

## ASX Market Disclosure

### Aconex Reports FY16 Results: \$123.4m Revenue, \$13.6m EBITDA

#### *Strong Revenue and Earnings Growth Highlights Business Momentum*

- Total revenue of \$123.4 million, up 50% year over year, reflecting strong organic growth plus the acquisition of Conject.
- ANZ revenue up 35%, with 36% growth in operating contribution.
- International revenues up 61%, with 150% growth in international operating contributions.
- EBITDA from core operations of \$13.6 million, excluding acquisition and integration costs.<sup>1</sup>
- NPAT from core operations of \$9.9 million, excluding acquisition and integration costs.<sup>2</sup>

**MELBOURNE, Australia, 23 August 2016** – Aconex Limited (ASX: ACX), a global leader of digital innovation in construction, today announced its results for the full year ended 30 June 2016.

Results (\$millions)	FY15	FY16	% Change
Revenue	82.4	123.4	50%
Gross profit	61.9	92.1	49%
Gross margin	75%	75%	NA
Operating expenses	63.1	86.0	36%
EBIT	(1.2)	6.1	NA
EBITDA <sup>1</sup>	3.0	13.6	350%
NPAT <sup>2</sup>	(2.5)	9.9	NA

#### Growth strategy drives strong performance

“Our financial results for FY16 demonstrated strong fundamental performance, driven by the consistent execution of our growth strategy,” said Aconex CEO Leigh Jasper. “We continued to expand our global user network by winning new business from both new and existing customers, and to move existing customers from project engagements to enterprise agreements. We completed three acquisitions to further increase the value that we deliver to customers and consolidate our leading market position worldwide. With these acquisitions as well as organic sales momentum, we continued to scale the business for significant growth in profitability. The US\$10 trillion construction industry is going digital, and we are at the centre of this digital transformation, connecting people and data to build the world’s infrastructure.”

#### Revenue up 50%, EBITDA up 350%

Total revenue for the year ended 30 June 2016 grew 50% to \$123.4 million, compared with \$82.4 million for FY15. The revenue increase reflected strong organic growth and the contribution of

<sup>1</sup> Including acquisition and integration costs of \$4.1 million, FY16 EBITDA was \$9.5 million.

<sup>2</sup> For a full reconciliation of statutory results to EBIT, EBITDA, NPAT, and net operating cash flows from core operations for FY16 and FY15, please refer to Appendix A and Appendix B to this announcement.

Conject sales for the fourth quarter, following the close of the acquisition on 31 March 2016. Enterprise agreements accounted for 41% of global revenue. Year over year revenue growth on a constant currency basis, excluding the impact of the Conject acquisition, was 31%.

FY16 earnings before interest, taxes, depreciation, and amortisation (EBITDA) from core operations were \$13.6 million, compared with \$3.0 million for FY15.<sup>2</sup> Including costs of \$4.1 million related to the acquisition and integration of Worksite, the CIMIC Group's INCITE Keystone collaboration platform, and Conject, FY16 EBITDA was \$9.5 million.

FY16 net profit after tax (NPAT) from core operations was \$9.9 million, compared with a net loss of (\$2.5) million for FY15. FY16 NPAT included an income tax benefit of \$3.4 million.

The company's total cash and cash equivalents at 30 June 2016, including restricted cash, were \$52.5 million, compared with \$29.1 million at 30 June 2015. The gain reflected net proceeds from equity capital raising of \$132.0 million and business acquisition payments of \$104.7 million. Net operating cash flows from core operations for FY16 were \$9.2 million, compared with \$6.0 million for FY15.

#### Profitable growth across all regions

FY16 revenue for the ANZ region grew 35% to \$48.8 million, compared with \$36.2 million for FY15. Revenues for the international regions increased 61% to \$74.6 million, compared with \$46.2 million for FY15.

Revenues (\$millions)	FY15	FY16	% Change
ANZ	36.2	48.8	35%
Americas	14.7	21.3	45%
Asia	10.2	13.3	30%
EMEA	21.3	40.0	87%
Total	82.4	123.4	50%

The segment operating contribution of the ANZ business grew 36% year over year to \$34.5 million, and the contribution of the international business increased 150% to \$21.6 million. Total regional operating contributions grew 65% to \$56.1 million.

Operating contributions (\$millions)	FY15	FY16	% Change
ANZ	25.3	34.5	36%
Americas	0.6	2.2	305%
Asia	1.6	2.0	28%
EMEA	6.5	17.4	166%
Total	34.0	56.1	65%

## **FY16 business highlights – growing the network, increasing customer value, driving performance**

- Record revenue and earnings, driven by new customer wins plus broader product penetration of existing customers for higher value and yield.
- Enterprise agreements with Burns & McDonnell, Fluor and ExxonMobil, and a strategic partnership with the CIMIC Group.
- Three acquisitions: Worksite for cost and schedule project controls; the CIMIC Group's INCITE Keystone collaboration platform; and Conject for consolidated global leadership and scale.
- A \$120 million capital raising to finance the Conject acquisition and provide additional working capital, and a share purchase plan for existing shareholders, which raised another \$12 million.
- Hosting of the inaugural Construction Technology Summit to connect Australian digital technology innovators and construction leaders, in partnership with the state government of Victoria.
- Executive appointments of Anna Gorton as general counsel and company secretary, and Ilona Charles as chief people officer.

## **Public webcast and teleconference**

Aconex will host a public webcast and teleconference with the investment community at 8:30am (AEST) on 23 August 2016. The webcast and teleconference can be accessed at <http://webcast.openbriefing.com/2903/>. The webcast presentation materials and a transcript of the teleconference will be lodged with the ASX.

## **About Aconex**

Aconex Limited provides a leading cloud and mobile collaboration platform for the global construction industry. The platform connects owners, contractors and their project teams in the construction, infrastructure, and energy and resources sectors, providing project-wide visibility and control between the many different organisations collaborating across their projects. With more than 60,000 user organisations and over \$1 trillion of project value delivered in more than 70 countries, Aconex is the industry's most widely adopted and trusted platform. Founded in 2000, Aconex has 47 offices in 23 countries around the world, including global headquarters in Melbourne, Australia. The company's ordinary shares are traded on the Australian Securities Exchange (ASX) under the ticker code ACX and are included in the S&P / ASX 200 Index.

## **Supporting resources**

For more information on Aconex, please visit:

- Investor Center: <http://investor.aconex.com>
- Website: <http://www.aconex.com>

## **Forward-looking statements**

This news release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by,

these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Aconex. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

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**Appendix A and B attached**

## Appendix A: Reconciliation of statutory results to EBIT, EBITDA and NPAT from core operations

Year ended 30 June 2016 (\$000)	Income statement per IFRS statutory accounts	Non-core adjustments		Income statement from core operations	Depreciation and amortisation	EBITDA from core operations
		Acquisition and integration costs	Foreign currency loss			
Revenues	123,358	-	-	123,358	-	123,358
Cost of revenues	( 31,279)	-	-	( 31,279)	443	( 30,836)
<b>Gross profit</b>	<b>92,079</b>	-	-	<b>92,079</b>	<b>443</b>	<b>92,522</b>
Engineering and product development	( 16,898)	-	-	( 16,898)	4,181	( 12,717)
Sales and marketing	( 46,168)	-	-	( 46,168)	22	( 46,146)
General and administrative	( 27,056)	4,087	48	( 22,921)	2,885	( 20,036)
<b>Profit before interest and tax (EBIT)</b>	<b>1,957</b>	<b>4,087</b>	<b>48</b>	<b>6,092</b>	<b>7,531</b>	<b>13,623</b>
Finance income	381	-	-	381	-	-
<b>Profit before income tax</b>	<b>2,338</b>	<b>4,087</b>	<b>48</b>	<b>6,473</b>	-	-
Income tax benefit	3,398	-	-	3,398	-	-
<b>Profit after tax</b>	<b>5,736</b>	<b>4,087</b>	<b>48</b>	<b>9,871</b>	-	-

Year ended 30 June 2015 (\$000)	Income statement per IFRS statutory accounts	Non-core adjustments			Income statement from core operations	Depreciation and amortisation	EBITDA from core operations
		Class A Preference Shares	Listing fees	Foreign currency loss			
Revenues	82,447	-	-	-	82,447	-	82,447
Cost of revenues	( 20,536)	-	-	-	( 20,536)	613	( 19,923)
<b>Gross profit</b>	<b>61,911</b>	-	-	-	<b>61,911</b>	<b>613</b>	<b>62,524</b>
Engineering and product development	( 10,053)	-	-	-	( 10,053)	2,608	( 7,445)
Sales and marketing	( 36,033)	-	-	-	( 36,033)	15	( 36,018)
General and administrative	( 23,973)	-	5,104	1,846	( 17,023)	992	( 16,031)
<b>Profit before interest and tax (EBIT)</b>	<b>( 8,148)</b>	-	<b>5,104</b>	<b>1,846</b>	<b>( 1,198)</b>	<b>4,228</b>	<b>3,030</b>
Finance income	21,248	( 20,979)	-	-	269	-	-
<b>Profit before income tax</b>	<b>13,100</b>	<b>( 20,979)</b>	<b>5,104</b>	<b>1,846</b>	<b>( 929)</b>	-	-
Income tax expense	( 1,537)	-	-	-	( 1,537)	-	-
<b>Profit after tax</b>	<b>11,563</b>	<b>( 20,979)</b>	<b>5,104</b>	<b>1,846</b>	<b>( 2,466)</b>	-	-

## Appendix B: Reconciliation of statutory net operating cash flows to net operating cash flows from core operations

Reconciliation of net operating cash flows from core operations	Year ended 30 June 2016 (\$000)	Year ended 30 June 2015 (\$000)
Reported net operating cash flows	6,660	900
Add: Listing expenses	-	5,104
Add: Business acquisition and integration costs paid	2,115	-
Add: Payment of assumed Conject liabilities on acquisition	663	-
<b>Net operating cash flows from core operations</b>	<b>9,438</b>	<b>6,004</b>

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