



EROAD

Statement to the NZX

EROAD Board says share price doesn't reflect company performance or value

The Board of Directors of EROAD confirms it is not aware of any material matters relating to company performance to explain recent changes to its share price and that it considers the recent share price reduction to be contrary to the company's current performance and outlook.

The Board notes the following:

- As disclosed on 3 October 2016, total contracted units added in the six months to 30 September 2016 was 6,477, 19% higher than the same period last year.
- EROAD's New Zealand business continues to grow strongly driven by its ability to meet customers' needs for RUC services, health and safety obligations and commercial fleet management, including three record sales months in New Zealand and ongoing success with enterprise sales.
- EROAD has distinguished itself in the North American market by creating a single technology platform that boasts a very robust menu of diverse functions each adding value to the overall desirability of its product offering as compared to competitor products. This product differentiation will situate EROAD to compete effectively as the marketplace accelerates its purchasing in response to the impending implementation date of the ELD rule in North America and the anticipated rush of competing products to the market. EROAD is well positioned to stand out in the crowd.
- Development of an ELD for the US market remains on track with EROAD expecting to release its ELD product in the first quarter of next year, well before the compliance deadline for transport operators of December 2017.
- EROAD continues to build its product, sales channel and marketing capabilities in its US business to optimize its selling efforts of the full suite of its diverse product offerings and is working with transport marketing specialists to improve its sales and marketing performance in the US.
- EROAD's participation as the sole technology provider for heavy vehicles in the California Road User Charge pilot is progressing well. The nine-month trial began on 1 July 2016.

Chairman Michael Bushby says that, overall, the Board is pleased with progress made in the six months to September, 2016, both in New Zealand and the US, and is of the view that the current share price does not reflect the underlying value of the business.

EROAD will report more fully on its half-year results on November 29 2016.

ENDS

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About EROAD

EROAD is a leading transport technology and services company, headquartered in Auckland, New Zealand, with offices in Portland, Oregon. EROAD's in-vehicle technology and global electronic platform provides heavy transport operators with automated solutions to manage and pay road user charges, to meet regulatory and compliance obligations, and to provide a range of commercial services. www.eroad.com