

SE Press Release
HD **Gentrack IPO next step in long-term growth story**

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Gentrack IPO next step in long-term growth story

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Specialist utilities and airports software solutions provider Gentrack Group Limited (Gentrack or the **Company**) today registered an investment statement and prospectus to raise up to \$101.8 **million** and seek a listing on the NZX Main Board and ASX.

The Offer comprises the issue of up to 18.0 **million** new ordinary shares to raise \$36.0 **million** of new capital and the **sale** of 26.3 **million** existing shares. The indicative price range of the shares in the Offer will be \$2.00 to \$2.50 per share. The Offer will be in two parts; an institutional offer and a retail offer. The retail offer will comprise a broker **firm** offer and an employee offer. There will be no public pool.

Capital raised through the issue of new shares will be used to pay down Gentrack's existing debt of \$33.1 **million** and create a platform for further growth. The Offer will also allow some existing shareholders to sell down shares [Existing shareholders will sell down via Gentrack Share **Sale Company** Limited, which is the offeror of the existing shares under the IPO.] which will foster liquidity and increase the size of Gentrack's free float following the offer. Existing shareholders will continue to own approximately 41.5% to 43.5% of the **Company**'s ordinary shares immediately post-allotment [Calculated based on the indicative price range.].

The final pricing of the Offer will be determined on 5 June 2014 by means of a bookbuild to institutional investors and retail brokers.

Gentrack Chairman John Clifford says the IPO will position the **Company** to build on its strong track record of delivering mission critical software solutions to **energy** utilities, water companies and airports internationally.

"A listing on the NZX and ASX provides a transparent ownership structure and strong balance sheet to assure Gentrack's existing and future customers that it is a robust contracting partner, reinforcing its competitive position for delivering fully operable software solutions on time and on budget."

"Gentrack has built a profitable business with compound growth of earnings before interest, tax and amortisation of 16.1% per annum over the last five years. This growth has been underpinned by the contracted and recurring revenues generated by new and existing installations of its Gentrack Velocity solution for **energy** and water utilities and its Airport 20/20 Operational System."

The **Company**'s software is now installed in 150 utility and airport sites. Gentrack Velocity customers include many of New Zealand's **energy** utilities such as Genesis **Energy**, Meridian **Energy** and Vector; Australian **energy** and water utilities including Origin **Energy**, Alinta **Energy**, Red **Energy**, Unitywater and TasWater; and innovative **energy** players Ovo **Energy**, LoC02 **Energy**, Flow **Energy** and Insite **Energy** in the United Kingdom. Airport 20/20 is operational in marquee international airports including **Hong Kong**, JFK in New York, Newark Liberty, Sydney, Melbourne, and Birmingham as well as Auckland, Christchurch and Wellington.

Gentrack Executive Director and CEO James Docking says the operating environment for electricity, gas and water utilities and airports is continuing to evolve rapidly.

"Changing regulations, increasing competition, new consumer engagement strategies and technological innovations are driving increasing demand for flexible and robust software solutions like Gentrack Velocity and Airport 20/20. Gentrack's software solutions provide utilities and airports with the tools required to harness real-time information flows, achieve greater operational efficiency and improve the customer experience."

In FY2013 more than 65 per cent of Gentrack's revenue came from projects in offshore markets. To service those markets the **Company** has more than 180 staff and offices in London, Melbourne and Brisbane, retaining its R&D centre and core leadership teams in its Auckland headquarters.

Key dates

Bookbuild, Pricing and Allocation	5 June 2014
Offer Opening Date	9.00am, 9 June 2014
Offer Closing Date	5.00pm, 20 June 2014
Expected commencement of trading on the NZX Main Board and ASX	25 June 2014

UBS New Zealand Limited is **lead** manager for the Offer.

No person guarantees the offer shares nor warrants or guarantees their performance.

Important Notice

The offer of shares in Gentrack Group Limited (Gentrack) is made by Gentrack and Gentrack Share **Sale Company** Limited on the terms and conditions set out in an investment statement dated 26 May 2014 (the Investment Statement). The offer is not yet open. It is expected to open for applications on 9 June 2014. When the offer opens, applications for shares must be made on the application form accompanying the Investment Statement.

Application has been made to NZX Limited for permission to list Gentrack and to quote its shares on the NZX Main Board and all the requirements of NZX Limited relating thereto that can be complied with on or before the date of this announcement have been duly complied with. However, NZX Limited accepts no responsibility for any statement in this announcement. The NZX Main Board is a registered market operated by NZX Limited, which is a registered exchange, regulated under the Securities Markets Act 1988.

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