

RXP SERVICES LIMITED

ABN 30 146 959 917

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Digital services delivered strong growth for RXP

Leading digital services consultancy provider, RXP Services Limited (ASX: RXP), was pleased to provide an update on the Company at its 2017 Annual General Meeting in Melbourne today.

In FY17, RXP delivered growth across all key metrics and continues its digital services evolution.

FY17 key highlights

- Revenue up 11% to \$140.5 million (FY16: \$127.1million)
- EBITDA up 10% to \$18.3 million (FY16: \$16.6 million)
- NPAT up 10% to \$11.6 million (FY16: \$10.6 million); EPS up 9% to 8.3 cents
- Underlying EBITDA of \$19.5 million, up 7% (FY16: 18.2 million)
- Underlying EBITDA margin of 13.8%
- Continued growth in operating cashflow, up 23% to \$18.1 million (FY16: \$14.8 million)
- Total FY17 dividend of 4.5 cps fully franked

Commenting on the 2017 financial year, RXP Chairman John Pittard said “RXP had another strong year, recording good growth across all key metrics for FY17. The team have been able to increase the level of digital services work and have become less reliant on what we regard as “commoditised” work. This is changing the way we engage with our clients, both in terms of the type of services we perform as well as the size/scope of engagements.”

At the AGM, RXP Chief Executive Officer Ross Fielding added “Our continued digital services evolution is an important driver in our business and this is being accelerated by the addition of The Works. We have strengthened our end-to-end capabilities and client offering and have positioned ourselves well in terms of being a key digital delivery partner for our clients.”

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Outlook for the 2018 financial year

Commenting on RXP's outlook for FY18, Mr Fielding said "We will continue to manage our revenue mix, scaling back on commoditised work as we focus on digital services and projects. Our pipeline is solid, with several significant project-work "pitches" in progress.

"The Works have integrated well and its pleasing to see the teamwork and collaboration occurring across RXP. Overall we expect growth in digital services revenue to continue."

In wrapping up, Mr Fielding said "With the overall strength in RXP's financial position and the recently finalised enhanced debt facility, the company has flexibility and remains well placed to fund future acquisitions. Our team looks forward to another successful year in FY18 as we seek to deliver increased value to all our shareholders."

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About RXP Services Limited

RXP is a leading digital services consultancy in the Asia Pacific region. Our consultants bring creativity, technical expertise and industry experience. We develop digital solutions for our clients, modernise their processes and improve their bottom line. The combination of creativity, technology and insights simplify the way people access services in the digital age.

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