

Always one step ahead.

Fiscal Year 2014/15 (1 April 2014 – 31 March 2015) Overview.



Key Aspects of Fiscal Year 2014/15.

What we achieved

What has not proved satisfactory

1. Nationwide Electronic Toll Collection (ETC) system in Poland

- System went into operation 3.5 years ago
- Expansion by another 300 km to roughly 2,900 km completed
- High performance rate secures income for the state
- Project profitability is stable

2. ETC system in Province Gauteng, South Africa

- System went into operation 1.5 years ago
- Over 1.4 million OBUs already distributed

- Payment rate still below the planned values
- Planned project profitability not yet reached

3. Nationwide ETC system in Belarus

- System went into operation 2 years ago
- Expansion by another 250 km to roughly 1,200 km completed
- Planned project profitability achieved

4. Market presence in Australia

- System started on M5 South Western Motorway in Sydney
- New orders for system deliveries received

Key Aspects of Fiscal Year 2014/15.

What we achieved

What has not proved satisfactory

5. Market presence in North America

- First own system integrated in the U.S.A., in Texas
- New orders for system deliveries received
- First order for delivery of an end-to-end solution for a U.S. customer (Ohio River Bridge) obtained

6. New projects and markets

- New invitations to tender for nationwide systems detailed
- Demand grows for traffic management systems

7. New solutions and business models

- Majority stake acquired in smart parking provider Streetline after the balance sheet date

8. Program 2020

- Measures developed for reduction of costs and increased earnings
- EBIT margin of the core business of about 10 % in the fiscal year 2015/16 should enable innovation and growth
- Strategy 2020 defined

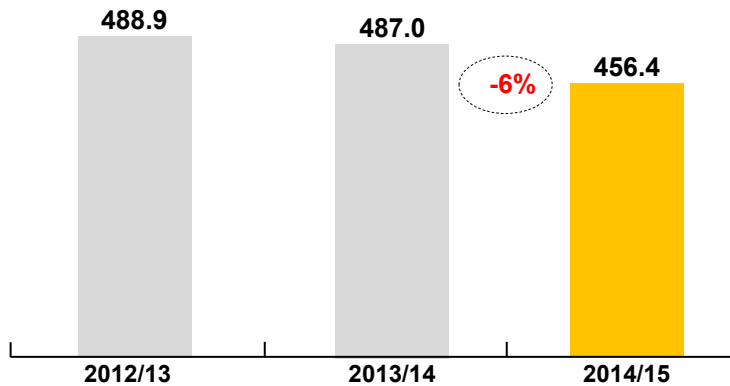
- No new major projects at this time
- Invitation to tender in Russia canceled
- Program in Brazil delayed

- Positive profit contribution expected in 18 months

Revenues.

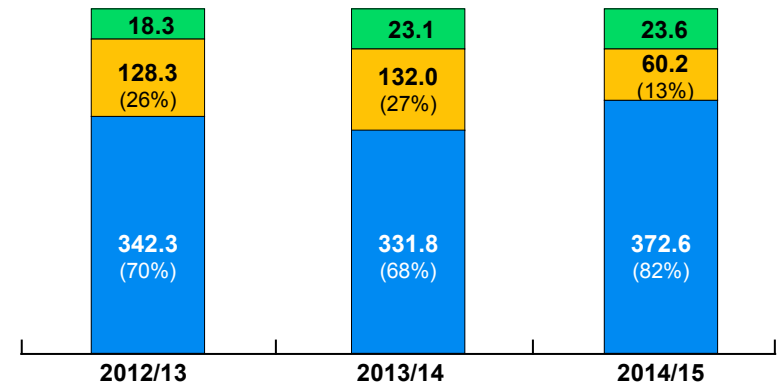
Revenues

in EUR million



Revenues by Business Segment

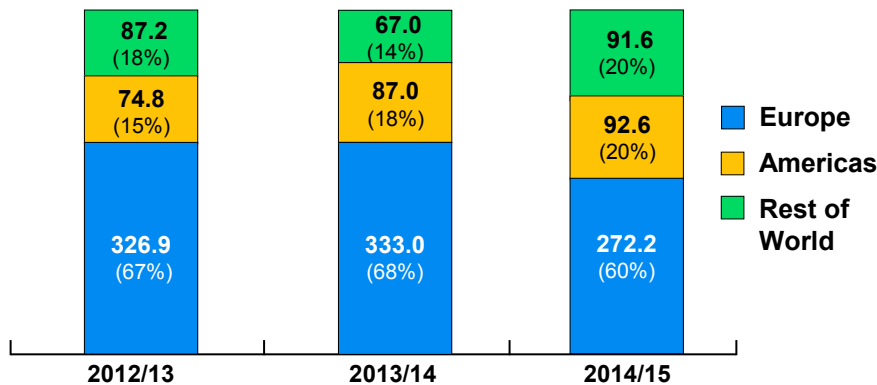
in EUR million (share on total revenues in %)



- **Segment SEC:** Recurring part of business
- **Segment RSP:** Project-related part of business
- **Segment OTH:** Non-core business

Revenues by Region

in EUR million (share on total revenues in %)

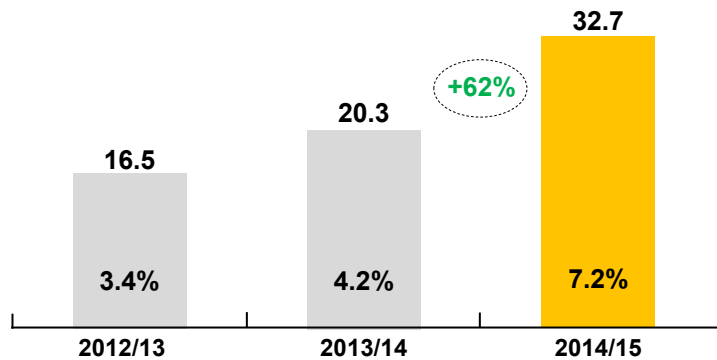


- Revenues fell by 6 % to EUR 456.4 million
- 82 % from recurring business (Segment SEC)
- Project-related revenues fell by half (Segment RSP)
- Revenue shift from Europe to Americas and Rest of the World
- Americas rose to 20 % of total revenues

Earnings and Dividend.

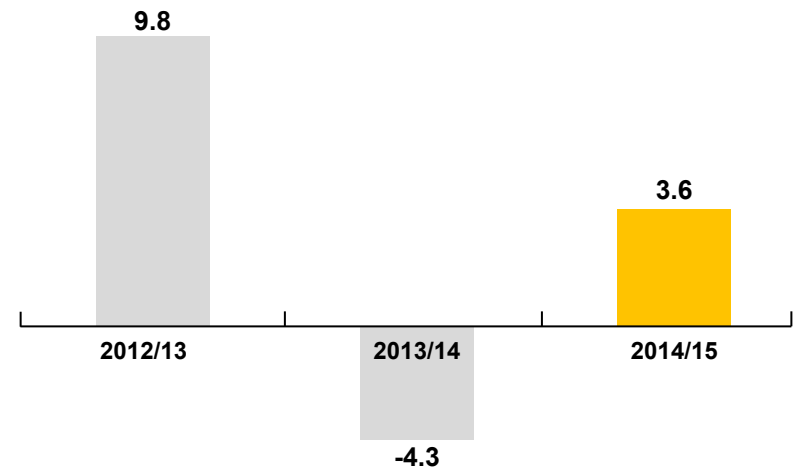
EBIT

in EUR million (EBIT margin in %)



Profit for the Period

attributable to equity holders (in EUR million)



Earnings and Dividend per Share

in EUR

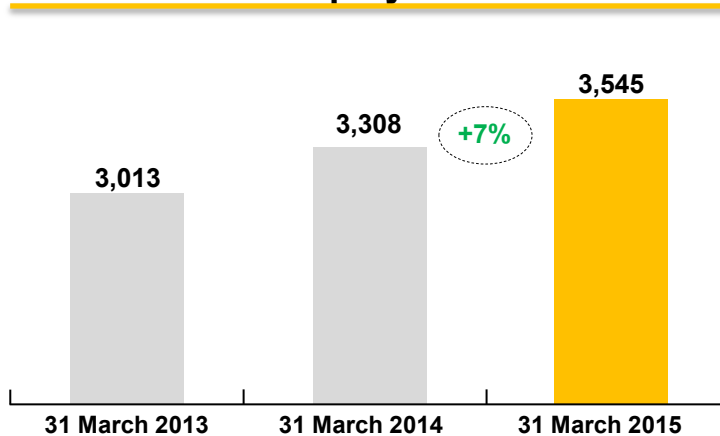


¹ Proposal of executive board to shareholders' meeting

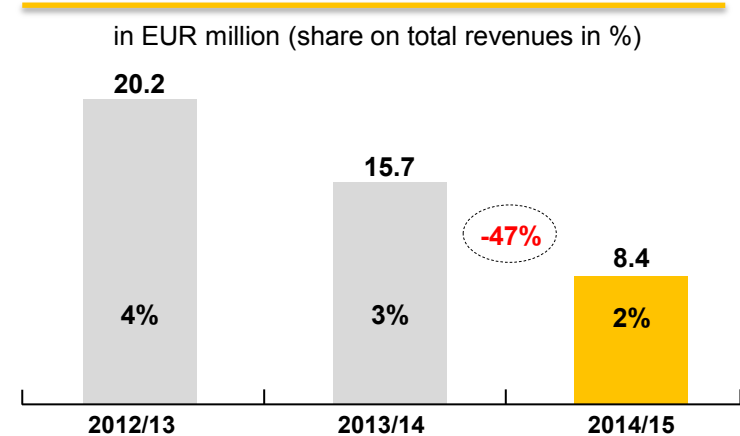
- EBIT increased by 62 % to EUR 32.7 million
- EBIT margin reached 7.2 % after 4.2 % in previous year
- Profit for the period attributable to equity holders increased to EUR 3.6 million (2013/14: EUR -4.3 million)
- Earnings per share positive again at EUR 0.28
- Executive board proposes dividend of EUR 0.50 per share

Employees, Capital Expenditure and Research & Development.

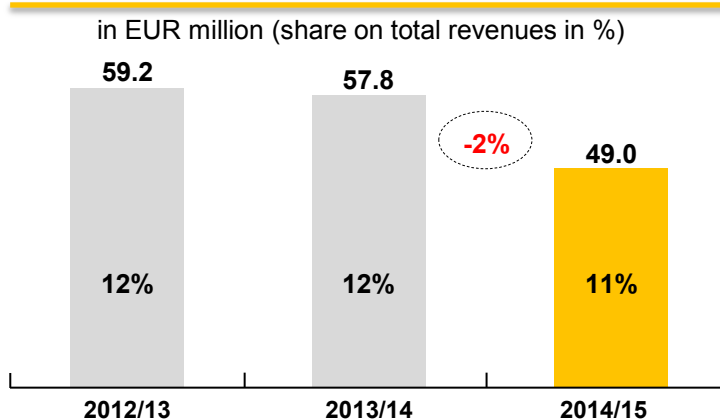
Employees



Capital Expenditure



Research & Development

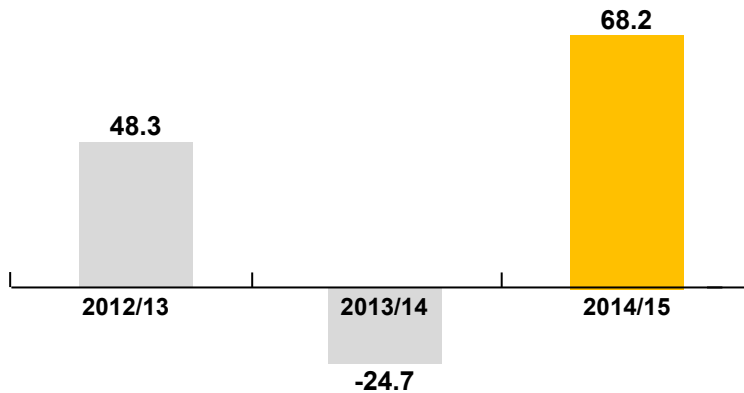


- Number of employees increased by 7 % to 3,545 despite reduction within Program 2020 due to:
 - Take-over of external staff in the South Africa
 - Expansion of operation companies
- Capital expenditure decreased by 47 % to EUR 8.4 million
- R&D expense reduced by roughly EUR 9 million

Assets and Liabilities and Financial Position.

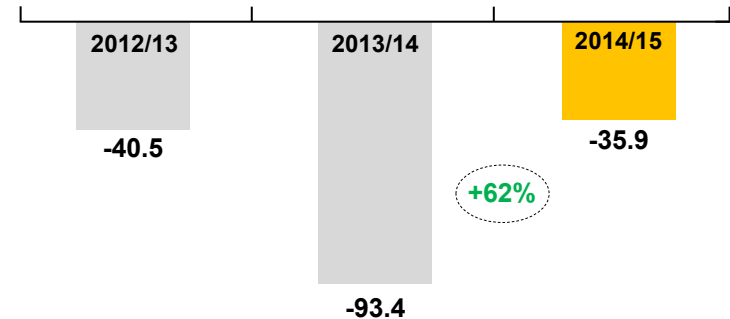
Free Cash Flow

in EUR million



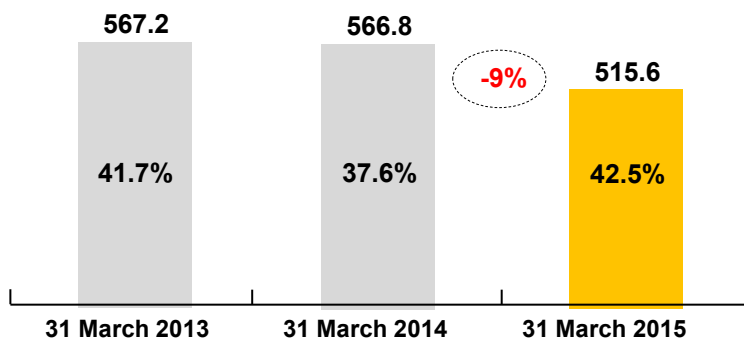
Net Debt

in EUR million



Total Assets and Equity Ratio

in EUR million (equity ratio in %)



- Free cash flow reached EUR 68.2 million
- Net debt declined by 62 % to EUR -35.9 million
- Total assets fell by 9 % to EUR 515.6 million
- Equity ratio improved by 5 percentage points to 42.5 %

Outlook and Targets.

As part of the comprehensive Program 2020, Kapsch TrafficCom defined a future strategy in fiscal year 2014/15 for developing and transforming the group's business.

A first step toward this future was taken with the purchase of a majority interest in the Californian smart parking provider Streetline in April 2015.

The initiated cost savings as a result of Program 2020 will fully take effect over the course of the fiscal year 2015/16.

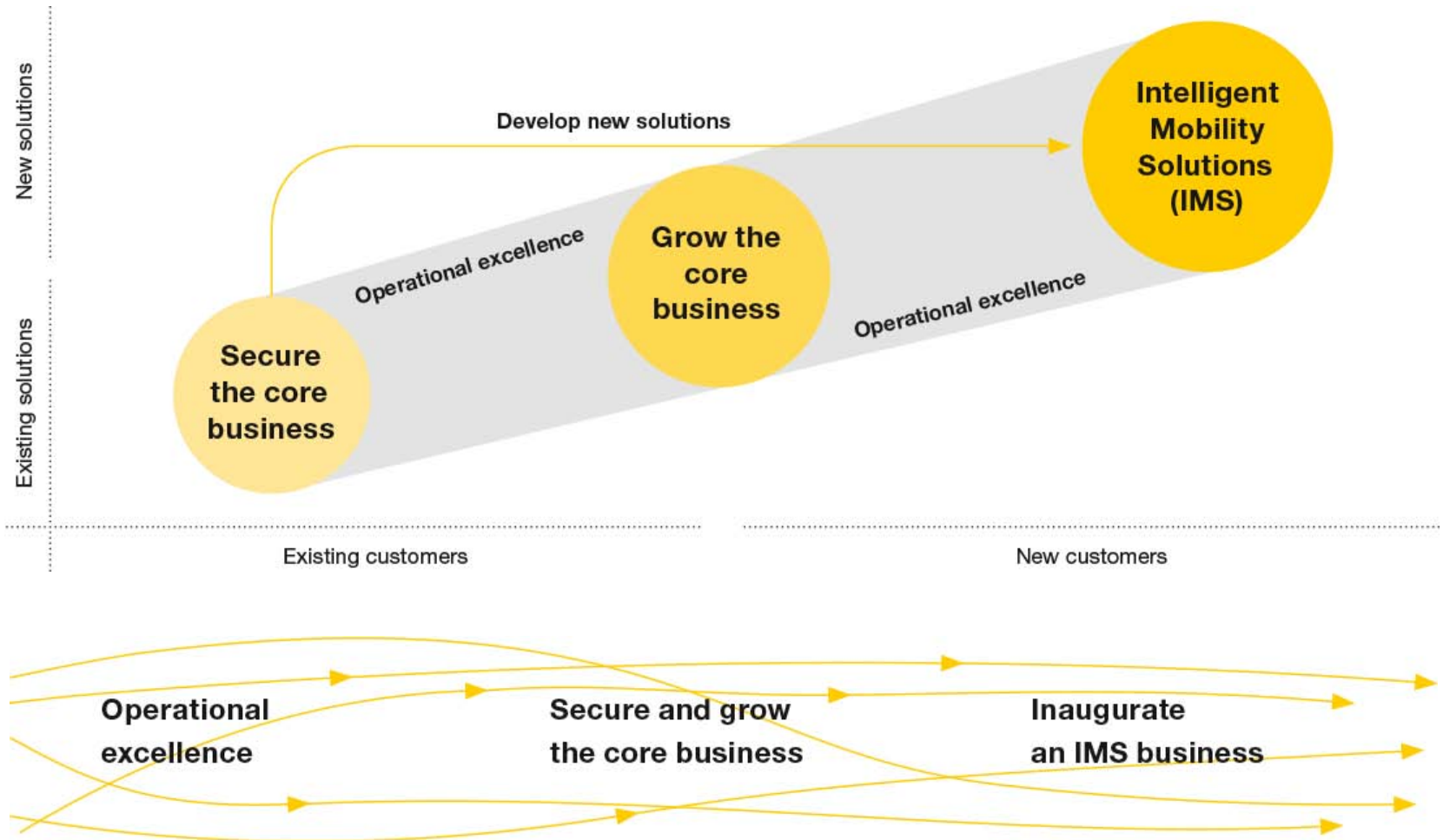
The profitability of the core business should then lie at roughly 10 %, leaving sufficient freedom for future investments.

Kapsch TrafficCom will concertedly continue existing projects and work to further strengthen its market position with new developments and projects.

In the years to come, some existing contracts for operation projects will be put out to tender again. This will be the case in the Czech Republic and in Austria.

The goal of Kapsch TrafficCom is to consistently improve the group as well as its solutions, products and services in order to remain among the top providers on the market in the future.

Strategy 2020.



Vision and Mission.



Earnings Data.

Earnings Data		2012/13	2013/14	+/-	2014/15
Revenues	in million EUR	488.9	487.0	-6 %	456.4
EBITDA	in million EUR	34.2	36.9	67 %	61.5
EBITDA margin	in %	6.7	7.6		13.5
EBIT	in million EUR	16.5	20.3	62 %	32.7
EBIT margin	in %	3.4	4.2		7.2
Profit before tax	in million EUR	17.0	5.5	263 %	19.9
Profit for the period	in million EUR	16.8	2.9	299 %	11.4
Profit for the period attributable to equity holders	in million EUR	9.8	-4.3	—	3.6
Earnings per share ¹	in EUR	0.75	-0.33	—	0.28
Free cash flow ²	in million EUR	48.3	-24.7	—	68.2
Capital expenditure ³	in million EUR	20.2	15.7	-47 %	8.4
Employees ⁴		3,013	3,308	7 %	3,545
On-board units delivered	in million units	9.28	9.22	-20 %	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 As of 31 March of each year

Business Segments and Regions.

Business Segments		2012/13		2013/14		+/-	2014/15	
Road Solution Projects (RSP)								
Revenues (share on total revenues)	in million EUR	128.3	(26 %)	132.0	(27 %)	-54 %	60.2	(13 %)
EBIT (EBIT margin)	in million EUR	-51.7	(-40.3 %)	-34.6	(-26.2 %)	-47 %	-50.7	(-84.4 %)
Services, System Extensions, Components Sales (SEC)								
Revenues (share on total revenues)	in million EUR	342.3	(70 %)	331.8	(68 %)	12 %	372.6	(82 %)
EBIT (EBIT margin)	in million EUR	67.3	(19.7 %)	53.8	(16.2 %)	53 %	82.2	(22.1 %)
Others (OTH)								
Revenues (share on total revenues)	in million EUR	18.3	(4 %)	23.1	(5 %)	2 %	23.6	(5 %)
EBIT (EBIT margin)	in million EUR	0.9	(5.1 %)	1.1	(4.7 %)	17 %	1.3	(5.4 %)
Regions (share on total revenues)		2012/13		2013/14		+/-	2014/15	
Austria ⁵	in million EUR	38.0	(8 %)	32.9	(7 %)	16 %	38.2	(8 %)
Europe ⁵	in million EUR	288.9	(59 %)	300.1	(62 %)	-22 %	234.0	(51 %)
Americas ⁵	in million EUR	74.8	(15 %)	87.0	(18 %)	6 %	92.6	(20 %)
Rest of World ⁵	in million EUR	87.2	(18 %)	67.0	(14 %)	37 %	91.6	(20 %)

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

Balance Sheet Data.

Balance Sheet Data		31 March 2013	31 March 2014	+/-	31 March 2015
Total assets	in million EUR	567.2	566.8	-9 %	515.6
Total equity ⁶	in million EUR	236.7	213.1	3 %	219.4
Equity ratio ⁶	in %	41.7	37.6		42.5
Net debt	in million EUR	-40.5	-93.4	-62 %	-35.9
Capital employed	in million EUR	360.7	369.2	-3 %	357.3
Net working capital	in million EUR	243.9	205.4	2 %	209.9

⁶ Incl. minority interests

Kapsch TrafficCom is a provider of intelligent transportation systems (ITS) in the application fields of road user charging, urban access and parking, road safety enforcement, commercial vehicle operations, electronic vehicle registration, traffic management and V2X cooperative systems. Kapsch TrafficCom covers with end-to-end solutions the entire value creation chain of its customers as a one-stop shop, from components and design to the installation and operation of systems. The solutions of Kapsch TrafficCom help to finance infrastructure, to increase traffic safety, to optimize traffic flow, and to reduce environmental pollution from traffic. The core business is to design, build and operate electronic toll collection systems for multi-lane free flow traffic.

References in 44 countries on all continents make Kapsch TrafficCom a recognized supplier of electronic toll collection systems worldwide. As part of the Kapsch Group, a family-owned Austrian technology group founded in 1892, Kapsch TrafficCom, headquartered in Vienna, Austria, has subsidiaries and representative offices in 33 countries, has been listed on the Vienna Stock Exchange (KTCG) since 2007, and generated with more than 3,300 employees revenues of EUR 487.0 million in fiscal year 2013/14.

For additional information: www.kapschtraffic.com

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