



## IVE GROUP DELIVERS ANOTHER YEAR OF STRONG GROWTH

**27 August 2018 (Sydney):** IVE Group Limited (ASX: IGL) is pleased to announce its results for the 12 months ended 30 June 2018 (FY18), a period that saw the Company deliver another year of strong revenue and earnings growth, as it met all key operational milestones.

### Financial performance

- Revenue up 39.9% to \$695.4 million
- Pro forma EBITDA up 32.4% to \$73.2 million
- Pro forma NPATA up 32.4% to \$35.9 million
- Free cash conversion to EBITDA of 85.4%
- Final dividend of 7.5 cents per share taking fully franked dividends for the full year to 15.5 cents per share
- Strong balance sheet, net debt 1.79 times full year pro forma EBITDA

### All operations milestones met

- Successfully raised \$55.6 million in August 2017 to drive further growth beyond FY18
- Relocated and merged Victorian Blue Star DISPLAY operation with Franklin WEB retail display business
- Completed the merger of Franklin WEB Victoria and AIW in December 2017, with excess capacity retired
- The final phase of the Group's \$53 million investment program to establish Franklin WEB NSW will be completed in September 2018 with the commissioning of the 2<sup>nd</sup> 80 page press
- Acquisition and seamless integration of SEMA into Blue Star DIRECT

Commenting on the Company's FY18 performance, IVE Group's Executive Chairman Geoff Selig said: "We are pleased to have delivered another strong result, as we acquired and successfully completed the integration of a number of strategically important businesses into the Group, while ensuring throughout there was no disruption to our customers. During the year we achieved revenue growth from the combination of solid organic growth and the acquisitions of Franklin WEB, AIW and SEMA.

"The strong EBITDA growth we generated translated to uplift in free cash flow, which underpinned the continuation of a healthy dividend yield. We continue to maintain a conservative balance sheet, with net debt of 1.79 times pro forma EBITDA."



## Positive outlook following a period of significant investment

IVE Group expects the positive momentum from FY18 to continue over the coming year, with continued revenue and earnings growth expected in FY19 and minimal restructure costs.

Commenting on the outlook, IVE Group Managing Director, Warwick Hay said: “Over the past 20 months we have successfully undertaken 2 significant acquisition and integration projects. Both projects involved major capital investment programs to ensure effective integration and to expand our capacity on the back of revenue growth. These projects are now close to complete and we are extremely pleased with the outcomes. Additionally, we have retained all key customers and grown market share over the period. As a result the business is ideally positioned to continue our growth trajectory and to build further value for our shareholders in FY19.”

Following a period of significant capital expenditure, the Company’s FY19 new capital expenditure budget (excluding already committed FY19 capital expenditure as previously communicated) is significantly lower at \$9 million

A briefing session for investors and analysts will be held today, 27 August at 11am Australian Eastern Standard Time.

To pre-register for the briefing and avoid a queue when calling, please follow the link below.  
<https://services.choruscall.com.au/diamondpass/ive-540868-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 540868** to the operator.

**Australia Toll Free:** 1 800 558 698

**Australia Local:** +61 2 9007 3187

For further information contact:

**Darren Dunkley**

Chief Financial Officer

+ 61 2 8020 4400

**Orla Keegan, Market Eye**

P: +61 2 8097 1201

E: [orla.keegan@marketeye.com.au](mailto:orla.keegan@marketeye.com.au)

## About IVE

IVE Group Ltd is a vertically integrated marketing and print communications provider. IVE enables its customers to communicate more effectively with their customers by creating, managing, producing and distributing content across multiple channels. IVE has an unparalleled product and service offering in Australia and holds leading positions across multiple sectors.

IVE approaches the market with a solution focused strategy and consists of 4 operating divisions – Kalido (creative and marketing services), Pareto Group (fundraising specialists- NFP sector), Blue Star Group (which includes Blue Star PRINT, Blue Star WEB, Blue Star DISPLAY, Blue Star DIRECT, Blue Star CONNECT, Blue Star PROMOTE and Franklin WEB), IVEO (managed solutions).

IVE employs 1,700 talented and committed people across its operations in Sydney, Melbourne, Brisbane, China, Singapore and New Zealand. The Group services all major industry sectors including financial services, publishing, retail, healthcare, communications, property, clubs and associations, not-for-profit, utilities, manufacturing, education and government.