



News Release

Embargoed until 00.01 BST, Thursday, 6 October 2016

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EY reports record global revenues in 2016 – up by 9%

- ▶ **EY records sixth consecutive year of record growth**
- ▶ **Solid growth across all businesses and geographical areas, including developed and emerging markets**
- ▶ **Large scale transformations and capital transactions fuel growth in Advisory and Transactions businesses**
- ▶ **Significant investment in digital transformation, analytics, artificial intelligence, robotics and global centers of excellence**
- ▶ **26 acquisitions and 7 new global alliances expand resources and capabilities**
- ▶ **Voted Universum’s most attractive professional services employer globally and 3rd overall; on Great Places to Work’s World’s Best Multinational Workplaces list**

LONDON, 6 OCTOBER 2016. EY today announces combined global revenues of US\$29.6b for its financial year ended 30 June 2016. Overall, financial year (FY) 2016 revenue grew by 9% in local currency (versus FY15). Since the launch of its Vision 2020 plan in 2013, EY has recorded a strong 9.2% compound annual growth rate.

All of EY’s service lines delivered solid growth in FY16: Assurance grew 4.8%; Advisory 13.1%; Tax 9.6% and Transaction Advisory Services (TAS) 14.2%.

Mark Weinberger, EY Global Chairman and CEO, says:

“These solid global results have been achieved in a difficult business environment. We are seeing continued global economic headwinds including geopolitical uncertainties, divergent monetary policy and turbulent emerging markets. Businesses are facing unprecedented disruption in their business models due to the pace and scale of technological innovation. Our

sustained, strong growth rate over the past several years is the result of the quality and value our people are bringing to the market. Significant investment in our people and new technologies have allowed us to respond to the dynamic environment. There is still more work to do as we focus on helping businesses solve their toughest challenges.”

Bringing value to the market

EY distills everything it does down to a single, unified purpose: *building a better working world*. The global organization is helping digital pioneers fight data piracy, guiding governments through cash-flow crises, unlocking new medical treatments with data analytics and undertaking high-quality audits to build trust and confidence in the capital markets. Essentially, EY is working with businesses, entrepreneurs and governments around the world to solve their most pressing challenges and to help them take advantage of emerging opportunities.

Innovation and technology are rapidly disrupting businesses and entire industries. As part of Vision 2020, EY has a holistic approach to digital transformation and innovation, which is embedded across all its member firms, service lines and sectors.

As part of its focus on innovation, EY member firms made 26 strategic acquisitions in FY16, which will bring expanded professional skills and capabilities to the market. Alliances, including seven new agreements signed in FY16, are also playing an important role in helping the global organization bring preferential access to products and skills to the market. And the EY global innovation team, launched in FY16, is assisting in bringing leading-edge robotics and artificial intelligence to businesses. EY also continues its US\$450m investment program in innovations in audit quality, the foundation of investor confidence.

Carmine Di Sibio, EY Global Managing Partner – Client Service, says:

“At EY we’re embracing the change and disruption happening in the world today and see great opportunities for businesses to embrace transformational change. These opportunities are driving our focus on innovation, leading-edge technology, digital and alliances to ultimately bring the latest thinking and technology to our clients.”

Continued growth across all geographies, key industries and markets

Revenue increased across all four of EY’s geographic areas: the Americas 9.7%; Europe, Middle East, India and Africa (EMEIA) 7.5%; Asia-Pacific 12.5% and Japan 6.4%.

The US led developed markets growth, recording another strong year with US\$12.2b in revenue, a 9.3% increase over FY15. Revenue in the US was driven by double-digit growth across its Tax, Transaction Advisory Services and Advisory service lines, combined with several major audit engagement wins. Elsewhere in developed markets, the UK achieved strong growth, led largely by its Assurance and Tax businesses. EY also saw strong growth across its member firms in Australia, France, Italy and Japan.

EY's emerging market practices recorded a second consecutive year of solid double-digit growth – up 12.8% overall (outpacing FY15 growth of 12.3%) – despite continued difficult economic conditions in key emerging market economies. Growth in the emerging markets was led by India (18.4%); Greater China (14.6%) and Brazil (12%), where the EY member firm in Brazil sponsored the Rio 2016 Olympic Games and was the official professional services provider to the Rio 2016 Organizing Committee.

Weinberger says: “We are particularly pleased to have achieved double-digit growth across the emerging markets, despite ongoing volatility, and remain confident in the long-term potential of these economies.”

EY recorded strong, double-digit growth across five key industry sectors: the Banking & Capital Markets and Insurance sectors achieved double-digit growth, which was led by strong demand for services supporting regulatory change, cybersecurity, digital transformation and financial technology. Technology sector revenue was driven by strong M&A activity, transformative change in the industry tied to emerging and innovative technologies and increasing client engagements supporting the sharing economy. Health and Government & Public Sector growth was driven by transformational and regulatory services and new engagements in the areas of robotics and data analytics, among others.

Most attractive professional services employer

EY recognizes that the quality of its people underpins the value of work it delivers to the market. In FY16, EY invested more than US\$500m in training and nearly 12m hours in learning to its people, an increase of 3m hours over the prior year.

EY is proud to be voted the world's most attractive professional services employer – and again the third most attractive employer overall – in Universum's annual World's Most Attractive Employer ranking. In addition to its global ranking, EY firms were named the number one professional services employer in five countries: US, Canada, France, China and Australia. EY

was also recognized by Great Place to Work as one of the World's Best Multinational Workplaces.

The organization also saw 714 people promoted to partner and more than 380 join EY firms as partners. This year's newly promoted partner class is among the most diverse ever, with 35% from emerging markets and 29% women. Overall, headcount increased by 9.2% over FY15, reaching 231,000 people globally.

Nancy Altobello, EY Global Vice Chair – Talent, says:

“As a leading global employer, we make it a top priority to develop our people into leaders from the first day they join us. We do this by instilling our purpose of building a better working world into every aspect of the EY experience, from our approach to delivering exceptional client service to our culture and values based on teaming, inclusiveness and flexibility.”

Investments and growth in the business

- ▶ **Assurance:** As the largest service line by revenue and headcount, Assurance continues to be the backbone of EY offerings and audit quality remains its primary focus. Assurance grew across all four geographic areas and secured new audit wins such as Airbus, Hershey, China Communications Construction Company, China National Pharmaceutical Group Corporation, Oaktree Capital Management and Skanska. The future of Assurance is focused solidly on driving quality through the global organization, innovating services and investing in data analytics and cyber. EY also continues its multi-year US\$450m investment program in audit tools and capabilities – such as EY Canvas and EY Helix – responding to the evolving needs of businesses, regulators and investors. High double-digit growth was achieved by Financial Accounting Advisory Services and Fraud Investigation & Dispute Services as businesses require more support in understanding of risks beyond financial statement exposure – such as regulation, accounting change, fraud and cybersecurity.
- ▶ **Advisory:** This service line delivered its sixth straight year of double-digit growth, led by the expansion of services to meet new marketplace demands ranging from risk to transformation. EY is increasingly investing in strategic areas such as digital technology, cybersecurity, analytics and business transformation. New alliances with businesses like GE Digital and LinkedIn further expanded capabilities to support businesses as they transform their enterprises and enter new markets. EY is expanding its global network of Centers of Excellence, with four additional hubs that focus on

delivering digital transformation strategy to EY clients in the areas of cybersecurity, analytics and manufacturing. Strategic investments and acquisitions were made along priority areas like digital, analytics and cyber. These include acquisitions by member firms of industry-leading organizations such as Seren, NorthPoint Digital and Intuitive Company.

- ▶ **Tax:** The Tax service line recorded another year of strong results. A key challenge facing business this year was stakeholder demand for greater global transparency. This spurred growth in services related to the OECD's recommendations around base erosion and profit shifting (BEPS), as well as transfer-pricing work globally and increased cross-border activity. The People Advisory Services businesses, a combination of consultants from EY Tax and Advisory services launched last year, is also contributing to growth as clients are more actively looking for services to manage mobility, organizational and compliance issues. EY legal services expansion continues with law services provided in more than 80 countries around the world.
- ▶ **Transaction Advisory Services:** TAS achieved its second year running of double-digit growth, led by its support of clients' growth strategies in relation to buying, selling and reshaping their businesses in a market driven by volatility, digital transformation and disruption. In FY16, EY practices advised on eight of the top 10 deals in the global M&A market. TAS revenue is also being driven by the strong performance of its capital strategy services, which expanded to help organizations raise, manage and deploy capital.

Building a better working world in communities

EY's purpose of building a better working world extends far beyond its work with businesses. In FY16, EY people contributed more than 700,000 hours of time to more than 100 initiatives and value-in-kind projects and it invested more than US\$90m directly in community projects. These projects are addressing some of the most pressing issues across the global economy and in the local communities in which EY people live and work.

EY is helping to drive inclusive growth by helping social businesses – such as [SolarNow](#) – bring equitable access to products and services that dramatically improve people's lives. EY supports high-impact entrepreneurs in creating quality jobs and equal opportunity through initiatives such as the EY Vantage Program, Entrepreneurial Winning Women™, Youth Business International, Peace Through Business® and Family Philanthropy Services. EY also helps the next generation of workers by equipping young people with the knowledge and skills

they need for tomorrow's working world through its work with organizations, such as the Network for Teaching Entrepreneurship, Zero Dropout Education Scheme and Junior Achievement. And EY improves equal opportunity by increasing access to quality education and practical work experiences for the underserved through programs like College MAP and Smart Futures.

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Notes to editors

To see EY's FY16 global review or to watch Global Chairman and CEO Mark Weinberger discuss EY's FY16 results, please visit: www.ey.com/globalreview. For broadcast quality, downloadable b-roll video, please visit: <https://broadcast.ey.com/stories/9998>.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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EY FY16 global revenues

EY FY16 revenues by service line – US\$ millions

	FY16	FY15	% change in local currency	
			FY16 v. FY15	3-year CAGR (FY13-FY16)
<i>Assurance</i>	11,301	11,348	4.8%	5.8%
<i>Advisory</i>	7,846	7,285	13.1%	14.8%
<i>Tax</i>	7,751	7,487	9.6%	8.3%
<i>Transaction Advisory Services</i>	2,728	2,535	14.2%	12.3%
Total	29,626	28,655	9.0%	9.2%

EY revenues by geographic area – US\$ millions

	FY16	FY15	% change in local currency	
			FY16 v. FY15	3-year CAGR (FY13 - FY16)
<i>Americas</i>	13,564	12,701	9.7%	10.3%
<i>EMEIA</i>	11,758	11,815	7.5%	8.2%
<i>Asia Pacific</i>	3,239	3,127	12.5%	9.7%
<i>Japan</i>	1,065	1,012	6.4%	5.4%
Total	29,626	28,655	9.0%	9.2%

EY people by service line

	FY16	FY15	FY16 v. FY15 % change
<i>Assurance</i>	82,555	76,760	7.5%
<i>Advisory</i>	48,104	41,623	15.6%
<i>Tax</i>	46,216	43,182	7.0%
<i>Transaction Advisory Services</i>	12,236	10,728	14.1%
<i>Practice support</i>	41,689	39,157	6.5%
Total	230,800	211,450	9.2%

EY people by geographic area

	FY16	FY15	FY16 v. FY15 % change
<i>Americas</i>	69,718	65,457	6.5%
<i>EMEIA</i>	112,871	102,176	10.5%
<i>Asia Pacific</i>	40,491	36,116	12.1%
<i>Japan</i>	7,720	7,701	0.2%
Total	230,800	211,450	9.2%

Basis of presentation: Revenues include expenses billed to clients. For purposes of reporting combined global revenues, revenues between member firms have been eliminated. Headcount numbers reflect personnel as of 30 June of each financial year.