



RXP SERVICES LIMITED

ABN 30 146 959 917

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RXP Posts Record First Half Results

Technology services provider RXP Services Limited (ASX: RXP) is pleased to announce its results for the six months ended 31 December 2015 (1H16), which saw the Company deliver significant growth across all key metrics.

- **Revenue up 53% to \$55.8 million (1H15: \$36.4 million)**
- **Organic Revenue growth of 19%**
- **Underlying EBITDA up 172% to \$7.8 million (1H15: \$2.9 million)**
- **NPAT up 172% to \$5.6 million (1H15: \$2.1 million)**
- **Earnings per Share (EPS) up 167% to 4.0 cents**
- **Operating cashflow up 244% to \$5.9 million (1H15: \$1.7 million)**
- **Interim dividend of 1.0 cps fully franked, payable 11 April 2016**
- **Upgraded Revenue target of \$120m, maintaining EBITDA margin of 13-14%**

A great start to the financial year

Commenting on the results achieved over 1H16, RXP Chief Executive Officer Ross Fielding said:

“We are really pleased with the performance of the company over 1H16, with significant growth across all key metrics. This result is further validation of our OneRXP strategy that provides our people, our clients and our partners with a cohesive set of go-to market services and solutions.

“The RXP team grew by 184 people over the half, driven by strong organic growth and the successful completion of the Engage ViidaCom and 10collective acquisitions. Our ongoing investment in our people and our training programs continues to strengthen the depth of talent within our chosen specialisations.

“The integration of Engage ViidaCom along with digital technology company 10collective has gone very well with both delivering to plan and both providing good client and practice cross-selling opportunities.

“We have also continued to develop our intellectual property-backed solutions and “As a Service” offerings over the half year. We see a number of opportunities available to re-use our IP and will continue to focus on leveraging these further.

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Strong cashflow conversion enables interim dividend

Operating cashflow over the half was up significantly to \$5.9 million (representing 77% of EBITDA) and as at 31 December 2015, RXP had a cash balance of \$9.7 million.

This strong cashflow performance (coupled with a healthy balance sheet), has resulted in the Board declaring an interim dividend of 1.0 cent per share fully franked. The dividend will be paid on 11 April 2016, with a record date of 23 March 2016.

Very well positioned for continued growth

The momentum built in 1H16 has continued into January and, given the strong pipeline of work now in place, RXP expects full year revenue to reach \$120 million, with EBITDA margin of 13-14% being maintained.

Commenting on RXP's outlook, Mr Fielding said:

"Our 1H16 results were strong and, combined with the good start that we have seen to the second half, we are in a sound position for sustained growth across our chosen specialisations.

"We have a firm commitment to "specialisation wins", and working in growth areas that are relevant to our clients. The ability to evolve and grow our business organically has been a key driver to our success.

"Our strong balance sheet, strong cash generation, and healthy sales pipeline, combined with our talented team and "OneRXP" approach, positions us well to execute on our strategy and deliver continued growth moving forward."

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About RXP Services Limited

RXP Services Limited (ASX: RXP) is an ICT professional services company. RXP provides consulting and professional services to a number of S&P/ASX 200 corporations and government bodies here in Australia and to clients in Asia. With staff and offices in Melbourne, Canberra, Sydney, Hobart and Hong Kong, RXP has been providing expert consulting services to clients for over 20 years. Our focus is on ensuring clients maximise the benefits they receive from both their existing and future Technology investments.