

**For Immediate Release**

**24 January 2019**

**FY19 guidance update**

ikeGPS (IKE) advises the following relating to guidance for its full year FY19, ending March 2019 (all figures NZD):

- Guidance update
  - IKE does not expect to achieve operating cash breakeven for the full year FY19 due to the delay of an expected third-phase IKE Analyze contract and subsequent impact on expected cash collection in Q4 FY19.
  - While IKE's current forecast supports its original guidance to achieve FY19 revenue growth of 30% or greater against PCP, and for EBITDA breakeven in Q4 FY19 there is material reliance on the closure of a large Ike Analyze contract, and moreso, the timing of this in relation to Q4.
    - IKE notes therefore that achievement of each of the above guidance items relies on the timing of customer projects that are uncertain, and therefore associated IKE Analyze delivery schedules in the month of March.
    - IKE is therefore conservatively guiding for its FY19 revenue to exceed FY18, but to be below 30% growth, and that EBITDA in Q4 FY19 may not be break-even.
  - IKE notes that cash on hand 31 December 2018 was approximately \$4m, and that it expects that it will maintain a similar balance as at 31 March 2019.

IKE will release its Q3 FY19 performance update 25 January 2019.

**ENDS**

IKE seeks to be the standard for collecting, managing and analysing pole and overhead asset information for electric utilities, communications companies and their engineering service providers. Usage of the IKE pole solution shows that against existing work practices IKE increases efficiency for field engineering by approximately two times and increases efficiency for back-office engineering by approximately five times.

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