

**GENTRACK GROUP LIMITED
INTERIM REPORT**



**FOR THE SIX MONTHS
ENDED 31 MARCH**

2018

Gentrack



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CHAIRMAN AND CHIEF EXECUTIVE'S REPORT

DEAR SHAREHOLDER,

We are pleased to report continued profitable growth for the half year ended 31 March 2018 ('H1 FY18'). First half revenues of \$52.0m and EBITDA of \$15.9m were both up 80% on the same period last year. Net profit after tax of \$8.4m was up 50%.

The acquisitions completed in April and May of 2017 (Junifer, Blip, CA+) have contributed to the result and we have made good progress with the integration of these businesses into the Group.

As the acquisitions did not contribute to the prior comparative period H1 FY17, our commentary also includes comparisons to H2 FY17 which is a more relevant benchmark for the Group's H1 FY18 performance.

Comparing the first half performance to the second half of last year, revenues increased by 12%, EBITDA increased by 6%, and net profit after tax increased by 34%.

New projects with utilities and airports in the UK and Europe contributed to organic growth in the period. Growth in the UK has continued with revenue from the region up 314% on the same period last year, while projects in regions outside of the UK, Australia and New Zealand delivered revenues up 61% on H1 FY17. A comparison to H2 FY17 showed an increase of 60% for the UK, and a decrease of 41% for regions outside of the UK, Australia and New Zealand.

Recurring revenues from annual fees and support services continued an upwards trend recording an 89% increase on H1 FY17, while revenues from licences and project services were up 349% and 35% respectively. Contractually recurring annual fees have increased as a percentage of total revenue to 33% compared to 28% six months ago.

To support new projects and the ongoing product transformation activities across the business, people numbers have steadily increased, up 14% during the half year, and up 70% on the same period last year.

Utilities revenues and EBITDA climbed 65% and 67% respectively for the half year, driven by significant contributions from the UK operations and ongoing smart meter related projects in Australia. A comparison to H2 FY17, showed revenue and EBITDA increases of 11% and 3% respectively from Gentrack's global utilities business.

First half revenues from Veovo, Gentrack's global airport solutions division, also recorded increases, up 192% on the same period last year and 17% on H2 FY17. EBITDA was increased by 178% compared to the same period last year, and by 19% from H2 FY17. New projects that commenced at Belfast International Airport and Ports of Jersey, along with ongoing solution implementations in Greenland, Brisbane and Schiphol Airports, all contributed to a strong first half result.

We are investing in the development of pre-configured Market Ready Solutions for our key utility growth markets (UK, Australia, NZ and Singapore). This enables us to deliver Software as a Service projects quicker with lower risk and increases our mix of recurring revenue. We have capitalised development costs of \$1.6m in the period; increased from \$0.9m in H2 FY17, reflecting the long term returns expected from this initiative.

Priorities for the second half of FY18 include progressing market growth opportunities in the UK/European, Australasian and South East Asian markets, further innovation through our services and solutions which allows our customers to provide the lowest cost to serve models and best customer experience, and transforming our business operations to ensure we always anticipate and deliver to the needs of our customers.

Your board is pleased to declare a H1 FY18 dividend of 5.0cps, representing an increase of 19% to interim dividend for the same period last year.



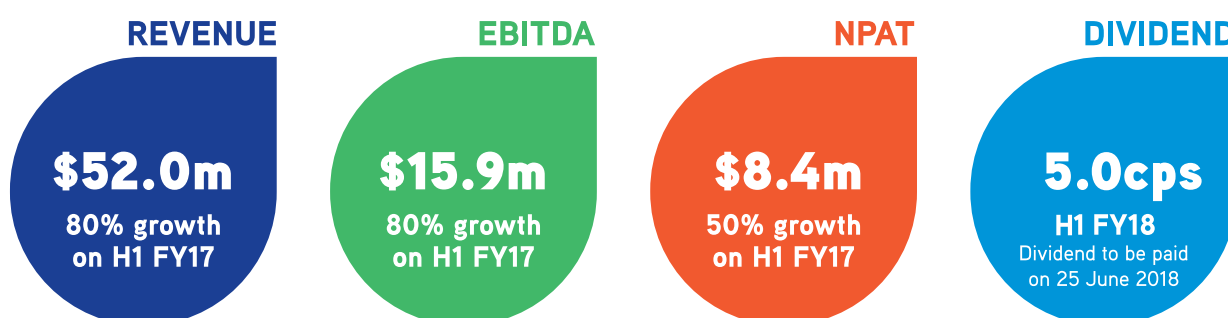
John Clifford

Chairman



Ian Black

Chief Executive





**INTERIM REPORT
MARCH 2018**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 MARCH 2018

\$000	NOTES	6 MONTHS UNAUDITED GROUP 31 MARCH 2018	6 MONTHS UNAUDITED GROUP 31 MARCH 2017	12 MONTHS AUDITED GROUP 30 SEPTEMBER 2017
Revenue	3	51,977	28,944	75,181
Expenditure	4	(36,079)	(20,104)	(51,277)
Profit before depreciation, amortisation, non-operating expenses, financing and tax		15,898	8,840	23,904
Depreciation and amortisation		(3,014)	(1,287)	(3,991)
Acquisition related income/(costs)	5	67	(395)	(1,325)
Profit before financing and tax		12,951	7,158	18,588
Finance income		9	495	78
Finance expense		(1,484)	-	(1,230)
Net finance (expense)/income	6	(1,475)	495	(1,152)
Profit before tax		11,476	7,653	17,436
Income tax expense		(3,112)	(2,091)	(5,611)
Profit attributable to the shareholders of the company		8,364	5,562	11,825
OTHER COMPREHENSIVE INCOME				
Translation of international subsidiaries		3,301	94	3,580
Total comprehensive income for the period		11,665	5,656	15,405
EARNINGS PER SHARE FROM TOTAL COMPREHENSIVE INCOME (EXPRESSED IN DOLLARS PER SHARE)				
Basic and diluted earnings per share		\$0.10	\$0.08	\$0.15
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ISSUED				
Basic	11	83,697	72,804	78,258
Diluted	13	84,004	73,033	78,486

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

\$000	NOTES	6 MONTHS UNAUDITED GROUP 31 MARCH 2018	6 MONTHS UNAUDITED GROUP 31 MARCH 2017	12 MONTHS AUDITED GROUP 30 SEPTEMBER 2017
CURRENT ASSETS				
Cash and cash equivalents	7	7,106	79,217	9,727
Trade and other receivables	8	28,844	12,976	21,713
Inventory		451	-	336
Income tax in advance		-	1,616	-
Total current assets		36,401	93,809	31,776
NON-CURRENT ASSETS				
Property, plant and equipment		3,553	1,032	2,524
Goodwill		125,758	40,277	122,212
Intangibles		42,093	15,352	41,958
Deferred tax asset		4,731	1,565	2,888
Total non-current assets		176,135	58,226	169,582
Total assets		212,536	152,035	201,358
CURRENT LIABILITIES				
Trade payables and accruals	9	6,127	1,553	4,979
Deferred revenues		11,073	7,125	9,488
GST payable		1,180	796	1,434
Financial liabilities		365	-	527
Employee entitlements		4,734	2,922	4,737
Income tax payable		2,628	-	2,583
Total current liabilities		26,107	12,396	23,748
NON-CURRENT LIABILITIES				
Bank loans	10	44,681	30,274	44,989
Trade payables and accruals	9	4,062	-	693
Financial liabilities		6,388	-	5,964
Employee entitlements		385	323	361
Deferred tax liabilities		7,670	2,428	7,076
Total non-current liabilities		63,186	33,025	59,083
Total liabilities		89,293	45,421	82,831
Net assets		123,243	106,614	118,527
EQUITY				
Share capital	11	101,490	95,908	101,490
Share based payment reserve		404	142	239
Foreign currency translation reserve		7,121	334	3,820
Retained earnings		14,228	10,230	12,978
Total equity		123,243	106,614	118,527

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 MARCH 2018

GROUP (UNAUDITED TO 31 MARCH 2018) (\$000)	NOTES	SHARE CAPITAL	SHARE BASED PAYMENT RESERVE	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October 2017		101,490	239	12,978	3,820	118,527
Profit attributable to the shareholders of the company		-	-	8,364	-	8,364
Other comprehensive income		-	-	-	3,301	3,301
Total comprehensive income for the period, net of tax		-	-	8,364	3,301	11,665
TRANSACTION WITH OWNERS						
Dividend paid	17	-	-	(7,114)	-	(7,114)
Share based payments		-	165	-	-	165
Balance at 31 March 2018		101,490	404	14,228	7,121	123,243
GROUP (UNAUDITED TO 31 MARCH 2017) (\$000)	NOTES	SHARE CAPITAL	SHARE BASED PAYMENT RESERVE	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October 2016		60,396	61	10,266	240	70,963
Profit attributable to the shareholders of the company		-	-	5,562	-	5,562
Other comprehensive income		-	-	-	94	94
Total comprehensive income for the period, net of tax		-	-	5,562	94	5,656
TRANSACTION WITH OWNERS						
Issue of capital	11	35,512	-	-	-	35,512
Dividend paid	17	-	-	(5,598)	-	(5,598)
Share based payments		-	81	-	-	81
Balance at 31 March 2017		95,908	142	10,230	334	106,614
GROUP (AUDITED TO 30 SEPTEMBER 2017) (\$000)	NOTES	SHARE CAPITAL	SHARE BASED PAYMENT RESERVE	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October 2016		60,396	61	10,266	240	70,963
Profit attributable to the shareholders of the company		-	-	11,825	-	11,825
Other comprehensive income		-	-	-	3,580	3,580
Total comprehensive income for the period, net of tax		-	-	11,825	3,580	15,405
TRANSACTION WITH OWNERS						
Issue of capital	11	41,094	-	-	-	41,094
Dividends paid	17	-	-	(9,113)	-	(9,113)
Share based payments		-	178	-	-	178
Balance at 30 September 2017		101,490	239	12,978	3,820	118,527

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

\$000	NOTES	6 MONTHS UNAUDITED GROUP 31 MARCH 2018	6 MONTHS UNAUDITED GROUP 31 MARCH 2017	12 MONTHS AUDITED GROUP 30 SEPTEMBER 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers		47,102	25,013	69,169
Payments to suppliers and employees		(33,618)	(20,936)	(50,302)
Income tax paid		(4,566)	(3,909)	(4,808)
Net cash inflow from operating activities	18	8,918	168	14,059
CASH FLOWS FROM INVESTING ACTIVITIES				
Property, plant and equipment		(1,615)	(230)	(1,268)
Proceeds from sale of property, plant and equipment		260	-	-
Purchase of intangibles		(360)	(28)	(920)
Acquisition of business, net of cash		-	(395)	(77,636)
Net cash outflow from investing activities		(1,715)	(653)	(79,824)
CASH FLOWS FROM FINANCING ACTIVITIES				
Issue of ordinary shares	11	-	35,512	35,512
Costs in relation to issue of ordinary shares		-	-	(110)
Drawdown of borrowings	10	-	30,274	42,481
Repayment of borrowings		(2,174)	-	(11,852)
Interest (paid)/received		(551)	70	(493)
Dividends paid	17	(7,114)	(5,598)	(9,113)
Net cash (outflow)/inflow from financing activities		(9,839)	60,258	56,425
Net (decrease)/increase in cash held		(2,636)	59,773	(9,340)
Foreign currency translation adjustment		15	626	249
Cash at beginning of the financial period		9,727	18,818	18,818
Closing cash and cash equivalents		7,106	79,217	9,727

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These unaudited consolidated condensed interim financial statements of Gentrack Group Limited (the Company) and its subsidiaries (together "the Group") have been prepared in accordance with the New Zealand equivalent of IAS34: Interim Financial Reporting and New Zealand Generally Accepted Accounting Practice ("NZ GAAP").

The Group is a profit-oriented entity for financial reporting purposes.

The Company is a FMC entity for the purposes of the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013 and is listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX).

These unaudited consolidated condensed interim financial statements of the Group for the six months ended 31 March 2018 have been prepared using the same accounting policies and methods of computation as, and should be read in conjunction with, the financial statements and related notes included in the Group's Annual Report for the year ended 30 September 2017.

The same significant judgements, estimates and assumptions included in the notes to the financial statements in the Group's Annual Report for the year ended 30 September 2017 have been applied to these consolidated condensed interim financial statements.

Certain comparatives have been reclassified to ensure consistency with the current period.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

2. OPERATING SEGMENTS

The Group currently operates in two business segments: utility billing software and airport management software. These segments have been determined based on the reports reviewed by the Board to make strategic decisions.

The assets and liabilities of the Group are reported to and reviewed by the Chief Operating Decision Maker in total and are not allocated by business segment. Therefore, operating segment assets and liabilities are not disclosed.

\$000	UTILITY	AIRPORT	TOTAL
GROUP – FOR THE SIX MONTHS ENDED 31 MARCH 2018 (UNAUDITED)			
External revenue	42,247	9,730	51,977
Total external expenditure	(29,035)	(7,044)	(36,079)
Segment contribution	13,212	2,686	15,898
Depreciation and amortisation	-	-	(3,014)
Acquisition related income	-	-	67
Net finance expense	-	-	(1,475)
Income tax expense	-	-	(3,112)
Profit attributable to the shareholders of the company	-	-	8,364
GROUP – FOR THE SIX MONTHS ENDED 31 MARCH 2017 (UNAUDITED)			
External revenue	25,615	3,329	28,944
Total external expenditure	(17,740)	(2,364)	(20,104)
Segment contribution	7,875	965	8,840
Depreciation and amortisation	-	-	(1,287)
Acquisition related costs	-	-	(395)
Finance income	-	-	495
Income tax expense	-	-	(2,091)
Profit attributable to the shareholders of the company	-	-	5,562
GROUP – FOR THE YEAR ENDED 30 SEPTEMBER 2017 (AUDITED)			
External revenue	63,523	11,658	75,181
Total expenditure	(42,833)	(8,444)	(51,277)
Segment contribution	20,690	3,214	23,904
Depreciation and amortisation	-	-	(3,991)
Acquisition related costs	-	-	(1,325)
Finance income	-	-	78
Finance expense	-	-	(1,230)
Income tax expense	-	-	(5,611)
Profit attributable to the shareholders of the company	-	-	11,825
\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
REVENUE BY DOMICILE OF ENTITY			
Australia	14,952	14,319	30,274
New Zealand	9,135	8,180	18,397
United Kingdom	23,508	6,445	23,126
Rest of World	4,382	-	3,384
	51,977	28,944	75,181
REVENUE BY DOMICILE OF CUSTOMER			
Australia	16,721	15,079	33,258
New Zealand	5,721	5,659	12,283
United Kingdom	26,692	6,445	23,092
Rest of World	2,843	1,761	6,548
	51,977	28,944	75,181

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

3. REVENUE

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
OPERATING REVENUE:			
Recurring	16,944	7,690	21,097
Non-recurring	6,079	1,355	6,292
Professional services	28,587	19,672	47,153
	51,610	28,717	74,542
OTHER INCOME:			
Government grants	367	227	639
	51,977	28,944	75,181

4. EXPENDITURE

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
PROFIT BEFORE TAX INCLUDES THE FOLLOWING SPECIFIC EXPENSES:			
Employee entitlements	24,355	14,225	36,048
Employee entitlements - share based payment	165	81	178
Capitalised development	(1,585)	-	(892)
Superannuation costs	1,049	437	1,295
Staff recruitment	558	227	633
Third party customer-related costs	2,682	881	3,079
Occupancy costs	1,745	774	2,097
Travel related	1,592	611	1,813
Advertising and marketing	1,040	628	1,223
Consulting and subcontracting	2,313	1,213	3,309
Communication and office administration	642	321	749
Doubtful debts	203	-	(36)
Directors' fees	212	175	371
Auditor's remuneration - audit and review fees	83	29	247
Auditor's remuneration - non-audit services ¹	82	46	86
Other operating expenses	943	456	1,077
Total expenditure	36,079	20,104	51,277

5. NON-OPERATING EXPENSES

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
Income/(costs) relating to acquisitions	67	(395)	(1,325)
	67	(395)	(1,325)

In 2018 \$67k of income relating to earn out provision adjustment net of costs were recorded at the end of March (30 September 2017: \$1,325k costs; 31 March 2017: \$395k costs comprising legal and due diligence fees incurred in relation to the acquisitions that occurred in the year ended 30 September 2017).

¹ Excluding amounts paid to auditor associated with acquisitions recorded in acquisition related income/(costs) of nil (31 March 2017: \$141k; 30 September 2017: \$181k).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

6. NET FINANCE EXPENSE

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
FINANCE INCOME			
Interest income	9	70	78
Foreign exchange gains	-	425	-
	9	495	78
FINANCE EXPENSE			
Interest expense	(560)	-	(572)
Interest paid - NPV discount	(62)	-	(51)
Foreign exchange losses	(862)	-	(607)
	(1,484)	-	(1,230)
Net finance cost	(1,475)	495	(1,152)

7. CASH AND CASH EQUIVALENTS

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
Bank balances	7,101	79,212	9,723
Cash on hand	5	5	4
	7,106	79,217	9,727

Included in the bank balances at 31 March 2017 were the proceeds of the share issue described in Note 11 of \$35.5m and the proceeds of borrowings of \$30.3m.

These funds were held in trust at 31 March 2017 for the acquisition of Junifer Systems Limited.

8. TRADE AND OTHER RECEIVABLES

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
Trade debtors	21,926	8,865	15,909
Provision for doubtful debts	(509)	(121)	(167)
Provision for warranty claims	(15)	(15)	(15)
Work in progress/accrued revenue	4,909	3,215	4,182
Sundry receivables and prepayments	2,533	1,032	1,804
	28,844	12,976	21,713

9. TRADE PAYABLES AND ACCRUALS

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
Trade creditors	4,519	1,014	3,188
Sundry accruals	1,608	539	1,791
	6,127	1,553	4,979
NON-CURRENT			
Lease incentive	4,062	-	693

Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. The lease incentive relates to the premises in Auckland and London.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

10. BORROWING

The company has a secured NZ\$50.5 million multi-currency 5 year term facility with ASB Bank Limited to provide additional funding as required for acquisitions and general corporate purposes. This facility expires on 31 March 2022 and will be subject to renewal by negotiation.

The facility is secured by a general security agreement under which the bank has a security interest in all of the Group's taxable assets. As at 31 March 2018, NZ\$44.7 million has been drawn down. The remaining unutilised portion of the facility is NZ\$5.8 million.

Covenants in place include a gearing ratio and interest cover covenant which are reported quarterly.

11. CAPITAL

000	SHARES ISSUED			SHARE CAPITAL		
	6 MONTHS UNAUDITED GROUP 31 MARCH 2018	6 MONTHS UNAUDITED GROUP 31 MARCH 2017	12 MONTHS AUDITED GROUP 30 SEPTEMBER 2017	6 MONTHS UNAUDITED GROUP 31 MARCH 2018	6 MONTHS UNAUDITED GROUP 31 MARCH 2017	12 MONTHS AUDITED GROUP 30 SEPTEMBER 2017
Ordinary Shares	83,697	72,699	72,699	101,490	60,396	60,396
Issue of new ordinary shares	-	9,538	10,998	-	35,512	41,094
	83,697	82,237	83,697	101,490	95,908	101,490

12. RELATED PARTIES

IDENTITY OF RELATED PARTIES

The group has related party relationships with its subsidiaries which are listed in the Group's Annual Report for the year ended 30 September 2017. The related party transactions primarily consist of the purchase and sale of software products, provision of technical support, loan advances and repayments, consultancy services and management charges on commercial terms.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. Key management personnel compensation comprised \$1,919k for the period (30 September 2017: \$3,867k ; 31 March 2017:\$1,572k).

Directors fees comprised \$212k for the period (30 September 2017: \$371k; 31 March 2017: \$175k).

13. EMPLOYEE SHARE SCHEME

During the period the Company allocated 78,040 unlisted performance rights for nil consideration to senior executives under the Gentrack Long Term Incentive Scheme. Vesting is conditional on the completion of the necessary years' service to the vesting date and performance goals over the vesting period.

14. FINANCIAL RISK MANAGEMENT

FAIR VALUE MEASUREMENT

The carrying amounts of the Group's financial assets and liabilities approximate to their fair value due to their short maturity periods or fixed rate nature.

15. CAPITAL COMMITMENTS

Capital Expenditure Commitments at 31 March 2018: \$719k relating to office fitout costs in London (30 September 2017: \$843k relating to relocating to new premises in Auckland; 31 March 2017: Gentrack had signed a Sale and Purchase Agreement to purchase Junifer Systems Limited).

16. CONTINGENCIES

ASB New Zealand has provided the following guarantees on behalf of the Gentrack Group:

NZD260,994 (AUD245,700) to Australia and New Zealand Banking Group. This guarantee expires on 1 April 2018.

NZD75,000 to NZX Limited. This guarantee has no expiry date.

NZD175,059 (HKD994,528) to ANZ Hong Kong. This guarantee expires on 24 October 2019.

NZD2,124,495 (AUD2,000,000) to Australia and New Zealand Banking Group. This guarantee expires on 30 April 2018.

NZD61,855 (AUD58,230) to ANZ Trade and Supply Chain.

NZD130,497 (AUD122,850) to ASB. This guarantee is open ended.

NZD111,568 (AUD105,030) to Walsh and Company Investment Services Pty Ltd. This guarantee is open ended.

NZD66,850 (SGD63,441) to ASB. This guarantee expires on 31 December 2018.

NZD592,775 (AUD558,038) to ASB. This guarantee expires on 30 April 2020.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2018

17. EVENTS AFTER THE BALANCE DATE

An interim dividend of \$4,184,863 (\$0.05 per share) was declared on 29 May 2018 for the six months ended 31 March 2018, and will be paid on 25 June 2018.

18. RECONCILIATION OF OPERATING CASH FLOWS

\$000	UNAUDITED 31 MARCH 2018	UNAUDITED 31 MARCH 2017	AUDITED 30 SEPTEMBER 2017
(a) RECONCILIATION OF OPERATING CASH FLOWS WITH REPORTING PROFIT AFTER TAX:			
Profit after tax	8,364	5,562	11,825
Add/(less) non-cash items			
Deferred tax	(1,469)	764	(808)
Doubtful debts	(75)		(36)
Loss on foreign exchange transactions	862		86
Share based payments	165		178
Net interest expense	551		494
Other non-cash (income)/expenses	(149)	(376)	33
Depreciation and amortisation	3,014	1,287	3,991
	11,263	7,237	15,763
Add/(less) movements in other working capital			
Decrease/(increase) in tax payable	15	(2,582)	1,611
(Increase) in trade and other receivables	(6,250)	(3,033)	(6,656)
(Decrease)/increase in GST payable	(291)	270	933
Increase/(Decrease) in deferred revenue	1,512	(1,556)	1,009
(Decrease)/increase in employee entitlements	(14)	(452)	1,465
Increase/(decrease) in trade payables and accruals	2,683	(41)	(66)
	8,918	(157)	14,059
Items classified as investing activity			
Net finance income	-	(70)	-
Costs in relation to acquisitions	-	395	-
Net cash inflow from operating activities	8,918	168	14,059
(b) BANK FACILITIES:			
Bank facility	50,500	-	50,500
Unused bank facility	5,819	-	5,511



Independent Review Report

To the shareholders of Gentrack Group Limited

Report on the interim consolidated financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements on pages 8 to 17 do not:

- i. present fairly in all material respects the Group's financial position as at 31 March 2018 and its financial performance and cash flows for the 6 month period ended on that date; and
- ii. comply with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying interim consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 March 2018;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for conclusion

A review of interim consolidated financial statements in accordance with NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Gentrack Group Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Our firm has also provided other services to the group in relation to the audit of the Group's components' standalone financial statements, tax compliance, tax advisory and other assurance services. Subject to certain restrictions, partners and employees of our firm may also deal with the group on normal terms within the ordinary course of trading activities of the business of the group. These matters have not impaired our independence as reviewer of the group. The firm has no other relationship with, or interest in, the group.



Use of this Independent Review Report

This report is made solely to the shareholders as a body. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders as a body for our review work, this report, or any of the opinions we have formed.



Responsibilities of the Directors for the interim consolidated financial statements

The Directors, on behalf of the group, are responsible for:

- the preparation and fair presentation of the interim consolidated financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of an interim consolidated financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's Responsibilities for the review of the interim consolidated financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on these interim consolidated financial statements.

This description forms part of our Independent Review Report.



KPMG Auckland

30 May 2018

CORPORATE DIRECTORY

REGISTERED OFFICE

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NEW ZEALAND INCORPORATION NUMBER

3768390

AUSTRALIAN REGISTERED BODY NUMBER (ARBN)

169 195 751

DIRECTORS

John Clifford, Chairman
Andy Coupe
James Docking
Nicholas Luckock*
Graham Shaw
Leigh Warren

*Nicholas Luckock was elected by shareholders at the Annual Meeting on 28 February 2018 as a non-executive director.

COMPANY SECRETARY

Jon Kershaw

AUDITOR

KPMG
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LEGAL ADVISERS

BELL GULLY

BANKERS

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ANZ LIMITED
HSBC PLC

SHARE REGISTRAR

NEW ZEALAND

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