



News Release

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AVANADE ACQUIRES LOUD&CLEAR AND CREATES ITS FIRST DIGITAL INNOVATION STUDIO IN ASIA PACIFIC

Acquisition enhances Avanade's ability to offer clients innovation-led design experiences focused on the Microsoft ecosystem

MELBOURNE, AUSTRALIA, August 14, 2018 – Avanade, the leading digital innovator on the Microsoft ecosystem, announced today it has acquired Loud&Clear, an independent enterprise technology and experience design agency headquartered in Melbourne. Loud&Clear's employees will continue to support clients as part of Avanade. Terms of the transaction were not disclosed.

Avanade's clients will benefit from Loud&Clear's capabilities and experience in User Experience (UX), Digital Strategy, Marketing Automation as well as their expertise in Sitecore and Drupal solutions. Loud&Clear will become Avanade's first Digital Innovation Studio in the region and be part of a global network of studios focused on creating and building user-centric experiences from proof-of-concept and prototyping through to market launch and scaling. The acquisition allows Avanade to continue to rapidly scale its operations in the region.

"Loud&Clear's digital expertise combined with the agility of their agency approach will enable us to bring the "art of the possible" to our clients as they look to transform in the digital world," said Anna Di Silverio, Avanade Growth Markets Area President. "We share a similar culture of innovation as well as the experience and expertise required to deliver the best customer and employee experiences, digital marketing, ecommerce and digital advisory solutions for our clients."

Loud&Clear has built digital solutions for clients from a broad range of industries such as retail, financial services, utilities, healthcare, education, agriculture, telecommunications and sports. Over the years of its business growth, Loud&Clear has also incubated start-ups internally and partnered with clients to help bring innovative digital solutions to market.

"We are very proud of the company that we've built with Loud&Clear," said Ben Beath, Managing Director and co-founder. "This is absolutely the right time for us to join Avanade to achieve even greater success working on a regional and international scale. It's an exciting time for both companies." Loud&Clear's Chief Operations Officer Luke Evans added, "Our unique way of working - with cross-functional squads delivering Experience Design, Strategy and Development at high velocity - will underpin continued growth with the scale and reach of Avanade."



About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help fuel transformation and growth for our clients and their customers. Avanade has 30,000 digitally connected people across 24 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.

About LOUD&CLEAR

Loud&Clear is Australia's largest independent digital agency, founded in 2009 by Ben Beath, Joel Beath and Cade Witnish. Over the last nine years we've grown to a team of 150+ focused on delivering world-class Experience Design, Sitecore and Drupal development and Digital Strategy for enterprise. We're the turbo-boost for organisations looking to deliver innovative customer-centric products and experiences to their audiences. We're design-led, data obsessed, pixel perfect and future thinking. We solve challenges that exist right now and deliver outcomes that help enterprise scale and transform.

Forward-Looking Statements

Except for the historical information and discussions contained herein, statements in this news release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied.

These include, without limitation, risks that: Avanade and Loud&Clear will not be able to close the transaction in the time period anticipated, or at all, which is dependent on the parties' ability to satisfy certain closing conditions; the transaction might not achieve the anticipated benefits for Avanade; Avanade's business could be negatively affected if the company cannot expand and develop its services and solutions in response to changes in technology and client demand; the management consulting, systems integration and technology markets are highly competitive and Avanade might not be able to compete effectively; Avanade's business could be negatively affected by economic and political conditions and the effects of these conditions on its clients' business and levels of business activity; Avanade's work with government clients exposes the company to additional risks inherent in the government contracting process; clients may not be satisfied with Avanade's services; Avanade could have liability or its reputation could be damaged if it does not protect client data or information systems or if its information systems are breached; Avanade's business could be negatively affected by legal liability that results from providing its solutions or services; Avanade's results could be adversely affected if its clients terminate their contracts with the company; liabilities could arise if subcontractors or other third parties with whom the company partners cannot deliver their project contributions on time or at all; Avanade's results of operations may be adversely affected by the rate of growth in the use of technology in business and the type and level of technology spending by its clients; Avanade's profitability may suffer if it is not able to maintain favorable pricing rates and utilisation rates or if the company cannot control costs; Avanade's global operations are subject to complex risks, some of which might be beyond its control; Avanade's business may be adversely affected if it is unable to keep its supply of skills, including those personnel currently employed by Loud&Clear and resources in balance with client demand; Avanade may be unable to achieve its business objectives if the company cannot manage the organisational challenges associated with the scope of its operations; Avanade has only a limited ability to protect its intellectual property rights, and its services or solutions could infringe on the rights of others or it could lose its ability to use the intellectual property of others; Avanade's ability to attract or retain business may depend on the company's reputation in the marketplace; loss of the company's significant corporate relationships with Accenture and Microsoft could reduce its revenue and growth prospects;



Avanade has a limited ability to set its own independent strategies, and its business strategy and direction may be dictated by Accenture's overall business strategy; Avanade relies on Accenture for the majority of its revenue, and the loss of that revenue would have a significant adverse impact on Avanade's results of operations and may affect its ability to continue to operate; Avanade's global delivery network relies on Accenture, and the loss of that network would increase Avanade's operating expenses; Microsoft has certain minority rights, and may exercise those rights to protect its own interests, which may not align with Avanade's; and Avanade is committed to using Microsoft-related technologies, and the company's inability to use those technologies would adversely impact its results of operations.

Statements in this press release speak only as of the date they were made, and Avanade undertakes no duty to update any forward-looking statements made in this news release or to conform such statements to actual results or changes in Avanade's expectations.

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