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Information Services eyes continued organic growth for 2020, driven by services business

Information Services Corp (TSE:ISV), the Canada-focused tech group, which provides registry services for public records, has built a strong business and expects to see continued organic growth in 2020.

Providing guidance for the year, the Saskatchewan-headquartered company said it expects revenue of between C\$135 million and C\$139 million for the year.

READ: Information Services Corp's 3Q revenue jumps 6.6% to \$32.2M Earnings before interest, taxes, depreciation and amortization (EBITDA) is expected to come in between C\$37 million and C\$41.0 million.

The group's business is underpinned by two large divisions - registry operations and services.

"These two segments deliver consistency and growth, respectively, while our Technology Solutions segment focuses to become a meaningful contributor to our consolidated results in the years to come," it said in Wednesday's statement.

"In 2020, we expect to deliver continued organic growth, driven by our Services segment, through the expansion of offerings to existing customers as well as the acquisition of new customers throughout the year."

Possible acquisitions

ISC will also explore possible acquisition targets, as diversification of the business remains a key part of the strategy, which we will continue to pursue.

"We also expect to spend between \$2.0 million and \$4.0 million on business as usual capital expenditures," it added.

In the technology solutions business, projects will continue to move into the completion phases in 2020 and the firm expects to recognize increased revenue and profitability.

"Many of those will move into maintenance and we will continue to pursue new contracts in both the registry and regulatory sectors," said the firm.

Saskatchewan's economy is seen remaining flat in the year as regards to the group's registries, but the company's registry operations will continue to be a strong contributor to results, it added.

Shares advanced 4.3% in Toronto to C\$16.

Contact the author at giles@proactiveinvestors.com

Price: 14.15

Market Cap: \$247.63 m

1 Year Share Price Graph



Share Information

Code: ISV

Listing: TSX

52 week High Low
16.97 12.02

Sector: Business & education services

Website: www.isc.ca

Company Synopsis:

Headquartered in Canada, ISC® is the leading provider of registry and information management services for public data and records. Throughout our history, we have delivered value to our clients by providing solutions to manage, secure and administer information through our Registry Operations, Services and Technology Solutions segments.

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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