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PwC Posts 4% Rise in FY'13 Global Revenue to US\$32.1 Bln, Eyes US\$1 Bln Investment over 3 Yrs



PwC, the world's leading professional services network, reported record global revenue of US\$32.1 billion in the fiscal year ended 30 June 2013, up 4% from the previous year when foreign exchange rates are held constant.

PwC firms in *North America* and *South America* led strong growth for the third consecutive year, with revenues up 7% and 9%, respectively. This sustained growth reflects PwC's rising share of the market for advisory and consulting businesses in the region. The firm continued its recent trend in seeing its consulting businesses grow faster than its core audit businesses—the product of strong demand for consulting compared with a maturing market for traditional audits.

Dennis Nally, Chairman of PricewaterhouseCoopers International Ltd., said that all of PwC's largest firms and each of its major service lines comprising assurance, tax and advisory continued to grow strongly last year amidst challenging market volatility.

“PwC’s firms around the world have continued to increase revenues despite ongoing tough economic conditions and increasingly fierce competition in our markets,” Nally said. Last year, the firm posted year-on-year growth of 8%.

“The firm planned to invest more than US\$1 billion over the next three years to develop its operations around the world, with particular emphasis on emerging markets and boosting businesses including cybersecurity and risk assurance.”

Revenue growth in the developing markets of the *Middle East and Africa* was also strong –up by 7%– following continued investment and the benefits of a consolidation of PwC firms across Africa. In Europe where return to better economic growth is expected in 2014, PwC firms posted a 2% revenue growth in *Western Europe* and 3% in *Central and Eastern Europe*.

Revenues from *Asia* were up 2% despite the increasingly competitive market for assurance markets and the slowing economic growth across the region seen in China and India.

Overall, revenues from developing markets account for 20% of PwC’s global revenues. They are expected to double in the next few years.

Sira Intarakumthornchai, CEO of PwC Thailand, said that economic growth in the developing markets, though slowing, continues to outpace expansion in the more established economies.

“After five years of crisis, recession, and slow growth, we’re seeing some positive signs of sustainable recovery. The US and Japan have returned to growth while the EU is gradually emerging from recession,” said Sira, adding he is cautiously optimistic.

For 2014, PwC predicts real global GDP growth of 3%.

“PwC Thailand is proud to be part of the global network that contributed to growth in Asia, resulting in revenues of more than US\$ 3.7 billion for the region. That said, we’ll continue to push ourselves each day to ensure that we sustain our market leading position while bringing the high-quality services to serve our clients,” he said.

In addition to boosting revenues, PwC continued to focus on recruiting talented people and investing in the training and development of its workforce. **In FY2013, PwC recruited more than 20,000 graduates and nearly 15,000 experienced professionals, bringing the total number of staff across the world to over 184,000.** Looking ahead, PwC expects to hire more graduates in FY2014.

The Three Pillars: Lines of Business

Revenues in PwC’s global **Assurance** practice, the largest in the world, grew almost 1.5% to US\$14.8 billion. This growth came despite very tough competition and a mature market for traditional audit services. Demand for other assurance services was strong and growing, led by an increased appetite for additional forms of assurance including risk reporting and total impact measurement.

PwC's **Advisory** business grew strongly around the world. Worldwide Advisory revenues rose 8% to US\$9.2 billion. Advisory revenues now account for 29% of PwC's total global revenues. The continued growth in Advisory revenues is driven by the increasing strength of the PwC brand in the area of strategy consulting and a strong performance by PwC's deals practice; achieved despite the relatively low levels of merger and acquisition (M&A) activity around the globe.

Growth in PwC's Advisory practice is the result of a strategy focused on organic growth. Although PwC firms have made selective acquisitions in the advisory market, these are pursued only when they're perceived to make a significant impact on PwC's operations at a sensible price.

Revenues from PwC's global **Tax** practice grew well for the third consecutive year. Tax revenues increased 5% to US\$8.2 billion, highlighting the firm's position as the largest tax practice in the world.

Demand for tax services is expected to remain strong in the year ahead, buoyed by growing needs for both tax compliance and tax advisory work around the world. Across all its lines of business, the PwC network serves 84% of the companies in the Fortune Global 500 list, and 90% of the FT Global 500.