

Next Fifteen Communications Group PLC

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Next Fifteen Communications posts full year profit growth, driven by US businesses

Next Fifteen Communications Group plc (LON:NFC) reported a 50% increase in profit, supported by a weaker pound following the Brexit vote.

The digital marketing and communications company saw pre-tax profit rise to £24.2m in the year to 31 January 2017 from £16.1m the previous year.

Revenue edged up 32% to £171.0m from £129.8m, with organic growth of 10%, driven by US businesses.

The strong performance in the US division was led by its Text 100, Beyond, OutCast, M Booth, Connections Media and Bite agencies.

WATCH: "It's been an exceptional year", says Next Fifteen boss

In the UK, the company improved the efficiency of its businesses to offset the slump in sterling.

Next bought the Publitek, Pinnacle and Twogether agencies, which it said are high margin and high growth businesses. It also acquired London-based market research agency, HPI, which has been merged with Morar to create MIG Global.

Cash generated from operations jumped 101% to £32.8m from £16.3m, bolstered by management of working capital. Net debt rose to £11.4m from £6.6m.

In March 2016 the company entered into a new extended four-year £30m revolving credit facility with HSBC to fund acquisitions. The facility will be repaid using trading cash flows.

"The results for the financial year to January 2017 were helped by forex, but reflect strong organic growth, judicious and effective acquisitions and continued organisational efficiencies in an entrepreneurial culture," said Next chairman Richard Eyre.

"Current trading reassures the board that the outlook for Next 15 continues to be positive."

He said Next has made a good start to the new financial year with encouraging signs across its brands.

The group raised its dividend per share 25% to 5.25p from 4.2p the previous year.

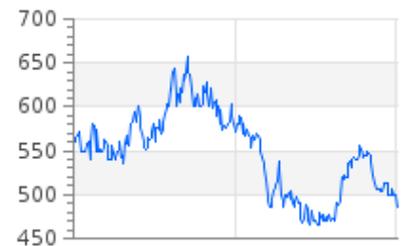
Shares fell 4.25% to 383.0p in morning trading.

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Price: 485

Market Cap: £420.31 m

1 Year Share Price Graph



February 2019 August 2019 February 2020

Share Information

Code: NFC

Listing: LSE

52 week	High	Low
	668	433

Sector: Media

Website: www.next15.com

Company Synopsis:

Next 15 is a communications business which employs over 1,350 people across 32 offices in 14 countries. The Group incorporates 17 subsidiary agencies, spanning digital content, marketing, PR, consumer, technology, marketing software, market research, public affairs and policy communications.

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