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challenging limits

Kapsch TrafficCom

# **Results for Q1-Q3 2018/19.**

February 21, 2019

# Q1-Q3 2018/19.

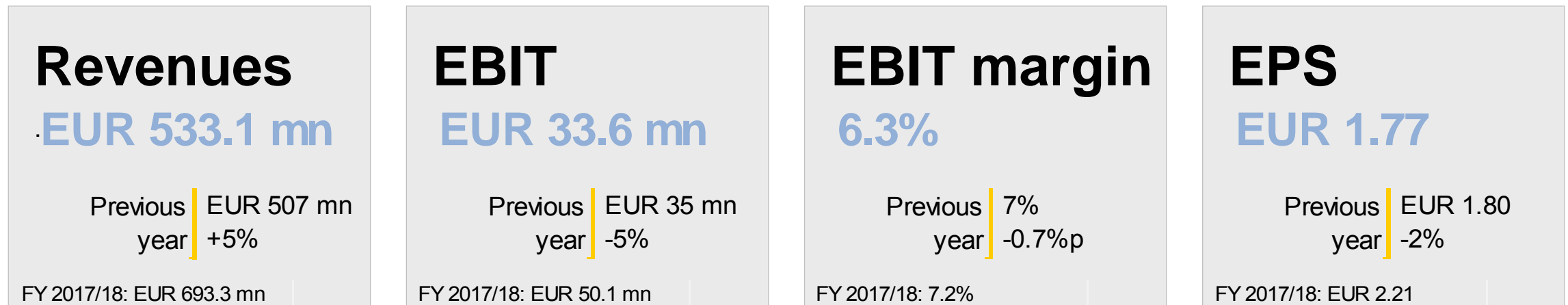
## Highlights.

- > Germany: JV with CTS EVENTIM got contract for implementation & operation of passenger vehicle toll system.
  - Term: Implementation until September 2020; thereafter, 12–15 years.
  - Total project volume for the JV: about EUR 1.6 billion over minimum contract period; at-equity consolidation.
- > Germany: Contract for the automatic enforcement of the passenger vehicle toll system.
  - Same term as above.
  - Total project volume: <EUR 100 million up to EUR 120 million.
- > Poland: Contract to support the further operation of the system for another 21-27 months.
  - Average revenues: EUR 2.4 million per month.
- > Czech Republic: Minister of Transport signs contract with a competitor; legal proceedings ongoing.
- > Zambia: Full consolidation of JV from September 2018 (nation-wide concession for road safety & traffic management).
- > EETS: JV with Axxès to build and operate technology platform for EETS; partnership with OMV to launch OMV Smart Toll.

# Q1-Q3 2018/19.

Highlights.

- > 3<sup>rd</sup> Quarter:
  - Group revenues on all-time high; increased revenues in both segments.
  - EBIT margin of 8%: ETC 10.7%; IMS 0.6%.
  - Impairment of a tax asset in Brazil (EUR 4.0 million) did not allow an even better result.
- > Deferments in certain projects had impact on revenues and earnings of H1 2018/19.
- > After 9 months: Revenues up (yoy), EBIT 4.9% behind Q1-Q3 of last year.





***Financial results.***  
Q1-Q3 2018/19.

# Earnings.

EBIT.

All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
<b>Revenues</b>	<b>506.9</b>	<b>533.1</b>	<b>5%</b>
Other operating income	7.1	8.3	17%
Changes: un-/ finished goods & work in progress	1.6	9.2	458%
Own work capitalized	0.5	-0.2	n.m.
Cost of materials and other production services	-201.2	-226.7	13%
Staff costs	-174.2	-184.7	6%
Amortization and depreciation	-11.4	-10.6	-8%
Other operating expense	-94.5	-95.2	1%
Proportional result of joint ventures	<sup>1)</sup> 0.4	0.3	-30%
<b>EBIT</b>	<b>35.3</b>	<b>33.6</b>	<b>-5%</b>
<i>EBIT margin</i>	<i>7.0%</i>	<i>6.3%</i>	<i>-0.7%p</i>

<sup>1)</sup> JV in Zambia (Q3 2017/18 – August 2018)

## FX impact on EBIT

in EUR mn	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
	-4.8	1.5	6.3

## Headcount development

End of period	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
	5,250	4,932	-318

Consequence of new  
set up in Poland.

# Earnings.

Financial result, taxes, non-controlling interests.

All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
<b>EBIT</b>	<b>35.3</b>	<b>33.6</b>	<b>-5%</b>
<b>Financial result</b>	<b>-4.0</b>	<b>-2.3</b>	<b>43%</b>
<b>Result before income taxes</b>	<b>30.6</b>	<b>31.3</b>	<b>2%</b>
Income taxes	-7.7	-9.4	23%
<i>Tax rate</i>	25.0%	30.0%	5.0%p
<b>Result for the period</b>	<b>22.9</b>	<b>21.9</b>	<b>-5%</b>
Non-controlling interests	-0.5	-1.0	-131%
<b>Result attributable to equity holders of the firm</b>	<b>23.4</b>	<b>23.0</b>	<b>-2%</b>
Earnings per share (EPS) in EUR	1.80	1.77	-2%

## Financial result

All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	change
Interest (net result)	-3.1	-2.4	0.7
FX (net result)	-0.4	-5.3	-4.9
Other (net result)	-0.5	5.4	6.0

Includes EUR 5.1 million  
from sale of ParkJockey

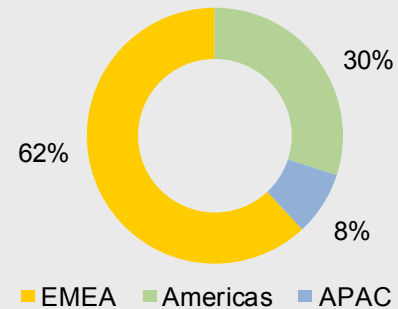
# Segment results.

ETC accounts for 76% of total revenues, IMS 24%.

New contract in Austria.

ETC	Key financials			
	All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
	Revenues	386.9	406.9	5%
	EBIT	41.8	40.3	-4%
	<i>EBIT margin</i>	10.8%	9.9%	-0.9%p

Revenues by region

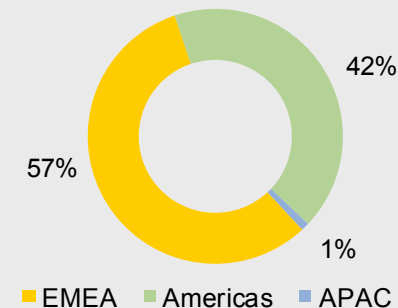


Revenues by type

All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
Implementation	99.4	125.1	26%
Operation	208.6	199.7	-4%
Components	78.8	82.1	4%
OBU sold, million units	9.7	10.6	9%

IMS	Key financials			
	All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
	Revenues	120.0	126.1	5%
	EBIT	-6.5	-6.7	-3%
	<i>EBIT margin</i>	-5.4%	-5.3%	0.1%p

Revenues by region



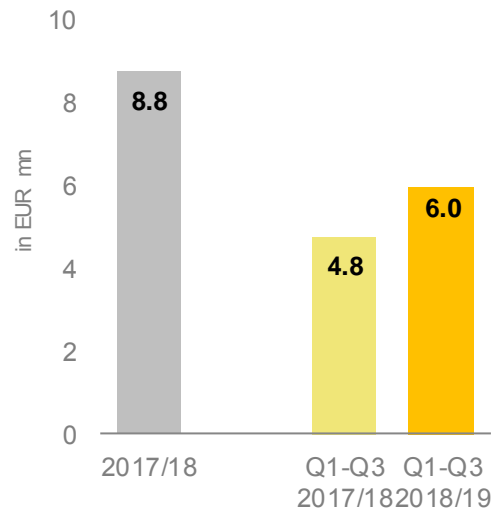
Revenues by type

All figures in EUR mn unless otherwise stated	Q1-Q3 2017/18	Q1-Q3 2018/19	+/-
Implementation	53.4	57.9	8%
Operation	59.6	59.0	-1%
Components	7.0	9.2	31%

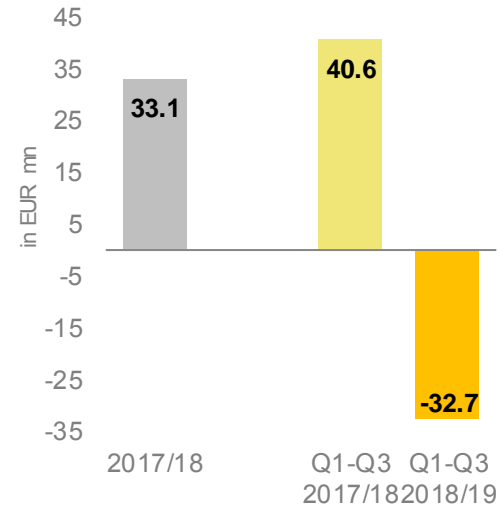
Project in Zambia

# Other key financials.

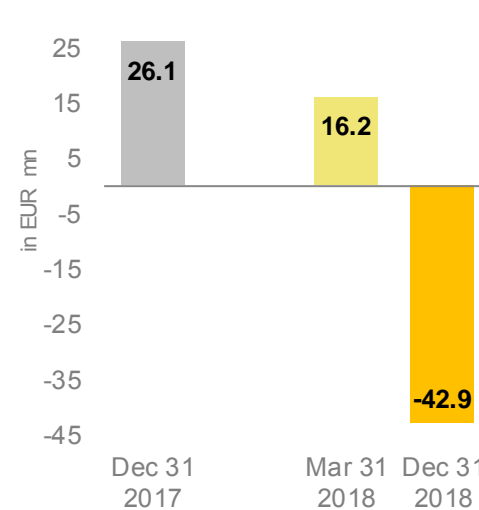
## Net CAPEX



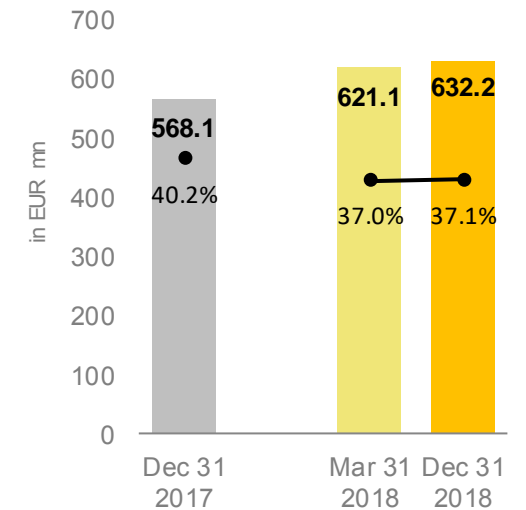
## Free cash flow



## Net cash/debt



## Balance sheet total and equity ratio



- > eTrans acquisition increased CAPEX by EUR 0.9 million.
- > Free cash flow negative because of increase in receivables and inventory.

- > Negative free cash flow and dividend payment (EUR 19.5 mn) caused net cash to turn into net debt.
- > Balance sheet continues to be very robust.





**Outlook.**  
*2018/19 and medium-term.*

# Outlook & medium-term goals.

## Outlook 2018/19

- > Revenues above previous year,
- > EBIT at previous year's level.

## Revenues (medium-term)

- > Growing in both segments
- > Grow stronger than the market
- > Higher growth rates for IMS in the long run

## EBIT margin (medium-term)

- > ETC: comfortably >10%
- > IMS: in good environment, 8% possible
- > Group: > 10%



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for your attention.***

**Kapsch TrafficCom**

Kapsch TrafficCom AG  
Am Europlatz 2  
1120 Vienna, Austria  
P: +43 50 811 - 0  
[ir.kapschtraffic@kapsch.net](mailto:ir.kapschtraffic@kapsch.net)  
[www.kapschtraffic.com/ir](http://www.kapschtraffic.com/ir)

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