



MEDIA RELEASE

Market Update EROAD – Unit sales for the Quarter Q3 FY19

23 January 2019

Transport technology services company EROAD today released its quarterly update on unit sales numbers for the period ending 31 December 2018.

Quarterly Units	Total at Sep-18	Total at Dec-18	Units added in quarter	% growth in quarter	% growth Annualised
Total Contracted Units*	86,240	90,615	4,375	5.1%	20.3%
Australia/New Zealand	65,285	68,556	3,271	5.0%	20.0%
North America	20,955	22,059	1,104	5.3%	21.1%
YTD Units	Total at Mar-18	Total at Dec-18	Units added in 9 months	% growth in months	% growth Annualised
Total Contracted Units*	77,600	90,615	13,015	16.8%	22.4%
Australia/New Zealand	59,843	68,556	8,713	14.6%	19.4%
North America	17,757	22,059	4,302	24.2%	32.3%

* 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.

ANZ growth remained solid with delivery of units to the larger enterprise accounts signalled in the Q2 announcement. Traditionally Q3 is a slower quarter for SME customers due to the holiday season causing some movement in unit sales into Q4. The business has commenced its active presence in Australia, with recruitment of a small sales team. It is expected the Australian market will not deliver a meaningful contribution to unit growth in the final quarter of FY19, reflecting the time lag between launch progress and product installation.

As signalled in the company's half year reporting, North American unit growth YTD has been below expectations. Following the ELD mandate, a strategic refresh has seen the company tightening its focus with a geographic and vertical focus. An improvement in monthly run rate is expected in the coming quarters.

During Q3, EROAD also built on its achievements by receiving the following awards:

- Brake Fleet Safety Award – the company's achievements in reducing the number of road crashes involving at-work drivers was recognised, acknowledging the positive impact that the EROAD Ehubo2 in-vehicle telematics solution delivers in creating safer drivers, vehicles and roads. EROAD beat Teletrac Navman for the honours.
- EROAD has again ranked in the Deloitte Technology Fast 500 of Asia Pacific following its success in the Deloitte Fast 50. Dating back to 2012 EROAD has been a regular on the list, which recognises the fastest growing companies across Australia; China; India; Japan; South Korea; Malaysia; New Zealand; Singapore and Taiwan based on percentage fiscal year revenue growth during the period from 2016 to 2018.



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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.

www.eroad.co.nz