

**Solutions from
Kapsch TrafficCom
benefit more than
traffic.**

Annual Report for Fiscal Year 2009/10.

Business Segments and Subsidiaries.

Business Segments.

Kapsch TrafficCom categorizes its business into the three segments Road Solution Projects (RSP), Services, System Extensions, Components Sales (SEC), and Others (OTH).

Road Solution Projects (RSP). This segment shows projects with an aggregate volume in excess of EUR 3 million. Generally, such systems are awarded in tender processes by public authorities or private sector concessionaires. The tolling systems range from individual road sections to nationwide tolling systems.

The segment RSP shows the one-time effects from the realization of new projects. The business in this segment is characterized by a significant volatility in revenues and operating results from period to period depending on whether individual projects are in the preparation, the commencement or the subsequent implementation phase. The project nature of this segment results in significant fluctuations in revenues, cost of materials and other production services, staff costs as well as other operating expense and, in certain projects (such as the nationwide electronic truck tolling system in the Czech Republic), also in project financing costs.

Services, System Extensions, Components Sales (SEC). Once a system is implemented, Kapsch TrafficCom is typically responsible for the technical operation and maintenance of the system. In addition, the supply of supplemental equipment and components (such as OBUs and transceivers) for the extension as well as for the upgrade (such as the upgrade of manual to automatic toll collection) of existing systems fall into this segment. Since 2005, Kapsch TrafficCom also offers the commercial operation of systems. The segment SEC also includes projects of a smaller scale with an aggregate volume of less than EUR 3 million that are often not awarded pursuant to tender processes.

The segment SEC shows the recurring activities. The business in this segment is characterized by relatively stable revenue streams over a certain period, since these services are provided mainly based on medium- or long-term service and framework agreements. Kapsch TrafficCom expects to generate a continuous stream of revenues in this segment going forward through the service offering, in particular through the services rendered for the commercial operation of the nationwide electronic truck tolling system in the Czech Republic.

Others (OTH). The segment Others includes the non-core business activities of the Kapsch TrafficCom Group conducted by its subsidiary Kapsch Components KG. In this segment, engineering solutions, electronic manufacturing and logistics services are rendered to affiliated entities and third parties.

Total revenues were at EUR 216.0 million in the fiscal year 2009/10, an increase by 8 % compared to the same period of the previous year (fiscal year 2008/09: EUR 200.3 million).

The segment Services, System Extensions, Components Sales (SEC) generated revenues of EUR 161.9 million and thereby contributed 75 % to the total revenues, an increase of 19 % compared to the same period of the previous year (fiscal year 2008/09: EUR 135.6 million).

The top five markets in the segment SEC were the Czech Republic at EUR 61.1 million (corresponding to 37.7 % of the total revenues of the segment SEC), Austria at EUR 35.1 million (21.7 %), Australia at EUR 19.9 million (12.3 %), France at EUR 7.3 million (4.5 %) and Chile at EUR 6.4 million (4.0 %). At EUR 32.1 million, 19.8 % of the total revenues of the segment SEC were generated outside of the top five markets.

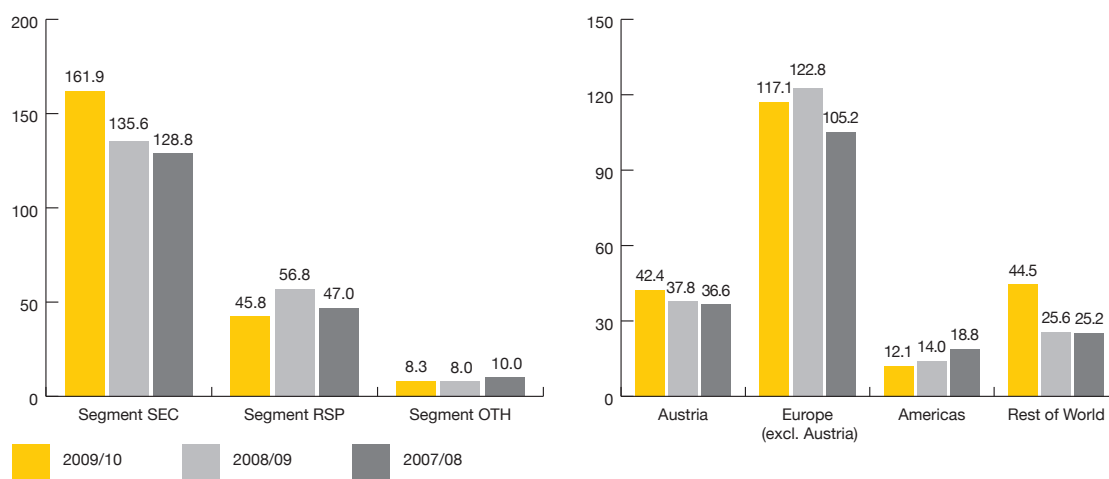
The segment Road Solution Projects (RSP) generated revenues of EUR 45.8 million and thereby contributed 21 % to the total revenues, a decrease of 19 % compared to the same period of the previous year (fiscal year 2008/09: EUR 56.8 million).

Top five markets in the segment RSP were the Czech Republic at EUR 19.3 million (corresponding to 42.1 % of the total revenues of the segment RSP), South Africa at EUR 9.9 million (21.6 %), Australia at EUR 8.1 million (17.7 %), Chile at EUR 4.1 million (9.0 %) and New Zealand at EUR 2.7 million (5.9 %). At EUR 1.7 million, 3.7 % of the total revenues of the segment RSP were generated outside of the top five markets.

The segment Others (OTH) generated revenues of EUR 8.3 million and thereby contributed 4 % to the total revenues, an increase of 4 % compared to the same period of the previous year (fiscal year 2008/09: EUR 8.0 million). The top market was Austria at EUR 7.3 million (corresponding to 88.0 % of the total revenues of the segment OTH).

By geographic region, in the fiscal year 2009/10 Austria generated revenues of EUR 42.4 million (corresponding to 20 % of total revenues), Europe (excluding Austria) of EUR 117.1 million (54 %), the Americas of EUR 12.1 million (6 %) and the Rest of World of EUR 44.5 million (21 %).

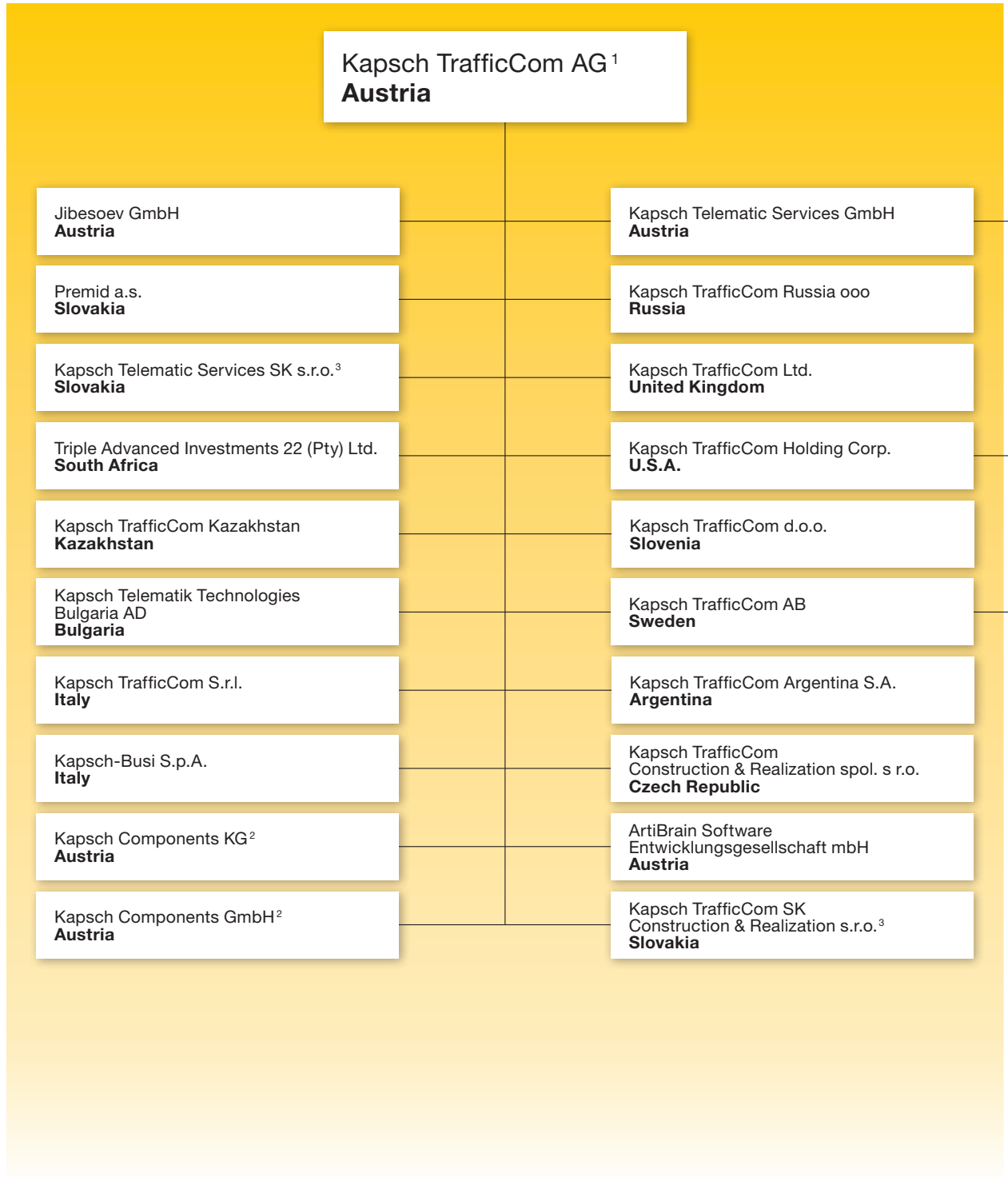
By country, the top five markets in the fiscal year 2009/10 were the Czech Republic with revenues of EUR 80.3 million (corresponding to 37.2 % of total revenues), Austria with EUR 42.4 million (19.6 %), Australia with EUR 27.9 million (12.9 %), South Africa with EUR 10.7 million (5.0 %) and Chile with EUR 10.5 million (4.9 %). At EUR 44.2 million, 20.5 % of total revenues were generated outside the top five markets.



SEC = Services, System Extensions, Components Sales
RSP = Road Solution Projects
OTH = Others

Kapsch TrafficCom AG and its Subsidiaries.

The following chart shows the corporate structure with those companies of the Kapsch TrafficCom Group as of 31 March 2010 which were part of the consolidated group in the Consolidated Financial Statements:




¹ The parent company Kapsch TrafficCom AG holds, with the exception of Kapsch Telematic Services GmbH, Kapsch Telematic Services Deutschland GmbH, Kapsch Telematic Services Danmark ApS, Kapsch Telematic Services Kft., Kapsch Telematic Services spol. s r.o., Durante Investments sp. z o.o., Kapsch TrafficCom Construction & Realization spol. s r.o., Kapsch-Busi S.p.A. Kapsch TrafficCom U.S. Corp. and Electronic Toll Collection (Pty) Ltd. directly or indirectly 100 % of the shares in the fully consolidated subsidiaries. The company also has representative offices in São Paulo, Brazil and Beijing, China as well as a branch office in Zagreb, Croatia.

² Kapsch Components GmbH is the sole general partner (Komplementär) of Kapsch Components KG.

³ Is currently merged with other group companies (see consolidated group in Notes to the Consolidated Financial Statements)





A young girl with a ponytail, wearing a brown jacket, a pink scarf, and a plaid skirt, is running on a white ledge in a gallery. The background shows a wall with several framed pictures, some of which are blurred due to motion.

Giving authorities the ability to monitor mobile OBUs:
the on-board unit mobile reader.

Electronic toll collection systems allow fair and equitable charging of road-usage fees based on actual use. A reliable income source for the road operator – and therefore a good opportunity for to redistribute funds, such as for promoting a diverse and appealing cultural offering.

Kapsch TrafficCom is an international supplier of superior intelligent transportation systems (ITS). Its principle business is the development and supply of electronic toll collection (ETC) systems, in particular for the multi-lane free-flow (MLFF) of the traffic, and the technical and commercial operation of such systems. Kapsch TrafficCom also supplies traffic management systems, with a focus on road safety and traffic control, and electronic access systems and parking management. With more than 230 references in 38 countries in all 5 continents, and with almost 18 million on-board units (OBUs) delivered and nearly 13,000 lanes equipped, Kapsch TrafficCom has positioned itself among the leading suppliers of ETC systems worldwide. Kapsch TrafficCom is headquartered in Vienna, Austria, and has subsidiaries and representative offices in 25 countries.

Kapsch TrafficCom AG | Am Europlatz 2 | 1120 Vienna | Austria | www.kapschtraffic.com

Investor Relations | Marcus Handl | Phone +43 50811 1120 | Fax +43 50811 99 1120 | E-mail ir.kapschtraffic@kapsch.net

Public Relations | Brigitte Herdlicka | Phone +43 50811 1710 | Fax +43 50811 99 1710 | E-mail brigitte.herdlicka@kapsch.net