



Press release

Date	11 December 2020	For immediate release
Subject	BDO announces financial results 2020: Balanced growth takes global revenues over US\$10 billion	

BDO's clear strategic approach to the COVID-19 business recovery process has resulted in balanced growth across the board, with global revenues reaching US\$ 10.3 billion, together with a 3.3% increase in headcount

- 7.8%* increase in global revenues to US\$ 10.3 billion, up from US\$ 9.6 billion in 2019, reflecting the strong demand from clients for BDO's expertise during the pandemic
- BDO's Rethink framework is helping both BDO firms and their clients to be resilient during the crisis and to succeed in the new reality
- People numbers have increased despite COVID-19: BDO's 91,054 advisers of the future are combining future-oriented technology with authentic intelligence to create smarter working environments in 1,658 offices
- In 2020, BDO's stated purpose, or WHY, has never been more important. It drives our culture of people helping our people, our clients and our communities.

* at constant exchange rates

The performance of BDO in 2020 is testament to the bold decisions and investments made in recent years, equipping the organisation with the global infrastructure and digital solutions that deliver long-term value for our clients.

BDO announces a total combined fee income** of US\$ 10.3 billion / € 9.2 billion for the year ended 30 September 2020, representing a year on year growth of 7.8% at constant exchange rates (+7.5% in euro; +6.7% in US\$).

** including BDO's exclusive alliances

In 2020, BDO has 1,658 offices in 167 countries and territories worldwide and growth has been consistent across all regions. The Americas saw the strongest revenue increase (+7.7%), while in EMEA revenues grew by +6.2% and in Asia Pacific +4.1%. The EMEA and Asia Pacific regions contribute 34.7% and 12.1% respectively to global revenues and the Americas is the organisation's largest region @ 53.2%.

Audit & assurance remains BDO's largest service line, accounting for 42% of revenues, but tax revenues have increased in the last year, now contributing 21.6%. The income from advisory and business services & outsourcing is similar to 2019, @ 21.1% and 15.3% respectively.

Keith Farlinger, BDO's global CEO, comments: "2020 has been an exceptionally challenging year but, with the agility and creativity of our people, BDO has reacted swiftly to the new business environment. Our global organisation's continued growth rate is down to our firms having taken bold decisions in order to help their people, their clients and their communities. Together, they have embodied our WHY - People helping people achieve their dreams - and as a result, our business has remained resilient and strong."

Rethinking to lead in the new reality:

Rethink to succeed

BDO, in common with all businesses, has had to rethink our business model, allowing our firms to respond to the common challenges and to create new ways to interact with our clients and with each other. The ultimate goal is always to help our clients succeed.

BDO's Rethink framework was launched globally within weeks of the pandemic taking hold. Designed to help businesses re-evaluate the future, our 3-stage model identifies the key issues and opportunities that clients need to consider at each stage. It has proved invaluable in helping business leaders to reevaluate strategic and business priorities.

Rethink our service proposition

Our clients expect a seamless service across borders, deep industry expertise and an unwavering focus on quality. These have remained a focus for BDO throughout 2020. In addition, we have continued to develop our range of services to provide new solutions to help our clients prosper in the new reality. These include cloud accounting, AI, machine learning, predictive analytics and diagnostic tools, taxation of the digital economy and drone technology.

Throughout 2020, BDO continued to invest in market-critical acquisitions, each with the intent to complement our service offering, across a variety of industries.

EMEA: Following the integration in 2018 of the Grant Thornton offices in Cape Town, Johannesburg and Port Elizabeth, BDO in South Africa expanded further in 2020 by taking over an entire division of Grant Thornton's Durban office and acquiring a 40-person strong team of financial services experts. In the Czech Republic, Moore Stephens merged with BDO, with the latter going on to establish a separate legal firm.

Americas: ACM, experts in new financial advisory and data analytics, joined BDO in the USA. Lixar, a company offering artificial intelligence and data solutions, merged with BDO in Canada.

Asia Pacific: DBW Group, a boutique business strong in business service and financial planning joined the BDO firm in Australia.

Rethink innovation

The pandemic has accelerated digitisation. At the outset of the crisis, BDO demonstrated that we had the expertise and capability to immediately switch to new ways of working.

In the same way, BDO has consistently sought to improve our stakeholders' digital experience and to enhance our data analytics capabilities.

And in recent months, our clients have been actively looking for alternative ways to maintain business continuity, reduce costs and increase efficiency. The latest iteration of BDO's audit process tool, APT Next Gen, continues to offer clients digitally enabled processes and methodologies, powered by leading technology. Connected with the global Portal, platforms such as these continue to drive efficiency and to streamline the exchange of information.

Rethink the power of people

BDO remains a people-powered business, combining digital awareness with truly understanding clients. Our 90,000+ people have adapted quickly and continue to connect and collaborate to support our clients worldwide.

Agility and client focus remain key and at BDO we do not underestimate the importance of human capital and the ongoing need to attract talent with a new set of skills. We are now building a generation of proactive advisers of the future: young talent with very different backgrounds and expertise. BDO's professionals worldwide are transforming our client service approach because they are able to embrace future-oriented technology and apply insights with a digital mindset.

The power of purpose

As a purpose-driven organisation, we do better. Our WHY is our fundamental reason for being and it shapes who we work with and how we support our colleagues and our communities. It is also reflected in our consistent expansion in headcount, even in this difficult year.

Keith Farlinger concludes: "It is vital we keep our culture and our people at the forefront of our business - even more so during moments of uncertainty. As we continue to navigate the new reality, I am proud of how our BDO firms have responded to the many challenges posed by the global pandemic and how they have used the clearly defined structure of our bespoke BDO Rethink management philosophy to guide our people and our clients, helping them to succeed in the new reality".

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Note to editors**About BDO**

BDO's global organisation extends across 167 countries and territories, with 91,054 professionals working out of 1,658 offices - and they're all working towards one goal: to provide our clients with exceptional service. BDO was established in Hong Kong in 1981 and is committed to facilitating the growth of businesses by advising the people behind them. BDO in Hong Kong provides an extensive range of professional services including assurance services, business services & outsourcing, risk advisory services, specialist advisory services and tax services. For more details, visit www.bdo.com.hk.

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