

28 November 2018

# ASX Announcement

## FY19 Trading Update

- Forecasting solid revenue growth in Australia.
- New Zealand operations continue to recover underpinned by a \$10m Digital Transformation contract with the NZ Department of Internal Affairs.
- Digital Transformation is a major growth opportunity with Australian Digital Solutions revenue projected to be up circa 15% for the first half on pc.
- H1 FY19 EBITDA expected to be between \$7.9m and \$8.3m.
- Consistent with prior years, FY19 H2 EBITDA expected to be significantly stronger than H1.
- Maintain guidance of double digit earnings growth in FY19.
- CAPEX to continue to decline in FY19.
- Net debt is tracking in line with management expectations. As per the usual business cycle, working capital movements will see an increase in net debt in the first half, followed by strong H2 operating cash flow leading to a reduction in net debt at the full year.

Commenting Mr Baskerville said:

"We are delighted to continue our year on year track record of organic revenue and earnings growth. Our confidence in the technology services and software market remains robust as we continue to see major corporate, government and education organisations embrace digital solutions to compete in today's rapidly evolving economy."

"Our investments are focused on developing industry aligned solutions differentiated through software, IP & know how that we are confident will allow Empired to capture high quality opportunities in this secular growth market."

"We have a strong sales pipeline in both NZ and Australia with opportunities ranging from small 'run-rate' contracts to material contracts worth many tens of millions of dollars and are confident that this lays the foundation for an exciting second half."



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"On behalf of the board, I would like to thank our staff, clients, partners and shareholders for their ongoing support and assure you that as always we continue to be highly focused on delivering value to all of our stakeholders."

For more information please contact:

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## About Empired Limited

Empired Limited is an international IT Services Provider with a broad range of capabilities and a reputation for delivering enterprise class IT services and solutions. Established in 1999, Empired is a publicly listed company (ASX: EPD) formed in Western Australia.

With a team of over 1,000 people located throughout Australia, New Zealand, North America and Asia, Empired has built a reputation for service excellence and is a leading provider of business technology solutions to both government and private sectors. We work with clients, leveraging technology solutions to deliver their organisations improved efficiency, productivity and competitive advantage.

Empired provides a broad range of services enabling 'end-to-end' advice and solutions assisting our clients through their digital transformation journey and ensuring robust ongoing lifecycle management.

Our flexible service delivery approach and "can do" attitude has enabled Empired to secure clients that range from medium size entities through to some of the world's largest long standing enterprise's accounts with services delivered across Australia, New Zealand, South East Asia and beyond.

## Important notice re forward looking statements

Certain statements made in this communication, may contain or comprise certain forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, and business and operational risk management. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.