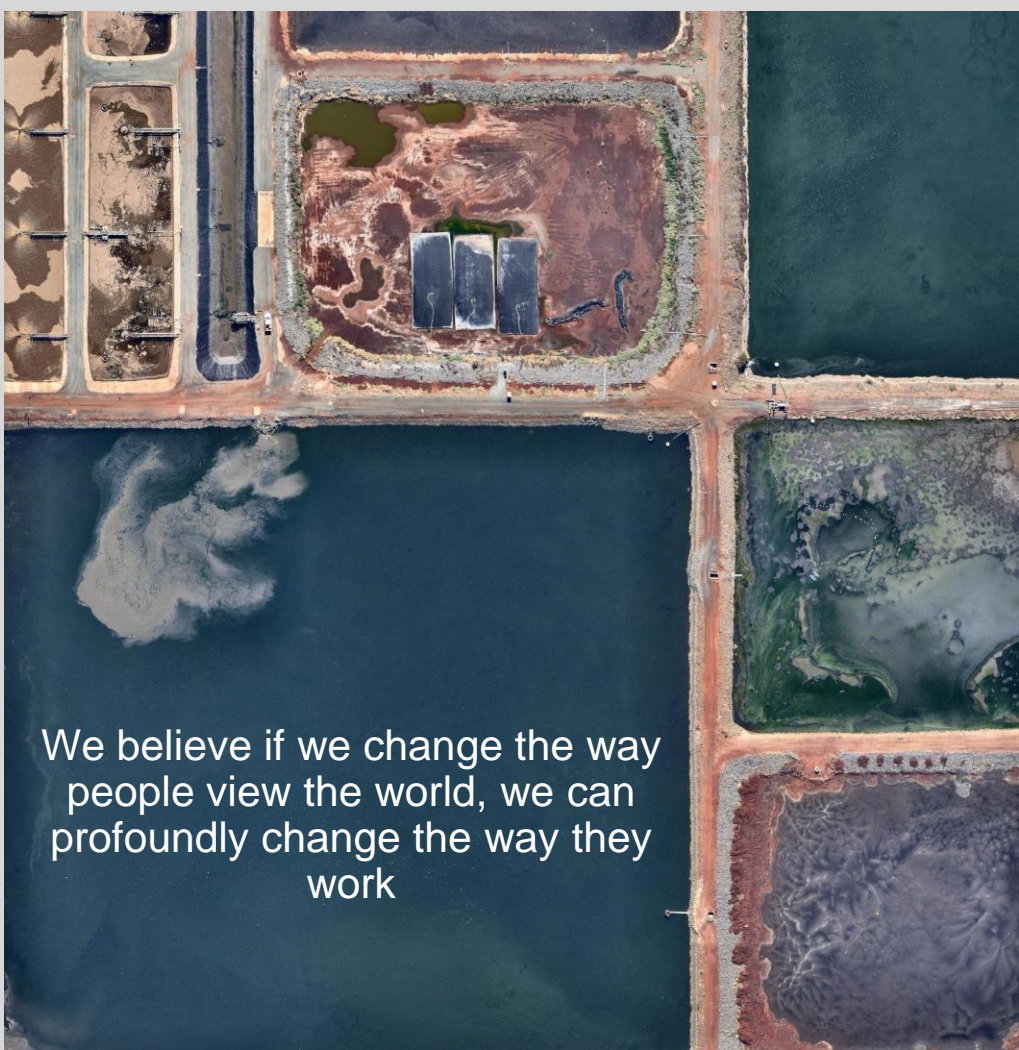




**Bringing the real world to
you**

**Investor Briefing
Full year results to 30 June 2017**



We believe if we change the way
people view the world, we can
profoundly change the way they
work

FY17 in Review

Dr Rob Newman
Managing Director and
Chief Executive Officer



A year of significant progress, with broadened market leading products and an accelerating US subscription base



Expanded product suite

Designed and deploying market leading imaging technologies to drive new growth opportunities



Australia strengthened

Growth opportunity strengthened under new strategic sales and marketing leadership



US entering next stage

Solid operational base and accelerating subscriptions – US business entering next stage of growth as new product suite deployed



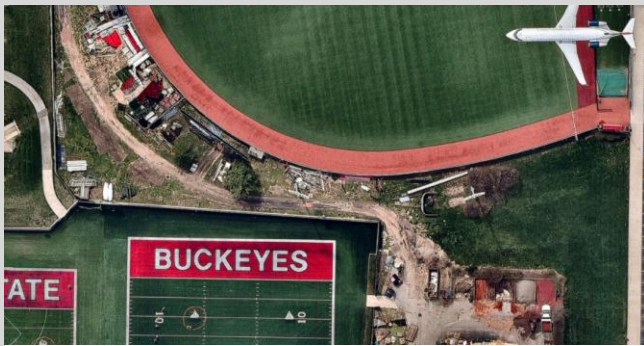
Well placed to fund growth

Australian free cash flows continue to self-fund US investment as capital raise proceeds fund technology investment



Delivery on key metrics

29% ACV portfolio growth and EBITDA guidance delivered



Product expansion from traditional 2D imagery to obliques – which enable new 3D products

Obliques captured and delivered

- HyperCamera2 systems manufactured and in production
- Capture program delivering oblique imagery
- Oblique images will enable derivative 3D products to complement existing 2D imagery

Expanded capture footprint

- Australian capture footprint expanded to areas of urban development at metropolitan fringes and increased frequency in regional centres
- US capture frequency increased through addition of HyperCamera2 captures
- Initial pilot capture of New Zealand

Product delivery enhancements

- Delivered platform for scalable growth in product delivery and customer experience
- Built foundation for delivery of higher value products



Investment in people, building skill set to support growth



Enhanced AU sales and marketing

- Restructured team to facilitate future growth
- Commencement of new Vice President of Sales and Vice President of Marketing



Scaling US sales and marketing

- Recruitment of senior roles from key US competitors
- Increased US headcount as the efficiency of the US sales and marketing operation has scaled



Product and technology expertise

- Addition of product and technology skill sets
- Recruitment and development of in-house capabilities to enhance value of Nearmap content



29% growth in Group ACV portfolio

- ACV growth of 29% on FY16 driven by portfolio expansion in both Australia and the United States
- US portfolio has grown to USD\$5.3M at 30 June 2017, representing 15% of Nearmap's total ACV portfolio
- FY17 net upsell of \$5.5M follows a strong FY16 which included right-sizing many customers and material enterprise upsells
- Group ACV churn fell from 13% to 10% reflecting the increasing value being derived from our product by our customers



\$47.0M

Group Annualised Contract Value (ACV)¹
29% growth on pcp¹

=



7,832

Subscriptions globally
9% growth on pcp¹

X



\$5,996

Group Average Revenue per Subscription (ARPS)¹
18% growth on pcp¹

Group ACV Portfolio Movement FY16 and FY17

	ACV (AUD\$M)	
	FY16	FY17
Opening ²	24.2	36.4
New Business	7.9	8.9
Net Upsell	7.5	5.5
Churn	(3.2)	(3.8)
Net Incremental	12.2	10.7
Closing	36.4	47.0
Churn %	13%	10%
Group Portfolio LTV	223.9	365.5

1. Refer Appendix

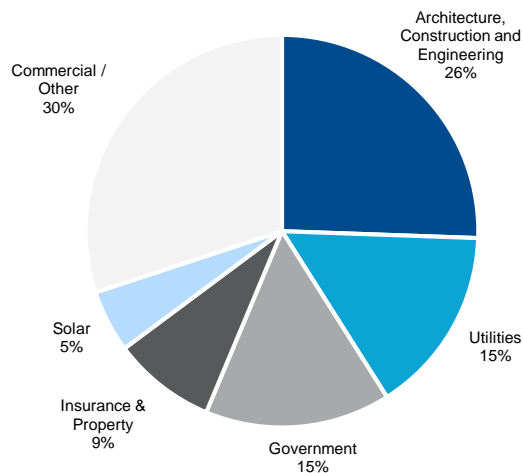
2. Adjusted for AU personal subscription account products which ceased during FY16



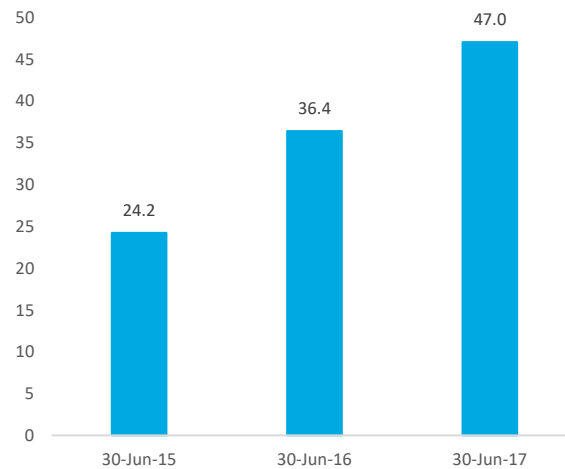
Customers cover a wide and expanding range of industries and use cases, supporting continuing portfolio growth

- The Group subscription portfolio is diversified across a range of industries with the largest – Architecture, Construction & Engineering – representing 26%.
- Other focus sectors include Utilities, Government, Insurance & Property, and Solar.

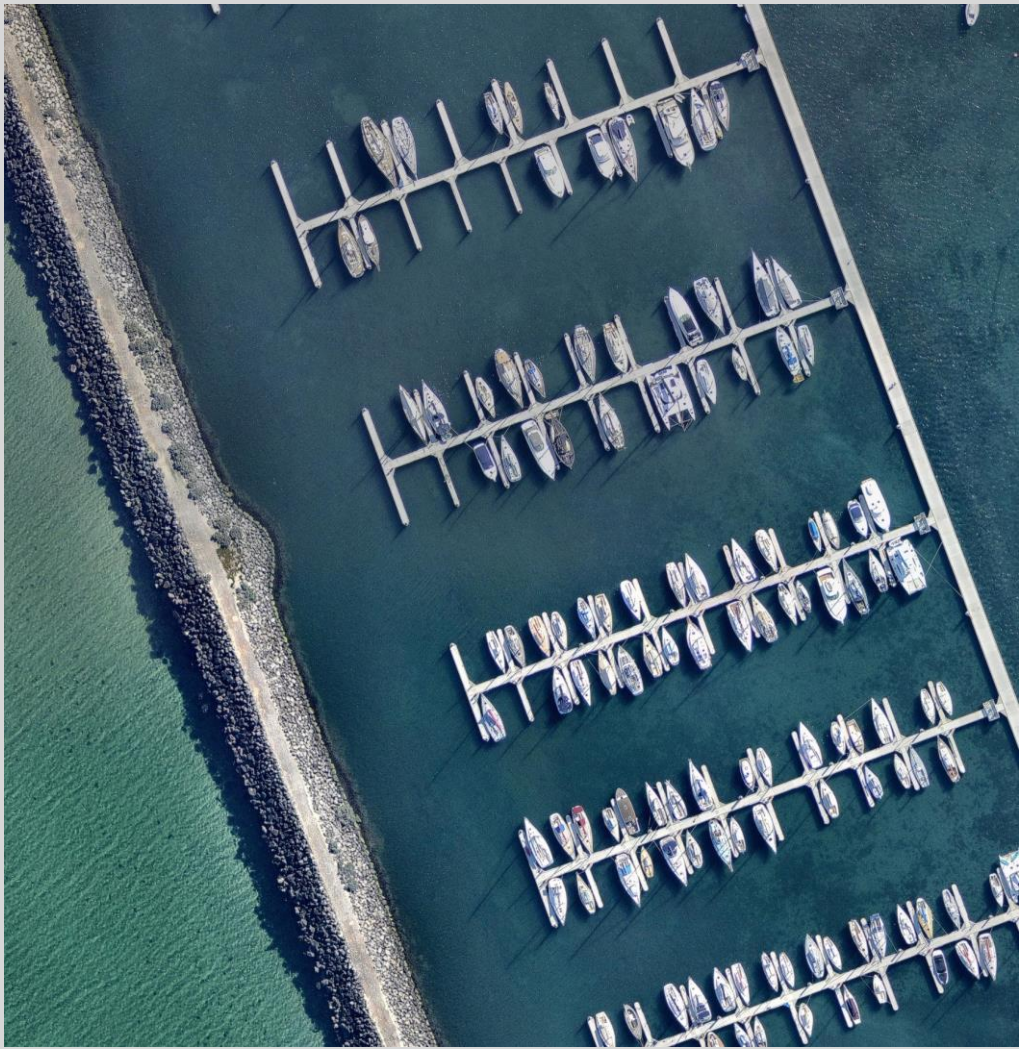
Group ACV portfolio by industry (%)



Group ACV growth (AUD\$M) ¹

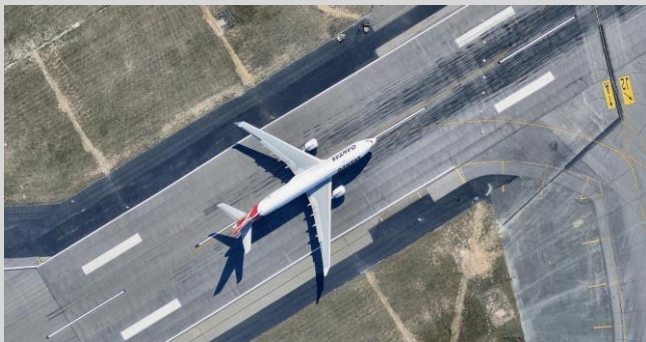


1. Adjusted for AU personal subscription account products ceased during FY16



FY17 Financial Overview

Mr Andy Watt
Chief Financial Officer



31% revenue growth and increasing operating leverage



31%

Growth in Group Revenues



>80%

Group Gross Margin



>90%

Group Sales Team Contribution Ratio²



13%

Growth in Group expenses



\$6.0M

EBITDA



\$28.3M

Closing Group cash

Summary P&L (\$M)

AUD\$M	FY16	FY17	Change %
Revenue	31.3	41.1	31%
Gross Profit	25.4	33.0	30%
Gross Margin (%)	81%	80%	(1%)
Expenses ¹	30.0	34.0	13%
EBITDA ¹	0.6	6.0	852%
EBITDA (%)	3%	15%	
EBIT ¹	(5.0)	(1.4)	
(Loss) After Tax	(7.1)	(5.3)	

¹ Excludes impact of unrealised FX gains / losses

² Refer Appendix



US ACV growth accelerating as productivity of sales and marketing team improves

- US ACV more than tripled in FY17 to close at USD\$5.3M
- ARPS doubled during the year reflecting a successful strategic effort to target larger enterprise customers
- Successful land and expand strategy evidenced by 50% upsell on opening portfolio
- ACV churn of 20% was impacted by the acquisition of a Nearmap partner by a competitor and the subsequent cancellation of their subscription (USD\$0.1M)



USD\$5.3M
Group Annualised
Contract Value (ACV)¹
255% growth on pcp¹

=



605
Subscriptions
67% growth on pcp¹

X



USD\$8,771
Average Revenue per
Subscription (ARPS)¹
113% growth on pcp¹

US ACV Portfolio Movement FY16 and FY17

	ACV Value (USD\$M)	
	FY16	FY17
Opening Portfolio	0.1	1.5
New Business	1.4	3.4
Net Upsell	-	0.7
Churn	(0.0)	(0.3)
Churn (%)	18%	20%
Net Incremental	1.4	3.8
Closing Portfolio	1.5	5.3

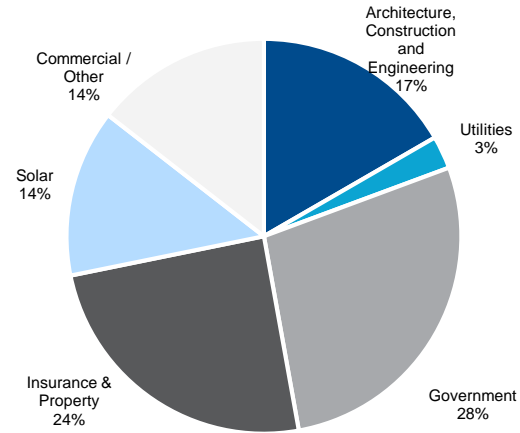
1. Refer Appendix



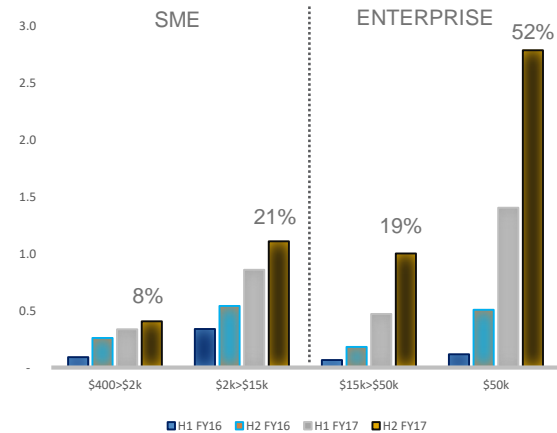
US portfolio focussed on key industry segments with significant growth in large enterprise customers

- The US portfolio is diversified across a range of industries – focus industries of Government, Solar and Architecture, Construction & Engineering, supplemented by significant wins in Insurance & Property
- Significant success with enterprise and government clients. 71% of the US ACV portfolio comprises customers with subscriptions >\$15k, compared with 56% in Australia.

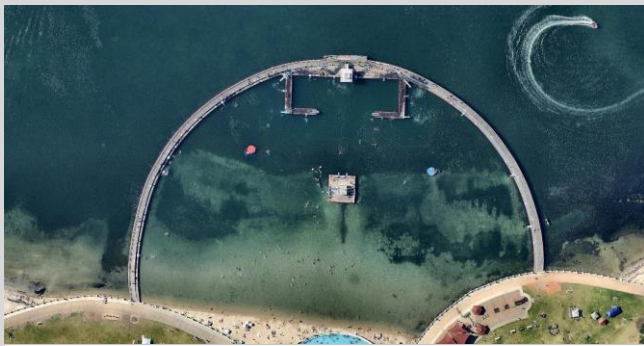
US portfolio by industry (%)



US ACV by subscription size (USD\$M)




Percentages represent 30 June 2017 proportion of total ACV




16% growth in ACV portfolio as sales and marketing enhanced


- Australian ACV growth continued in FY17, following a strong FY16 which included the right-sizing of a number of customer accounts and several material enterprise customer upsells
- A renewed focus on customer retention saw ACV churn reduce from 13% in FY16 to 10% in FY17
- New subscriptions generated fell 25% to \$4.5M in FY17. A new sales and marketing leadership team was hired in H2 FY17 to build a sustainable platform for future growth


\$40.0M
 Group Annualised Contract Value (ACV)¹
 16% growth on pcp¹

=


7,227
 Subscriptions
 6% growth on pcp¹

x


\$5,540
 Group Average Revenue per Subscription (ARPS)¹
 10% growth on pcp¹

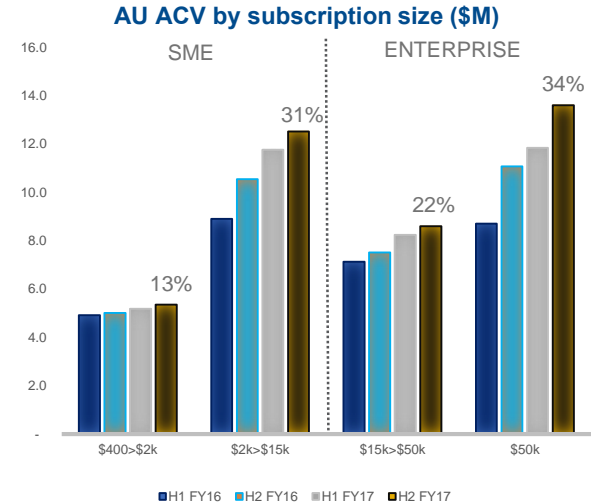
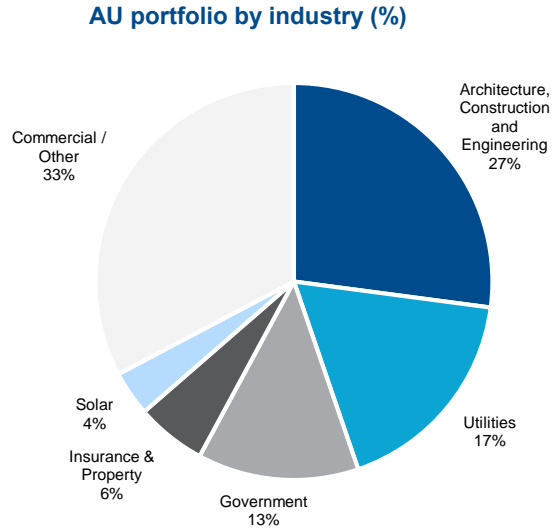
Australian ACV Portfolio Movement FY16 and FY17

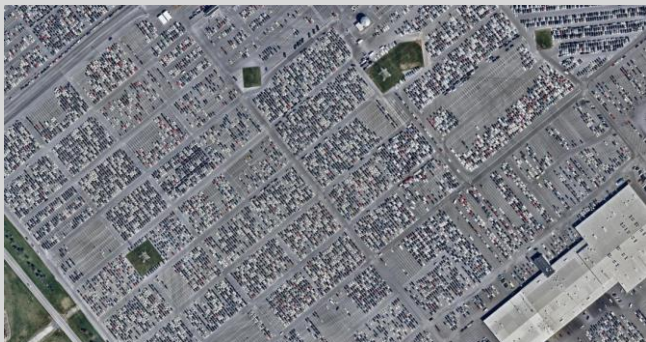
	ACV Value (AUD\$M)	
	FY16	FY17
Opening Portfolio *	24.1	34.4
New Business	6.0	4.5
Net Upsell	7.5	4.5
Churn	(3.2)	(3.4)
Churn (%)	13%	10%
Net Incremental	10.3	5.6
Closing	34.4	40.0

* Adjusted for personal subscription account products which ceased during FY16
 1. Refer Appendix

A diversified Australian portfolio – growth in all sectors and subscription sizes

- The Australian portfolio is diversified by industry and by customer subscription size
- Architecture, Construction and Engineering representing the largest single sector at 27% of the total ACV portfolio
- Customer subscription sizes range from small business through to Australia's largest enterprises (over one third of the total ACV portfolio)

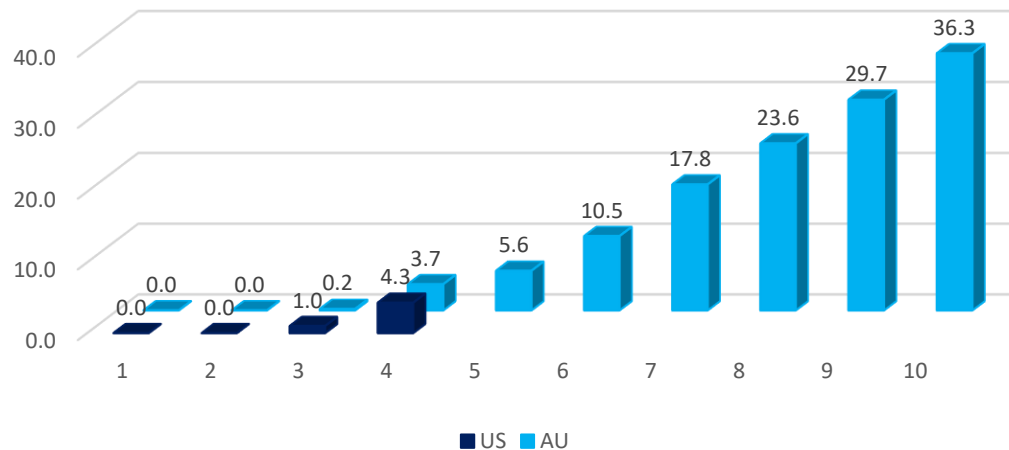




US operations tracking ahead of AU on rebased timescale

- The US business accounts for 11% of FY17 group revenues and was responsible for 33% of FY17 group revenue growth
- Closing FY17 US ACV of \$7.0M (converted to AUD) already puts the Year 5 revenue run rate ahead of the Australian equivalent
- Growth to date has been achieved in the 2D market – oblique and 3D product capabilities provide further market expansion opportunities

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



US revenues converted at actual average financial year exchange rates

Consistent high gross margins demonstrate capture program efficiency



US Cost of Revenue and Gross Margin (USD)

USD\$M	FY16	FY17	Change %
Gross Margin (%)	(214%)	(6%)	
Capture cost amortisation	0.9	2.0	122%
Storage, administration and other	1.3	1.4	8%
Total cost of revenue	2.2	3.4	55%
Capture Costs Cash Spend	3.4	5.4	59%

67%
population
coverage
(1-2 times
per year)

US gross margins approach breakeven as revenue growth outpaces cost of revenue growth. Capture cost cash spend has increased due to an increased capture footprint and the commencement of HyperCamera2 capture

Growth in US ACV approaching coverage of fixed capture cost – financials de-risked



Australia Cost of Revenue and Gross Margin

AUD\$M	FY16	FY17	Change %
Gross Margin (%)	90%	90%	
Capture cost amortisation	0.6	1.0	66%
Storage, administration and other	2.2	2.5	14%
Total cost of revenue	2.8	3.5	25%
Capture Costs Cash Spend	1.4	2.3	64%

88%
population
coverage (1-6
times per year)

Australia gross margins >90% have been maintained in Australia even allowing for the additional expenditure in expanding the frequency and coverage of the capture program

Cash spend growth reflects expanded capture footprint and New Zealand pilot capture

Strong sales team contribution ratio driven by targeted marketing and focused direct sales efforts

Content is promoted through 5 targeted marketing channels...



PR / News



Social



eMarketing



Events



Search / Digital

...which drives awareness and generates leads for the direct sales channel...



New Business



Strategic Accounts

Account Management



...resulting in payback in just over one year

United States	(USD\$M)
Incremental ACV (A)	3.8
Direct Sales & Marketing Expense (B)	4.5
Sales Team Contribution Ratio (A/B)	85%

Australia	(AUD\$M)
Incremental ACV (A)	5.6
Direct Sales & Marketing Expense (B)	5.8
Sales Team Contribution Ratio (A/B)	97%

Revenue and gross margin growth demonstrate the scalability of the US business



- US revenues more than quadrupled to USD\$3.2M in FY17, reflecting the significant growth in the ACV portfolio
- Sales and marketing direct costs increased in H2 FY17 with additional investment to generate incremental ACV in subsequent periods
- Overhead costs have remained broadly consistent with FY16 as the US operations scale efficiently

P&L Summary – US (USD\$M)

USD\$M	FY16	FY17	Change %
Total Revenue	0.7	3.2	357%
Gross Profit	(1.5)	(0.2)	87%
Gross margin (%)	<(214%)	(6%)	
Sales & Marketing - Direct	3.3	4.5	36%
- Indirect	1.0	2.0	100%
Total Sales & Marketing	4.2	6.5	55%
Overheads	3.1	2.9	-
EBIT	(8.8)	(9.6)	(9%)

Continued revenue growth and improving EBIT margins in Australia

- Australian revenues grew by 22% to \$36.3M in FY17, reflecting the continued growth in the ACV portfolio
- Australian EBIT margin grew to 58% reflecting the continuing efficiency of the SaaS business model
- Increase in overheads reflects the larger customer and traffic numbers in the Australian business, hence the larger proportional allocation of overheads

P&L Summary – Australia (\$M)

AUD\$M	FY16	FY17	Change %
Total Revenue	29.7	36.3	22%
Gross Profit	26.9	32.8	22%
Gross margin (%)	90%	90%	
Sales & Marketing - Direct	5.1	5.8	14%
- Indirect	2.7	2.4	(11%)
Total Sales & Marketing	7.8	8.3	6%
Overheads	2.7	3.6	33%
EBIT	16.5	20.9	27%
EBIT Margin (%)	55%	58%	

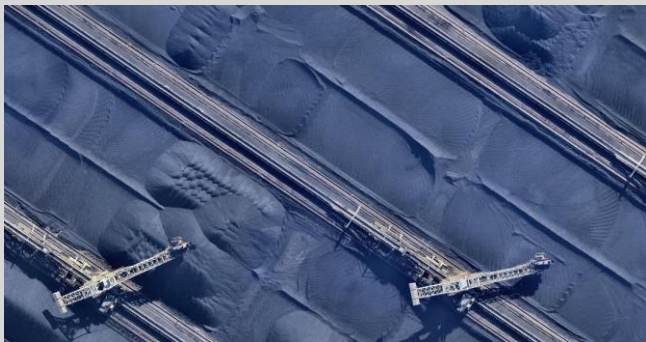


Cost control drives operating leverage

- General & Administrative costs are those incurred by the Technology, Product & Engineering, and Corporate functions
- A portion of these cost are reallocated to the Australian and US operating segments based on utilisation
- Total General and Administrative costs increased 6% in FY17 to \$14.3M, compared to revenue growth of 31%
- Result reflects disciplined cost management and the scalability of the business model

P&L Summary – Corporate Segment (\$M)

AUD\$M	FY16	FY17	Change %
Total Revenue	0.5	0.5	-%
General & Administrative Costs	(13.5)	(14.3)	6%
AU and US Segment Allocations	6.9	7.4	7%
Corporate EBIT	(6.1)	(6.4)	5%



Product and technology investment in growth initiatives to expand existing and new market opportunities

- \$9.5M invested in development capex in FY17, including:
 - \$3.0M on Hypercamera2 systems
 - \$3.6M on internal and external development projects
 - \$2.9M on existing system upgrades and future camera system innovation
- Maintenance expenditures on existing software and systems reflect the capital light nature of the business model.



Market expansion

Oblique imagery and 3D product development and delivery



Capture program

HyperCamera2 program and capture efficiency



Product suite

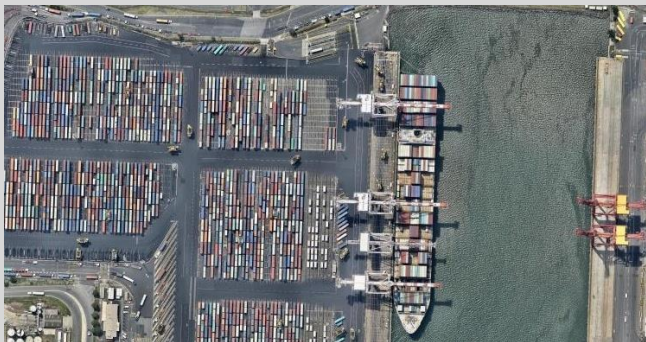
Enhanced product features to drive customer value

Product and technology expenditure – capitalised vs maintenance

\$M	FY16	FY17
Development Capex ¹	6.1	9.5
Maintenance Opex ²	2.3	3.5
	8.4	13.0

¹ Development capex represents construction of new camera systems and capitalized development costs of software and systems

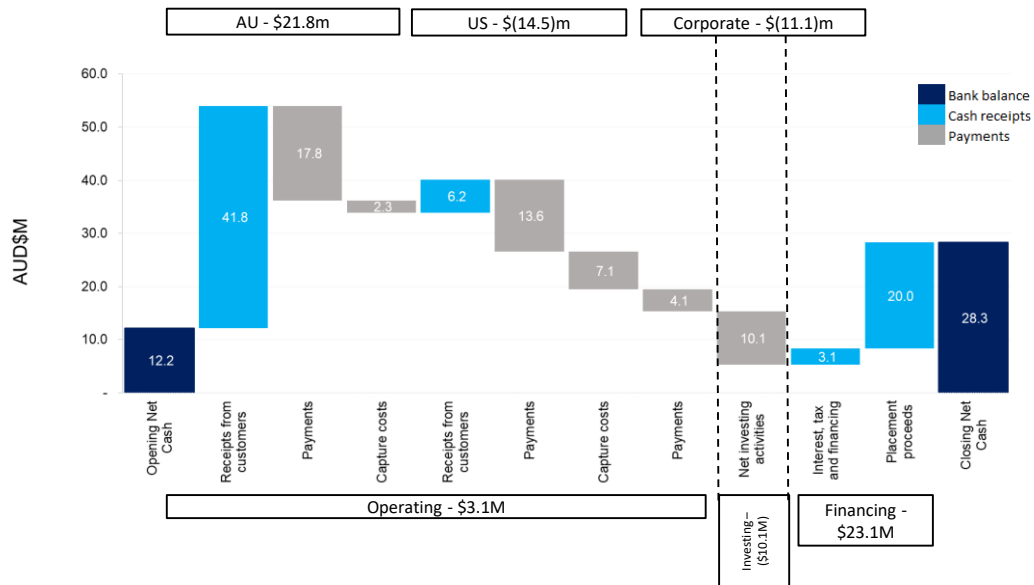
² Maintenance represents servicing of existing software and camera systems

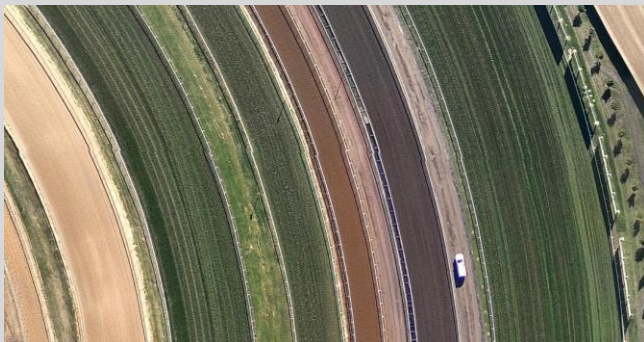


Australian free cash flows continue to self-fund US investment, with capital raise proceeds being deployed to drive further growth

- Positive cash flows from Australian operations of \$21.8M continue to self-fund the investment in the US as well as corporate operations
- November 2016 capital raising provides funds to deploy in further investment in product development and growth opportunities
- Cash at bank at 30 June 2017 was \$28.3M.

Nearmap's net cash flow FY17 (\$M)





FY17 Summary – financial momentum and investment for future growth underway



Continued positive trends in key operational metrics

- Continued revenue and improving EBIT growth in AU
- Accelerating momentum in the US



Disciplined cost management

- EBITDA guidance achieved
- Strong balance sheet to fund organic growth opportunities



Scalability and operational gearing

- Group gross margin > 80%
- Group sales team contribution ratio > 90%



Business positioned for growth

- FY17 results provide positive momentum leading into FY18
- AU business continues to organically fund the US growth opportunity, with capital proceeds used to accelerate growth opportunities in both markets

An aerial photograph of a solar farm, showing rows of solar panels. A large, light-colored tree trunk is positioned vertically in the foreground, partially obscuring the panels. The text is overlaid on the left side of the image.

We support...

A more sustainable future

The change in our world

Real and emerging needs

Outlook and Key Priorities

Dr Rob Newman
Managing Director and
Chief Executive Officer



Nearmap's business model leverages growth supported by structural trends

The world we live in is seeing increased...



Digitisation



Urbanisation



**Anytime, anywhere
access**



Sustainability

...coupled with...



**Large, growing global aerial
imagery market**

- Traditional market ripe for technological disruption with many small players
- Established high growth market, with technological innovation opening up new use cases and market segments



Nearmap enters FY18 with the capability to grow its existing business and create new market opportunities



Large and growing AU subscription base with high quality recurring revenues



US ACV expected to cover capture program costs with control over variable expenses



New extended product range driven by technology leadership

Expansion of Nearmap's product set

	2D	Oblique	3D
United States	Continued growth of market	Strengthens our competitive position	Derivative 3D products create a new market in both US and Australia, through subscription access rather than expensive bespoke offerings
Australia	Market leader, having established the market – continued growth opportunity	Ability to create new use cases for Australian customers, leveraging the US market	



3D content enables new use cases



Visualisation

Use in Virtual Reality and Augmented Reality applications



Digital Surface Models

Model solar performance
Model wireless signal propagation for telecommunications



Point Cloud

Extract building features and footprint



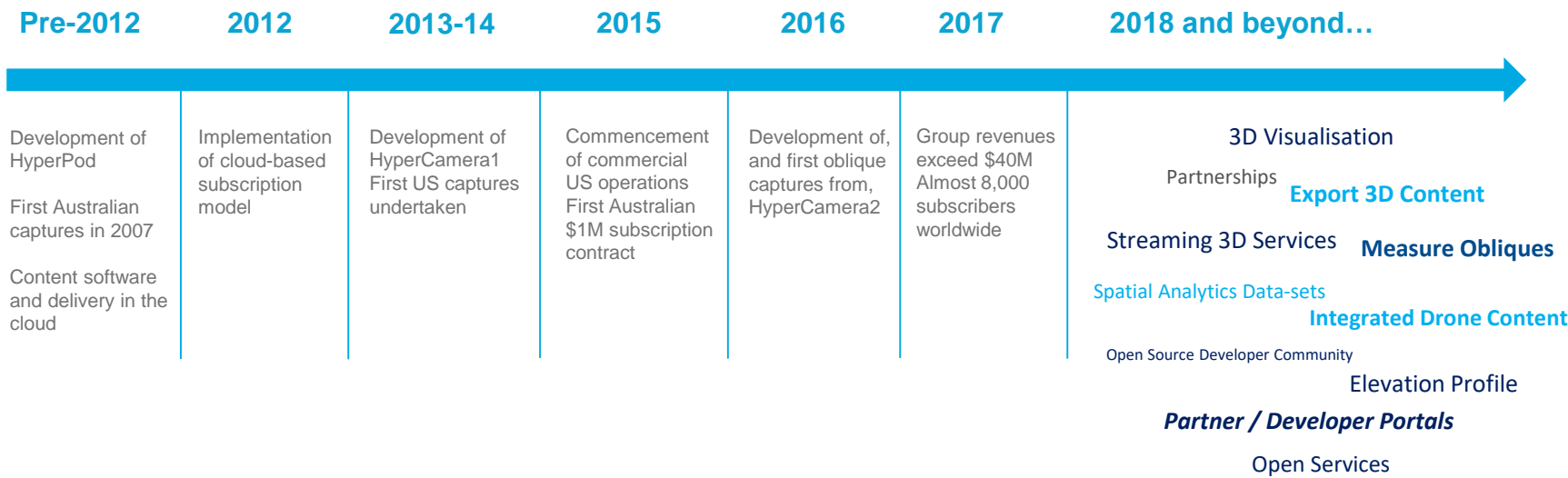
Measurable obliques

Manual extraction of building dimensions
Use in insurance and tax assessment for property valuation



Nearmap – a history of growth

Nearmap key operating milestones FY12 to FY17 and beyond





FY18 focus



Product

Innovating and increasing the value of Nearmap content

Complementing 2D with oblique imagery, to 3D and data analytics, delivered through cloud based apps and APIs



Customer

Focus on business customers to drive portfolio lifetime value

Utilising our expanded product set to drive increased penetration into business customers in both territories



People

Acquisition and development of world class talent to drive a global and scalable business

Recruit and train the best talent



Financial

Leveraging our funding base and business model for growth

Focus on growth in both markets through sales and marketing effectiveness and delivery of higher value products



FY18 outlook



United States

- ACV portfolio expected to double
- Gross margins expected to be positive
- H1 investment in sales and marketing capability and scale, expected to generate returns from sales team contribution ratio in H2
- Accelerated roll-out of HyperCamera2 focussed on capture during H1 FY18



Australia

- Double digit percentage growth in ACV
- Consistent gross margins
- Incremental investment in targeted sales and marketing capability, focussed on maintaining a strong sales team contribution ratio
- Capture program investment consistent with H2 FY17



Product / Technology

- Continued product and technology development focussed on oblique imagery delivery and 3D content enhancement
- Commercialisation of first mover advantage in 3D



Appendices

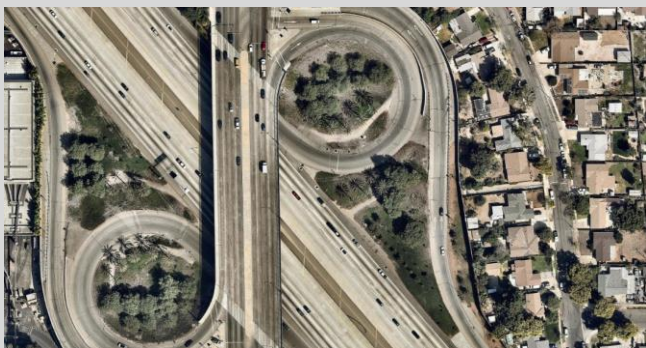


Appendix

Income Statement

\$'M	FY16	FY17
Revenue	30.9	40.7
Other income	0.4	0.4
Total revenue	31.3	41.1
Employee benefits expense	20.3	22.7
Amortisation and depreciation	5.6	7.5
Net foreign exchange differences	0.2	0.5
Other operational expenses	9.9	11.9
Total expenses	36.0	42.6
Loss before tax	(4.7)	(1.5)
Income tax (expense)/benefit	(2.4)	(3.8)
Loss for the half year	(7.1)	(5.3)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	-	-
Unrealised gain/(loss) on cash flow hedges	-	-
Income tax associated with these items	-	-
Total comprehensive income for the half year	(7.2)	(5.3)
Earnings per share		
Basic earnings per share for the half year (cents per share)	(2.01)	(1.41)
Diluted earnings per share for the half year (cents per share)	(2.01)	(1.41)

Tables may not add due to rounding of amounts



Appendix

Balance Sheet

\$'M	FY16	FY17
Assets		
Current assets		
Cash and cash equivalents	12.2	28.3
Trade receivables	4.3	7.1
Other current receivables	1.8	1.5
Total current assets	18.2	36.9
Non-current assets		
Plant and equipment	6.2	10.6
Intangible assets	17.2	24.8
Deferred tax assets	2.6	2.1
Total non-current assets	26.0	37.5
Total assets	44.3	74.4
Liabilities		
Current liabilities		
Trade and other payables	1.3	1.6
Unearned income	18.9	25.2
Other current liabilities	2.8	4.8
Total current liabilities	23.1	31.6
Total non-current liabilities	2.7	5.7
Total liabilities	25.8	37.3
Net assets	18.5	37.2
Equity		
Contributed equity	28.8	51.4
Reserves	10.4	11.7
Profits reserve	7.1	7.1
Accumulated losses	(27.7)	(33.0)
Total equity	18.5	37.2

Tables may not add due to rounding of amounts



Appendix

Cash Flow Statement

\$'M	FY16	FY17
Cash flows from operating activities		
Receipts from customers	37.3	48.0
Payments to suppliers and employees	(38.7)	(44.7)
Interest received	0.5	0.3
Grant income	-	0.1
R&D refund received	1.8	-
Income tax refund	0.4	-
Net cash (outflow)/inflow from operating activities	1.3	3.7
Cash flows from investing activities		
Purchase of plant and equipment	(3.0)	(6.4)
Payments for development costs	(4.4)	(3.8)
Proceeds from sale of plant and equipment	0.1	0.0
Net cash flows used in investing activities	(7.4)	(10.1)
Cash flows from financing activities		
Proceeds from issue of shares (net of transaction costs)	-	20.0
Proceeds from exercise of share options	-	0.6
Proceeds from exercise of share option loans	1.1	2.1
Transfers to non cash trust deposits	(0.1)	-
Net cash inflows from financing activities	1.0	22.7
Net increase/(decrease) in cash and cash equivalents	(5.1)	16.2
Effect of movement of exchange rates on cash held	0.1	(0.1)
Cash and cash equivalents at the beginning of the half year	17.2	12.2
Cash and cash equivalents at the end of the half year	12.2	28.3

Tables may not add due to rounding of amounts



Appendix

Reconciliation to statutory financial information

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

AUD\$M	FY16	FY17
Net profit / (loss) after tax	(7.1)	(5.3)
Income tax	2.4	3.8
R&D tax rebate	-	-
Interest Income	(0.4)	(0.4)
FX	0.1	0.5
EBIT	(5.0)	(1.4)
Depreciation & Amortisation	5.6	7.5
EBITDA	0.6	6.0

Appendix

Definitions



ACV

Annualised Contract Value = annualised value of all active subscription contracts in effect at a particular date

**Sales Team
Contribution Ratio**

The ratio of incremental ACV generated by a sales team in a period, compared to the direct costs of obtaining that incremental ACV

ARPS

Total ACV divided by total number of subscriptions

pcp

Prior comparative period



Level 6
6-8 Underwood Street
Sydney, NSW 2000
Australia

+61 2 8076 0700

investor.relations@nearmap.com

www.nearmap.com

[@nearmap](https://www.instagram.com/nearmap)

Important notice and disclaimer

The material in this presentation has been prepared by Nearmap Limited ACN 083 702 907 (Nearmap) and is general background information about Nearmap's activities current as at the date of this presentation. This presentation provides information in summary form only and is not intended to be complete. Nearmap makes no representation or warranty as to the accuracy, completeness or reliability of any of the information contained in this presentation. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Due care and consideration should be undertaken when considering and analysing Nearmap's financial performance.

This presentation may contain forward-looking statements, including statements regarding Nearmap's current intentions, plans, expectations, assumptions and beliefs about future events. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Investors and potential investors are cautioned not to place undue reliance on these forward-looking statements. Nearmap does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to risks, uncertainty and contingencies outside Nearmap's control and are based on estimates and assumptions that are subject to change.

To the maximum extent permitted by law, each of Nearmap and its directors, officers, employees, agents, contractors, advisers and any other person associated with the preparation of this presentation disclaims any liability, including without limitation any liability arising from fault or negligence, for any errors or misstatements in, or omissions from, this presentation or any direct, indirect or consequential loss howsoever arising from the use or reliance upon the whole or any part of this presentation or otherwise arising in connection with it.

All currency amounts are in AU dollars unless otherwise noted.