

10 November 2016

**Idox plc**  
**("Idox", the "Company" or the "Group")**

**Year End Trading Update**

Idox plc (AIM: IDOX), a leading supplier of specialist information management solutions and services, today provides an update on trading for its financial year ended 31 October 2016. The Company has also announced separately today a Directorate change.

**Overview**

Idox performed strongly during the year with double digit growth in both revenues and Adjusted\* profits, including good contributions from organic growth and recent acquisitions. Accordingly, the Company's Adjusted\* results for the year are expected to be in line with the Board's expectations.

Public Sector Software ('PSS', comprising the local government, elections, facilities management, transport and Open Objects businesses), which represents over half the Group's revenues, grew revenues by over 14% during the year including organic growth of around 5%. Local Government's final quarter was slightly slower than anticipated partly caused by temporary delays incurred by a key systems integrator. PSS has continued to win both more managed services and market share and made good progress rolling out and expanding its digital services platform. Engineering Information Management ('EIM') performed well, having returned as expected to revenue growth with much improved margins, as did the Digital segment (comprising Reading Room, Rippleffect and Information)) and Grants.

**Acquisitions**

The Group made two acquisitions in the second half, Open Objects in July and Rippleffect in August; both businesses are being fully integrated into the Group. Open Objects is expected to enable a significant expansion in the important social care domain where the Group has historically been under-represented, whilst Rippleffect is expected to bolster the Group's growing digital capability. These acquisitions supported the Group's strategy of extending its public sector domains and expanding its delivery of digital services across all areas of local government.

The integration of Reading Room (acquired in October 2015) proceeded smoothly and it contributed strongly to Group profits with a much improved margin in its first year of ownership, ahead of our internal targets.

### **Financial position**

Group net debt ended the year at £25.1m compared with £23.1m as at 31 October 2015 and £13.9m as at 30 April 2016. This included the cash costs of the two acquisitions completed during the year, totalling £4.4m.

### **Outlook**

The Board remains confident that the Group is well positioned in its markets and will continue to perform well in 2017 given its strong revenue visibility, order book and pipeline. To date there has been no material impact from the UK's Referendum decision to leave the EU, albeit the Group is expected to benefit from the fall in sterling as a result of translation of its foreign currency denominated earnings into sterling.

Overall, Idox remains on track to achieve its target of £100m of revenues at sustainable margins in the short to medium term, through a combination of organic growth and acquisitions.

### **Notice of Final Results**

The Board intends to report the Group's final results on 14 December 2016.

*\*Adjusted is defined as earnings before amortisation, restructuring, acquisition, corporate finance and share option costs*

### **Andrew Riley, Chief Executive of Idox said:**

"We are pleased to have delivered a strong result in line with our expectations, and we have made good progress with our strategic goals and integrating our recent acquisitions. We continue to benefit from our diversified sources of earnings to absorb and compensate for external market factors.

The business has entered the new financial year in robust shape and we are encouraged by the opportunities and outlook for the business in the coming year."

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014.

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For more information see [www.idoxplc.com](http://www.idoxplc.com)

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