

For Immediate Release

May 28, 2015

IKEGPS FULL YEAR AUDITED RESULTS FOR YEAR ENDED 31 MARCH 2015

Financial Performance

The Group's reported income of \$4.0 million for the financial year ended 31 March 2015 (FY15) represents a 114% increase on the previous financial year's revenue. This increase was based primarily on sales of our GE MapSight solution to the electric utilities market (216 units sold during FY15) and the introduction of our new smartphone solution, Spike (with 1,191 units sold during FY15).

Contract services relating to Spike were delivered to two major industry partners during FY15, with this contract revenue being achieved earlier than expected. An additional \$0.5 million in contract services was invoiced and receipted in FY15 but corresponding revenue recognition was deferred into the 2016 financial year (FY16).

FY15 income was below the level forecast as part of the Company's 2014 initial public offering (IPO) of \$6.4 million. This was primarily due to anticipated sales of the new smart phone solution falling just outside the 31 March 2015 financial year end. We are pleased to have received those expected orders in April 2015 from our Original Equipment Manufacturer (OEM) partner, and the Board believes that this will result in outperformance in this channel in FY16.

The loss attributable to owners of \$5.1 million for FY15 was lower than the \$5.3 million loss forecast as part of the Company's IPO. This reduction was a result of the overall scaling of the business tracking around 90 days behind the plan set out in the IPO offer documents. This slight delay in building out resources reduced costs in the period and impacted our forecast increase in revenues.

Building markets and capability

Pleasingly, the Group has built significant capability through FY15 to underpin growth targets for FY16 and beyond. This included establishing two new offices in the USA, expanding our Wellington engineering and manufacturing facility and initiating sales presences in Asia and Europe.

Full-time equivalent staff numbers increased approximately 2.5 times through the period - from 21 in March 2014 to 60 by March 2015. At the date of this release there are 63 full-time equivalent staff. Our focus on recruitment and on-boarding has resulted in high calibre staff joining us in the key areas of sales and marketing, product development and customer support. Our focus for FY16 is to continue to work towards building operating and support platforms capable of supporting a much larger number of end-users, building an online sales and marketing capability to capture the large and expanding addressable market for Spike, and building direct sales capability for GE MapSight – our high value and higher touch solution sold to electric utilities businesses.



The Group's primary sales and marketing office is now located in Broomfield, Colorado and an engineering operations office has been established in Seattle, Washington. The New Zealand premises in Wellington has also undergone extensions to accommodate our increased software and hardware engineering staff numbers.

Product extensions

In FY15 we introduced Spike, the Group's new smart laser measurement solution. The hard launch of Spike tracked about 90 days behind the plan set out in the IPO offer documents, but we are nevertheless very pleased with the momentum in the Spike business today. Spike is now experiencing strong online sales growth as well as the emergence of enterprise sales opportunities that will be pursued through FY16. Spike unit sales are currently forecast to exceed the IPO offer document forecast for FY16 of 2,712 units and revenue of \$2.9m. In addition, in November 2014 we announced the signing of a branding and distribution deal with Stanley Black & Decker that is expected to underpin high-volume distribution in FY16.

Looking further ahead for the remainder of FY16, the Group's revenue model is expected to be extended with new cloud-based subscription software products designed to complement existing product offerings including our GE MapSight and Spike platforms, moving the business model towards an increased proportion of recurring revenue. We expect that these products will be introduced in the first half of FY16 under the ikeGPS brand as well as alongside a major global partner.

Outlook for FY16

As previously announced to the market, the Group's outlook for FY16 is for revenues to be in line with its IPO offer document forecasts, with revenues growing to \$14.3 million. Overall we are very pleased with momentum across all of our business segments as we begin the 2016 financial year. FY16 is projected to be a period of around 250% growth compared with FY15 revenues, and the Board is confident that this momentum will carry over into the 2017 financial year.

About ikeGPS

ikeGPS is changing the way the world is measured, utilizing its smart laser measurement solutions to capture, record and export measurement data. Electric utility, telecom, government, engineering, construction, real estate, signage, and other field data collection-based professionals use ikeGPS products to modernize the way measurements are taken and shared.

Spike, a laser accurate Smartphone measurement solution, and GE MapSight, an all-in-one customizable field data collection solution, uniquely combine intelligent software and hardware into comprehensive but simple-to-use tools. With an ike photograph, you can capture measurement, distance, location and other data in real time, significantly improving business process, user productivity and safety.

Find Out More At:
www.ikegps.com



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ikeGPS is headquartered in Wellington, New Zealand and is listed on the New Zealand Stock Exchange under the stock symbol [IKE](#). The company's sales and marketing organization is based in Broomfield, Colorado, which supports global efforts in the Americas, EMEA, and APAC. For more information, visit www.ikegps.com.

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