

1 May 2018

## Evolve Education Group Preliminary Full Year Earnings Announcement

Evolve Education Group Limited (Evolve) advises that it expects net profit after tax before non-recurring items<sup>1</sup> for the financial year ended 31 March 2018 to be approximately \$12 million, which is at the top end of the guidance range provided to the market on 19 February 2018.

As previously signaled to the market, the company has incurred a non-recurring expense item of \$3 million relating to the settlement reached with the Inland Revenue Department on the historical Porse GST issue.

Non-recurring items may also include adjustments to the carrying value of certain intangible assets on the balance sheet, which consist principally of goodwill arising from early childhood centre acquisitions and the Porse home-based care business. As a decision has been made to divest the Porse business, an impairment of the carrying value of this business is being considered by Evolve's board and will be finalised prior to the full year earnings announcement. The potential impairment of other intangible assets remains a possibility but is still under consideration by the board.

The earnings guidance includes approximately \$0.5 million in start-up losses on new development centres that have commenced operations in the past year.

The final dividend for the year is expected to be 2.0 cents per share, compared with 2.5 cents per share paid as a final dividend in respect of the 2017 financial year. Full details of the final dividend will be released to the market with the financial results for the year ended 31 March 2018, subject to approval by Evolve's board.

Evolve will release its financial results for the year ended 31 March 2018 prior to the market opening on 28 May. Management will host a **teleconference call** for investors and analysts at **12 noon on Monday 28 May**.

Dial in details are set out below:

Phone numbers: 0800 423 970  
Passcode: 3960095

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<sup>1</sup> Net profit after tax and before non-recurring items is defined as net profit after tax and before the Porse GST settlement amount of \$3 million, and any adjustments to asset carrying values.

ENDS

For any further inquiries please contact:  
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