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IVE GROUP DELIVERS ANOTHER STRONG HALF YEAR RESULT

26 February 2018 (Sydney): IVE Group Limited (ASX: IGL) is pleased to announce its results for the six months ended 31 December 2017 (1H18), a period that saw the Company once again deliver a strong financial performance and deliver on all key operational milestones.

Strong performance across all key metrics¹

- Revenue up 73% to \$359 million
- Pro forma EBITDA up 56.9% to \$38.3 million
- Pro forma NPATA up 53.4% to \$19.1 million
- Free cash conversion to pro forma EBITDA of 79.4%
- Net debt 1.6 times full year pro forma EBITDA guidance of \$75 million (mid-point guidance)
- Interim dividend declared of 8 cents per share, fully franked

All operational milestones met

- Franklin WEB Victoria and AIW merger completed in December, 2017
- Franklin WEB NSW greenfield site fully operational November 1, 2017
- Ordered 2nd 80 page press & ancillary equipment for Franklin WEB NSW
- Blue Star DISPLAY Victoria merger with Franklin WEB's retail display business and further expansion complete July 2017
- SEMA acquisition completed September 2017, full integration with Blue Star DIRECT on track for completion by May 2018
- Dominion acquisition completed November 2017

Commenting on the Company's 1H18 performance, IVE Group's Executive Chairman Geoff Selig said: "It has been a very important period for the Group as we successfully delivered over the last six months on all operational milestones as outlined at the annual general meeting in November last year.

"The Group's financial performance is well up over the prior corresponding period, and strong cashflows continue to support our ongoing high dividend yield. We have a sound track record of delivering a very meaningful dividend stream to shareholders, with \$36.5 million (including interim dividend for H1 2018) of fully franked dividends paid since listing in December 2015. Importantly, our balance sheet remains conservative, with net debt of 1.6 times pro forma full year mid-point EBITDA guidance of \$75 million."

¹ Comparisons relate to 1H18 vs 1H17



Positive outlook for continued strong year on year growth

IVE Group expects the momentum to continue over the remainder of FY18.

FY18 Pro forma EBITDA is expected to be in the range of \$72 to \$77 million, including the contribution from SEMA. Consistent with previous guidance provided to the market, restructure costs (excluding SEMA) are expected to be in the range of \$2.5 to \$3.5 million, while the SEMA relocation and restructure costs are expected to be \$4.5 million, in line with what was communicated at the August 2017 capital raise.

Commenting on the outlook, IVE Group Managing Director Warwick Hay said: “Having delivered operational success across our key business offerings, including our expanded value proposition, we are in an excellent position to continue to grow and create further value for our shareholders. The benefits from the investments we have made are flowing through, as we remain keenly focussed on our objective of providing an unparalleled marketing and print communications offering to our customers.”

A briefing session for investors and analysts will be held today, 26 February at 11am Australian Eastern Daylight Savings 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-950460-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 950460** to the operator.

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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.