

For Immediate Release

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IKE Update

IKE advises the following:

- Stanley Smart Measure Pro units shipped into the European construction market ended at 30,500 units for the year, above original guidance but below the latest projected volumes of 39,500 units. The additional 9,000 units, ordered for March 2017 delivery, will now ship 1H FY18.
- Stanley Black & Decker made the decision to defer acceptance of these 9,000 units. For IKE this had an impact on cash-received in the quarter of greater than \$1m. This was expected to contribute to projected cash positive operation for the quarter, which was not achieved.
- Positively, IKE4 orders from the electric utility and communications market strengthened again in Q4 FY18.

IKE CEO, Glenn Milnes, commented, “An unfortunate item to end what was an otherwise positive period for the business was Stanley Black & Decker’s decision to defer their acceptance of 9,000 units that were ordered for March delivery. We do not believe this impacts the longer-term potential for sales of the Stanley Smart Measure Pro product, which have grown strongly this year, but clearly this was a disappointment for us from a period end and reporting perspective.”

“More positively, IKE4 sales, the biggest contributor to IKE’s revenue and margin, ended the fourth quarter well. Our cash position at year end was approximately \$2.8m and we are taking positive overall sales momentum into FY18 with the addition of the above orders that will now ship from April.”

ENDS

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