

IVE GROUP DELIVERS ANOTHER YEAR OF SOLID GROWTH

27 August 2019 (Sydney): IVE Group Limited (ASX: IGL) is pleased to announce its results for the 12 months ended 30 June 2019 (FY19), a period that saw the Company deliver another year of solid revenue and earnings growth, as it met all key operational milestones.

Financial performance

- Revenue up 4.1% to \$724.2 million
- Pro forma EBITDA up 9.8% to \$80.4 million
- Pro forma NPATA up 4.4% to \$37.5 million
- Free cash conversion to EBITDA of 81.7%
- Final dividend of 7.7 cents per share taking fully franked dividends for the full year to 16.3 cents per share, up 5.2%
- Strong balance sheet, net debt 1.79 times full year pro forma EBITDA

All operations milestones met

- The final stage investment and official opening in November 2018 of the Group's \$53 million Franklin WEB NSW operation
- Additional investment in high speed continuous inkjet technology to support the Group's further expansion in personalised communications
- In support of revenue growth, the logistics and fulfilment operation in Victoria was relocated to a new 15,000sqm facility
- The Group refinanced its senior debt facilities for a new 4 year term

Commenting on the Company's FY19 performance, IVE Group's Executive Chairman Geoff Selig said: "We are very pleased to have again delivered a solid result, a year that brought to a conclusion the most significant investment program the sector has seen for many years. Notwithstanding softer trading conditions in H2, revenue momentum continued throughout the year and all key operational milestones were met"

"Strong free cashflow continues to underpin an ongoing very healthy dividend yield."



Expected solid performance following a period of significant investment

IVE Group expects the solid performance and strong free cashflow of the business to continue in FY20. Following a period of heavy investment in a number of strategic growth initiatives, FY20 targeted and maintenance capital expenditure reduces significantly to circa \$8-10 million, and the Group has no further deferred consideration payable from prior acquisitions. FY20 significant items are once again expected to be minimal.

Commenting on the outlook, IVE Group Chief Executive Officer, Matt Aitken said: “We will continue as always to be focused on delivering for our customers, and ensuring we operate as efficiently as possible to deliver an acceptable return for our shareholders. We have an exciting year ahead with our move to one brand in November, the continued upgrade/enhancement of our group wide MIS platforms, and a number of other important initiatives to support the ongoing strength and sustainability of the business.”

A briefing session for investors and analysts will be held at 10:30am Australian Eastern Standard Time on August 27, 2019.

To pre-register for the briefing and avoid a queue when calling, please follow the link below.

<https://s1.c-conf.com/diamondpass/ivegroup-10001332-invite.html>

If you are unable to pre-register, at the time of the call please dial one of the numbers below and provide the **conference ID 10001332** to the operator.

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About IVE

For businesses who need to connect with their customers, at a time when it's never been more challenging or complex.

IVE are marketing natives that draw on their unmatched breadth and depth of service, bring together the capabilities, specialists and technology needed to make customer connections seamless.

By forever seeking new ways to simplify, optimise and deliver marketing activity, IVE take's its clients, their businesses and their customers further.

IVE employs 1,800 talented and committed people across its operations in Australia, China, Singapore and New Zealand. IVE services all major sectors of the economy.