



# EROAD

## Annual Meeting

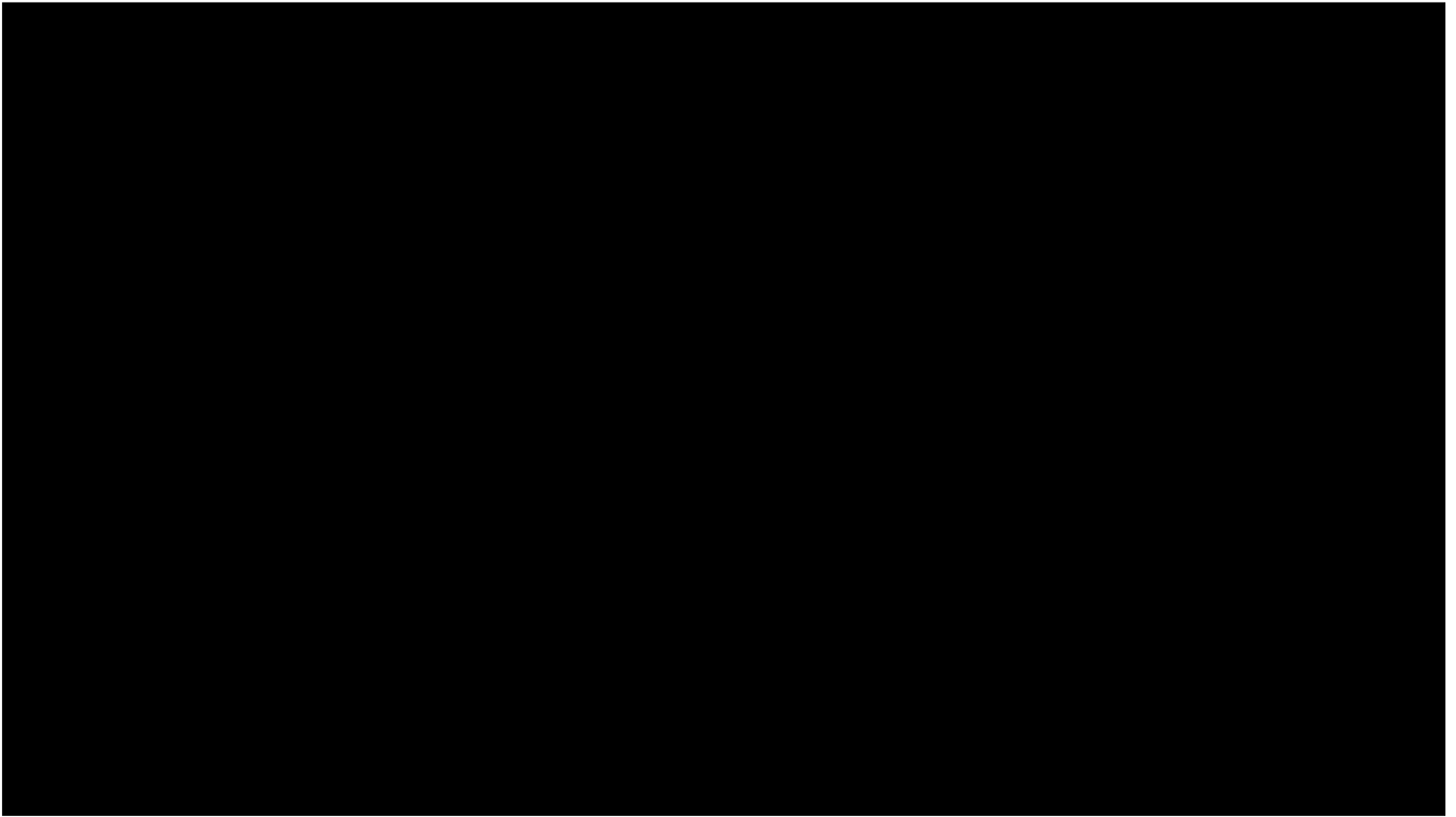
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6 August 2015

**MEETING AGENDA**



<b>Welcome</b>	<i>Michael Bushby</i>
Chairman's overview	<i>Michael Bushby</i>
Chief Executive Officer's address	<i>Steven Newman</i>
Financial Statements	<i>Michael Bushby</i>
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Corporate video

**MEETING AGENDA**



Welcome

*Michael Bushby*

**Chairman's overview**

***Michael Bushby***

Chief Executive Officer's address

*Steven Newman*

Financial Statements

*Michael Bushby*

Resolutions

*Michael Bushby*

Shareholder Questions

Close

*Michael Bushby*

## Chairman's Overview

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*This is our first AGM as a listed company and I thank you for taking the time to attend.*

*Our journey toward becoming a global company is well on its way and I am confident that will become clear to you this afternoon. A significant amount has been achieved in the year, including our commercial launch in Oregon, the successful IPO, and over 50% growth in the size of the EROAD team across three countries.*

*EROAD's goal is to make complex compliance and tax matters easy for our clients and to collect road charges on behalf of government agencies. It is important to keep this in mind as it quite a different goal to general telematics companies, who are not delivering or transacting Tax Services, nor in many cases Compliance Services. The best opportunities for EROAD to pursue are complex which involve multiple stakeholders and impose significant burdens on customers, in the form of administrative, or financial and legal costs. Both Road User Charges in New Zealand and the Weight Mile Tax regime in Oregon are complex and are in our "sweet spot". Steven will talk about a further two, equally complex opportunities which are opening up for EROAD in North America which is very exciting for the company.*

*Overall the Board is happy with EROAD's results in what was a new and "hard to forecast" Oregon market, where we have focused on market entry, customer service and systems building for the future growth in Oregon and beyond.*

*Brand development, as well and significant R&D, have supported the EROAD result and placed the company in a strong position for expansion beyond Oregon into the wider North American market.*

## Chairman's overview



### Strong growth over last year

	Actual	Last Year	% change	PFI	% variance
Revenue (\$000)	17,550	9,964	76%	19,027	-8%
EBITDA* before Non Operating Costs# (\$000)	5,039	4,029	25%	4,986	1%
EBIT before Non Operating Costs# (\$000)	338	1,062	-68%	626	-46%
Units on Depot	23,915	13,453	78%	24,706	-3%

\* Earnings before interest, tax, depreciation and amortisation and Non Operating Costs  
# Non Operating Costs are \$2.0 million of Listing costs

*I would now like to cover a few key highlights from the financial year:*

**Revenue** grew by 76% driven by New Zealand growth AND growth achieved on entry to North America, a very pleasing result.

**EBITDA before one off Listing Costs** grew by 25%. This was lower than the revenue growth because of establishment costs in North America and expanding the support team to manage anticipated future growth. EBITDA was in line with PFI forecast.

**EBIT before one off Listing Costs** fell short of last year primarily driven by the reasons discussed plus the accelerated investment in Developing markets in North America that Steven will talk to later. EBIT was slightly behind PFI forecast.

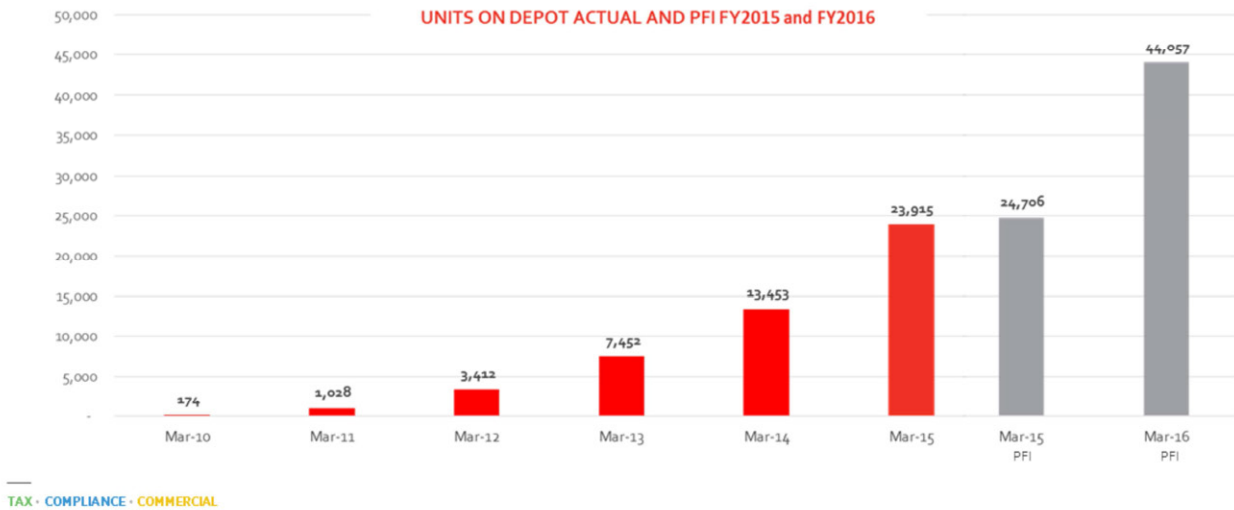
The Board agreed it was important to pursue these Developing markets with haste given both their size and the speed with which they were opening up before us.

**Units on Depot**, one measure we use to monitor performance, grew by a healthy 78% proving we have a quality product, a strong brand and we continue to meet genuine business needs, such as paying the right amount of tax, keeping staff safe and being compliant with the law.





Units on Depot in line with PFI



*Units on Depot, or connected to our EROAD system, at 23,915, was broadly in line with IPO forecast, as you can see in the graph.*

*In fact, we had 25,862 units contracted with customers which is above the PFI figure of 24,706. More than 1,900 units were not yet installed and therefore not connected to EROAD's system, hence they were not reported in the Units on Depot measure. For a unit to be recorded as a 'Unit on Depot' it must be connected to our EROAD system. In future, we will be reporting **Total Contracted Units** to provide more visibility of the total units for which EROAD has a contract with the customer.*

*It is interesting to note that the EROAD team focused on reducing the unit installation complexity with its generation 2 EHubo. We have seen an increase in customer installations as a result, which is positive as it reduces costs for both EROAD and the customer. However the customer now determines when the unit is installed. As I said before there were more than 1,900 units with customers awaiting installation at year end.*

*As you can see we forecast another high growth year in FY16, as was set out in our prospectus. This will be driven by continued growth in New Zealand and strong growth in Oregon. Steven will talk later about factors that will influence FY16.*



High Retention Rate reflects high customer satisfaction

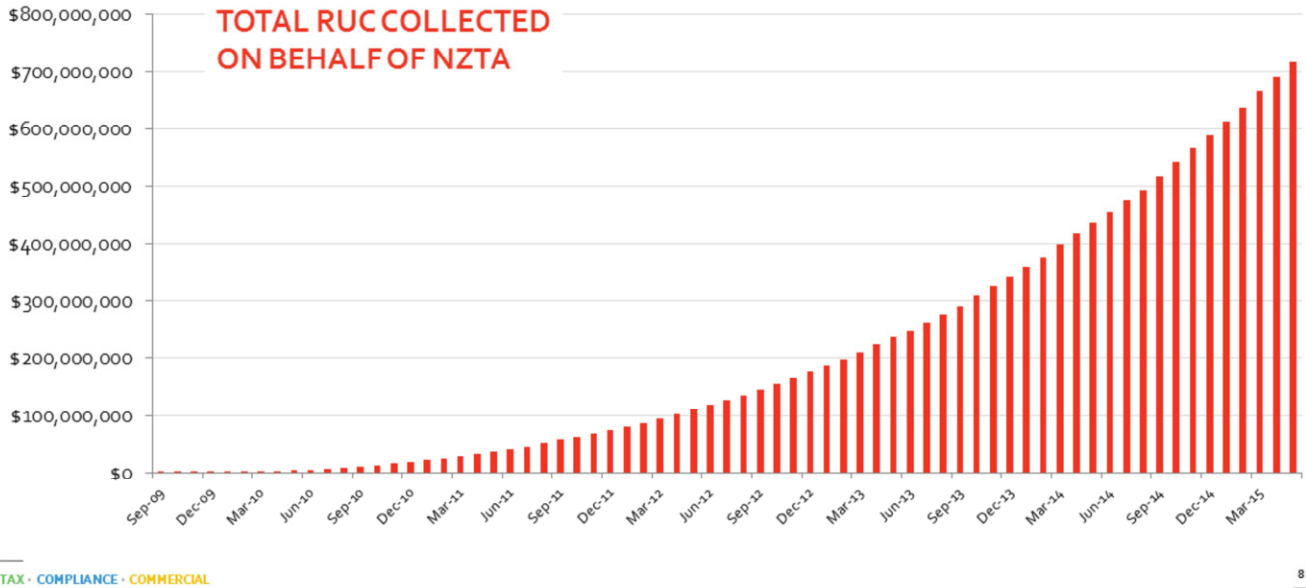
	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Mar 15
<b>Retention Rate</b>	100.0%	100.0%	100.0%	99.5%	99.3%	<b>99.2%</b>

*Our retention rate of 99.2% is testament to EROAD's product design and focus on customer service; both critical as we continue to expand.*

*We however still believe we have room to improve our customer service. The company will therefore continue to invest in customer support and systems to ensure we can best meet the needs of both our existing customers and our growing number of new customers.*



## Chairman's overview



*We have now collected over \$700,000,000 in Road User Charges in NZ. In fact this week we hit a new record for RUC collected in New Zealand for one week of \$7 million. We are proud of the contribution we are making to the New Zealand economy and factors such as road safety and emissions reduction, all facilitated by our smart in-truck EHubo device. Steven will talk later about Health and Safety and what role EROAD is playing, through our Compliance services, to improve Health and Safety in New Zealand, Australia and North America.*

*Guidance for FY16 remains in line with PFI with regard to Units, however the financial results will be impacted by the strong demand for rental of units over outright sales in all markets. Steven will talk to drivers of FY16 performance and the strong demand for rentals later.*

*I would like to publicly acknowledge the EROAD team and confirm the board's support for building an exciting and vibrant culture to ensure we attract and retain the best staff. From my perspective things are on track and I believe EROAD is an exciting business with significant opportunities ahead of it - I hope you agree.*

*I would now like to hand over to your CEO, Steven Newman*

## MEETING AGENDA

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Welcome

*Michael Bushby*

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Chairman's overview

*Michael Bushby*

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**Chief Executive Officer's address**

***Steven Newman***

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*Michael Bushby*

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Close

*Michael Bushby*

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# CEO's Address

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*For those I have not already met I would like to start with some background:*

- I am an electrical engineer by training;*
- Prior to taking up my role at EROAD, I was one of the founders of Navman where I had roles including Chief Operating Officer and later Chief Executive Officer. We grew that business over 13 years to a turnover of over \$500 million;*
- I spent a considerable amount of time overseas, while remaining based in New Zealand, which is fast being paralleled at EROAD, where I visit the US every 6 weeks or so.*

*Today I would like to highlight a few key factors which should help you appreciate what EROAD is about, what opportunities are opening up before us and what you can expect to see us focus on for the next 12 months and beyond.*

- 1. Where we operate to highlight where our efforts are focused*
- 2. Developments in North America and how these will impact EROAD*
- 3. The trend to rent our products and how that adds value to EROAD*
- 4. The importance of Health and Safety and the role EROAD will play in this area; and*
- 5. What are we doing for our customers and our staff*

*And I will conclude with a brief trading update.*

## How we create shareholder value



*There are four keys steps to creation of shareholder value:*

*1) First we identify and foster new markets. This is lead by our Transport Economists and Policy Lawyers who engage with Regulators and transport companies. I will talk about our work in this area in Australia later.*

*2) Once we have identified and validated the opportunity we then deploy our technical resources and experience to develop the solution to meet the needs of all stakeholders. I will talk about two significant opportunities in development at present both in the North American market.*

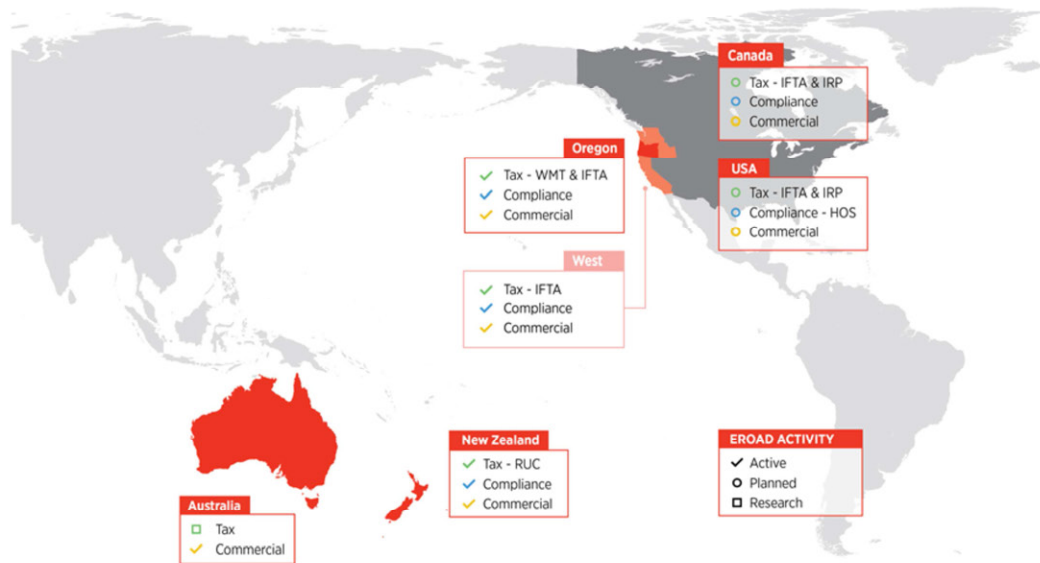
*3) We then deploy our in-market operation resources to launch the business and establish staff and infrastructure to support growth. I will talk about our new business beyond Oregon which fall into this stage.*

*4) Finally we must then bring our operational experience and our technology to ensure we continue to operate and grow a sustainable business that continues to meet the customers needs. You have heard from Michael how the New Zealand business has grown this year and I will talk about some of the innovations we plan to bring to our customers in New Zealand this year.*

*I am pleased to report that we have exciting activities at all four stages of our business and I am confident there are significant opportunities to create shareholder value.*



## Where we now operate



TAX · COMPLIANCE · COMMERCIAL

*We are now operating in three key locations:*

- 1) New Zealand (Our largest business)*
- 2) Australia (To date driven by Trans Tasman customers); and*
- 3) USA (Specifically Oregon to March 2015)*

## Where we now operate



### New Zealand

- ✓ Tax - RUC
- ✓ Compliance
- ✓ Commercial

EROAD ACTIVITY	
✓	Active
○	Planned
□	Research

## ***New Zealand***

*In New Zealand we are active in all three service areas of Tax, Compliance and Commercial.*

*We have:*

- 1) Grown market share to 30% of Heavy Vehicle RUC, circa annualised \$340m p.a.*
- 2) Over 20,000 connections (or Units on Depot) at March 2015, with our units in both Heavy Vehicles and increasingly light vehicles such as City Council cars and utes.*
- 3) Expanded our focus from not only the remaining 60,000 Heavy Vehicles not yet using electronic RUC to also the 500,000 Light Vehicles that could also benefit from some of our Health and Safety focused services.*

*In New Zealand we have one competitor in the Electronic RUC space and a number of competitors in the Commercial space.*

*We are forecasting another strong growth year for EROAD in New Zealand with 44% growth in Units on Depot. This will be supported by the introduction of some exciting new products which we expect to be quite disruptive in the wider telematics market. Of course we must continue to focus on customer service to ensure we retain our customers and meet their needs.*



## Where we now operate



*I would like to set each of you a task for next time you are on the motorway as a passenger! How many Trucks can you count that have EROAD? Here is an image of what to look for.*

*You can see the eHub on the windscreen. At night it has a green light to indicate it is operating in "normal mode". I expect you will see a large proportion of the big Trucks using our system.*

*In summary for New Zealand, we believe there is plenty of opportunity for EROAD.*

## Where we now operate



### Australia

- Tax
- ✓ Commercial

EROAD ACTIVITY	
✓	Active
○	Planned
□	Research

### **Australia**

*We are active in Commercial services, primarily for Trans Tasman customers. We are also researching several Tax opportunities.*

*In Australia the State versus Federal structures make progress towards road funding reform very slow. Relative to New Zealand and North America there are limited road or fuel tax opportunities.*

*I note at a recent meeting of State Premiers and Federal Officials in July 2015, Road User Charges were promoted by South Australian Premier Jay Weatherill. What was pleasing to note was a general acceptance from media, such as Diesel News, that Road User Charges were looking increasingly inevitable.*

*We recently hosted Western Australia State Government officials including the Minister of Transport the Honorable Dean Nalder. They are undertaking research for a major project in WA known as the "Perth Freight Link."*

# Perth Freight Link

Business Case Executive Summary

December 2014



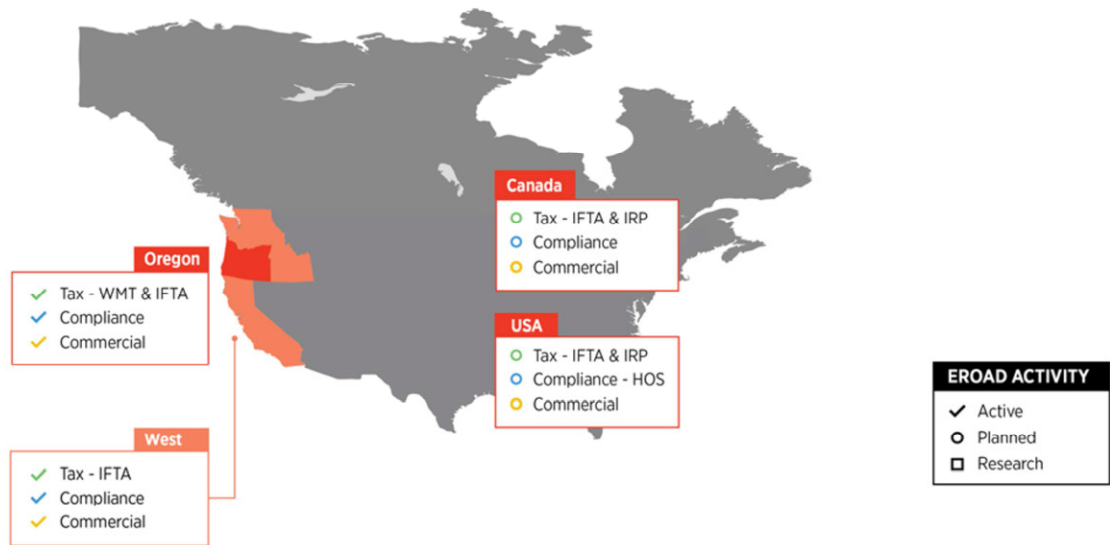
*This is a \$1.6 Billion roading project.*

*I would like to read an extract from the State Governments Business Case:*

*“The preferred solution is a GPS-based system to enable road user charging. This approach enables road charging based on location, distance and time. It will require the installation of in-vehicle equipment to detect and store trip information which is then wirelessly transmitted to ‘back office’ operations”.*

*I am pleased to say our system can deliver on these specifications. We believe EROAD is well placed to service the needs of projects like Perth Freight Link. Although it is worth noting the timing on these new regulatory opportunities is measured in years and will be considerably behind the North American opportunities which I would like to talk to next.*

## Where we now operate



TAX · COMPLIANCE · COMMERCIAL

17

### North America

*We are Active in Oregon and surrounding States in all three Tax, Compliance and Commercial services. We have Plans for Canada and the wider US.*

*From EROAD's perspective North America can be thought of as two markets 1) Oregon (RED) (included in PFI forecast) and North America (PINK and GREY) (not in the PFI forecast)*

**Oregon** is our "beach head" in North America. We have

- 1) successfully obtained all Weight Mile Tax Oregon Department of Transport (ODOT) Approvals,
- 2) established our commercial business in Oregon, and
- 3) Begun offering EROAD services to Customers in neighbouring States.

*We note that at this stage there are no other technology vendors approved to offer electronic Weight Mile Tax in Oregon or other North American Weight Mile Tax jurisdictions.*

*In **North America** there have been a number of key regulatory developments. EROAD has moved to ensure we are well positioned to participate in these opportunities.*

## Developments in North America



### 1. International Fuel Tax Agreement (IFTA)

Introduced in 1983 as paper based system

2.9 million Interstate vehicles (over 26,000 pounds) across North America

EROAD planned to offer IFTA service in FY17

EROAD accelerated R&D and launched in Oregon and 3 adjacent States in early FY16



### **IFTA**

*IFTA Legislation requires all 2.9 million Interstate trucks to report quarterly their:*

- 1) Mileage driven by State*
- 2) Fuel purchased by State*
- 3) Estimated consumption of fuel by State; and*
- 4) Pay the appropriate fuel tax arising from their reported activities*

*Currently this is largely done manually relying on paper records.*

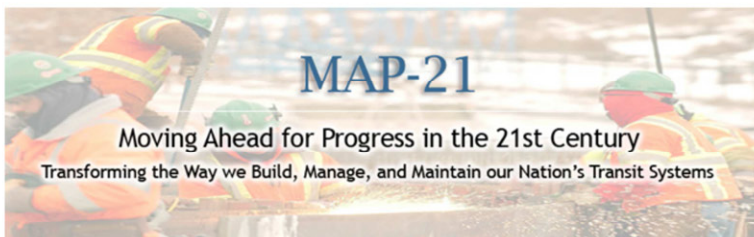
*We have launched our automated IFTA service in North America into Oregon and three neighbouring States of Washington, Idaho and California. This required us to accelerate some of our R&D activities and establish “Sales offices” in the neighbouring States. While it is early days from a sales perspective there are some considerable benefits of establishing these “sales teams” in other States given another key development, namely Hours of Service (HOS), which requires an Electronic Logging Device (ELD) to be permanently mounted in the truck.*

## Developments in North America



### 2. MAP-21 Hours of Service Legislation (HOS) and Electronic Logging Device (ELD)

- 4.5 million Interstate Vehicles
- Law to be enacted September 2015
- Mandatory compliance within 24 months
- EROAD planned to offer ELD/HOS service in FY17
- EROAD accelerating geographic expansion into FY16
- EROAD developed "Partner Channel" to launch in FY16



### **HOS/ELD**

*HOS was part of the MAP 21 Bill enacted in by President Obama in July 2012. MAP 21 requires all Interstate Vehicles (approx. 4.5 million) to fit an ELECTRONIC LOGGING DEVICE (ELD) in the truck and adopt an electronic method of recording HOURS OF SERVICE (HOS), an electronic logbook, as opposed to paper logbooks used presently.*

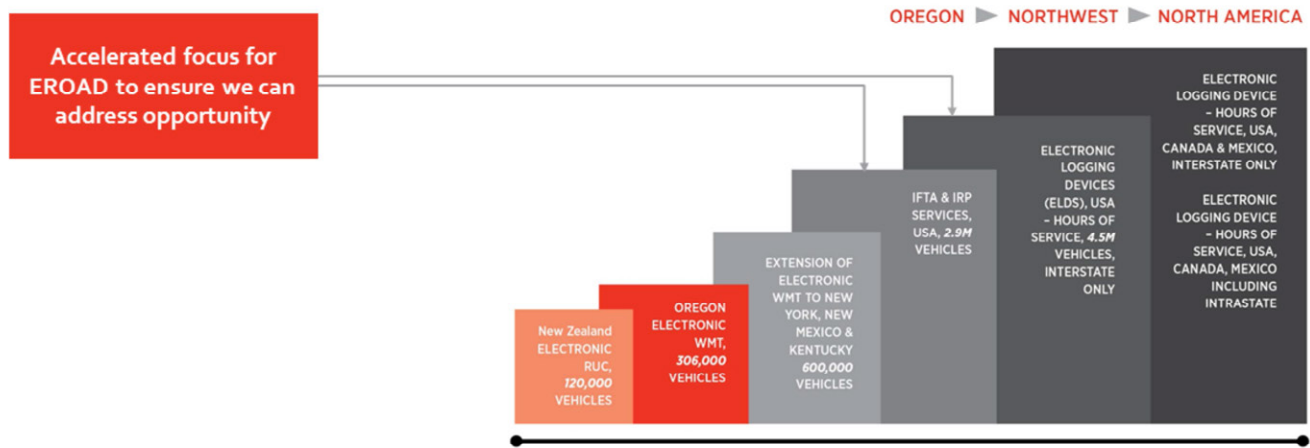
*The purpose of the legislation is to help reduce driver fatigue, caused by driving long hours, which is known to be a significant cause of accidents.*

*The final Specifications/Rules are expected in late September 2015, barring any delays! Once finalised all carriers will have 24 months to become compliant. Common estimates indicate 60%, or 2.7m vehicles have no in-cab device or electronic logbook today.*

*We believe this is a considerable opportunity for EROAD and we have acted to ensure we are positioned to address the opportunity later in FY16 and beyond.*



## Focus on capturing North American opportunities



*To ensure we are not just an Oregon based business, we have taken steps to expand our footprint and capability in North America. While this was not contemplated in the PFI forecast we believe it is prudent to invest to establish this footprint and capability to achieve the company's growth objectives beyond PFI.*

*Our investment has and will continue to come in a number of forms:*

- 1) Product Development. We continue to invest to ensure we have complete IFTA and HOS Products to offer to all North American States.*
- 2) Operating Expenses. 1) We continue to build systems and support capability in Oregon, and employ staff, 2) establish sales offices in new States and 3) build an indirect sales channel across the wider North America.*
- 3) Balancing short term and medium term growth objectives. We have deployed some Oregon based staff into new States. This has the potential to impact our short term sales growth rate in Oregon. At this early stage the potential impact has not been quantified but it is considered likely to be a small cost to accelerate establishment of our presence outside Oregon and to improve medium term growth prospects.*

## Original plan for PFI period in North America



Primarily focused on  
WMT in Oregon



*This was what we thought the US map would look like as a result of our strong focus on Oregon.*

*At the same time in 2014 we did expect to continue development on both IFTA and ELD for likely commercial release in FY17.*

## Acceleration in North America in FY16



Focus on enlarging EROAD's geographic footprint to address IFTA and HOS/ELD market opportunities



 Additional 6<sup>th</sup> state

 Additional 7<sup>th</sup> state

*This is now how we think EROAD will look in North America by March 2016, the end of the PFI forecast period. We expect to have operations in seven States, four adjacent to Oregon as these States tend to have vehicles subject to Oregon Weight Mile Tax, IFTA and HOS/ELD obligations.*

*To give some perspective of scale:*

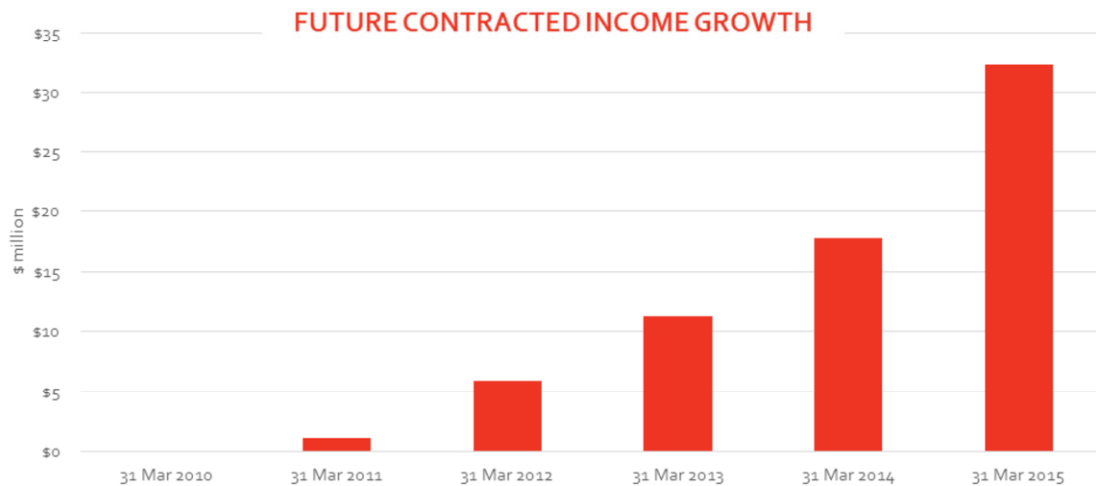
- We estimate 100,000 of the 306,000 Trucks registered for WMT, operate from Oregon.*
- We estimate a further 100,000 Trucks registered for WMT, operate from the four neighbouring States of Washington, Idaho, Nevada and California. Those 100,000 Trucks will also be subject to IFTA and HOS/ELD. In addition it is estimated a further 500,000 Trucks will be subject to IFTA and HOS/ELD in the seven States EROAD plan to operate in.*
- With Oregon and the six planned States our target market is estimated to be over double the size of the total WMT market of 306,000 Trucks.*

*In summary we believe it is important to establish our presence outside Oregon to ensure we can access and address the wider North American opportunities.*

*Our experience in New Zealand and Oregon is that customer put their “regulated Trucks” on the EROAD system first and then migrate their light trucks, and fleet cars onto EROAD over time to ensure they have visibility of the entire fleet with a single system. This is increasingly the case as customers focus on improving Health and Safety.*

*Now I would like to look at the trend to renting EROAD's hardware, rather than buying it.*

## The trend to rent our products



*We saw a strong lift in Future Contracted Income in the year. FCI is revenue that is contracted with a customer and will be earned in future periods. At year end FCI totalled \$33m, up 83% from \$17m a year before. This was driven by a strong demand to rent our hardware in North America and NZ and our high retention rate, which saw us resigning second 36 month contracts with the majority of the 2400 units rented in FY12.*

### **Drivers of Rentals**

- 1) EROAD prefer rentals as it provides additional certainty around our future income. Particularly in North America where we had anticipated no LT contracts, as opposed to 36 months as in NZ. The majority of contracts in North America are now 36 months.*
- 2) EROAD prefer rentals as it enables us to retain control of the installed base of units.*

### **Impact of Higher Rentals**

- 1) Additional funding is required to fund units as they are installed in customers vehicles. (an outright sale sees us receive cash on day one)*
- 2) Significant increase in the "Future Contracted Income" as there is a 36 month contract with committed payments over the period. As opposed to no term contract originally assumed in the PFI forecast for North America.*

*The next slide has an example to demonstrate the impact of Rent V Sale*



## The trend to rent our products

### SEPTEMBER 2015 EXAMPLE - SALEV RENTAL

	Sale revenue	Monthly revenue	Total revenue (to 31 March 16)
Sale	US\$600	US\$40 x 6 months = US\$240	US\$840
Rental	-	US\$58 x 6 months = US\$348	US\$348
<b>Negative cashflow impact</b>			<b>(US\$482)</b>

#### Contracted value remaining at 31 March 16

		at March 16
Sale	US\$40 x 1 month (casual contract)	US\$40
Rental	US\$58 x 30 months (36 month contract)	US\$1,740
<b>Contracted value added</b>		<b>US\$1,700</b>

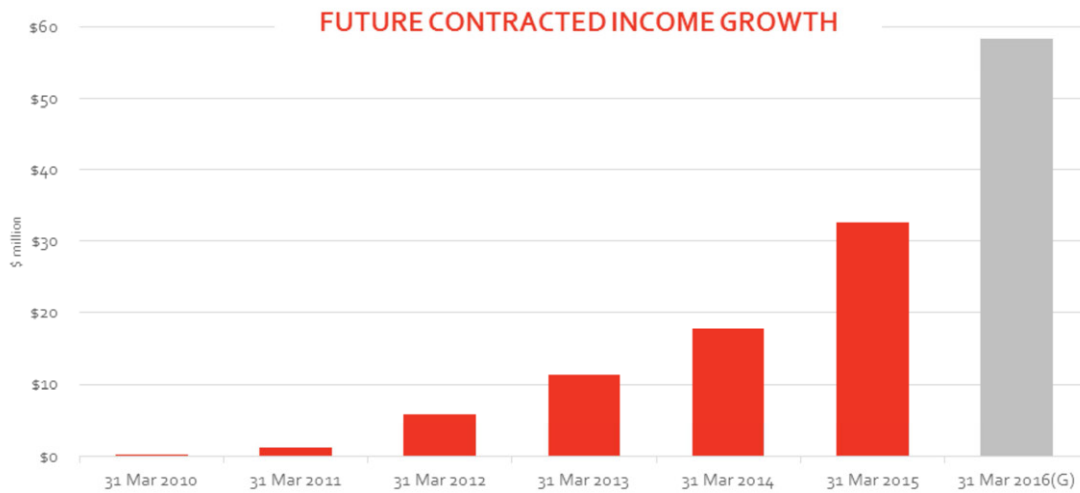
*While there is a cash flow “cost” to EROAD of rentals we believe it is more than outweighed by the commercial benefits.*

*In terms of access to funding to fund these additional Rentals we of course have funds from the IPO but we also have financiers very willing to fund us, primarily because we have a “certain” cash flow from the Future Contracted Income.*

*Before the IPO we used external debt funding sources very successfully and plan to do so again in the future to support our growth. Based on our existing banking arrangements we estimate we could today access over \$10 million in funding supported by our Future Contracted Income.*

*Lets look at what we expect FCI to be in FY16 with these higher Rentals.*

## The trend to rent our products



(G) Guidance based on expected Rentals over Outright sales

*FCI is forecast to grow to nearly \$60 million*

*As we disclosed on our Full Year Presentation in May we expect to rent 90% of our units in North America compared to a PFI forecast of NIL. This is the single largest driver of our increase in FCI. The other drivers are:*

- 1) Additional units in our Established NZ/Aust market, with 90% rented as well; and*
- 2) Continuing to achieve a high customer retention rate which “refreshes” contracts that expire in the year from “less than 12 months” to “between 24 and 35 months”. Nearly 2,400 units in FY15, and 4,000 in FY16.*

*Overall we are pleased that rental has become the predominant business model for EROAD as it adds considerable value to our business.*



## Health and Safety emphasis



### Relevant legislation

**NZ**

Health and Safety Reform Bill



**USA**

MAP-21 Electronic Logging Device (ELD) and Hours of Service (HOS)



*One of the global trends in transport is the emphasis on Health and Safety. Both EROAD and many of its customers have a genuine focus on how Health and Safety legislation and believe it will have a positive impact on business while improving Health and Safety outcomes.*

*In NZ there is the Health and Safety Reform Bill, expected to become law in early 2016. It follows closely the Australian regulations where work related deaths reduced by 16% following its introduction. The Health and Safety Reform Bill clearly defines a vehicle as a “workplace”. Businesses must take “reasonable and practical steps” to ensure employees and the general public are safe in and around the “workplace”.*

*EROAD’s hardware and services are a key tool businesses can use to help to ensure they monitor and manage the safety of the vehicle “or workplace”. We have already seen a number for large customers select EROAD with Health and Safety as a key driver!*

*As I said earlier In the US the MAP 21 legislation is focusses on reducing driver fatigue and improving road safety.*



Opportunity for EROAD's products and services



ELECTRONIC  
DRIVER LOGBOOKS



DRIVER BEHAVIOUR -  
DRIVE BUDDY



DRIVER VEHICLE  
INSPECTION REPORTING



DATA ANALYTICS  
REPORTING



SECURE IN-CAB  
HARDWARE DEVICE (EHUBO)

*We have a range of products to meet the needs of Customers to improve Health and Safety*

*Our Secure eHubo and Electronic Driver Logbook is already commercially launched in New Zealand and we expect, with some modifications, will meet the needs of the upcoming HOS/ELD requirements in the US.*

*We have a new service to improve Driver Behaviour called Drive Buddy which is in Beta test and has shown rapid improvements in driver behavior.*

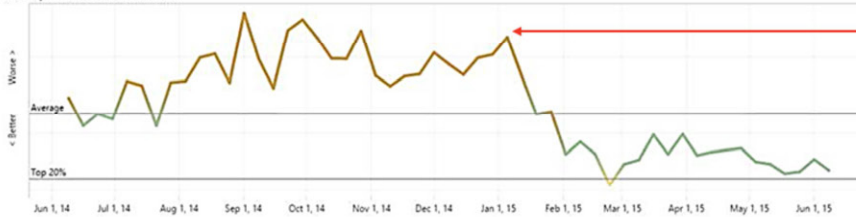
## Health and Safety emphasis



### Driver Behaviour (*Drive Buddy*)



Weekly Driver Behaviour Trend



Customer introduces  
Drive Buddy

*Drive Buddy provides immediate feedback to the driver via the EHubo screen on:*

- *Over speeding;*
- *Harsh braking;*
- *Fast cornering;*
- *Vehicle idling; etc.*

*The feedback is simple using the red amber green traffic light colours to signal good and bad driver behaviour. The data is collected and stored to provide an overall rating of the driver which ends in a league table.*



### Driver Behaviour (Drive Buddy)



*An EROADer took this photo on her way to work this morning, on the Northern Express bus*

*In the beta test with a large New Zealand customer there was an immediate improvement in driver behaviour which has a number of benefits:*

- 1) Safer workplace for the driver and general public;*
- 2) Reduced wear and tear on the vehicle;*
- 3) Reduced fuel consumption;*
- 4) Improved company rating with reduced insurance costs; and the list goes on.*

*We are very excited about the direct impact we can have of the Health and Safety for our customers and the general public through our products and services.*



Our new products will help drive sales into all markets

ELECTRONIC LOGBOOK



ELECTRONIC LOGGING DEVICE (ELD)

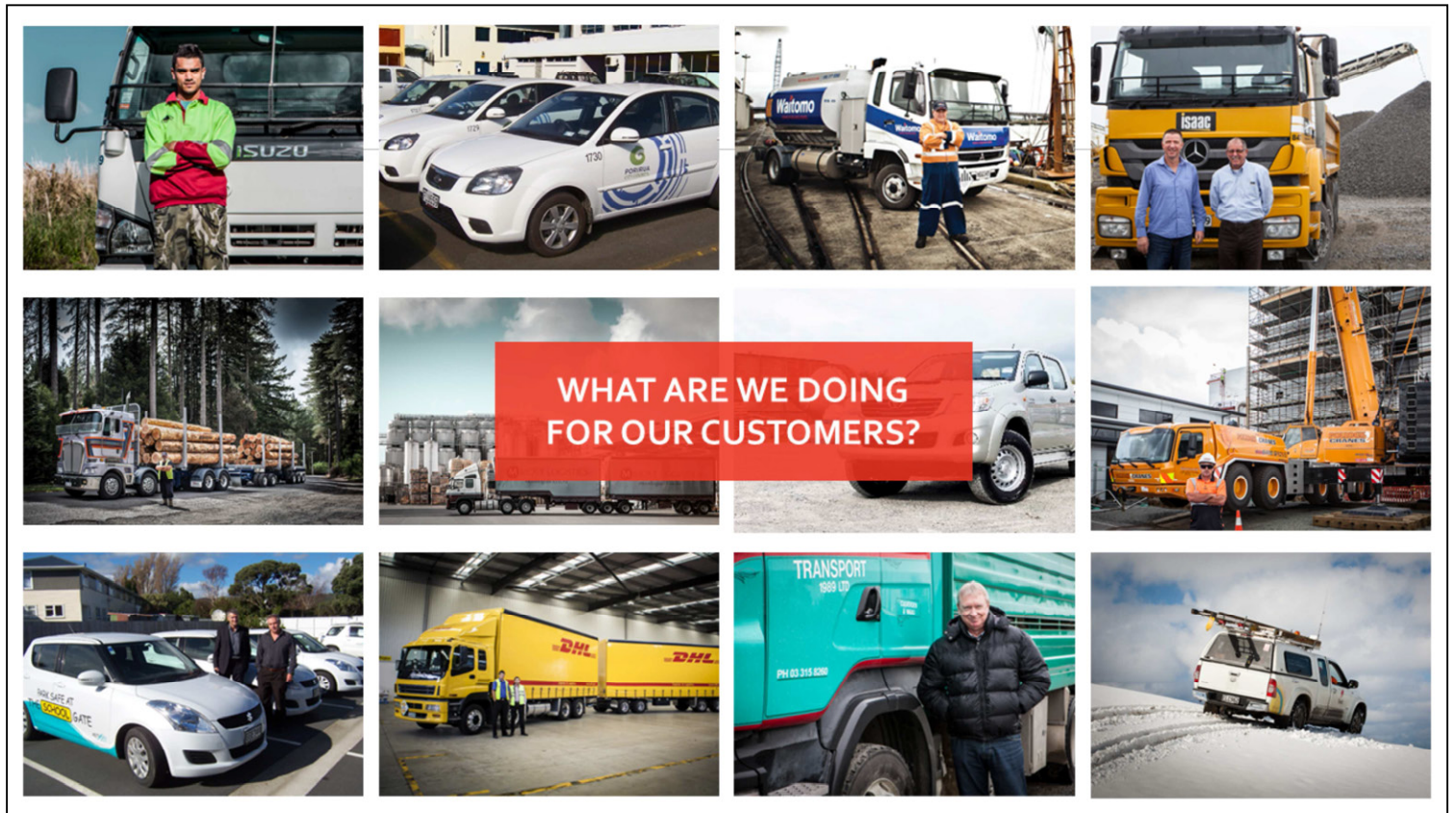


DRIVER BEHAVIOUR (DRIVE BUDDY)



*These are the products which we believe will underpin continued growth in New Zealand and our ability to meet the needs of our US customers.*





*This coming year will see a continued focus on customer service and engagement as well as the release of those exciting new products and services.*

*Our customers are great advocates for us as well as being a great source of information and feedback on what works and what doesn't!*

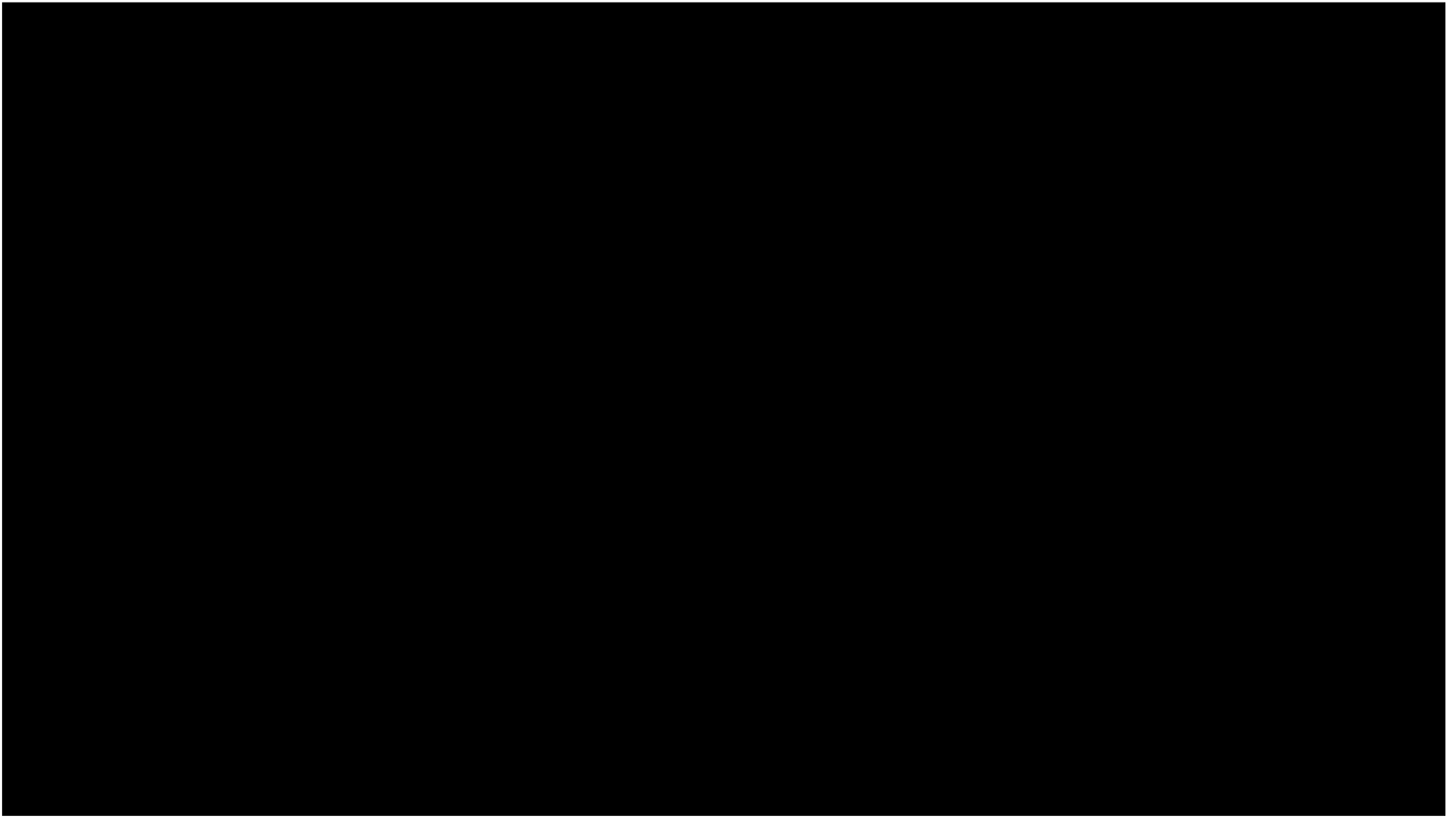
*We are proud of every customer we have, which number nearly 2,000, and this year will see us continue to focus on improving customer engagement and service.*

*To give a flavour of some of our newest customers I would like to play two short Videos that they submitted to a competition we ran for our Oregon customers. They were asked to submit a letter or video illustrating what benefits they had experienced in the first 60 days following installing EROAD.*





Customer Video 1



## Customer Video 2

*It was so successful we intend to run a similar competition in New Zealand. I wonder if we will get the same "hollywood" responses!*



*We have grown our team of EROADers by over 50% in the year to over 150 staff. Today we have staff from over 25 countries who speak over 24 different languages. I believe that makes our workplace an exciting and engaging environment.*

*Rather than me talk about working at EROAD I would like to play a short video from two of our engineering staff Denys a Java Developer and Shreyas a Firmware Developer.*



## Staff Video

*We do leverage of moving to New Zealand and all the benefits that brings.*

*Our staff are critical to EROAD's success. I am pleased to report that I have managed to personally meet every new staff member before they were offered a job at EROAD. I believe it is important to personally convey our strategy to ensure each new potential staff member understands our wider plan and ambition. I hope to continue this where possible as we continue to grow.*

## Trading update



- Q1 net profit before tax in line with expectations
- Total Contracted Units slightly ahead of expectations in NZ and Australia
- Total Contracted Units slightly behind of expectations in Oregon
- Full complement of sales staff (18) now on board in US

### *For the 3 months to June 2015*

- 1. Profits are driven by contracted units and costs. Profits are inline with expectations, with costs being on track and contracted units slightly ahead overall. Rentals are running above 90% in Oregon. We are pleased with progress made overall to June.*
- 2. Contracted units are all units with a customer contract. In New Zealand / Australia we are slightly ahead of expectations which we put down to timing rather than any major change in demand or customers.*
- 3. In Oregon we are slightly behind expectations which we put down to the expansion I referred to earlier into the neighbouring States and continued refining of our sales staffing model to fit EROAD's needs and the Oregon market. Overall we are comfortable with demand for our products and services in Oregon and we are encouraged by the early sales achieved in the newly entered neighbouring States.*
- 4. We are pleased to have reached our targeted 18 sales staff in the US and believe we are getting closer to a formula for the skills and structure of our sales teams.*

*Overall we are pleased with our progress to June and enthusiastic about the opportunities in front of us in New Zealand and the US.*

*Thank you for your attendance today.*

## MEETING AGENDA

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Chief Executive Officer's address	<i>Steven Newman</i>
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## Resolution 1



### Re-election of Director

That Tony Gibson, who retires by rotation, and being eligible, is re-elected as a director of EROAD.

#### Proxy Voting

For	13,810,801	98.82%
Against	-	0.00%
Discretionary	164,859	1.18%
<b>Total</b>	<b>13,975,660</b>	
Total share capital voted on resolution	23.29%	

## Resolution 2



### Re-election of Director

That Michael Bushby, who retires by rotation, and being eligible, is re-elected as a director of EROAD.

#### Proxy Voting

For	13,810,801	98.82%
Against	-	0.00%
Discretionary	164,859	1.18%
<b>Total</b>	<b>13,975,660</b>	
Total share capital voted on resolution	23.29%	

## Resolution 3



### Auditor's Remuneration

That the Directors be authorised to fix the fees and expenses of KPMG as the auditor of EROAD.

### Proxy Voting

For	13,589,177	97.23%
Against	-	0.00%
Discretionary	386,213	2.76%
<b>Total</b>	<b>13,975,390</b>	
Total share capital voted on resolution	23.29%	

**MEETING AGENDA**



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Welcome *Michael Bushby*

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# Shareholder Questions



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