

Media release

Zurich, 22 April 2020

BDO Switzerland increases revenue once again

BDO continues its growth trajectory from the prior financial year. Revenue grew by 4.7 percent on the prior year to CHF 221.4 million.

BDO Switzerland recorded an increase in revenue for the fourteenth year in a row in 2019. This achievement comes despite the increasingly fierce competition and complex environment. At CHF 221.4 million, revenue was up 4.7 percent in 2019 compared to the prior year. BDO's investment in people and digital infrastructure are paying off. Growth was seen in all areas in 2019, with the exception of Financial Services where revenue matched the prior-year level.

In 2019, BDO was able to win various and mainly long-term engagements, especially in Internal Audit. We are particularly proud of the fact that our average client relationship still lasts well over 20 years. Werner Schiesser, CEO of BDO Switzerland, says: "For us, this is a key indicator that underlines BDO's position as first choice in terms of trust, service and quality."

Focus on business areas

Audit generated the most revenue, with an increase of 2.8 percent in the reporting period to CHF 74.3 million. This is an excellent result given the saturated market and fierce competition.

Business Solutions reported a 6.8 percent increase in revenue to CHF 71.3 million. As companies operate in an increasingly complex regulatory environment, BDO supports clients with a broad range of services to help them overcome emerging challenges.

Tax & Legal saw an 8 percent increase in revenue to CHF 27.7 million in 2019. A growing number of companies find themselves affected by frequent changes to laws and legislation. BDO's tax and legal advisers use digital knowledge management tools to stay abreast of the latest developments.

Financial Services managed to generate revenue of CHF 17.1 million, matching the prior-year level while at the same time improving profitability. Audit reform has posed a challenge for the financial sector, but certainly relieves the burden for smaller banks. Our clients were influenced in the past year by a strong stock market environment, the Swiss National Bank's negative interest rate policy and ongoing digital transformation.

Digitalisation decisive

Digitalisation of processes is a critical long-term success factor across business areas. BDO invests continuously in new tools and platforms to address market challenges more efficiently. BDO launched the digital Client Portal in 2019, enabling each of our over 23,000 clients to share data and information securely. Both sides benefit from greater efficiency and flexibility.

Business services and audit processes are increasingly being automated. BDO is supported by Lisa, the digital audit assistant. Her tasks include running through preliminary questions with audit clients and obtaining information and documents. The chatbot Nina, on the other hand, mainly advises start-ups, especially on their administrative issues. As repetitive jobs are increasingly automated, there is more time for personal advice and support.

Key performance indicators

<u>BDO Switzerland</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Revenue from services (CHF million)	221.4	211.5	+4.7%
<u>Revenue by area (CHF million)</u>			
Audit	74.3	72.3	+2.8%
Business Solutions*	71.3	66.7	+6.8%
Tax & Law	27.7	25.6	+8.0%
Financial Services	17.1	17.2	-0.6%
Other services**	31.0	29.7	+4.4%
<u>BDO network</u>			
Global revenue (USD million)	9,600	8,990	+6.9%
People	88,120	80,087	+10.0%
National member firms	167	162	

* Formerly: Business Services & Outsourcing

** Real Estate, Abacus/IT, Corporate Finance, various advisory services

Information on our business performance in 2019 is available at www.bdo.ch/ar2019.

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About

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For clients with an international focus, BDO draws on a global organisation spanning more than 160 countries. BDO Ltd has its head office in Zurich and is an independent, legally separate Swiss firm belonging to the international BDO network, whose head office is in Brussels (Belgium).