Press release.

Kapsch TrafficCom – Publication for the 2025/26 financial year with outlook on 2026/27.

Highlights.

- *Annual financial report published today.*
- *Business performance 2025/26 fell short of initial expectations.*
- *Shortfall of revenues could not be offset; EBIT came in at EUR 6 million, below the preliminary figures, due to a necessary impairment.*
- *Adjustments already made to account for the lower level will take effect in the 2026/27 financial year.*
- *Key terms of restructuring with comprehensive measures agreed upon with financial partners.*
- *Outlook for financial year 2026/27: Revenues and EBIT expected to exceed previous year's figures.*

Unless otherwise stated, all values in EUR million.	2024/25*	2025/26	+/-
Revenues	530.3	430.6	*-18.8%*
EBIT	7.3	5.6	*-23.6%*
EBIT margin	1.4%	1.3%	*-0.1 PP*
Result for the period attributable to equity holders	-12.1	-18.7	*-54.5%*
Earnings per share (EUR)	-0.85	-1.31	*-54.5%*

* Retrospective adjustment

Vienna, July 29, 2026 – As announced on June 17, 2026, Kapsch TrafficCom's business performance in financial year 2025/26 fell short of initial expectations set at the beginning of the year. Consequently, the financial year was primarily marked by internal cost adjustments and an increased focus on new business. In addition, in light of the challenging economic situation, the key terms of a restructuring were subsequently agreed upon with the major financial partners.

Earnings performance.

Against the backdrop of an unexpectedly weak tolling market, the removal of two major operation projects could not be offset in terms of revenue. In addition, as previously reported, there were customer-related delays in project starts and execution, and Kapsch TrafficCom was not able to win all of the projects it had anticipated. As a result, revenues declined by 19% from EUR 530 million in the previous year to EUR 431 million in financial year 2025/26.

For the previous financial year 2024/25, a retrospective adjustment was made in accordance with IAS 8, resulting in adjustments to some items on the balance sheet and the income statement.

Other operating income increased by 82% year-on-year (EUR 24 million) to EUR 54 million (adjusted previous year value). This was mainly due to a positive one-off effect from Germany in the amount of EUR 23 million.

On the cost side, Kapsch TrafficCom was efficient but had been structured for the higher revenue level originally expected. Despite the positive one-time effect from Germany and the adjustments to the lower level that were immediately implemented, EBIT declined to EUR 6 million, compared to EUR 7 million (adjusted) in the previous year. This result is lower than the unaudited figure published in June due to a necessary impairment charge of EUR 2 million. The result for the period attributable to the equity holders decreased from EUR -12 million (adjusted) to EUR -19 million, and earnings per share amounted to EUR -1.31, compared to EUR -0.85 (adjusted).

Segments.

The significant effects described from the removal of the two projects and the compensation from Germany are reflected in the tolling segment in the EMEA region (Europe, Middle East, Africa). Furthermore, the tolling segment in particular was characterized by a weak market worldwide. This segment's contribution to total revenues therefore declined to 69% during the reporting period, while the traffic management segment contributed 31%.

From a regional perspective, Kapsch TrafficCom reported declines in revenues across all reporting regions – partly due to currency fluctuations, particularly involving the U.S. dollar – although these declines were most pronounced in the EMEA region.

Financial and asset position.

Free cash flow declined from EUR 21 million to EUR 2 million in financial year 2025/26, primarily due to the decline in revenue.

Due to the decrease in equity of EUR 18 million, the gearing ratio rose to 167% (March 31, 2025, adjusted: 118%). Net debt as of March 31, 2026, stood at EUR 113 million, up from the previous year's figure of EUR 101 million. Financial liabilities were reduced by EUR 8 million and lease liabilities by EUR 4 million; however, cash and cash equivalents also declined by EUR 25 million to EUR 23 million (previous year: EUR 48 million).

Due to the downturn in earnings and liquidity, the covenants agreed upon as part of the 2025 refinancing could not be met as of the balance sheet date of March 31, 2026. As a result, financial liabilities, including promissory note loans, were reported as current financial liabilities in the amount of EUR 110 million (previous year: EUR 22 million current and EUR 96 million non-current).

Recent developments.

At the beginning of July 2026, Kapsch TrafficCom concluded a standstill agreement with its lending banks and promissory note creditors, whereby the receivables due and becoming due under the financing agreements (principal repayments) were deferred. Subsequently, on July 26, 2026, a binding term sheet was agreed upon as the basis for a comprehensive restructuring agreement with a term ending on March 31, 2028. A final restructuring agreement is expected to be concluded by mid-September 2026.

In early July 2026, Kapsch TrafficCom signed a contract for the sale of the majority stake in its subsidiary tolltickets GmbH in Germany. A one-time positive impact on EBIT is expected upon closing.

Outlook for financial year 2026/27.

Kapsch TrafficCom expects the market environment to remain challenging in the financial year 2026/27. Management is therefore refraining from providing a quantitative outlook for the time being, but expects revenue and EBIT to exceed the previous year's figures.

The project delays caused by customers are expected to be made up for in the current financial year. In addition, Kapsch TrafficCom was able to secure encouraging new orders during the reporting period. Order intake reached approximately EUR 496 million in the reporting period, and the order backlog remained very high at EUR 1.3 billion at year-end. Cost adjustments to reflect the current lower revenue level have made significant progress during the reporting period and will take effect as early as financial year 2026/27. To ensure the necessary resources for future growth, a key aspect is maintaining sufficient capacity and expertise to support additional business.

On July 27, 2026, the Supervisory Board appointed Mr. Markus Richter as Chief Financial Officer of Kapsch TrafficCom AG; as a proven expert, he is expected to play a key role in overseeing the implementation of the restructuring process. As part of the restructuring, management will implement comprehensive cost-saving and efficiency-enhancing measures. In addition, the Company plans to divest assets from its business portfolio and is also exploring ways to strengthen its capital base.

The report on the financial year 2025/26 as well as further materials on the results are scheduled to be available today, from 7:35 a.m. (CEST), at www.kapsch.net/ir.

__Kapsch TrafficCom__ is a globally renowned provider of transportation solutions for sustainable mobility with successful projects in more than 50 countries. Innovative solutions in the areas of tolling and traffic management contribute to a healthier world without congestion.

With one-stop-shop solutions, the Company covers the entire customer value chain, from components and design to the implementation and operation of systems.

Kapsch TrafficCom, headquartered in Vienna, has subsidiaries and branches in more than 25 countries and is listed in the Prime Market segment of the Vienna Stock Exchange (ticker symbol: KTCG). In its 2025/26 financial year, about 2,700 employees generated revenues of EUR 431 million.

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