

Q1 2016/17 revenues up 90%, of which +19% on a like-for-like and constant forex basis

Revenue (€m) (unaudited consolidated data)	2016/17	2015/16	<i>Change on a like-for-like and constant forex basis⁽¹⁾</i>	<i>Reported change</i>
Q1	88.4	46.5	+19%	+90%

(1) Excluding Arthus Tech (consolidated since 07/01/15) and the European activities of Kurt Salmon* (since 01/01/16).

Wavestone, Solucom's new consulting brand, posted Q1 2016/17 consolidated revenues (April 1st to June 30th) of €88.4m, including a contribution of €33.2m from Kurt Salmon's European activities*.

Overall, revenues rose by 90% over the three-month period, underpinned by a positive working-day impact of 5% (3 more business days compared with Q1 2015/16).

On a like-for-like and constant forex basis, organic growth came out at 19% over the quarter.

Favorable operating indicators

Operating indicators were favorable at the beginning of the year. For the record, the company is unable to communicate any information on its consolidated indicators, since the data of the two scopes are not comparable due to differences in their financial rules.

Excluding Kurt Salmon, the consultant utilization rate stood at 84% over the period, up slightly on the fiscal year 2015/16 level of 83%. The consultant utilization rate of the European activities of Kurt Salmon* remained under pressure at 71%, although this does reflect a 2 point improvement on the previous quarter.

Price trends remained favorable with the average daily rate at €758 excluding Kurt Salmon, implying an increase of 2%. For the European activities of Kurt Salmon*, average prices edged up to €1,106 over the period from €1,062 in Q4 2015/16.

In addition, the order book excluding Kurt Salmon continues to improve coming out at 3.5 months at June 30th 2016.

Wavestone: 2,490 employees at June 30th 2016

Wavestone's staff totaled 2,490 employees at end-June 2016, compared with 2,511 at end-March 2016.

The headcount for the European activities of Kurt Salmon* narrowed from 777 at end-March 2016 to 755 at end-June 2016, reflecting a slight increase in the staff turnover rate from 19% on the previous quarter to 23%.

* excluding retail & consumer goods.

Excluding Kurt Salmon, the staff turnover rate on a full-year basis stood at 12%, up slightly on the fiscal year 2015/16 level.

New firm construction process gathers pace

The new firm construction process gathered pace at the beginning of the 2016/17 fiscal year both at the operational level and with regard to communications.

The physical merging of the firms' teams has, for the most part, been completed, with the exception of the offices in Lyon which should be consolidated in September.

Commercial synergies continue to gain momentum with more than 60 joint projects won since the beginning of 2016, representing revenues of more than €8.5m.

In addition, Solucom unveiled the new Wavestone brand to Group employees at a special staff gathering held on July 8th. The motion to change Solucom's company name will be submitted for shareholder approval at the Annual General Meeting on July 20th 2016.

Only six months after the merger between Solucom and the European activities of Kurt Salmon*, the new firm is already operational in its target configuration.

Confirmation of 2016/17 financial objectives

At the close of the 1st quarter, the firm confirmed its 2016/17 full-year objectives and is targeting consolidated revenues in excess of €340m (growth of over 45%) and operating income on ordinary activities of more than €34m (implying a double-digit EBIT).

Upcoming events: Publication of H1 2016/17 revenues: Tuesday, October 25th 2016, after Euronext market close.

About Wavestone

Wavestone is a new consulting firm, created from the merger, at the beginning of 2016, of Solucom and Kurt Salmon's European activities.*

In a world where permanent evolution is the key to success, Wavestone's mission is to enlighten and partner business leaders in their most critical decisions.

Wavestone draws on some 2,500 employees across four continents. It is a leading player in European independent consulting, and the number one in France.

Wavestone is the brand name of Solucom, a company listed on Euronext Paris. Solucom is eligible for the PEA-PME – a French investment instrument that encourages individuals to invest in smaller and intermediate firms – it has been classified as an "innovative company" by French investment bank BPI, and was recognized, in 2016, as a Great Place To Work®.

Wavestone

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* excluding retail & consumer goods.