



Market Announcement

Market Update EROAD – Unit sales for the Quarter Q4 FY19

16 April 2019

Transport technology services company EROAD today released its quarterly update on unit sales numbers for the year ending 31 March 2019.

Quarterly Units	Total at Dec-18	Total at Mar-19	Units added in quarter	% growth in quarter	% growth Annualised
Total Contracted Units*	90,615	96,390	5,775	6%	24%
Australia/New Zealand	68,556	71,446	2,890	4%	16%
North America	22,059	24,944	2,885	13%	52%
YTD Units	Total at Mar-18	Total at Mar-19	Units added in 12 months	% growth in 12 months	% growth Annualised
Total Contracted Units*	77,600	96,390	18,790	24%	24%
Australia/New Zealand	59,843	71,446	11,603	19%	19%
North America	17,757	24,944	7,187	40%	40%

* Total Contracted Units is a non-GAAP measure used by EROAD which represents the total units subject to a customer contract and includes both Units on Depot and units pending instalment.

EROAD expects future growth to increase on the level experienced during FY19 with new sales to small and medium business customers remaining solid. The company considers a significant addressable market remains in both heavy and light commercial vehicles across New Zealand, North America and Australia.

Q4 net growth in Total Contracted Units in New Zealand was largely in-line with the preceding quarters. This reflects continuing solid growth in sales to small to medium business customers.

In addition, the rollout to the previously indicated enterprise customers was completed in Q3 and an upgrade programme to existing customers progressed significantly during Q4. That programme replaces existing customer units with a newer generation EHUBO unit and extends the contract term accordingly.

As previously signalled, Australia did not provide a meaningful contribution to unit growth in FY19, reflecting the expected lag between launch and contracting of sales. The decision to re-enter the Australian market has been validated by a strong sales pipeline that will be reflected during FY20.

Total Contracted Unit growth in North America was bolstered in Q4 by the commencement of units being rolled out to our first US enterprise customer, announced to the market on 1 March 2019. Deployment under this contract has commenced, although most of the units will be rolled out during the first half of FY20.

EROAD will provide further detail on its progress and results for the year ended 31 March 2019 when it announces its results and releases its Annual Report at the end of May 2019.



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About EROAD

EROAD's focus is on making our roads safer and more sustainable, through offering easy-to-use, accurate and reliable technology solutions to answer complex transportation problems. EROAD introduced the world's first nationwide electronic road user charging system in 2009 in New Zealand, enabling road carriers to obtain distance licences for their vehicles and pay road user charges (RUC) electronically, on a platform that also supports superior fleet and vehicle management. More than half of heavy vehicle RUC in New Zealand is collected electronically and EROAD collects more than 80% of heavy vehicle eRUC. EROAD has also seen a rapid adoption of its health and safety compliance services, in both heavy and light vehicles, including driver feedback and behaviour, to help operators improve safety outcomes and meet chain of responsibility commitments. EROAD's data analytics help improve road design and maintenance.

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