



WAVESTONE

## H1 2019/20 revenue

Conference call

November 5, 2019

## Revenue increases by +7% in H1 2019/20

Revenue	2019/20	2018/19	Change	Change excluding WGroup	Change at constant scope <sup>1</sup> and on a constant forex basis
<i>In €m - unaudited consolidated data</i>					
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

- / Revenue growth of +11% in Q2 2019/20, equivalent to +2% at constant scope and on a constant forex basis
- / Half-yearly growth of +7%, of which +0.8% was due to positive working day impact
- / Growth of +4% excluding WGroup, equivalent to +1% at constant scope and on a constant forex basis

# Consultant utilization rate under pressure over the summer

	H1 2019/20 (6 months)	2018/19 fiscal year (12 months)	
Utilization rate	72%	75%	▶ A marked decline in Q2 – to 71%, under the effects of project slowdowns during the summer
Average daily rate (ADR)	€876	€872	▶ Positive impact of WGroup
Order book	3.3 months	3.6 months	▶ A reduced order book during the summer

# A continued easing of the HR situation

## / A recruitment picture that remains dynamic

- > target of over 600 gross hires in 2019/20

## / Trend of decelerating staff turnover confirmed

- > 16% over a rolling 12-month period (compared with 18% at March 31, 2019)

## / 3,262 employees at September 30, 2019

- > including 61 permanent employees from WGroup from August 1, 2019
- > compared with 3,094 at March 31, 2019



# Acquisition of WGroup in July 2019



WGroup, a consulting firm that operates in the US

- > digital transformation of large companies
- > healthcare and insurance, media and entertainment, global manufacturing, retail, and financial services



Recap on details of the operation

- > acquisition of a 100% stake in WGroup
- > purchase price: \$22.0m in enterprise value
- > + up to \$8.5m, depending on performance in 2019 and 2020



First months after acquisition very promising

- > integration project is underway
- > commercial synergies realized in the United States with the first joint projects

The logo for WGROUP, with 'W' in red and 'GROUP' in black, set against a background of a sunset over a canyon.

# WGROUP.

**2018 revenue of US\$26.1m  
(+16%)**

**Adjusted EBITDA margin  
~15%**

**~100 employees  
of which +50 permanent  
employees**

**Registered office:  
Philadelphia**

**Consolidated on August 1,  
2019**

# Wavestone ranked in 1<sup>st</sup> place in its category in the 2019 Gaïa Rating



/ 1<sup>st</sup> in the category for companies with revenue between €150m and €500m

> for the third consecutive year

/ A CSR approach based on four key priorities:



# Continued pursuit of actions to increase consultant utilization rate



/ Intensification of business development efforts

/ Shift in focus toward the highest potential sectors

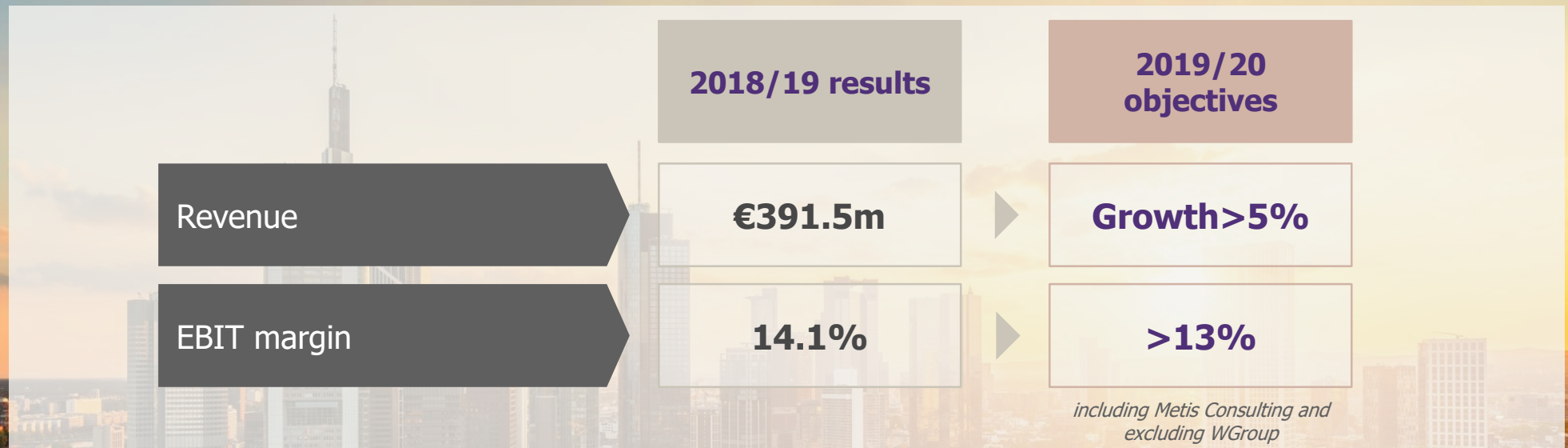
> public sector, transport, energy-utilities

A gradual recovery in utilization rates at the beginning of Q3

> caution on the pace of recovery in the coming months

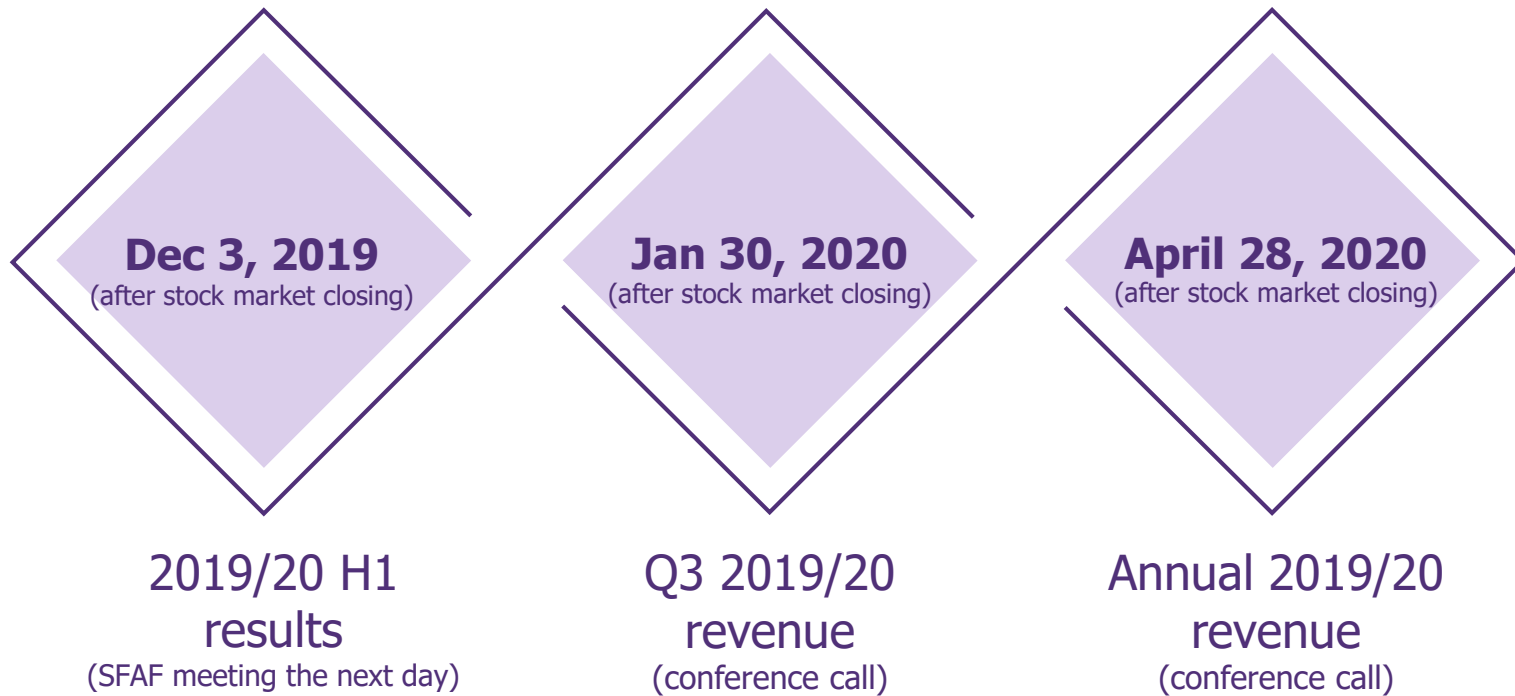
## 2019/20 objectives

- / An annual growth objective that is now more challenging as a result of slower progress in H1
- / Annual objectives will be updated, taking into account WGroup's contribution, at the point of publication of Wavestone's half-yearly results





# Financial calendar: next events



PARIS

LONDRES

NEW YORK

PHILADELPHIE

HONG KONG

LUXEMBOURG

BRUXELLES

GENÈVE

CASABLANCA

LYON

MARSEILLE

NANTES

WAVESTONE

