

Media Release

2015 Half Year Results Released

18 August 2015: InvoCare Limited, the largest private funeral, cemetery and crematorium operator in the Asia Pacific region, today announced its results for the half year ended 30 June 2015.

Comparable business operating earnings after tax, which exclude asset sales and undelivered prepaid contract impacts, increased by 8.3% to \$21.0 million from \$19.4 million. This result was underpinned by strong performances in Australia and Singapore which recorded EBITDA growth (in local currencies) of 5.5% and 12.6% respectively.

Total operating earnings after tax, including \$1.9 million start-up costs for InvoCare USA, were down 2.1% or \$0.4 million to \$19.0 million

Sales revenues for the comparable business increased by 5.6%, supported by higher case volumes and average funeral contract values. Funeral case volumes were 2.5% higher than the first half of 2014.

The ratio of EBITDA to sales in the comparable business was down marginally (from 22.8% to 22.7%), driven by a decline in New Zealand. Including InvoCare USA, the total Group's ratio declined by 1.1% to 21.7%.

Reported profit after tax for the comparable business was down 1.6% to \$20.5 million (2014: \$20.8 million). The year on year decline was impacted by after tax losses from prepaid funds under management of \$0.9 million compared to the prior year gain of \$1.4 million. Including InvoCare USA and new acquisitions, reported profit after tax declined 11.3% to \$18.5 million.

Cash flows remained strong for the half with ungeared, tax free operating cash flow tracking at 104% of EBITDA (2014: 109%), underpinning the ability to maintain a fully franked interim dividend of 15.75 cents per share, unchanged from 2014.

The dividend will be paid on 9 October 2015. The Dividend Reinvestment Plan (DRP) remains active for this interim dividend, without discount or underwriting, and the DRP election date is 18 September.

Martin Earp, who was appointed InvoCare's Chief Executive Officer on 1 May 2015, said:

"The business remains robust, evidenced again by the good first half result in the comparable operations, particularly Australia and Singapore.

Over the years InvoCare has delivered excellent returns to its shareholders and, in order to continue to enhance shareholder value, over the next few months InvoCare's executive team will be developing business plans for consideration and approval by the Board. Operational effectiveness within the existing core businesses in Australia, New Zealand and Singapore will be the major focus.

We will inform investors about those plans in early 2016 when announcing the 2015 full year result."

For immediate Release

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