

ASX release

29 March 2017

NEARMAP BUSINESS UPDATE – SIGNIFICANT GROWTH IN BOTH KEY MARKETS WITH RECORD QUARTER OF US INCREMENTAL ACV

Nearmap Ltd (ASX: NEA) is pleased to provide the market with a general update on trading performance in the second half of FY17.

Group

Each of Nearmap's key operating metrics have demonstrated further strong progress during Q3 of FY17:

- **Annualised Contract Value (ACV)** – Nearmap is on track to record its strongest trading quarter in the financial year-to-date with the addition of \$3m of incremental ACV. The strong results were delivered by the Australian and US businesses, both of which grew incremental ACV ahead of their H1 run rate.
- **Sales Productivity** – Group sales productivity (as measured by the sales contribution ratio) grew to greater than 100% in both Australia and the US – each dollar spent in direct sales and marketing returned more than one dollar of incremental ACV.
- **Customers / Average Revenue Per Customer** – ACV growth was driven by increases in customer numbers (from new customer acquisition and upsell to the existing customer base) and ARPC.
- **Revenue / Gross Margin** – Revenue has grown consistent with ACV, with gross margins consistent with those reported in the half year results, further demonstrating the scalability of the Nearmap business model.

We reaffirm our FY17 EBITDA guidance of \$4.5-6.5m.

Dr Rob Newman, CEO and Managing Director, commented "These results are very pleasing and demonstrate that Nearmap is executing on its priorities. We continue to experience significant growth in both our key markets, with momentum in the US clearly building, and we have the resources in place to continue to deliver strong growth".

United States

The US business posted another record trading quarter, with Q3 of FY17 recording its first USD\$1.0M incremental ACV quarter since operations commenced. This is a major milestone for the US business as it builds a scalable platform for continued future growth.

Nearmap's growing influence as a key player in the aerial imagery market was recognised at the 2017 Esri Partner Conference in Palm Springs, USA in March, with the Company receiving the Best New Content Partner Award for excellence in content delivery by a partner that has been in the Esri Partner Network for two years or less.

Australia

Growth in Australia accelerated, with incremental ACV in H2 tracking ahead of H1 run rate. This reflects the effectiveness of the Australian sales operations and the benefits of a number of recently instituted marketing initiatives.

The Company has built a strong sales and marketing platform. We thank John Biviano for his contribution to the business, noting he has left Nearmap to pursue new opportunities. We welcome Shane Preston, Vice President of Sales - Australia, to the business in March. Shane brings with him a wealth of experience in high growth and subscription businesses, and will be focused on continuing to penetrate the significant

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addressable market in Australia. Nearmap is also in the process of recruiting a new Vice President of Marketing – Australia to bring increasing sophistication to our marketing initiatives.

Upcoming Conference Presentations by Nearmap

Further updates on performance and outlook will be provided at the upcoming Goldman Sachs and Macquarie investor conferences:

- Goldman Sachs 8th Annual Small & Mid-Cap Conference, Sydney 27 – 28 April 2017
- Macquarie Securities Australia Conference, Sydney 2 – 4 May 2017

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Nearmap Brings the Real World to You

We capture, manage and deliver the most frequently-updated location content in the world, allowing businesses and governments to explore their environment easily. With Nearmap, organisations unlock opportunities that consistently inform decision making and transform the way they work. Delivered within days of capture, our imagery is much higher resolution than satellite imagery and shows changes over time. Nearmap helps users save time and money, reduce site visits and make better informed decisions with current, clear imagery.

Nearmap is delivered through our web-based MapBrowser or accessed via third party applications.

Further Information

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