

## ASX RELEASE

### Quarter 4 FY 2018 – Trading Update

12 July 2018

Coventry Group Ltd (ASX: CYG) announced today that Group revenue for the fourth quarter and full year FY18 have grown year on year. We have continued to improve our value proposition of quality products, stock availability, expertise and agility and this has delivered improved results in FY18 and gives us momentum for FY19.

#### Revenue

Percentage revenue change in the fourth quarter and full year for FY2018 when compared with the prior corresponding period (PCP) is shown below:

Revenue change	4QF18 Vs 4QF17 % revenue change	Full year F18 vs Full year F17 % revenue change
Cooper Fluid Systems	+19.4%	+20.9%
Trade Distribution	+9.0%	+6.4%
<b>Consolidated Group excluding discontinuing operations</b>	<b>+13.0%</b>	<b>+11.6%</b>

*Note 1: The discontinuing operations of AA Gaskets have not been included.*

#### Divisional Commentary

- Cooper Fluid Systems revenue has again seen substantial growth with 4th quarter sales up 19.4% on PCP. Sales growth is continuing to be driven by an increase in service, maintenance, upgrade and new equipment activity in the resources sector.
- Trade Distribution Australia continued to show improvement with 4th quarter sales up 6.1% on PCP and full year revenue up 3.5% on PCP. Initiatives to improve business performance focussed on our value proposition are continuing. We are driving profitable sales growth and reducing costs in our DC infrastructure.
- Trade Distribution New Zealand continued to perform strongly with 4th quarter revenue up 16.3% on PCP and full year revenue up 14.1% on PCP.

#### Cash position

Cash position of \$5.0m (\$6.3m – 31 December 2017) with no debt.

### **Cost of doing business**

Work to reduce our costly Distribution Centre footprint has progressed ahead of plan. In addition, we continue to review all costs and are focussed on delivering business optimisation programs to increase the efficiency and productivity of the Group.

### **Other matters**

Market conditions remain positive in our key markets of construction, industrial and resources.

Longer term tenants continue to be sought for the property in Redcliffe, Perth. The majority of our current tenants are locked in until the end of FY19.

Overall, we remain positive about the outlook for the Group.

*For further information contact:*

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