



MEDIA STATEMENT

Market Update EROAD – Unit sales for the Quarter – Q2 FY19

October 2018 Auckland Transport technology services company EROAD today released its quarterly and six-monthly update on unit sales numbers, for the period ended 30 September 2018.

	Total at Jun-18	Total at Sep-18	Units added in quarter	% growth in quarter	% growth Annualised
Total Contracted Units*	81,772	86,240	4,468	5.5%	21.9%
Australia/New Zealand	62,434	65,285	2,851	4.6%	18.3%
North America	19,338	20,955	1,617	8.4%	33.4%

	Total at Mar-18	Total at Sep-18	Units added in 6 months	% growth over 6 months	% growth Annualised
Total Contracted Units*	77,600	86,240	8,640	11.1%	22.3%
Australia/New Zealand	59,843	65,285	5,442	9.1%	18.2%
North America	17,757	20,955	3,198	18.0%	36.0%

*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 installation.



In ANZ demand remains solid, with a healthy pipeline for second-half FY19 arising from a number of contracts with customers signed in September 2018, for delivery of over 1,500 units across the remainder of FY19. These units are not included in the ANZ Total Contracted Unit numbers above.

In North America, growth moderated from last year's levels, but remains steady. The ELD market is transitioning from its pre-mandate deadline phase to a longer-term, continuous sales cycle. Fleets with 'grandfathered' AOB RD products are currently considering their ELD needs as they must replace these legacy products with ELDs by December 2019. There are also fleets which rushed to install ELD units to meet the December 2017 deadline which are experiencing "buyer's remorse" from the acquisition of ELD solutions that are not meeting their needs. Both dimensions offer opportunity for EROAD, alongside intrastate fleets that are required to adopt ELD solutions to meet State regulatory requirements.

For further information contact:

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About EROAD

EROAD modernises road charging and tax compliance and health and safety compliance for road transport by replacing paper-based systems with easy-to-use electronic systems that also improve fleet management. The company is headquartered in Auckland, New Zealand, and listed on the New Zealand Exchange (NZX). Its US business is based in Portland, Oregon, serving customers with vehicles operating in every US mainland state, growing outward in concentration from the Northwest. In 2009 EROAD introduced the world's first nationwide electronic road user charging (eRUC) system in New Zealand and, in 2017, more than 50% of heavy transport RUC was collected electronically, representing a rapid transition to e-commerce on a voluntary, industry-led basis, due to the cost-savings and benefits to customers. EROAD is also a leading provider of health and safety compliance services, including vehicle management and driver behaviour and performance measures.

www.eroad.com