Gentrack

GTK Interim Results

Half Year to 31 March 2017

25 May 2017

IMPORTANT NOTICE

This presentation contains forward-looking statements. Forward-looking statements often include words such as “anticipate", "expect", "plan” or similar words in connection with discussions of future operating or financial performance.

The forward-looking statements are based on management's and directors’ current expectations and assumptions regarding Gentrack’s business and performance, the economy and other future conditions, circumstances and results. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Gentrack’s actual results may vary materially from those expressed or implied in its forward-looking statements.

Agenda

- Business Overview
- Highlights
- FY17 Interim Results and Analysis
- Outlook
- Appendix
  - GAAP reconciliation

Essential Software for Essential Services

- Gentrack's vision is to be a recognised global leader in the provision of first class enterprise application software to utilities and airports
- Our customers include 75+ utility sites and 85+ airports globally where our solutions are mission critical and deeply embedded
- Gentrack's business model delivers a high level of recurring revenue and profitable growth, which we largely distribute as dividends

Headlines

- **New customers:** Greenland Airports Authority and Jersey Airport
- **Project Go Lives**
  - ActewAGL (Aus) - live on Velocity for water, gas and electricity across all customer segments
  - Good Energy (UK) - live on Velocity
  - Santiago Airport (Chile) - live on Airport 20/20
- **New Projects**
  - Software upgrades at Pulse Utilities, Vector and Newark Liberty Airport
  - Velocity pre-pay billing deployment at Ovo Energy
- **Acquisitions (completed post 31 March)**
  - Junifer Systems, Blip Systems and CA Plus

Financial Highlights

REVENUE

$28.9m

$23.3m **(up 24%)**

EBITDA[1]

$8.8m

$6.7m **(up 31%)**

NPAT

$5.6m

$3.8m **(up 46%)**

DIVIDEND

4.2cps

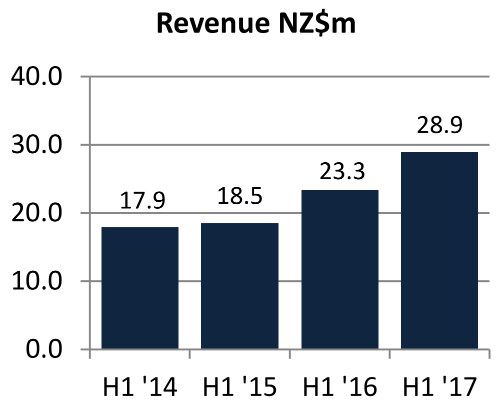
4.2cps

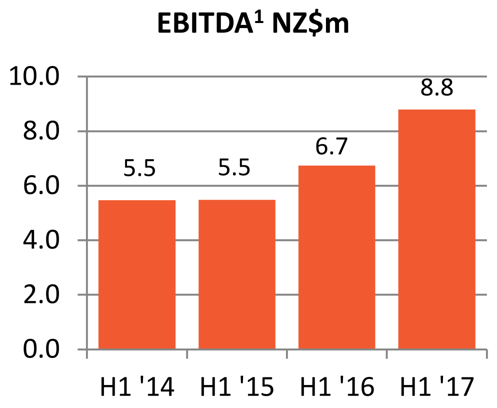
For the 6 months to 31 March 2017, NZ$

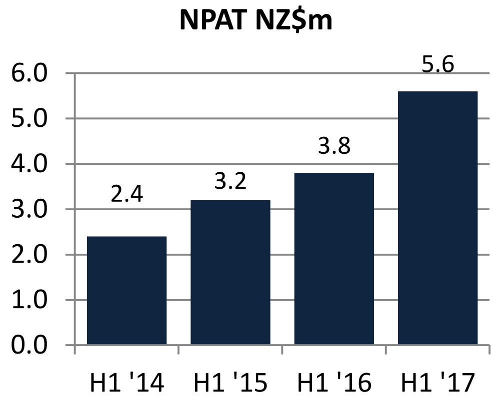
For the 6 months to 31 March 2016, NZ$

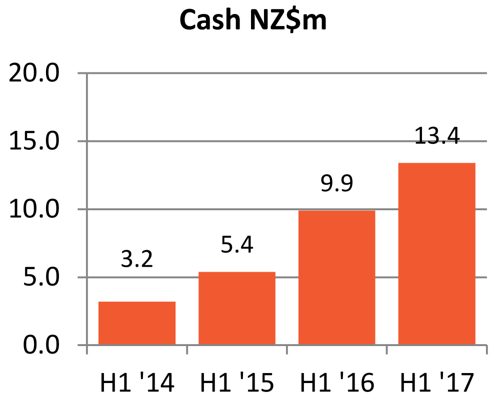
[1] Underlying EBITDA, being earnings before net finance expense, income tax, depreciation, amortisation and non-operating costs. Non-operating costs are costs relating to acquisition.

Comparative Results









Strong increases for the half year

- Revenue is up 24% and EBITDA[1] is up 31% against H1 FY16.
- Cash position was $79.2m at H1 FY17, which included an injection of $65.8m for acquisitions. Normalised balance was $13.4m.
- A dividend of 4.2cps is to be paid on 27 June 2017. The dividend will be 100% imputed (NZ) and 0% franked (AU).

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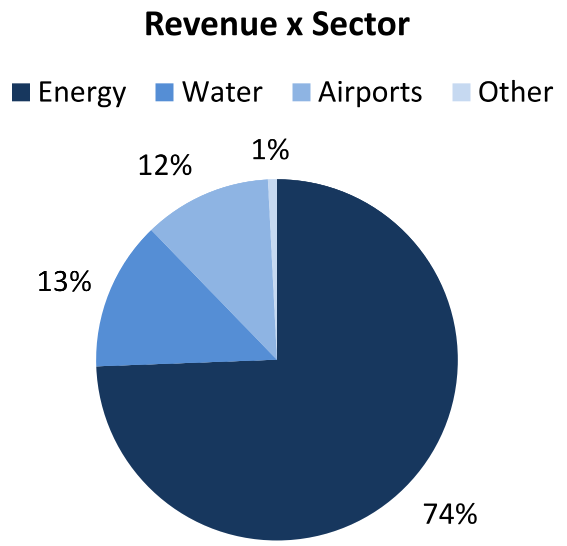
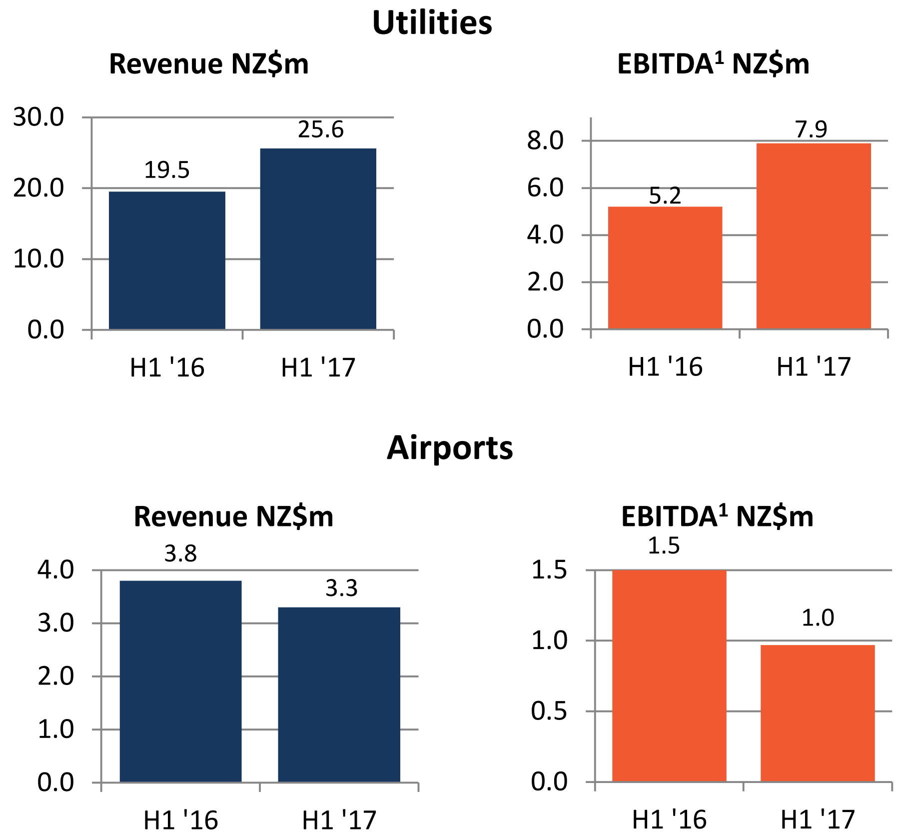
Divisional Analysis



- Utilities delivered strong revenue and EBITDA[1] growth for the period, up 31% and 50% respectively over the same period last year
- Significant utilities software projects previously secured in the UK and Australia have continued strongly throughout the first half of FY17
- Airports shortfall is a result of the timing of new projects which started late in H1



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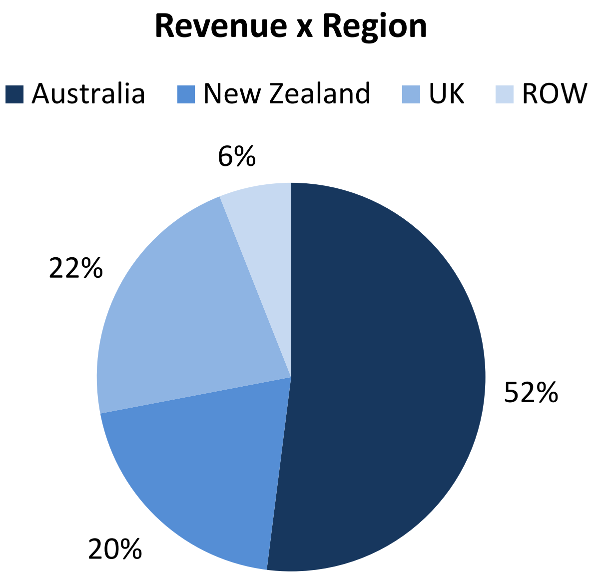
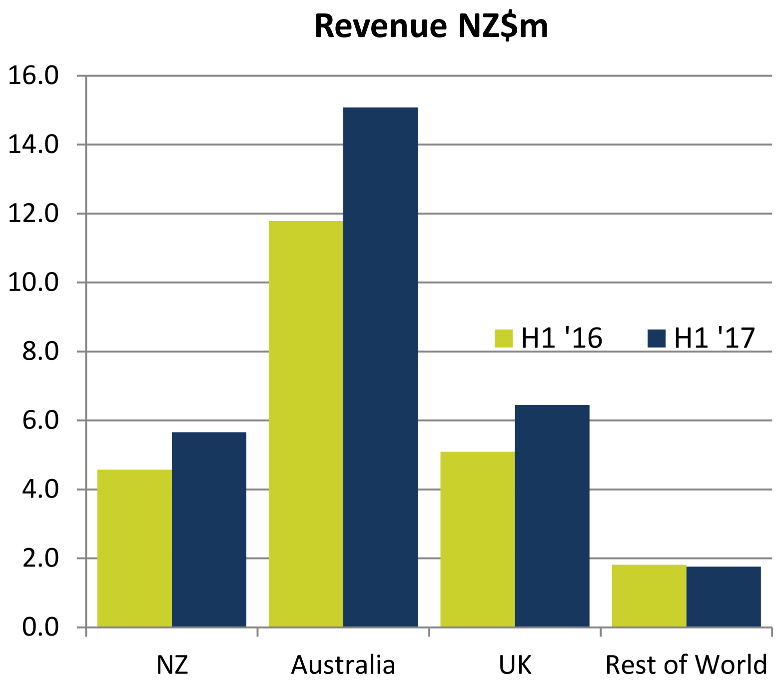
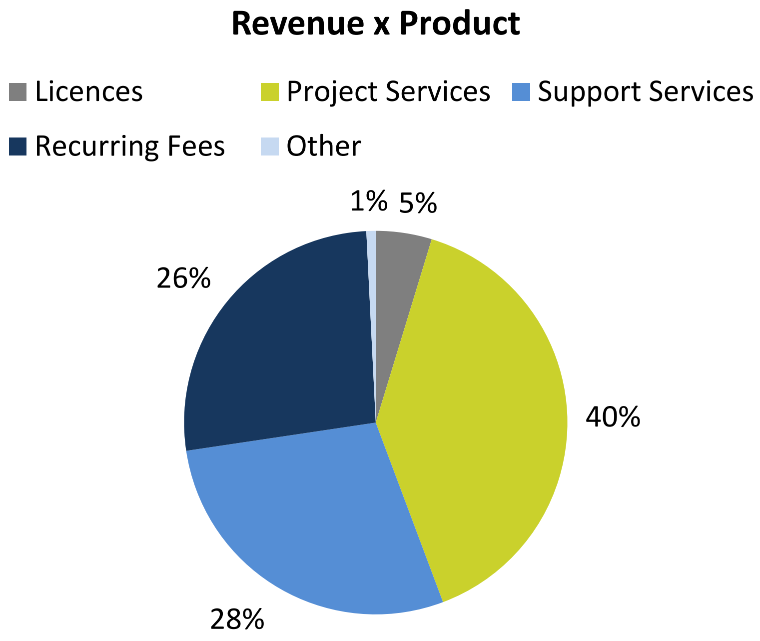
Geographic Analysis

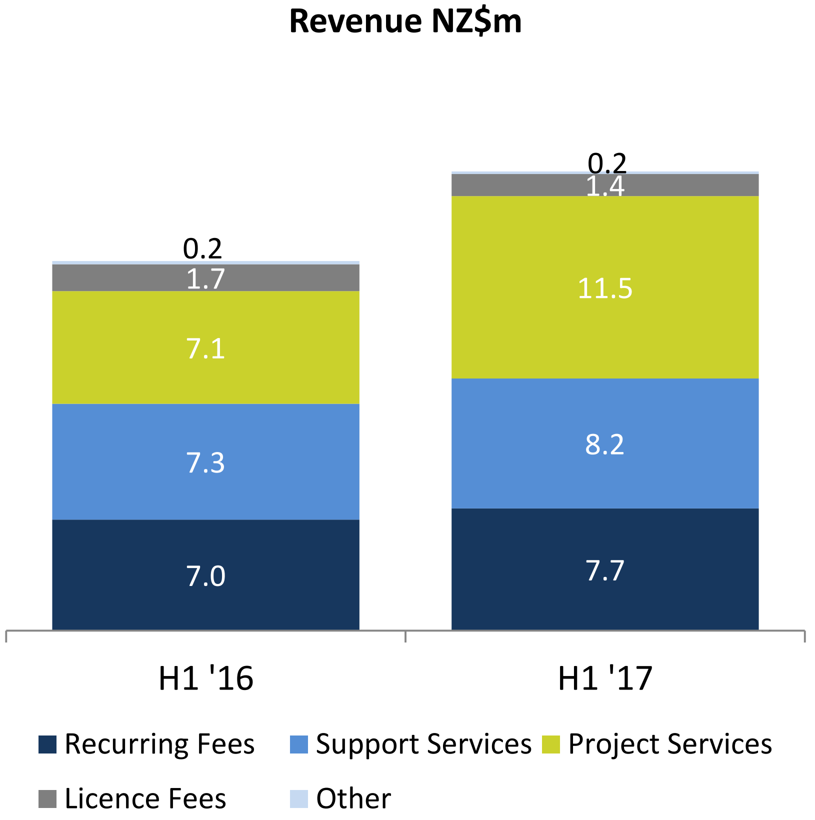




- Consistent growth in ANZ and UK
- Australian revenue improved 28% as a result of ongoing utilities projects and the recent introduction of Power of Choice market changes driving compliance work for energy retailers and distributors
- UK first half year revenues improved 27% on same period 2016

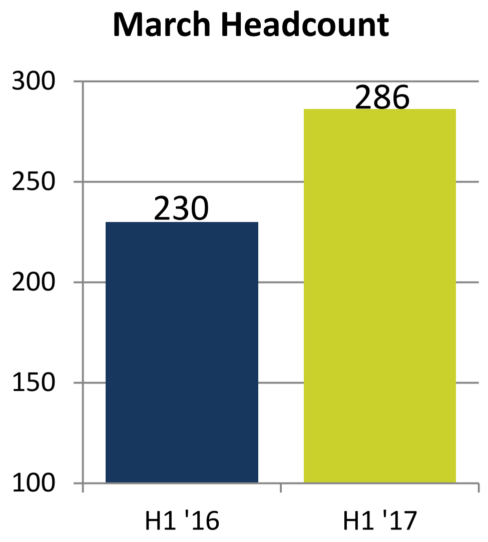
Revenue Type Analysis

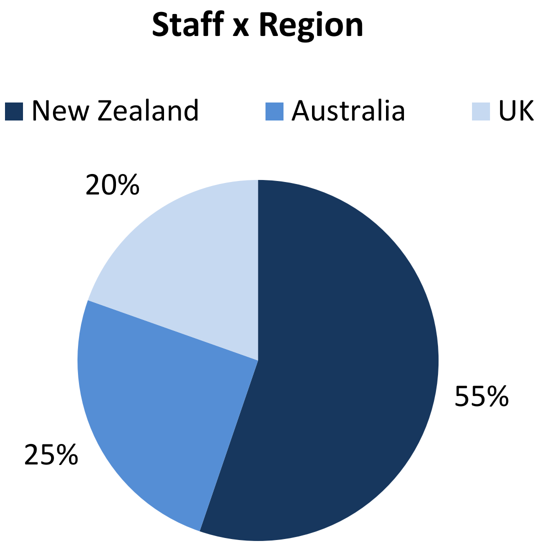


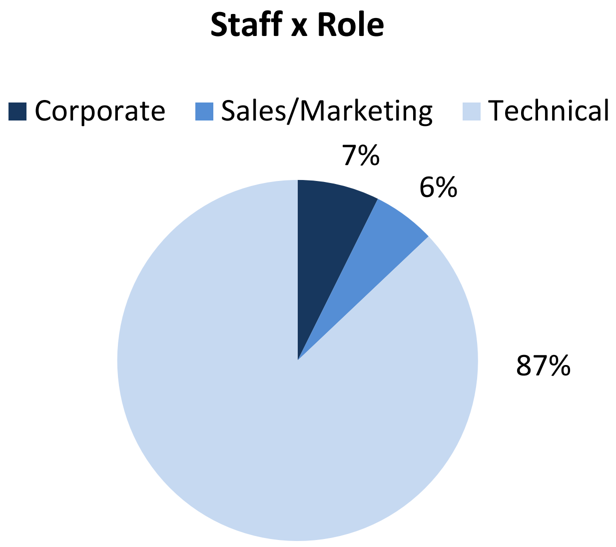


- Contracted recurring revenues from Annual Fees and Support Services improved 9% over H1 FY17
- Project Services work delivered a 62% increase on same period last year
- Overall results reflect the focus on significant work with existing customers and H2 has a strong pipeline of new prospects

Staff Profile







- Headcount increased by 3% during the half year and is 24% up on same period last year
- Continued focus on upskilling, learning and development in H1

Acquisitions

Junifer systems	**Acquired 100% of Share Capital on 1 April 2017** • Enterprise value £42m (NZ$74.6m) • 25 UK customers • Market Ready billing and customer information software for utilities • Gives Gentrack over 50% of the independent energy suppliers in the UK
BLIP systems	**Acquired 79.81% from Private Equity Vendor on 23 April 2017** • Value DKK41m (NZ$8.4m) • 3 year Put/Call Option on the remaining 20.19% • 26 Airports customers including Schiphol, JFK T4, Geneva and Auckland • Leading solutions for passenger flow, queue prediction and airport capacity forecasting
CA+ Concessionaire Analyzer + INTELLIGENCE FOR AIRPORTS	**Acquired 75% from its founder on 8 May 2017** • Value EUR7.5m (NZ$11.9m) • 3 year Put/Call Option on the remaining 25% • 6 Airports customers including London City, Antigua, Quito, Malta and Nairobi • Leading solution for management, optimisation and auditing of retail concession revenues within airports

Outlook

- Based on the current sales pipeline, continuing projects and part year contribution from recent acquisitions, the company expects to achieve approximately 20% EBITDA[1] growth
- Acquisitions expand our addressable market, industry expertise and capability
- Remain confident of long term growth driven by structural reforms in power and water sectors in the Australian and UK market and rapid passenger growth across airports markets globally

[1] Underlying EBITDA, being earnings before net finance expense, income tax, depreciation, amortisation and non-operating costs. Non-operating costs are costs relating to acquisition.

Appendix - GAAP to non-GAAP Profit Reconciliation

GAAP to non-GAAP profit reconciliation			
Period	6 Months 31-Mar-17	6 Months 31-Mar-16	12 Months 30-Sep-16
Reported net profit for the period (GAAP)	5,562	3,810	9,608
Add back: net finance expense[1]	(495)	317	1,208
Add back: income tax expense[1]	2,091	1,448	3,534
Add back: depreciation & amortisation[1]	1,287	1,164	2,377
Add back: Non-operating expenses[1]	395	-	-
EBITDA	**8,840**	**6,739**	**16,727**

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