

6 August 2014

Gentrack Update on Profit Guidance of 1 August 2014

On 1 August 2014, Gentrack Group Limited (**Gentrack**) announced that its financial results to 30 September 2014 are likely to be lower than were forecast in Gentrack's prospectus dated 4 June 2014. The announcement stated that this was primarily due to:

- a delayed go-live on a major project where a dispute has recently arisen between Gentrack and the customer on the payment for the extra effort required from Gentrack to complete the project, which Gentrack expects to be subject to mediation; and
- a delay in signing a substantial upgrade contract with an existing customer, which is still expected to be signed by the financial year end.

Following media and third party commentary since Gentrack's release on 1 August 2014, Gentrack wishes to provide the following additional details:

- in each case the customers involved are large utility customers with whom Gentrack has long standing relationships and expects to do significant additional work with in the future;
- in the case of the disputed payment, Gentrack continues to work with the customer towards a successful system implementation and fully expects to have an ongoing long term productive relationship with this customer; and
- in the case of the delay, Gentrack is already working on the project in a limited capacity under an existing contract while the final legal details of a new contract (to reflect the enhanced level of work to be undertaken) are being agreed.

The facts and circumstances that led the Board to conclude that the FY14 forecasts should be revised down have arisen recently, after Gentrack was listed on the NZX and ASX. The likely financial impact of those changed circumstances was established very shortly before the release to the market on 1 August.

The details surrounding these issues are commercially sensitive and confidential between Gentrack and the relevant customer. The Gentrack Board considers that it is in Gentrack's, and therefore its shareholders, best interests to work towards resolving the dispute, and signing the delayed contract, on a confidential basis and will continue to do so.

Chairman John Clifford says "The Gentrack Board deeply regrets the fact that it has to revise its FY14 forecast downwards so soon after listing on the NZX and ASX. Gentrack remains a highly profitable business with excellent software solutions and a wide utility and airport customer base."

The Directors do not envisage any change to either the forecast dividend of \$2.6m to be paid in December 2014 or the outlook for FY2015, which remains as forecast in the Prospectus.

Contact

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About Gentrack

Auckland-based Gentrack is a developer of specialist software for energy utilities, water companies and airports around the world. It employs 200 people in offices in Auckland, Melbourne, London and Brisbane, and services more than 150 utility and airport sites in globally.

Gentrack is comprised of two leading software products - Gentrack Velocity and Airport 20/20. Gentrack Velocity is a specialist billing and CRM product designed for Energy utilities and Water companies. Airport 20/20 is a comprehensive Airport Management System engineered to optimise an airport's operations and enhance the passenger experience.