

News Release

Kevin Russell
Ernst & Young Global PR
+44 (0)20 7980 0502/+44 (0)7884 235 847
kevin.russell@uk.ey.com

Ernst & Young fiscal year 2008 global revenues rise 16.2% to US\$24.5 billion

All Areas and Service Lines record another year of strong growth

LONDON, 7 OCTOBER 2008 – Ernst & Young today announced that its combined worldwide revenues increased to US\$24.5 billion for the fiscal year ending 30 June 2008. This represented a year-on-year revenue increase of US\$3.4 billion and a growth rate of 16.2% (9.5% in local currency [lc] terms). This growth was the result of winning new clients and the introduction of new services, as well as returns on investment in the emerging markets. It was partially offset by audit efficiencies enabled by the new US internal control standard and the economic downturn in many markets.

“This was an important year for Ernst & Young for more than just our continued strong growth,” explained Ernst & Young Global Chairman and CEO James S. Turley. “We took two additional vital steps towards achieving our vision of global integration. We brought together 87 national practices across Europe, the Middle East, India and Africa, and 15 national practices across Asia, to create operationally integrated EMEIA and Far East Areas. These sit alongside our already integrated Americas Area. I believe these moves further confirm our status as the most globally integrated professional services organization. I am confident they will provide greater opportunities for our people to achieve their potential as well as provide seamless service for our clients.”

Ernst & Young experienced its strongest increase across the Asia-Pacific region, where revenues grew 34.3%, reaching US\$3.3 billion. This comprised three Areas: Japan, which passed the US\$1 billion mark, increasing by 42.6%; the Far East Area, which grew 32.3% to US\$1.3 billion; and the Oceania Area, which grew 29.0%, reaching US\$1 billion.

Ernst & Young’s other two Areas also performed well, with EMEIA growing by 18.4% to US\$11.4 billion and the Americas Area growing 8.9% to US\$9.8 billion.

“We are mid-way through a four-year program that will see us invest US\$1 billion, principally in the emerging markets,” said John Ferraro, Ernst & Young’s Global Chief Operating Officer.

“These markets represent some of our best growth opportunities. In 2008 revenues increased

55.5% in India (42.8% lc), 43.3% in China (37.2% lc), and 38.7% across Russia and the Commonwealth of Independent States (31.4% lc).

“We also saw good performance in each of our service lines,” Ferraro continued.

In an environment where many businesses faced challenging economic conditions, Assurance & Advisory Business Services (AABS) increased 14.2%. Globalization is altering the tax landscape and is impacting companies’ compliance, reporting and planning needs, and this led to a 21.2% increase in Tax revenues and drove double-digit growth across all services and geographic Areas. Despite significant reductions in transaction values this year, Transaction Advisory Service’s (TAS) balanced portfolio of clients and the emerging markets led to a 19.6% increase in revenues.

“Today’s borderless business environment demands a truly global approach from our organization, and this is made even more important given the unprecedented turmoil we are seeing in financial markets around the world,” concluded Turley. “I am very proud of how our 135,000 people have embraced this global approach – coming together to create an inclusive culture and to focus on delivering high-quality service for our clients.”

-ends-

Ernst & Young Revenues by Area – US\$ millions

	FY08	FY07	% change	
			US\$	local currency
Americas	9,820	9,019	8.9	7.1
EMEIA	11,408	9,632	18.4	7.9
Far East	1,252	946	32.3	25.8
Oceania	1,009	782	29.0	14.9
Japan	1,034	725	42.6	31.1
Total	24,523	21,104	16.2	9.5

Ernst & Young Revenues by Service Line – US\$ millions

	FY08	FY07	% change	
			US\$	local currency
AABS	16,599	14,530	14.2	7.8
Tax	6,744	5,566	21.2	14.2
TAS	2,946	2,463	19.6	13.0
Less elimination*	(1,766)	(1,455)	n/a	n/a
Total	24,523	21,104	16.2	9.5

*For management reporting purposes certain revenues are included in multiple Service Lines and have been eliminated in presenting total revenue.

Ernst & Young people by Area

	<i>FY08</i>	<i>FY07</i>	<i>% change</i>
<i>Americas</i>	41,535	40,635	2.2
<i>EMEIA</i>	62,704	56,717	10.6
<i>Far East</i>	18,798	16,401	14.6
<i>Oceania</i>	6,665	6,102	9.2
<i>Japan</i>	6,028	4,480	34.6
Total	135,730	124,335	9.2

Ernst & Young people by Service Line

	<i>FY08</i>	<i>FY07</i>	<i>% change</i>
<i>AABS</i>	76,539	69,521	10.1
<i>Tax</i>	24,290	22,071	10.1
<i>TAS</i>	6,618	5,692	16.3
<i>Practice support</i>	28,283	27,051	4.6
Total	135,730	124,335	9.2

About Ernst & Young

Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, our 135,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve potential.

For more information, please visit www.ey.com.

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. This news release has been issued by EYGM Limited, a member of the global Ernst & Young organization that also does not provide any services to clients.