that we have maintained sufficient liquidity to satisfy our working capital and other funding requirements with internally generated cash flow and, as necessary, cash on hand and borrowings under our revolving credit facility. We continually evaluate opportunities to obtain, retire, or restructure credit facilities or financing arrangements for strategic reasons or obtain additional financing to fund investments, operations and obligations, as we have done in the past, to further strengthen our financial position.

As of March 31, 2020, the Company had \$1.4 billion of liquidity, consisting of cash on hand of \$379.5 million and an undrawn revolving credit facility of \$1.0 billion.

The Company's outstanding 2018 First Lien debt was \$2.7 billion as of March 31, 2020, which net of cash on hand, provided for a net debt position of approximately \$2.2 billion. The increase in net debt of approximately \$425.5 million from December 31, 2019 was in line with our internal expectations and primarily driven by normal annual bonus payments and acquisitions completed in the three months ended March 31, 2020.

Historical Cash Flows

Cash Flow Summary

	Three Months Ended March 31,	
	2020	2019
Net cash used in operating activities	\$ (249.9)	\$ (214.9)
Net cash used in investing activities	(131.4)	(275.9)
Net cash used in financing activities	(23.9)	(12.0)
Effects of exchange rate fluctuations on cash, cash equivalents and restricted cash	(16.5)	0.7
Total change in cash, cash equivalents and restricted cash	\$ (421.7)	\$ (502.1)

Operating Activities

The Company used \$249.9 million of cash for operating activities for the three months ended March 31, 2020, an increase of \$35.0 million from the prior year. The increase was principally driven by higher working capital requirements, including higher bonus and commission payments and an increased net loss.

Investing Activities

The Company used \$131.4 million of cash for investing activities for the three months ended March 31, 2020, a decrease of \$144.5 million from the prior year principally driven by lower spending on acquisitions.

Financing Activities

The Company used \$23.9 million of cash for financing activities the three months ended March 31, 2020, a change of \$11.9 million from the prior year, primarily driven by expenses associated with the January 20, 2020 refinancing of the Company's First Lien Loan offset by a reduction in repayment of borrowings.

Off-Balance Sheet Arrangements

The Company's guarantees primarily relate to requirements under certain client service contracts through the normal course of business. Our current expectation is that future payment or performance related to non-performance under these guarantees is considered remote. See Note 11: Commitments and Contingencies of the Notes to unaudited interim Condensed Consolidated Financial Statements for further information.

The Company is party to an A/R Securitization arrangement whereby it continuously sells trade receivables to an unaffiliated financial institution, which has an investment limit of \$125.0 million. Receivables are derecognized from our balance sheet upon sale, for which we receive cash payment and record a deferred purchase price receivable. As of March 31, 2020, the Company has not reached the investment limit. The A/R Securitization terminates on August 20, 2021, unless extended or an earlier termination event occurs. The termination date was further extended to August 20, 2022 in December 2019. See Note 14: Accounts Receivable Securitization of the Notes to the unaudited interim Condensed Consolidated Financial Statements for further information.

Indebtedness

We have incurred debt to finance the acquisitions of DTZ, Cassidy Turley and C&W Group, Inc. In addition, we may incur additional debt from time to time to finance strategic acquisitions, investments, joint ventures or for other purposes, subject to the restrictions contained in the documents governing our indebtedness.

2018 Credit Agreement

On August 21, 2018, we entered into a \$3.5 billion credit agreement, comprised of a \$2.7 billion term loan and an \$810.0 million revolving facility, which was expanded to \$1.0 billion in December 2019. Net proceeds from the 2018 First Lien Loan were \$2.7 billion (\$2.7 billion aggregate principal amount less \$13.5 million stated discount and \$20.6 million in debt transaction costs). With the proceeds from the 2018 First Lien Loan, we subsequently paid off all outstanding principal and accrued interest of \$2.6 billion and \$25.9 million, respectively, under the credit agreement dated as of November 4, 2014, which also resulted in the write-off of unamortized deferred financing fees of \$39.2 million.

On January 20, 2020, the Company refinanced the aggregate principal amount of its \$2.7 billion term loan, incurring an additional \$11.1 million in debt transaction costs. The term loan was refinanced under identical terms, except that the applicable margin on the LIBOR for the replacement term loan in respect of the Eurodollar Rate Loans is 2.75% as compared to 3.25%, and for the Base Rate Loans is 1.75% compared to 2.25%.

The 2018 Credit Agreement bears interest at a variable interest rate that the Company may select per the terms of the 2018 Credit Agreement. As of March 31, 2020, the rate is equal to 1-month LIBOR plus 2.75% as a result of the refinancing. The 2018 First Lien Loan matures on August 21, 2025. As of March 31, 2020, the effective interest rate of the 2018 First Lien Loan is 4.0%.

The 2018 Credit Agreement requires quarterly principal payments equal to 0.25% of the aggregate principal amount of the 2018 First Lien Loan, including incremental borrowings.

Revolver

As of March 31, 2020, we had no outstanding funds drawn under the Revolver, which matures on August 21, 2023.

Financial Covenants and Terms

The 2018 Credit Agreement has a springing financial covenant that is tested on the last day of each fiscal quarter if the outstanding loans under the Revolver exceed an applicable threshold. If the financial covenant is triggered, the First Lien Net Leverage Ratio is tested for compliance not to exceed 5.80 to 1.00. The financial covenant has not been triggered since we entered into the 2018 Credit Agreement. Similarly, the financial covenant under our original First Lien Credit Agreement was not triggered in any period since its inception in 2014.

The Company was in compliance with all of the covenants under the 2018 Credit Agreement as of March 31, 2020 and December 31, 2019.

Derivatives

We are exposed to certain risks arising from both business operations and economic conditions, including interest rate risk and foreign currency risk. We manage interest rate risk primarily by managing the amount, sources and duration of debt funding and by using derivative financial instruments. Derivative financial instruments are used to manage differences in the amount, timing and duration of known or expected cash payments principally related to borrowings under our 2018 Credit Agreement as well as certain foreign currency exposures.

See Note 7: Derivative Financial Instruments and Hedging Activities of the Notes to unaudited interim Condensed Consolidated Financial Statements as well as "Quantitative and Qualitative Disclosures About Market Risk" for additional information about risks managed through derivative activities.

Cautionary Note Regarding Forward-Looking Statements

Some of the statements under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and elsewhere in this Quarterly Report may contain forward-looking statements that reflect our current views with respect to, among other things, future events, results and financial performance, which are intended to be covered by the safe harbor provisions for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. We also discuss those risks, uncertainties and other factors in our Annual Report on Form 10-K for the year ended December 31, 2019 in Part I, Item 1A.

These statements can be identified by the fact that they do not relate strictly to historical or current facts, and you can often identify these forward-looking statements by the use of forward-looking words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “target,” “projects,” “forecasts,” “shall,” “contemplates” or the negative version of those words or other comparable words. Any forward-looking statements contained in this Quarterly Report are based upon our historical performance and on our current plans, estimates and expectations in light of information currently available to us. The inclusion of this forward-looking information should not be regarded as a representation by us, that the future plans, estimates or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business, prospects, growth strategy and liquidity. Accordingly, there are or will be important factors that could cause our actual results to differ materially from those indicated in these statements. You should not place undue reliance on any forward-looking statements and should consider the following factors, as well as the factors discussed under “Risk Factors” in this Quarterly Report and in our Annual Report on Form 10-K for the year ended December 31, 2019 in Part I, Item 1A. We believe that these factors include, but are not limited to:

- disruptions in general economic, social and business conditions, particularly in geographies or industry sectors that we or our clients serve;
- disruptions caused by the coronavirus pandemic to us or our clients due to facility closures, government restrictions or general economic deterioration as a result of measures taken to combat the pandemic;
- logistical and other challenges inherent in operating in numerous different countries;
- the operating and financial restrictions that our 2018 First Lien Credit Agreement imposes on us and the possibility that in an event of default all of our borrowings may become immediately payable;
- the substantial amount of our indebtedness, our ability and the ability of our subsidiaries to incur substantially more debt and our ability to generate cash to service our indebtedness;
- the possibility we may face financial liabilities and/or damage to our reputation as a result of litigation;
- the possibility that the rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation organized in Delaware;
- the actions and initiatives of current and potential competitors;
- the possibility that English law and provisions in our articles of association may have anti-takeover effects that could discourage an acquisition of us by others and may prevent attempts by our shareholders to replace or remove our current management;
- the possibility that provisions in the U.K. City Code on Takeovers and Mergers may have anti-takeover effects that could discourage an acquisition of us by others;
- the possibility that given our status as a public limited company incorporated in England and Wales, certain capital structure decisions will require shareholder approval, which may limit our flexibility to manage our capital structure;
- the fluctuation of the market price of our ordinary shares;
- the volatility level of real estate prices, interest rates, and currency values; and
- the possibility that securities or industry analysts may not publish research or may publish inaccurate or unfavorable research about our business.

The factors identified above should not be construed as exhaustive list of factors that could affect our future results and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report. The forward-looking statements made in this Quarterly Report are made only as of the date of this Quarterly Report. We do not undertake any obligation to publicly update or review any forward-looking statement except as required by law, whether as a result of new information, future developments or otherwise.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from what we may have expressed or implied by these forward-looking statements. You should specifically consider the factors identified in this Quarterly Report that could cause actual results to differ before making an investment decision to purchase our ordinary shares. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market and Other Risk Factors

Market Risk

The principal market risks we are exposed to are:

- i. interest rates on debt obligations; and
- ii. foreign exchange risk.

We manage these risks primarily by managing the amount, sources, and duration of our debt funding and by using various derivative financial instruments such as interest rate hedges or foreign currency contracts. We enter into derivative instruments with trusted and diverse counterparties to reduce credit risk. These derivative instruments are strictly used for risk management purposes and, accordingly, are not used for trading or speculative purposes.

Interest Rates

We are exposed to interest rate volatility with regard to our 2018 First Lien Loan and revolving credit facility. We manage this interest rate risk by entering into interest rate derivative agreements to attempt to hedge the variability of future interest payments driven by fluctuations in interest rates.

Our 2018 First Lien Loan bears interest at an annual rate of 1-month LIBOR plus 2.75%.

We continually assess interest rate sensitivity to estimate the impact of rising short-term interest rates on our variable rate debt. Our interest rate risk management strategy is focused on limiting the impact of interest rate changes on earnings and cash flows to lower our overall borrowing cost. Historically, we have maintained the majority of our overall interest rate exposure on a fixed-rate basis. In order to achieve this, we have entered into derivative financial instruments such as interest rate swap agreements when appropriate and will continue to do so as appropriate.

Foreign Exchange

Our foreign operations expose us to fluctuations in foreign exchange rates. These fluctuations may impact the value of our cash receipts and payments in terms of USD, our reporting currency. Refer to the discussion of international operations, included in "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further detail.

Our foreign exchange risk management strategy is achieved by establishing local operations in the markets that we serve, invoicing customers in the same currency that costs are incurred and the use of derivative financial instruments such as foreign currency forwards. Translating expenses incurred in foreign currencies into USD offsets the impact of translating revenue earned in foreign currencies into USD. We enter into forward foreign currency exchange contracts to manage currency risks associated with intercompany transactions and cash management.

See Note 7: Derivative Financial Instruments and Hedging Activities of the Notes to the unaudited interim Condensed Consolidated Financial Statements for additional information about interest rate risks and foreign currency risks managed through derivative activities and notional amounts of underlying hedged items.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Rule 13a-15 of the Exchange Act requires that we conduct an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report, and we have a disclosure policy in furtherance of the same. This evaluation is designed to ensure that all corporate disclosure is complete and accurate in all material respects. The evaluation is further designed to ensure that all information required to be disclosed in our SEC reports is accumulated and communicated to management to allow timely decisions regarding required disclosures and recorded, processed, summarized and reported within the time periods and in the manner specified in the SEC's rules and forms. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our Chief Executive Officer and Chief Financial Officer supervise and participate in this evaluation, and they are assisted by other members of our Disclosure Committee.

We conducted the required evaluation, and our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined by Exchange Act Rule 13a-15(e)) were effective as of March 31, 2020 to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the quarter ended March 31, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

From time to time, we are party to a number of pending or threatened lawsuits arising out of, or incident to, the ordinary course of our business. See Note 11: Commitments and Contingencies of our Notes to unaudited interim Condensed Consolidated Financial Statements included in Part I, Item 1 in this Quarterly Report for information regarding legal proceedings, which is incorporated herein by reference in response to this item.

Item 1A. Risk Factors

Our results of operations have been adversely affected and may continue to be materially adversely impacted by the coronavirus pandemic (COVID-19).

The global spread of the coronavirus pandemic (COVID-19) has created significant volatility, uncertainty and economic disruption. The extent to which the coronavirus pandemic impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the duration and scope of the pandemic; governmental, business and individuals' actions that have been and continue to be taken in response to the pandemic; the impact of the pandemic on economic activity and actions taken in response thereto; the effect on our clients and client demand for our services; our ability to provide our services, including as a result of travel restrictions and people working from home; the ability of our clients to pay for our services; and any closures of our and our clients' offices and facilities. The COVID-19 pandemic has already had several significant effects on our business, including decreased demand for our services as a result of the slowdown in the U.S. and global economies driven by the responses to the pandemic. For example, in March 2020, Leasing fee activity declined by 28% and Capital markets activity declined by 13% when compared to March 2019. Because the success of our business is significantly related to general economic conditions, the disruption caused by these factors could reduce demand across some or all of our service lines. These effects of the coronavirus pandemic could also adversely impact our ability to deliver our services. Any of these events could cause or exacerbate the risks and uncertainties described in our Annual Report on Form 10-K for the year ended December 31, 2019, and could materially adversely affect our business, financial condition, results of operations and/or stock price.

Apart from this disclosure surrounding the coronavirus pandemic (COVID-19), there have been no material changes to our risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019.

Item 5. Other Information

Disclosure Channels to Disseminate Information

Cushman & Wakefield investors and others should note that we announce material information to the public about the Company through a variety of means, including the Company's website, press releases, SEC filings, blogs and social media, in order to achieve broad, non-exclusionary distribution of information to the public. We encourage investors and others to review the information we make public, as such information could be deemed to be material information.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description of Exhibits
10.1	Transition Agreement, dated as of February 27, 2020, by and between Duncan Palmer and Cushman & Wakefield plc
31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	XBRL Cover Page Interactive Data File

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CUSHMAN & WAKEFIELD plc

Date: May 7, 2020

/s/ Duncan Palmer

Duncan Palmer

Chief Financial Officer (Principal Financial Officer)

Date: May 7, 2020

/s/ Len Texter

Len Texter

Senior Vice President and Global Controller (Principal Accounting Officer)

TRANSITION AND GENERAL RELEASE AGREEMENT

This Transition and General Release Agreement (this “Agreement”) is made as of February 27, 2020 (the “Effective Date”), by and among Cushman & Wakefield plc (together, with its subsidiaries, the “Company”) and Duncan Palmer (the “Executive” and together with the Company, the “Parties”).

WHEREAS, the Executive has been employed by the Company under terms set forth in that certain Employment Agreement, dated as of March 16, 2015, by and between the Executive and the Company (the “Employment Agreement”);

WHEREAS, the Parties have agreed mutually that Executive’s employment with the Company will terminate (the “Separation”) no later than the Separation Date (as defined below) and that the Executive will thereafter provide consulting services to the Company during the Consulting Period (as defined below) pursuant to a Consulting Services Agreement in the form attached hereto as Exhibit A;

WHEREAS, this Agreement represents the waiver and release of any claims the Executive might have against the Releasees (as such term is defined below) as of the date hereof and provides for a supplemental release as of the Separation Date; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth the definitive rights and obligations of the Parties during the Consulting Period and in connection with the Separation.

NOW, THEREFORE, in consideration of the mutual covenants, commitments and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

1. Terms of Separation; Consulting Period.

- (a) Separation Date. The Executive’s employment will terminate effective upon the later of (x) August 15, 2020, and (y) the date the Executive’s appointed successor assumes the role of Chief Financial Officer of the Company (the actual date of the Executive’s termination of employment, the “Separation Date”); provided, that the Separation Date shall be no later than December 31, 2020. Prior to the Separation Date, the Executive shall continue to be employed pursuant to the Employment Agreement, provided that if, prior to the Separation Date, the Executive resigns from employment without “Good Reason” (as defined in the Employment Agreement) or “Cause” (as defined in the Employment Agreement) occurs, then the provisions in this Agreement related to the Consulting Period and the compensation and benefits provided in Section 3 hereof shall have no effect. If, prior to August 15, 2020, the Executive is terminated by the Company without Cause or resigns for Good Reason, then the provisions in this Agreement related to the Consulting Period shall have no effect and the provisions of Section 3 in this Agreement shall apply as though the Separation Date occurred on August 15, 2020, including for purposes of prorating any payments provided in Section 3. If the Executive is terminated by the Company without Cause or resigns for Good Reason on or after August 15, 2020, then the provisions in this Agreement related to the Consulting Period shall have no effect and the provisions of Section 3 in this Agreement shall apply as though the Separation Date occurred on the actual date of the Executive’s termination of employment, including for purposes of prorating any payments provided in of Section 3. The Parties acknowledge and agree that (i) the Separation will be effective as of the Separation Date, and (ii) the Employment Agreement shall be terminated in its entirety and have no further effect as of the Separation Date, except for those provisions that expressly survive termination and as otherwise provided by this Agreement. The Parties agree that, following the Effective Date, the Executive shall not be entitled to any severance or other post-employment compensation pursuant to the Employment Agreement or otherwise in connection with the Executive’s termination of employment, except as expressly provided in this Agreement.
- (b) Resignation from Other Positions. Effective as of the Separation Date, except as otherwise provided in clause (d) below, the Executive shall voluntarily resign from any and all other offices, memberships on any board or committee, or other roles that the Executive holds at the Company or with respect to any of its employee benefit plans.
- (c) Requirement to Execute and Re-execute. The Executive understands and agrees that he will not receive the payments and benefits specified in this Agreement (other than those in Section 3(a)) unless (i) he executes this Agreement pursuant to Section 5(f) hereof, and (ii) he re-executes this Agreement and such re-execution is no longer subject to revocation in accordance with Section 5(g) hereof (such date, the “Second Release Effective Date”).

- (d) Consulting Period. For a period of twelve (12) months following the Separation Date or such lesser period of time as determined by the Company (the “Consulting Period”), (i) the Executive will continue to provide services in good faith as a consultant to the Company, as reasonably requested by the board of directors of the Company (the “Board”) or the Company’s Chief Executive Officer (the “CEO”), (ii) the Executive will continue to have access to his Company computer and the Company’s other IT resources, subject to the Company’s written policies in effect from time to time, and other resources necessary to perform the consulting services requested by the Board or the CEO, and (iii) the Executive will be reimbursed for reasonable expenses incurred in connection with the provision of his consulting services, consistent with the Company’s reimbursement policies.

2. Separation Payments; Benefits; Consulting Fees.

- (a) Final Pay. On or as soon as practicable following the Separation Date, the Executive will receive from the Company any earned but unpaid base salary through the Separation Date. No later than thirty (30) days following the Separation Date, the Executive will receive from the Company reimbursement for all expenses incurred prior to the Separation Date and not yet reimbursed by the Company, subject to the Company’s reimbursement policies.
- (b) Fiscal Year Bonus. For the fiscal year in which the Separation Date occurs, and subject to the Executive’s continued compliance with the terms of this Agreement, the Executive will remain eligible to receive an annual bonus under the Company’s Annual Incentive Plan following the Separation Date with respect to fiscal year in which the Separation Date occurs, based on the applicable performance criteria measured over the complete fiscal year and prorated for the number of calendar days during the applicable performance period occurring prior to the Separation Date. Such prorated bonus (if any) will be paid at the same time as bonuses are paid to other executives of the Company, but not later than March 15 of the year following the year in which the Separation Date occurs.
- (c) IPO 2018 Retention Bonus. With respect to the IPO retention bonus granted to the Executive in November 2018 (the “Retention Bonus”), the Executive’s continued service during the Consulting Period shall be deemed to satisfy the continuous employment requirement in the Retention Bonus. In the event the Company terminates the Consulting Period prior to November 5, 2020, or if the Executive is terminated by the Company without Cause or resigns for Good Reason prior to the Separation Date, and subject to the Executive’s continued compliance with the terms of this Agreement, the Executive shall not be required to satisfy the repayment obligations set forth in the Retention Bonus.
- (d) Equity Compensation.
- (i) Fiscal Year 2020 Awards. The Parties acknowledge and agree that the Executive will not receive any equity or equity-based award under the Company’s 2018 Omnibus Management Share and Cash Incentive Plan (the “Equity Plan”) following the Effective Date. In lieu of any such award, and subject to the Executive’s continued compliance with the terms of this Agreement, the Company will pay to the Executive no later than the later of (x) March 15, 2021 or (y) thirty (30) days after the Separation Date (or as soon as practicable thereafter), an amount in cash equal to \$2,500,000.00, with (A) 60% of the amount prorated for the number of complete months occurring between January 1, 2020 and the Separation Date, divided by 48, and (B) 40% of the amount prorated for the number of complete months occurring between January 1, 2020 and the Separation Date, divided by 36.
- (ii) Fiscal Year 2019 Performance Restricted Stock Units. Subject to the Executive’s continued compliance with the terms of this Agreement, with respect to all of the Executive’s fiscal year 2019 performance-based restricted stock unit awards (the “PRSUs”) outstanding as of the Separation Date, the Executive shall be deemed to have satisfied all continuous employment requirements through the applicable performance period, and such PRSUs shall remain eligible to vest if, and to the extent, the performance of the Company satisfies the applicable performance vesting requirements as of the end of the applicable performance period, as provided in the Equity Plan and the applicable PRSU award agreements, as in effect from time to time.
- (iii) Fiscal Year 2018 Time-Vesting RSUs. As of the Separation Date, the Executive’s restricted stock unit awards granted in 2018 that vest based solely on the Executive’s continued employment that remain outstanding and unvested as of the Separation Date, shall fully vest and be satisfied with a distribution of corresponding shares within thirty (30) days of the Separation Date.
- (iv) Fiscal Year 2019 Time-Vesting RSUs. As of the Separation Date, the Executive’s restricted stock unit awards granted in 2019 that vest based solely on the Executive’s continued employment that remain outstanding and unvested as of the Separation Date, shall be satisfied with a distribution of corresponding restricted shares within thirty (30) days of the Separation Date; provided, however, that (i) the Executive shall, within thirty

(30) days of such distribution, make an effective election to recognize income pursuant to Section 83(b) of the Code, and (ii) such shares will continue to vest on their respective vesting dates subject to the Executive's continued compliance with the terms of this Agreement and all applicable restrictive covenants.

(v) Performance-Based Stock Options. Subject to the Executive's continued compliance with the terms of this Agreement, with respect to all of the Executive's performance-based stock options granted prior to the Company's initial public offering that remain outstanding and unvested as of the Separation Date, the Executive shall be deemed to have satisfied all continuous employment requirements through the applicable performance period, and such performance-based stock options shall remain eligible to vest if, and to the extent, the performance of the Company satisfies the applicable performance vesting requirements as of the end of the applicable performance period, as provided in the applicable governing documents, as in effect from time to time.

(vi) Management Stockholders Agreement. Subject to the Executive's continued compliance with the terms of this Agreement, the Company's repurchase rights under the Company's Management Stockholders Agreement, dated as of May 8, 2015, or under any other agreement between the Executive and the Company, shall cease to apply following the Separation Date with respect to any equity interests in the Company transferred to the Executive previously or subsequently pursuant to a compensatory agreement.

(e) Nonqualified Deferred Compensation Plans. With respect to any nonqualified deferred compensation plan maintained by the Company, the Executive shall be treated as incurring a "separation from service" for purposes of Section 409A of the Code as of the Separation Date.

(f) Company Benefit Plans. As of the Separation Date, the Executive shall cease to be eligible to participate in the Company's retirement, welfare, perquisite and other benefit plans, except to the extent required by law; provided, however, that if the Executive timely elects continuation of coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), during the Consulting Period and any period thereafter, so long as the Executive has not breached any Restrictive Covenants (as defined in Section 4), the Company shall provide to the Executive continued health insurance coverage, at the same level and cost to the Executive as if the Executive were an employee of the Company; provided, further, that the Executive is eligible and remains eligible for COBRA coverage. Notwithstanding the foregoing, the Company may modify the continuation coverage contemplated by this Section 3(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable).

(g) Consulting Fees. During the Consulting Period, the Executive shall serve as an independent contractor of the Company and receive monthly consulting fees (payable in arrears) at the same monthly rate of base salary in effect for the Executive immediately prior to the Separation Date, prorated for any partial months during the Consulting Period.

(h) No Other Entitlements. The Executive acknowledges and agrees that the Executive will no longer be entitled to any other benefits, payments or contributions from the Company other than those specifically provided for in this Agreement.

(i) Withholding. Notwithstanding any other provision herein, the Company will be entitled to withhold from any amounts otherwise payable hereunder to the Executive any income and other payroll taxes required to be withheld. With respect to the consulting fees paid during the Consulting Period pursuant to Section 3(g) above, the Executive shall be responsible for all applicable taxes and shall indemnify and hold harmless the Company with respect to any failures to remit all applicable taxes on a timely basis.

3. Reaffirmation of Restrictive Covenants. The Executive hereby reaffirms the rights and obligations under the Section 4 of the Employment Agreement and other applicable covenants (collectively, the "Restrictive Covenants"); and agrees and acknowledges that the Restrictive Covenants will survive the Separation Date, apply during the Consulting Period, and remain in full force and effect in accordance with all of the terms and conditions thereof. The Parties acknowledge and agree (i) for purposes of determining the commencement of any post-termination restricted periods in connection with the Restrictive Covenants, that any such periods will commence as of the end of the Consulting Period and will apply for thirty-six (36) months following thereafter, and (ii) that the consideration provided in this Agreement is sufficient consideration for the Restrictive Covenants, as modified herein.

4. General Release and Waiver.

- (a) General Release. In exchange for the benefits and undertakings described herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Executive, for and on behalf of the Executive and each of the Executive's heirs, executors, administrators, personal representatives, successors and assigns, to the maximum extent permitted by law, hereby acknowledges full and complete satisfaction of and absolutely and irrevocably and unconditionally fully and forever releases, acquits and discharges the Company, and its members and managers; including, without limitation, each of their respective past and present direct and indirect stockholders, owners, investors, directors, members, partners, officers, employees, attorneys, agents and representatives, and their respective heirs, executors, administrators, personal representatives, successors and assigns (collectively, the "Releasees"), from any and all claims, demands, suits, causes of action, liabilities, obligations, judgments, orders, debts, liens, contracts, agreements, covenants and causes of action of every kind and nature, whether known or unknown, suspected or unsuspected, concealed or hidden, vested or contingent, in law or equity, existing by statute, common law, contract or otherwise, which have existed, may exist or do exist, through and including the execution and delivery by the Executive of this Agreement (but not including the Executive's or the Company's performance under this Agreement), including, without limitation, any of the foregoing arising out of or in any way related to or based upon:
- (i) the Executive's application for and employment with the Company, the Executive being an employee of the Company, or the Separation;
 - (ii) any and all claims in tort or contract, including any claim under the Employment Agreement, the Equity Plan, any applicable equity, equity-based, or incentive compensation arrangements, and any and all claims alleging breach of an express or implied, or oral or written, contract, policy manual or employee handbook;
 - (iii) any alleged misrepresentation, defamation, interference with contract, intentional or negligent infliction of emotional distress, sexual harassment, negligence or wrongful discharge; or
 - (iv) any federal, state or local law, statute, ordinance or regulation, including but not limited to all labor and employment discrimination laws, and including specifically the Age Discrimination in Employment Act of 1987, as amended by the Older Workers Benefit Protection Act and otherwise (the "ADEA").
- (b) Acknowledgment of Waiver; Disclaimer of Benefits. The Executive acknowledges and agrees that the Executive is waiving all rights to sue or obtain equitable, remedial or punitive relief from any or all Releasees of any kind whatsoever, including, without limitation, reinstatement, back pay, front pay, attorneys' fees and any form of injunctive relief. Notwithstanding the foregoing, the Executive further acknowledges that the Executive is not waiving and is not being required to waive any right that cannot be waived by law, including, without limitation, the right to file a charge or participate in an administrative investigation or proceeding of the Equal Employment Opportunity Commission or any other government agency prohibiting waiver of such right; provided, however, that the Executive hereby disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation, excepting only any benefit or remedy to which the Executive is or becomes entitled pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- (c) Effect of Release and Waiver. The Executive understands and intends that this Section 5 constitutes a general release of all claims except as otherwise provided in clauses (b) and (e) of this Section, and that no reference therein to a specific form of claim, statute or type of relief is intended to limit the scope of such general release and waiver.
- (d) Waiver of Unknown Claims. Each Party understands the significance of its release of unknown claims and its waiver of statutory protection against a release of unknown claims.
- (e) Limitation of Waiver. For the avoidance of doubt, notwithstanding anything to the contrary herein, nothing in this Section 5 shall release (i) the Company or the Executive of their respective obligations under this Agreement, including without limitation the Company's obligations under Section 3 hereof; (ii) claims Executive may have under ERISA with respect to vested benefits; or (iii) Executive's right to defense and indemnification, including, without limitation, pursuant to Company By-Laws, Articles of Incorporation or other corporate documents, Delaware law, and/or Company insurance policies.
- (f) Acknowledgment of Voluntary Agreement; ADEA Compliance. The Executive acknowledges that the Executive has entered into this Agreement freely and without coercion, that the Executive has been advised by the Company to consult with counsel of the Executive's choice, that the Executive has had adequate opportunity to so consult, and that the Executive has been given all time periods required by law to consider this Agreement, including but not limited to the twenty-one (21) day period required by the ADEA (the "Consideration Period"). The Executive understands that

he may execute this Agreement less than twenty-one (21) days from its receipt from the Company, but agrees that such execution will represent the Executive's knowing waiver of such Consideration Period. The Executive further acknowledges that within the seven (7) calendar day period following the Executive's execution of this Agreement (the "Revocation Period"), the Executive will have the unilateral right to revoke this Agreement. The Effective Date shall be the eighth day after Executive signs the Agreement and does not revoke. In order to be effective, notice of the Executive's revocation of this Agreement must be received by the Company in writing on or before the last day of the Revocation Period.

- (g) Re-Execution of Agreement. The Company's obligations under Section 3 of this Agreement (other than Section 3(a)) are strictly contingent upon Executive's re-execution and non-revocation of this Agreement within fifteen (15) days following the Separation Date. The date of Executive's re-execution of this Agreement is referred to herein as the "Re-Execution Date". By re-executing this Agreement, Executive advances to the Re-Execution Date his general waiver and release of all Claims (as defined below) against the Releasees and the other covenants set forth in Section 4 of this Agreement. The Executive further acknowledges that within the seven (7) calendar day period following the Executive's re-execution of this Agreement (the "Second Release Revocation Period"), the Executive will have the unilateral right to revoke this Agreement, and that the Company's obligations under Section 3 hereunder (other than Section 3(a)) will become effective only upon the expiration of the Second Release Revocation Period without the Executive's revocation hereof. The Second Release Effective Date shall be the eighth day after Executive re-executes the Agreement and does not revoke. In order to be effective, notice of the Executive's revocation of his re-execution of the Agreement must be received by the Company in writing on or before the last day of the Second Release Revocation Period. In the event of such revocation by the Executive, the date of the releases and covenants set forth in Section 5 of this Agreement shall not be advanced, but shall remain effective up to and including the Effective Date of this Agreement.

5. Representations, Warranties and Covenants.

- (a) Claims. The Executive further represents, warrants and covenants to each of the Releasees that at no time prior to or contemporaneous with the Executive's execution of this Agreement has the Executive filed or caused or knowingly permitted the filing or maintenance, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency or other tribunal, any charge, claim or action of any kind, nature and character whatsoever ("Claim"), known or unknown, suspected or unsuspected, which the Executive may now have or has ever had against the Releasees which is based in whole or in part on any matter referred to in Section 5(a) above. The Executive further covenants and agrees that the Executive will not encourage any person or entity, including but not limited to any current or former employee, officer, director or shareholder of the Company, to institute any Claim against the Releasees.
- (b) This Agreement. The Executive hereby represents and warrants to the Company that (i) this Agreement has been duly authorized, executed and delivered by the Executive and constitutes a valid and legally binding obligation of the Executive, enforceable in accordance with its terms; and (ii) the execution, delivery and performance of this Agreement by the Executive does not conflict with, violate or result in the breach of, any agreement, instrument, order, judgment, decree, law or governmental regulation to which the Executive is a party or is subject.
- (c) No Conflict of Interest. The Executive hereby covenants and agrees that the Executive will not, directly or indirectly, incur any obligation or commitment, or enter into any contract, agreement or understanding, whether express or implied, and whether written or oral, which would be in conflict with the Executive's obligations, covenants or agreements hereunder or which could cause any of the Executive's representations or warranties made herein to be untrue or inaccurate.
- (d) Company Property. The Executive represents and warrants that at the end of the Consulting Period, the Executive shall return all property of the Company within the Executive's possession, accessibility or control, including (without limitation) all keys, credit cards (without further use thereof), cell phones, computers, personal digital assistants and all other items belonging to the Company or which contain confidential information; and, in the case of documents, including (without limitation) all documents of any kind and in whatever medium evidenced, including (without limitation) all hard disk drive data, diskettes, microfiche, photographs, negatives, blueprints, printed materials, tape recordings and videotapes.

6. Complete Agreement; Inconsistencies. This Agreement and any other documents referenced herein, including, but not limited to, the Employment Agreement, the Equity Plan, and other agreements contemplated herein, constitute the complete and entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersede in their entirety any and all prior understandings, commitments, obligations and/or agreements, whether written or oral, with respect

thereto; provided, however, (i) it is understood and agreed that this Agreement and including the mutual covenants, agreements, acknowledgments and affirmations contained herein, is intended to constitute a complete settlement and resolution of all matters set forth in Section 5 hereof, and (ii) the terms of the Management Stockholders Agreement continue to apply to the Executive in all respects.

7. Section 409A. The intent of the Parties is that the payments and benefits under this Agreement be exempt from or comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from or in compliance therewith. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or damages for failing to comply with Code Section 409A. For purposes of Code Section 409A, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.
8. Notices. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, if delivered by overnight courier service, if sent by facsimile transmission or if mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses or sent via facsimile to the respective facsimile numbers, as the case may be, as set forth below, or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt; provided, however, that (i) notices sent by personal delivery or overnight courier shall be deemed given when delivered; (ii) notices sent by facsimile transmission shall be deemed given upon the sender's receipt of confirmation of complete transmission, and (iii) notices sent by United States registered mail shall be deemed given two days after the date of deposit in the United States mail.

If to the Company, to:

Cushman and Wakefield
225 West Wacker Drive, Suite 3000
Chicago, IL 60606
Attn: General Counsel

If to Executive, to the address that the Company has on file.

9. Resolution of Disputes. The Company and Executive agree that any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration administered by the American Arbitration Association in accordance with its Employment Arbitration Rules then in effect. Any award entered by the arbitrator(s) shall be final, binding and non-appealable and judgment may be entered thereon by either Party in accordance with applicable law in any court of competent jurisdiction. This arbitration provision shall be specifically enforceable. Each Party shall be responsible for its own expenses relating to the conduct of the arbitration (including reasonable attorneys' fees and expenses).
10. Governing Law. This Agreement shall be construed under and governed by the laws of the State of Delaware without regard to the application of any choice-of-law rules that would result in the application of another state's laws.
11. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will otherwise remain in full force and effect.
12. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed to be an original and all of which taken together will constitute one and the same agreement.
13. Successors and Assigns. The Parties' obligations hereunder will be binding upon their successors and assigns. The Parties' rights and the rights of the other Releasees will inure to the benefit of, and be enforceable by, any of the Parties' and Releasees' respective successors and assigns. The Company may assign all rights and obligations of this Agreement to any successor in interest to the assets of the Company. In the event that the Company is dissolved, all obligations of the Company under this Agreement will be provided for in accordance with applicable law.
14. Amendments and Waivers. Except with respect to any non-competition or similar post-employment restrictive covenants, which will be subject to modification by a court of competent jurisdiction pursuant to their express terms (as may be modified herein), no amendment to or waiver of this Agreement or any of its terms will be binding upon any Party unless

consented to in writing by such Party.

15. Headings. The headings of the Sections and subsections of this Agreement are for purposes of convenience only, and will not be deemed to amend, modify, expand, limit or in any way affect the meaning of any of the provisions hereof.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Parties have executed this Transition and Release Agreement pursuant to and effective as provided in Section 5(f) of this Agreement.

READ CAREFULLY BEFORE SIGNING

The Executive has read this Transition and Release Agreement and has had the opportunity to consult legal counsel prior to signing this Agreement. The Executive understands that by executing this Agreement, he will relinquish any right or demand he may have against the Releasees, except as otherwise set forth in this Agreement.

DATED: 2/27/20

By: /s/ Duncan Palmer
Duncan Palmer

DATED: 2/27/20

CUSHMAN AND WAKEFIELD, plc

By: /s/ Michelle Hay
Name: Michelle Hay
Title: CHRO

IN WITNESS WHEREOF, the Executive has re-executed this Transition and General Release Agreement pursuant to and effective as provided in Section 5(g) of this Agreement.

READ CAREFULLY BEFORE SIGNING

The Executive has read this Transition and General Release Agreement and has had the opportunity to consult legal counsel prior to re-executing this Agreement. He understands that by re-executing this Agreement, he will relinquish any right or demand he may have against the Releasees, except as otherwise set forth in this Agreement.

DATED: _____

By: _____
Duncan Palmer

[Not to be executed prior to the last day of employment]

EXHIBIT A

CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (this “Agreement”), dated [MONTH] [DAY], 2020 (the “Effective Date”), is by and between Cushman & Wakefield plc (together, with its subsidiaries, the “Company”) and Duncan Palmer (the “Consultant” and together with the Company, the “Parties”).

WHEREAS, the Parties have entered into that certain Transition and General Release Agreement, dated as of February 27, 2020 (the “Transition Agreement”), whereby the Parties have agreed mutually that the Consultant’s employment with the Company will terminate no later than the Separation Date (as defined in the Transition Agreement) and that the Consultant will thereafter provide consulting services to the Company during the Consulting Period (as defined below); and

WHEREAS, in light of the Consultant’s experience and knowledge regarding the Company and industry-related matters, the Company wishes to retain the services of the Consultant on the terms and conditions set forth herein, and the Consultant wishes to provide such services.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

16. Consulting Period. The Company will retain the Consultant pursuant to the terms of this Agreement, and the Consultant will provide the Services (as defined in Section 19), for a term of twelve (12) months following the Separation Date, unless earlier terminated as provided herein. The period of time between the Separation Date and the termination of the Consultant’s service relationship with the Company is referred to herein as the “Consulting Period.”
17. Termination. This Agreement may be terminated immediately upon the Company’s written notice to the Consultant at any time in the Company’s sole discretion.
18. Services. During the Consulting Period, the Consultant will continue to provide services in good faith as a consultant to the Company, as reasonably requested by the board of directors of the Company (the “Board”) or the Company’s Chief Executive Officer (the “CEO”) (the “Services”). The Consultant agrees to make himself available to perform the Services reasonably requested by the Board or the CEO, and the Consultant will continue to have access to his Company computer and the Company’s other IT resources, subject to the Company’s written policies in effect from time to time, and other resources necessary to perform the Services reasonably requested by the Board or the CEO.
19. Compensation.
 - (a) Monthly Fee. During the Consulting Period, the Consultant shall serve as an independent contractor of the Company, and the Company will pay the Consultant, for the Services rendered hereunder, a monthly consulting fee, payable in arrears, at the same monthly rate as would be payable to Consultant with a base salary of \$600,000, prorated for any partial months during the Consulting Period (the “Monthly Fee”). Any portion of the Monthly Fee earned but not paid at the time of termination of this Agreement will be paid within 15 days thereafter.
 - (b) Reimbursement for Business Expenses. Upon presentation of appropriate documentation by the Consultant, the Company shall reimburse the Consultant, in accordance with the Company’s reimbursement policies as in effect from time to time, for all reasonable business expenses incurred by the Consultant in connection with the Consultant’s performance of the Services generally consistent with the treatment accorded to and the policies applicable to senior executives of the Company from time to time.
 - (c) Transition Agreement. The Parties recognize that certain compensation and benefits are provided and set forth in the Transition Agreement, subject to its terms, which are not modified or governed by the terms of this Agreement.
20. Independent Contractor Status. The Consultant acknowledges and agrees that the Consultant’s status at all times will be that of an independent contractor, and the Consultant may not bind or otherwise obligate the Company, unless with the express consent of the CEO or the Board. The parties acknowledge and agree that all compensation paid pursuant to Section 20 represents compensation for the Consultant’s services as an independent contractor and will therefore be paid without any deductions or withholdings taken therefrom for taxes or any other purpose, except as otherwise required by applicable law. The Consultant further acknowledges that the Company makes no warranties as to any tax consequences regarding payment of such compensation, and specifically agrees that the determination of any tax liability or other consequences of any payment made hereunder is the Consultant’s sole and complete responsibility, and that the Consultant will pay all taxes, if any, assessed on the Consultant with respect to payments under the applicable laws of any Federal, state, local or other jurisdiction and, to the extent not so paid, will indemnify the Company for any taxes so assessed against the Company. The Consultant also agrees that, during the Consulting Period, the Consultant will not be eligible to participate in any of the

employee benefit plans or arrangements of the Company, except as required by law or pursuant to the terms of the Transition Agreement.

21. Reaffirmation of Restrictive Covenants. The Consultant hereby reaffirms the rights and obligations under Section 4 of that certain Employment Agreement, dated as of March 16, 2015, by and between the Consultant and the Company (the “Employment Agreement”) and other applicable covenants (collectively, the “Restrictive Covenants”); and agrees and acknowledges that the Restrictive Covenants will survive the Separation Date, apply during the Consulting Period, and remain in full force and effect in accordance with all of the terms and conditions thereof. The Parties acknowledge and agree that, pursuant to good and valuable consideration provided in this Agreement and the Transition Agreement, (i) for purposes of determining the commencement of any post-termination restricted periods in connection with the Restrictive Covenants, that any such periods will commence as of the end of the Consulting Period and will apply for thirty-six (36) months following thereafter and (ii) that the consideration provided in this Agreement is sufficient consideration for the Restrictive Covenants, as modified herein.
22. Governing Law. This Agreement and any controversy related to or arising, directly or indirectly, out of, caused by or resulting from this Agreement will be governed by and construed in accordance with the domestic laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.
23. Resolution of Disputes. The Company and the Consultant agree that any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration administered by the American Arbitration Association in accordance with its Employment Arbitration Rules then in effect. Any award entered by the arbitrator(s) shall be final, binding and non-appealable and judgment may be entered thereon by either Party in accordance with applicable law in any court of competent jurisdiction. This arbitration provision shall be specifically enforceable. Each Party shall be responsible for its own expenses relating to the conduct of the arbitration (including reasonable attorneys’ fees and expenses).
24. Assignment. This Agreement will not be assigned by the Consultant without the prior written consent of the Company. This Agreement will not be assigned by the Company without the prior written consent of the Consultant; provided, however, the Company may assign this Agreement or any or all of its rights hereunder to any of its subsidiaries or affiliates or any of their respective successors in interest.
25. Notices. For purposes of this Agreement, notices and all other communications provided for in this Agreement will be in writing and be deemed to have been duly given (a) on the date of delivery, if delivered by hand, (b) on the date of transmission, if delivered by confirmed facsimile or electronic mail, (c) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service, or (d) on the fourth business day following the date delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Consultant:

To the address on file in the Company’s records.

If to the Company:

Cushman and Wakefield
225 West Wacker Drive, Suite 3000
Chicago, IL 60606
Attention: General Counsel

or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notices of change of address will only be effective upon receipt.

26. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, and, for purposes of such jurisdiction, such provision or portion thereof will be struck from the remainder of this Agreement, which will remain in full force and effect. This Agreement will be reformed, construed and enforced in such jurisdiction so as to best give effect to the intent of the parties under this Agreement.
27. Survival. Sections 20 (solely as to earned but unpaid fees) through 28, and **Error! Reference source not found.** through 32 will survive termination of this Agreement.

28. Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together constitute one and the same instrument.
29. Amendments and Waivers. Except with respect to any non-competition or similar post-employment restrictive covenants, which will be subject to modification by a court of competent jurisdiction pursuant to their express terms (as may be modified herein), this Agreement may not be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Consultant and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.
30. Complete Agreement; Inconsistencies. This Agreement and any other documents referenced herein, including, but not limited to, the Employment Agreement, the Transition Agreement, and other agreements contemplated herein, constitute the complete and entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersede in their entirety any and all prior understandings, commitments, obligations and/or agreements, whether written or oral, with respect thereto; provided, however, that the terms of the Management Stockholders Agreement continue to apply to the Consultant in all respects.
31. Headings. The headings of the Sections and subsections of this Agreement are for purposes of convenience only and will not be deemed to amend, modify, expand, limit or in any way affect the meaning of any of the provisions hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CUSHMAN AND WAKEFIELD, plc.

By:

Name:

Title:

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CONSULTANT

Duncan Palmer

**CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brett White, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cushman & Wakefield plc for the quarter ended March 31, 2020;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Brett White

Brett White

Chairman and Chief Executive Officer

**CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Duncan Palmer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cushman & Wakefield plc for the quarter ended March 31, 2020;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Duncan Palmer

Duncan Palmer

Chief Financial Officer

**Certification of Chief Executive Officer Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Cushman & Wakefield plc (the "Company") on Form 10-Q for the quarter ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brett White, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2020

/s/ Brett White

Brett White

Chairman and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U S C §1350 and is not being filed as part of the Report or as a separate disclosure document.

**Certification of Chief Financial Officer Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Cushman & Wakefield plc (the "Company") on Form 10-Q for the quarter ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Duncan Palmer, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2020

/s/ Duncan Palmer

Duncan Palmer

Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U S C §1350 and is not being filed as part of the Report or as a separate disclosure document.