

Deliberate market focus drives solid growth for Grant Thornton

LONDON – 10 January 2020: Grant Thornton International Ltd today announced global revenues of USD5.72 billion for the financial year ended 30 September 2019, up 5.1% on 2018. This result represents growth of 6.4% in constant currency terms*.

In particular, the results, in constant currency terms, were driven by:

- Investment in 13 strategic growth markets where Grant Thornton sees the highest potential for growth in the mid-market segment. Firms in these countries grew by 12.8% – double the global growth rate – and now account for USD1bn of total global revenue. Growth in these markets was led by Brazil (+26.3%), Germany (+24.3%), India (+21.2%), Japan (+14.4%) and China (+9.9%).

- Asia Pacific saw outstanding results from many firms, including those above, which drove growth of 10.7% across the region, nearly double the projected regional GDP growth for 2019.
- Solid growth across all service lines with a particularly strong result from advisory (+8.6%), closely followed by tax (+5.9%) and assurance (+4.7%).
- A global focus on growing mid-market businesses which are expected to continue to outperform the rest of the market.

Peter Bodin, CEO Grant Thornton International Ltd, says: “Our robust 2019 global revenues are the result of a deliberate strategy, focused on quality and culture, which delivered sustainable growth for the network. While business optimism fell around the world in 2019, our firms’ focus on quality and helping clients navigate an increasingly uncertain world has delivered another record result for our network.

“Our investment in strategic growth markets is paying off. With these markets delivering double the growth rate of the rest of the network, we expect this investment to continue to pay dividends over the long-term.

“As clients continue to expand into new territories, transform the way they do business and cope with increasing regulation, we need to evolve and adapt with them. There is also mounting pressure from consumers, investors and regulators to transform business models and build a more sustainable global economy. It’s reassuring to see Grant Thornton firms succeed as we continue to build a sustainable next-generation professional services organisation.”

The strength of the network in key markets around the world was highlighted by the 20 largest firms reporting combined growth of 7.1% in the past year.

Other regional highlights include the Americas (+5.7%) with Brazil, (+26.3%), Canada (+8.9%) and Puerto Rico (+10.1%) all recording strong growth; while Europe (+7.9%) saw particularly strong performances from Denmark (+21.9%) Germany (+24.3%), Ireland (+10.4%), Poland (+24.7%), and Spain (+14.9%). The Middle East also reported strong growth across the whole region.

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Results for year ending 30 September 2019 in summary:

- The Grant Thornton network recorded growth of 5.1% in USD terms with total combined member firm revenue of USD5.72bn (6.4% growth in constant currency terms to USD5.80bn).

- The number of people in the Grant Thornton network grew to 56,028 (+6.3% on 2018).
- Assurance services made up approximately 39.4% of total revenue (USD2.28bn, +4.7%); tax services accounted for 21.8% of total revenue (USD1.26bn +5.9%) while advisory services, making up 36.1% of revenues, was the fastest growing service line (USD2.09bn +8.6%). Other services accounted for 2.7% of total revenues at USD156m (+7.6%).
- 25.8% of the growth (USD90.42m) in 2019 has come from mergers and acquisitions - more than in the previous three years. In total, there were 34 deals with the German firm's merger with Trinavis being the largest by value and English-speaking Canada being the most active by number completed.
- The Americas remains the network's largest market with revenues of USD2.6bn (+5.7%), followed by Europe at USD1.9bn (+7.9%). Particularly strong growth came from the Middle East (+32.1%) and Asia Pacific (+10.7%).
- The network also welcomed in five new member firms – Guatemala, Ivory Coast, Jordan, Panama and Paraguay.

**Constant currency refers to figures that remove the effects of exchange rate fluctuations by using the same exchange for the 2019 year-end as was used for the 2018 year-end results. This provides a more accurate view of the economic reality in each of the markets in which our member firms operate. Figures in the body of the release are in constant currency terms unless otherwise stated.*