



KPMG achieves record global revenues for FY13

- ***Growth across Audit, Tax and Advisory functions as well as key industries***
- ***Over 45,000 new hires and net 3,000 partners and staff added to the network to take total number of people to a record high of 155,000***
- ***Significant investment in new services such as Data & Analytics and a focus on high-growth markets delivering strong growth***
- ***Investment commitment across key geographies***
- ***Sustained US\$450 million investment program to continuously improve the KPMG audit***
- ***Winner of the prestigious International Accounting Bulletin "2013 Sustainable Firm of the Year" award***

HONG KONG, 12 December 2013 -- KPMG International (KPMG) today announced record-high aggregated revenues of US\$23.42 billion for the fiscal year ended 30 September 2013, representing a 3.7% increase in local currency terms over the previous year.

Michael J. Andrew, Chairman, KPMG International, commented:

"Over the past year we have seen the first widespread signs of economic confidence returning to clients and this has led to improving demand for services around the world, accelerating growth in the second half of the year. Continuing to make significant investments in a difficult economic period while delivering operating efficiencies has ensured we are well-placed to meet this upturn in demand, and will drive stronger growth in the future. We are delighted to report record revenues in target high-growth markets. KPMG has a longstanding commitment to supporting clients in the world's fastest growing economies and this focus drove 16.3% annual growth in revenues in India, 14.3% in Mexico, 13.1% in Africa and 10% in China."

The Americas delivered strong growth over the year, with revenues rising by 6.7% driven by a 16.4% growth in Advisory revenues, 7.4% increase in Tax and a 0.3% increase in Audit revenues. EMA revenues grew by 2.6% with strongest growth in Germany, Ireland and Switzerland as many of the region's leading economies returned to growth. The Asia Pacific region reported revenue growth of 1.1%, reflecting the difficult economic situation affecting



some of the largest economies in the region and the slow IPO market, a traditional strength of KPMG.

Strong growth in Audit, Tax and Advisory

Audit

While the global audit market remains challenging, and competition for audit engagements intense, KPMG's global Audit function performed strongly with member firm revenue increasing by 1.2% to \$10.21 billion.

"The number of significant audit appointments during the last year includes: Downer EDI, ICBC, Lend Lease, Panasonic, PetroChina, Syngenta, and Unilever. We maintain a vigorous commitment to continuous improvement in audit quality. We have invested over \$225 million in audit over the past five years and plan to invest at least as much again in the next five years." said Michael Andrew.

Tax

Tax revenues rose by 4.2% to \$4.97 billion driven by an increased demand for tax compliance and tax advisory services in the Americas and EMA. KPMG also led the way in responding to the global debate on tax morality, with the publication of [Global Tax Principles](#), setting out the standards which KPMG tax professionals follow in their work for tax clients.

Advisory

Total Advisory revenues for the year were up by 6.5% to \$8.24 billion, buoyed by strengthening demand for KPMG's Management Consulting services, which delivered 14.2% growth on the prior year. Client demand for KPMG's Risk Consulting services also continued to grow strongly, up by 6.8% from FY12.

Data and Analytics services saw a sharp increase in demand. As just one example, KPMG professionals helped one of China's largest insurance firms transform their business, enriching data to better understand and meet their customers' changing needs.



Investing for future growth

KPMG continues to make significant investments targeted at long term, sustainable growth and is almost half way through a five year global investment program totaling around \$1 billion focused on our core global audit platform, high-growth markets and developing new services such as Data and Analytics.

A leading choice for talent

KPMG maintained its long-standing focus on recruiting top talent in FY13, recruiting over 45,000 graduates and experienced hires. KPMG's global workforce grew almost 3,000 to more than 155,000 partners and staff, the highest number of individuals ever employed across the network.

With its strong focus on training and career development, KPMG remains a leading choice for graduate talent, and was once again voted in the Top 10 Global Employers in the Universum poll of around 200,000 degree students.

Other FY13 highlights:

- *KPMG's member firms now serve more than 80% of the Global Fortune 500 list of companies.*
- *KPMG advised on China's largest foreign merger and acquisition deal of 2013, the US\$15 billion acquisition of a Canadian oil company by CNOOC, China's largest producer of offshore oil and natural gas.*
- *KPMG has again led the sector by simultaneously publishing its International Annual Review, Transparency Report and Communication on Progress towards the UN Global Compact goals along with the network's financial results.*
- *KPMG continued to invest in global Centers of Excellence including the Financial Services, Government & Infrastructure, Energy & Natural Resource, and Healthcare sectors, and competencies around Shared Services and Outsourcing, Strategic Procurement, Human Resource Advisory, and Climate Change and Sustainability. These Centers bring together KPMG experts from around the world with specialized skills and market experience to develop practical solutions to help clients deal with the pace and complexity of their global business environment.*

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About KPMG International

KPMG is a global network of professional firms providing Audit, Tax and Advisory services. We operate in 155 countries and have more than 155,000 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.

KPMG Capital is an investment vehicle for KPMG member firms to invest in data and analytics tools and solutions. It is not open to third-party investment.

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Notes to editors:

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

| KPMG regions | 2012 | 2013 | Comparison in local currency | Comparison in US dollars (%) |
|------------------------------|-------|-------|------------------------------|------------------------------|
| Americas | 7.45 | 7.88 | 6.7% | 5.8% |
| Asia Pacific | 4.07 | 3.90 | 1.1% | (4.2%) |
| Europe, Middle East, Africa* | 11.51 | 11.64 | 2.6% | 1.1% |
| Total | 23.03 | 23.42 | 3.7% | 1.7% |

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

| KPMG services | 2012 | 2013 | Comparison in local currency | Comparison in US dollars (%) |
|---------------|-------|-------|------------------------------|------------------------------|
| Audit | 10.31 | 10.21 | 1.2% | (1.0%) |



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|----------|-------|-------|------|------|
| Tax | 4.86 | 4.97 | 4.2% | 2.3% |
| Advisory | 7.86 | 8.24 | 6.5% | 4.8% |
| Total | 23.03 | 23.42 | 3.7% | 1.7% |

Combined average headcount (FTE) of KPMG member firms

| | 2012 | 2013 | Change |
|----------------|---------|---------|--------|
| Partners | 8,624 | 8,664 | 0.5% |
| Professionals | 117,190 | 119,675 | 2.1% |
| Administration | 26,576 | 26,841 | 1.0% |
| Total | 152,390 | 155,180 | 1.8% |

*Includes India

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 – 2013 Communication on Progress:](#)

KPMG International has been a signatory to the United Nations Global Compact since 2002. The 'Communication on Progress' report describes the ways in which we are implementing the ten principles of the Compact and supporting broader development objectives.