



Press release

Date	19 December 2018	For immediate release
Subject	BDO announces financial results 2018: global revenues reach US\$9 billion	

BDO strengthens its position as leading adviser to the mid-market as global revenues reach the US\$9 billion mark and 80,000 people worldwide drive innovative leadership

- 10.7%* growth in global revenues
- Robust M&A activity coupled with strong organic growth cements BDO's position as fastest-growing global organisation in the profession for the last 10 years
- Focus on transforming the role BDO people play in becoming the advisers of the future, together with significant investment in people reaps rewards,
- Innovation-first approach drives business efficiency and value for clients
- Accelerated growth rate establishes BDO as leaders in their markets

*in US\$; 8.3% at constant rate

BDO announces a total combined fee income¹ of US\$ 8.99 billion / € 7.56 billion for the year ended 30 September 2018, representing a year on year growth of 10.7% in US\$ and 8.3% at constant exchange rates.

The global organisation's continued and accelerating growth rate is borne of a clear strategic aim to be leaders in their markets, supported by relevant business-critical acquisitions, such as cybersecurity companies. Now represented in 162 countries and territories, BDO saw consistent growth across all regions in 2018, with the strongest revenue increase in EMEA (+17%), followed by the Americas (+7.8%) and Asia Pacific (+6.6%).

BDO's culture of helping our people, our clients and society at large succeed is reflected in the organisation's consistent expansion in headcount - aided by strategic lateral hires: up 8.4% this year to 80,087 people, working out of 1,591 offices worldwide and on-hand to assist clients as they grow, wherever they choose to conduct their business.

Global CEO Keith Farlinger comments: "I'd like to congratulate our 80,000 people across BDO for a truly great achievement in 2018. Our people are exceptional, there's no doubt about it. It is them, with the close relationships that they build with each other and with their clients and their excellence in service delivery, that have contributed to our continuing global growth

¹ Including BDO's exclusive Alliances

story. And it's because we are actively being advisers of the future rather than just auditors or tax consultants: we are critical thinkers with a mindset that gets the job done.

“With a true understanding of our clients’ businesses, we will continue to offer our services differently, delivering valued innovation to them through our investment in technology and global leverage. That’s how BDO will - and does - lead”.

Key factors in BDO’s growth success:

Leading in innovation

BDO believes that innovation is about the successful commercial exploitation of new ideas - and BDO firms are fast becoming acknowledged leaders in innovation. Substantial investments are being made in information technology, not only in future-focused software and tools (artificial intelligence, blockchain, robotic process automation) but also in leading data analytics and technology advisory companies. They are also maximising alliances with industry-leading organisations: BDO’s long-term global collaboration with Microsoft continues to bring benefits and this is supported at local level via partnerships with Workday and Intuit, among others.

BDO’s bespoke audit process tool (APT) continues to promote consistency and quality in audit execution and APT Next Gen has been transformed in 2018. The globally aligned tool offers clients a consistently exceptional experience worldwide, powered by leading technology and underpinned by intuitive audit methodology. The global Portal, meanwhile, is the hub of the entire BDO client experience, offering a flexible and secure platform that can be customised locally, streamlining the exchange of information between BDO and their clients.

Market leaders

BDO firms are united globally by their ongoing commitment to put clients at the centre and to provide solutions specific to them. The proactivity of BDO has created a number of excellent local market leadership positions. BDO in Belgium, for example, has transformed their advisory service offering by listening to what their clients wanted, resulting in the acquisition of 2 firms active in robotic process automation and process mining and optimisation. Advisory services now make up the majority of the services the firm offers, making BDO in Belgium a key consulting player in their market.

In today’s challenging business environment - where markets are evolving, driven by digital developments and regulatory demands - BDO firms are ready to think strategically, take the right opportunities whenever they appear and deliver with conviction. In India, BDO is delivering automation, analytics and e-learning for clients across a number industry sectors and they continue to lead with their tax and technology offerings: BDO ENABLE GST is delivering to over 180 companies and to date has seen over 10,000 GST returns filed and 5 million transactions.

Advisers of the future

BDO’s consistently growing workforce is testament to its strong position in the ‘war for talent’, a result of global strategy combined with local initiative: this is evidenced by BDO in Indonesia, which is turning cost centres into profit centres with their Advanced Recruiting Process. This

applies neuroscience, cutting-edge machine learning and AI to transform how they attract, select and retain candidates - and has been packaged as a service for clients. By partnering and collaborating, BDO people enable their clients - and each other - to make the right decisions and to create value.

In its role as the advisers of the future - *today* - BDO leads through the insights it provides and the connections it makes. Expert and knowledgeable, BDO people are adept at identifying the problems that businesses should be thinking about - and at finding solutions to those issues. This is how the BDO firm in Denmark has been able to leverage the current social media landscape to drive its innovative recruitment strategy with their online BDO Business Game. That exceptional experience is created by good communication, a flexibility to adapt - and listening.

To conclude, Keith Farlinger says: “BDO’s achievements, not only in 2018 but throughout our 55 year story, point to great potential for our organisation in the future. This year, BDO won the *International Accounting Bulletin* (IAB) Network of the Year - for the second time in 3 years: impressive, by any measure. But we do not rest on our laurels: the world is transforming very quickly and we will need to keep attracting the best people to our organisation to continue to serve our clients not just well, but exceptionally.

“We are a people organisation and I see BDO delivering innovation and value every day and helping our people, our clients and communities succeed. That’s my dream for BDO”.

Note to editors**About BDO**

BDO's global organisation extends across 162 countries and territories, with more than 80,000 professionals working out of over 1,500 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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