

## MEDIA RELEASE

### 2016 Full Year Results released

**23 February 2017: InvoCare Limited, the largest private funeral, cemetery and cremation operator in the Asian Pacific region, today announced its results for the full year ended 31 December 2016.**

Operating earnings after tax, which excludes asset sales, asset impairments, impacts of undelivered prepaid contracts and non-controlling interest, increased by 11.9% or \$5.9 million to \$55.2 million from \$49.4 million.

The Group's EBITDA of \$112.3 million was up 6.5%, which was delivered in a year when demand was less than forecast and there were one-off costs associated with an organisational restructure and funding of the network and branding optimisation review.

The Group's overall gross sales were up 3.3% to \$450.7 million. Sales were impacted by a lower than anticipated number of deaths in InvoCare's core markets, and a small decline in market share. However case averages remained strong with a 4% increase year on year.

Statutory profit after tax of \$71 million was up 29.4% or \$16 million, which has been driven by a year on year increase in returns of the pre-paid funds under management (FUM). The current balance of FUM is \$473m.

Cash flow generation remained strong with ungeared tax free operating cash flow being 104% of EBITDA.

*The Directors determined that the final, fully franked dividend of 25.5 cents per share be paid on 7 April 2017, with a DRP election date of 8 March 2017, a record date of 7 March 2017 and an ex-dividend date of 6 March 2017.*

*This dividend is up 14.6% on the 2015 final dividend and brings the full year dividends up to 42.5 cents per share, which represents an 85% payout of operating earnings. InvoCare has left activated its Dividend Reinvestment Plan (DRP) for this final dividend. It is not intended that this DRP be underwritten nor will shares be issued at a discount.*

Martin Earp, InvoCare's Chief Executive Officer, said:

"InvoCare has again delivered a strong set of results that demonstrate the underlying strength of the business. While demand was lower than anticipated and we incurred some one-off costs associated with restructuring the operations and planning for the future, the business reported an 11.9% increase in Operating Earnings after Tax."

"Over the last two years the team has spent considerable time analysing our core markets and understanding the changing needs of our customers. We have clearly identified where we need to modify our product offering to protect our existing business, whilst also identifying growth opportunities within our core markets. Today, we are presenting the **Protect and Grow 2020** plan, where we anticipate spending an estimated \$200m over four years to extract greater benefits from existing assets, and develop new locations that will bridge gaps in our current network."

For immediate release

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