

25 May 2016

ASX Announcement

Cohesion Market Update

- Empired's proprietary, cloud-based Enterprise Content Management (ECM) service 'Cohesion' is making pleasing progress in gaining market share in the New Zealand government market.
- The revenue model comprises an initial service fee followed by a monthly consumption based fee. This model supports and continues to build on Empired's strategy of cloud based services with proprietary IP that improves margins and differentiates our services whilst building annuity-based recurring revenue.
- We estimate the market opportunity within the New Zealand government market alone at approximately 45,000 users.
- Following securing a place on the New Zealand government panel contract for cloud based ECM in 2014, Empired has secured a number of key contract wins that will see Empired provide the Cohesion service to approximately 4,500 users.
- Key agencies that contracts have been secured with include:
 - New Zealand Trade & Enterprise
 - Ministry for Primary Industries
 - Statistics New Zealand
 - New Zealand Public Trust
- In addition to the above agencies Empired is in negotiation with another significant New Zealand government agency that will see the service provided to an additional 2,300 users which if successful would commence in the 2017 financial year.
- Empired has a strong pipeline of target New Zealand government agencies that it expects to contest during the 2017 financial year and we are excited by the opportunity that this presents.
- Empired also has a growing market presence in the ECM space in Australia and is continuing to pursue opportunities to provide Cohesion to the Australian Government, Corporate & Commercial sectors with a service underpinned by Microsoft based public and hybrid cloud based offerings.
- Cohesion will become a strong contributor to annuity Revenue with excellent profitability as we continue to scale the service. Cohesion is positioned in a high growth market and is based on proprietary IP.
- Empired is looking forward to a strong end to the financial year and to delivering on guidance previously provided to the market.



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About Empired Limited

Empired Limited is an IT Services provider with a broad range of capabilities targeted at delivering enterprise IT solutions that improve efficiency, productivity and competitive advantage for our clients.

Our clients are medium to large corporate and government organisations within key industries including Energy and Natural Resources, State and Federal Government, Finance and insurance, Utilities and Transport.

Our solutions are delivered through three core lines of business, Infrastructure Services, Applications & Consulting and Microsoft Business Solutions. Together they provide a breadth of service and expertise not seen in other consultancies of similar pedigree allowing Empired to deliver 'end to-end' business solutions that assist our customers in driving their key business outcomes.

With a team of over 900 people located throughout Australia, New Zealand and North America, Empired has built a reputation for service excellence. This combined with our strategy that is underpinned by initiative, innovation and growth ensures that in a dynamic and rapidly growing technology market place Empired is strongly positioned to capture market share and continue to build on its success.

Website: www.empired.com

Important notice re forward looking statements

Certain statements made in this communication, may contain or comprise certain forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, and business and operational risk management. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.