

ASX Announcement

11 October 2017

IPH acquires AJ Park – the leading IP firm in New Zealand

IPH is pleased to announce it has reached agreement to acquire the New Zealand intellectual property firm AJ Park by an acquisition of its patent attorney business, the benefit of its trade mark and legal businesses, and its associated Australian operations.

Established in 1891, AJ Park is the premier New Zealand IP firm employing 205 people and operating from offices in Auckland, Wellington and Sydney. AJ Park is a full service IP firm with a substantial local client base servicing clients ranging from large multinational corporations and universities to start-up companies and entrepreneurs. AJ Park will become the first New Zealand IP firm to join a publicly listed IP group.

The total purchase consideration for the acquisition is approximately NZD66.1m (approximately AUD60.9m) adjusted for net debt and working capital adjustments, which represents 7.5x FY17 normalised EBITDA.

Completion of the acquisition remains subject to a number of conditions including completion of certain restructuring and contractual arrangements, the receipt of necessary consents and approvals from third parties, and no material adverse changes.

Commenting on the acquisition, IPH's Managing Director, David Griffith said "we are delighted to have reached an agreement to acquire AJ Park and extend a warm welcome to the partners and staff. The acquisition of AJ Park represents a further step in IPH's strategy to expand its presence in secondary IP markets and, most importantly, supports IPH's growth in Asia through extension of our Asian service offering to AJ Park's local and international clients".

Mr Griffith went on to say, "the addition of such a high quality IP business will further strengthen IPH's position as a leading group in the secondary IP markets".

Key features of the acquisition are:

- Purchase consideration of NZD66.1m, being 7.5x FY17 normalised EBITDA, adjusted for net debt and working capital adjustments.
- Consideration is to be settled approximately 60% in cash and approximately 40% in new IPH shares.
- The IPH shares issued as part of the consideration will be escrowed for 2 years.
- Cash element of the transaction to be funded in USD denominated debt.
- Completion is expected by 31 October 2017.

For more information, please contact:

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About IPH Limited

IPH Limited (“IPH”, ASX:IPH), the holding company of Spruson & Ferguson, Practice Insight, Fisher Adams Kelly Callinans, Pizeys and Cullens, is the leading intellectual property (“IP”) services group in the Asia-Pacific region offering a wide range of IP services and products. These services are provided across Australia, New Zealand, Papua New Guinea, the Pacific Islands and Asia from offices in Sydney, Brisbane, Melbourne, Canberra, Singapore, Kuala Lumpur, Jakarta, Shanghai, Beijing, Hong Kong and Bangkok. The group comprises a multidisciplinary team of approximately 450 people, including some of the most highly regarded IP professionals in the Asia-Pacific region. The team services a diverse client base of Fortune Global 500 companies and other multinationals, public sector research organisations, foreign associates and local clients. IPH was the first IP services group to list on the Australian Securities Exchange.