

## Investor Presentation 2013 Full Year Results

February 2014

Presenters:  
Andrew Smith CEO  
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### 2013 Full Year Highlights

- Sales revenue up 4.5% to \$385.4m (2012: \$368.7m)
- Numbers of deaths down 0.8% across InvoCare's markets  
estimated \$1.6m profit after tax impact
- Funeral market share down, estimated after tax impact of \$2.8m
- Volume declines mitigated by case averages and cost management
- EBITDA<sup>(i)</sup> up 2.2% to \$95.1m (2012: \$93.0m)
- Operating earnings after tax<sup>(i)</sup> flat at \$42.5m
- Improved second half with operating earnings after tax up \$1.8m on  
2012 after first half down \$1.7m
- Net profit after tax up 9.9% to \$48.9m (2012: \$44.5m)

(i) This is non-IFRS financial information

## 2013 Full Year Highlights

- Net profit included after tax benefits from:
  - Net impairment reversals (\$2.2m; 2012: \$nil)
  - Asset sale gains (\$3.2m; 2012: \$2.1m)
  - Undelivered prepaid impacts (net gain \$1.1m; 2012: breakeven)
- Acquisitions ahead of expectations and contributed \$9.4m in sales, \$1.9m in EBITDA and \$0.8m to operating earnings after tax
- Full year EBITDA to sales ratio lower at 24.7% (2012: 25.2%) impacted by high fixed cost base in lower volume market
- Second half EBITDA to sales ratio of 26.7% up on first half 22.5% (2012: 26.0%) supported by cost management and case averages
- Continued strong EBITDA to cash conversion : 110% (2012: 95%)
- Final dividend 19.5 cents, full year 34.5 cents – payout 89% of operating earnings after tax



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## 2013 Full Year Highlights (continued)

- Revenue growth pillars evident in 2013:

|   |                                   |   |
|---|-----------------------------------|---|
| - | Favourable Demographics           | ✗ |
| - | Pricing / average contract values | ✓ |
| - | Market share improvements         | ✗ |
| - | Prepaid contracts                 | ✓ |
| - | New locations                     | ✓ |
| - | Business acquisitions             | ✓ |

- Numbers of deaths down by 0.8% across InvoCare markets
- Year on year market share loss but showing signs of stabilising towards end of the second half



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## Operational Highlights

|                        | 1H13  | 1H12  | Var    | 2H13  | 2H12  | Var   | FY13  | FY12  | Var   |
|------------------------|-------|-------|--------|-------|-------|-------|-------|-------|-------|
|                        | \$'m  | \$'m  | %      | \$'m  | \$'m  | %     | \$'m  | \$'m  | %     |
| <b>Sales Revenue</b>   |       |       |        |       |       |       |       |       |       |
| Australia              | 158.3 | 155.2 | 2.0%   | 172.7 | 172.2 | 0.3%  | 331.0 | 327.5 | 1.1%  |
| New Zealand            | 14.8  | 14.2  | 4.2%   | 17.2  | 16.0  | 7.9%  | 32.0  | 30.2  | 6.1%  |
| Singapore              | 6.5   | 5.4   | 21.8%  | 6.4   | 5.3   | 22.6% | 13.0  | 10.6  | 22.2% |
| Comparable businesses  | 179.6 | 174.8 | 2.7%   | 196.4 | 193.4 | 1.5%  | 376.0 | 368.2 | 2.1%  |
| Acquisitions           | 4.0   |       |        | 5.4   | 0.4   |       | 9.4   | 0.4   |       |
| Total InvoCare         | 183.6 | 174.8 | 5.0%   | 201.7 | 193.8 | 4.1%  | 385.4 | 368.7 | 4.5%  |
| <b>EBITDA</b>          |       |       |        |       |       |       |       |       |       |
| Australia              | 35.3  | 36.9  | -4.4%  | 45.5  | 44.5  | 2.2%  | 80.7  | 81.4  | -0.8% |
| New Zealand            | 2.2   | 3.0   | -25.0% | 3.9   | 3.2   | 23.0% | 6.2   | 6.2   | -0.1% |
| Singapore              | 3.1   | 2.8   | 11.3%  | 3.1   | 2.7   | 17.7% | 6.2   | 5.4   | 14.5% |
| Comparable businesses  | 40.6  | 42.6  | -4.8%  | 52.5  | 50.3  | 4.3%  | 93.1  | 93.0  | 0.2%  |
| Acquisitions           | 0.7   |       |        | 1.2   | 0.1   |       | 1.9   | 0.1   |       |
| Total                  | 41.3  | 42.6  | -3.1%  | 53.8  | 50.4  | 6.7%  | 95.1  | 93.0  | 2.2%  |
| <b>Margin on sales</b> |       |       |        |       |       |       |       |       |       |
| Australia              | 22.3% | 23.8% | -1.5%  | 26.3% | 25.8% | 0.5%  | 24.4% | 24.8% | -0.5% |
| New Zealand            | 15.0% | 20.9% | -5.8%  | 22.8% | 20.0% | 2.8%  | 19.2% | 20.4% | -1.2% |
| Singapore              | 47.4% | 51.9% | -4.5%  | 48.6% | 50.6% | -2.0% | 48.0% | 51.2% | -3.2% |
| Comparable businesses  | 22.6% | 24.4% | -1.8%  | 26.8% | 26.0% | 0.7%  | 24.8% | 25.2% | -0.5% |
| Acquisitions           | 17.4% |       |        | 23.2% | 13.3% | 10.0% | 20.7% | 13.3% | 7.5%  |
| Total                  | 22.5% | 24.4% | -1.9%  | 26.7% | 26.0% | 0.7%  | 24.7% | 25.2% | -0.6% |



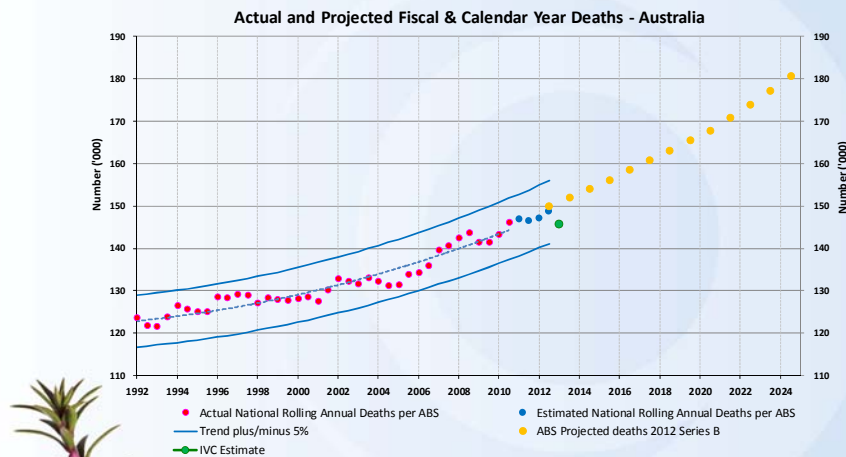
## Operational Highlights (continued)

### Number of deaths

- Key driver of IVC performance
- Declines in Australian and New Zealand markets experienced in May and June continued into second half across all markets
- Long term growth trend, but short term fluctuations occur around trend line (see graphs for Australia and New Zealand)
- Fluctuations impact operating margins and profits due to significant fixed cost structure
- Comparable funeral case volume growth of 1.3% at April YTD dropped to decline of 0.7% by end of first half and full year decline of 3.0%

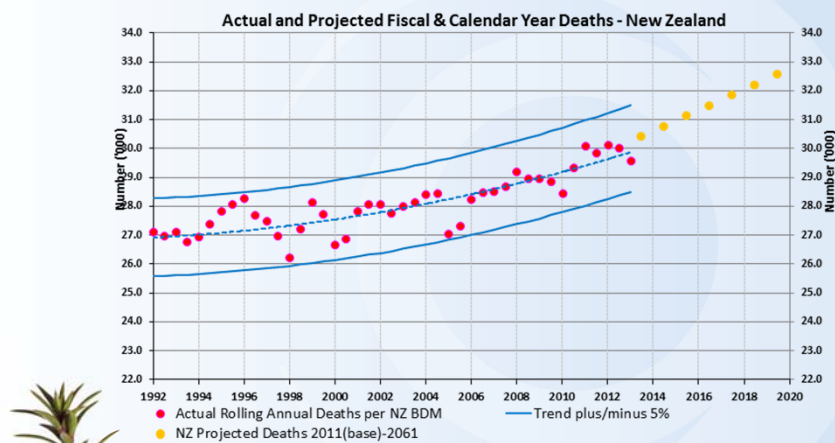


## Operational Highlights (continued)



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## Operational Highlights (continued)



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## Operational Highlights (continued)

### Comparable Australian Funeral Market

- Funeral sales up 0.7% to \$264.2m
- Case volumes down 2.8% on 2012
- Estimated number of deaths down 1.0% for the year (down 2.3% in second half)
- Estimated rolling 12 month market share down on 2012 by 0.7%
- Increase in average contract values of 5.1% due to price and mix



## Operational Highlights (continued)

### Comparable New Zealand Funeral Market (in NZD)

- Funeral sales down 2.3% to \$37.7m
- Case volumes down 5.2%
- Estimated number of deaths down 1.9% for the year (down 3.1% in second half)
- Market share performance mixed with some loss experienced due to aggressive competitive environment
- Trend in New Zealand market becoming more price sensitive
- Increase in average contract values of 4.1%
- Foreign exchange movements benefited AUD sales by \$2.8m and EBITDA by \$0.6m



## Operational Highlights (continued)

### Singapore Funeral Market (in local SGD currency)

2013 vs 2012

|                    |   |        |                          |         |
|--------------------|---|--------|--------------------------|---------|
| Revenue            | ↑ | 14.5%  | to                       | \$15.7m |
| EBITDA             | ↑ | 7.0%   | to                       | \$7.5m  |
| EBITDA Margin      | ↓ | (3.3%) | to                       | 47.9%   |
| <hr/>              |   |        |                          |         |
| Av. Contract value | ↑ | 14.8%  | (packages & accessories) |         |
| Case Volume        | ↓ | (0.3%) |                          |         |

- Expansion into retailing of lower margin funeral accessories in second half of 2012
- Funeral case volumes down 0.3% but offset by average case revenues up 14.8%
- No price increases applied since 2011
- Foreign exchange movements benefited AUD sales by \$0.8m and EBITDA by \$0.4m



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## Operational Highlights (continued)

### New Funeral Locations

- Full year benefit from 3 locations opened in Australia, and Simplicity in Auckland during 2012
- Net 4 new locations opened in Australia during 2013
- 4 acquisitions of funeral businesses in NZ, totalling 6 locations



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## Operational Highlights (continued)

### Cemeteries & Crematoria Market

- Sales before deferred revenue adjustments were up 1.6% to \$81.2m (2012: \$79.9m)
  - At need service volumes down 2.1% impacted mainly by drop in deaths in Sydney market
  - Memorial sales value up 3% due to solid second half
- Increase in deferred revenue pool by \$4.6m in 2013 (2012:\$5.1m)
- Sales after deferred revenue adjustments up 2.3% to \$76.6m (2012: \$74.9m)



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## Operational Highlights (continued)

### Total Prepaid Funeral Sales & Redemptions

|   | Year to December |             |
|---|------------------|-------------|
|   | 2013 v 2012      | 2012 v 2011 |
| Number of contracts sold                    | +3.8%            | +5.5%       |
| Average Contract Value                      | +4.9%            | +7.8%       |
|   | <b>2013</b>      | <b>2012</b> |
| % by which new contracts exceed redemptions | 13.2%            | 12.4%       |
| % of Australian funerals that were prepaid  | 14.2%            | 13.7%       |

- Includes the impact of Tucker acquisition made Dec 2012



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## Operational Highlights (continued)

### Prepaid Funds Under Management

|   | 2013      | 2012      |
|---|-----------|-----------|
| % of FUM in equities                      | 13%       | 8%        |
| % of FUM in property                      | 23%       | 17%       |
| % of FUM in cash & fixed interest         | 64%       | 75%       |
| Net pre-tax loss on undelivered contracts | \$1.6m    | (\$0.0m)  |
| Comprising:                               |           |           |
| FUM Earnings                              | \$20.6m   | \$17.6m   |
| Service delivery liability increase       | (\$19.0m) | (\$17.7m) |

- Guardian Fund invested in new property assets and minor increase in exposure to equities
- Earnings outstripped liability growth by \$1.6m



## Operational Highlights (continued)

### Investment in Digital & Social Media

- Ongoing implementation of digital strategy to improve customer service and deliver business value:
  - Launch of online capability through: FuneralOrganiser, MyMemorial and MyGriefAssist
  - Full year of implementation attracted 700 sales leads which converted to approximately 200 contracts
  - Launch of new social media channels (Simplicity, Guardian, Metropolitan Funerals)
  - Continued digital augmentation of chapel facilities to improve customer experience





## Operational Highlights (continued)

### Investment in Digital & Social Media

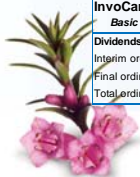
- Roll out of electronic processing capabilities using tablet technologies
- Continued focus on obtaining greater leverage from HeavenAddress
- Planning and design of cloud based customer relationship management tools



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## Financial Highlights

| Result highlights:   | 1H13<br>\$'m | 1H12<br>\$'m | Change<br>% | 2H13<br>\$'m | 2H12<br>\$'m | Change<br>% | FY13<br>\$'m | FY12<br>\$'m | Change<br>% |
|--|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|
| <b>Total sales to external customers</b>                                     | <b>183.6</b> | 174.8        | 5.0%        | <b>201.7</b> | 193.8        | 4.1%        | <b>385.4</b> | 368.7        | 4.5%        |
| Other revenue  | 3.4          | 3.4          | 2.8%        | 3.4          | 3.5          | (3.2%)      | 6.8          | 6.9          | (0.3%)      |
| Operating expenses <sup>(i)</sup>  | (145.8)      | (135.5)      | 7.6%        | (151.3)      | (146.9)      | 3.0%        | (297.1)      | (282.5)      | 5.2%        |
| <b>Operating EBITDA <sup>(i)</sup></b>                                       | <b>41.3</b>  | <b>42.6</b>  | (3.1%)      | <b>53.8</b>  | <b>50.4</b>  | 6.7%        | <b>95.1</b>  | <b>93.0</b>  | 2.2%        |
| Operating Margin   | 22.5%        | 24.4%        | (1.9%)      | 26.7%        | 26.0%        | 0.7%        | 24.7%        | 25.2%        | (0.6%)      |
| Depreciation and amortisation  | (8.7)        | (8.0)        | 8.3%        | (9.1)        | (8.4)        | 8.9%        | (17.8)       | (16.4)       | 8.6%        |
| Finance costs  | (8.4)        | (8.1)        | 3.2%        | (8.5)        | (8.2)        | 3.7%        | (16.8)       | (16.3)       | 3.4%        |
| Interest income  | 0.3          | 0.4          | (26.2%)     | 0.3          | 0.3          | (1.2%)      | 0.7          | 0.8          | (15.4%)     |
| Business acquisition costs   | (0.2)        | 0.0          | 1205.0%     | (0.3)        | (0.8)        | 57.8%       | (0.5)        | (0.7)        | 26.5%       |
| Share of loss from associates  | (0.1)        | -            | -           | (0.3)        | -            | -           | (0.3)        | -            | -           |
| <b>Operating earnings before tax <sup>(i)</sup></b>                          | <b>24.3</b>  | 27.0         | (9.9%)      | <b>36.0</b>  | 33.4         | 7.5%        | <b>60.3</b>  | 60.5         | (0.2%)      |
| Income tax on above operating earnings <sup>(i)</sup>                        | (7.1)        | (8.1)        | (11.8%)     | (10.7)       | (9.9)        | 7.9%        | (17.8)       | (18.0)       | (0.9%)      |
| Effective tax rate   | 29.2%        | 29.8%        | (0.6%)      | 29.7%        | 29.6%        | 0.1%        | 29.5%        | 29.7%        | (0.2%)      |
| <b>Operating earnings after tax <sup>(i)</sup></b>                           | <b>17.2</b>  | 19.0         | (9.1%)      | <b>25.3</b>  | 23.5         | 7.4%        | <b>42.5</b>  | 42.5         | 0.0%        |
| Operating earnings per share <sup>(i)</sup>                                  | 15.8 cents   | 17.3 cents   | (8.6%)      | 23.1 cents   | 21.5 cents   | 0.1%        | 38.9 cents   | 38.8 cents   | 0.4%        |
| Net gain or (loss) on undelivered prepaid contracts after tax <sup>(i)</sup> | 0.8          | (0.4)        |             | 0.3          | 0.4          |             | 1.1          | (0.0)        |             |
| Assets sale gains after tax <sup>(i)</sup>                                   | 1.3          | 1.8          |             | 1.8          | 0.3          |             | 3.2          | 2.1          |             |
| Reversal of impairment loss  | 2.1          | -            |             | 0.1          | -            |             | 2.2          | -            |             |
| Non-controlling interest   | (0.1)        | (0.1)        |             | (0.1)        | (0.0)        |             | (0.1)        | (0.1)        |             |
| <b>Net profit after tax attributable to InvoCare shareholders</b>            | <b>21.5</b>  | 20.3         | 5.6%        | <b>27.4</b>  | 24.2         | 13.5%       | <b>48.9</b>  | 44.5         | 9.9%        |
| Basic earnings per share   | 19.6 cents   | 18.6 cents   | 5.4%        | 25.1 cents   | 22.1 cents   | 13.6%       | 44.7 cents   | 40.6 cents   | 10.1%       |
| <b>Dividends</b>   |              |              |             |              |              |             |              |              |             |
| Interim ordinary dividend per share  |              |              |             |              |              |             | 15.0 cents   | 15.0 cents   | 0.0%        |
| Final ordinary dividend per share  |              |              |             |              |              |             | 19.5 cents   | 19.0 cents   | 2.6%        |
| Total ordinary dividend per share  |              |              |             |              |              |             | 34.5 cents   | 34.0 cents   | 1.5%        |



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## Financial Highlights (continued)

### Operating Costs

- Operating Costs \$297.1m (incl \$2.1m in FX), up 5.2% from 2012: \$282.5m
- Comparable business \$289.5m up 2.6% from 2012: \$282.1m
- Improvement in second half with operational costs at 75.0% of sales vs 79.4% in first half and 76.6% in 2012 following tighter management in second half



## Financial Highlights (continued)

### Finance Costs

- Finance costs up \$0.5m to \$16.8m (2012: \$16.3m) impacted by:
  - Higher average levels of debt with interest up \$0.2m
  - \$0.3m writeoff of deferred loan establishment costs following December 2013 refinancing



## Financial Highlights (continued)

### Asset sale gains and impairment reversal

- After tax gains of \$3.2m on sale of assets, mainly surplus property
- Net impairment gains of \$2.2m after tax:
  - Partial write-back of previously impaired QLD cemetery properties contributed \$3.4m after tax gain
  - After tax loss of \$1.1m on newly impaired crematorium and funeral sites



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## Financial Highlights (continued)

### Cash flow highlights

|   | 2013      | 2012      |
|---|-----------|-----------|
| ■ Net cash inflows from operations                              | \$72.2m   | \$53.2m   |
| ■ Purchase of property, plant & equipment                       | (\$19.3m) | (\$18.4m) |
| ■ Proceeds from sale of property, plant & equipment             | \$8.0m    | \$3.3m    |
| ■ Purchase of businesses (including property)                   | (\$8.1m)  | (\$9.3m)  |
| ■ Purchase of interest in associates                            | (\$5.0m)  | -         |
| ■ Deferred employee share plan purchases                        | (\$0.8m)  | (\$1.2m)  |
| ■ Net increase / (decrease) in borrowings                       | (\$6.8m)  | \$7.1m    |
| ■ Payment of dividends  | (\$37.4m) | (\$34.4m) |
| ■ Conversion of Operating EBITDA to ungeared, pre-tax cash flow | 110%      | 95%       |
| ■ Conversion expected to be lower in 2014                       |           |           |



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## Financial Highlights (continued)

### Capital Management

#### Dividends

- Fully franked final dividend of 19.5 cents per share (2012: 19.0 cents)
  - Ex dividend date 7 March 2014
  - Record date 14 March 2014
  - Payable date 4 April 2014
- DRP remains activated for final dividend and shares will be purchased on market without discount
- Dividend payout ratio 89% (2012: 88%) of operating earnings after tax



## Financial Highlights (continued)

### Capital Management (continued)

#### Banking Facility & Hedges

- Net debt \$216m (Jun 2013 \$224m; Dec 2012 \$218m)
- 80% of debt hedged with floating to fixed interest rate swaps (Jun 2013: 89%; Dec 2012: 91%)
- Headroom debt available \$29.8m
- Covenant ratios comfortably met – leverage ratio 2.3 (must be no greater than 3.5) and interest cover 6.4 (must be greater than 3.0)
- Effective interest rate 6.1% inclusive of swaps, fees & margins



## Financial Highlights (continued)

### Capital Management (continued)

#### Banking Facility & Hedges

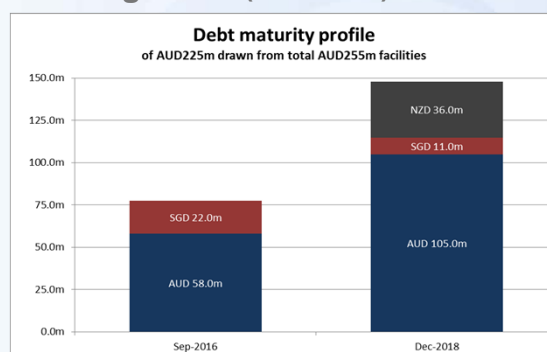
- Previous four and five year tranches totalling \$127.5m and \$42.5m of three year tranche were rolled into a new five year facility of \$170m maturing in December 2018
- The remaining \$85m of the three year tranche refinanced in December 2012 remains unchanged, maturing in September 2016
- Three year tranche shared equally between ANZ and CBA
- Five year tranche shared equally between ANZ, CBA, Westpac and HSBC



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## Financial Highlights (continued)

### Capital Management (continued)



- Effective interest rate reduced following debt refinancing with estimated \$0.6m benefit in 2014

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## 2014 Outlook & Beyond

- January 2014 case volumes up 4.4% from previous year (comparable business up 2.4%)
- 7.6% improvement in revenues in January (6.1% for comparative business)
- Funeral case averages reflect normal price increases applied late 2013
- Costs continue to be closely and prudently managed, including personnel, advertising, marketing and digital business
- EBITDA to sales ratio growth achieved in January
- Returns on funds under management expected to be in line with 2013 assuming investment and property markets remain stable



## 2014 Outlook & Beyond

- New Zealand acquisitions completed in 2013 are expected to generate annual sales of \$4.5m and EBITDA of \$1.0m
- Other small acquisition discussions continue, with no certainty on success or timing
- Full year capex expected of \$20m
- Caution using early weeks of 2014 as indicator of 2014 full year result



## Summary

- 2013 was a challenging year for InvoCare:
  - Number of deaths below expectations in Australia and New Zealand
  - Market share focus continues
  - Solid average contract value growth achieved across all markets
  - Funds under management earnings improvement and expected that fund earnings will exceed liability growth in 2014
  - Strong EBITDA to cash conversion
  - Margin improvement in second half of 2013 holding in early 2014
- InvoCare remains focussed on its core pillars and continued earnings growth in 2014



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## Appendix 2 – Half Year Analysis Total Business

|                                      | 1H13        | 1H12        | Var          | 2H13        | 2H12        | Var         | FY13        | FY12        | Var         |
|--------------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                      | \$'m        | \$'m        | %            | \$'m        | \$'m        | %           | \$'m        | \$'m        | %           |
| <b>Total - all lines of business</b> |             |             |              |             |             |             |             |             |             |
| Sales revenue                        | 183.6       | 174.8       | 5.0%         | 201.7       | 193.8       | 4.1%        | 385.4       | 368.7       | 4.5%        |
| Other revenue                        | 3.4         | 3.4         | 2.8%         | 3.4         | 3.5         | -3.2%       | 6.8         | 6.9         | -0.3%       |
| <b>Expenses:</b>                     |             |             |              |             |             |             |             |             |             |
| Cost of good sold                    | (53.9)      | (50.4)      | -6.9%        | (59.3)      | (56.9)      | -4.3%       | (113.2)     | (107.3)     | -5.5%       |
| Personnel                            | (60.0)      | (54.0)      | -11.1%       | (59.5)      | (57.2)      | -4.0%       | (119.4)     | (111.1)     | -7.5%       |
| Advertising & Promotions             | (6.8)       | (6.3)       | -7.4%        | (6.4)       | (6.4)       | -1.2%       | (13.2)      | (12.7)      | -4.3%       |
| Occupancy & Facility                 | (12.7)      | (12.0)      | -5.7%        | (13.3)      | (13.2)      | -1.2%       | (26.0)      | (25.2)      | -3.4%       |
| Motor Vehicles                       | (4.0)       | (3.8)       | -4.5%        | (4.3)       | (4.2)       | -2.2%       | (8.3)       | (8.0)       | -3.3%       |
| Other                                | (8.4)       | (9.0)       | 6.6%         | (8.5)       | (9.1)       | 7.2%        | (16.8)      | (18.1)      | 6.9%        |
| Operating Expenses                   | (145.8)     | (135.5)     | -7.6%        | (151.3)     | (146.9)     | -3.0%       | (297.1)     | (282.5)     | -5.2%       |
| <b>Operating EBITDA</b>              | <b>41.3</b> | <b>42.6</b> | <b>-3.1%</b> | <b>53.8</b> | <b>50.4</b> | <b>6.7%</b> | <b>95.1</b> | <b>93.0</b> | <b>2.2%</b> |
| Operating Margin %                   | 22.5%       | 24.4%       |              | 26.7%       | 26.0%       |             | 24.7%       | 25.2%       |             |



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## Appendix 1 – Half Year Analysis

### Comparative Business

|                                      | 1H13        | 1H12        | Var          | 2H13        | 2H12        | Var         | FY13        | FY12        | Var         |
|--------------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                      | \$'m        | \$'m        | %            | \$'m        | \$'m        | %           | \$'m        | \$'m        | %           |
| <b>Total - all lines of business</b> |             |             |              |             |             |             |             |             |             |
| Sales revenue                        | 179.6       | 174.8       | 2.7%         | 196.4       | 193.4       | 1.5%        | 376.0       | 368.2       | 2.1%        |
| Other revenue                        | 3.3         | 3.4         | -0.8%        | 3.4         | 3.5         | -4.0%       | 6.7         | 6.9         | -2.4%       |
| <b>Expenses:</b>                     |             |             |              |             |             |             |             |             |             |
| Cost of good sold                    | (52.6)      | (50.4)      | -4.3%        | (57.4)      | (56.7)      | -1.3%       | (110.0)     | (107.1)     | -2.7%       |
| Personnel                            | (58.7)      | (54.0)      | -8.8%        | (58.0)      | (57.0)      | -1.6%       | (116.7)     | (111.0)     | -5.1%       |
| Advertising & Promotions             | (6.6)       | (6.3)       | -4.9%        | (6.3)       | (6.4)       | 1.4%        | (12.9)      | (12.7)      | -1.7%       |
| Occupancy & Facility                 | (12.4)      | (12.0)      | -3.6%        | (13.0)      | (13.1)      | 1.4%        | (25.4)      | (25.2)      | -1.0%       |
| Motor Vehicles                       | (3.9)       | (3.8)       | -1.7%        | (4.2)       | (4.2)       | -0.3%       | (8.1)       | (8.0)       | -1.0%       |
| Other                                | (8.0)       | (9.0)       | 10.5%        | (8.3)       | (9.1)       | 8.3%        | (16.4)      | (18.1)      | 9.4%        |
| Operating Expenses                   | (142.3)     | (135.5)     | -5.0%        | (147.2)     | (146.6)     | -0.4%       | (289.5)     | (282.1)     | -2.6%       |
| <b>Operating EBITDA</b>              | <b>40.6</b> | <b>42.6</b> | <b>-4.8%</b> | <b>52.5</b> | <b>50.3</b> | <b>4.3%</b> | <b>93.1</b> | <b>93.0</b> | <b>0.2%</b> |
| Operating Margin %                   | 22.6%       | 24.4%       |              | 26.8%       | 26.0%       |             | 24.8%       | 25.2%       |             |



## Disclaimer

This presentation contains forward looking statements, which may be subject to significant uncertainties outside of InvoCare's control. No representation is made as to the accuracy or reliability of these forecasts or the assumptions on which they are based. Actual future events may vary from these forecasts.

