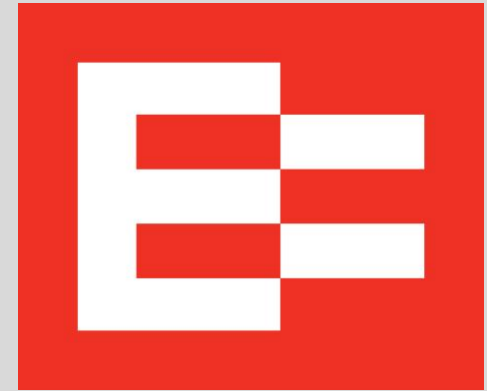


EROAD

Full Year Results Presentation

For the year ended 31 March 2015



28 May 2015

Important information



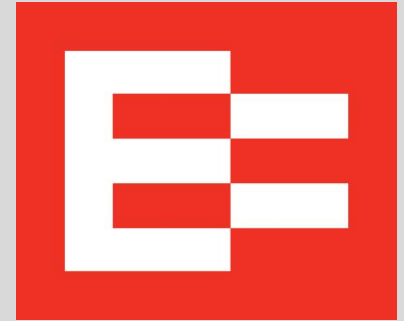
EROAD Limited ("EROAD") registered a prospectus in July 2014 ("Prospectus") in relation to an initial public offering, copies of which can be obtained at www.eroadglobal.com/investors/. You should review the Prospectus for a detailed description of EROAD's business and terms including Units on Depot, Annualised Recurring Revenue and Retention Rate, which are non GAAP measures used by EROAD to manage the business.

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.

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Key Dates

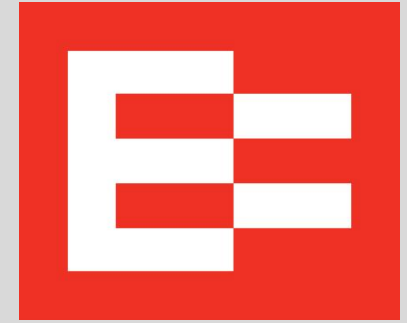


Annual Results – Thursday 28th May

Annual Report – Monday 29th June

Annual Meeting – Thursday 6th August

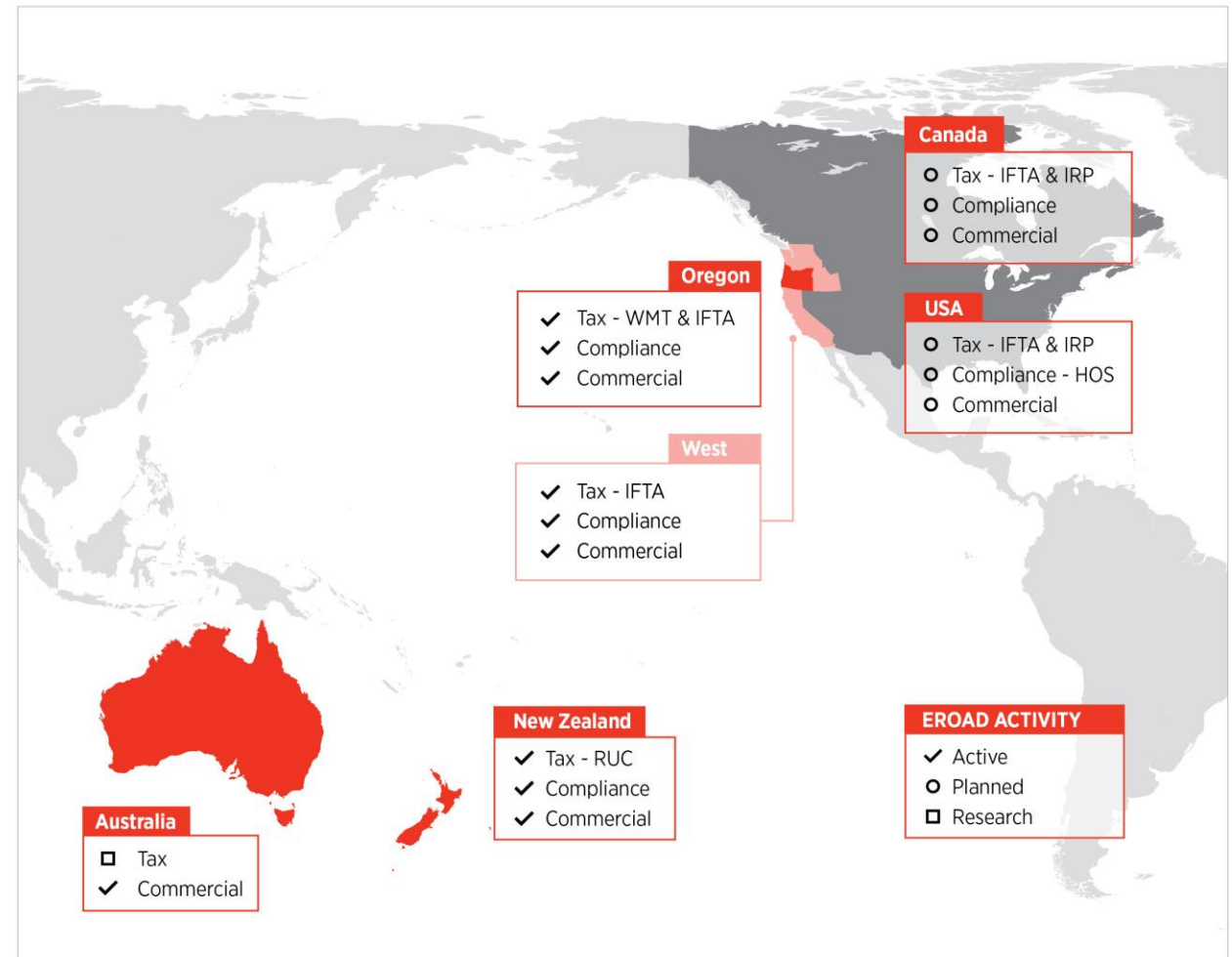
About EROAD



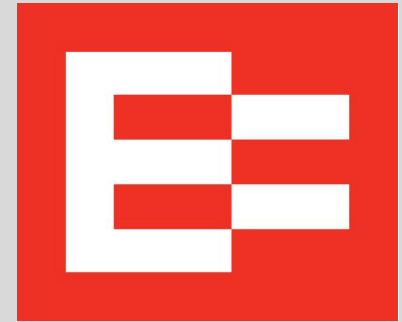
About EROAD



- New Zealand based company which, in 2009, implemented the first nationwide GPS based road user charging system
- Listed on NZX Main Board, August 2014
- Has established operations in New Zealand, Australia and Oregon
- Over 25,000 units installed across three countries
- EROAD's system consists of:
 - Electronic Distance Recorder (Hardware)
 - Bank Grade Payment Gateway
 - Cloud based online applications portal (Software)
- EROAD's services offered include:
 1. Road user charging: tax management and collection
 2. Compliance services: Health and Safety, and regulation
 3. Commercial services: traditional telematics services



FY15 Results Overview





STRONG GROWTH OVER PRIOR YEAR → **DRIVEN BY MULTIPLE FACTORS**

- Increased revenue by 76% over last year
- Units on Depot increased by 78% from 13,453 to 23,915
- Total Contracted Units increased by 81% from 14,322 to 25,862
 - Future Contracted Income up by 83% to \$32.6 million
- Invested \$8.2 million in R&D on significant opportunities
 - Increased staff numbers by 52% to 155
 - Activity in line with PFI
- Successfully launched in Oregon
- Leading market position in New Zealand, collecting 29% of all Heavy Vehicle RUC
- Expanded into new markets beyond Heavy Trucks, including Councils and light commercial diesel vehicles
- Maintained High Retention Rate at 99.2% after investment in customer support and delivery
- Benefited from growth in Rentals over Unit Sales

EROAD well positioned for FY16

Progress since Half Year (September 2014)



Expectation at Half Year

Progress made in second half

Deliver full year in line with PFI

Largely achieved

Continued strong performance in New Zealand

Achieved

Continued lumpiness in Australia driven by large New Zealand customers

Confirmed

Growth in Oregon, with full complement of sales staff in line with PFI

8 – 10 weeks behind

Launch of new rental offering in Oregon, to complement Unit Sales

Achieved

Continued capacity building at Corporate office in New Zealand:

- Customer Service capability
- Scalability initiatives

Achieved

Team forecast to grow to 160 by March 2015

Achieved 155 staff

FY15 Full Year Results



Strong growth over last year and broadly in line with PFI

	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%
EBITDA* before Non Operating Costs# margin	29%	40%		26%	
EBIT before Non Operating Costs* (\$000)	338	1,062	-68%	626	-46%
Units on Depot	23,915	13,453	78%	24,706	-3%
Total Contracted Units**	25,862	14,322	81%	24,706	5%
Annualised Recurring Revenue (ARR) (\$000)	18,600	11,500	62%	19,100	-3%
Retention Rate	99.2%	99.3%	0%	98.2%	1%

* Earnings before interest, tax, depreciation and amortisation and Non Operating Costs

Non Operating Costs are \$2.0 million of Listing costs

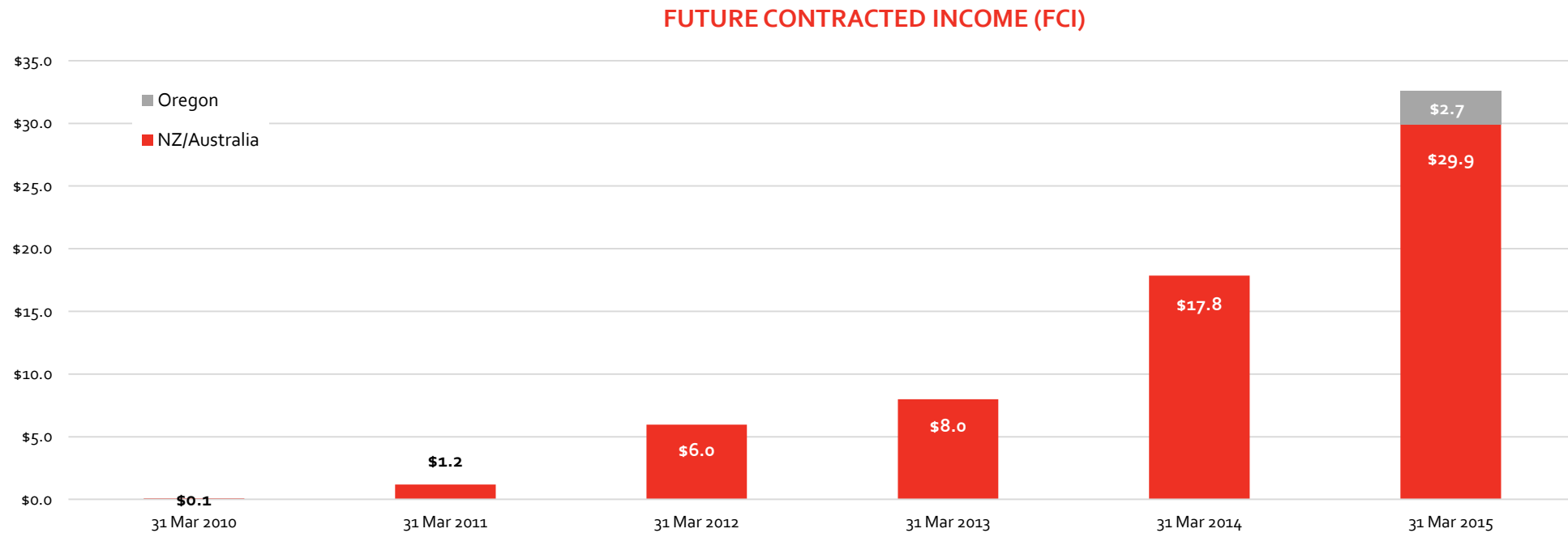
** Total Contracted Units is a non-GAAP measure used by EROAD which represents the total units subject to a customer contract and includes both Units on Depot and Units pending installment.

For full description of other non-GAAP measures including Annualised Recurring Revenue and Retention Rates, see prospectus <http://www.eroadglobal.com/global/investors/>

Future Contracted Income* (FCI)



Grew FCI by 83%, creating \$32.6m of future revenue for EROAD



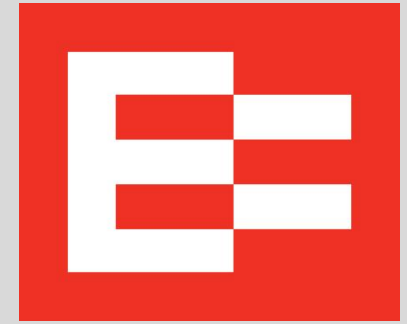
* Future Contracted Income is a non-GAAP measure used by EROAD which represents future hardware and SAAS revenue under non-cancellable long term agreements, for installed units as at 31 March.

EROAD's Six Strategies: Remain Unchanged



1. Grow existing Markets	1. No change
2. Expand Oregon operations into Northwest and North America	2. No change (Establishing regional sales hubs outside Oregon)
3. Identify, foster and develop new opportunities	3. No change (IFTA & ELD both significant opportunities in development)
4. Consider accelerated market entry through acquisitions	4. No change (Three acquisitions evaluated, none meet our criteria)
5. Further develop commercial services to support core offering	5. No change
6. Validate new product markets and business models	6. No change (IFTA and ELD product markets both validated)

Market Overview

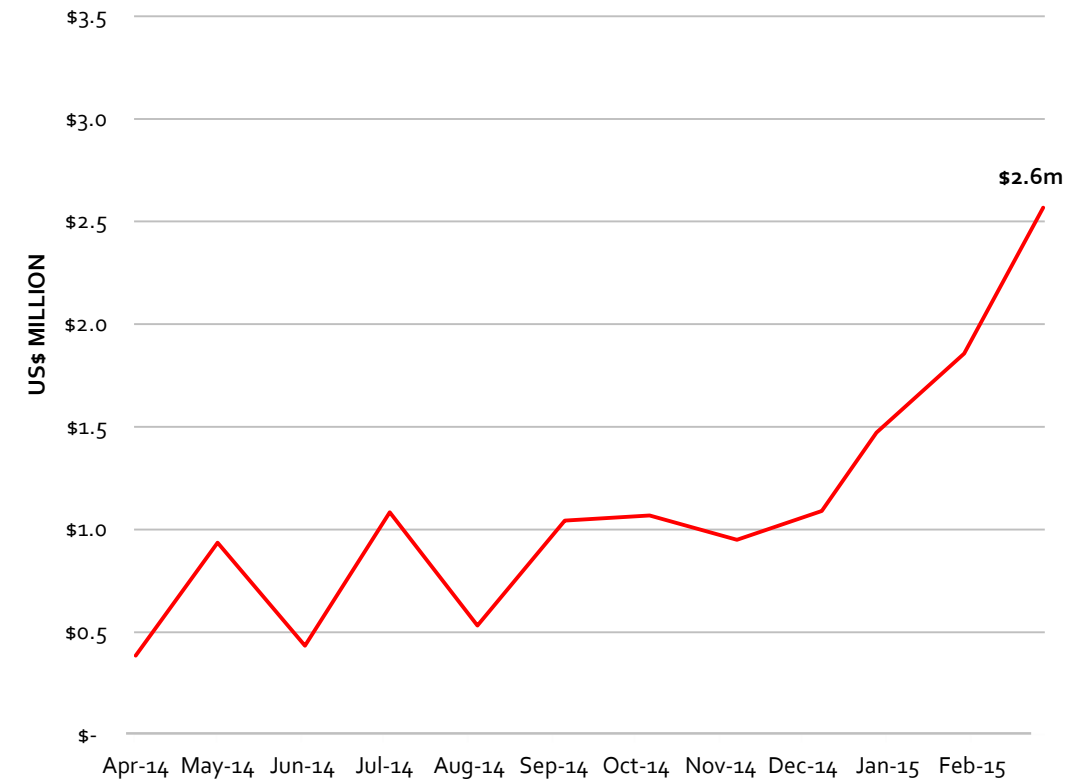


Commercial Market (Oregon)



- Total Contracted Units increased to 1,990
- Secured customer contracts in Oregon for installed units worth \$3.1m
- Grew annualised WMT processed from Nil to \$2.6m
- Drivers of customer demand for EROAD in Oregon include:
 1. Ability to avoid accidental non compliance
 2. Reduction in administration of WMT and IFTA
 3. Confidence in the accuracy of EROAD system
- Closely following experience of first year of operation in New Zealand
- Focused on SME 100 vehicle fleets, following New Zealand experience
- Achieved healthy units per customer in Oregon of 11 compared to 1.7 for New Zealand, at the same stage in market
- Achieved strong fleet penetration in Oregon at 50%
- Maintained pricing with client pilots used to secure sales
- Oregon run-rate from 1 February to 25 May in line with PFI, with an average of 500 per month
- Currently recruiting second wave of sales staff for FY16 in line with PFI
- Finalising lease for enlarged premises to provide space for up to 70 staff to support future growth

ANNUALISED WMT PROCESSED



Oregon customer case study



Phase II Transportation

Industry: Heavy Haul Container Freight

Fleet size: 13



Customer Insights

“It has cut our time processing the WMT and IFTA filings, in turn freeing up staff to be more productive in other areas.”

“We are also claiming benefit and savings on offroad miles that we now include in the reports, that is saving us money.”

“The greatest benefit to our business to date? We pride ourselves on the safety and reliability that our company provides and with EROAD it is without a doubt the best way to keep the company moving forward in the future, also saving time and money along the way.”

Dennis Weissenfluh

Owner, Phase II Transportation

Oregon customer case study



Tyree Oil

Industry: Petroleum

Fleet size: 57



Customer Insights

“The EROAD system has been a great addition to Tyree Oil, Inc. & Tyree Rail Services. It allows us to easily stay compliant, and we no longer have to call our drivers to find out where they are!”

“The geofences have allowed us to keep track of how long we are spending at customer sites.”

“The EROAD system was fast and easy to integrate, and the EROAD customer service is outstanding.”

“The best part about the EROAD system is that there is no additional data entry required, all the information is automatically updated. This automation makes mileage and tax reporting a breeze.”

Nicholas Lawlor
CFO, Tyree Oil

Oregon customer case study



Jubitz Corporation

Industry: Transport services

Fleet size: 12



Customer Insights

“Before EROAD, we relied on driver logs to manually track our fleet activity for our Oregon Weight Mile Tax reporting. With EROAD, we not only get more accurate reporting, but it has saved us a lot of time in the back office.”

“The system is very well laid out and easy to use. There are numerous reports that allow us to track our fleet’s activity as well.”

“EROAD is a very good product and the feedback I have received has been positive.”

“The greatest benefit to our business to date? An unanticipated benefit of EROAD is the Service Module, which has allowed us to manage our fleet’s maintenance based on truck hours.”

Ed Guasco

Controller, Jubitz Corporation

Oregon customer case study



J W Fowler Co.

Industry: General contractors

Fleet size: 215



Customer Insights

“After evaluating several different companies, we found EROAD to be superior in many aspects. Their customer service is exceptional and has continued to be so even after we placed our order.”

“The savings to our company easily outweighs the costs of EROAD’s products and services”

“An area EROAD excels is in their ability to propose options in order to adapt to the varied nature of our fleet, heavy construction/ tunneling equipment and non-powered units all on a very convenient platform.”

“The greatest benefit to our business to date? They have developed reports to fit our needs and partnered with our fuel provider in order to offer us and other customers a wider range of services.”

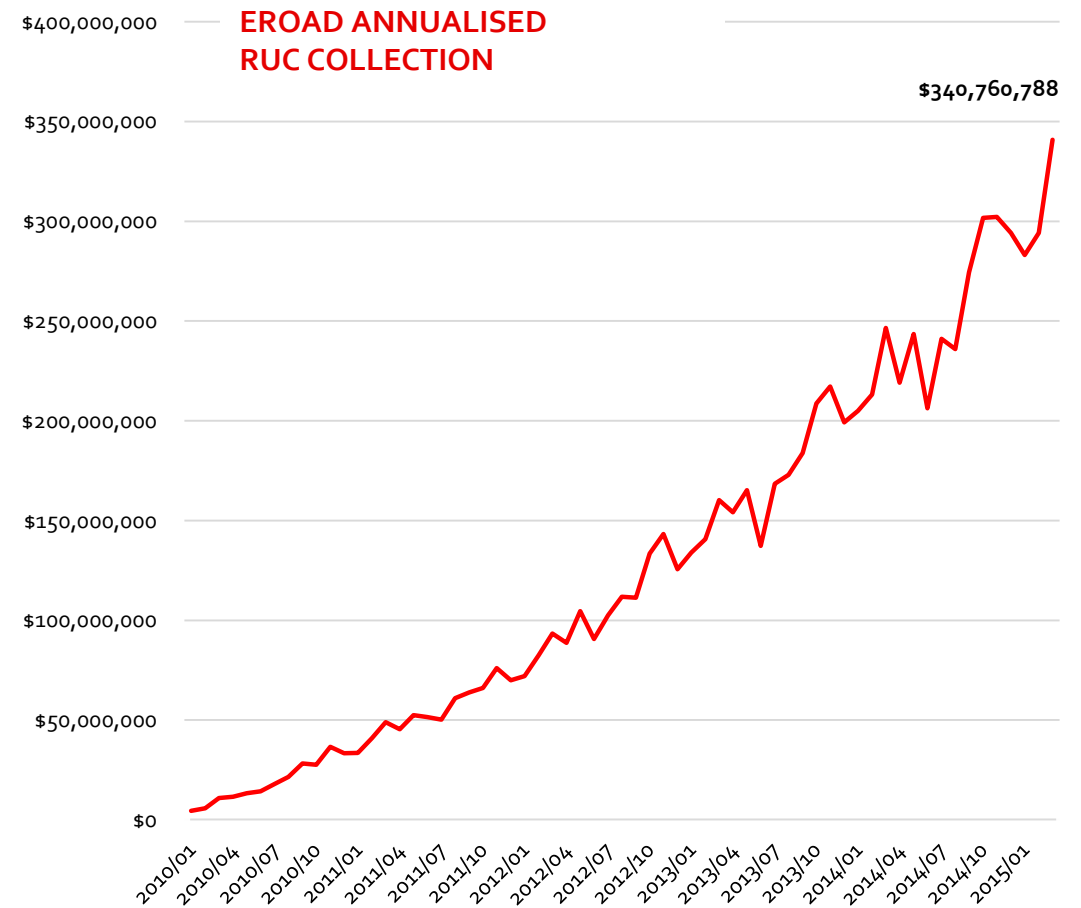
Jim Fowler

President, J W Fowler Co.

Established Markets (New Zealand and Australia)



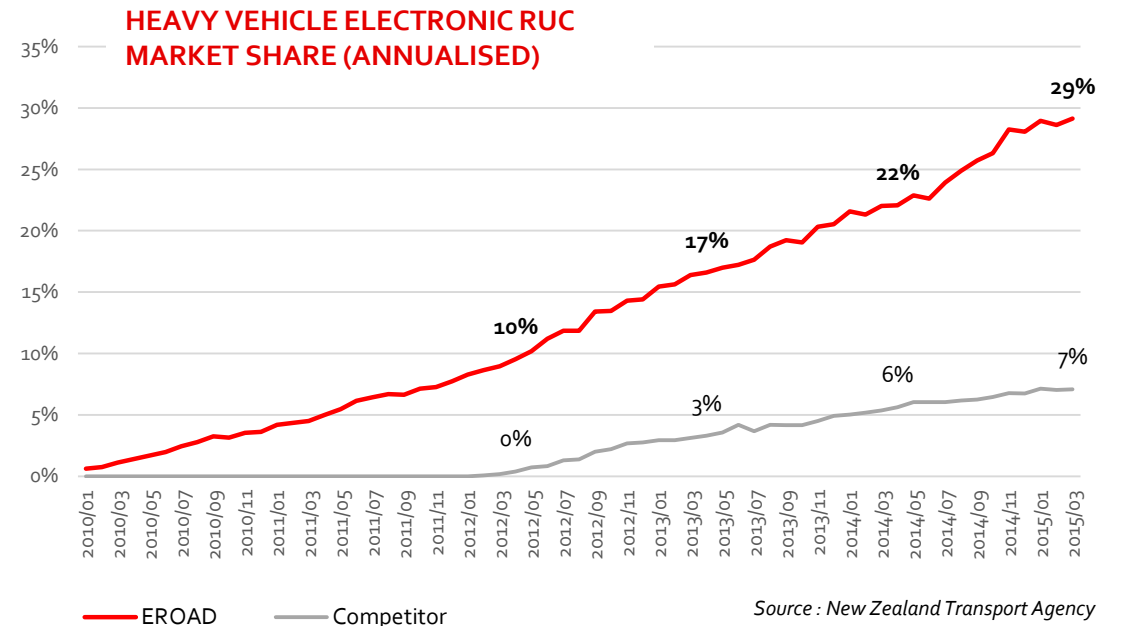
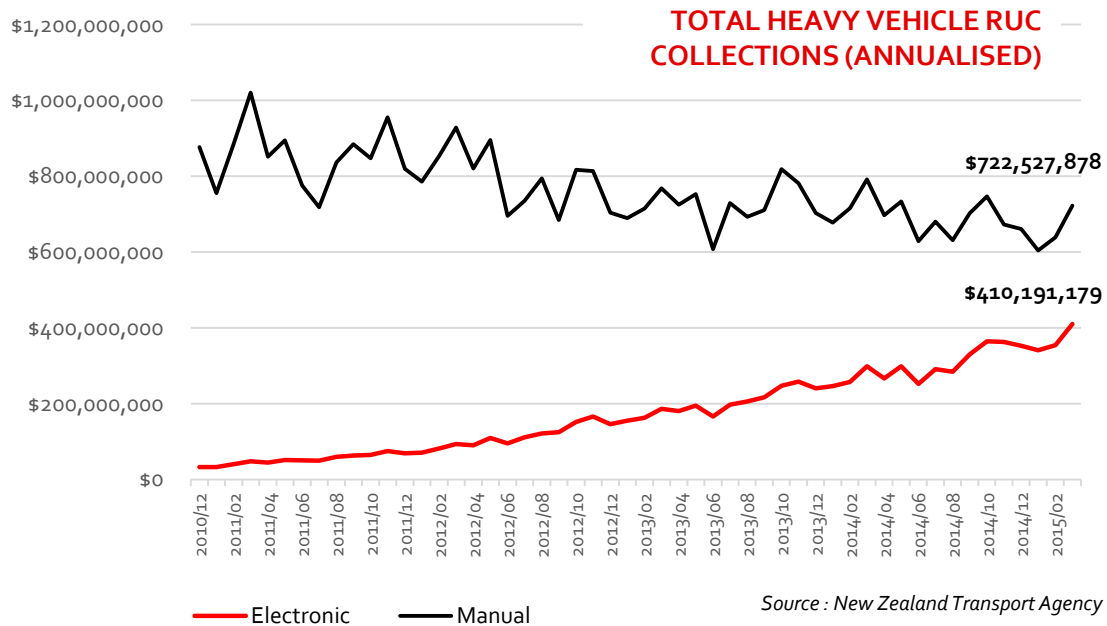
- Total Contracted Units increased to 23,871
- Increased Annualised RUC collection to over \$340 million
- Expanded strongly in Light Vehicle market, a market of 500,000 vehicles in New Zealand
- Focussed on health and safety compliance to drive demand
- Expanded further into existing client fleets
- Increased average units per customer to 12 from 8 in FY14
- Exceeded our expectations growing Rentals to 87% of total sales
- Created strong pipeline of demand for FY16
- Received positive “pre-approval” demand for Ehubo 2
- Grew market share in New Zealand



New Zealand Heavy Vehicle RUC Market and Market share

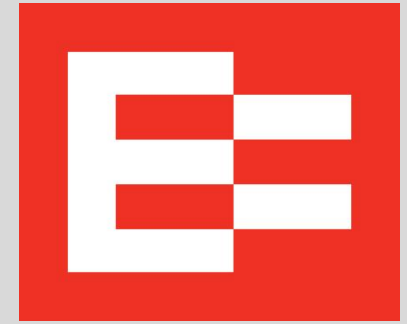


EROAD continued to grow its market share in the Heavy Vehicle (>3,500kg) market



- Electronic RUC now over 1/3 of Total Heavy Vehicle RUC
- Manual RUC dropped from \$880 million to \$720 million
- Growth opportunities remain strong with \$720 million of Heavy Vehicle RUC still collected manually
- There are two electronic RUC providers in New Zealand

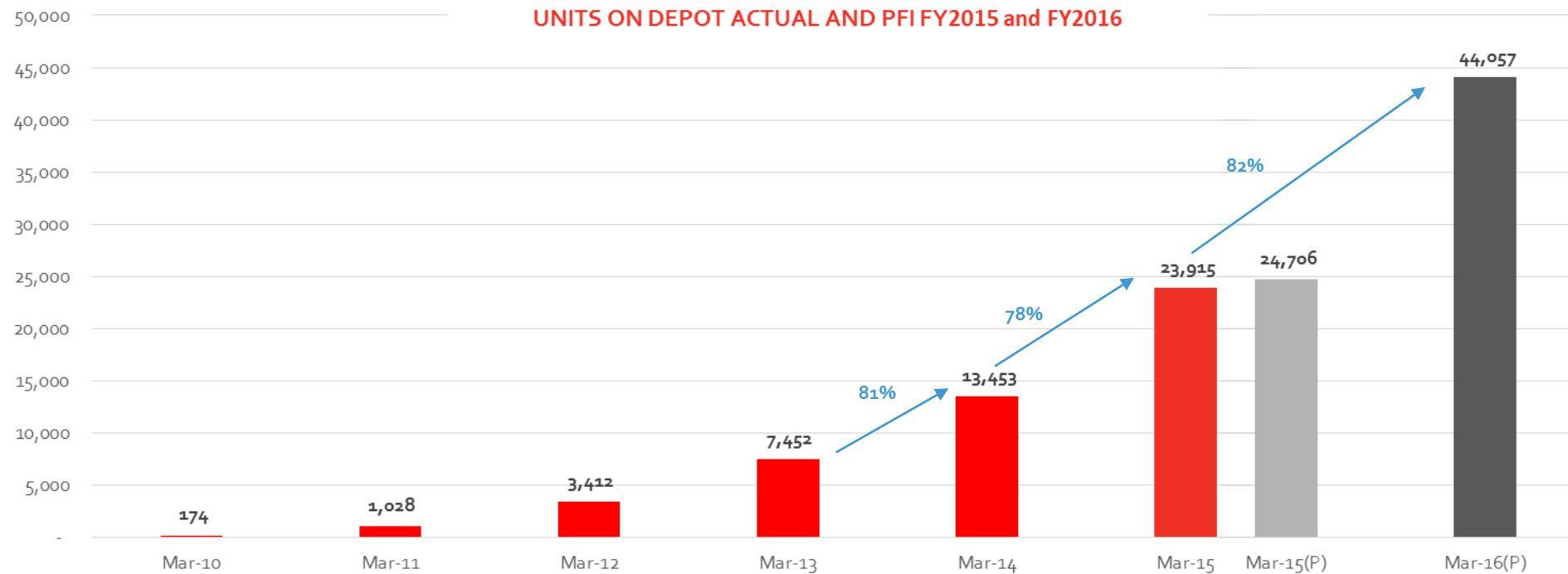
Operational Performance



Units on Depot



Units on Depot are in line with PFI

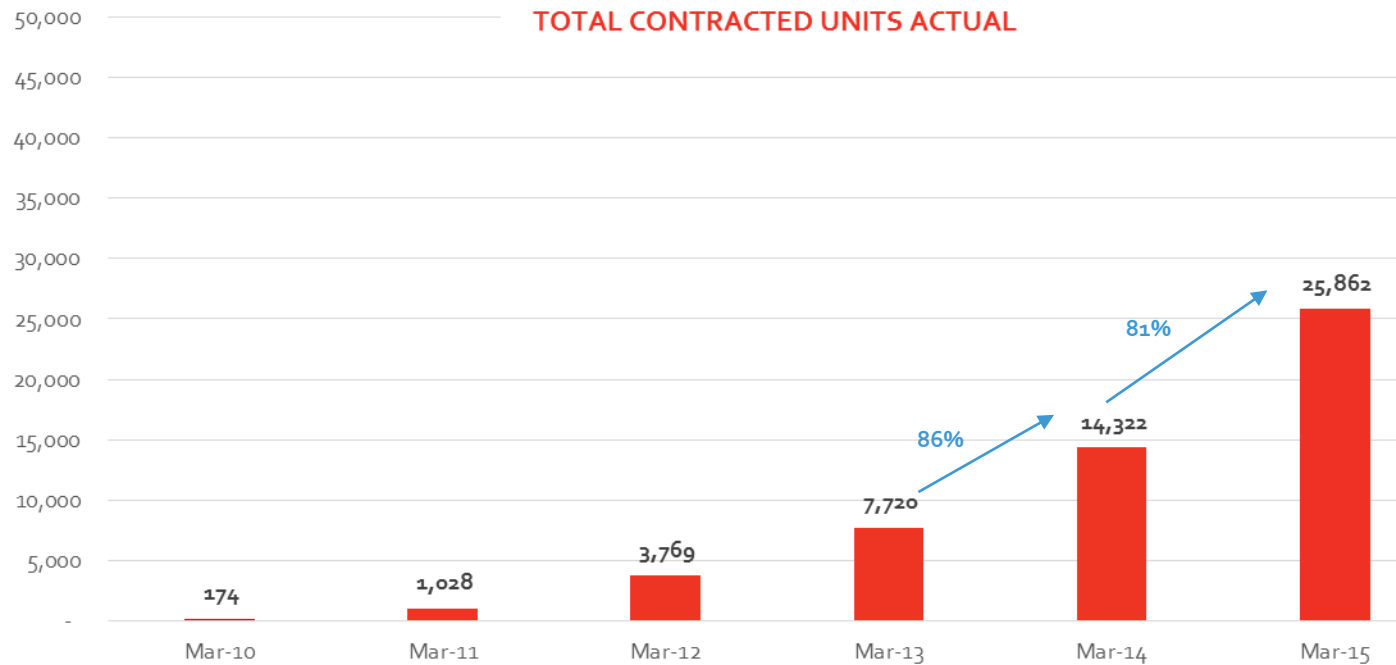


For a full description of Units on Depot measure see the Prospectus <http://www.eroadglobal.com/global/investors/>

Total Contracted Units* (TCU)



TCU grew in line with Units on Depot

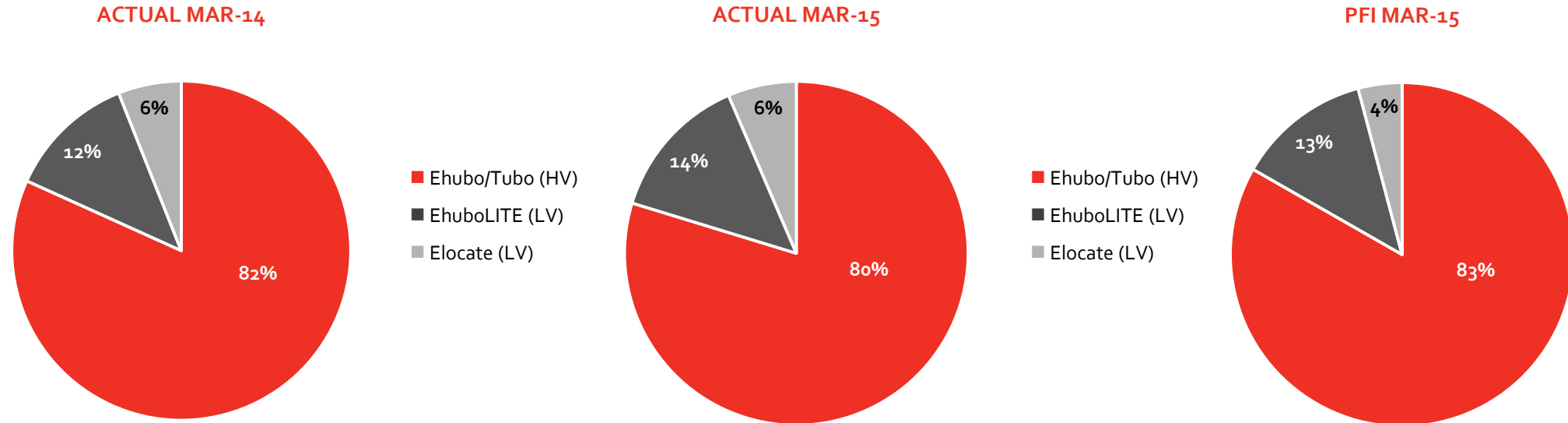


**Total Contracted Units is a non-GAAP measure used by EROAD which represents the total units subject to a customer contract and includes both Units on Depot and Units pending installment.*

Product Mix



While still focusing on sales to heavy vehicles (HV), we grew our light vehicle (LV) penetration



- Lighter vehicle fleets, like Councils and Government departments, generally have a strong compliance focus which supports demand for Elocate and EhuboLITE products
- Oregon and Australia are Ehubo only markets

EROAD team



Expanded EROAD team by 52% in challenging market

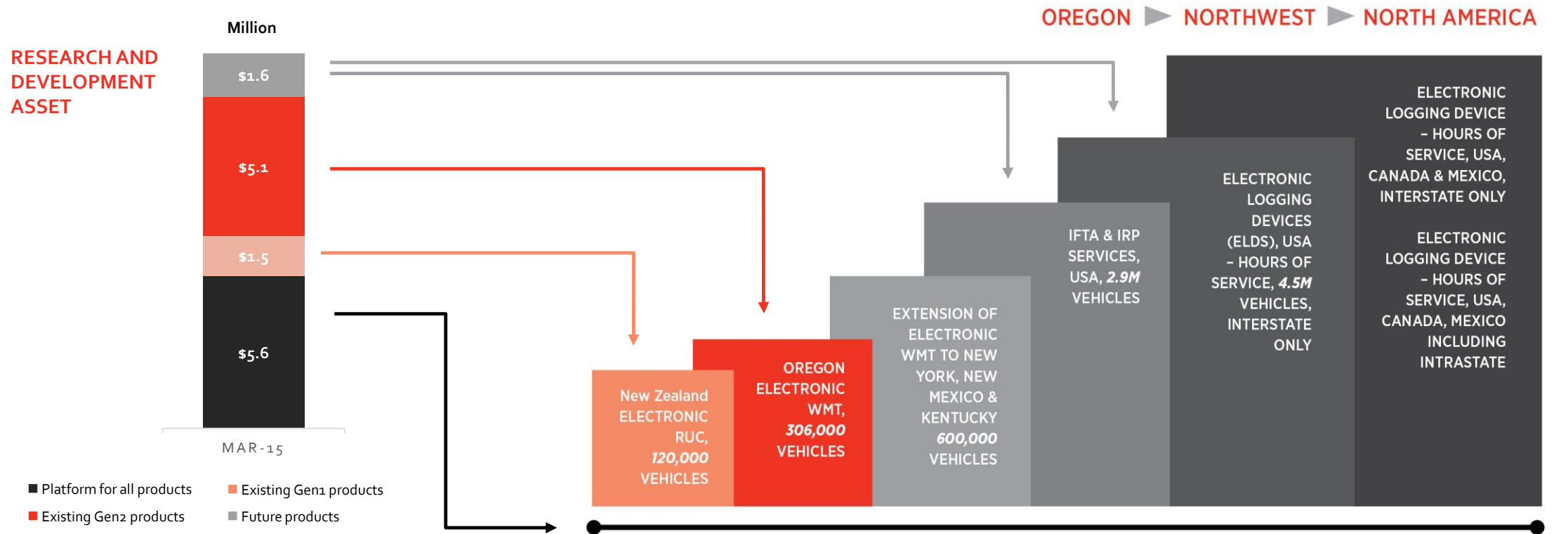
	Actual	Last Year	Change	PFI FY15	Variance
In-market Delivery (Sales and customer operations)	69	35	34	63	6
Business development, manufacturing, HR and corporate	29	26	3	27	2
R&D	57	41	16	70	-13
Total	155	102	53	160	-5

- Expanded In-market Delivery team to support North American growth
- HR staff increased by two new recruiter positions
- Multiple initiatives underway to address R&D staff deficit
- Team culture a key focus in both New Zealand and Oregon
- Staff retention has remained high

Research and Development

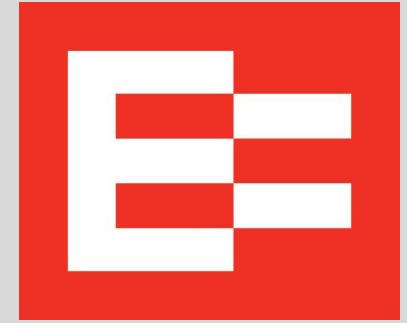


Core components of R&D Asset supported by significant market opportunities



EROAD is leveraging its platform, initially built for NZ RUC, to access significantly larger market opportunities.

Financial Performance

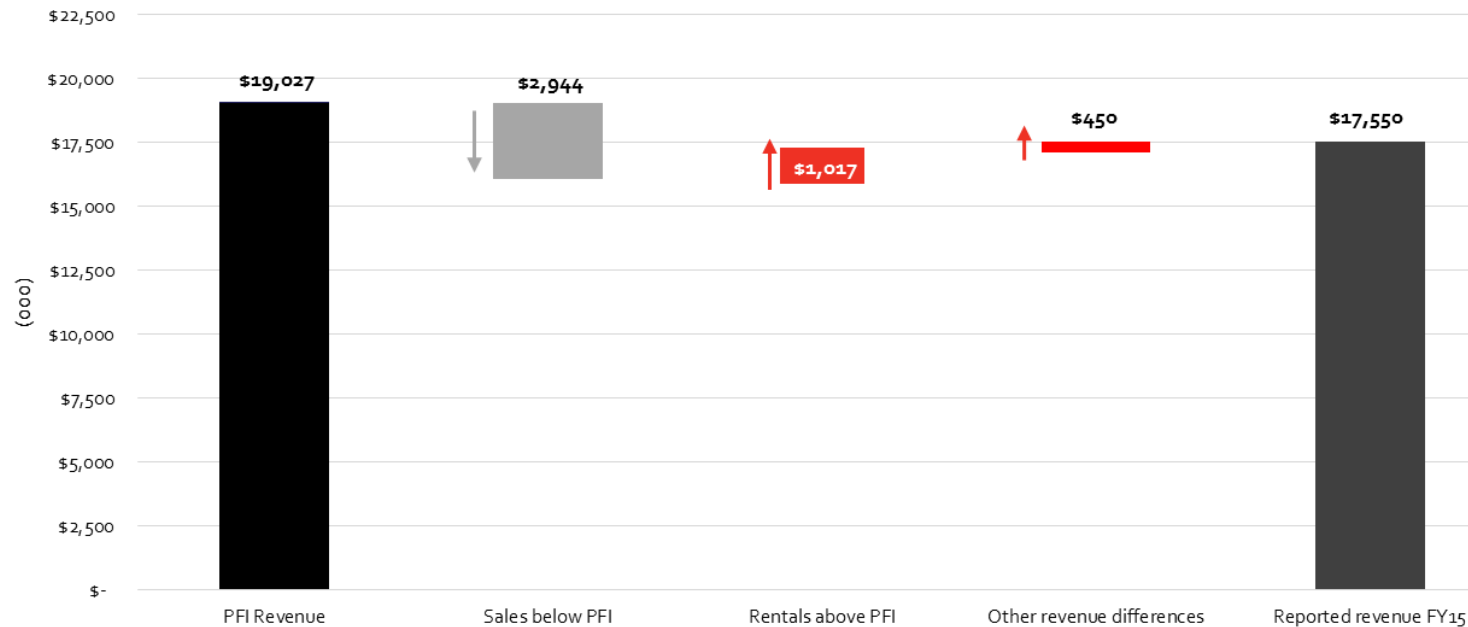


FY15 Revenue Mix



Strong rentals have reduced accounting revenue

REVENUE BRIDGE – ACTUAL OVER PFI₁₅



- The value of remaining revenue under all additional hardware rental contracts, above PFI, totalled \$1.6m at 31 March 2015 (\$2.3m including units pending install)

FY15 EBIT before non-operating costs



EBIT – FY14, FY15 and PFI comparison

('000)	Actual	Last Year	Variance	PFI FY15	Variance
Established Markets	3,498	1,106	2,392	2,077	1,421
Commercial Market	(1,098)	-	(1,098)	(555)*	(543)
Development Markets	(2,062)	(44)	(2,018)	(895)	(1,167)
EBIT before non-operating costs	338	1,062	(724)	626	(288)
EBIT Margin	2%	11%		3%	

*Australia is included in Established Markets rather than Commercial Market as in PFI

Key points

1. Established Markets

1. Continued strong demand
2. Preserved prices
3. Expanded into new verticals (Councils and light vehicles)
4. Invested in scalability to support growth
5. Higher Rentals reduced EBIT. Hardware Rental revenue is recognised over 36 months compared to one month for an Unit Sale

2. Commercial Market

1. Established beachhead in Oregon
2. Staff numbers up from 4 to 20 in line with PFI
3. Higher Rentals reduced reported EBIT
4. Launched new products in Oregon

3. Development Markets

1. Focused on IFTA and Electronic Logging Device (ELD) development across North America
2. Accelerated market engagement for IFTA and ELD

FY15 Balance Sheet



	Actual	PFI	Variance
	\$'m	\$'m	\$'m
Cash	34.1	40.3	(6.2)
Inventory	0.0	1.5	(1.5)
Other (incl. Trade receivables)	4.3	1.3	3.0
Current Assets	38.4	43.0	(4.6)
Plant and Equipment (incl. leased assets)	15.5	9.0	6.5
Intangibles	15.8	13.8	2.0
Other	1.9	1.9	0.1
Fixed Assets	33.2	24.6	8.6
Total Assets	71.6	67.7	4.0
Payable to NZTA	9.6	6.6	3.0
Deferred Revenue	7.7	7.3	0.4
Other liabilities	2.6	1.9	0.7
Total liabilities	19.9	15.8	4.1
Net Assets	51.8	51.9	(0.1)

Major variances

The general move from Current Assets to Fixed Assets reflects the growth in Rentals over Unit Sales.

- **Inventory** reclassified to Fixed Assets capital work in progress
- **Trade debtors** up due to high rentals and interest receivable
- **Plant and Equipment** up due to:
 - Reclassification of Inventory to Fixed Assets capital work in progress
 - Additional supply of units on hand
 - Additional fit-out costs for enlarged premises in Auckland and Oregon
 - Funding of additional Rentals
 - Higher establishment and installation costs above PFI
 - Higher depreciation due to higher rented units and fit-out
- **Intangibles** up due to:
 - Additional investment in R&D
 - Additional software development to support scalability
 - Lower amortisation due to sales mix and Units on Depot below PFI
- **Payable to NZTA** up due to timing of cash collected by NZTA. EROAD collects RUC on behalf of NZTA.

FY15 Cash Flow



	FY15 Actual \$'m	FY15 PFI \$'m	Variance \$'m
Cash flows from Operations	2.8	4.5	(1.7)
Cash flows from Operations NZTA	0.9	(2.0)	2.9
Total Cash flows from Operations	3.7	2.5	1.2
Purchase of Property and Equipment	(9.7)	(4.0)	(5.7)
Purchase of Intangible assets	(7.0)	(5.4)	(1.6)
Cash flows from Investing activities	(16.7)	(9.3)	(7.4)
Cash flows from Financing activities	38.0	38.0	(0.0)
Net Increase in Cash held	25.0	31.1	(6.2)

Major variances

Growth in Investing activities largely reflects the growth in Rentals over Unit Sales, and the increase in self-funding of Rentals by EROAD

Operations

- Affected by 791 units behind PFI
- Affected by Rentals replacing Unit Sales
- Affected by timing of NZTA cash collection cycle

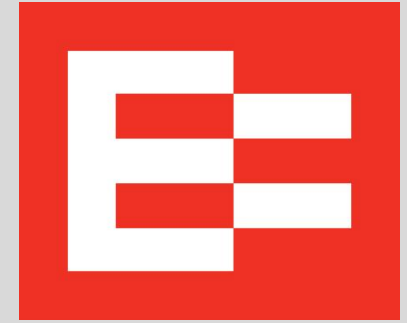
Investing

- Affected by capitalisation of hardware for all additional Rentals
- Affected by increase in self-funding of Rentals rather than using external finance
- Affected by additional units held, to meet pending orders
- Affected by additional fit-out costs for Auckland and Oregon
- Affected by additional investment in R&D
- Affected by additional investment in Software

Financing

- Capital raised and bank debt repaid in line with PFI

Questions?



eroad.com/global/investors/

Appendix

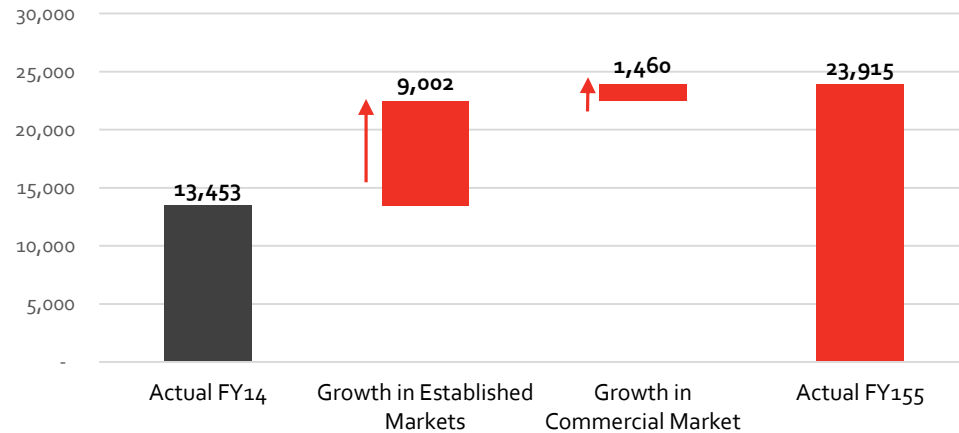
FY15



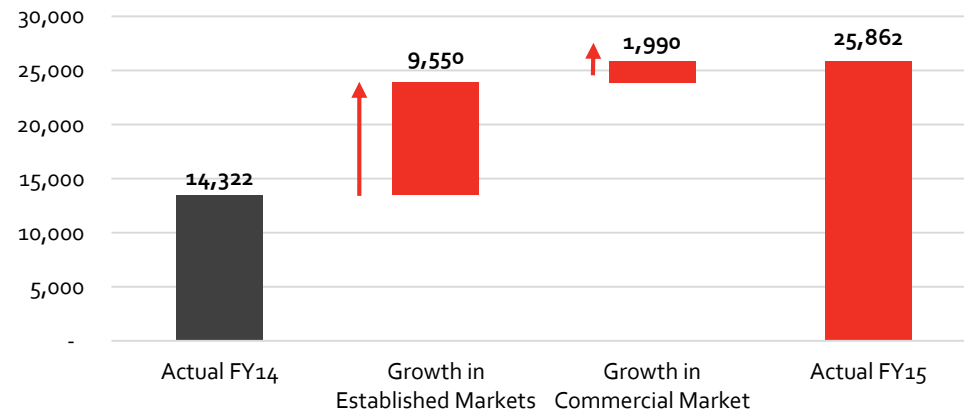
FY15 Units on Depot and Total Contracted Units



UNITS ON DEPOT OVER LAST YEAR



TCU OVER LAST YEAR



Key points

1. Unit growth

1. Grew Units on Depot by 78% over Last Year
2. Grew TCU by 81% over Last Year
3. Growth supported by new Commercial Market of Oregon
4. New Zealand/Australia slightly ahead of PFI because of strong New Zealand performance
5. Oregon slightly behind PFI due to delay in establishing rental offering and time taken to recruit staff

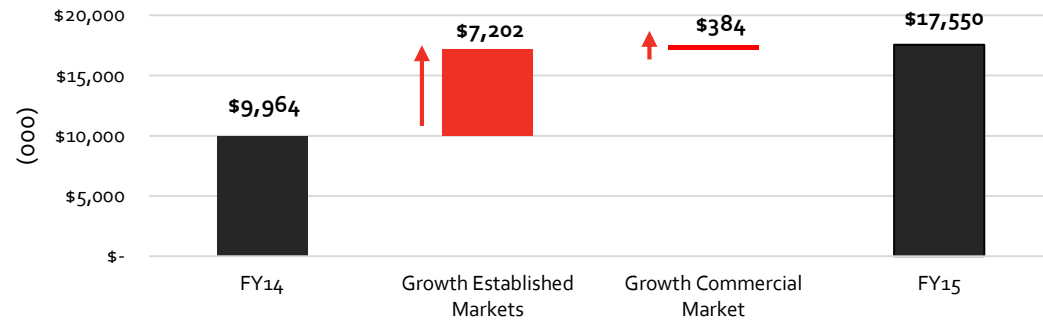
2. Achieved higher Rentals over Unit Sales

1. 86% of installed units in Oregon were rented compared to PFI of Nil
2. 87% of installed units in New Zealand/Australia were rented compared to PFI of 78%
3. In New Zealand/Australia Unit Sales are now the exception and Rentals the default
4. EROAD has a strong preference for Rentals over Unit Sales because it generates higher value through recurring revenue and promotes customer retention

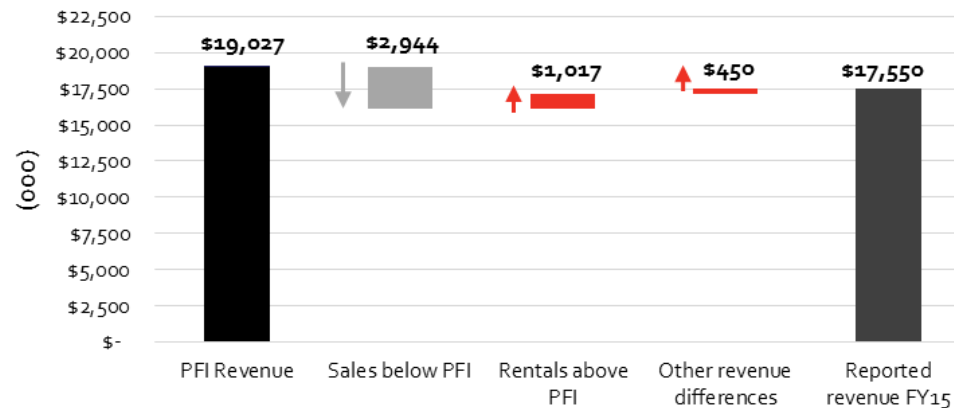
FY15 Revenue



REVENUE OVER LAST YEAR



REVENUE – PFI FY15 COMPARISON



Key points

1. Revenue over last year

1. Revenue up 76% on last year
2. Reported FY15 revenue growth impacted by volume of Rentals achieved over Unit Sales

2. Average pricing

1. Preserved average prices in all markets

3. Rentals impacted FY15 reported Revenue

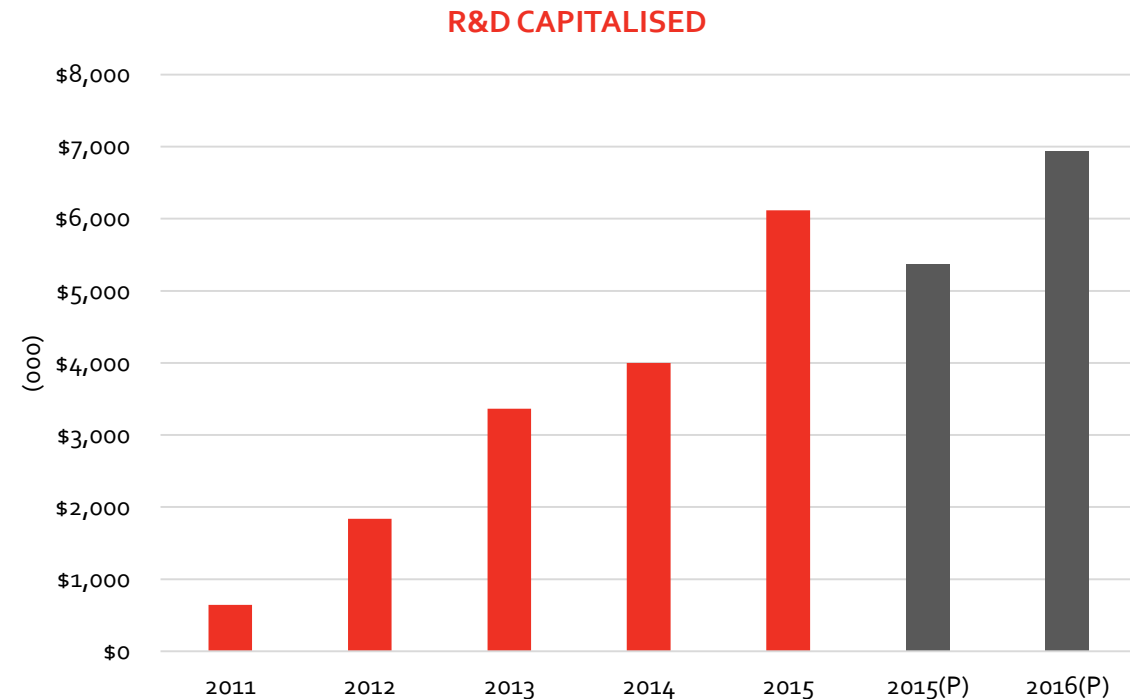
1. **Unit Sales** deliver outright hardware sale revenue plus service fee revenue in FY15
2. **Rentals** only deliver a fraction (x/36th) of the outright hardware sale revenue plus service fee revenue in FY15, plus the remaining fraction (y/36th) of outright hardware revenue in the following two to three years
3. The value of remaining revenue under all additional hardware rental contracts, above PFI, totalled \$1.6m at 31 March 2015 (\$2.3m including units pending install)

FY15 Research and Development



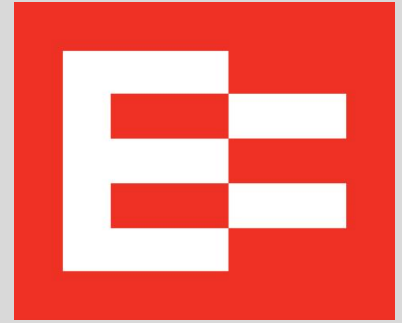
Additional investment in R&D targets the North American service suite including IFTA and ELD

- R&D program on track
- Behind PFI on R&D staff numbers by 13 staff at year end
- External contract developers and internal staff have been used to keep development program on track
- Released enhanced IFTA service in Oregon in April 2015 on schedule
- Expensed a further \$2.1m of R&D directly to the Income Statement in line with PFI



Appendix

FY16



FY16 Net Profit



FY16 NET PROFIT IMPACT FROM HIGHER RENTALS OVER SALES

	Reforecast PFI#	PFI	Change
	\$m	\$m	\$m
Revenue	28.6	34.1	(5.5)
Expenses	(17.2)	(21.4)	4.2
EBITDA	11.5	12.7	(1.2)
Depreciation	(4.2)	(3.0)	(1.2)
Amortisation	(3.3)	(3.3)	-
EBIT	4.0	6.4	(2.4)
EBIT Margin %	14%	19%	
Net Finance Income	1.4	1.4	-
Net Profit Before Tax	5.3	7.7	(2.4)
EBIT held by EROAD in unexpired hardware Rental contracts			2.5

Reforecast for expected Rentals over Unit Sales

Key Points

Units

- Units expected to meet FY16 PFI
- Both Commercial and Established markets run-rate since February 2015 in line with PFI

Revenue

- Reduced due to planned achievement of higher Rentals over Unit Sales in all markets
- Aided by planned retention rate improvement in Oregon from 95% to 99%

Expenses

- Reduced due to planned achievement of Rentals over Unit Sales in all markets

Depreciation

- Increased for additional depreciation on both actual FY15 and planned FY16 higher Rentals

Earnings Before Interest and Tax (EBIT)

- Planned EBIT fall supported by corresponding increase in value of hardware rental contracts, to be earned in later periods

FY16 Balance Sheet



FY16 BALANCE SHEET IMPACT FROM HIGHER RENTALS OVER SALES

	Adjusted PFI#	PFI	Movement
	\$m	\$m	\$m
Cash	37.7	42.6	(5.0)
Inventory	-	2.3	(2.3)
Other	2.5	2.5	-
Current Assets	40.1	47.4	(7.2)
Plant and Equipment (incl. leased assets)	22.2	9.3	12.9
Intangibles	19.0	17.4	1.6
Other	-	-	-
Fixed Assets	41.1	26.7	14.4
Total Assets	81.3	74.1	7.2
Payable to NZTA	9.6	6.6	3.0
Deferred Revenue	4.7	7.2	(2.6)
Other liabilities	2.8	2.8	-
Total liabilities	17.1	16.7	0.4
Net Assets	64.2	57.4	6.8

Adjusted for opening Balance Sheet at 31 March 2015 and FY16 Rentals over Unit Sales

Key Points

Plant and Equipment

- Reclassification of Inventory to Fixed Assets capital work in progress
- Investment in additional rental units for both FY15 and FY16

Intangibles

- Carry forward of FY15 investment in R&D and Software development less amortisation

Payable To NZTA

- Assume balance at FY15 year end is carried forward to FY16

Deferred Revenue

- Reduced use of external finance company to fund rentals

Road User Charging remains the foundation of EROAD's offer

