



Positioned for continued growth

FY16 Results Presentation

Full year results to 30 June 2016

24 August 2016

Agenda

1. FY16 Highlights

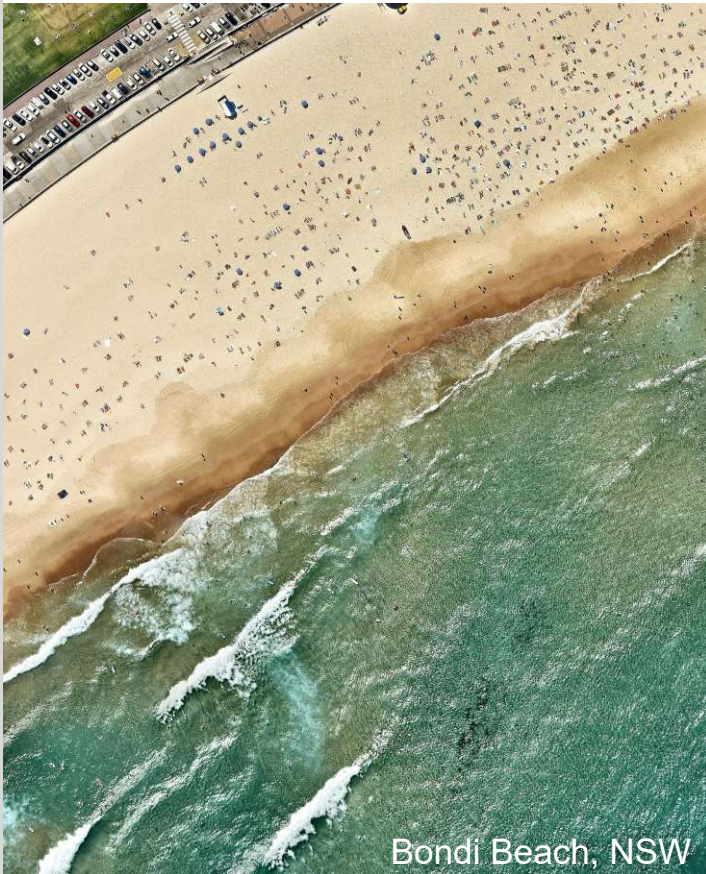
Dr Rob Newman, Managing Director & Chief Executive Officer

2. Financial Overview

Mr Gerhard Beukes, Chief Operating & Financial Officer

3. Outlook and Key Priorities

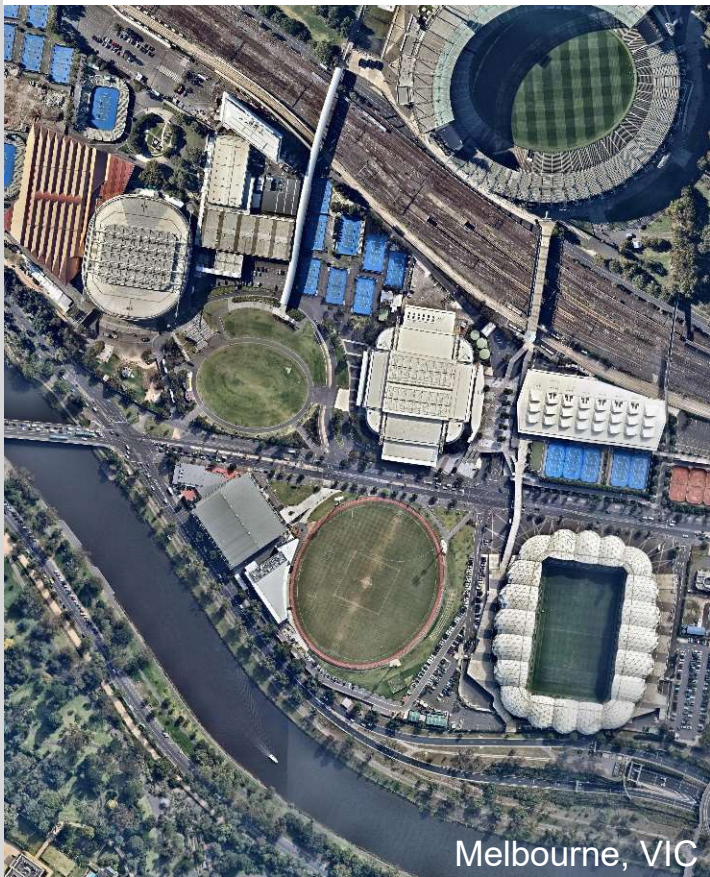
Dr Rob Newman, Managing Director & Chief Executive Officer



Bondi Beach, NSW

FY16 Highlights

Successful delivery on Nearmap's three key priorities for FY16



Accelerated growth in our Australian business



Built the foundations for success in the US



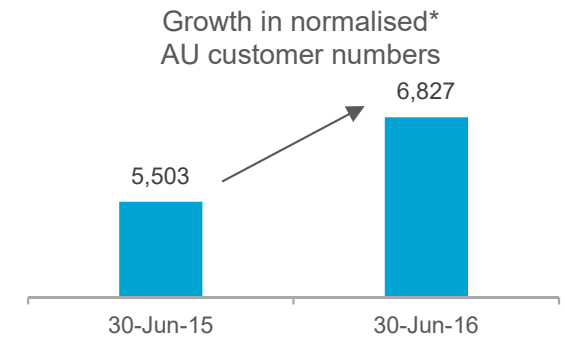
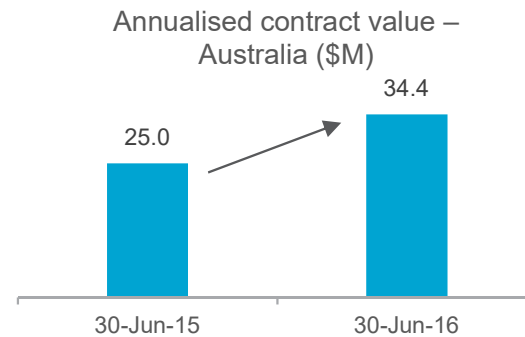
Enhanced our technology leadership

Accelerated growth in our Australian business

The Australian business demonstrated strong growth in customers, revenue and annualised contract value

Key highlights

- ~38% growth in ACV¹ portfolio to \$34.4M
- Estimated lifetime portfolio value¹ of \$338M
- >1,300 additional customers taking total customers >6,800
- Over 50,000 active users

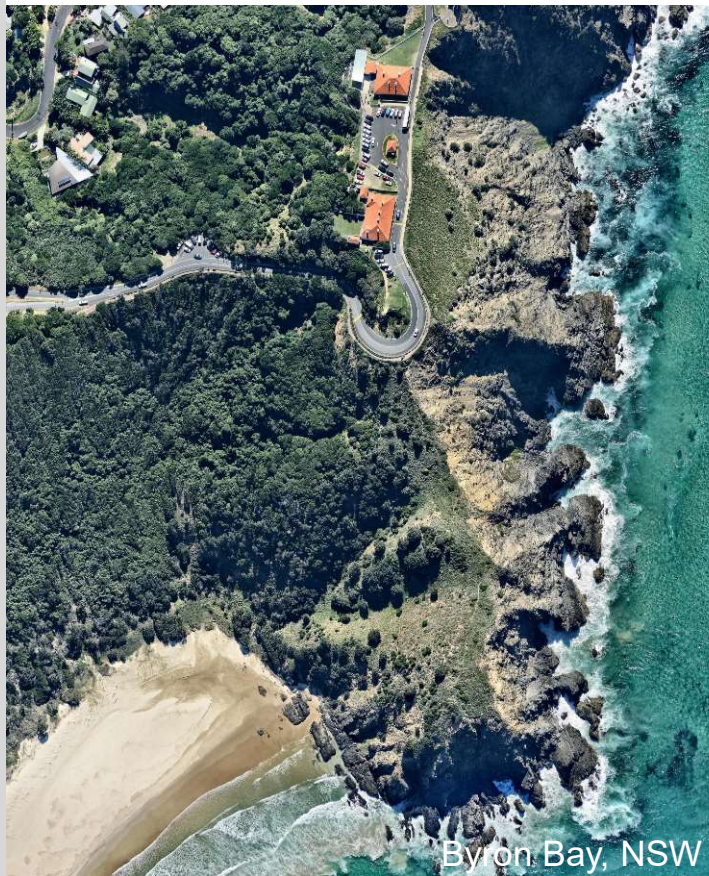


* FY15 closing subscriptions normalised for cessation of personal subscriptions during FY16

¹ Refer Appendix for definitions

Sydney, NSW

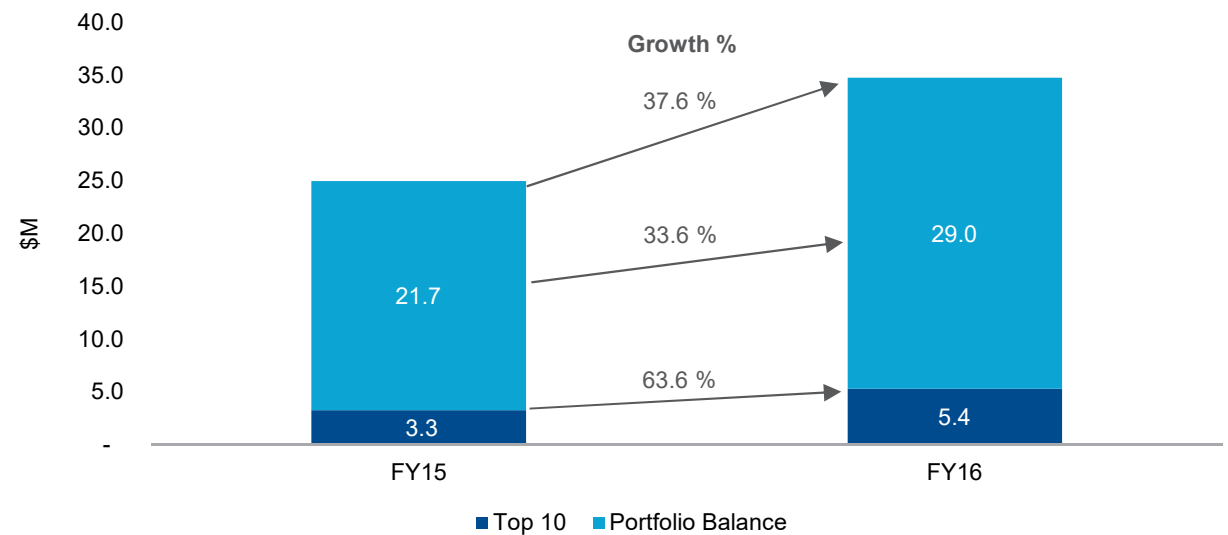
Diverse, growing Australian customer base



Growth in Australia came from new business and existing customers – in a growing market

- Subscription ACV values of Top 10 Australian customers grew by 63.6% yoy
 - Two customers with subscriptions now over \$1M per annum
- Client base is increasingly diverse with top 10 representing ~16% of the total portfolio

AU ACV portfolio composition FY15 to FY16



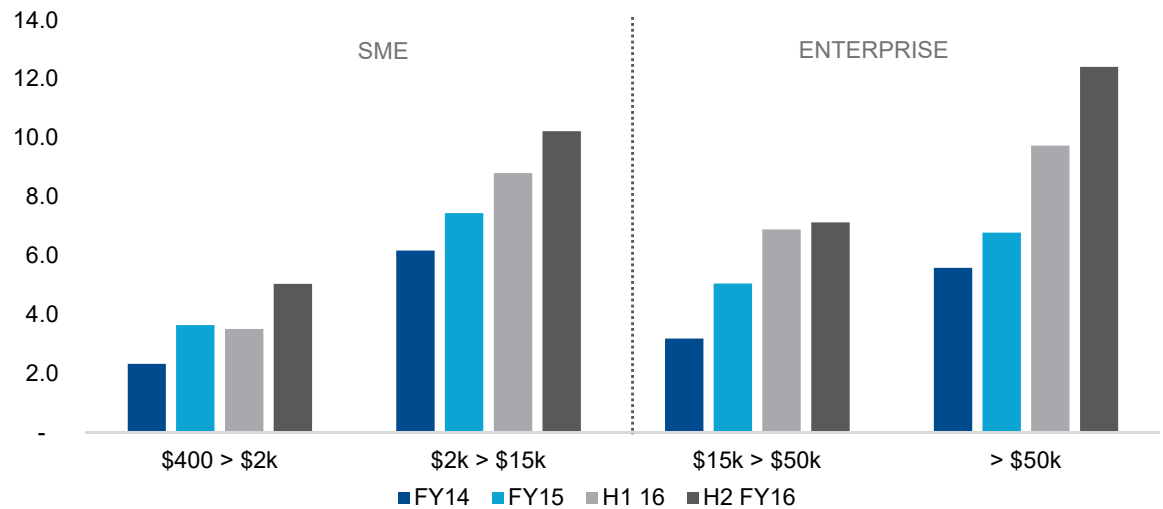
Australian customers growing across the portfolio



Growth in Australian customers came in all subscription size categories

- Nearmap's customer base is increasingly diverse
- Product continues to be valued by a range of different industries and client types
- Growth has been achieved across every segment of the market
- Accelerating revenue growth half-on-half

AU Revenue by subscription size (\$M)

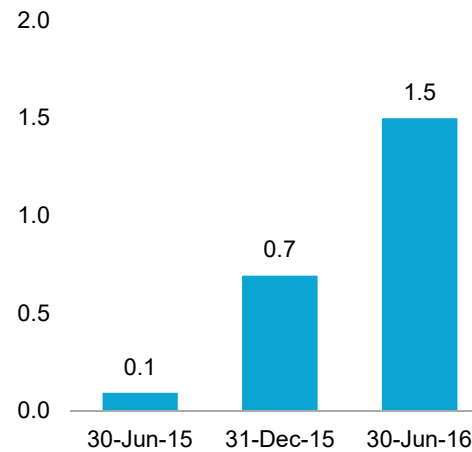


Built the foundations for success in the US

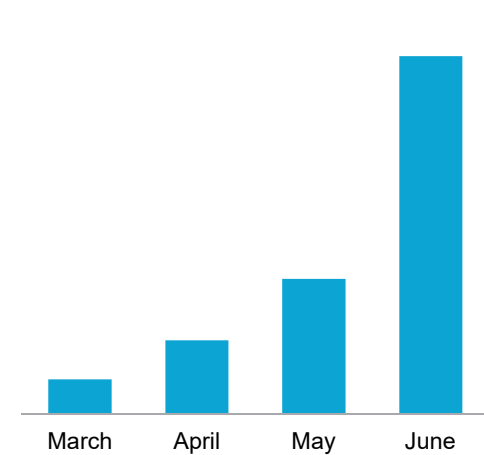
Foundations have been put in place to capture the significant market opportunity provided in the US

- Closing ACV¹ portfolio of US\$1.5M with key customer wins from competitors
- Focused, dedicated US leadership in place with targeted marketing campaigns
- Product enhancements made to deliver richer content: 3D and oblique imagery

US ACV growth (US\$M)



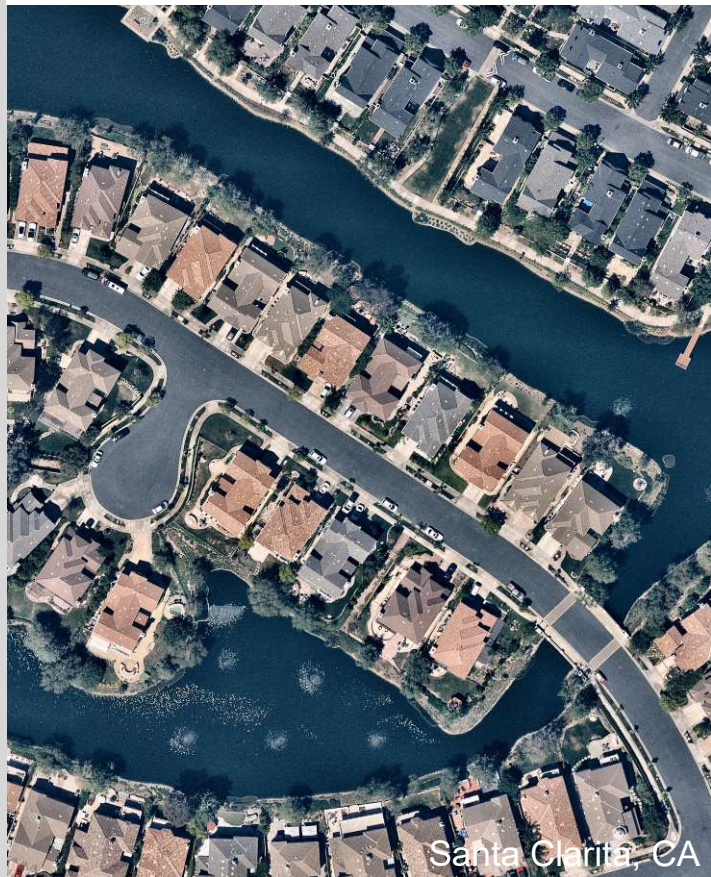
Recent growth in monthly US leads



¹ Refer Appendix for definitions

New York, NY

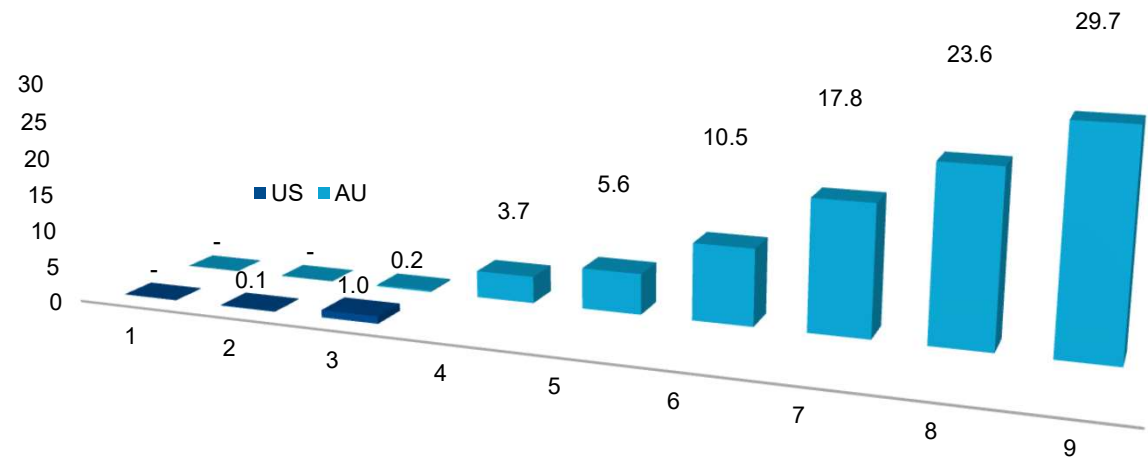
US operations tracking ahead of AU on rebased timescale



Nearmap is in the early stages of exploiting the significant US market opportunity

- Management estimate that the US market opportunity could be 10x Australia
- Comparison to Australia at a similar point in history demonstrates initial progress in US
- Investment in US aimed at exploiting the significant market opportunity

AU to US revenues rebased to first year of capture (\$M)



US revenues converted at actual average financial year exchange rates

Technology leadership enhanced

Enhanced technology and product capability deliver a platform for growth



Leading content

- State of the art camera systems including HyperCamera2
- HyperCamera2 launched in April 2016
- Significant coverage of Australia and US population



Proprietary software

- Proprietary collection, processing and stitching software
- Unique IP providing market leading product



Subscription access

- Cloud based storage of full library of location content
- Instant access to subscription content
- New content delivered within days of capture



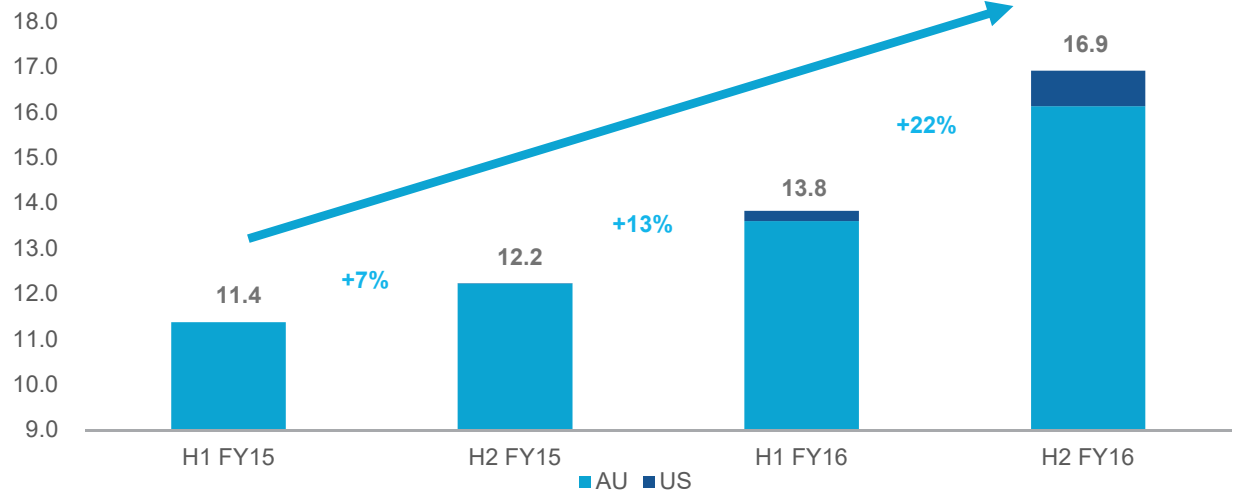
Las Vegas, NV

Financial Update

Revenue has shown growth accelerating over the last 4 consecutive halves

- Accelerating AU revenue growth half-on-half
- US business growing half-yearly contribution to group revenue

Group half yearly revenue* (\$M)



* Excluding interest, tax and government grants

Lennox Head, NSW

Financial Update

Strong revenue growth was coupled with a return to positive EBITDA in H2 FY16

- Revenue growth of 28.8% year-on-year
- Disciplined cost management in H2 FY16 with expenses down on H1 FY16
- Continued investment in sales and marketing expected to drive further revenue growth

Summary P&L (\$M)

Group P & L	H1	H2	FY15	H1	H2	FY16
Revenue ¹	11.7	12.6	24.3	14.1	17.2	31.3
<i>Growth on pcp (%)</i>	48.1%	26.0%	35.8%	20.5%	36.5%	28.8%
Gross Profit	10.0	10.1	20.1	11.3	14.2	25.5
<i>Gross Margin (%)</i>	85.5%	80.2%	82.7%	80.1%	82.6%	81.5%
Expenses ²	9.2	12.5	21.7	15.9	14.1	30.0
EBITDA ²	1.8	(0.9)	0.9	(2.0)	2.6	0.6
<i>EBITDA (%)</i>	15.4%	(6.3)%	4.1%	(14.2)%	15.1%	2.8%
EBIT ²	0.5	(2.7)	(2.2)	(4.7)	(0.3)	(5.0)
<i>EBIT (%)</i>	17.1%	N/A	N/A	N/A	N/A	N/A
(Loss)/Profit After Tax	0.3	(1.1)	(0.8)	(3.3)	(3.8)	(7.1)

¹ Excludes receipt of government tax refund of \$1.8M in 2H 15

² Excludes impact of FX

Wickham NT

Positive operating cash flow

Receipts from customers grew 38% in FY16

- Receipts from customers consistently increasing over last 4 halves
- Cash receipts in excess of revenue reflecting subscription nature of business model
- Disciplined cost management remains a key focus

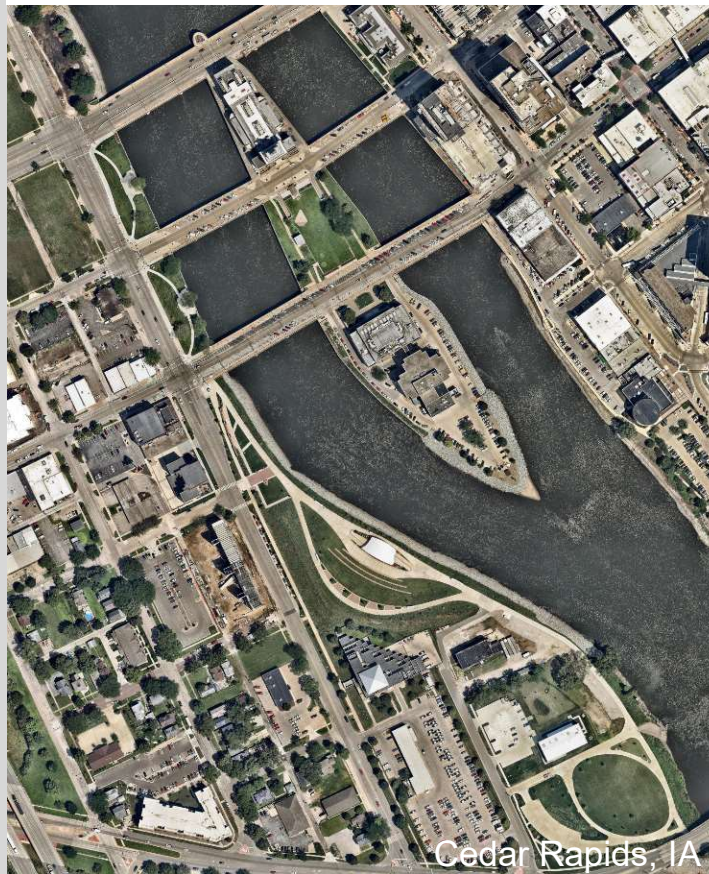
Summary cash flow statement (\$M)

Group	H1	H2	FY15	H1	H2	FY16
Receipts from Customers	11.5	15.4	26.9	17.0	20.3	37.3
Payments to Suppliers & Employees	(10.4)	(16.6)	(27.0)	(19.3)	(19.4)	(38.7)
Operating Cash flows	1.4	(1.3)	0.1	0.2	1.1	1.3
Investing Cash flows	(3.5)	(3.6)	(7.1)	(3.8)	(3.6)	(7.4)
Financing Cash flows	0.4	0.1	0.5	0.6	0.4	1.0
Net Decrease in Cash	(1.7)	(4.8)	(6.5)	(2.9)	(2.2)	(5.1)
Net Cash at Period End	21.8	17.2	17.2	14.4	12.2	12.2

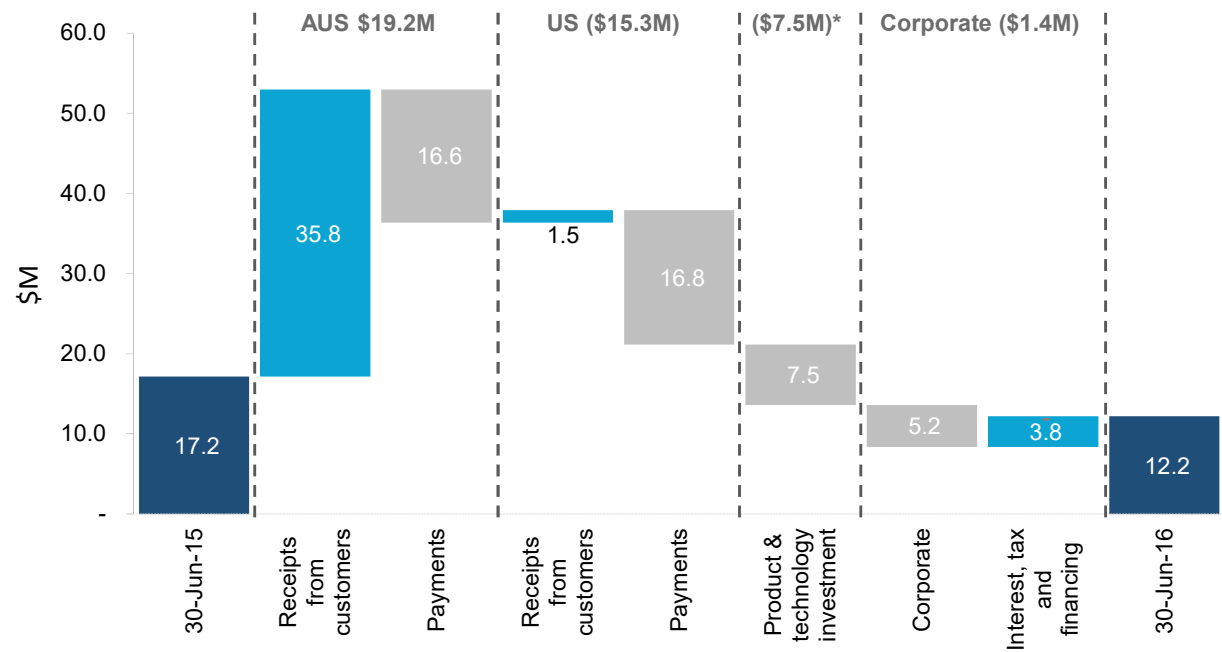
Callemondah, QLD

Cash flow waterfall

Strong Australian cash flow generation supports the US during its investment phase



Nearmap's cashflow FY16



* \$7.5M relates to investments in product and technology

Continued revenue and EBIT growth in Australia

The FY16 Australia result demonstrates the operating leverage of a subscription based business model

- Australian revenue +25.8% year-on-year
- Increase in gross margins to 91.3% in H2 FY16 (vs. 86.9% in H2 FY15)
- Increase in EBIT margins to 59.0% in H2 FY16 (vs. 51.6% in H2 FY15)

P&L Summary – Australia (\$M)

AUD\$M	H1	H2	FY15	H1	H2	FY16
Total revenue	11.4	12.2	23.6	13.6	16.1	29.7
Revenue growth (%)	44.3%	22.0%	32.6%	19.3%	32.0%	25.8%
Gross Profit	10.1	10.6	20.7	12.3	14.6	26.9
Gross Margin (%)	88.6%	86.9%	87.7%	90.4%	91.3%	90.6%
Sales & Marketing	(2.9)	(3.0)	(5.9)	(3.7)	(4.1)	(7.8)
Overheads	(1.4)	(1.4)	(2.8)	(1.5)	(1.2)	(2.7)
EBIT	5.8	6.3	12.1	7.0	9.5	16.5
EBIT Margin (%)	50.9%	51.6%	51.3%	51.5%	59.0%	55.6%

Increased US contribution is encouraging

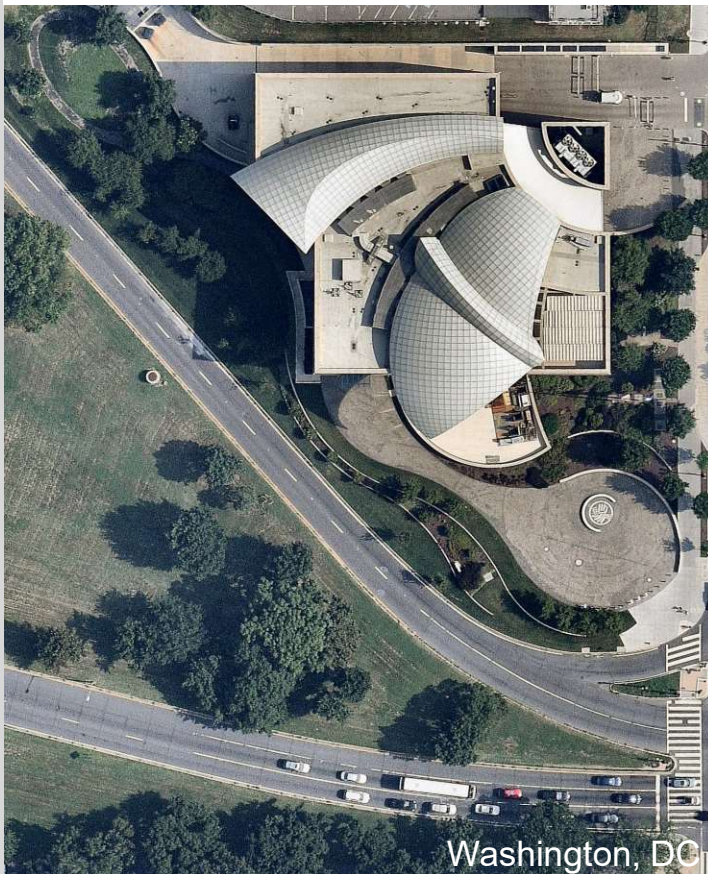
Restructured sales and marketing leadership in H2 driving strong US revenue growth

- Revenue increase between H1 and H2 supported by good client wins
- Restructured sales and marketing leadership in H2
- Investment made positions the Company well to exploit market opportunity

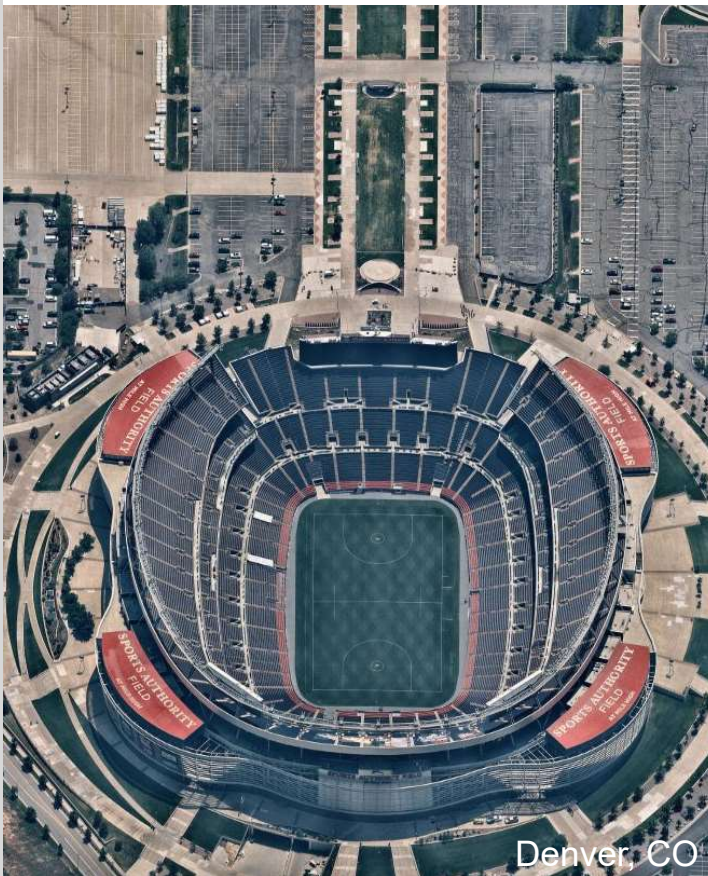
P&L Summary – US (\$M)

AUD\$M	H1	H2	FY15	H1	H2	FY16
Total Revenue	–	*	*	0.2	0.8	1.0
Gross Profit	(0.4)	(0.9)	(1.3)	(1.2)	(0.8)	(2.0)
Sales & Marketing	(0.2)	(1.8)	(2.0)	(3.5)	(2.3)	(5.8)
Overheads & Regional Support	(1.4)	(1.9)	(3.3)	(2.2)	(2.0)	(4.2)
EBIT	(2.0)	(4.6)	(6.6)	(6.9)	(5.1)	(12.0)

* Less than \$50k



Continued investment in Product & Technology

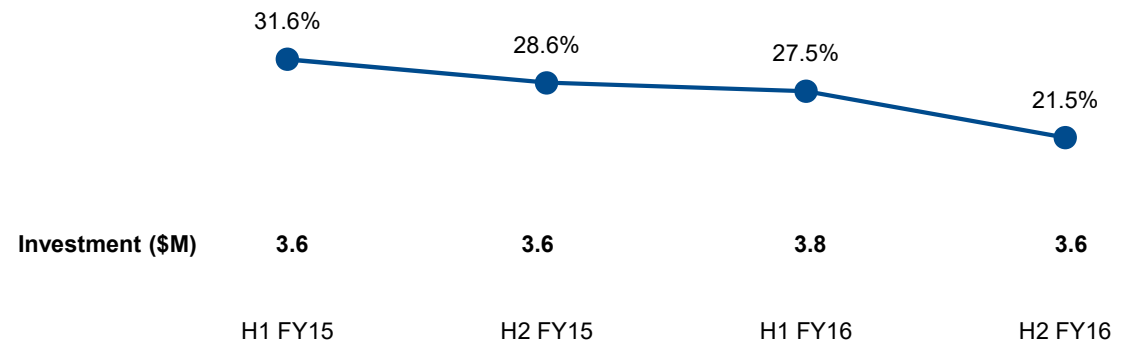


Product and technology leadership remains critical to maximise the opportunity in all markets

Product & Technology investment is directed at:

- Expanding addressable market
- Higher efficiency in capture program
- Growing the product suite to increase revenue per subscription
- Platform scalability to drive growth in customer usage

Product and technology as a % of revenue



Strong balance sheet

Net cash of \$12.2M at year end

- Business remains well funded with \$12.2M of cash at year end
- Continued growth in unearned income reflecting strength of business model
- Balance sheet supported by future revenue growth and cost discipline

Summary Balance Sheet (\$M)

AUD\$M	H2 15	H1 16	H2 16
Cash	17.2	14.4	12.2
Other current assets	7.8	6.1	6.1
Total assets	45.4	43.3	44.3
Unearned Income ¹	(15.7)	(17.7)	(18.9)
Other current liabilities	(4.4)	(5.0)	(4.1)
Total liabilities ²	(22.8)	(22.8)	(25.8)
Net assets	22.6	20.5	18.5

¹ Represents sales to be recognised as accounting revenue over time

² No debt

Arlington, VA

Nearmap – bringing the real world to you

Nearmap's key priorities in FY17 build on the initiatives and progress achieved in FY16



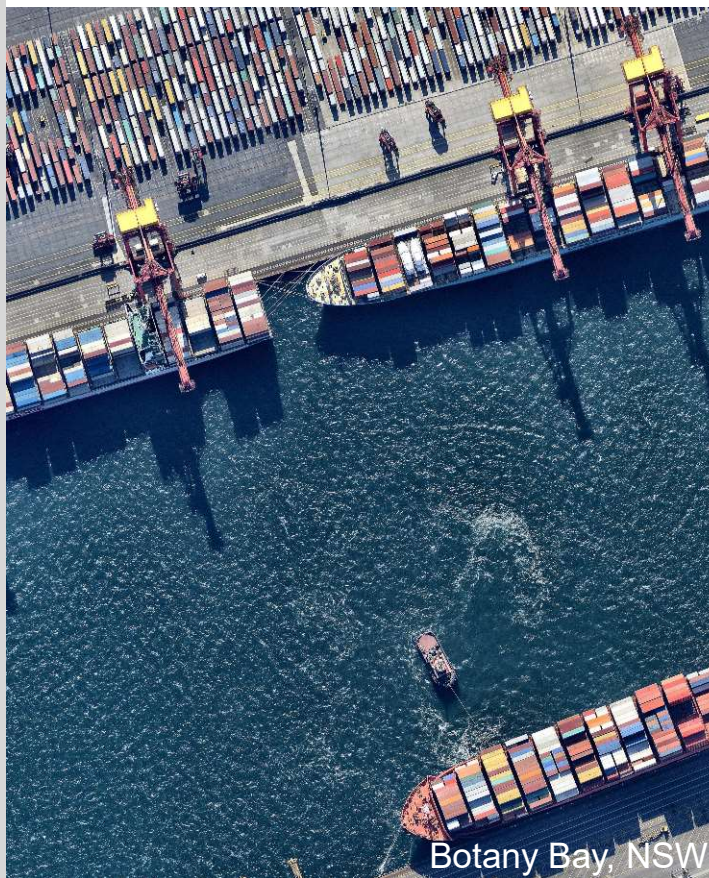
Continued growth in Australia



Drive strong growth in the US



Leverage Nearmap's location content as core to rapidly emerging markets

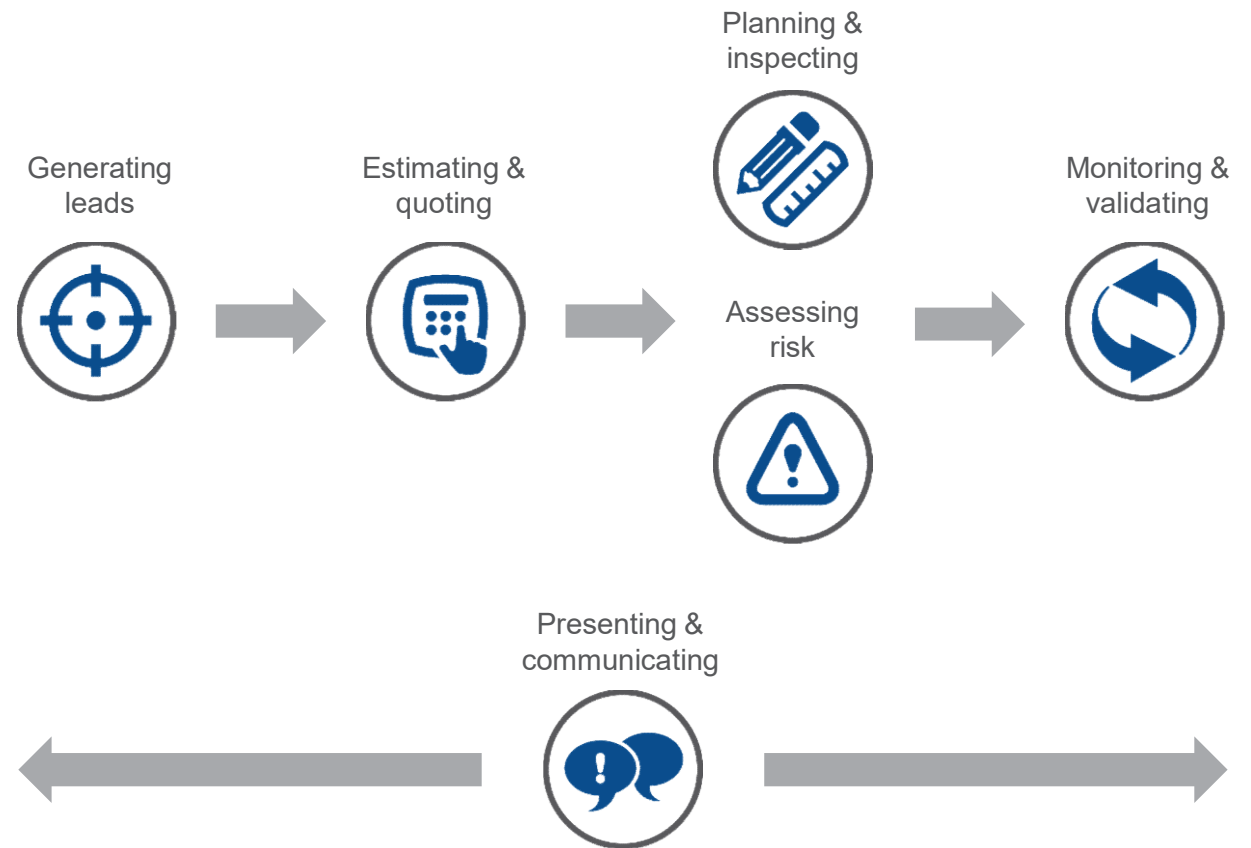


Botany Bay, NSW

Continued growth in Australia



Unique content and delivery system and compelling value proposition, addressing key customer business needs

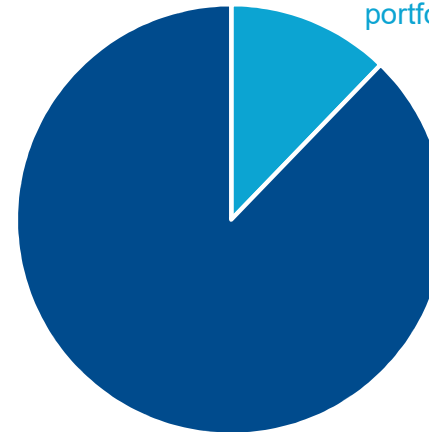


Significant market opportunity in Australia

A significant Australian market opportunity remains to be addressed based on our current product¹

- Significant opportunity for further growth in Australia identified
- Current ACV represents <15% of overall market opportunity
- Strategies in place to continue growth of Australian business

Current Australian ACV portfolio \$34.4M



Estimated Australian market size for Nearmap's current product \$250–300M



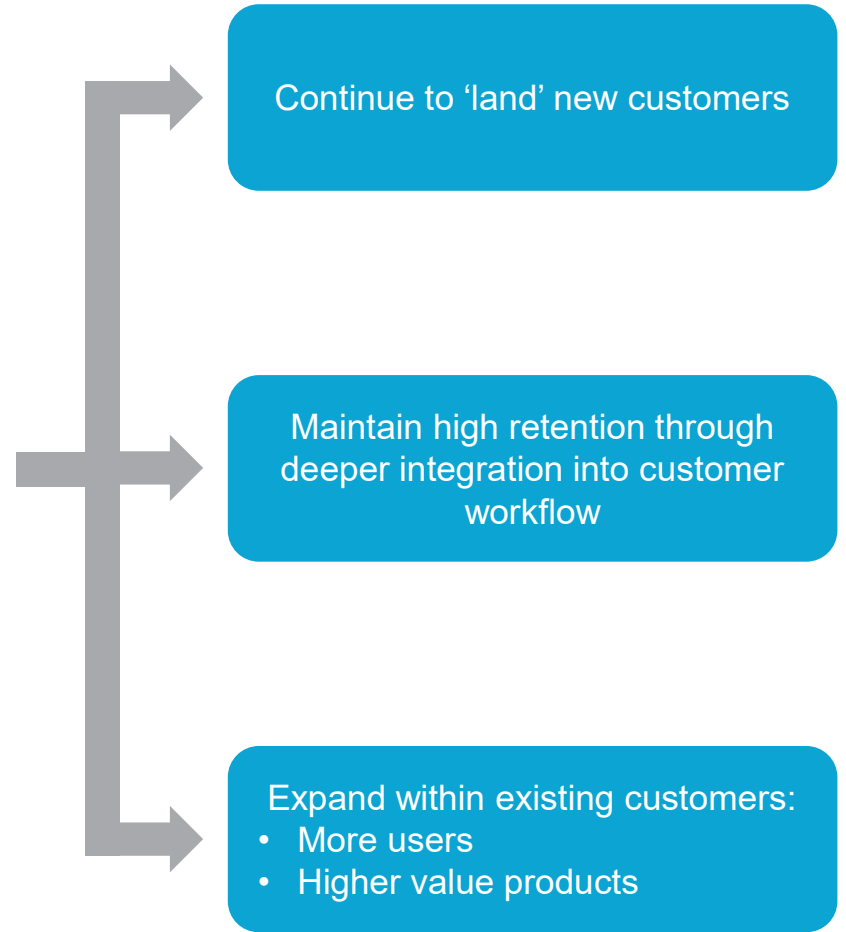
¹ Estimate based on internal research and external analysis

(Transparency Market Research "Aerial Imaging Market: Global Industry Analysis, Size, Share, Growth, Trends and Forecast, 2015-2023", IBIS World Industry Report M6922 "Surveying and Mapping Services in Australia")

Maintain leadership and reach more of the addressable AU market



Grow our subscription business



Continue to 'land' new customers

Maintain high retention through deeper integration into customer workflow

Expand within existing customers:

- More users
- Higher value products

Large US market opportunity to be tapped

The market opportunity in the US is estimated to be in the order of 10x larger than Australia

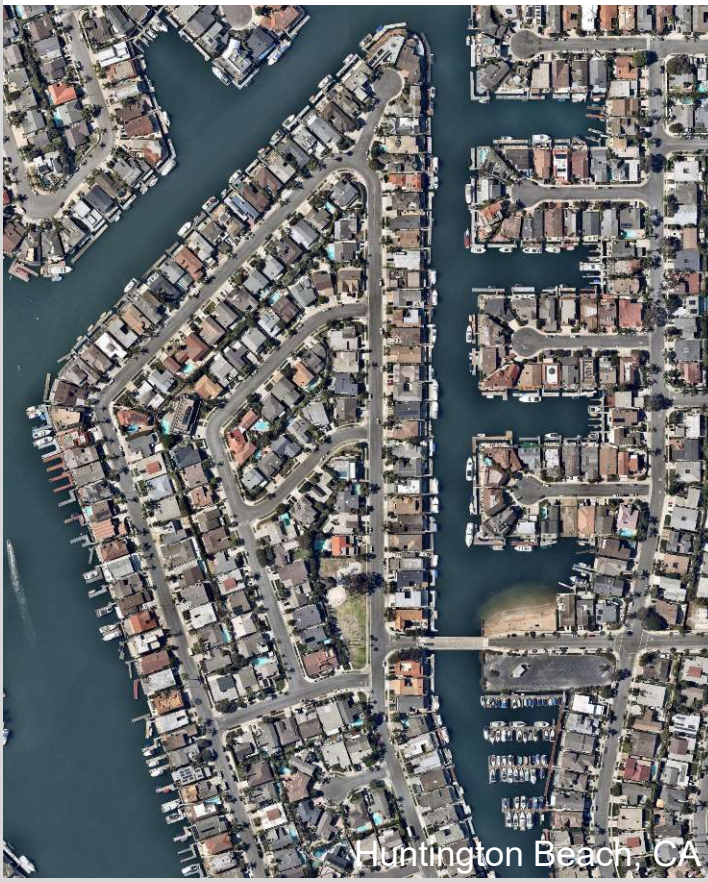
- Substantially larger scale of population, households and businesses
- Targeted marketing and direct sales approach to exploit opportunity
- Investment in US market being made to capture market potential

Market size metrics

	AU	US	Multiple
Nearmap coverage – population	20M	190M	9.5x
Nearmap coverage – households	7M	60M	8.6x
Number of businesses	2.1M	30M	14.3x

Piedmont, SC

Drive strong US growth through targeted marketing and direct sales plus...

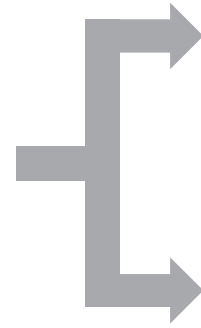


Marketing focus on:



Key vertical industries

Direct sales focus to:



Landing competitor accounts

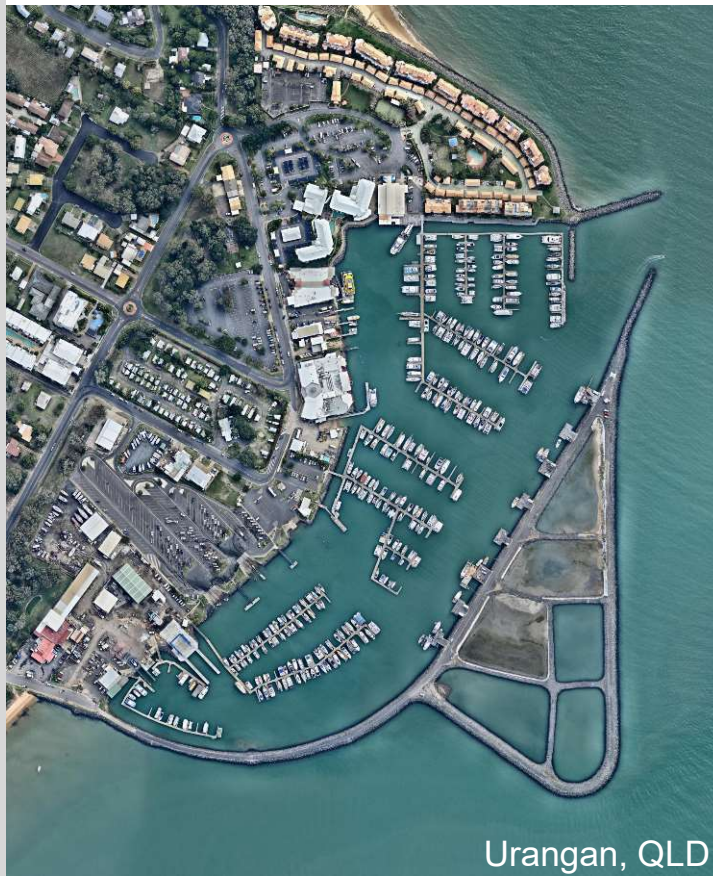
Reach new customers

Which establishes the base of customers to:



Allow expansion over time

...leveraging partners to broaden our channel



Urangan, QLD



Water management



Insurance



Automated quoting



Nearmap – a critical tool for our customers and partners



Partners broaden the reach and value of Nearmap's location content



*"The Nearmap agreement gives our subscribers **unprecedented insight and clarity**. Our land classification accuracy averages between 95 – 99%, but requires **extremely high-resolution imagery** to highlight property details."*

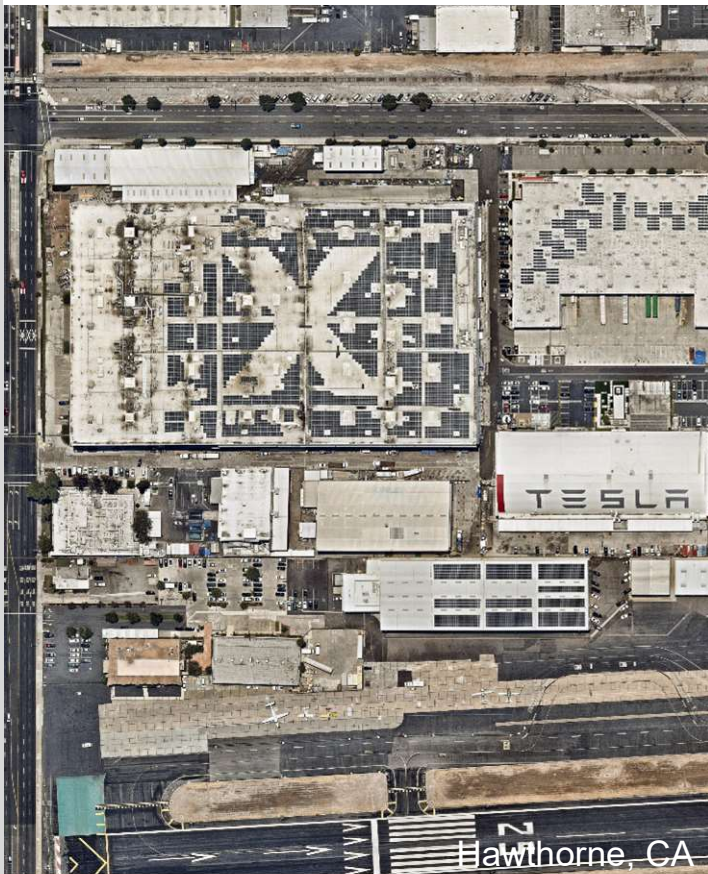


*"Nearmap's high quality aerial imagery is a **critical ingredient** in TomTom's recipe for delivering the most up-date and accurate maps. Today's maps are expected to not only **provide real-time location information** but also to **enable autonomous driving functionality** in the very near future. With this expectation, it is important for TomTom to source highly accurate information from suppliers like Nearmap."*



*"Climbing up to take measurements increases the time it takes to complete a site estimate... At nearly \$300 per estimate, this is frankly expensive. We felt there had to be a better way." **With Nearmap, the volume of estimates has increased 8 times with an 83% reduction in costs***

Nearmap – a critical tool for rapidly emerging markets



TomTom Transportation management
Driverless cars /
Ride sharing / Traffic

Cardno Built environment & asset management
Shaping the Future Planning Monitoring

Big data
Automated Assessment
Ad Tech

Renewable energy & resource management
Australian Government
Clean Energy Regulator | BLUE RAVEN SOLAR

Change detection

Object classification

Automated quote and assessment
FOLSOM LABS ROOFSNAP



Location content

Artificial intelligence tools

Concluding Remarks

Nearmap is well positioned for continued growth across both of its key markets

Delivered on H2 FY16 goals:



Accelerated growth in our Australian business



Built the foundations for success in the US



Enhanced our technology leadership

FY17 focused on balancing growth with disciplined cost management



Continued growth in Australia



Strong growth in the US



Leverage Nearmap's location content as core to rapidly emerging markets

Cupertino, CA

Appendix – Definitions

- **ACV**
Annualised Contract Value = annualised value of all active subscription contracts in effect at a particular date
- **Lifetime Portfolio Value**
Lifetime Portfolio Value = $(\text{ACV Portfolio} \times \text{Gross Margin } \%) / \text{Churn } \%$

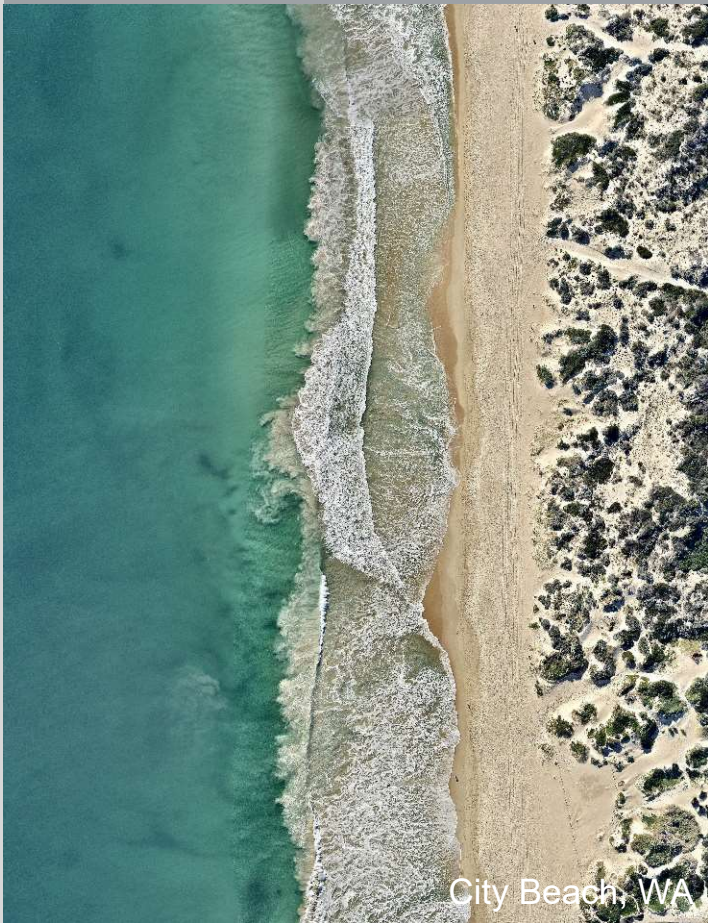


Appendix – Reconciliation to statutory financial information



Reconciliation of statutory net profit / (loss) after tax to EBITDA (\$M)

AUD\$M	H1	H2	FY15	H1	H2	FY16
Net profit / (loss) after tax	0.3	(1.1)	(0.8)	(3.3)	(3.8)	(7.1)
Income tax	0.4	1.0	1.4	(0.6)	3.0	2.4
R&D tax rebate	-	(1.8)	(1.8)	-	-	-
Interest Income	(0.3)	(0.3)	(0.6)	(0.2)	(0.2)	(0.4)
FX	0.1	(0.5)	(0.4)	(0.6)	0.7	0.1
EBIT	0.5	(2.7)	(2.2)	(4.7)	(0.3)	(5.0)
Depreciation & Amortisation	1.3	1.8	3.1	2.7	2.9	5.6
EBITDA	1.8	(0.9)	0.9	(2.0)	2.6	0.6



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