



Manager of Company Announcements

ASX Limited

23 March 2017

By E-Lodgement

UK Services Contract Update

Smart Parking Ltd (ASX: SPZ) (**Smart Parking or Company**) advises that it has been notified that the contract (**Contract**) it has with UK based retail chain, Matalan, will not be extended.

After an annual review of the contract, Matalan have expressed a wish to remove ANPR technology in favour of a manned enforcement solution. After a period of discussion with Matalan, Smart Parking have declined to offer a manned enforcement solution as this does not fit with the future strategy of the business.

The non-renewal will result in a short term reduction to the Company's revenue and EBITDA through the removal of 26 ANPR controlled sites. However, the management services division of Smart Parking continues to win and install its technology at new UK sites on a month by month basis, and maintains a positive pipeline for accelerating growth in installations.

In line with the technology roll out strategy the Company installed 11 new ANPR sites in January, 20 new ANPR sites in February and expects to install in excess of 20 new ANPR controlled sites in March, with a further 25 new installations planned for April. The company maintains a further pipeline of over 100 new sites to install beyond April 2017.

Smart Parking UK retains ownership of 50 ANPR cameras and 41 Pay and Display machines that are currently deployed on Matalan sites. These assets can now be directed to new locations and this will reduce future capital expenditure requirements enabling the Company to continue its technology roll out programme.

For and on behalf of the Board

A handwritten signature in blue ink, appearing to read 'R. Ludbrook', enclosed in a rectangular box.

Richard Ludbrook

Company Secretary

The World's Smartest Parking Tools

Australia

854 Lorimer Street

Port Melbourne

Victoria 3207

Australia

New Zealand

583 Great South Road

PO Box 12584

Penrose

Auckland 1642

New Zealand

www.smartparking.com

info@smartparking.com

ASX: SPZ