



**SMART**  
PARKING

**Smart Parking Limited ASX:SPZ  
FY17 First Half Results**

**Paul Gillespie, CEO  
February 2017**

# Smart Parking | Business Overview



World leading technology for parking design, development & management



## MANAGEMENT SERVICES | UK

Profitable and operates exclusively in the UK. Specialises in managing car parks on behalf of retail customers, land owners and managing agents and currently generates 90% of Smart Parking's revenue.



## TECHNOLOGY | GLOBAL

Designs, develops and specialises in on-street and off-street parking technology and software, enabling clients to manage parking efficiently and cost effectively. Critical to competitive advantage in the Services business and to the future growth of Smart Parking.





# HIGHLIGHTS

- Record FY17 H1 results
- Maiden NPAT profitability
- Accelerated global technology rollout
- New clients & deals
- Expanding workforce

# Highlights | FY17 H1



“Smart Parking is immensely proud to report a successful first half performance. Our **strong financial growth** and **record results** are highlighted with the milestone of reaching **NPAT profitability**. This result has been achieved due to our **exceptional operational performance** underpinned by the continued installation of Smart Parking’s technology **around the world**”

Smart Parking CEO Paul Gillespie



# Highlights | FY17 H1



## **CARDIFF, United Kingdom**

The Cardiff City Council order represents Europe's first city-wide deployment of parking bay sensor technology



## **WELLINGTON, New Zealand**

Smart Parking completes its biggest ever on-street installation in Q1 FY17



## **CANBERRA, Australia**

Smart Parking makes history in Canberra as old parking meters are phased out and replaced by Smart Parking technology





# FY17 H1 FINANCIALS

- **Maiden NPAT of \$0.4 million**
- **Group EBITDA grows to \$2.1 million**
- **Management Services: EBITDA up 22%**
- **Technology: 33% EBITDA improvement**





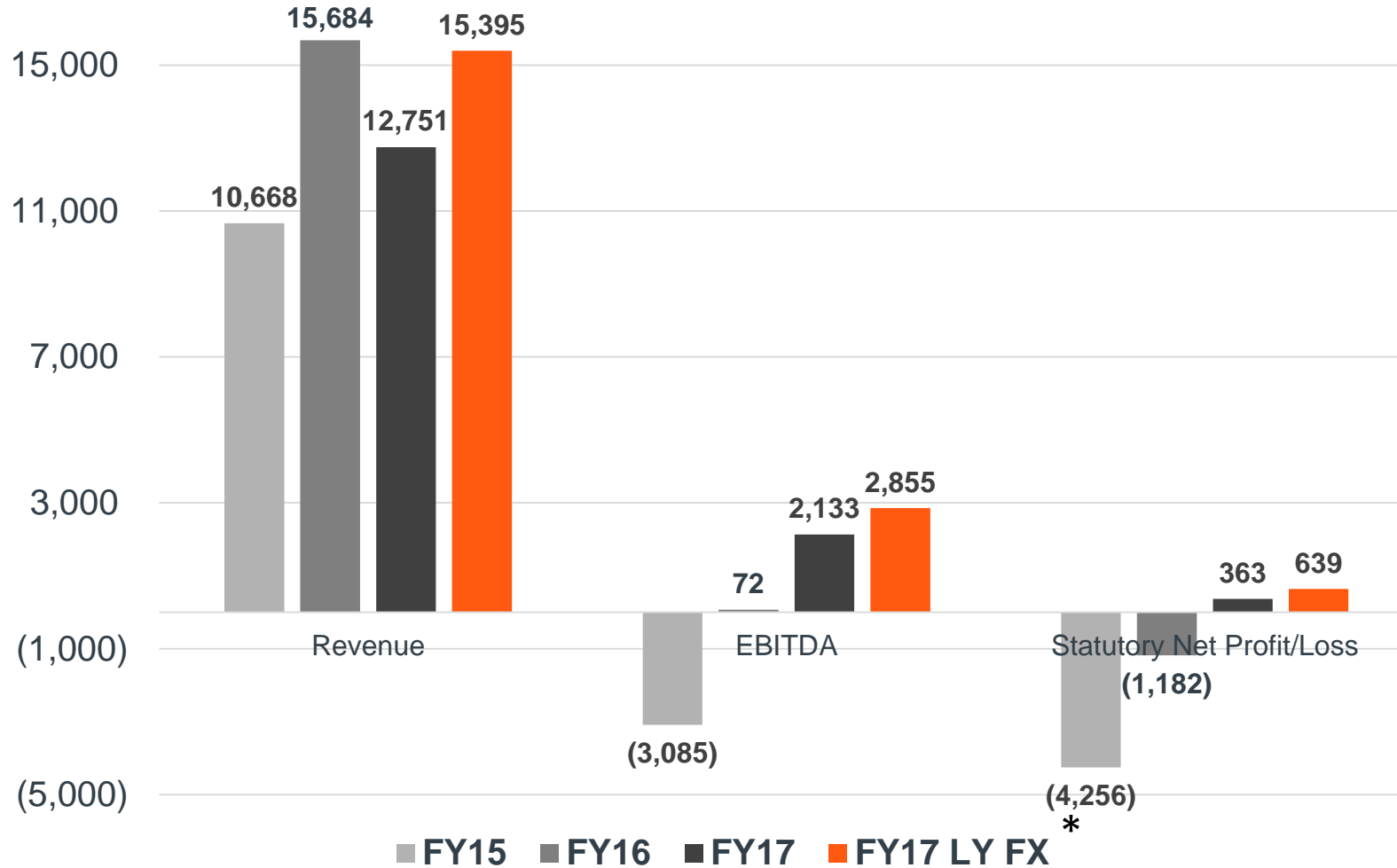
“Smart Parking’s **maiden NPAT** was achieved following a **\$1.5 million improvement** from the prior corresponding period despite significant currency fluctuations and the loss of the Asda contract in April 2016. EBITDA **rose to \$2.1 million** while the group EBITDA margin rose 16% from the prior corresponding period **supported by growth** in our Management Services and Technology divisions.”

Smart Parking CFO Richard Ludbrook

# Group Financials | FY17 H1



## EBITDA margin growth continues into FY17 H1



### EBITDA

Up \$2.1m on H1 FY16

### EBITDA margin

Up from 0.5% to 16.7%

### Revenue

\$12.8m down 19% on H1 FY16 following Asda contract loss & foreign exchange movements

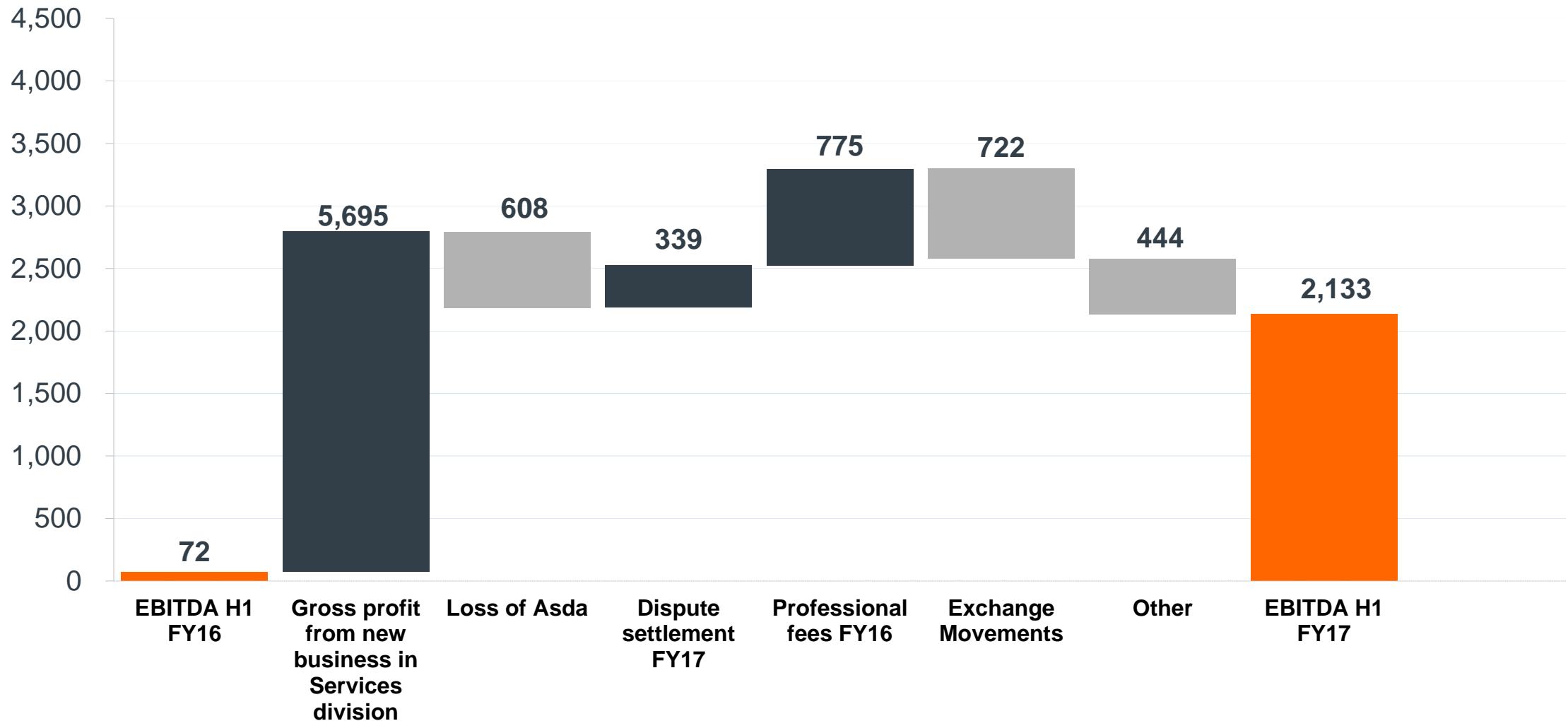
### In Constant Currency

Revenue is down 2% and **EBITDA is up \$2.8m** despite loss of Asda

\*LY FX = Constant Currency



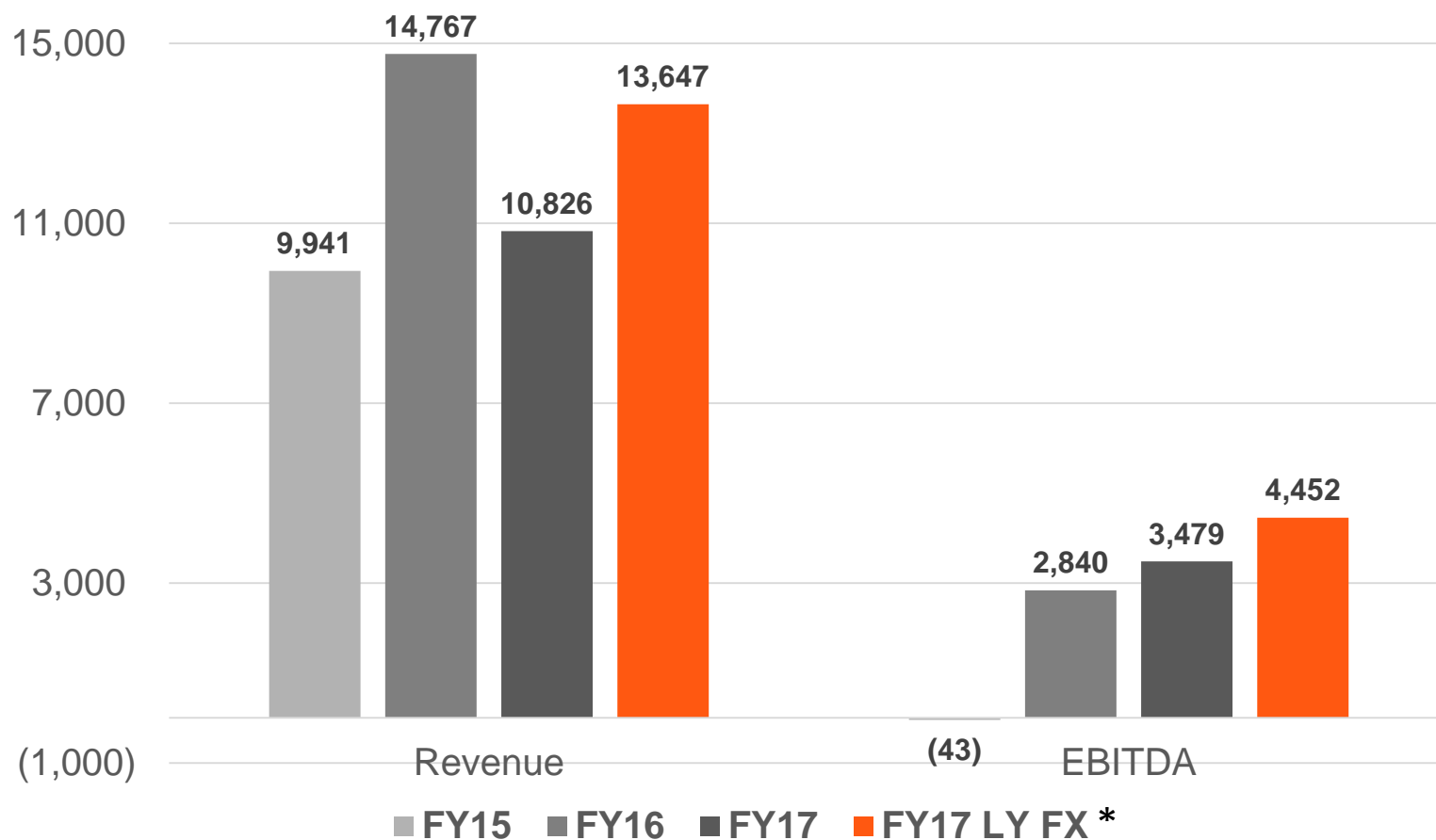
# Profitability Changes | H1 FY17 (\$000's)



# UK Management Services | FY17 H1



## EBITDA margin growth continues into FY17 H1



### EBITDA

Up 22% on H1 FY16

Up 56% in constant currency  
on H1 FY16

### EBITDA margin

Up from 19.2% to 32.0%

### Revenue

\$10.8m is down 27% on H1 FY16  
following Asda contract loss and  
foreign exchange movements

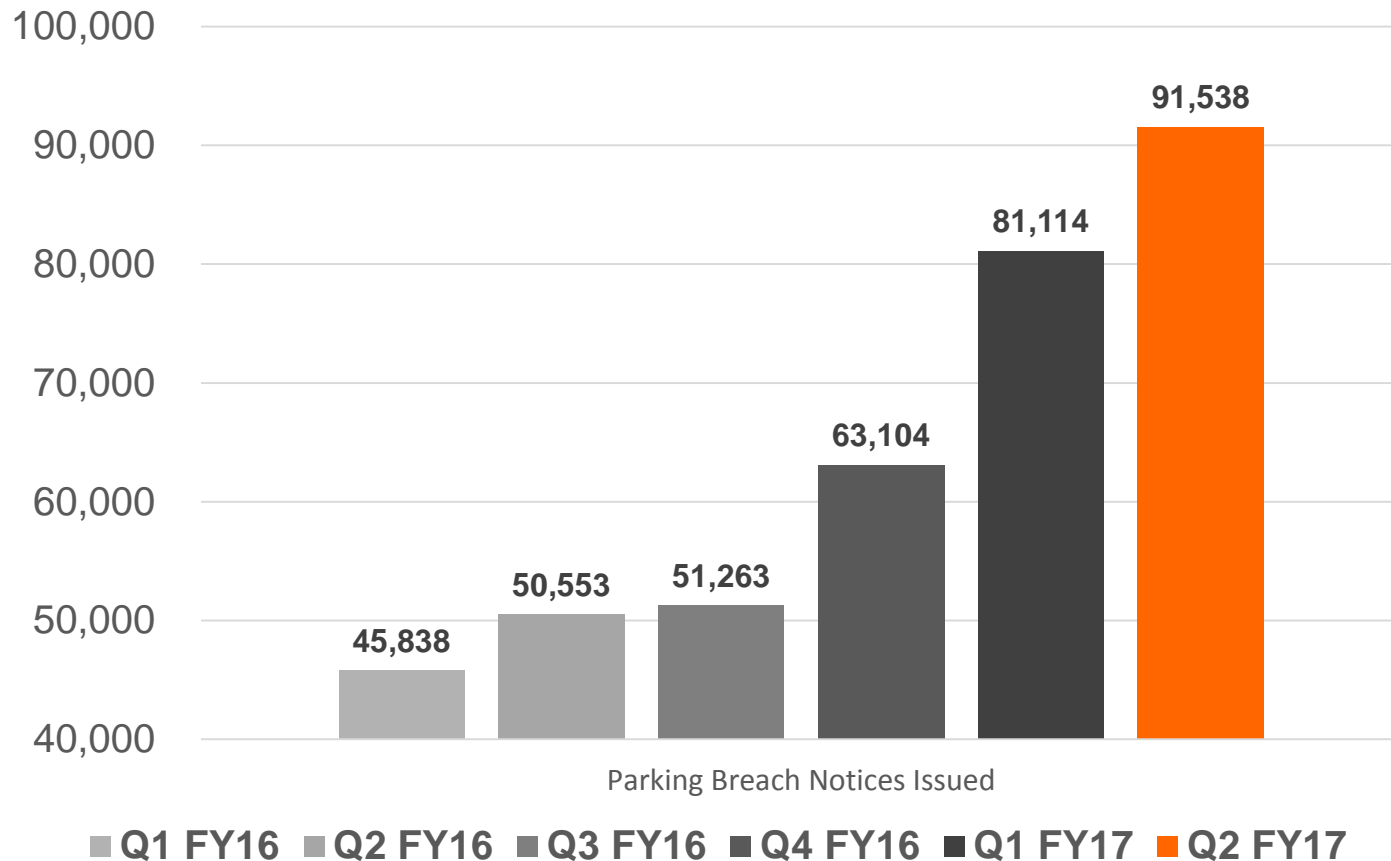
\*LY FX = Constant Currency



# UK Management Services | ex Asda



## Growth in parking breach notices set to continue



**Parking Breach Notices**  
account for 75% of  
Management Services revenue

**Incremental EBITDA margin**  
on new sites with technology is 70%

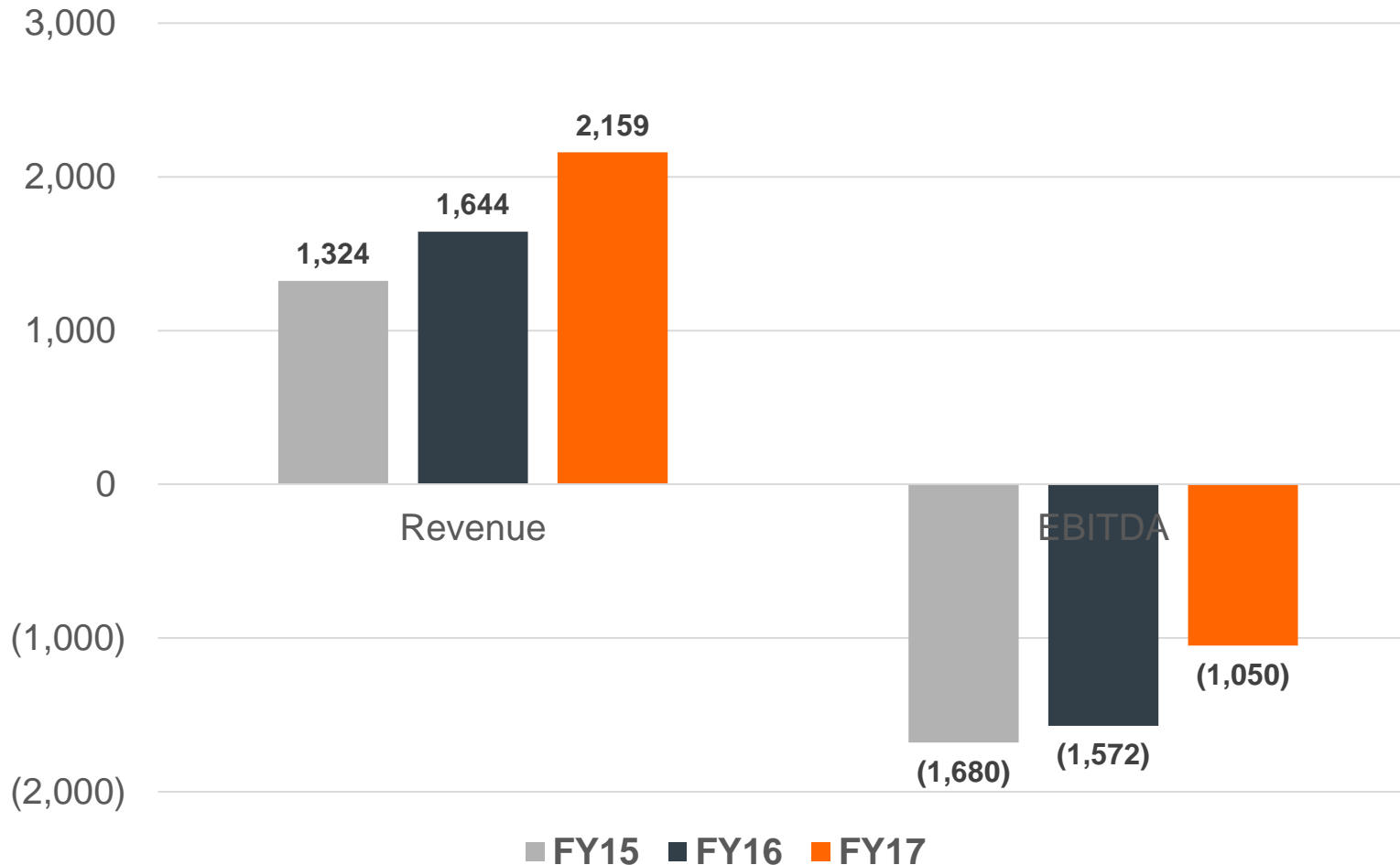
### Strong growth expected

Expect strong growth in Q4 with the  
positive impact of seasonality and  
from the deployment of technology  
on new sites

# Technology | FY17 H1



## Improvement in Revenue & EBITDA result



### EBITDA

Performance improves 33% on H1 FY16

### New Wins

New contract wins in the UK, New Zealand and Australia

### Growth Ahead

Stronger performance expected in H2 based on sales pipeline



# Group Financial Position



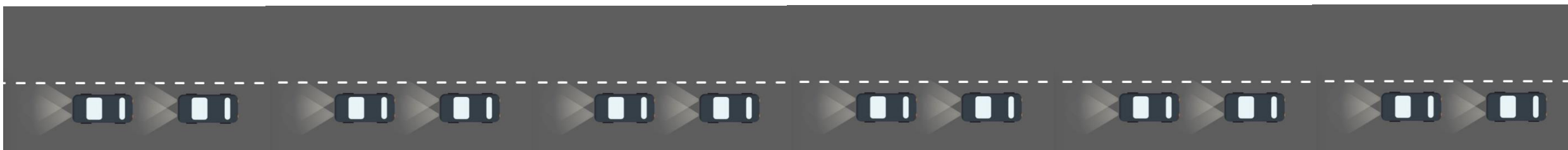
Completed \$11.1m capital raising

(\$000's)	Dec 2016	Jun 2016
Current Assets	21,859	11,050
Non Current Assets	7,221	8,929
<b>Total Assets</b>	<b>29,080</b>	<b>19,979</b>
Current Liabilities	5,033	7,190
Term Liabilities	133	-
<b>Total Equity</b>	<b>23,914</b>	<b>12,789</b>

**Current Assets & Equity** reflect \$11.1m capital raising

**Fixed Asset Additions** of \$0.5m related mainly to the deployment of technology in the UK which has led to improved earnings

**Borrowings** related to facility used to acquire hardware for deployment on parking sites in the UK



# Group Cash Flow



**Capital raising of \$11.1 million** funds for future growth and adds new institutions

**Net operating cash outflow** of \$0.2m, Q2 had operating cash inflows of \$0.3m

**Closing cash** of \$14.1m, excludes cash held on behalf of customers

(\$000's)	Dec 2016	Dec 2015
Operating cash flows	(246)	(2,178)
Investing cash flows	(351)	(1,591)
Financing cash flows	11,411	(93)
Net cash flows	10,814	(3,862)
<b>Closing cash</b>	<b>14,086</b>	<b>1,631</b>

**Fixed Asset additions** of \$0.4m related mainly to the deployment of technology in the UK which has led to improved earnings. Capex was down on prior year following the loss of Asda and the redeployment of cameras on to more profitable sites.

**Non cash financing & investing** of \$0.2m related to facility used to acquire hardware for deployment on parking sites in the UK.





# BUSINESS UPDATE

## **Management Services**

- UK Services business continues to deliver growth

## **Technology**

- New wins in the UK, New Zealand and Australia

# Management Services | FY17 H1



**UK Management Services**  
continues to deliver growth through  
installation of Automatic Number Plate  
Recognition technology

**Revenue from parking breach notices**  
makes up 75% of revenue  
and grew 41% in constant currency on  
H1 FY16

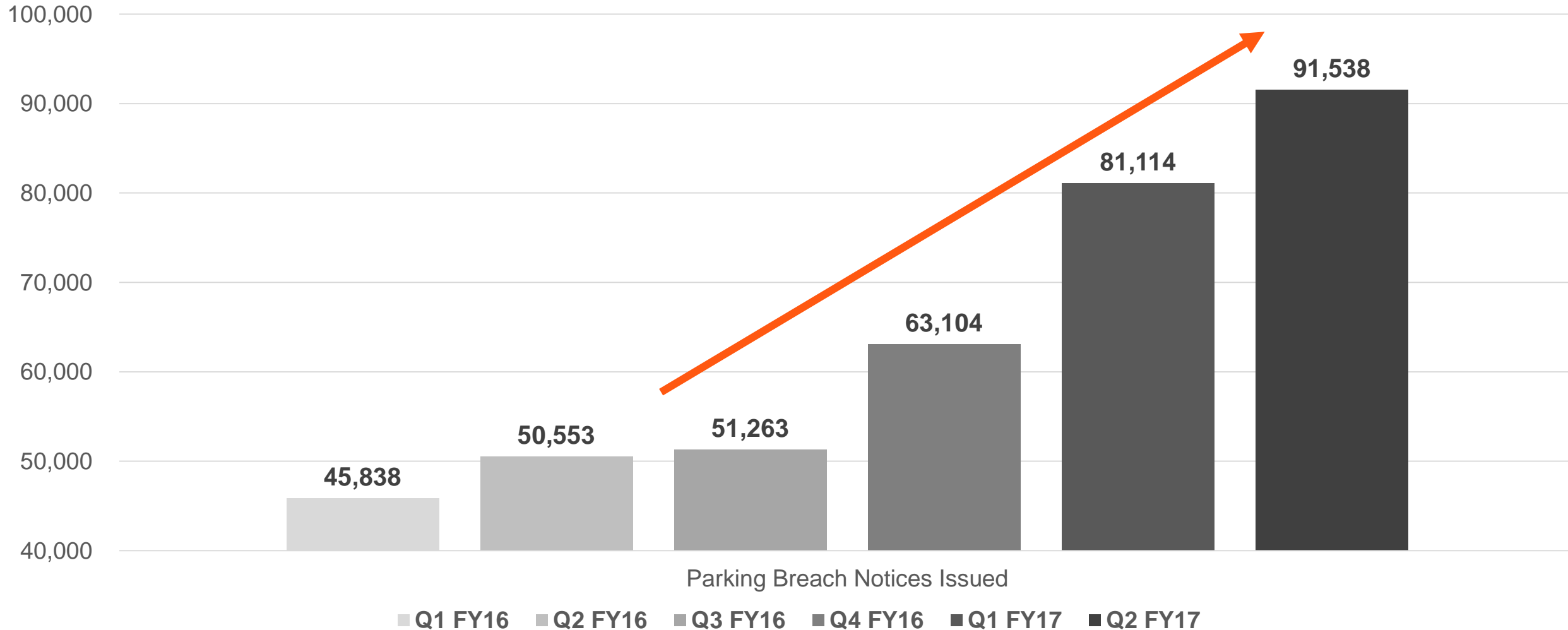
**Over 100 new sites are in the pipeline**  
for installation in H2



# UK Management Services | ex Asda



## Growth in parking breach notices set to continue





# Management Services | How it works



Parking management improving customer satisfaction & revenue generation

**SP 123**

MON 02 APR  
11:43 AM

☒ Q 1  
☐ Q 2  
☐ Q 3



**ANPR** | Automatic Number Plate Recognition

**Pay & Display** | ANPR Linked Automated Payment System

**Site Surveys** | Real-time information, analysis and trend data

**Parking Attendants** | Trained and qualified staff

**DPC** (Disabled, Parent and Child) | Protecting the vulnerable  
**Marshaling** | Trained, professional and customer-friendly marshals

# ANPR | How it works



## Automatic Number/ License Plate Recognition (ANPR)

- **ANPR parking system:** Reliable, accurate, cost effective off-street parking management solution
- **Proven to serve a wide range of industry:** Supermarkets, retail, hotels, hospitals, leisure centres
- **Smart Parking's ANPR solution:** Ensures greater compliance and increased parking revenue

### ANPR BENEFITS

- Ticketless, barrier-free system, parking areas managed 24/7
- Automatically generated and issued parking charge notices
- Increased security, comprehensive reporting & account management
- Supply and installation at no cost to the customer



# Management Services | FY17 H1



UK Services business continues to deliver great results



Site installation and customer acquisition continues  
Over 100 new sites **in the pipeline** for installation in H2





## **33% Improvement in EBITDA performance**

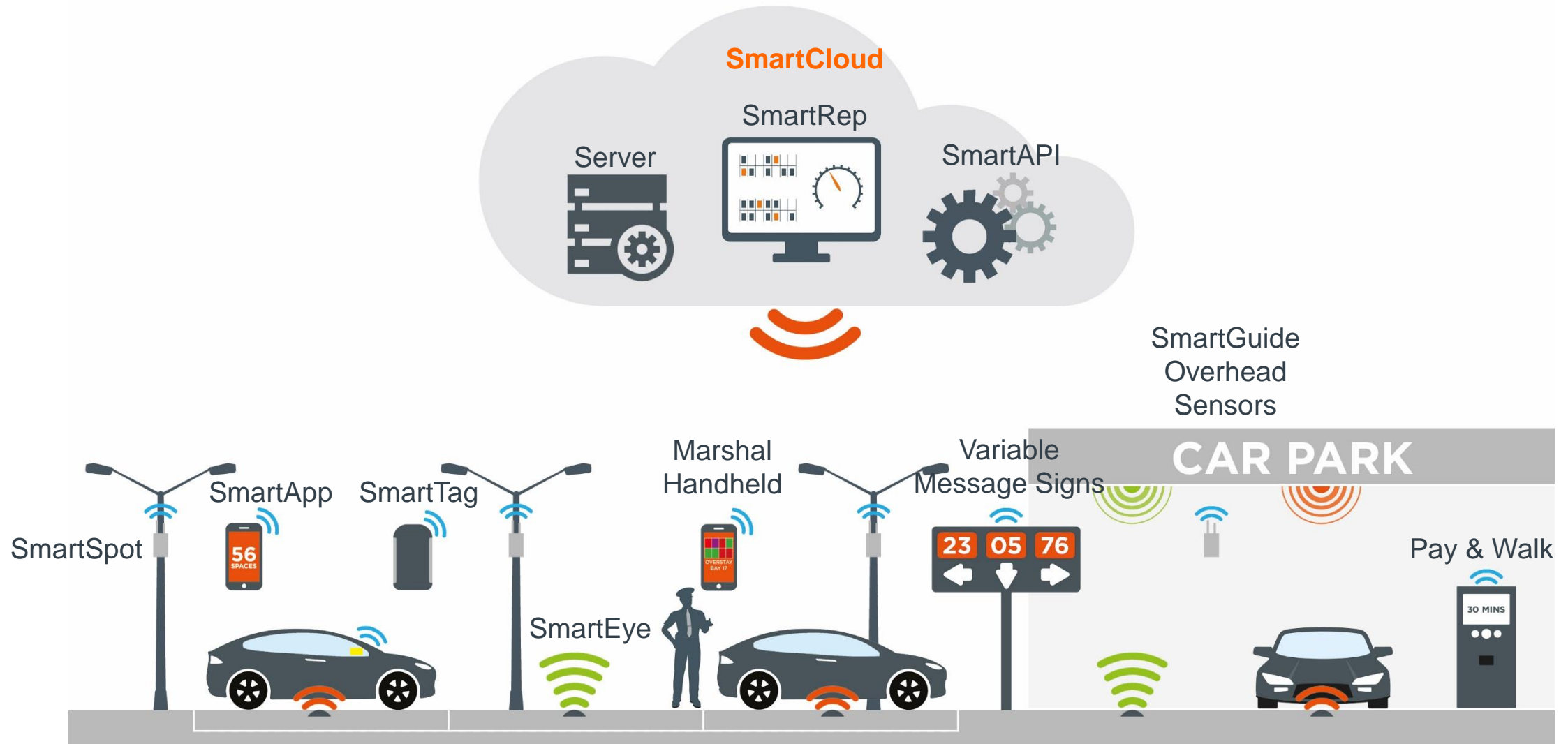
**Secure new customers**  
across UK, New Zealand and Australia:

- Cardiff City Council
- Leeds City Council
- Wesfarmers Limited (ASX:WES)  
owned Coles Supermarkets
- Wilson Parking New Zealand

# Technology | How it works



Providing effective parking management solutions around the world





# Technology | Expansion ramps up



Expanding across key markets: UK, AUS, NZ | Strengthening sales capacity



**UK:** Cardiff City Council order to install an additional 3,000 sensors

**UK:** Leeds City Council order to install 200 sensors

**Australia:** Coles Supermarkets order to install 640 sensors across three locations

**New Zealand:** Wilson Parking order to install 680 sensors across three locations

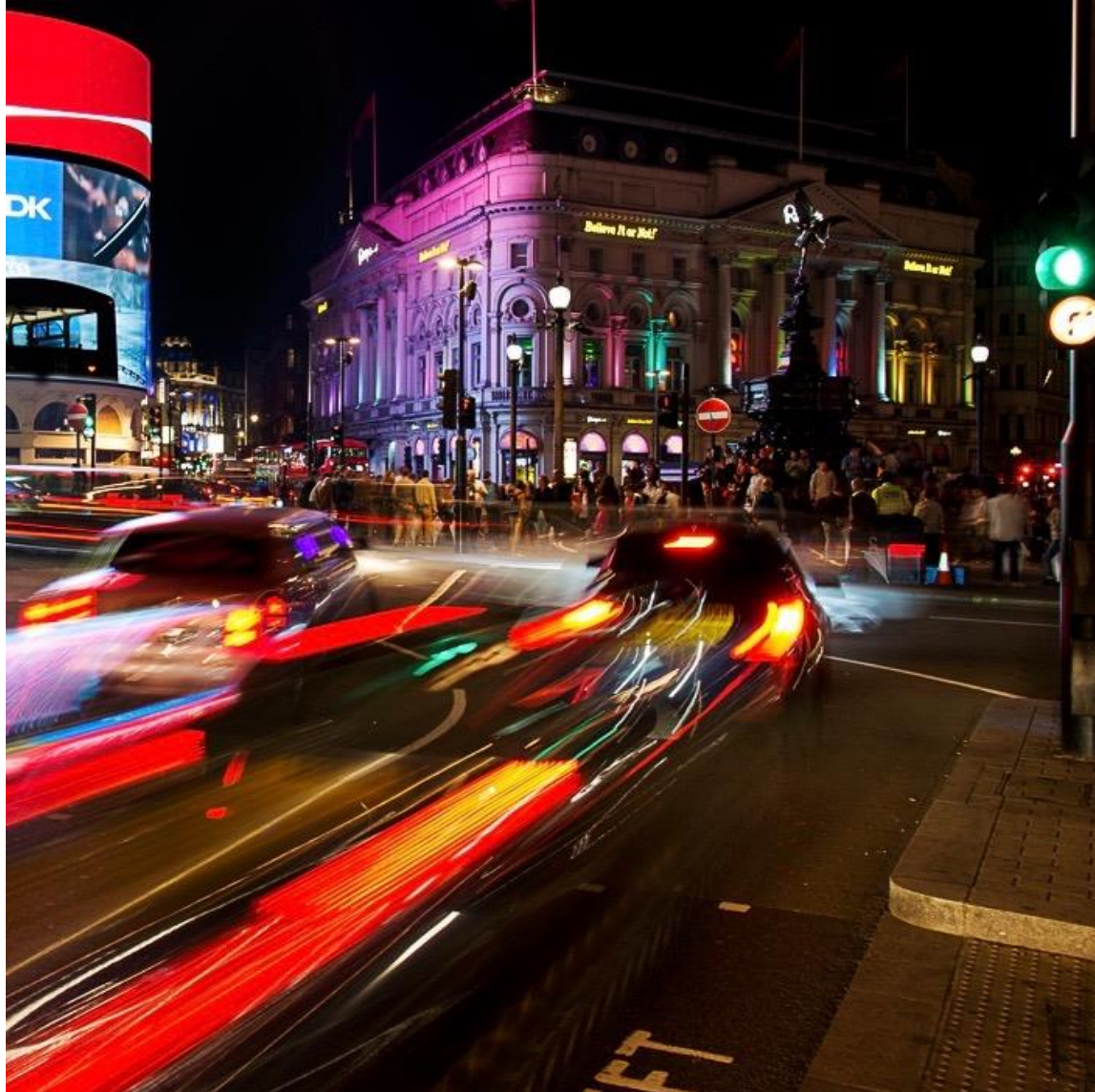




# OUTLOOK

- Strong pipeline of business
- Growing client relationships
- Well placed to capture demand
- Investing in technology innovation
- Fully funded to execute strategy

# Smart Parking | Outlook



“Following the success of our capital raising Smart Parking has begun 2017 **fully funded** and well placed to **execute our growth initiatives** and **capture global demand**.

We look forward to expanding our sales and operational capacity in the UK in order to ramp up the installation of technology for the services business. **The Company has never been in a stronger position and is excited about our pipeline of business.”**

Smart Parking CEO Paul Gillespie





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