

## MEDIA RELEASE

24 November 2016

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### **GENTRACK GROWTH CONTINUES IN FY16**

Gentrack Group Limited (GTK), a market leader in software solutions for utilities and airports, today released its Full Year audited results to 30 September 2016.

#### **Highlights**

- Revenue \$52.7m - up 25% on prior year (All figures are NZ\$)
- EBITDA \$16.7m - up 16%
- NPAT \$9.6m - up 3%
- Final Dividend of 7.7cps declared

Ian Black, CEO said "I am pleased to report that Gentrack performed strongly in FY16. Revenue was up 25% on last year to NZ\$52.7m and EBITDA was up 16% to \$16.7m. This 32% operating margin reflects the strength of our product and market position, despite a headwind from the strong New Zealand dollar, which also resulted in a \$1.4m foreign exchange loss on the translation of offshore assets. NPATA, our preferred measure of bottom line profit before amortisation of intangibles, was \$11.1m, up 2% on FY15.

The full year dividend of 11.9c represents a total payout of \$8.7m. This is 78% of NPATA, reflecting the strong ongoing cash generation of the business which finished the year with \$18.8m net cash.

Gentrack's objective is to be the leader in our target markets in Australia, New Zealand and the UK for mission critical enterprise application software for electricity, gas and water utilities, and for airports worldwide. In FY16 our focus was on delivering some of our largest projects to date, with ten systems going live, four new customers won and five existing customers starting upgrades. Both the utilities and airports divisions grew strongly with revenues up 26% and 24% respectively. UK revenue also grew strongly, up 75% on FY15.

During FY16 we also made solid progress to position the business for ongoing growth building on our 7 year track record of c.12% cumulative average revenue and EBITDA growth. We have streamlined our project implementation organisation and refocussed product development, with a new CTO, Jan Behrens, joining in July. During the year we invested substantially in new staff, training and systems, with headcount increasing 28% over last year to 277.

We enter FY2017 with a solid order book and pipeline of opportunities and we expect to continue to deliver long term revenue and EBITDA growth of 10%+ p.a., albeit that our results may be impacted by the timing of projects."

**ENDS**

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**Contact:**

Ian Black, CEO

Aaron Baker, Marketing Manager

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**Invitation to Annual Financial Results Briefing (Duration 1 hour)**

Investors are invited to a conference call on 24th November at 10:30am NZT / 8:30am AEDT to discuss Gentrack's Annual financial results for the full year ended 30 September 2016.

The conference call details are:

<b>NZ</b>	Dial: 0800-480-362
<b>Australia</b>	Dial: 1800-778-919
<b>Hong Kong</b>	Dial: +852-3002-1675
<b>Singapore</b>	Dial: +65-6823-2167
<b>Canada</b>	Dial: 1877-500-8126
<b>USA</b>	Dial: 888-830-9551
<b>Other</b>	See <a href="http://www.btconferencing.com/globalaccess/?bid=759_premium">http://www.btconferencing.com/globalaccess/?bid=759_premium</a>

**Participant code**            709 144 57  
(Following entry, please provide the required details when prompted)

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**About Gentrack**

Auckland-based Gentrack is a developer of specialist software for energy utilities, water companies and airports around the world. It employs over 250 people in offices in New Zealand, Australia and the UK and services utility and airport sites across four continents. Gentrack is comprised of two leading software products - Gentrack Velocity and Airport 20/20. Gentrack Velocity is a specialist billing and CRM product designed for energy utilities and water companies in competitive and regulated utilities markets. Airport 20/20 is a comprehensive Airport Operational System engineered to optimise an airport's operations through intelligent collaboration, streamlining airport information flows and transforming the passenger experience.

## Appendix

### NON-GAAP PROFIT REPORTING MEASURES

Gentrack's standard profit measure prepared under New Zealand GAAP is net profit. Gentrack has used non-GAAP profit measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate performance of business units, to establish operational goals and to allocate resources.

Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP profit measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported by Gentrack in accordance with NZ IFRS.

### Definitions

**EBITDA:** Earnings before net finance expense, tax, depreciation and amortisation.

### GAAP to non-GAAP profit reconciliation

<i>\$000s</i>	<b>Actual 30-Sep-16</b>	<b>Actual 30-Sep-15</b>
NPATA and EBITDA		
<b>Reported net profit for the period (GAAP)</b>	<b>9,608</b>	<b>9,365</b>
Add back: amortisation <sup>1</sup>	2,015	2,017
Add back: tax adjustment for amortisation <sup>1</sup>	(533)	(560)
NPATA	11,090	10,822
Add back: net finance expense/(income)	1,208	(808)
Add back: income tax expense <sup>1</sup> less tax adjustment above	4,067	4,165
Add back: depreciation	362	285
<b>EBITDA</b>	<b>16,727</b>	<b>14,464</b>

<sup>1</sup> Extracted from audited (full year) financial statements