

always one step ahead.

**First Half of Fiscal Year 2015/16
(1 April – 30 September 2015).**



Highlights of First Half of Fiscal Year 2015/16.

Program CHARM Awards

- Award by Dutch national road authority Rijkswaterstaat and by Highways England to supply Advanced Traffic Management System DYNAC as part of collaborative program CHARM.
- Europe's largest and most advanced integrated traffic management system.
- Contract totaling ~60 million EUR.

Contract in the U.S.

- Contract award received in May to be the toll system provider for the Louisville-Southern Indiana Ohio River Bridges.
- Installation, integration, operation, and maintenance of an end-to-end open road toll collection system, as well as back office system and customer service center operation.
- Contract totaling ~41 million EUR.

Extension Order in Belarus

- Order received in August for additional 323 kilometers to be made available to BelToll electronic toll system in Belarus.
- After completion of extension, whole length of toll road network will be 1,512 kilometers.
- BelToll system has been in commercial operation since August 2013.

Contract Awards in Chile

- Award of three contracts to upgrade tolling technology in the urban part of Pan-American Highway passing through Santiago de Chile.
- Supply of 400,000 on-board units for toll collection from newly registered vehicles to Costanera Group as part of new order to start in September 2015.
- Contracts totaling >20 million EUR.

System Award in City Prato

- Automated Access Control System in Limited Traffic Zone to regulate city access into city of Prato, Tuscany, started operations in early July 2015.
- Solution replaces old system based on paper permits and manual control.
- Kapsch has participated in similar projects in around 35 Italian cities.

System Award in City Prague

- Contract award to supply a traffic management system (TMS) extension in selected areas of Prague
- System enables collection and evaluation of traffic data.
- Most part of contract to be realized until the end of 2015.
- Contracts totaling ~6.5 million EUR.

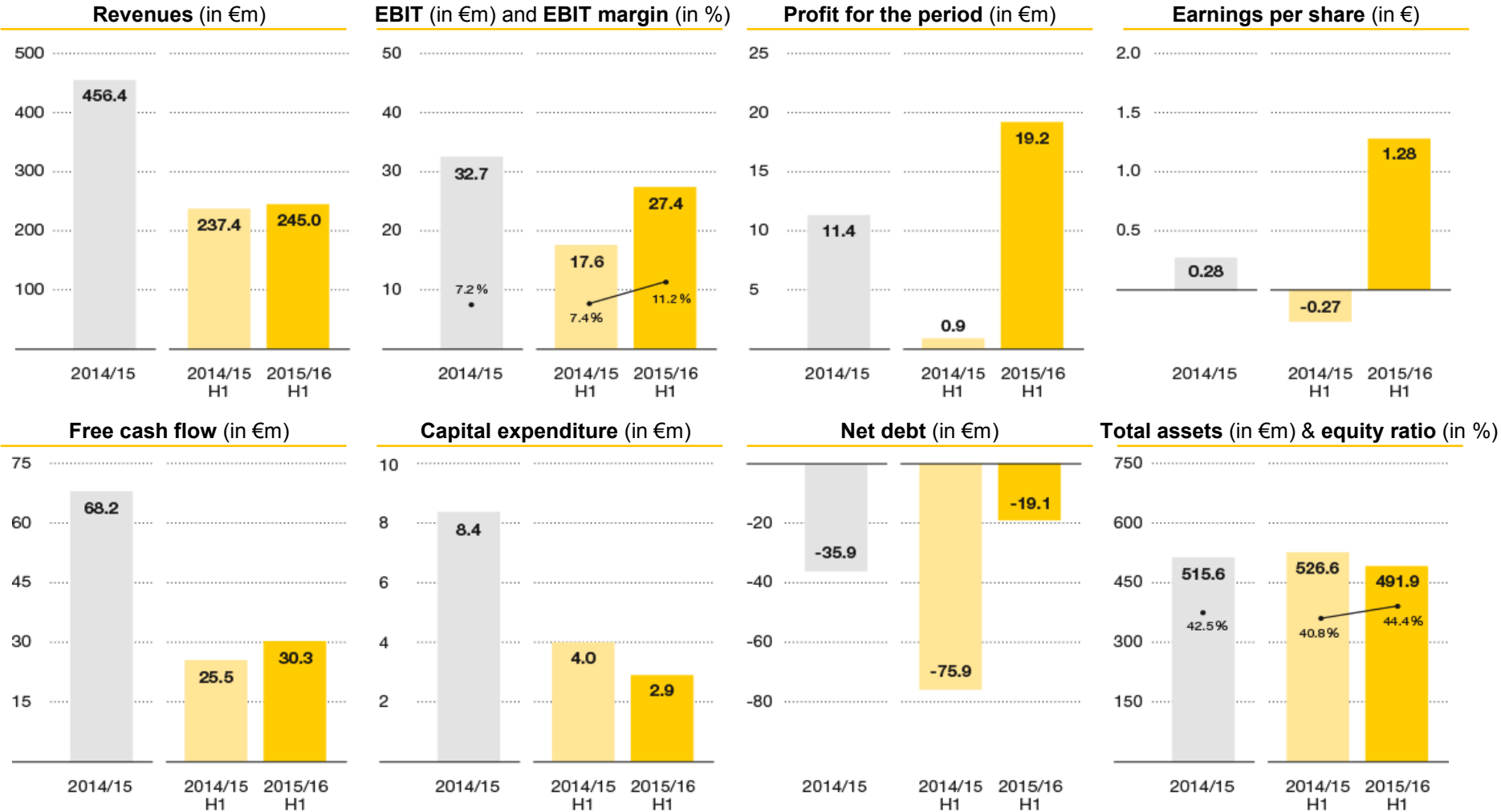
Acquisition of Streetline

- Majority stake acquired in Streetline, Inc., an innovative provider of smart parking solutions.
- Streetline provides real-time parking data, analytics and other smart transportation applications.
- More than 350 million parking events in 30 cities, universities, and corporate campuses in North America and Europe.

Program 2020 and Strategy

- Measures for reduction of costs and increased earnings within project "Top Fit" showing effect.
- Strategy 2020 passed in April to prepare for potential future business.
- Acquisition of Streetline, program CHARM and city solution awards confirm strategy.

Key Financial Aspects of First Half of Fiscal Year 2015/16.



Outlook and Targets.

1

In the second half of the current fiscal year, the Kapsch TrafficCom Group will pursue the concerted development of existing and newly acquired projects.

2

The system expansions in Belarus and Poland will make an important contribution to revenue and profit.

3

In Slovenia, the offer was submitted and the decision is awaited.

4

Further tenders and decisions on contract awards are expected: In Austria, new invitation to tender for existing toll system is currently under way, invitation to tender is in preparation in Czech Republic and a new project is in the offer phase in the U.S.A.

5

Concrete talks regarding a nationwide project with a structure similar to one completed successfully in Belarus.

6

Emphasis will be placed on continued implementation of strategy, with associated organizational adjustments and specific next steps. The cost savings of the project "Top Fit" will be fully apparent by the end of fiscal year.

7

Management anticipates that Kapsch TrafficCom Group will achieve an EBIT margin of 10 % in core business, as expected, assuming stable revenue level over current fiscal year. This allows sufficient leeway for additional investments in future.

Earnings Data.

2014/15 (fiscal year 2014/15): 1 April 2014 – 31 March 2015

2015/16 H1 (first half of fiscal year 2015/16): 1 April – 30 September 2015

2015/16 Q2 (second quarter of fiscal year 2015/16): 1 July – 30 September 2015

Earnings Data	2015/16 H1	2014/15 H1	+/-	2015/16 Q2	2014/15 Q2	+/-	2014/15
Revenues	245.0	237.4	3 %	127.8	119.5	7 %	456.4
EBITDA	35.7	38.0	-6 %	18.8	33.3	-43 %	61.5
EBITDA margin (in %)	14.6	16.0		14.7	27.9		13.5
EBIT	27.4	17.6	56 %	14.6	16.9	-14 %	32.7
EBIT margin (in %)	11.2	7.4		11.4	14.2		7.2
Profit before tax	24.8	9.5	161 %	9.7	6.8	43 %	19.9
Profit for the period	19.2	0.9	>500 %	7.8	0.6	>500 %	11.4
Profit for the period attributable to equity holders	16.7	-3.5	—	6.9	-2.8	—	3.6
Earnings per share ¹ (in EUR)	1.28	-0.27	—	0.53	-0.21	—	0.28
Free cash flow ²	30.3	25.5	19 %	15.6	-7.4	—	68.2
Capital expenditure ³	2.9	4.0	-26 %	1.4	2.9	-53 %	8.4
Employees ⁴	3,447	3,533	-2 %	3,447	3,533	-2 %	3,545
On-board units delivered (in million units)	4.60	3.25	42 %	2.27	1.68	35 %	7.42

1 Earnings per share relate to 13.0 million shares; calculated from the profit for the period attributable to the equity holders of the company

2 Operating cash flow minus capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments) plus proceeds from the disposal of property, plant and equipment and intangible assets

3 Capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)

4 H1 and Q2 as of 30 September; 2014/15 as of 31 March 2015

Business Segments and Regions.

Business Segments	2015/16 H1		2014/15 H1		+/-	2015/16 Q2		2014/15 Q2		+/-	2014/15	
Road Solution Projects (RSP)												
Revenues (share in revenues)	38.2	(15.6 %)	37.9	(16.0 %)	1 %	23.3	(18.2 %)	13.5	(11.3 %)	73 %	60.2	(13.2 %)
EBIT (EBIT margin)	-9.2	(-23.9 %)	-23.7	(-62.6 %)	61 %	-2.0	(-8.6 %)	-11.3	(-83.7 %)	82 %	-50.7	(-84.4 %)
Services, System Extensions, Components Sales (SEC)												
Revenues (share in revenues)	194.2	(79.3 %)	187.2	(78.8 %)	4 %	97.7	(76.4 %)	100.2	(83.9 %)	-2 %	372.6	(81.6 %)
EBIT (EBIT margin)	35.6	(18.3 %)	40.2	(21.5 %)	-12 %	16.1	(16.5 %)	27.3	(27.2 %)	-41 %	82.2	(22.1 %)
Others (OTH)												
Revenues (share in revenues)	12.5	(5.1 %)	12.3	(5.2 %)	2 %	6.8	(5.3 %)	5.7	(4.8 %)	19 %	23.6	(5.2 %)
EBIT (EBIT margin)	1.0	(8.0 %)	1.0	(8.4 %)	-4 %	0.5	(7.9 %)	0.9	(16.4 %)	-43 %	1.3	(5.4 %)
Regions	2015/16 H1		2014/15 H1		+/-	2015/16 Q2		2014/15 Q2		+/-	2014/15	
Austria ⁵	18.8	(8 %)	18.0	(8 %)	5 %	9.8	(8 %)	9.3	(8 %)	6 %	38.2	(8 %)
Europe ⁵	128.3	(52 %)	125.7	(53 %)	2 %	68.9	(54 %)	63.3	(53 %)	9 %	234.0	(51 %)
Americas ⁵	52.4	(21 %)	43.0	(18 %)	22 %	26.3	(21 %)	19.7	(17 %)	33 %	92.6	(20 %)
Rest of World ⁵	45.4	(19 %)	50.7	(21 %)	-10 %	22.8	(18 %)	27.2	(23 %)	-16 %	91.6	(20 %)

⁵ Revenues (share on total revenues in %); Europe excl. Austria

Balance Sheet and Stock Exchange Data.

Balance Sheet Data	30 Sep. 2015	30 Sep. 2014	+/-			31 March 2015
Total assets	491.9	526.6	-7%			515.6
Total equity ⁶	218.6	214.8	2%			219.4
Equity ratio ⁶ (in %)	44.4	40.8				42.5
Net debt	-19.1	-75.9	75%			-35.9
Capital employed	340.0	361.5	-6%			357.3
Net working capital	202.4	204.7	-1%			209.9
Stock Exchange Data	2015/16 H1	2015/16 Q1	+/-			2014/15
Number of shares ⁷ (in million)	13.0	13.0	0%			13.0
Free float ⁷ (in %)	36.7	36.9	0%			36.9
Ø daily trading volume ⁸ (in shares)	23,832	23,917	0%			27,574
Closing price ⁷ (in EUR)	29.29	22.20	32%			23.85
Market capitalization ⁷	380.77	288.54	32%			309.99
Share performance (in %)	22.8	-6.9				-40.4

6 Incl. non-controlling interests

7 Each H1 as of 30 September; 2014/15 as of 31 March 2015

8 Average daily trading volume (double counting)

Income Statement.

All amounts in TEUR	Notes	2015/16 Q2	2014/15 Q2	2015/16 H1	2014/15 H1
Revenues	(5)	127,839	119,451	244,964	237,420
Other operating income		3,175	3,230	6,481	6,298
Changes in finished and unfinished goods and work in progress		2,990	-1,351	-371	867
Own work capitalized		187	0	408	0
Cost of materials and other production services		-54,867	-32,054	-93,458	-90,648
Staff costs		-35,612	-33,887	-74,620	-70,442
Amortization and depreciation		-4,210	-4,009	-8,339	-8,117
Impairment charge		0	-12,342	0	-12,342
Other operating expenses		-24,893	-22,103	-47,665	-45,461
Operating result	(5)	14,609	16,934	27,400	17,577
Finance income		2,620	2,507	8,011	5,948
Finance costs		-7,572	-12,629	-10,698	-14,164
Financial result		-4,951	-10,122	-2,687	-8,216
Result from associates		83	2	45	140
Result before income taxes		9,741	6,815	24,758	9,501
Income taxes	(13)	-1,987	-6,175	-5,532	-8,579
Result for the period		7,754	640	19,226	922
Result attributable to:					
Equity holders of the company		6,918	-2,758	16,675	-3,513
Non-controlling interests		837	3,398	2,551	4,435
		7,754	640	19,226	922
Earnings per share from the result for the period attributable to the equity holders of the company (in EUR)		0.53	-0.21	1.28	-0.27

Balance Sheet.

All amounts in TEUR	Notes	30 Sep. 2015	31 March 2015	All amounts in TEUR	Notes	30 Sep. 2015	31 March 2015
ASSETS				EQUITY			
Non-current assets				Capital and reserves attributable to equity holders of the company			
Property, plant and equipment	(6)	21,198	22,393	Share capital	(9)	13,000	13,000
Intangible assets	(6)	66,880	71,250	Capital reserve		117,509	117,509
Interests in associates	(7)	1,882	2,014	Retained earnings and other reserves		80,901	77,449
Other non-current financial assets and invest	(8)	18,675	23,099			211,410	207,958
Other non-current assets		12,881	28,138	Non-controlling interests			
Deferred tax assets		14,188	13,590			7,157	11,403
		135,704	160,485	Total equity			
						218,567	219,361
Current assets				LIABILITIES			
Inventories		47,389	47,670	Non-current liabilities			
Trade receivables and other current assets		206,437	205,387	Non-current financial liabilities	(10)	75,131	88,985
Other current financial assets	(8)	0	5,291	Liabilities from post-employment benefits to employees	(11)	24,788	25,210
Cash and cash equivalents		102,339	96,765	Non-current provisions	(12)	1,360	1,661
		356,165	355,113	Other non-current liabilities		4,156	4,657
Total assets		491,869	515,597	Deferred income tax liabilities		644	2,380
						106,079	122,892
				Current liabilities			
				Trade payables		51,378	48,441
				Other liabilities and deferred income		59,285	65,535
				Current tax payables		1,846	1,174
				Current financial liabilities	(10)	46,290	48,969
				Current provisions	(12)	8,424	9,225
						167,222	173,344
				Total liabilities			
						273,302	296,236
				Total equity and liabilities			
						491,869	515,597

Cash Flow Statement (1).

All amounts in TEUR	2015/16 Q2	2014/15 Q2	2015/16 H1	2014/15 H1
Cash flow from operating activities				
Operating result	14,609	16,934	27,400	17,577
Adjustments for non-cash items and other reconciliations:				
Scheduled amortization and depreciation	4,210	4,009	8,339	8,117
Impairment charge	0	12,342	0	12,342
Increase/decrease in obligations for post-employment benefits	-316	-86	-422	-159
Increase/decrease in other non-current liabilities and provisions	-445	125	-470	-34
Increase/decrease in other non-current receivables and assets	-983	-1,645	-2,005	-3,223
Increase/decrease in trade receivables (non-current)	6,174	10,771	19,179	19,019
Increase/decrease in trade payables (non-current)	-256	-123	-470	-451
Other (net)	-2,515	-294	1,707	202
	20,478	42,033	53,259	53,390
Changes in net current assets:				
Increase/decrease in trade receivables and other assets	1,898	-13,625	-1,062	6,120
Increase/decrease in inventories	-880	2,179	281	5,336
Increase/decrease in trade payables and other current payables	3,281	-12,377	-5,324	-10,677
Increase/decrease in current provisions	-318	-15,988	-801	-15,920
	3,981	-39,811	-6,906	-15,141
Cash flow from operations	24,459	2,223	46,353	38,249

Cash Flow Statement (2).

All amounts in TEUR	2015/16 Q2	2014/15 Q2	2015/16 H1	2014/15 H1
Cash flow from operations	24,459	2,223	46,353	38,249
Interest received	253	463	567	908
Interest payments	-1,240	-1,219	-2,571	-2,427
Net payments of income taxes	-6,429	-6,028	-11,299	-7,500
Net cash flow from operating activities	17,043	-4,561	33,050	29,230
Cash flow from investing activities				
Purchase of property, plant and equipment	-1,295	-2,480	-2,844	-3,490
Purchase of intangible assets	-79	-436	-98	-493
Purchase of securities and investments	0	-154	0	-362
Increase in cash from the acquisition of entities (less payment for the acquisition of the entity)	0	0	2,543	0
Proceeds from the disposal of property, plant and equipment and intangible assets	-58	107	233	238
Proceeds from the disposal of securities and investments	40	0	5,375	0
Net cash flow from investing activities	-1,392	-2,963	5,210	-4,107
Cash flow from financing activities				
Dividends paid to parent company's shareholders	-6,500	0	-6,500	0
Dividends paid to non-controlling interests	-34	-186	-6,697	-6,935
Increase in non-current financial liabilities	427	45	471	90
Decrease in non-current financial liabilities	-5,083	-5,263	-14,320	-10,527
Increase in current financial liabilities	983	934	1,875	2,233
Decrease in current financial liabilities	-1,080	0	-3,571	-2,600
Net cash flow from financing activities	-11,287	-4,470	-28,741	-17,739
Net increase/decrease in cash and cash equivalents	4,364	-11,994	9,518	7,384
Change in cash and cash equivalents				
Cash and cash equivalents at beginning of period	100,415	77,417	96,765	57,731
Net increase/decrease in cash and cash equivalents	4,364	-11,994	9,518	7,384
Exchange gains/losses on cash and cash equivalents	-2,441	169	-3,945	476
Cash and cash equivalents at end of period	102,339	65,592	102,339	65,592

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