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GENTRACK ACCELERATES GROWTH OF ITS AIRPORTS SOFTWARE BUSINESS WITH ACQUISITIONS

Gentrack Group Ltd (NZX/ASX: GTK) is pleased to announce that it has acquired Blip Systems A/S and agreed to acquire CA Plus Ltd, subject to final closing conditions. These strategic acquisitions expand Gentrack's airport software product range and customer base worldwide. They are expected to contribute marginally to EPS in FY17, to be accretive from FY18 and contribute to doubling Gentrack's Airport Division EBITDA by FY19. The acquisitions are funded by the drawdown of debt facilities, with year-end debt expected to be in line with 1.5x EBITDA guidance.

Gentrack has acquired 79.81% of Blip Systems A/S "Blip" from a private equity vendor for DKK 41m (NZ\$8.4m) with a three year earn out on the remaining 20.19% held by management. Blip, based in Denmark, is a world leader in passenger flow, queue prediction and capacity forecasting software. These solutions use video cameras and mobile phone wifi and bluetooth sensors to track passenger movement, monitor waiting times and predict congestion points for airports and other high traffic facilities. Blip has 26 airport customers worldwide including Schiphol, JFK T4, Geneva and Auckland. See www.blipsystems.com for more information. The management earn out is based on 10x average EBITDA over the three years to 31 December 2019 and provides a clear alignment of interest with Blip's management team to continue to drive growth.

Gentrack has agreed to acquire 75% of CA Plus Limited from its founder for EUR7.5m (NZ\$11.4m), subject to final closing conditions, with a three year earn out for the remaining 25%. Closing is expected on 1 May 2017. CA Plus, based in Malta, is an early stage business which has developed the world leading software solution for the management, optimisation and auditing of airport retail concession revenue. It has 6 airport customers including London City, Antigua, Quito, Malta and Nairobi. Airports often charge retail outlets a percentage of their sales in addition to base rent, which is an important and growing part of airports revenue mix. CA Plus enables airports to charge variable concession rates for different categories of goods to maximise their revenue, manage minimum guarantees, automate their processes and optimise commercial performance. See www.concessionaireanalyzer.com for more information. The earn out is based on cumulative EBITDA over the three years to 31 December 2019 and creates strong alignment of interest with the vendor to drive growth.

Gentrack's existing Airport 20/20 product is a comprehensive suite of integrated solutions that are engineered to optimise an airport's operations including Flight Information Display, Resource Management, Aeronautical Billing, the central Airport

Operational Database and Collaborative Decision Making solutions, thereby streamlining airport information flows and transforming the passenger experience. Airport 20/20 has 73 airport customers worldwide including Hong Kong, JFK T1, Newark Liberty, Sydney, Melbourne, Finavia and Santiago. See www.gentrack.com/airport2020/ for more information.

Blip and CA Plus both have multiple airport customers in common with Airport 20/20 and this has facilitated due diligence. Both solutions can now be integrated with Airport 20/20 to provide significant additional operational benefits and a unique product range for airport operators. In addition, both Blip and CA Plus have a world-wide customer base which Gentrack can approach with its enlarged product range. The Blip and CA Plus operations in Denmark and Malta are well placed to service airport customers in Europe and the Middle East in addition to Gentrack's offices in Auckland, Melbourne and London.

Gentrack's Airports division has delivered strong profit growth over the last three years, from NZ\$1.1m EBITDA in FY14, to \$2.0m in FY15 and \$2.7m in FY16. Combined with the CA+ and Blip the Airports division is expected to deliver NZ\$5m+ EBITDA in FY19.

The global airport market has seen passenger growth of 5.8% CAGR from 2010 - 2015, which is expected to continue driven by the growth of international tourism, urbanisation and increased commercial connectivity. Airport IT spend is forecast to grow by 7.2% CAGR from US\$25bn in 2015 to US\$47bn in 2024 (Transparency Market Research November 2016).

ENDS

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About Gentrack

Gentrack is a developer of specialist software for energy utilities, water companies and airports around the world. It employs over 360 people in offices in New Zealand, Australia and the UK and services utility and airport sites across four continents.