

## ASX Announcement

30 May 2016

### **IPH acquires Cullens Patent and Trade Mark Attorneys**

IPH is pleased to announce it has reached agreement to acquire Cullen Services No 1 Pty Ltd and Cullens Pty Ltd which conduct the business of Cullens Patent and Trade Mark Attorneys (“Cullens”). First established in 1936, Cullens is a highly regarded Brisbane based IP firm employing 18 IP legal professionals, and with branch offices in Townsville and the Gold Coast. Cullens provides comprehensive IP services to clients ranging from large multinational corporations, universities and government departments to start-up companies and individual entrepreneurs.

Purchase consideration for the acquisition is \$35.6m, with a potential additional earn-out payment based on FY16 earnings growth, capped at \$7.1m.

Completion of the acquisition remains subject to a number of conditions including the receipt of any necessary consents and approvals from third parties, no regulatory intervention or objection by the ACCC and no material adverse change in the financial or operating position of IPH or Cullens.

Commenting on the acquisition IPH’s Managing Director, David Griffith, said “we are delighted to have reached an agreement to acquire Cullens and extend a warm welcome to the principals and staff. The acquisition of Cullens represents a further step in IPH’s strategy of building the leading intellectual property group in secondary markets.”

Mr Griffith went on to say, “Cullens is a well-managed and profitable IP firm with a substantial local client base. Cullens will continue to service its clients under its own brand”.

Key features of the acquisition are:

- Purchase consideration of \$35.6m, being 7.9x FY15 EBITDA, and subject to final accounting adjustments.
- Earn-out capped at \$7.1m based on increase in FY16 earnings compared to FY15.
- Consideration and earn-out (if any) to be settled 50% by the issue of new IPH shares, and 50% in cash.
- IPH shares to be issued at \$6.97 /share (being 10 day VWAP up to and including 27 May 2016)
- 80% of consideration and earn-out (if any) shares escrowed for 2 years from issue.
- EPS accretive (after acquisition costs).
- Completion is expected by 30 June 2016.
- Completion subject to a number of conditions as summarised above.

*For more information, please contact:*

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## **About IPH Limited**

IPH Limited (“IPH”, ASX:IPH), the holding company of Spruson & Ferguson, Practice Insight, Fisher Adams Kelly Callinans, Pizzeys and Cullens is the leading intellectual property (“IP”) services group in the Asia-Pacific region offering a wide range of IP services and products. These services are provided across Australia, New Zealand, Papua New Guinea, the Pacific Islands and Asia from offices in Sydney, Brisbane, Melbourne, Canberra, Singapore, Kuala Lumpur, Jakarta and supported by a representative office in Shanghai. The group comprises a multidisciplinary team of approximately 410 people, including some of the most highly regarded IP professionals in the Asia-Pacific region. The team services a diverse client base of Fortune Global 500 companies and other multinationals, public sector research organisations, foreign associates and local clients. IPH is the first IP services group to list on the Australian Stock Exchange.