

## 2019/20 H1 revenue of €194.5m—an increase of +7%

Revenue In €m - unaudited consolidated data	2019/20	2018/19	Change	Change excluding WGroup	Change at constant scope <sup>1</sup> and on a constant forex basis
Q1	98.3	95.9	+3%	+3%	0%
Q2	96.2	86.7	+11%	+5%	+2%
<b>H1</b>	<b>194.5</b>	<b>182.6</b>	<b>+7%</b>	<b>+4%</b>	<b>+1%</b>

<sup>1</sup> Metis Consulting has been consolidated since 11/01/2018 and WGroup since 08/01/2019.

In Q2 of the 2019/20 fiscal year (July 1 to September 30, 2019), Wavestone's revenue stood at €96.2m, up 11% compared with Q2 of the 2018/19 fiscal year.

Quarterly growth, at constant exchange rates and scope (excluding Metis Consulting and WGroup) reached +2%. WGroup is a US-based consulting firm which became part of Wavestone in Q2 and has been consolidated since August 1, 2019.

Over the whole of H1 2019/20, Wavestone recorded revenue of €194.5m, an increase of 7%. To note: H1 benefited from a positive working day impact of +0.8%.

Excluding WGroup, i.e. taking the scope used to set objectives at the beginning of the fiscal year, half-yearly growth stood at +4%.

At constant scope and exchange rates, the firm's six-monthly growth reached +1%.

### A continued easing of the HR situation

During H1 2019/20, Wavestone maintained its momentum in recruitment, in line with the company's objective of more than 600 gross hires over the fiscal year.

After the end of the last fiscal year, staff turnover rate has continued its downward trend. At September 30, 2019, staff turnover was 16% over a rolling 12-month period, compared with 17% at June 30, 2019, and 18% at March 31, 2019.

At September 30, 2019, Wavestone had 3,262 employees, compared with 3,094 at March 31 of this year. To note, the workforce was boosted by the contribution of the 61 permanent employees who joined from WGroup on August 1, 2019.

<sup>1</sup> In case of discrepancy between the French and English versions of this press release, only the French version should be deemed valid.

## Consultant utilization rate under pressure over the summer

The utilization rate dipped markedly during the summer, reaching 71% in Q2 (compared with 74% in Q1). In addition to more challenging market conditions, especially in the financial services, manufacturing, and retail sectors, the utilization rate was affected by projects being slowed down or put on hold by some clients. Over the whole of H1, the utilization rate was 72%, compared with 75% in the previous fiscal year.

The average daily rate was €876 in H1, compared with €872 for the whole of the 2018/19 fiscal year. During Q2, sales prices suffered the usual negative effect of the summer months, but, conversely, benefited from the positive impact of WGroup.

At September 30, 2019, the firm's order book stood at 3.3 months of work, compared with 3.7 months at the end of June 2019, and 3.6 months at the end of March 2019.

## Continued pursuit of actions to increase the utilization rate

Wavestone has confidence in the results of the actions it has been pursuing over several months now, especially the intensification of business development efforts and a shift to focusing on the highest potential sectors: the public sector, transport, and energy-utilities.

At the start of Q3, the utilization rate began an upward trend, recovering gradually from the low point reached in Q2. Nevertheless, it would be premature to anticipate a further acceleration of this recovery in the next few months.

## The annual growth objective becomes more challenging

Wavestone confirms its objective, excluding WGroup, of annual revenue growth of more than 5%, with an EBIT margin of over 13%. The annual growth objective, however, is now more challenging, as a result of slower progress in H1.

At the point of publication of the firm's H1 2019/20 results, Wavestone will update its annual objectives, taking into account the contribution from WGroup.

**Next event:** publication of H1 2019/20 results, Tuesday, December 3, 2019, after Euronext market closing.

## About Wavestone

*In a world where knowing how to drive transformation is the key to success, Wavestone's mission is to inform and guide large companies and organizations in their most critical transformations, with the ambition of a positive outcome for all stakeholders. That's what we call "The Positive Way."*

*Wavestone draws on over 3,000 employees across 8 countries. It is a leading independent player in European consulting.*

*Wavestone is listed on Euronext Paris and recognized as a Great Place to Work®.*

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