



ASX RELEASE

11 January 2018

H1 FY2018 PRELIMINARY RESULTS – RECORD GROWTH IN GROUP ANNUALISED CONTRACT VALUE, WITH GROWTH IN BOTH MARKETS

Nearmap Ltd (ASX: NEA) is pleased to announce that the results for H1 FY2018 are expected to show record half-yearly growth in Annualised Contract Value (ACV), with growth in both markets.

	ACV 31-Dec- 2017	ACV 31-Dec- 2016	Growth in ACV H1 FY2018	Growth in ACV H1 FY2017	Change on pcp %
Group (AUD \$M)	54.2	41.3	7.2	4.7	+53%
US (USD \$M)	8.5	3.1	3.2	1.6	+100%
AU (AUD \$M)	43.3	37.0	3.3	2.6	+27%

UNITED STATES – RECORD HALF-YEARLY ACV GROWTH

- ACV portfolio at 31 December 2017 expected to be USD\$8.5M (30 June 2017: USD\$5.3M), with H1 FY2018 incremental ACV of USD\$3.2M (H1 FY2017: USD\$1.6M).
- Investment in sales & marketing delivered largest half-yearly ACV growth in the history of Nearmap's US operations.
- Sales Team Contribution Ratio (STCR) expected to be 95% (ratio of incremental ACV compared to the direct cost of sales and marketing in the half).
- US ACV portfolio now covers expected full year FY2018 cost of Nearmap's US capture program.
- Growth primarily generated from Nearmap's 2D (orthogonal) imagery product.
- Availability of new oblique products – Panorama and Oblique – from November 2017 has generated strong customer interest and is expected to deliver further growth in H2 FY2018.

AUSTRALIA – STRONG GROWTH REINFORCES MARKET LEADERSHIP

- ACV portfolio at 31 December 2017 expected to be \$43.3M (30 June 2017: \$40.0M), with H1 incremental ACV of \$3.3M (H1 FY2017: \$2.6M).
- New strategic sales and marketing leadership delivered growth across all customer sizes.
- STCR expected to be 100%.
- Commercial launch of new MapBrowser, Nearmap Panorama and Nearmap Oblique products expected in the first quarter of CY2018, which will further enhance Nearmap's well established leadership position in the Australian market.



GROUP – COMMERCIALISING NEXT STAGE IN TECHNOLOGY LEADERSHIP

- Nearmap’s investment in technology leadership now provides a 3D processing pipeline enabling the generation of 3D reconstructions for commercial use on an unprecedented scale.
- Early commercial sales have been made to trial customers of 3D models, with 3D product and pricing to be rolled out in CY2018.
- Group cash balance closed at \$20.6M, reflecting H1-FY2018 investment in Group sales and marketing capability and expanded HyperCamera 2 capture program, in line with the investment objectives outlined at the beginning of the financial year.

Nearmap CEO and Managing Director, Dr Rob Newman, commented: “H1 FY2018 has seen Nearmap experience growth in both of our key markets and deliver the largest incremental half-yearly ACV growth in the Company’s history. Our Australian base of high quality, recurring subscription revenues continues to generate strong cash inflows, as we further build our sales and marketing expertise in the US.

“Nearmap has invested in new product development and groundbreaking innovation. It is exciting to be able to commercially launch our new market leading products in both the US and Australia. These products demonstrate our technology leadership and expertise and we look forward to ongoing strong growth.”

Nearmap will release its results for H1 FY2018 on 21 February 2018. Management will present the results on a conference call, details of which will be available on the Company’s website.

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VIEW THE WORLD, SO THEY CAN
PROFOUNDLY CHANGE THE WAY
THEY WORK.**

NEARMAP.COM

Level 4, Tower One, 100 Barangaroo Avenue,
Barangaroo NSW 2000

T: +61 2 8076 0700 | F: +61 2 8076 0701

E: queries@nearmap.com | Twitter: @nearmap

ABN 37 083 702 907

Investors: investor.relations@nearmap.com