



Under Embargo until 12:01am GMT, Thursday December 10, 2015

Investments in new services and innovation drive KPMG growth

- Investments in new services, acquisitions and strong growth across core services drive fiscal year (FY) revenues of US\$24.44 billion
- Multi-year, US\$1billion investment program in data and analytics (D&A) and new technologies continues, driving enhanced audit quality and greater insights for Tax and Advisory clients
- Hired a record 24,000 new graduates, with the total workforce growing to 174,000

LONDON Thursday December 10, 2015: KPMG International today announced aggregated network revenues of US\$24.44 billion for the fiscal year ending 30 September 2015, representing an 8.1% increase in local currency terms (up from 6.3% in the previous year).

“This has been an exciting year for KPMG, as we have continued to innovate and invest at a record pace to meet rapidly changing global business demands. The breadth of services offered to clients has expanded considerably, with significant investment in new technologies such as real-time D&A, a record number of acquisitions, and bringing on board thousands of new, highly talented professionals,” said John Veihmeyer, Chairman, KPMG International.

Strong regional results

The Americas delivered exceptionally strong growth during the year, with revenues rising by 13.6%, driven by very strong growth in each of the three businesses: 15.2% growth in Advisory revenues (driven by double digit growth in Management Consulting, Risk Consulting and Deal Advisory), a 14.5% increase in Tax and an 11.8% increase in Audit revenues. KPMG in the US grew by 14.8% driven by strong demand for Audit, Tax and Advisory services. US Advisory revenues increased by 17.9%*, Audit by 14.1% and Tax by 12.6%*.

In Asia Pacific, KPMG revenues grew 8.2% (an increase from 3.8% in the previous year), with Australian revenues increasing by 10.6%, China by 8.5%, Japan by 6.8% and Singapore by 11.2%. ASEAN revenues grew by 12.1% driven by double digit growth in Audit, Tax and Advisory services.

*Includes fee income associated with direct support of the Audit practice in the conduct of audits

Europe, Middle East and Africa region (EMA, including India) revenues grew by 4.0%, down slightly from the 4.7% growth recorded in fiscal year 2014, reflecting the continued economic challenges faced by some countries in the region. Strongest growth within the region came from India at 18.3%, MESA (Middle East and South Asia) at 12.7% and Africa at 9.5%. Results in other key markets included Germany's revenues, which grew by 7.8%, and Spain's by 9.6%.

Growth in Audit, Tax and Advisory

The KPMG network generated increased local growth in FY15 across each of the Audit, Tax and Advisory businesses.

Audit

Audit performed strongly, with member firm revenue increasing 6.1% to US\$10.03 billion, up from 3.8% growth in the prior year.

This growth was achieved against the backdrop of an increasingly challenging and highly competitive global market for audit and assurance services. The introduction of European Union (EU) audit reforms is driving an unprecedented level of audit tenders in the EU. KPMG firms are succeeding in this competitive environment, and were delighted to win a number of significant audit appointments.

"The audit market has never been more competitive, and we are seeing an increasingly dynamic market, with more frequent tenders. Our significant multi-year investment in audit is focused on harnessing the power of D&A, aimed at enabling our audit teams to dig deeper into the data, and producing greater insights about the businesses we audit to further enhance the quality of the KPMG audit," said Veihmeyer.

Tax

Tax revenues grew strongly by 9.9% to US\$5.31 billion, up from 6.1% growth in FY14, driven by an increased demand for tax compliance and tax advisory services in all three of our regions.

KPMG continued to lead the way in the global dialogue on the evolution of tax transparency and morality, contributing research, thought leadership and articles to further this important debate. KPMG's publicly available [Global Tax Principles](#) set out the standards that KPMG tax professionals follow in their work delivering tax services for their clients.

Advisory

Total Advisory revenues for the year were up by 9.2% to US\$9.10 billion, building upon 10.4% growth in FY14, driven by:

- Strong demand for KPMG's Management Consulting services that focused on helping clients in critical areas such as Technology Enabled Transformation and customer and operations improvement, which delivered 12.6% growth
- Risk Consulting services, including Financial Risk and Regulatory Management, IT Advisory Services and Forensic, grew 7.2%
- Deal Advisory, where strategy and highly customized insightful deal services delivered growth of 11.0%

Investing for future growth

KPMG is in the third year of a 5 year, US\$1 billion, global investment program focused on developing new D&A solutions, state-of-the-art technology and services, making strategic technology acquisitions and investing in high growth markets. In the past 12 months, KPMG member firms around the world have completed a record number of 29 significant transactions including:

- Crimsonwing – the international IT solutions company
- Towers Watson – acquired the company's Human Resources Service Delivery (HRSD) practice
- Banarra – the leading Australian human rights and social impact company

A leading choice for talent

KPMG has maintained its long-standing focus on recruiting top talent in FY15. The organization recruited a record high of more than 24,000 graduates, as well as experienced hires, including 352 new external hire partners who joined 643 newly-promoted KPMG Partners – the largest new Partner Class KPMG has ever had. KPMG's global workforce grew by more than 7% to almost 174,000 partners and staff, the highest number of individuals ever employed across the network.

Over the next 3 years, KPMG member firms aim to create around 40,000 new roles, with a significant proportion of these new jobs supporting anticipated growth in client demand for core Audit and Tax services as well as Strategy, Transformation, Cyber Security and other advisory services.

Veihmeyer concluded, "KPMG remains a leading choice for graduate talent, and we were proud to be voted in the Top 5 most attractive global employers in the annual Universum 'World's Most Attractive Employers to Work For' poll of around 200,000 degree students."

Other FY15 highlights:

- KPMG member firms now serve more than 80% of Global Fortune 500 companies.
- KPMG Capital, the investment fund for KPMG member firms to acquire, invest in, or partner with innovative, cutting-edge technology businesses, announced further investments.
- In Management Consulting, continued investment in critical areas positions KPMG to be the clear choice for clients who want to achieve large-scale, sustainable change.
- Continued significant investment in global Centers of Excellence including Financial Services, Government, Infrastructure, Energy & Natural Resources, Healthcare, Climate Change & Sustainability and Human Resources, bringing together KPMG specialists from around the world to solve the most challenging and strategically important issues for clients.
- Simultaneous publication of KPMG's International Annual Review and Transparency Report.

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Notes to editors:

Combined revenues of KPMG member firms by region (U.S. \$ billion)

Regions	Current	Prior	Local Growth (%)	US\$ Growth (%)
Americas	\$9.34	\$8.51	13.6%	9.8%
Asia Pacific	\$3.79	\$3.86	8.2%	(1.8%)
EMA	\$11.31	\$12.45	4.0%	(9.2%)
Total	\$24.44	\$24.82	8.1%	(1.5%)

Functions

Audit	\$10.03	\$10.46	6.1%	(4.1%)
Tax	\$5.31	\$5.27	9.9%	0.8%
Advisory	\$9.10	\$9.09	9.2%	0.1%
Total	\$24.44	\$24.82	8.1%	(1.5%)

The following global reports have also been issued by KPMG International today:

[KPMG International Annual Review](#)

The International Annual Review reflects on our record of achievement over the past fiscal year, demonstrating the insights and expertise of KPMG professionals and the unrelenting focus on acting with integrity and quality in everything we do.

[KPMG International Transparency Report](#)

This report provides insights and details on how we continually strive to enhance audit quality, which is a direct reflection of our network's unwavering commitment to audit quality, an integral element of our business and culture.

[UN Global Compact – 2015 Communication on Progress](#)

KPMG International has been a signatory to the United Nations Global Compact since 2002. The International Annual Review describes the ways in which we are implementing the 10 principles of the Compact and supporting broader development objectives.

About KPMG International

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 155 countries and have 174,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

The financial information set forth represents combined information of the separate KPMG member firms that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

Headcount figures are expressed as FTE (Full Time Equivalent) and are based on average headcount for the financial year.

KPMG Capital Limited and KPMG Capital Holding Limited comprise an investment fund for KPMG member firms. The investment fund is not open to third-party investment and will not, itself, provide professional services to clients. KPMG Capital Limited and KPMG Capital Holding Limited are legally distinct and separate from KPMG International Cooperative and each KPMG member firm.

Like every member firm in the KPMG global network, KPMG Capital, and the entities it invests in, is subject to the same rules and regulations promulgated by the regulatory bodies responsible for establishing standards for auditor Independence (for example the US SEC, PCAOB, AICPA, IESBA and those established by the various countries in which the investments reside). These rules apply to member firms, the individuals at such member firms and the targets for potential joint venture, alliance or acquisition related to the activities of KPMG Capital. All existing Independence protocols apply to KPMG Capital.