

WELCOME

Revenue | Q1 2020/21

Videoconference | July 27, 2020



REVENUE | Q1 2020/21



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CEO



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CFO



Revenue of €94.4m in Q1 2020/21

Revenue	2020/21	2019/20	Change	Change at constant scope ¹ and on a constant forex basis
<i>In €m - unaudited consolidated data</i>				
Q1	94.4	98.3	-4%	-10%

¹ WGroup has been consolidated since 08/01/2019.

/ A reduction of -4% in Q1 2020/21

- > -10% at constant exchange rates and scope (excluding WGroup)
- > reduction in business activity of about -15%, compared with the pre-Covid-19 situation

/ Furlough mechanisms applied to 11% of fee-earning staff over the period

Consultant utilization rate down sharply and renewed pressure on prices

	Q1 2020/21 (3 months)	2019/20 fiscal year (12 months)	
Consultant utilization rate	63% ¹	71% ¹	▶ sharp decline as a result of the fall in demand
Average daily rate (ADR)	€857	€878	▶ renewed pressure on prices, but impacts remain limited for the time being, down 2%
Order book	3.7 months	3.5 months	▶ -15% decline in order intake in Q1; order book in slight increase due to gradual reduction in headcount

⁽¹⁾ Utilization rates are directly comparable; the use of furlough mechanisms has no effect on the calculation of the rate.

3,434 employees at June 30, 2020

/ Freeze on hiring since mid-March

- > contracts signed before the recruitment freeze have been honored, which meant there were new starters during Q1

/ Staff turnover rate of 15% at June 30 (on a rolling-12-month basis), compared with 14% in 2019/20

- > includes the impact on resignations felt in Q4 2019/20
- > rapid decline expected in the coming quarters as a result of the rate of resignations having halved since the end of March

/ 3,434 employees at June 30, 2020

- > compared with 3,498 at March 31, 2020, decrease of -2%



Confirmation of the firm's sectoral choices

/ A consulting market strongly impacted in 2020 by the consequences of the economic crisis

- > a marked wait-and-see approach from companies, trade-offs in planned investments, and increasing numbers of cost-saving plans
- > European consulting market expected to contract by about -16% in 2020¹

/ Confirmation of the resilience of the sectors targeted in renewed business development activity

- > pharmaceuticals, utilities, and the public sector are all confirming their resilience
- > situation in financial services more mixed
 - > banking sector under severe stress
 - > insurance is more strongly positioned
- > less severe slowdown than anticipated in the energy and transport sectors

¹ Source: Source Global Research



A continued focus on revitalizing business development

/ Q2 2020/21 remains uncertain

- › visibility on order intake and consultant utilization rate over the coming months is limited

/ Recruitment freeze to continue

- › furlough mechanisms will be maintained in Q2

/ Confirmation of the performance plan aimed at generating cost savings of €15m

- › excludes the effect of short-time working arrangements
- › no workforce-adjustment measures

/ Continued pursuit of Wavestone's battle plan

- › strong revitalization of business development activity
- › focus on the most resilient sectors and offerings
- › enhanced agility



Strengthened financial position, resilience of the EBIT margin

- / Gross cash and cash equivalents strengthened to €82m; net debt reduced to €12m
 - > compared with €65.1m and €29.1m respectively at the end of March 2020
 - > no refinancing of trade receivables position

- / EBIT margin resilient at about 7% in Q1 2020/21¹
 - > furlough mechanisms account for about 5 percentage points of this margin

⁽¹⁾ *Company estimate - unaudited data*





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QUESTION AND ANSWER SESSION



Revenue | Q1 2020/21

QUESTION AND ANSWER SESSION



MICROSOFT TEAMS

Use the "Raise hand" button



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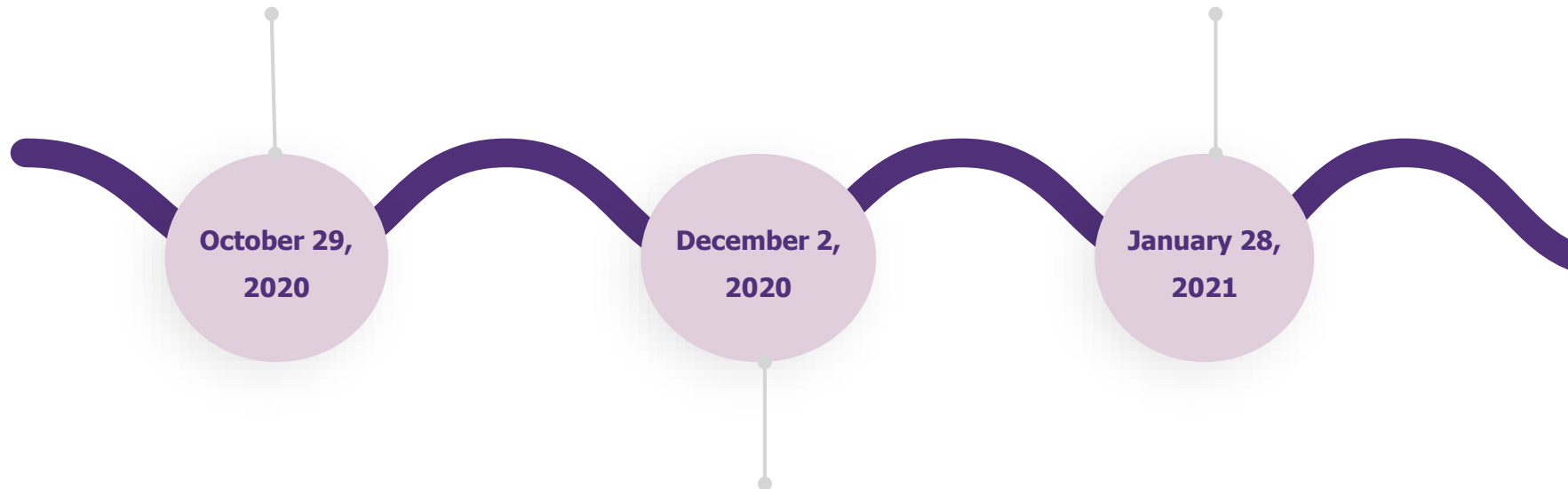
Press "*" then "6"



Financial agenda

1 H1 revenue 2020/21 (after stock market closing, followed by videoconference)

3 Q3 revenue 2020/21 (after stock market closing, followed by videoconference)



2 H1 results 2020/21 (after stock market closing, followed by an SFAF meeting)

GOOD EVENING

Join us on October 29, 2020

for the presentation of the H1 2020/21 revenue

