

FY18 RESULTS PRESENTATION





Smart City Smart Innovation Smart Technology





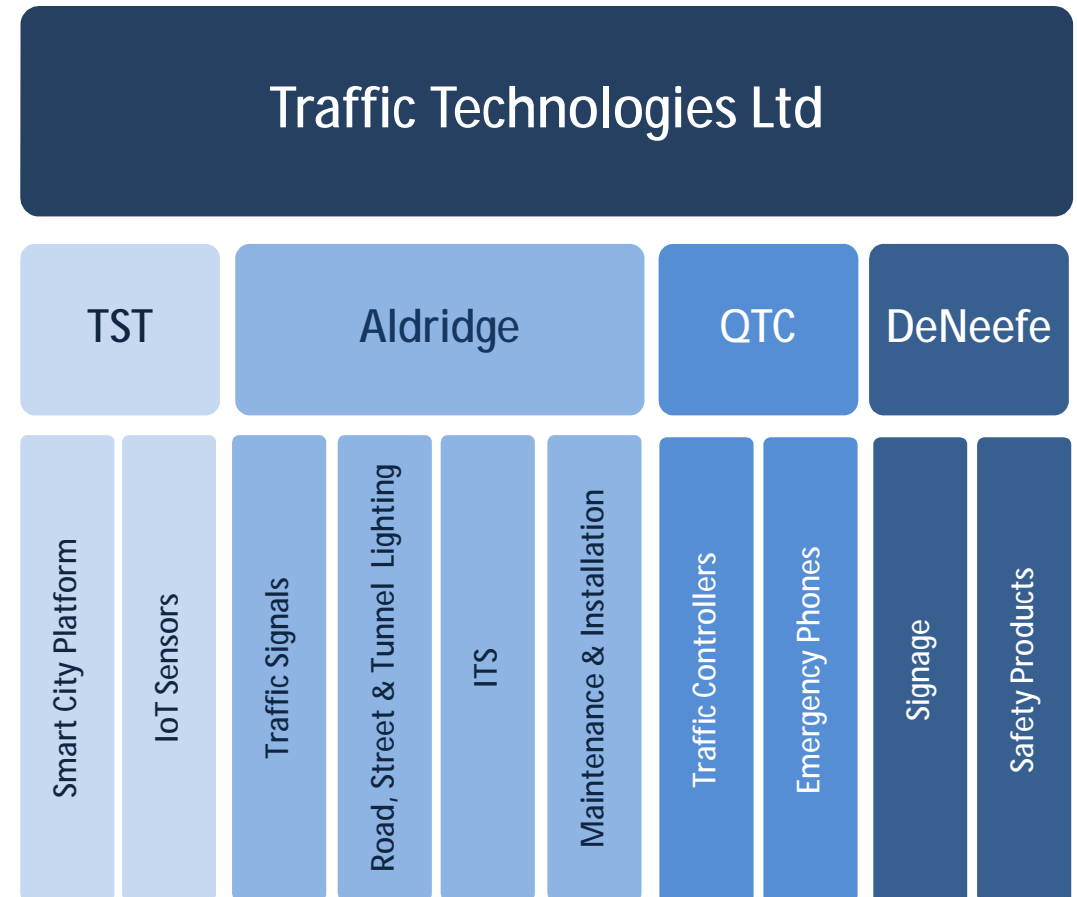
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Company Background

- TTI is Australia's premier traffic software and solutions company
- Melbourne based with offices in Sydney, Brisbane, Adelaide, Perth, Darwin, Canberra, Hobart and Nottingham (England)
- 14 year history in traffic management evolving into high growth smart city solutions

Shares on Issue	482.2m
Price (30-Jun'18)	3.3c
Market cap	\$15.9m
Net Debt (30-Jun'18)	\$9.3m
EV	\$25.2m

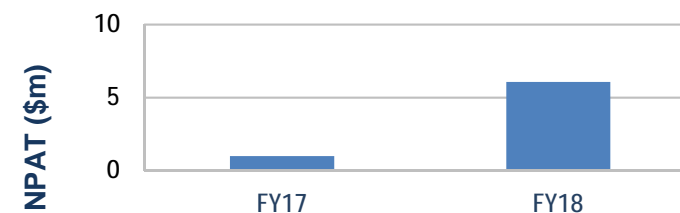
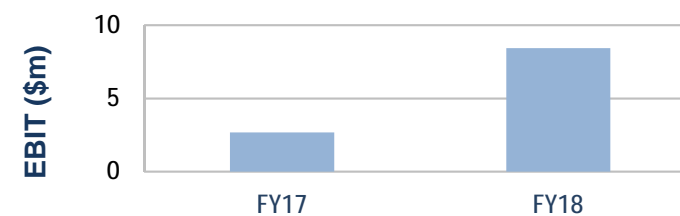
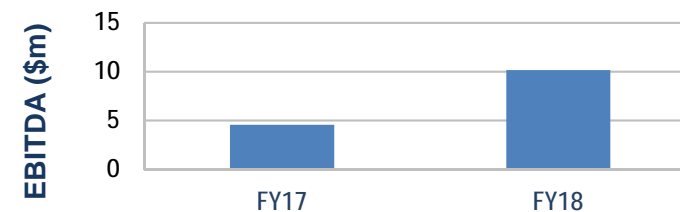
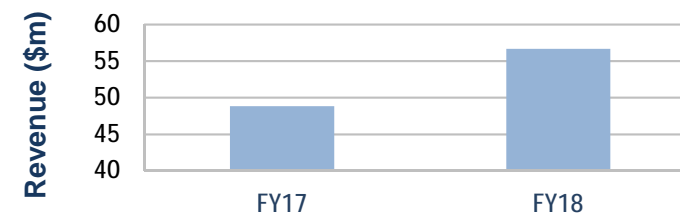




FY18 Highlights - Statutory Results

- Revenue up 16%
- EBITDA up 123%
- EBIT up 215%
- NPAT up 501%
- EPS up 408%
- Net Debt down 57%
- Gearing down 41%

Earnings Summary		
	FY17	FY18
Revenue (\$m)	48.9	56.7
EBITDA (\$m)	4.6	10.2
D&A (\$m)	(1.9)	(1.7)
EBIT (\$m)	2.7	8.4
Interest (\$m)	(1.5)	(1.5)
NPAT (\$m)	1.0	6.1
EPS (cents)	0.37	1.88

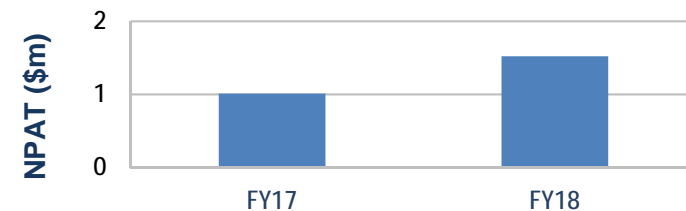
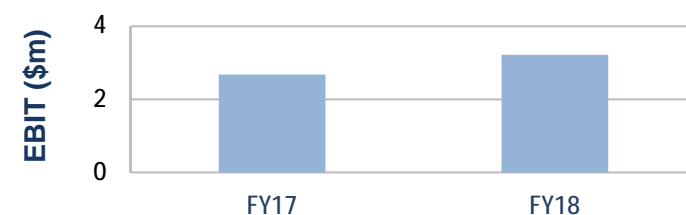
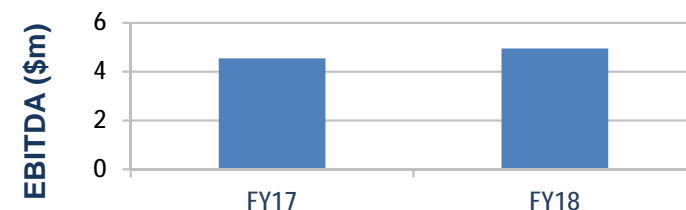
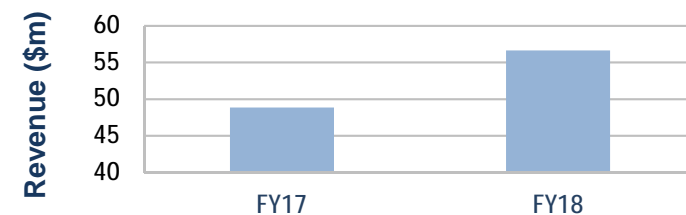




FY18 Highlights: (Underlying Trading Result)

- Revenue up 16%
- EBITDA up 9%
- EBIT up 20%
- NPAT up 51%
- EPS up 27%
- Net Debt down 57%
- Gearing down 41%

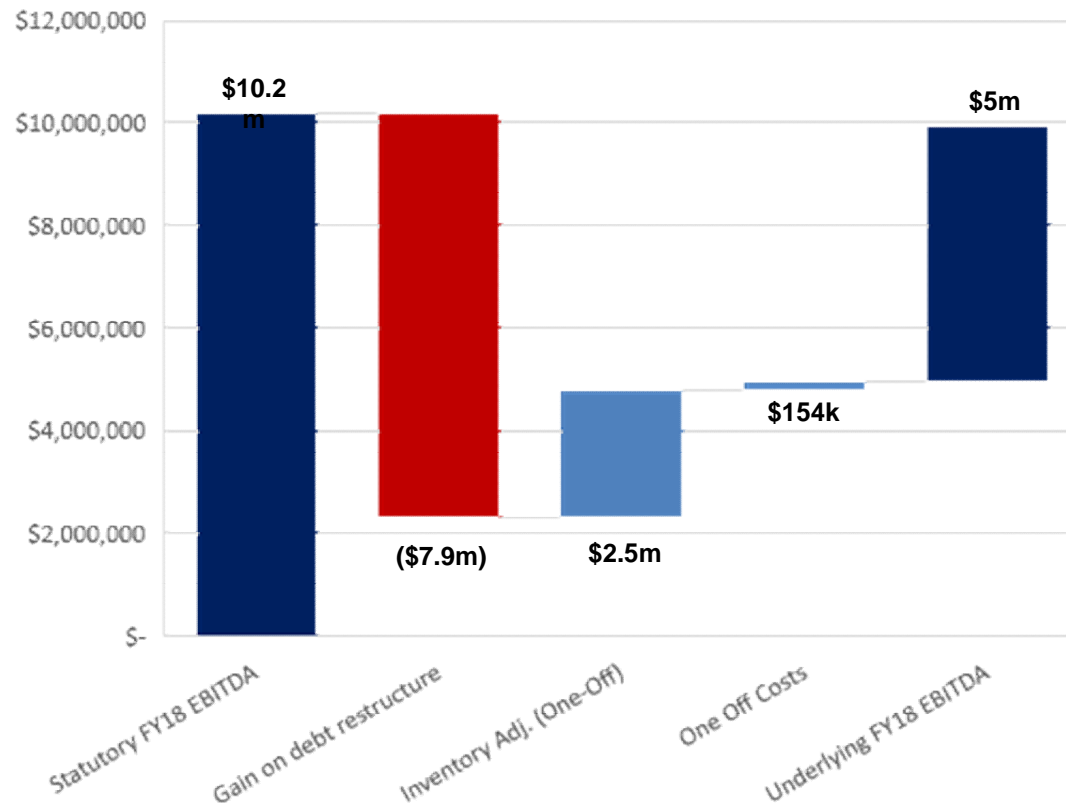
Earnings Summary		
	FY17	FY18
Revenue (\$m)	48.9	56.7
EBITDA (\$m)	4.6	5.0
D&A (\$m)	(1.9)	(1.7)
EBIT (\$m)	2.7	3.2
Interest (\$m)	(1.5)	(1.5)
NPAT (\$m)	1.0	1.5
EPS (cents)	0.37	0.47





Strong Underlying Trading Performance

FY18 EBITDA Waterfall

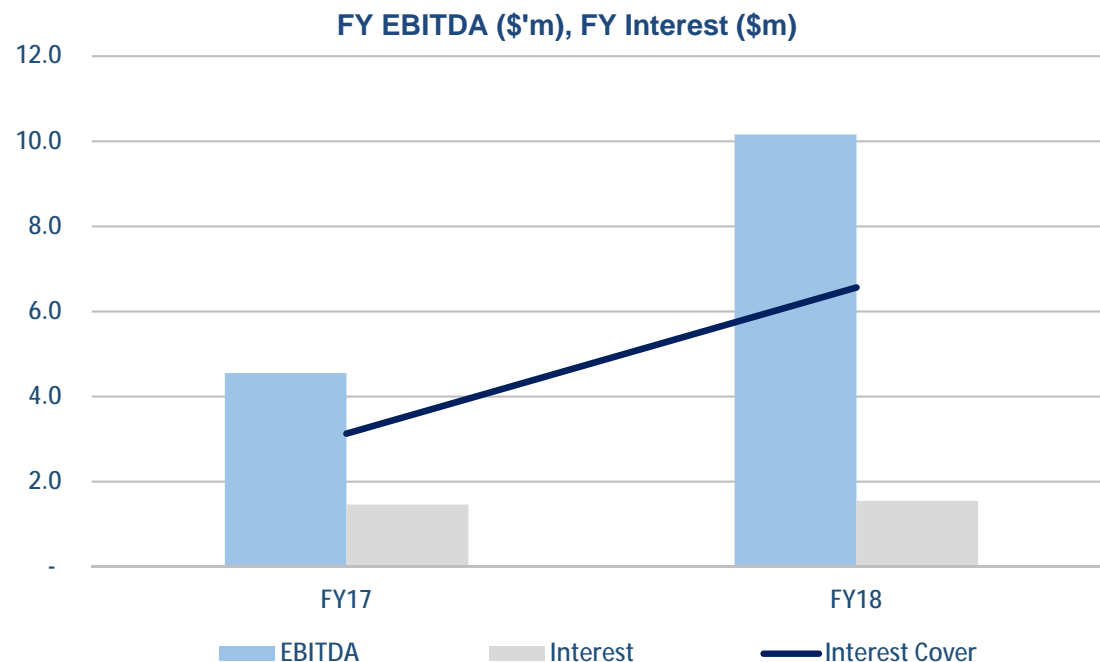


- 10% underlying EBITDA Growth - FY18
- Net Debt/EBITDA 1.86x (4.7x last year)
- FY19 to deliver double digit growth
- Diversified revenue streams
- Smart City Solutions expansion
- International sales channels



Cash Flow

- Gross operating cash flow/EBITDA 38%.
- Net debt reduced to \$9.3m (previous year \$21.8m)
- Net Debt/EBITDA 1.86x (down from 4.73x)



Cash Flow (\$'m)	FY18	FY17
Receipts	61.6	55.6
Payments	(57.7)	(50.7)
Interest	(1.6)	(1.3)
Operating Cash Flows	2.3	3.6
Development costs	(1.8)	(1.6)
PP&E	(0.3)	-
Intangible assets	(0.3)	(0.2)
Investing Cash Flows	(2.4)	(1.8)
Borrowing proceeds	13.7	-
Borrowing repayments	(15.7)	(2.3)
Borrowing costs	(0.3)	-
Share issue proceeds	6.2	-
Share issue costs	(0.5)	-
Financing Cash Flows	3.4	(2.3)
Cash Start	0.7	1.2
Net Cash Flow	3.3	(0.5)
Cash End	4.0	0.7



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Operational Highlights

Road & Street Lighting

- Strong growth in roll-out of road and street lights
- Secured supply contracts: Several major Councils and Road Authorities
- Secured multi year LED road and street supply contracts in VIC, NSW, SA and QLD
- Secured multi year contracts with Northern NSW for traffic signals, controllers and road lighting

Smart City Platform

- IoT sensors developed for the road industry, councils and power authorities
- Secured supply contracts across NSW, VIC & QLD
- Integration and trials for additional road authorities and council assets

Maintenance and Install

- Northern NSW contract renewed
- Install of more than 9,000 LED roads lights and IoT nodes in VIC, NSW and Qld





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Controllers

- Next generation of controllers being developed
- Export contracts secured in:
 - ü Middle East, Asia, New Zealand & South America

Signage

- Revenue up 11%
- Streamlined production and integration with other business units

Traffic Signals

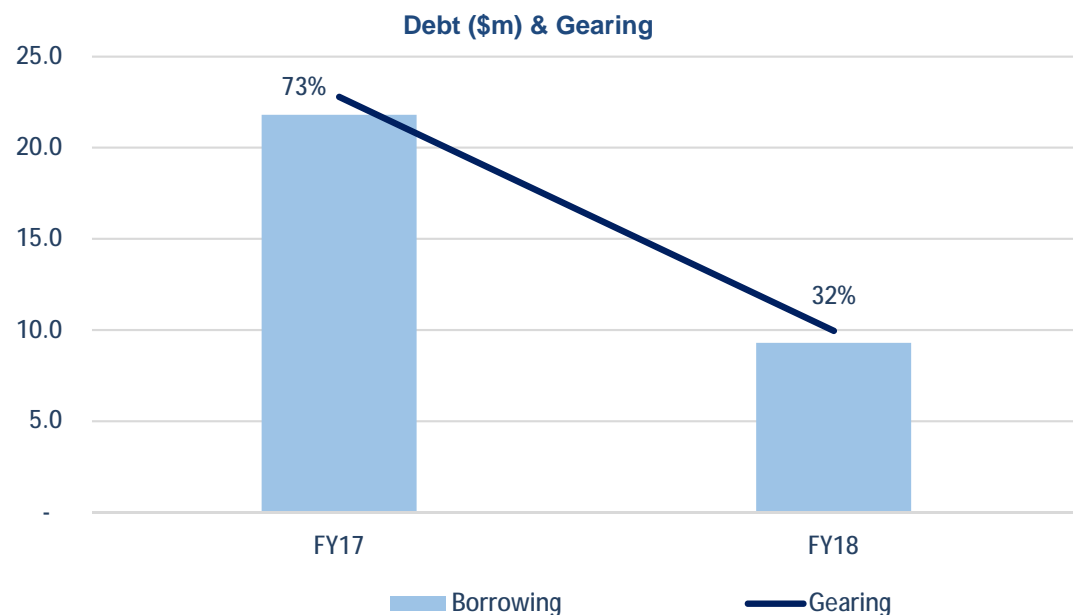
- Revenue up 2%.
- Market dominant position across the country
- UK sales continued growth in market share and customer base
- New generation IoT Traffic Signal lantern completed





Financial Analysis

- Net debt reduced from \$21.8m to \$9.3m
- Net assets improved to \$19.9m
- Gearing reduced to 32%
- Debt restructured in April 2018



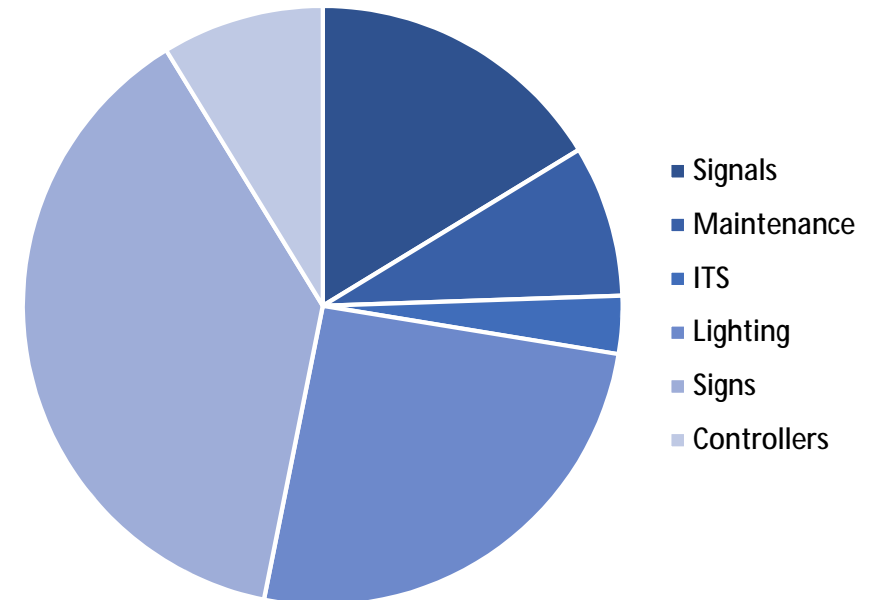
Balance Sheet (\$m)	FY18	FY17
Cash	4.0	0.7
Receivables	10.8	10.2
Inventories	10.2	13.2
Derivative financial instrument	0.6	-
Total Current Assets	25.6	24.1
PPE	1.3	1.3
Goodwill	10.6	10.6
Intangibles	7.9	7.2
Deferred tax asset	-	0.1
Total Non-Current Assets	19.8	19.2
Total Assets	45.4	43.3
Payables	8.7	10.3
Debt	0.2	5.1
Provisions	2.6	2.4
Deferred tax liability	0.7	-
Total Current Liabilities	12.2	17.8
Debt	13.1	17.3
Other	0.2	0.1
Total Non-Current Liabilities	13.3	17.4
Total Liabilities	25.5	35.2
Equity	19.9	8.1



Key Milestones – FY18

- Diversification of revenue base:
 - ü *Products*
 - ü *Software Platforms and IoT applications*
 - ü *Installation & Maintenance*
 - ü *Customer base*
 - ü *Export markets*
- Long term supply contracts with power authorities in Victoria, NSW, South Australia & Queensland.
- Strong order book in LED street lighting & supply contracts
- IoT platform deployment along with recurring revenue.
- Strong export performance
- Debt restructured in April 2018.

Product Groups



Outlook for FY19:

- Strong order book from recently awarded projects in FY19
- Commissioning of “Smart City” platform “TST” with recurring revenue
- Increase in multi year supply contracts with power & road authorities and municipalities
- FY19 tracking to deliver double digit revenue & earnings growth on an underlying basis
- Continual drive on “diversification revenue program” from:
 - Ø Smart City - Software Platform “TST”.
 - Ø IoT applications for road authorities and municipalities.
 - Ø LED street and road lighting.
 - Ø Installation & term maintenance contracts.
 - Ø Export markets: UK, South America, Middle East, Asia.





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