



Kapsch TrafficCom

Results 2020/21.

June 2021

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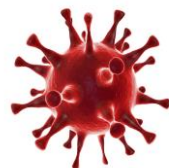
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Main topics 2020/21.



Restructuring.

- Optimistic begin of 2020/21
- Measures to reduce costs
- In fall 2020, clear that EBIT 2020/21 negative
- Restructuring program



COVID-19.

- New collaboration (home office)
- Decline of implementation business
- Decline of components business
- Sluggish new business





Strategy 2027.

- Further development of Strategy 2020.
- Tolling and Traffic Management remain core business
- Core regions: Europe, Americas and Oceania
- Increasing demand for tolling services and demand management

Cost reductions and restructuring.

Goals:

-  Sustainable reduction of the cost basis so that operating profits can be generated even with substantially lower revenues
-  Set up for future growth

Measures to reduce costs included:

- High degree of standardization in the product portfolio. This will decrease development and maintenance costs.
- Consolidation of development locations
- Use of synergies and merging of competences, primarily in the area of project implementation
- Adjustment of manager-to-employee ratio to reduce management levels
- Reduction in personnel, reassignment of positions, reduction in expenditures for external employees
- Adjustment of lease space and optimization of capacity utilization in existing space

Restructuring program was largely implemented in 2020/21.

However, some expenses related to the measures will be recognized in 2021/22.

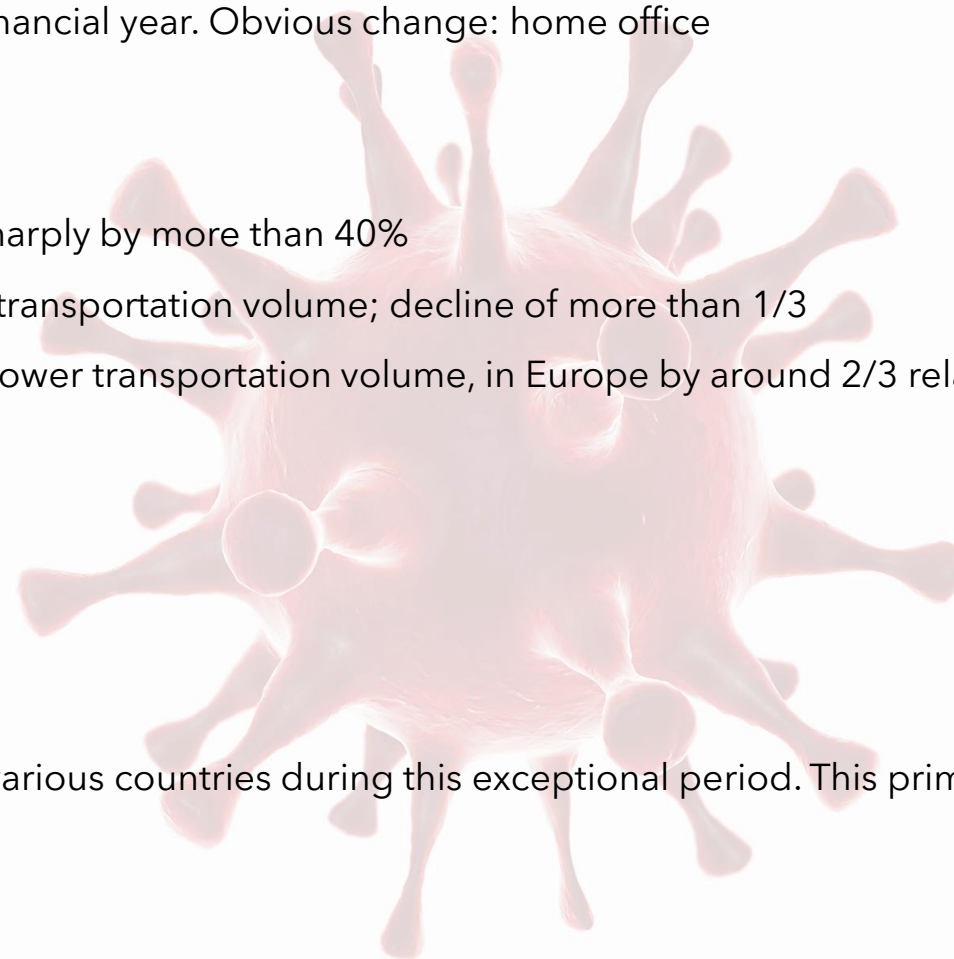
COVID-19.

Impact appeared to be minimal at the beginning of the financial year. Obvious change: home office

As the year progressed:

- Revenues in the implementation business decreased sharply by more than 40%
- Component business suffered as a result of decreased transportation volume; decline of more than 1/3
- Revenues from tolling services fell substantially due to lower transportation volume, in Europe by around 2/3 relative to budget
- More delays,
 - in tenders and contract awards
 - in the supply chain in individual cases
- Sluggish new business throughout the financial year

Kapsch TrafficCom made use of public sector support in various countries during this exceptional period. This primarily involved personnel costs and amounted to around EUR 1.6 million in total.



Strategy 2027.

Characteristics and strategic goals.

Characteristics

- Tolling remains key driver of the business
- Tolling services become more important
- Traffic management more and more data driven
- (Urban) Demand Management becomes popular

Focus regions: Europe, the Americas, Oceania

Volume of the addressable target market: 4.6bn

6,7% CAGR of the addressable target market

Strategic goals



Revenues > 1bn



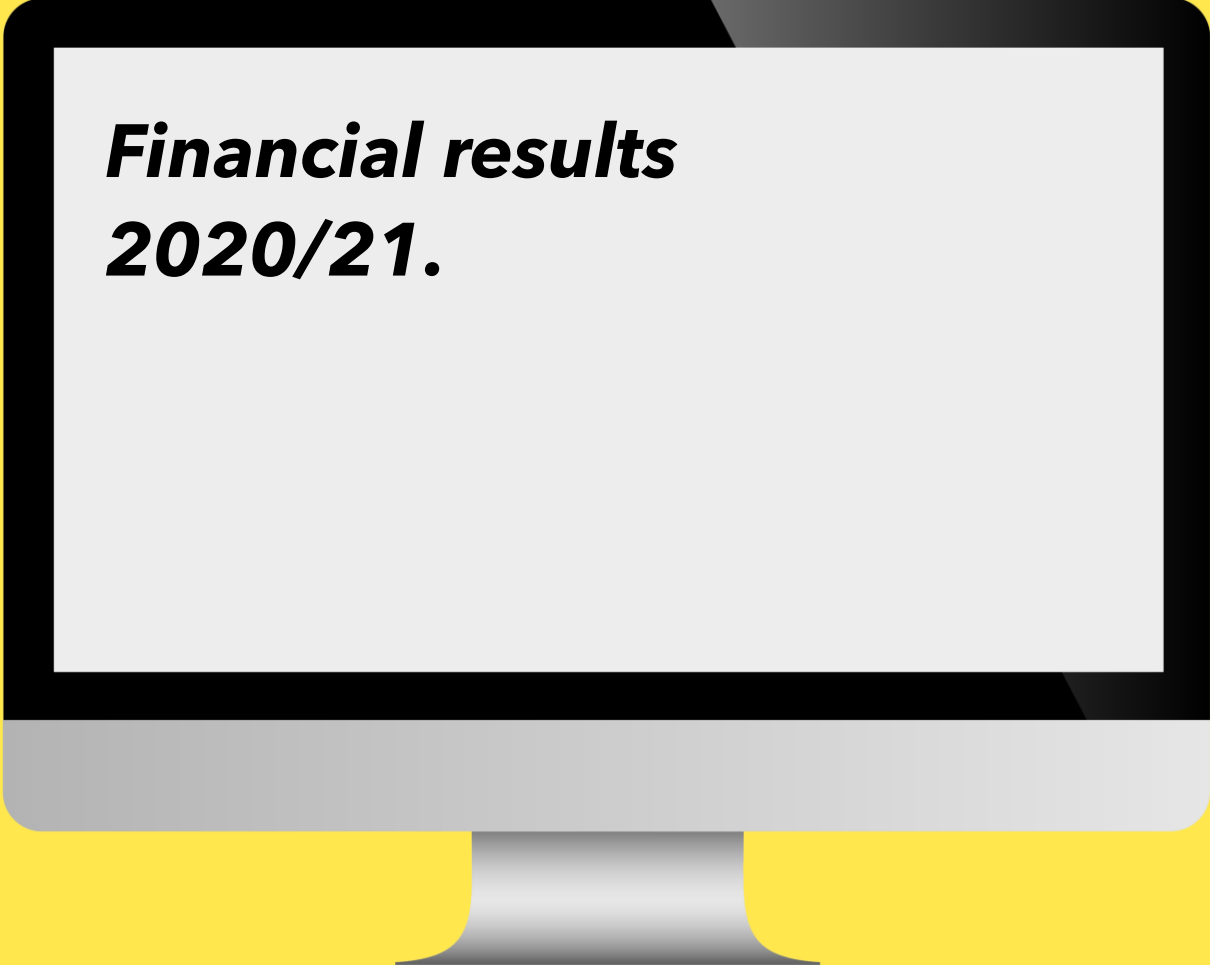
Double-digit EBIT margin



Equity ratio > 30%



CO₂-neutral company and above-average contribution to reducing environmental pollution.



***Financial results
2020/21.***

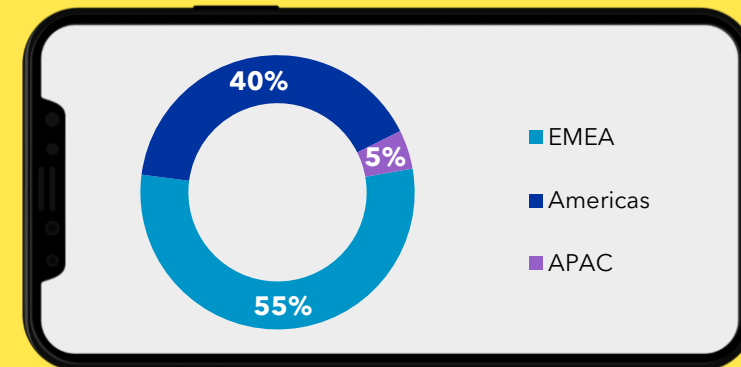
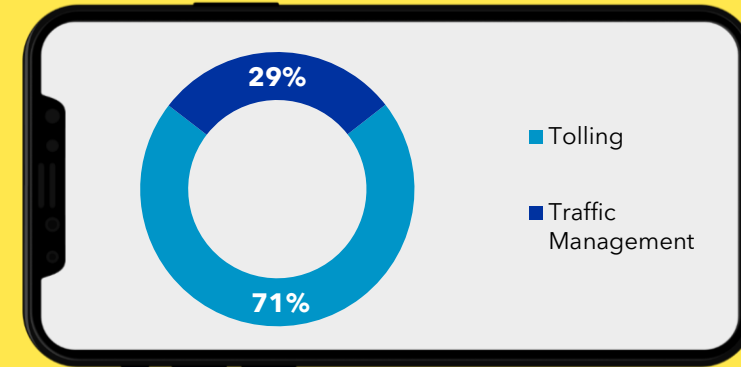
Earnings

Revenues

Revenues of 505m (-31%).

Previous year: 731m

- Decline of > 30% evenly spread across all regions.
- Drop in sales in particular in the
 - Implementation business (-44%)
 - Component business (-36%)
- Impact from ended large projects: approx. -83m
- Impact from margin adjustments: approx. -72m

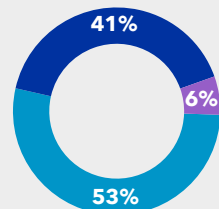


Earnings

Segment results

Tolling.

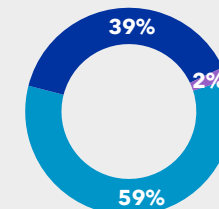
In EUR million	2019/20	2020/21	+/-
Revenues	563.5	358.2	-36%
Implementation	219.3	100.3	-54%
Operations	234.9	187.5	-20%
Components	109.3	70.5	-36%
EBIT	1.5	-117.2	—
EBIT margin	0.3%	-32.7%	-33%p



■ EMEA ■ Americas ■ APAC

Traffic Management.

In EUR million	2019/20	2020/21	+/-
Revenues	167.7	147.0	-12%
Implementation	73.6	65.2	-11%
Operations	84.4	76.4	-9%
Components	9.7	5.4	-44%
EBIT	-40.7	-6.0	85%
EBIT margin	-24.2%	-4.1%	20%p



■ EMEA ■ Americas ■ APAC

Earnings

EBIT

All figures in EUR million, unless otherwise stated	2019/20	2020/21	+/-
Revenues	731.2	505.2	-31%
Other operating income	16.0	9.9	-38%
Changes: un-/ finished goods & work in progress	-6.1	-6.2	2%
Cost of materials and other production services	-334.9	-243.5	-27%
Staff costs	-269.2	-243.8	-9%
Other operating expense	-118.7	-84.7	-29%
Proportional result of joint ventures	-4.6	-4.1	12%
EBITDA	13.6	-67.1	n.a.
Amortization, depreciation and impairments	-52.8	-56.0	6%
EBIT	-39.2	-123.2	-214%
<i>EBIT margin</i>	-5.4%	-24.4%	-19.0%p

FX impact on EBIT.

in EUR million	2019/20	2020/21	+/-
	0.0	-8.3	-8.2

Primarily: USD and SKR vs. EUR

Primarily autoTicket, Germany

Included in 2020/21:

- Impairment of goodwill of CGU Tolling EMEA -21m
- Impairment of right-of-use assets from leases -7m

Included in 2019/20:

- Impairment Zambia -21m
- Toll project in Germany -4m

Staff.

4.657 employees (-447)

CZ & ZM -145

Austria -93

South Africa -88

Argentina -45

Restructuring costs -4

Earnings

Financial results, taxes, result for the period

All figures in EUR million, unless otherwise stated	2019/20	2020/21	+/-
EBIT	-39.2	-123.2	-214%
Financial result	-23.1	-9.6	58%
Proportional results from associates and joint ventures from financial investments	-1.2	-0.4	69%
Result before income taxes	-63.4	-133.1	-110%
Income taxes	7.7	27.8	260%
Result for the period	-55.7	-105.3	-89%
Non-controlling interests	-7.6	-2.4	-68%
Result attributable to equity holders of the company	-48.1	-102.9	-114%
Earnings per share (EPS) in EUR	-3.70	-7.91	-114%

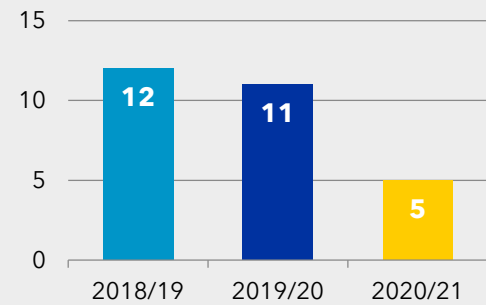
Financial result.			
in EUR million	2019/20	2020/21	change
Interest	-3.3	-3.0	0.3
FX	-9.0	-2.0	6.9
Other	-10.9	-4.6	6.3

Primarily South African rand, Zambian kwacha and US dollar relative to the euro

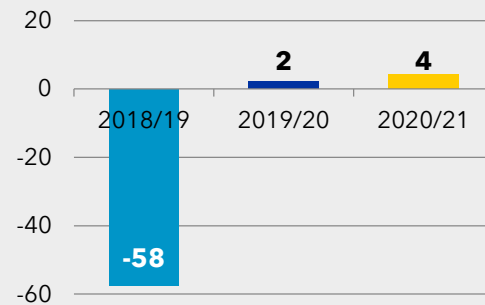
Included a write down of Q-Free shares. They were sold in 2020/21

Other KPIs

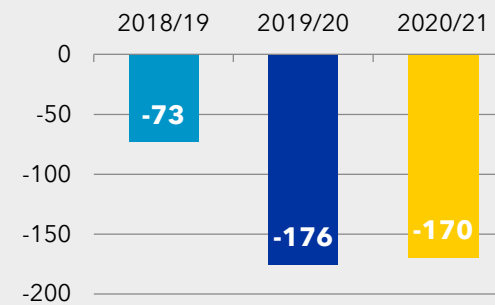
Net CAPEX.



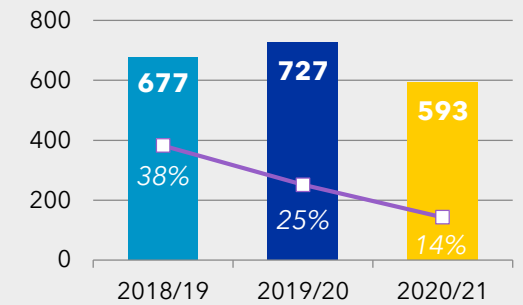
Free cash flow.



Net Debt.



Balance sheet total and equity ratio.



Outlook 2021/22.



Decent growth in revenues.

North America is the most important growth market.

There, focus on the stabilization of the organization.



EBIT margin positive again.

EBIT margin expected in the lower single-digit percentage range.

Follow-up effects and additional expenses in connection with the restructuring must be expected in particular in Q1 2021/22



No dividend for loss year of 2020/21.

Dividend also appears unlikely for the following financial year



Conditional capital increase.

Anticipatory resolution planned for a conditional capital increase at forthcoming AGM.

Possibility to raise the share capital by up to 10%.



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