



5 October 2017

Media statement

Market Update EROAD – Another Record Unit sales Quarter

Transport technology services company EROAD today released its quarterly update on unit sales numbers showing strong growth for the quarter and Half year ended September 2017.

Quarter to 30 September 2017

	Total at Jun-17	Total at Sep-17	Units added in Quarter	% growth in Quarter
Total Contracted Units*	52,452	59,538	7,086	13.5%
Established Market (Australia/New Zealand)	45,029	49,802	4,773	10.6%
Commercial Market (US)	7,423	9,736	2,313	31.1%

Half Year to 30 September 2017

	Total at Mar-17	Total at Sep-17	Units added in 6 months	% growth 6 months	% growth Annualised
Total Contracted Units*	48,041	59,538	11,497	23.9%	47.8%
Established Market (Australia/New Zealand)	41,939	49,802	7,863	18.7%	37.4%
Commercial Market (US)	6,102	9,736	3,634	59.6%	119.1%

*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.

Total Contracted Units growth in the quarter of 7,086 units (61% up on EROAD's previous quarterly record of 4,411) represents the single biggest growth in units for a quarter in EROAD's history. The unit sales results were records in all markets.



EROAD expects to reach the following milestones in the next week:

- Over 50,000 units in the Australia/New Zealand (ANZ) market
- Over 10,000 units in the US market; and
- Over 60,000 units in all markets.

Unit sales in the Established Market (ANZ) grew by 10.6% for the quarter or 4,773 units. This represents a 54% increase on EROAD's previous record quarter's sales of 3,090.

The Commercial Market (US) grew by 2,313 for the quarter, approximately 1,000 units more than the previous quarter and 712 units more than the entire sales (1,601 units) for the previous financial year. Unit sales have increased each month since the beginning of the financial year and reflect building momentum in the ELD (electronic logging device) market.

Expectations for Q3 Sales results

We expect that the traditional Christmas/New Year break in the ANZ market will lead to a slowdown in unit sales from the Q2 record levels. However, we expect the US market to continue to reflect the demand for ELD solutions for the market adoption deadline of 18 December 2017.

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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 is expected to be 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.co.nz

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