29 November 2017

Gentrack revenue and profit up 43%

Gentrack Group Limited (NZX/ASX: GTK), a market leader in software solutions for utilities and airports, announces its annual financial results for the year to 30 September 2017.

Highlights (NZ$)

- Revenue $75.2m and EBITDA[1] $23.9m: both up 43% on FY16
- NPAT $11.8m: up 23% on FY16
- Final Dividend: 8.5cps, bringing full year dividend to 12.7cps.

Gentrack delivered strong and cash generative organic growth in the year to 30 September 2017, with revenue and EBITDA both up 43% on prior year. Excluding the mid-year acquisitions of Junifer Systems, Blip Systems and CA Plus, organic revenue growth was 18% with EBITDA up 24%.

A full year dividend of 8.5cps has been declared taking the Full Year Dividend to 12.7cps, up 6.7% on FY16. This represents a total payout of $10.2m and 71% of NPATA.

Ian Black, CEO said, "The results follow an intensive year of strategic acquisitions and business integration effort that will enable us to build on the continuous growth since the IPO, and to deliver an increased performance rate across the global utilities and airports businesses. Both businesses experienced 40%+ revenue growth over prior year and recurring revenues from annual fees and support services were up 43%."

Over FY17, we've successfully added 12 new utility customers with our Velocity and Junifer products and 9 new airports deployed products from our suite of airports solutions, delivering licence revenues up 74% on FY16 and 18% organic revenue growth at improved operating margins.

"The acquisition of Junifer Systems makes us a market leader in the UK with a combined 36 utility customers. It also gives us a SaaS billing and customer management product and subscription based revenue model well suited to new entrant and smaller utilities in contestable energy markets in Australia and New Zealand.

"In Airports, the acquisitions of Blip Systems and CA Plus on top of our existing Airport 20/20 business, gives us a unique set of revenue, operations and passenger experience capabilities and we are already seeing success in cross selling and combining these businesses and technologies.

"We are beginning to see clear benefits of the ongoing investment to productise our utility software, so that it can be installed faster by fewer people, which allows us to scale the business more rapidly and efficiently and to offer subscription based solutions.   We expect to see this strategy continue to lift margins over time.

"It has also been a busy year for recruitment with resources up 55% across the group and acquisitions delivering a 250% growth in UK/Europe based resources. We welcomed a number of new experienced senior executives to the Group in New Zealand, the UK, Australia and we recently completed the relocation of the Auckland team to new global headquarters. Singapore was also chosen for our newest international office, enabling the business to service customers and ongoing business development activities across South East Asia."

The Group targets 15%+ EBITDA growth in FY18 as it continues to optimise the value from the recent strategic growth acquisitions, a shift to productised offerings, and the expansion of resource expertise to support larger and more profitable projects.

The results are based on unaudited financial statements. Audited financial statements will be released on 30 November 2017.

All figures are presented in NZ$.

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Invitation to Annual Financial Results Briefing
Investors are invited to a conference call on Wednesday 29th November at 10:30am NZT / 8:30am AEDT to discuss Gentrack's annual financial results for the year ended 30 September 2017.

The call will be hosted by Ian Black, CEO and David Ingram, CFO.

The conference call details are:

The dial-in numbers for each country are listed below. For countries not listed, the Participant Toll number can be dialled. Please dial the applicable number and enter the Conference ID provided below.

To ask a question, participants will need to dial "*1" (star, 1) on their telephone keypad.

International (Participant Toll)	+61 2 8038 5221
Australia	1800 123 296
Canada	1855 5616 766
China	4001 203 085
Hong Kong	800 908 865
India	1800 3010 6141
Japan	0120 477 087
New Zealand	0800 452 782

Singapore	800 616 2288
United Kingdom	0808 234 0757
United States	1855 293 1544

Conference ID: 8575 129
(Following entry, please provide the required details when prompted)

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About Gentrack

Gentrack provides essential software for essential services, pairing powerful platforms with deep market knowledge to help utilities and airports lower service costs, foster innovation and confidently navigate market reform. It employs over 350 people in offices across New Zealand, Australia, the UK and Europe and services over 200 utility and airport sites in 20 countries with its leading solutions including Gentrack Velocity, Junifer, Airport 20/20, BlipTrack and Concessionaire Analyzer+ (CA+).

Velocity and Junifer are leading billing and customer management solutions providing a full range of proven capabilities from SaaS solutions for new entrant energy and water suppliers, to cloud hosted and on premise solutions for larger utilities in competitive markets where flexibility, uniqueness and compliance are essential.

Airport 20/20, BlipTrack and CA+ provide a comprehensive solution suite engineered to connect and unlock the value of airport operational, revenue, concession and passenger data. This real-time insight enables airports to run a more efficient operation, uncover new growth opportunities and build an outstanding traveller experience.

More information: www.gentrack.com

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 and other non-operating expenses. Non-operating expenses are costs relating to acquisition.

GAAP to non-GAAP profit reconciliation

$000s EBITDA and NPATA	12 Months 30 Sept 17	12 Months 30 Sept 16
Reported net profit for the period (GAAP)	**11,825**	**9,608**
Add back: amortisation	3,314	2,015
Add back: tax adjustment for amortisation	(845)	(533)
NPATA	**14,294**	**11,090**
Add back: net finance expense/(income)[1]	1,152	1,208
Add back: income tax expense less tax adjustment above[1]	6,456	4,067
Add back: depreciation	677	362
Add back: acquisition costs	1,325	0
EBITDA	**23,904**	**16,727**

[1] Extracted from unaudited (full year) financial statements. Audited financial statements will be released on 30 November 2017.