

Photo-Me

AGM Trading Update

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Photo-Me International PLC
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Photo-Me International plc
("Photo-Me" or "the Group")

AGM Trading Update

Photo-Me International plc (PHTM.L), the instant service equipment group, will hold its Annual General Meeting at 2:00 p.m. today. Ahead of the meeting, the Group announces the following trading update covering the first five months of its financial year.

The ongoing investment in the deployment of the Group's integrated identification technologies and expansion of the laundry business have remained a key focus. Those businesses are continuing to perform as expected, with revenues also supported by favourable currency movements. Turnover in the first five months improved by 11.2% (at actual rates) compared with the same period last year, consistent with our full year expectations.

The Group's cash generation remains strong. This continues to support our progressive dividend policy.

Photo identification

Further progress has been made in the rollout of the Group's encrypted photo ID upload technology. Since the Irish Government launched the Online Passport Application service in April, 178 secure digital upload enabled photobooths have been deployed. The Group's progress remains on track to roll out a total of 300 units by the end of April 2018.

In the UK, discussions with Her Majesty's Passport Office to formally adopt the Online Passport have progressed, while expanded testing is on-going. The Group anticipates that the new service will be rolled out to photobooths across the UK in early 2018.

Laundry

Expansion of the owned and operated laundry business has continued in line with the Group's strategy to deploy 6,000 units (owned and sold) by 2020.

There are 66 launderettes in operation. The Group continues to expand its presence in the launderette market through the acquisition of underperforming launderette businesses in attractive locations, with a particular focus on the Japanese market where it sees significant opportunity.

In July, the Group acquired Inox and Tersus, a UK based business-to-business laundry business which provides bespoke professional design, procurement and installation of laundry and catering facilities for blue chip companies and institutions such as care homes and hospitals. This acquisition was in line with the Group's strategy to expand its business to business laundry capabilities. The Group continues to look for bolt-on acquisitions in this area.

Production of the Revolution laundry machine has now been transferred by our manufacturing partner from Hungary to a new facility in Poland. As a result, the Group is now benefiting from enhanced capacity flexibility in production volumes.

Kiosks

Following the acquisition of the UK Photo Division of Asda Stores Limited last year, the Group is reviewing the progress of those operations and re-shaping its digital printing operations to boost profitability, resulting in some restructuring of this business. A further update will be provided at the time of the interim results.

Investment in innovation

Investment in new technologies and products has continued. In November, the Group will showcase its technology to provide customers with front-end retail banking services from its photoboos network, as well as proprietary 3D capture and enrolment technologies at TRUSTECH, a large event dedicated to Trust Based Technology in Cannes (France).

Looking forward

Whilst remaining mindful of the macroeconomic environment, currency movements, and consumer disposable income which has led to some softening of the UK and Japanese markets, the Group has continued to make good progress against its strategy. The Board remains confident of the outlook for the full year, anticipating another year of progress.

Registered Office

Photo-Me is taking steps to update the description of its registered address (for administrative reasons). The address will be updated to read: Unit 3B, Blenheim Road, Epsom KT19 9AP. Please note that this is the same location as Photo-Me's current registered office address.

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NOTES TO EDITORS

Photo-Me International plc (LSE: PHTM) operates, sells and services a wide range of instant service vending equipment, primarily aimed at the

consumer market.

The Group operates 48,000 vending units across 18 countries and its technological innovation is focused on three principal areas:

- Identification: photobooths and integrated biometric identification solutions
- Laundry: unattended laundry services
- Kiosks: high-quality digital printing

In addition, the Group operates vending equipment such as children's rides, amusement machines and business service equipment.

The Group has built long-term relationships with major site owners and its equipment is generally sited in prime locations in areas of high footfall such as supermarkets, shopping malls (indoors and outdoors) and public transport venues. The equipment is maintained and serviced by an established network of 700 field engineers.

The Company's shares have been fully-listed on the London Stock Exchange since 1962.

This information is provided by RNS
The company news service from the London Stock Exchange

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