



WAVESTONE

Oddo roadshow

December 5, 2019

AGENDA

A About Wavestone

B H1 2019/20 results

C Outlook and recent news



In a world where the ability to drive transformation is the key to success, we inform and guide our clients in their most strategic decisions.



Clients who are leaders in their sectors



3,000 employees across 8 countries



A leading independent European consulting firm

Paris | London | New York | Philadelphia | Hong Kong |
Luxembourg | Geneva | Brussels | Casablanca | Lyon | Marseilles | Nantes

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Revenue increased by +7% in H1 2019/20

Revenue	2019/20	2018/19	Change	Change excluding WGroup	Change at constant scope ¹ 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%
H1	194.5	182.6	+7%	+4%	+1%

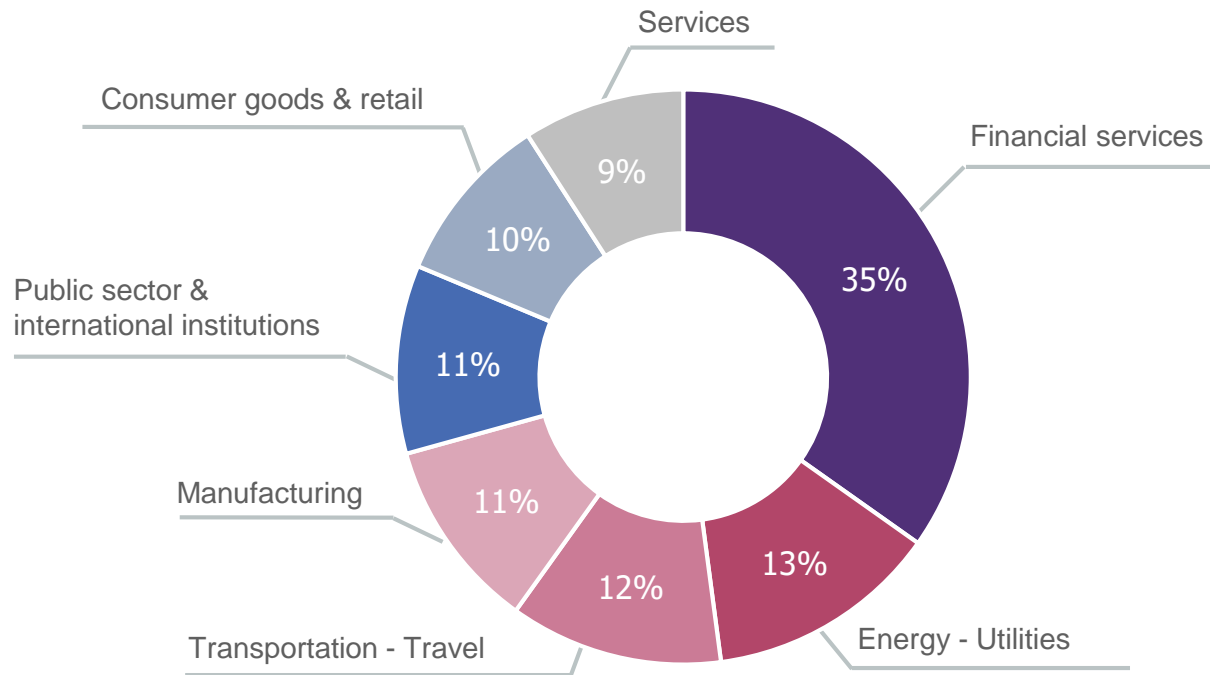
¹ Metis Consulting has been consolidated since 11/01/2018 and WGroup since 08/01/2019

- / Half-yearly growth of 7%, of which +0.8% was due to a 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, but sales prices hold up well

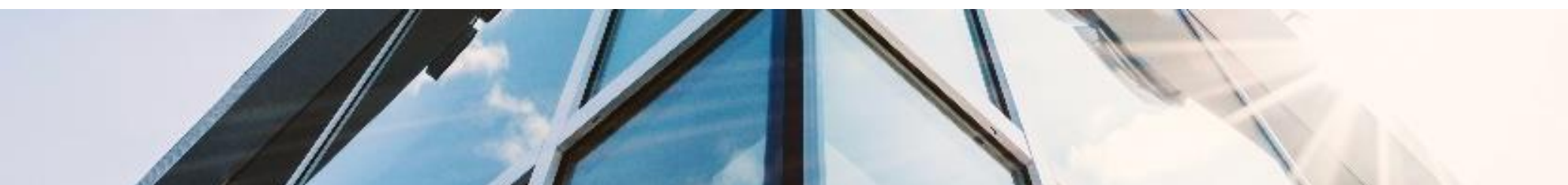
	H1 2019/20 (6 months)	2018/19 fiscal year (12 months)	
Consultant utilization rate	72%	75%	▶ A marked decline in Q2 – to 71%, under the effects of project slowdowns during the summer
Average daily rate (ADR)	€876	€872	▶ Positive impact of WGroup
Order book	3.3 months	3.6 months	▶ A reduced order book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

Distribution of revenue at September 30, 2019



H1 2019/20 revenue	
FRANCE	87%
INTERNATIONAL	13%

Top-20 clients in H1 2019/20	
SNCF	9%
SOCIETE GENERALE	8%
EDF	7%
CREDIT AGRICOLE	4%
BNP PARIBAS	4%
LA POSTE	4%
TOTAL	3%
UGAP	3%
AXA	3%
BPCE	2%
SANOFI	2%
ENGIE	2%
SAINT GOBAIN	1%
L'ORÉAL	1%
PSA	1%
CHANEL	1%
RENAULT	1%
CARREFOUR	1%
BIOMERIEUX	1%
THALES	1%



Some highlights of H1 2019/20



La Poste

Véligo, a new mobility offering in the Paris area



SNCF Gares & Connexions (the French national rail entity that develops stations)

Digitalization of stations and improvements to the customer experience



A major British bank

Integration of security considerations into agile development activities



Ministry of Finance

Digital master scheme of the DGFIP (French public finance directorate general)

A continued easing of the HR situation

/ A recruitment picture that remains dynamic

- > in line with the firm's plan of more than 600 gross hires in 2019/20

/ Confirmation of the reduction in staff turnover rate

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

/ 3,262 employees at September 30, 2019

- > including 61 permanent new 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 operating in the US

- > digital transformation of large companies
- > *Healthcare and Insurance, Media & 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 underway
- > commercial synergies realized in the US with the first joint projects
- > excellent levels of business activity

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, including
+50 permanent employees**

**Registered office:
Philadelphia**

**Consolidated on August 1,
2019**

EBIT margin of 10.6% in H1 2019/20

Consolidated data at 09/30 (€m), limited review	H1 2019/20	H1 2018/19	<i>Change</i>	2018/19 annual
Revenue	194.5	182.6	+7%	391.5
EBIT	20.7	19.9	+4%	55.2
<i>EBIT margin</i>	10.6%	10.9%		14.1%
Amortization of client relationships	(0.8)	(1.3)		(2.3)
Other income and expenses	(1.3)	(0.2)		(0.5)
Operating income	18.6	18.5	+1%	52.4
Cost of net financial debt	(0.9)	(0.8)		(1.7)
Other income and expenses	(0.0)	0.4		(0.1)
Income tax expenses	(8.5)	(7.4)		(19.9)
Group share of net income	9.3	10.6	-13%	30.8
<i>Net margin</i>	4.8%	5.8%		7.9%

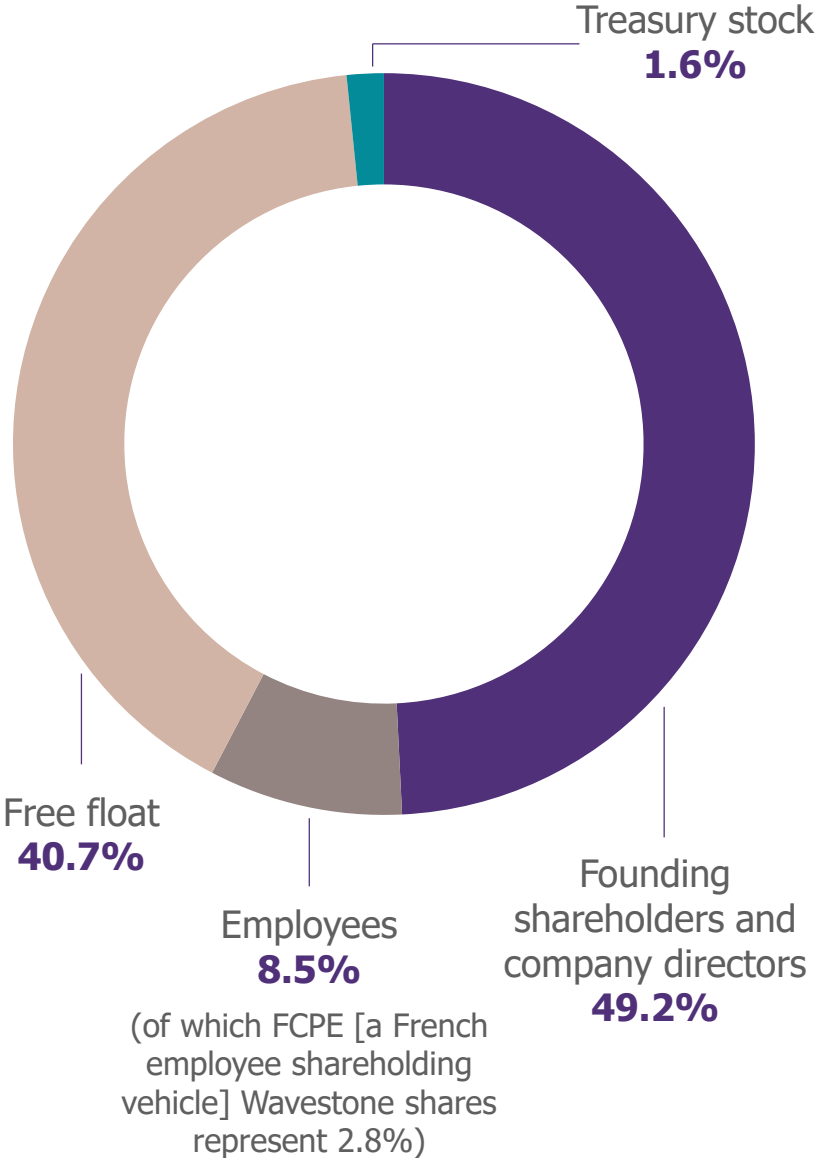
Net debt under control as a result of strong cash flow generation

Consolidated data at 09/30 (€m), limited review	09/30 2019	03/31 2019	Consolidated data at 09/30 (€m), limited review	09/30 2019	03/31 2019
Non-current assets	232.8	177.4	Shareholders' equity	152.3	150.8
of which goodwill	166.6	140.6	of which minority interests	0.0	0.0
including rights to use leased assets	31.7	-	Financial liabilities	101.5	89.4
Current assets	152.4	156.1	of which less than one year	29.4	23.7
of which trade receivables	127.0	130.4	Lease liabilities	38.3	-
Cash and cash equivalents	39.8	50.7	Non-financial liabilities	132.9	144.0
TOTAL ASSETS	425.0	384.2	TOTAL LIABILITIES	425.0	384.2

Net debt: €61.7m

compared with €61.7m at September 30, 2018, and €38.7m at March 31, 2019

Breakdown of share capital at September 30, 2019



Number of shares: **20,196,492**

No potential dilution

Dividend distributed in September 2019:
€0.23 per share (+14%)

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A less favorable economic climate

/ Uncertainty continues to weigh heavily on business investment and demand for consulting services

- Growth slowing globally
- Trade wars
- Brexit
- Negative rates

/ The slowdown in spending is gradually spreading

- > following trends in financial services, manufacturing, and retail
- > budgets are tightening, the scope of projects reducing, and decisions taking longer

/ But expectations are for a soft landing rather than a stall

- > corporate margins are resistant
- > transformations are more selective, but continue

Key areas of focus for H2

/ Maintain intense business development efforts

- > prospecting, expansion, additional effort at the presales stage

/ Pursue a shift in focus toward the highest potential sectors

- > energy, transport, public sector

/ Focus on the areas where our clients are most active

- > operational efficiency, digitalization, agility, data/AI, compliance, cybersecurity

/ Recruitment plan set out at the start of the year confirmed for H2

- > confidence gained in the results of the actions undertaken since the beginning of 2019
- > will underpin growth potential for future years

Updating of 2019/20 objectives

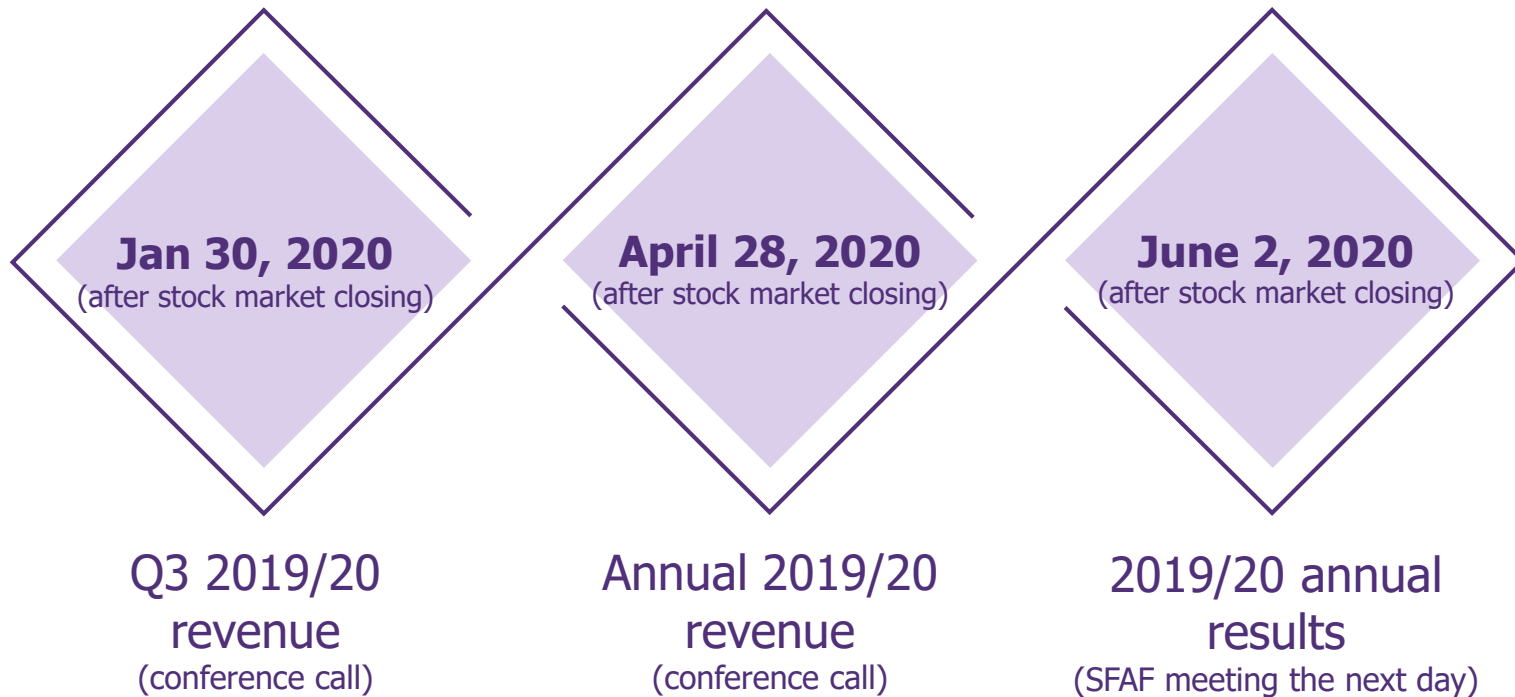
- / Updating of annual objectives, taking into account the contribution from WGroup
- / A degree of prudence of one percentage point on non-WGroup growth
 - > after a low point reached during summer, the consultant utilization rate began to recover gradually

	2018/19 results	2019/20 initial objectives	2019/20 updated objectives
Revenue	€391.5m	Growth > 5%	Growth > 8%
EBIT margin	14.1%	> 13%	> 13%

including Metis Consulting and excluding WGroup

including both Metis Consulting and WGroup

Financial calendar: next events



PARIS

LONDON

NEW YORK

PHILADELPHIA

HONG KONG

LUXEMBOURG

BRUSSELS

GENEVA

CASABLANCA

LYON

MARSEILLE

NANTES

WAVESTONE

