

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, 2021
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, United Kingdom

(Address of principal executive offices)

44 20 3296 3000

(Registrant's telephone number, including area code)

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

EC2N 1AR

(Zip 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, 2021, 222,909,932 of the Registrant's ordinary shares, \$0.10 nominal value per share, were outstanding.

FORM 10-Q

March 31, 2021

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Page

Item 1.	Financial Statements	
	Condensed Consolidated Balance Sheets as of March 31, 2021 and December 31, 2020 (Unaudited)	<u>2</u>
	Condensed Consolidated Statements of Operations for the three months ended March 31, 2021 and 2020 (Unaudited)	<u>3</u>
	Condensed Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2021 and 2020 (Unaudited)	<u>4</u>
	Condensed Consolidated Statements of Equity for the three months ended March 31, 2021 and 2020 (Unaudited)	<u>5</u>
	Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2021 and 2020 (Unaudited)	<u>6</u>
	Notes to the Condensed Consolidated Financial Statements (Unaudited)	<u>7</u>
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	<u>21</u>
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	<u>34</u>
Item 4.	Controls and Procedures	<u>35</u>

PART II - OTHER INFORMATION

Item 1.	Legal Proceedings	<u>35</u>
Item 1A.	Risk Factors	<u>36</u>
Item 5.	Other Information	<u>36</u>
Item 6.	Exhibits	<u>37</u>
Signatures		<u>38</u>

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, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,015.6	\$ 1,074.8
Trade and other receivables, net of allowance of \$77.6 million and \$70.9 million, as of March 31, 2021 and December 31, 2020, respectively	1,161.2	1,301.6
Income tax receivable	40.9	43.5
Short-term contract assets	250.4	247.6
Prepaid expenses and other current assets	250.2	223.2
Total current assets	2,718.3	2,890.7
Property and equipment, net	224.1	235.9
Goodwill	2,091.7	2,098.0
Intangible assets, net	972.7	991.2
Equity method investments	115.8	114.9
Deferred tax assets	60.6	61.4
Non-current operating lease assets	405.7	438.2
Other non-current assets	541.9	507.6
Total assets	\$ 7,130.8	\$ 7,337.9
Liabilities and Shareholders' Equity		
Current liabilities:		
Short-term borrowings and current portion of long-term debt	\$ 40.0	\$ 39.7
Accounts payable and accrued expenses	1,038.0	1,054.4
Accrued compensation	661.7	720.5
Income tax payable	35.3	45.1
Other current liabilities	203.4	205.8
Total current liabilities	1,978.4	2,065.5
Long-term debt	3,230.5	3,235.7
Deferred tax liabilities	76.1	102.2
Non-current operating lease liabilities	378.9	405.6
Other non-current liabilities	360.1	433.3
Total liabilities	6,024.0	6,242.3
Commitments and contingencies (See Note 11 to financial statements)		
Shareholders' Equity:		
Ordinary shares, nominal value \$0.10 per share, 222.9 and 222.0 shares issued and outstanding at March 31, 2021 and at December 31, 2020, respectively	22.3	22.2
Additional paid-in capital	2,846.5	2,843.4
Accumulated deficit	(1,545.4)	(1,528.2)
Accumulated other comprehensive loss	(217.5)	(242.7)
Total equity attributable to the Company	1,105.9	1,094.7
Non-controlling interests	0.9	0.9
Total equity	1,106.8	1,095.6
Total liabilities and shareholders' equity	\$ 7,130.8	\$ 7,337.9

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,	
	2021	2020
Revenue	\$ 1,923.8	\$ 1,895.4
Costs and expenses:		
Cost of services (exclusive of depreciation and amortization)	1,589.5	1,598.8
Operating, administrative and other	280.8	284.0
Depreciation and amortization	43.1	72.0
Restructuring, impairment and related charges	17.6	26.1
Total costs and expenses	1,931.0	1,980.9
Operating loss	(7.2)	(85.5)
Interest expense, net of interest income	(42.4)	(36.5)
Earnings from equity method investments	2.4	1.3
Other income, net	2.0	39.1
Loss before income taxes	(45.2)	(81.6)
Benefit from income taxes	(28.0)	(26.5)
Net loss	\$ (17.2)	\$ (55.1)
Basic and diluted loss per share:		
Loss per share attributable to common shareholders	\$ (0.08)	\$ (0.25)
Weighted average shares outstanding for basic and diluted loss per share	222.3	219.9

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

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

(in millions)	Three Months Ended March 31,	
	2021	2020
Net loss	\$ (17.2)	\$ (55.1)
Other comprehensive income (loss), net of tax:		
Designated hedge gains (losses)	36.9	(89.3)
Defined benefit plan actuarial gain	—	2.0
Foreign currency translation	(11.7)	(66.7)
Total other comprehensive income (loss)	25.2	(154.0)
Total comprehensive income (loss)	\$ 8.0	\$ (209.1)

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, 2021 and 2020
(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 Attributable to the Company	Non-Controlling Interests	Total Equity
Balance as of December 31, 2019	219.5	\$ 22.0	\$ 2,819.1	\$ (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
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	\$ 2,821.7	\$ (1,362.8)	\$ (167.7)	\$ (225.1)	\$ (4.0)	\$ (396.8)	\$ 1,084.2	\$ 0.2	\$ 1,084.4

	Accumulated Other Comprehensive Income (Loss)											
(in millions)	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 Attributable to the Company	Non-Controlling Interests	Total Equity	
Balance as of December 31, 2020	222.0	\$ 22.2	\$ 2,843.4	\$ (1,528.2)	\$ (158.3)	\$ (69.4)	\$ (15.0)	\$ (242.7)	\$ 1,094.7	\$ 0.9	\$ 1,095.6	
Net loss	—	—	—	(17.2)	—	—	—	—	(17.2)	—	(17.2)	
Acquisition of non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	
Stock-based compensation	—	—	7.2	—	—	—	—	—	7.2	—	7.2	
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	0.9	0.1	(4.1)	—	—	—	—	—	(4.0)	—	(4.0)	
Foreign currency translation	—	—	—	—	—	(11.7)	—	(11.7)	(11.7)	—	(11.7)	
Defined benefit plans actuarial gain	—	—	—	—	—	—	—	—	—	—	—	
Unrealized gain on hedging instruments	—	—	—	—	28.5	—	—	28.5	28.5	—	28.5	
Amounts reclassified from AOCI to the statement of operations	—	—	—	—	8.4	—	—	8.4	8.4	—	8.4	
Balance as of March 31, 2021	222.9	22.3	2,846.5	(1,545.4)	(121.4)	(81.1)	(15.0)	(217.5)	1,105.9	0.9	1,106.8	

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,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (17.2)	\$ (55.1)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization	43.1	72.0
Impairment charges	7.1	2.8
Unrealized foreign exchange loss	1.5	5.8
Stock-based compensation	7.2	11.9
Lease amortization	27.0	27.8
Amortization of debt issuance costs	2.3	3.2
Change in deferred taxes	(25.4)	(34.0)
Provision for loss on receivables and other assets	12.5	4.3
Other non-cash operating activities	(6.1)	(36.9)
Changes in assets and liabilities:		
Trade and other receivables	114.2	227.6
Income taxes payable	(14.4)	(14.9)
Short-term contract assets and Prepaid expenses and other current assets	(39.7)	(56.0)
Other non-current assets	(14.8)	4.3
Accounts payable and accrued expenses	(12.6)	(109.4)
Accrued compensation	(64.5)	(280.8)
Other current and non-current liabilities	(36.6)	(22.5)
Net cash used in operating activities	(16.4)	(249.9)
Cash flows from investing activities		
Payment for property and equipment	(12.9)	(9.8)
Acquisitions of businesses, net of cash acquired	—	(102.5)
Investments in equity securities	(15.9)	(11.3)
Other investing activities, net	—	(7.8)
Net cash used in investing activities	(28.8)	(131.4)
Cash flows from financing activities		
Shares repurchased for payment of employee taxes on stock awards	(4.8)	(8.9)
Repayment of borrowings	(6.7)	—
Debt issuance costs	—	(11.1)
Payment of finance lease liabilities	(3.3)	(3.6)
Other financing activities, net	1.2	(0.3)
Net cash used in financing activities	(13.6)	(23.9)
Change in cash, cash equivalents and restricted cash	(58.8)	(405.2)
Cash, cash equivalents and restricted cash, beginning of the period	1,164.1	872.3
Effects of exchange rate fluctuations on cash, cash equivalents and restricted cash	(3.5)	(16.5)
Cash, cash equivalents and restricted cash, end of the period	<u>\$ 1,101.8</u>	<u>\$ 450.6</u>

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, 2021 and for the three months ended March 31, 2021 and 2020 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, 2020 included in our 2020 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 the Consolidated Financial Statements in the Company's 2020 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, 2021 are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2021.

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 replaced the previous U.S. GAAP that required an incurred loss methodology for recognizing credit losses and delayed recognition until it was probable a loss had been incurred. Topic 326 replaced 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 and contract assets are presented on the Consolidated Balance Sheets net of estimated expected credit losses.

Upon initial recognition of a receivable or a contract asset, the Company estimates credit losses over the contractual term of the asset 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.

Derivatives and Hedging

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides temporary optional practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts and is effective through December 31, 2022. In the second quarter of 2020, the Company elected to apply the hedge accounting expedients related to probability of forecasted transactions and the assessments of effectiveness for future LIBOR indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. The application of these expedients preserves the presentation of the derivatives with no impact to the financial statements and related disclosures.

In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848)*, which, among other changes, amends the scope of the recent reference rate reform guidance (ASC 848). New optional expedients allow derivative instruments impacted by changes in the interest rate used for margining, discounting, or contract price alignment (i.e., discount transition) to qualify for certain optional relief. The guidance was effective immediately and the Company applied it retrospectively to January 1, 2020 with no impact to the financial statements and related disclosures.

Income 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, with early adoption permitted. The Company adopted the new guidance effective July 1, 2020, with an immaterial impact to 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.

(in millions)	Three Months Ended March 31,		
	2021	2020	% Change
Total revenue			
Americas	\$ 1,424.9	\$ 1,394.8	2 %
EMEA	223.9	210.0	7 %
APAC	275.0	290.6	(5) %
Total revenue	\$ 1,923.8	\$ 1,895.4	1 %
Adjusted EBITDA			
Americas	\$ 77.8	\$ 64.1	21 %
EMEA	2.4	(3.4)	171 %
APAC	19.5	9.6	103 %

Adjusted EBITDA is calculated as follows (in millions):

	Three Months Ended March 31,	
	2021	2020
Adjusted EBITDA - Americas	\$ 77.8	\$ 64.1
Adjusted EBITDA - EMEA	2.4	(3.4)
Adjusted EBITDA - APAC	19.5	9.6
Add/(less):		
Depreciation and amortization	(43.1)	(72.0)
Interest expense, net of interest income	(42.4)	(36.5)
Benefit from income taxes	28.0	26.5
Integration and other costs related to merger	(16.2)	(17.3)
Pre-IPO stock-based compensation	(1.6)	(6.3)
Acquisition related costs and efficiency initiatives	(40.2)	(15.9)
Other	(1.4)	(3.9)
Net loss	\$ (17.2)	\$ (55.1)

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, 2021 and 2020, 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 for these periods.

Potentially dilutive securities of approximately 1.6 million and 3.9 million for the three months ended March 31, 2021 and 2020, 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,	
	2021	2020
Basic and Diluted EPS		
Net loss attributable to shareholders	\$ (17.2)	\$ (55.1)
Weighted average shares outstanding for basic and diluted loss per share	222.3	219.9
Basic and diluted loss per share attributable to common shareholders	\$ (0.08)	\$ (0.25)

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 replaced 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, 2021 and December 31, 2020, the Company had contract assets of \$250.4 million and \$247.6 million and \$43.1 million and \$38.2 million, which were recorded in Short-term contract assets and Other non-current assets, respectively, in the unaudited Condensed Consolidated Balance Sheets.

As of March 31, 2021 and December 31, 2020, the Company had contract liabilities of \$40.9 million and \$42.8 million which were recorded in Accounts payable and accrued expenses in the unaudited Condensed Consolidated Balance Sheets, respectively.

Disaggregation of Revenue

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

Three Months Ended March 31, 2021					
	Revenue recognition timing	Americas	EMEA	APAC	Total
Property, facilities and project management	Over time	\$ 1,030.9	\$ 114.0	\$ 205.3	\$ 1,350.2
Leasing	At a point in time	222.8	42.6	29.4	294.8
Capital markets	At a point in time	133.8	22.3	10.7	166.8
Valuation and other	At a point in time or over time	37.4	45.0	29.6	112.0
Total revenue		\$ 1,424.9	\$ 223.9	\$ 275.0	\$ 1,923.8

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

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, 2021 (in millions):

	Americas	EMEA	APAC	Total
Balance as of December 31, 2020	\$ 1,502.2	\$ 327.3	\$ 268.5	\$ 2,098.0
Measurement period adjustments	0.3	0.2	—	0.5
Effect of movements in exchange rates and other	0.8	(3.9)	(3.7)	(6.8)
Balance as of March 31, 2021	\$ 1,503.3	\$ 323.6	\$ 264.8	\$ 2,091.7

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, 2021 and 2020.

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

As of March 31, 2021				
	Useful Life (in years)	Gross Value	Accumulated Amortization	Net Value
C&W trade name	Indefinite	\$ 546.0	\$ —	\$ 546.0
Customer relationships	1 - 15	1,387.8	(968.3)	419.5
Other intangible assets	2 - 13	17.4	(10.2)	7.2
Total intangible assets		\$ 1,951.2	\$ (978.5)	\$ 972.7

As of December 31, 2020				
	Useful Life (in years)	Gross Value	Accumulated Amortization	Net Value
C&W trade name	Indefinite	\$ 546.0	\$ —	\$ 546.0
Customer relationships	1 - 15	1,390.1	(952.9)	437.2
Other intangible assets	2 - 13	17.4	(9.4)	8.0
Total intangible assets		\$ 1,953.5	\$ (962.3)	\$ 991.2

Amortization expense was \$16.5 million and \$42.5 million for the three months ended March 31, 2021 and 2020, 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, 2020.

Interest Rate Derivative Instruments

As of March 31, 2021, 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, 2021 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 the Statements of Comprehensive Income (Loss) and subsequently reclassifies the change into earnings in the period that the hedged forecasted transaction affects earnings. As of March 31, 2021 and December 31, 2020, there is \$120.6 million and \$157.0 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 \$40.4 million will be reclassified to Interest expense in the unaudited Condensed Consolidated Statements of Operations.

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 value of these contracts are recorded directly in earnings. There are losses of \$0.2 million and \$0.4 million for the three months ended March 31, 2021 and 2020, respectively. This activity was included in Other income, net, in the unaudited Condensed Consolidated Statements of Operations.

As of March 31, 2021 and December 31, 2020, the Company had 19 and 17 foreign currency exchange forward contracts outstanding, respectively, covering a notional amount of \$617.3 million and \$611.7 million, respectively. The fair value of forward contracts disclosed above are included in Other current assets and Other current liabilities in the unaudited Condensed Consolidated Balance Sheets as of March 31, 2021 and December 31, 2020. As of March 31, 2021 and December 31, 2020, 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, 2021 and December 31, 2020 (in millions):

Derivative Instrument	March 31, 2021 Notional	March 31, 2021		December 31, 2020	
		Assets	Liabilities	Assets	Liabilities
		Fair Value	Fair Value	Fair Value	Fair Value
Designated:					
Cash flow hedges:					
Interest rate swaps	\$ 1,708.3	\$ —	\$ 123.9	\$ —	\$ 163.9
Non-designated:					
Foreign currency forward contracts	617.3	1.5	0.3	2.5	1.1

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, 2021 and 2020 (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, 2021				
Interest rate cash flow hedges	\$ 158.9	\$ (28.5)	\$ (9.0)	\$ 121.4
	\$ 158.9	\$ (28.5)	\$ (9.0)	\$ 121.4
Three Months Ended March 31, 2020				
Interest rate cash flow hedges	\$ 79.0	\$ 85.3	\$ 4.0	\$ 168.3
	\$ 79.0	\$ 85.3	\$ 4.0	\$ 168.3

⁽¹⁾ Amount is net of related income tax (benefit) expense of \$0.0 million for the three months ended March 31, 2021 and 2020.

⁽²⁾ Amount is net of related income tax expense of \$1.1 million and \$0.7 million for the three months ended March 31, 2021 and 2020, respectively.

Losses of \$7.9 million and gains of \$4.7 million were reclassified into earnings during the three months ended March 31, 2021 and 2020, 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, 2021	December 31, 2020
Collateralized:		
2018 First Lien Loan, net of unamortized discount and issuance costs of \$30.9 million and \$32.5 million, respectively	\$ 2,608.7	\$ 2,613.7
2020 Senior Secured Notes, net of unamortized issuance costs of \$10.3 million and \$10.6 million, respectively, due 2028	639.7	639.4
Finance lease liability	18.6	19.0
Notes payable to former stockholders	0.3	0.3
Total long-term debt	3,267.3	3,272.4
Less: current portion	(36.8)	(36.7)
Total non-current long-term debt	\$ 3,230.5	\$ 3,235.7

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).

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, 2021, 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, 2021, the effective interest rate of the 2018 First Lien Loan is 3.2%.

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

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, 2021, the Company had a total \$3.7 billion credit agreement including a \$1.0 billion Revolver. The Company's \$1.0 billion Revolver, which matures on August 21, 2023, was undrawn as of March 31, 2021 and December 31, 2020.

Debt Refinancing

On January 20, 2020, the Company refinanced the aggregate principal amount of its 2018 First Lien Loan, incurring an additional \$11.1 million in debt transaction costs. The 2018 First Lien 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%.

Financial Covenant 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, 2021 and December 31, 2020.

2020 Senior Secured Notes

On May 22, 2020, the Company issued \$650.0 million of 6.75% senior secured notes due May 15, 2028 (the "2020 Notes"). Net proceeds from the 2020 Notes were \$638.5 million, consisting of a \$650.0 million aggregate principal amount less \$11.5 million from issuance costs. The 2020 Notes were offered in a private placement exempt from registration under the Securities Act of 1933, as amended. The 2020 Notes bear interest at a fixed rate of 6.75% and yielded an effective interest rate of 6.8% as of March 31, 2021.

Note 9: Stock-based Payments

Restricted Stock Units

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

	Time-Based RSUs		Performance-Based RSUs	
	Number of RSUs	Weighted Average Fair Value Per Share	Number of RSUs	Weighted Average Fair Value Per Share
Unvested as of December 31, 2020	4.1	\$ 15.73	1.5	\$ 17.04
Granted	2.7	16.28	1.0	16.28
Vested	(1.2)	15.65	—	—
Forfeited	(0.1)	17.07	(0.0)	18.78
Unvested as of March 31, 2021	5.5	\$ 16.12	2.5	\$ 16.72

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

	Three Months Ended March 31,		Unrecognized at March 31, 2021
	2021	2020	
Time-Based RSUs	\$ 6.0	\$ 10.8	\$ 44.8
Performance-Based RSUs	1.2	0.8	22.1
Co-Investment RSUs	—	0.1	—
Total RSU stock-based compensation cost	\$ 7.2	\$ 11.7	\$ 66.9

Note 10: Restructuring

In February 2020, the Company announced operating efficiency initiatives primarily consisting of severance and employment-related costs due to reductions in headcount, which were completed in 2020. The Company expects to incur \$25.0 million to \$35.0 million of incremental charges in 2021 related to expanding these operating efficiency initiatives. The Company recognized restructuring charges of \$8.5 million and \$23.3 million during the three months ended March 31, 2021 and 2020, respectively, for these operating efficiency initiatives.

All charges were classified as Restructuring, impairment and related charges in the unaudited Condensed Consolidated Statements of Operations.

The following tables detail the Company's severance and employment-related restructuring activity (in millions):

	Severance Pay and Benefits	Contract Terminations and Other Costs	Total
Balance as of December 31, 2020	\$ 10.0	\$ 0.8	\$ 10.8
Restructuring Charges:			
Americas	2.6	2.7	5.3
EMEA	2.7	—	2.7
APAC	0.5	—	0.5
Total Restructuring Charges	5.8	2.7	8.5
Payments and Other:			
Americas	(2.7)	(3.5)	(6.2)
EMEA	(3.4)	—	(3.4)
APAC	(0.5)	—	(0.5)
Total Payments and Other	(6.6)	(3.5)	(10.1)
Balance as of March 31, 2021	\$ 9.2	\$ —	\$ 9.2

	Severance Pay and Benefits	Contract Terminations and Other Costs	Total
Balance as of December 31, 2019	\$ 1.2	\$ —	\$ 1.2
Restructuring Charges:			
Americas	12.6	3.4	16.0
EMEA	7.2	—	7.2
APAC	0.1	—	0.1
Total Restructuring 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, 2021 and December 31, 2020, \$8.0 million and \$8.3 million were recorded as Other current liabilities and \$1.2 million and \$2.5 million were recorded as Other non-current liabilities, respectively, within the unaudited Condensed Consolidated Balance Sheet.

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 7.1 years and maximum potential future payments of \$51.6 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, 2021 and December 31, 2020, contingent liabilities recorded within Other current liabilities were \$101.7 million and \$91.7 million, respectively, and contingent liabilities recorded within Other non-current liabilities were \$22.3 million and \$21.0 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, 2021 and December 31, 2020, E&O and other claims were \$42.7 million and \$39.5 million, respectively, and workers' compensation liabilities were \$81.3 million and \$73.2 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 for E&O claims as of March 31, 2021 and December 31, 2020 totaling \$6.3 million and \$4.6 million, respectively.

Note 12: Related Party Transactions

As of March 31, 2021 and December 31, 2020, the Company had receivables from affiliates of \$40.9 million and \$34.4 million and \$196.6 million and \$187.8 million that are included in 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 transfers in or out of Level 1 or Level 2 assets or liabilities for the three months ended March 31, 2021 and 2020. 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, 2020.

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 \$3.3 billion and \$3.3 billion as of March 31, 2021 and December 31, 2020, 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 \$3.3 billion and \$3.3 billion as of March 31, 2021 and December 31, 2020, 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, 2021 and December 31, 2020 (in millions):

	As of March 31, 2021			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	\$ 448.4	\$ 448.4	\$ —	\$ —
Deferred compensation plan assets	49.4	49.4	—	—
Foreign currency forward contracts	1.5	—	1.5	—
Deferred purchase price receivable	171.9	—	—	171.9
Total	\$ 671.2	\$ 497.8	\$ 1.5	\$ 171.9
Liabilities				
Deferred compensation plan liabilities	\$ 44.2	\$ 44.2	\$ —	\$ —
Foreign currency forward contracts	0.3	—	0.3	—
Interest rate swap agreements	123.9	—	123.9	—
Earn-out liabilities	20.3	—	—	20.3
Total	\$ 188.7	\$ 44.2	\$ 124.2	\$ 20.3

	As of December 31, 2020			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	\$ 483.2	\$ 483.2	\$ —	\$ —
Deferred compensation plan assets	49.5	49.5	—	—
Foreign currency forward contracts	2.5	—	2.5	—
Deferred purchase price receivable	166.3	—	—	166.3
Total	\$ 701.5	\$ 532.7	\$ 2.5	\$ 166.3
Liabilities				
Deferred compensation plan liabilities	\$ 48.5	\$ 48.5	\$ —	\$ —
Foreign currency forward contracts	1.1	—	1.1	—
Interest rate swap agreements	163.9	—	163.9	—
Earn-out liabilities	21.0	—	—	21.0
Total	\$ 234.5	\$ 48.5	\$ 165.0	\$ 21.0

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. In the event of insolvency of the Company, the deferred compensation is available to general creditors of the Company.

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 Interest Rate Swap 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	
	2021	2020
Balance as of January 1,	\$ 21.0	\$ 24.6
Purchases/additions	—	12.7
Net change in fair value and other adjustments	(0.7)	(0.6)
Payments	—	(0.1)
Balance as of March 31,	\$ 20.3	\$ 36.6

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. The termination date was 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, 2021 and December 31, 2020 the Company had no outstanding 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 with 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, 2021 and 2020, receivables sold under the A/R securitization were \$320.2 million and \$299.8 million, respectively, and cash collections from customers on receivables sold were \$315.0 million and \$307.3 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, 2021 and December 31, 2020, the outstanding principal on receivables sold under the A/R Securitization were \$184.6 million and \$179.4 million, respectively. Refer to Note 13: Fair Value Measurements for additional discussion on the fair value of the DPP as of March 31, 2021 and December 31, 2020.

The Company did not recognize any material income or loss related to receivables sold for the three months ended March 31, 2021 and 2020. 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 \$0.2 million and \$0.6 million for the three months ended March 31, 2021 and 2020, 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,	
	2021	2020
Cash and cash equivalents, beginning of period	\$ 1,074.8	\$ 813.2
Restricted cash recorded in Other current assets, beginning of period	89.3	59.1
Total cash, cash equivalents and restricted cash shown in the statements of cash flows, beginning of period	\$ 1,164.1	\$ 872.3
Cash and cash equivalents, end of period	\$ 1,015.6	\$ 379.5
Restricted cash recorded in Other current assets, end of period	86.2	71.1
Total cash, cash equivalents and restricted cash shown in the statements of cash flows, end of period	\$ 1,101.8	\$ 450.6

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

	Three Months Ended March 31,	
	2021	2020
Cash paid for:		
Interest	\$ 30.5	\$ 31.0
Income taxes	11.3	20.0
Operating leases	35.9	37.5
Non-cash investing/financing activities:		
Property and equipment acquired through capital leases	2.8	2.2
Deferred and contingent acquisition payment obligations	—	32.3
Increase (decrease) in beneficial interest in a securitization	5.6	(7.9)
Right of use assets acquired through operating leases	7.6	17.6

Note 16: Subsequent Events

The Company has evaluated subsequent events through May 6, 2021, 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, 2020 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 50,000 employees and serving the world's real estate owners and occupiers through a scalable platform. We operate over 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 and proliferation of a novel coronavirus (COVID-19) around the world, and particularly in the United States, Europe and China, presents significant risks to the Company. In response to the outbreak, many countries 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. While restrictions in some areas have been lifted or relaxed, precautions and procedures remain in place in many countries which could continue to impact the Company's operations for a significant period of time. In addition, some locations have experienced, or may in the future experience, resurgences in COVID-19 cases. 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 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 significant 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.

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 \$2.0 billion as of March 31, 2021, comprising of cash on hand of \$1.0 billion and an undrawn revolving credit facility of \$1.0 billion.

The Company will continue to monitor the circumstances 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 circumstances surrounding COVID-19 remain 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.

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, 2020 included in the Company's 2020 Annual Report on Form 10-K. There have been no material changes to these policies as of March 31, 2021.

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.

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 replaced the previous U.S. GAAP that required an incurred loss methodology for recognizing credit losses and delayed recognition until it was probable a loss had been incurred. Topic 326 replaced 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 and contract assets are presented on the Condensed Consolidated Balance Sheets net of estimated expected credit losses.

Upon initial recognition of a receivable or a contract asset, the Company estimates credit losses over the contractual term of the asset 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.

Derivatives and Hedging

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides temporary optional practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts and is effective through December 31, 2022. In the second quarter of 2020, the Company elected to apply the hedge accounting expedients related to probability of forecasted transactions and the assessments of effectiveness for future LIBOR indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. The application of these expedients preserves the presentation of the derivatives with no impact to the financial statements and related disclosures.

In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848)*, which, among other changes, amends the scope of the recent reference rate reform guidance (ASC 848). New optional expedients allow derivative instruments impacted by changes in the interest rate used for margining, discounting, or contract price alignment (i.e., discount transition) to qualify for certain optional relief. The guidance was effective immediately and the Company applied it retrospectively to January 1, 2020 with no impact to the financial statements and related disclosures.

Income 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, with early adoption permitted. The Company adopted the new guidance effective July 1, 2020, with an immaterial impact to its financial statements and related disclosures.

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 could 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 will 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.

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 2019 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, 2020 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, 2021 and 2020 (in millions):

	Three Months Ended March 31,			
	2021	2020	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 768.1	\$ 732.1	5 %	2 %
Leasing	291.7	301.8	(3) %	(5) %
Capital markets	166.4	182.1	(9) %	(10) %
Valuation and other	111.4	104.4	7 %	2 %
Total service line fee revenue ⁽¹⁾	1,337.6	1,320.4	1 %	(1) %
Gross contract reimbursables ⁽²⁾	586.2	575.0	2 %	— %
Total revenue	\$ 1,923.8	\$ 1,895.4	1 %	(1) %
Costs and expenses:				
Cost of services provided to clients	\$ 1,003.3	\$ 1,023.8	(2) %	(4) %
Cost of gross contract reimbursables	586.2	575.0	2 %	— %
Total costs of services	1,589.5	1,598.8	(1) %	(3) %
Operating, administrative and other	280.8	284.0	(1) %	(3) %
Depreciation and amortization	43.1	72.0	(40) %	(41) %
Restructuring, impairment and related charges	17.6	26.1	(33) %	(34) %
Total costs and expenses	1,931.0	1,980.9	(3) %	(5) %
Operating loss	(7.2)	(85.5)	(92) %	(92) %
Interest expense, net of interest income	(42.4)	(36.5)	16 %	14 %
Earnings from equity method investments	2.4	1.3	85 %	66 %
Other income, net	2.0	39.1	(95) %	(94) %
Loss before income taxes	(45.2)	(81.6)	(45) %	(49) %
Benefit from income taxes	(28.0)	(26.5)	6 %	5 %
Net loss	\$ (17.2)	\$ (55.1)	(69) %	(73) %
Adjusted EBITDA	\$ 99.7	\$ 70.3	42 %	38 %
Adjusted EBITDA margin ⁽³⁾	7.5 %	5.3 %		

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

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

⁽³⁾ Calculated as a percentage of Total service line fee revenue

Adjusted EBITDA is calculated as follows (in millions):

	Three Months Ended March 31,	
	2021	2020
Net loss	\$ (17.2)	\$ (55.1)
Add/(less):		
Depreciation and amortization ⁽¹⁾	43.1	72.0
Interest expense, net of interest income	42.4	36.5
Benefit from income taxes	(28.0)	(26.5)
Integration and other costs related to merger ⁽²⁾	16.2	17.3
Pre-IPO stock-based compensation ⁽³⁾	1.6	6.3
Acquisition related costs and efficiency initiatives ⁽⁴⁾	40.2	15.9
Other ⁽⁵⁾	1.4	3.9
Adjusted EBITDA	\$ 99.7	\$ 70.3

⁽¹⁾ Depreciation and amortization includes merger and acquisition-related depreciation and amortization of \$20.8 million and \$48.0 million for the three months ended March 31, 2021 and 2020, 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, 2021 for additional information.

⁽⁴⁾ Acquisition related costs and efficiency initiatives reflect costs incurred to implement operating efficiency initiatives in 2020 and 2021 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 principally reflects \$1.0 million for COVID-19 related items including contributions to the Global Employee Assistance Fund and preparation costs for employee return to office for the three months ended March 31, 2021, and other items including accounts receivable securitization.

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

	Three Months Ended March 31,	
	2021	2020
Americas Fee-based operating expenses	\$ 854.2	\$ 861.2
EMEA Fee-based operating expenses	192.3	192.1
APAC Fee-based operating expenses	196.1	200.2
Cost of gross contract reimbursables	586.2	575.0
Segment operating expenses:	1,828.8	1,828.5
Depreciation and amortization ⁽¹⁾	43.1	72.0
Integration and other costs related to merger ⁽²⁾	16.2	17.3
Pre-IPO stock-based compensation ⁽³⁾	1.6	6.3
Acquisition related costs and efficiency initiatives ⁽⁴⁾	39.9	52.9
Other ⁽⁵⁾	1.4	3.9
Total costs and expenses	\$ 1,931.0	\$ 1,980.9

⁽¹⁾ Depreciation and amortization includes merger and acquisition-related depreciation and amortization of \$20.8 million and \$48.0 million for the three months ended March 31, 2021 and 2020, 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, 2021 for additional information.

⁽⁴⁾ Acquisition related costs and efficiency initiatives, reflect costs incurred to implement operating efficiency initiatives in 2020 and 2021 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 principally reflects \$1.0 million for COVID-19 related items including contributions to the Global Employee Assistance Fund and preparation costs for employee return to office for the three months ended March 31, 2021, and other items including accounts receivable securitization.

Three months ended March 31, 2021 compared to three months ended March 31, 2020

Revenue

Revenue was \$1.9 billion, an increase of \$28.4 million versus the three months ended March 31, 2020. Revenue growth in Property, facilities and project management, Gross contract reimbursables and Valuation and other of \$36.0 million, \$11.2 million and \$7.0 million, respectively, reflects owners and occupiers continued reliance on the Company's industry leading capabilities and thought leadership, regarding return to work best practices and work space requirements along with enhanced cleaning and facility services to ensure buildings are safe for tenants. These trends helped to offset lower brokerage activity in the first quarter. Leasing and Capital markets declined \$10.1 million and \$15.7 million, respectively principally due to the impact of the COVID-19 pandemic.

Cost of services

Cost of services of \$1.6 billion decreased \$9.3 million or 1%. Cost of services provided to clients declined 2% principally due to the Company's operating efficiency initiatives and cost savings actions as well as lower variable costs including commissions and direct labor. This decrease was partially offset by higher annual bonus for non-fee earners as well as Cost of Gross contract reimbursables related to the growth of our Property, facilities and project management service line.

Operating, administrative and other

Operating, administrative and other of \$280.8 million decreased by \$3.2 million principally due to the Company's operating efficiency initiatives and cost savings actions, including reduced spending on travel and entertainment, third-party contractors and marketing. This decrease was partially offset by higher annual bonus for non-fee earners. Overall, as a percentage of total revenue, operating, administrative and other costs was 15% for the first quarter of 2021 and 2020.

Depreciation and amortization

Depreciation and amortization was \$43.1 million, a decrease of \$28.9 million. The decrease primarily reflects the complete amortization of certain merger related customer relationships that occurred in the third quarter of 2020.

Restructuring, impairment and related charges

Restructuring, impairment and related charges were \$17.6 million, a decrease of \$8.5 million, which principally reflect actions taken as part of the Company's previously announced strategic realignment of the business and continued focus on operating efficiency.

Interest expense, net

Net interest expense was \$42.4 million, an increase of \$5.9 million. This increase was principally attributed to the incremental interest incurred as a result of the issuance of 2020 senior secured notes in the second quarter of 2020.

Other income, net

Other income was \$2.0 million, a decrease of \$37.1 million. This decline reflects the \$36.9 million gain recognized last year 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 2021 was a benefit of \$28.0 million on the loss before taxes of \$45.2 million. For the first quarter of 2020, the Company's income tax provision was a benefit of \$26.5 million on loss before taxes of \$81.6 million. The Company's estimated effective tax rate was higher in the three months ended March 31, 2021 compared to the same period last year primarily due to a change in jurisdictional mix of earnings in 2021 resulting in a greater benefit.

Net loss and Adjusted EBITDA

The net loss of \$17.2 million principally reflects the impact of COVID-19 on brokerage activity experienced during the first quarter as Leasing and Capital markets revenue declined 5% and 10% on a local currency basis, respectively, partially offset by revenue growth in Property, facilities and project management and Valuation and other as well as cost savings actions and operating efficiencies.

Adjusted EBITDA of \$99.7 million increased by \$29.4 million or 38%, on a local currency basis, primarily due to savings generated by cost reduction actions and operating efficiency initiatives as well as the impact of revenue growth in Property, facilities and project management and Valuation and other. These factors were partially offset by lower brokerage activity resulting from COVID-19. As a result, Adjusted EBITDA margin, measured against service line fee revenue, of 7.5% for the three months ended March 31, 2021, expanded 215 basis points as compared to 5.3% in the three months ended March 31, 2020.

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 2019 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 30, 2020 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, 2021 and 2020 (in millions):

	Three Months Ended March 31,			
	2021	2020	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 540.8	\$ 501.8	8 %	8 %
Leasing	219.7	238.1	(8) %	(8) %
Capital markets	133.4	146.5	(9) %	(9) %
Valuation and other	37.3	38.8	(4) %	(3) %
Total service line fee revenue ⁽¹⁾	931.2	925.2	1 %	1 %
Gross contract reimbursables ⁽²⁾	493.7	469.6	5 %	5 %
Total revenue	\$ 1,424.9	\$ 1,394.8	2 %	2 %
Costs and expenses:				
Americas Fee-based operating expenses	\$ 854.2	\$ 861.2	(1) %	(1) %
Cost of gross contract reimbursables	493.7	469.6	5 %	5 %
Segment operating expenses	\$ 1,347.9	\$ 1,330.8	1 %	1 %
Adjusted EBITDA	\$ 77.8	\$ 64.1	21 %	21 %
Adjusted EBITDA margin ⁽³⁾	8.4 %	6.9 %		

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

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

⁽³⁾ Calculated as a percentage of Total service line fee revenue

Three months ended March 31, 2021 compared to three months ended March 31, 2020

Americas revenue was \$1.4 billion, an increase of \$30.1 million or 2%. Revenue growth in Property, facilities and project management and Gross contracts reimbursables of 8% and 5%, respectively, on a local currency basis more than offset lower brokerage activity for the quarter. Leasing and Capital markets were down 8% and 9%, respectively, on a local currency basis for the quarter as a result of the COVID-19 pandemic.

Fee-based operating expenses of \$854.2 million were down 1% on a local currency basis principally due to the impact of the Company's cost savings actions and operating efficiency initiatives.

Adjusted EBITDA was \$77.8 million, an increase of \$13.7 million or 21% on a local currency basis, primarily reflects the impact of cost savings actions and operating efficiency initiatives and the impact of higher Property, facilities and project management service line fee revenue.

EMEA Results

The following table summarizes our results of operations by our EMEA operating segment for the three months ended March 31, 2021 and 2020 (in millions):

	Three Months Ended March 31,			
	2021	2020	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 83.7	\$ 84.9	(1) %	(9) %
Leasing	42.6	40.8	4 %	(3) %
Capital markets	22.3	21.6	3 %	(5) %
Valuation and other	44.5	40.2	11 %	2 %
Total service line fee revenue ⁽¹⁾	193.1	187.5	3 %	(5) %
Gross contract reimbursables ⁽²⁾	30.8	22.5	37 %	29 %
Total revenue	\$ 223.9	\$ 210.0	7 %	(1) %
Costs and expenses:				
EMEA Fee-based operating expenses	\$ 192.3	\$ 192.1	— %	(7) %
Cost of gross contract reimbursables	30.8	22.5	37 %	29 %
Segment operating expenses	\$ 223.1	\$ 214.6	4 %	(4) %
Adjusted EBITDA	\$ 2.4	(3.4)	171 %	200 %
Adjusted EBITDA margin ⁽³⁾	1.2 %	(1.8)%		

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

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

⁽³⁾ Calculated as a percentage of Total service line fee revenue

Three months ended March 31, 2021 compared to three months ended March 31, 2020

EMEA revenue was \$223.9 million, an increase of \$13.9 million or 7%. Putting aside the favorable impact of foreign currency of \$17.1 million or 8%, EMEA revenue declined 1% on a local currency basis. This decline was driven by Property, facilities, and project management, Leasing and Capital Market which were down 9%, 3% and 5%, respectively, on a local currency basis for the quarter. These declines were partially offset by growth in Valuation and other and Gross contract reimbursables of 2% and 29% respectively, on a local currency basis.

Fee-based operating expenses of \$192.3 million were down 7% on a local currency basis principally due to lower service line fee revenue and the Company's cost savings actions and operating efficiency initiatives.

Adjusted EBITDA of \$2.4 million increased \$5.8 million principally reflects the impact of the Company's cost savings actions and operating efficiency initiatives, which more than offset the impact of lower Property, facilities and project management, Leasing and Capital markets service line revenue.

APAC Results

The following table summarizes our results of operations by our APAC operating segment for the three months ended March 31, 2021 and 2020 (in millions):

	Three Months Ended March 31,			
	2021	2020	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	\$ 143.6	\$ 145.4	(1) %	(9) %
Leasing	29.4	22.9	28 %	20 %
Capital markets	10.7	14.0	(24) %	(27) %
Valuation and other	29.6	25.4	17 %	9 %
Total service line fee revenue ⁽¹⁾	213.3	207.7	3 %	(5) %
Gross contract reimbursables ⁽²⁾	61.7	82.9	(26) %	(34) %
Total revenue	\$ 275.0	\$ 290.6	(5) %	(13) %
Costs and expenses:				
APAC Fee-based operating expenses	\$ 196.1	\$ 200.2	(2) %	(9) %
Cost of gross contract reimbursables	61.7	82.9	(26) %	(34) %
Segment operating expenses	\$ 257.8	\$ 283.1	(9) %	(16) %
Adjusted EBITDA	\$ 19.5	\$ 9.6	103 %	80 %
Adjusted EBITDA margin ⁽³⁾	9.1 %	4.6 %		

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

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

⁽³⁾ Calculated as a percentage of Total service line fee revenue

Three months ended March 31, 2021 compared to three months ended March 31, 2020

APAC revenue was \$275.0 million, a decrease of \$15.6 million or 5%. Putting aside the favorable impact of foreign currency of \$26.6 million or 9%, APAC revenue declined 13% on a local currency basis. Leasing and Valuation and other growth of 20% and 9%, respectively, on a local currency basis, was more than offset by Gross contract reimbursables, Property, facilities, and project management and Capital markets declines of 34%, 9% and 27%, respectively, on a local currency basis.

Fee-based operating expenses of \$196.1 million were down 9% on a local currency basis principally due to lower service line revenue as well as the impact of the Company's cost savings actions and operating efficiency initiatives.

Adjusted EBITDA of \$19.5 million increased \$9.9 million or 80% on a local currency basis, principally due to the Company's cost savings actions and operating efficiency initiatives and the impact of higher Leasing and Valuation and other revenue in the quarter.

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, 2021, the Company had \$2.0 billion of liquidity, consisting of cash on hand of \$1.0 billion and an undrawn revolving credit facility of \$1.0 billion.

The Company's outstanding 2018 First Lien debt and 2020 Notes were \$2.6 billion and \$639.7 million, respectively as of March 31, 2021, which net of cash on hand, provided for a net debt position of approximately \$2.2 billion. The increase in net debt of approximately \$54.5 million from December 31, 2020 principally reflects normal annual bonus payments and funding of the Company's strategic realignment and operating efficiency initiatives.

Historical Cash Flows

Cash Flow Summary

	Three Months Ended March 31,	
	2021	2020
Net cash used in operating activities	\$ (16.4)	\$ (249.9)
Net cash used in investing activities	(28.8)	(131.4)
Net cash used in financing activities	(13.6)	(23.9)
Effects of exchange rate fluctuations on cash, cash equivalents and restricted cash	(3.5)	(16.5)
Total change in cash, cash equivalents and restricted cash	\$ (62.3)	\$ (421.7)

Operating Activities

The Company used \$16.4 million of cash for operating activities for the three months ended March 31, 2021. The difference of \$233.5 million from the prior year principally reflects the use of working capital of \$251.8 million in the first quarter of 2020 driven by higher commission and annual bonus payments. Additionally, the use of cash of \$16.4 million in the first quarter of 2021 primarily reflects the use of \$68.4 million for working capital as the cash inflows of lower accounts receivable were more than offset by cash outflows attributable to lower accounts payable and accrued commissions.

Investing Activities

The Company used \$28.8 million of cash for investing activities for the three months ended March 31, 2021, a decrease of \$102.6 million from the prior year, which was principally driven by lower spending on acquisitions.

Financing Activities

The Company used \$13.6 million of cash from financing activities for the three months ended March 31, 2021, a change of \$10.3 million from the prior year, primarily due to debt modification costs that were incurred in the prior year.

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 and a termination date of August 20, 2022. 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, 2021, the Company has not drawn against the investment limit. 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. 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).

The 2018 Credit Agreement bears interest at a variable interest rate that we may select pursuant to the terms of the 2018 Credit Agreement. As of March 31, 2021, the rate is equal to 1-month LIBOR plus 2.75%.

The 2018 First Lien Loan matures on August 21, 2025. The effective interest rate of the 2018 First Lien Loan is 3.2% as of March 31, 2021.

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

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, 2021, the Company had a total \$3.7 billion credit agreement including a \$1.0 billion Revolver. The Company's \$1.0 billion Revolver, which matures on August 21, 2023, was undrawn as of the end of the March 31, 2021 and December 31, 2020.

Debt Refinancing

In January 20, 2020, the Company refinanced the aggregate principal amount of its 2018 First Lien Loan, incurring an additional \$11.1 million in debt transaction costs. The 2018 First Lien Loan was refinanced under materially the same terms, except that the applicable margin on the LIBOR for the replacement term loan for Eurodollar Rate Loans is 2.75% as compared to 3.25%, and for the Base Rate Loans is 1.75% compared to 2.25%.

Financial Covenant 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 Company was in compliance with all of the covenants under the 2018 Credit Agreement as of March 31, 2021 and December 31, 2020.

2020 Senior Secured Notes

On May 22, 2020 the Company issued \$650.0 million of 6.75% senior secured notes due 2028 (the "2020 Notes"). Net proceeds from the 2020 Notes were \$638.5 million, consisting of a \$650.0 million aggregate principal amount less \$11.5 million from issuance costs. The 2020 Notes were offered in a private placement exempt from registration under the Securities Act of 1933, as amended. The 2020 Notes bear interest at 6.75% and mature on May 15, 2028. As of March 31, 2021, the effective interest rate of the 2020 Notes is 6.8%.

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 First Lien 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, 2020 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, 2020 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;
- adverse developments in the credit markets;
- our ability to compete globally, or in local geographic markets or service lines that are material to us, and the extent to which further industry consolidation, fragmentation or innovation could lead to significant future competition;
- social, political and economic risks in different countries as well as foreign currency volatility;
- the operating and financial restrictions that our 2018 First Lien Credit Agreement and the indenture governing the 2020 Notes impose 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, 2021 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, 2021 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

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, 2020.

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
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 6, 2021

/s/ Neil Johnston

Neil Johnston

Chief Financial Officer (Principal Financial Officer)

Date: May 6, 2021

/s/ Len Texter

Len Texter

Senior Vice President and Global Controller (Principal Accounting Officer)

**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, 2021;
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 6, 2021

/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, Neil Johnston, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cushman & Wakefield plc for the quarter ended March 31, 2021;
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 6, 2021

/s/ Neil Johnston

Neil Johnston

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, 2021 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 6, 2021

/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, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Neil Johnston, 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 6, 2021

/s/ Neil Johnston

Neil Johnston
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.