

## 2017/18 nine-month revenue up 5% Annual objectives reaffirmed

Revenue In €m - unaudited consolidated data	2017/18	2016/17	Change <sup>1</sup>
H1	166.5	162.0	+3%
Q3	95.0	86.1	+10%
<b>9-month total</b>	<b>261.5</b>	<b>248.2</b>	<b>+5%</b>

<sup>1</sup> There are no changes to report in the scope of consolidation between the two periods.

### Sustained revenue growth in Q3

In Q3 of the 2017/18 fiscal year (October 1 to December 31, 2017), Wavestone generated a consolidated revenue of €95.0m, a solid increase of 10% compared with Q3 2016/17 (+11% on a constant forex basis).

Over the first nine months of the fiscal year, total revenue stood at €261.5m, up 5% compared with the same period last year (+6% on a constant forex basis). There was no change in the scope of consolidation between the two periods.

### Growth fueled by an expanding workforce

At December 31, 2017, Wavestone had 2,758 employees, compared with 2,628 at March 31, 2017.

The past quarter has confirmed the firm's strong momentum in recruitment, which is in line with the annual hiring plan despite increasing labor market tensions.

Staff turnover has remained stable over the past nine months, at an equivalent annual rate of 17%. While remaining cautious about this indicator during the next few months, Wavestone's medium-term aim remains a staff turnover rate of less than 15%.

### Progress on operational performance confirmed

The consultant utilization rate showed a modest improvement in Q3. After the first nine months of the fiscal year, it stood at 78%, compared with 77% in H1, and 76% for the whole of the previous year. This progression reflects the gains made in this area. The firm enters Q4, however, under slightly less favorable conditions, due to the inherent lag in the start of some projects early in the 2018 calendar year.

The average daily rate remained broadly stable over the period. It amounts to €844 for the nine-month period, compared with €845 in H1 and the whole of the previous year. Given the priority placed on utilization rate and growth, in the short term, the firm now anticipates stable, or slightly increased, average prices over the entire 2017/18 fiscal year.

Lastly, buoyed by good levels of order taking at the end of the calendar year, the order book stood at 3.5 months of work at the end of December, compared with 3.3 months at the end of September.

## Cash position normalized

During H1, Wavestone had reported an unusual deterioration in its payment collections, which was related to a delay of €20m in the collection of trade receivables compared with the firm's norms.

This delay was fully rectified by the end of November. Wavestone will remain particularly vigilant with regard to changes in, and control of, its payment collections in the coming quarters.

Additionally, the company confirms its objective to reduce its net financial debt, at March 31, 2018, to a level significantly lower than that at March 31, 2017, excluding the effects of any new acquisitions.

## Confidence in the annual objectives reinforced

This dynamic third quarter reinforces Wavestone's position with regard to its annual projections, both in revenue and profitability terms.

The firm confirms its objective to achieve a revenue of over €350m, excluding new acquisitions, and reaffirms its objective to deliver an EBIT margin greater than 11%, a figure revised upward in early December.

At the end of the 2017/18 fiscal year, the firm expects to be in a position to confirm the complete success of the project to construct Wavestone, putting the company on a solid footing as it enters the 2018/19 fiscal year.

**Next event:** 2017/18 annual revenue: Thursday, April 26, 2018, after Euronext market closing.

## About Wavestone

*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 2,600 employees across four continents. It is a leading independent player in European consulting, and the number one in France.*

*Wavestone is listed on Euronext, Paris, and is eligible for the PEA-PME (a French investment instrument that encourages individuals to invest in smaller and intermediate firms) In 2017, Wavestone was again recognized as a Great Place to Work®.*

### Wavestone

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