

## Media Release

### 2014 Half Year Results Released

19 August 2014: InvoCare Limited, the largest private funeral, cemetery and crematorium operator in the Asia Pacific region, announced today its results for the half year ended 30 June 2014.

Operating earnings after tax, which excludes asset sales, asset impairments and impacts of undelivered prepaid contracts, increased by 12.8% or \$2.2 million to \$19.4 million from \$17.2 million.

Statutory profit after tax of \$20.8 million was down 3.0%. The first half of 2013 included \$2.1 million for an impairment reversal in respect of cemetery land and \$1.3 million gains on asset sales which were not repeated in this half.

The Group's overall gross sales were up 6.8% to \$196.1 million, supported by increases in case volumes and average contract values. Case volumes, particularly in Australia and New Zealand, increased in May and June, reversing a declining trend experienced since April 2013. Based upon InvoCare's market intelligence, it appears the increases are primarily related to higher numbers of deaths and InvoCare's overall market share has remained relatively flat since December 2013, after arresting some 2013 declines.

The Group's EBITDA to sales margin improved 0.3% to 22.8%, driven by increased revenues and continued focus on cost management. Cash flow generation remained strong with ungeared, tax free operating cash flow being 110% of EBITDA.

The Directors determined that the interim, fully franked, ordinary dividend of 15.75 cents per share be paid on 3 October 2014, with a record date of 12 September 2014 and an ex-dividend date of 10 September 2014. This dividend is up 5.0% on the 2013 interim dividend of 15.0 cents per share and represents an 89% payout of operating earnings.

InvoCare has left activated its Dividend Reinvestment Plan (DRP) for this interim dividend. It is not intended that this DRP be underwritten nor will shares be issued at a discount.

Andrew Smith, InvoCare's Chief Executive Officer said:

*"With a strong end to the half, InvoCare has reported a solid operating result, with leverage growth and strong cash flows. Market share has been maintained since the end of 2013 and indications are the numbers of deaths have increased from May 2014, reversing declines encountered from April 2013.*

*The Group is continuing its focus on delivering value through its proven business model and pillars of growth."*

For immediate Release

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