

Annual revenue of €391.5m, up +9%; equivalent to +5% organic growth

Revenue <small>In €m - unaudited consolidated data</small>	2018/19	2017/18	Change	Change on a constant forex basis	Change at constant scope ² and on a constant forex basis
9 months	284.8	261.5	+8.9%	+8.9%	+5.7%
Q4	106.8	98.4	+8.6%	+8.3%	+3.2%
Twelve-month total	391.5	359.9	+8.8%	+8.8%	+5.0%

² Xceed has been consolidated since 04/01/2018; and Metis Consulting since 11/01/2018.

In Q4 of the 2018/19 fiscal year (January 1 to March 31, 2019), Wavestone's consolidated revenue stood at €106.8m, equivalent to growth of 8.6%.

At constant scope and on a constant forex basis, the firm's quarterly organic growth reached +3,2%. To note: the period was subject to a negative working day impact of -1.5%.

At the end of the 2018/19 fiscal year, Wavestone recorded a consolidated revenue of €391.5m, up + 8.8%, and in line with the revised target set at the end of January.

At constant scope and on a constant forex basis, annual organic growth amounts to +5.0% (including a +0.3% positive working day impact over the fiscal year).

Consultant utilization rate still under pressure in Q4

The consultant utilization rate remained under pressure in the fourth quarter of 2018/19. In fact, it experienced a slight decline—to 74%, compared with 75% in the previous quarter.

Average sales prices stood at €872 during the year, compared with €848 in 2017/18. Average daily rate, then, had increased by a solid +2.8% over the whole period, better than the firm's +1% to +2% target range for the whole of the 2018/19 fiscal year.

At March 31, 2019, the firm's order book stood at 3.6 months of work, compared with 3.7 months at the end of the 2017/18 fiscal year.

Slowdown in staff turnover in H2, and annual recruitment plan exceeded

The slowdown in staff turnover, which began in Q3, continued to the end of the year. Annual turnover amounts to 18%, compared with 19% at the end of December, and 21% at the mid-year point. The company confirms its goal of progressively converging on a turnover level of less than 15%.

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

Throughout the year, Wavestone pursued a dynamic approach to recruitment, which led to about 800 gross hires—compared with a target of over 600 at the beginning of the year.

At March 31, 2019, Wavestone had 3,094 employees, compared with 2,793 at March 31, 2018.

Disappointing operational performance, but annual profitability objective confirmed

Over the whole fiscal year, despite solid growth in sales prices, Wavestone's operational performance proved disappointing—showing a 75% consultant utilization rate, compared with 77% for the previous year.

This subdued performance, combined with increasingly clear signals of a market slowdown, has led Wavestone to significantly intensify its sales activity since early autumn. The firm has taken the decision to continue hiring at a sustained pace (an increased pace even, compared with initial targets)—something that places a short-term handicap on the optimization of consultant utilization rates.

Despite this backdrop, the company fully confirms its objective of an EBIT margin greater than 13% including Metis Consulting.

Partnership with German consulting firm Q_PERIOR

Wavestone also announces the signing of a new, non-capital-holding partnership with Q_PERIOR, a German digital and management consulting firm.

With 1,100 employees, Q_PERIOR is a leader in the German market—operating in Austria, Switzerland, the UK, and Bosnia-Herzegovina, as well as in the US and Canada. Q_PERIOR achieved revenue of €195m in 2018; an increase of +10%.

This partnership aims to develop common commercial opportunities by capitalizing on the geographical complementarity of the two firms. The partnership will also enable Wavestone to reinforce its strengths in industrial sectors.

Next event: publication of the 2018/19 annual results, Tuesday, May 28, 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 some 3,000 employees across 8 countries. It is a leading independent player in European consulting, and the number one in France.

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

Wavestone

Pascal Imbert

CEO

Tel.: +33 (0)1 49 03 20 00

Sarah Lamigeon

Communications Director

Tel.: +33 (0)1 49 03 20 00

Actus

Mathieu Omnes

Investor and Analyst Relations

Tel.: +33 (0)1 53 67 36 92

Nicolas Bouchez

Press relations

Tel.: +33 (0)1 53 67 36 74