



EROAD

EROAD (NZX: ERD ASX: ERD)

FY26 RECONCILIATION OF GAAP AND NON-GAAP MEASURES

25 May 2026

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- Free cash flow is a non-GAAP measure representing operating cash flow and investing cash flow reported in the Statement of Cash Flows.

Free cash flow		
(\$m)	31-Mar-2026	31-Mar-2025
Cash flows from operating activities		
Cash received from customers	191.7	199.8
Payments to suppliers and employees	(147.7)	(141.3)
Payments for contract asset costs	(11.7)	(12.4)
Net Interest	(2.3)	(3.7)
Income taxes paid	0.3	(1.8)
Net cash inflow from operating activities	30.3	40.6
Payments for investment in property, plant and equipment	(25.2)	(13.4)
Payments for investment in intangible assets	(7.3)	(14.9)
Net cash outflow from investing activities	(32.5)	(28.3)
Add back/(deduct):		
Net Interest	2.3	3.7
Free cash flow	0.1	16.0

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- EBITDA is a non-GAAP measure representing Earnings before Interest, Taxation, Depreciation, Amortisation and impairment loss (EBITDA).

EBITDA		
(\$m)	31-Mar-2026	31-Mar-2025
Total comprehensive income / (loss) for the period	(161.6)	9.9
Add back/(deduct):		
Items that are or may be reclassified subsequent to profit or loss		
Cash flow hedges	(0.4)	0.4
Currency translation differences	0.9	(8.9)
Income tax benefit / (expense)	0.1	(1.2)
Net financing costs	5.1	5.7
Depreciation of property, plant and equipment	21.1	21.9
Amortisation of intangible assets	27.4	21.0
Amortisation of contract assets	11.7	10.8
Impairment of goodwill and other assets	134.7	-
Earnings before interest, taxation, depreciation, amortisation and impairment loss (EBITDA)	39.0	59.6

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- Free cash flow to the firm is a non-GAAP measure representing operating cash flow and investing cash flow net of interest paid and received.

Free cash flow to the firm		
(\$m)	31-Mar-2026	31-Mar-2025
Cash flows from operating activities		
Cash received from customers	191.7	199.8
Payments to suppliers and employees	(147.7)	(141.3)
Payments for contract asset costs	(11.7)	(12.4)
Net Interest	(2.3)	(3.7)
Income taxes paid	0.3	(1.8)
Net cash inflow from operating activities	30.3	40.6
Payments for investment in property, plant and equipment	(25.2)	(13.4)
Payments for investment in intangible assets	(7.3)	(14.9)
Net cash outflow from investing activities	(32.5)	(28.3)
(Deduct) / Add back:		
Net Interest	2.3	3.7
Free cash flow to the firm	0.1	16.0
Add back:		
4G Hardware upgrade costs	14.3	7.6
Normalised free cash flow to the firm	14.4	23.6

RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION

- FY26 EBIT is normalised for:
 - 4G hardware upgrade related costs of \$2.9m.
 - Impairment of goodwill and other assets of \$134.7m
 - Non-cash accounting adjustments of \$18.2
 - One-off normalisations of \$3.0m
- FY25 EBIT is normalized for:
 - 4G hardware upgrade related costs of \$4.0m.

Normalised EBIT		
(\$m)	31-Mar-2026	31-Mar-2025
Revenue	195.2	194.4
Operating expenses	(156.2)	(134.8)
Earnings before interest, taxation, depreciation, amortisation and impairment loss (EBITDA)	39.0	59.6
Depreciation of property, plant, and equipment	(21.1)	(21.9)
Amortisation of intangible assets	(27.4)	(21.0)
Amortisation of contract and customer acquisition assets	(11.7)	(10.8)
Impairment of goodwill and other assets	(134.7)	0.0
Earnings before interest and taxation (EBIT)	(155.9)	5.9
Add back:		
4G Hardware upgrade costs	2.9	4.0
Impairment of goodwill and other assets	134.7	-
Non-cash accounting adjustments	18.2	-
One-off normalisations	3.0	-
Normalised EBIT	2.9	9.9



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