

## H1 2017/18 revenue up 3%

Revenue (€m) (unaudited consolidated data)	2017/18	2016/17	% change <sup>1</sup>
Q1	85.4	88.4	-3%
Q2	81.2	73.7	+10%
<b>H1</b>	<b>166.5</b>	<b>162.0</b>	<b>+3%</b>

<sup>1</sup> the scope of consolidation remained unchanged between the two periods.

### Return to growth in Q2

Wavestone's consolidated revenue increased 10% year-on-year to €81.2m in Q2 2017/18 (from July 1 to September 30). On a constant forex basis, sales growth also came out at +10% over the trimester.

Over H1 2017/18, consolidated revenue stood at €166.5m, up 3% year-on-year (same variation on a constant forex basis). The unfavorable working day impact is of -3% over the semester.

### Improvement in utilization rate

The utilization rate over the semester was 77%, up from 76% in Q1. This expected progress over the second quarter is gradually spreading across the firm.

The average daily rate dipped momentarily to €845 in H1 2017/18 from the Q1 level of €848. The full-year trend should remain positive in line with the year-earlier level of €845.

The order book stood at 3.3 months at end-September 2017 compared with 3.2 at end-June 2017.

### New HR model beginning to bear fruit

At end-September 2017, Wavestone's headcount had increased to 2,647 employees from 2,628 at end-March 2017.

Despite a highly competitive job market, the recruitment drive remained strong and in line with the firm's full-year hiring strategy.

The staff turnover rate over the first semester came out at 17% at an annual rate, in line with Q1. The new HR models and processes have enabled a gradual improvement in teams where staff turnover rates were abnormally high. Keep in mind that Wavestone's mid-term target is a staff turnover rate of less than 15%, although caution is advised on the evolution of this indicator at the end of the fiscal year.

## **Other events in H1 2017/18**

Although the first half of the fiscal year is generally a period of strong cash consumption for Wavestone, an exceptional contraction in client receivables this year impacted cash level at end-September. The firm has implemented a plan of action to address this temporary decline and make a rapid return to a more normative cash level.

In addition, Wavestone wishes to announce that the partnership with ShiftIn Partners in the Middle East has been terminated due to a change in the latter's strategy.

Lastly, in terms of CSR, Wavestone was awarded 1<sup>st</sup> place of the Gaïa Rating in the category of companies with revenues between €150m and €500m.

## **2017/18 fiscal-year objectives confirmed**

After a subdued Q1 2017/18, Wavestone made a return to growth in Q2 and the sticking points of the past months are gradually being resolved.

The firm confirms its full-year objectives: over €350m in revenue and a double-digit EBIT margin (excluding any new acquisitions).

**Upcoming events:** publication of H1 2017/18 results: Tuesday, December 5, 2017, after Euronext market close.

## **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 player in European independent consulting, and number one in France.*

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

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