

Report on the third quarter of
Fiscal Year 2009/10 (FY10-Q3).

Kapsch TrafficCom Group – Key Figures.

FY10 (Fiscal Year 2009/10): 1 April 2009 - 31 March 2010; FY10-Q3 (Third quarter of Fiscal Year 2009/10): 1 October 2009 - 31 Dezember 2009

Operating Figures (cumulative)		FY10-Q3	FY09-Q3	+/- %	FY09
Revenues	in million EUR	149.0	160.1	-7%	200.3
EBITDA	in million EUR	12.3	25.2	-51 %	35.0
EBITDA margin	in %	8.3	15.7		17.5
EBIT	in million EUR	6.6	21.6	-69%	29.0
EBIT margin	in %	4.4	13.5		14.5
Profit before tax	in million EUR	23.0	17.9	28 %	21.9
Profit after tax	in million EUR	21.7	12.7	70 %	16.4
Earnings per share	in EUR	1.47	0.95	55 %	1.06
Free cash flow ¹	in million EUR	31.3	25.5	23 %	19.9
Capital expenditure ²	in million EUR	6.7	12.3	-46 %	22.2
Employees		990	915	8 %	946

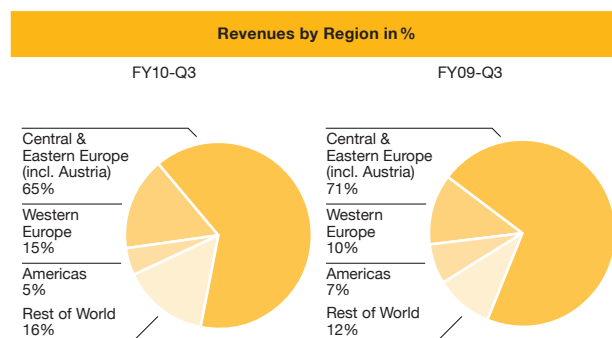
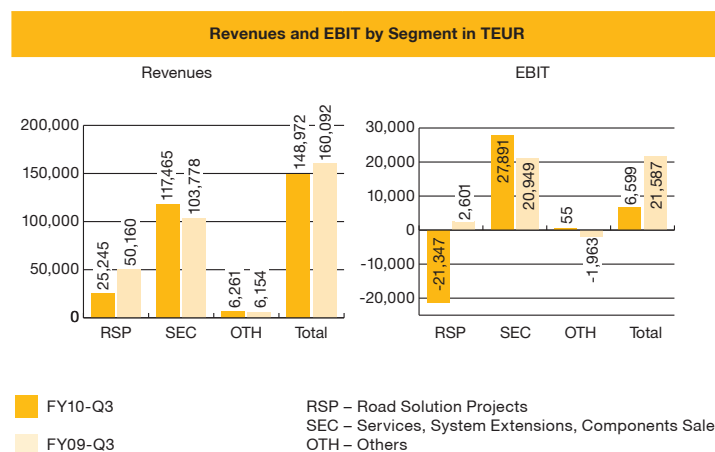
Revenues by Segment		FY10-Q3	FY09-Q3	+/- %	FY09
Road Solution Projects	in million EUR	25.2	50.2	-50 %	56.8
Services, System Extensions, Components Sales	in million EUR	117.5	103.8	13 %	135.6
Others	in million EUR	6.3	6.2	2 %	8.0

Revenues by Region		FY10-Q3	FY09-Q3	+/- %	FY09
Central & Eastern Europe (incl. Austria)	in million EUR	96.7	113.8	-15%	139.3
Western Europe	in million EUR	21.8	15.9	37 %	21.3
Americas	in million EUR	7.1	10.7	-34 %	14.0
Rest of World	in million EUR	23.4	19.7	19 %	25.6

Balance Sheet Data		31 Dec 2009	31 Dec 2008	+/- %	31 March 2009
Total assets	in million EUR	289.4	304.8	-5 %	324.5
Total equity ³	in million EUR	151.3	131.2	15 %	134.2
Equity ratio	in %	52.3	43.0		41.4
Net assets ⁴	in million EUR	31.0	22.5	37 %	5.0
Capital employed	in million EUR	175.3	167.7	5 %	193.5
Net working capital	in million EUR	101.6	124.8	-19 %	122.3

Stock Exchange Data ⁵					
Number of shares as of 31 Dec 2009	in million	12.2	Market capitalization as of 31 Dec 2009	in EUR	308.4
Free float as of 31 Dec 2009	in %	31.6	Closing price per share as of 31 Dec 2009	in EUR	25.3

- operating cash flow minus capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)
- capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)
- incl. minority interests
- excl. long-term securities
- for additional information on the share see page 6



Letter from the Chief Executive Officer.



Georg Kapsch, Chief Executive Officer

Dear shareholders,

with this report, the Kapsch TrafficCom Group draws a balance on the third quarter as well as the first nine months (1 April to 31 December 2009) of the current fiscal year 2009/10.

After a challenging first half year, Kapsch TrafficCom recorded highly satisfying results in the third quarter. At EUR 69.6 million, revenues of the Group in the period from 1 October to 31 December 2009 significantly exceeded revenues in the same period of the previous fiscal year (FY09-Q3: EUR 51.6 million). Despite continuing large investments in the expansion into new markets, particularly the U.S.A., the EBIT also increased to EUR 11.1 million (FY09-Q3: EUR 3.2 million).

Due to the weaker performance in the first half year - particularly in the first quarter - consolidated revenues of EUR 149.0 million for the first three quarters were still slightly below the EUR 160.1 million in the same period of the previous fiscal year. In contrast to the first half year, earnings turned back positive, with an EBIT at EUR 6.6 million (FY09-Q3 cum.: EUR 21.6 million). Widely due to an accounting profit of EUR 14.1 million resulting from the reclassification of the stake in Q-Free ASA, Norway, as the shareholding, as a consequence of capital increases, fell below the threshold of 20 %, profit before tax improved to EUR 23.0 million (FY09-Q3 cum.: EUR 17.9 million) and profit after tax to EUR 21.7 million (FY09-Q3 cum.: EUR 12.7 million). Accordingly, earnings per share were at EUR 1.47 EUR compared to EUR 0.95 in the first nine months of the previous fiscal year.

Broken down by segments, with revenues of EUR 25.2 million (FY09-Q3 cum.: EUR 50.2 million) at an EBIT of EUR minus 21.3 million (FY09-Q3 cum.: EUR 2.6 million) the Road Solution Projects (RSP) segment, being characterized by projects business, recorded a considerable decrease against the same period of the previous fiscal year. In contrast, the

Revenues and earnings significantly increased

Earnings turned back positive after three quarters despite decreased revenues and continuing large investments in the expansion into new markets

Segment RSP with strong negative deviation from the previous fiscal year

Services, System Extensions, Components Sales (SEC) segment, which is characterized by recurring revenues, showed a significantly stronger performance. With revenues at EUR 117.5 million (FY09-Q3 cum.: EUR 103.8 million) and an EBIT at EUR 27.9 million (FY09-Q3 cum.: EUR 20.9 million), it clearly outperformed the same period of the previous fiscal year.

The satisfying performance of the SEC segment was primarily attributable to a high volume of components sales. At 2.5 million, on-board units (OBUs) sales in the first nine months almost reached the same level as for the whole of the previous fiscal year. At nearly 1.1 million units, the third quarter of the current fiscal year was the strongest in the company history.

The Kapsch TrafficCom Group clearly improved its free cash flow in the first three quarters of fiscal year 2009/10, up by 23% to EUR 31.3 million against EUR 25.5 million during the same period of the previous fiscal year. As of 31 December 2009, the net working capital was reduced by 19% to EUR 101.6 million compared to EUR 124.8 million as of 31 December 2008.

In the same period, Kapsch TrafficCom clearly improved its capital structure again. With total assets of EUR 289.4 million as of 31 December 2009, down by 5% from EUR 304.8 million as of 31 December 2008, the Kapsch TrafficCom Group's equity ratio reached 52.3% as of 31 December 2009 (31 December 2008: 43.0%). At the end of the previous fiscal year as of 31 March 2009, the equity ratio was at 41.4%.

From a project perspective, the highlight in the period under review was the start of the implementation of a multi-lane free-flow (MLFF) tolling system in South Africa, scheduled to 'go live' in April 2011. The recent developments in the Czech Republic were also interesting: Through an amendment to the relevant law, the weight limit for vehicles subject to tolling was reduced from 12 to 3.5 tonnes as of 1 January 2010. This should be reflected in higher operation revenues in the SEC segment beginning with the fourth quarter of the current fiscal year.

The project business remains in an exciting cycle: Albeit the decision on a contract award in North Carolina (U.S.A.) was postponed, nationwide electronic truck tolling systems in France and in The Netherlands, for which Kapsch TrafficCom has prequalified, are close to an award. Several other projects - among these the nationwide systems in Hungary and Slovenia - are close to the final decision for a tender. Poland recently started the prequalification for a nationwide tolling system.

Segment SEC clearly outperformed the previous fiscal year

On-board units (OBUs) sales almost reached the same level as for the whole of the previous fiscal year after nine months

Improvement of the free cash flow and reduction of the net working capital

Significantly reduced assets result in an equity ratio of 52.3 %

In the Czech Republic the weight limit for vehicles subject to tolling was reduced from 12 to 3.5 tonnes as of 1 January 2010

Project business remains in an exciting cycle

We continue to take an optimistic long-term view on our market.

With all best wishes



Georg Kapsch
Chief Executive Officer

Outlook

Disclaimer

Certain statements contained in this report constitute "forward-looking statements." These statements, which contain the words "believe", "intend", "expect" and words of similar meaning, reflect management's beliefs and expectations and are subject to risks and uncertainties that may cause actual results to differ materially. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. The company disclaims any obligation to publicly announce the result of any revisions to the forward-looking statements made herein, except where it would be required to do so under applicable law.

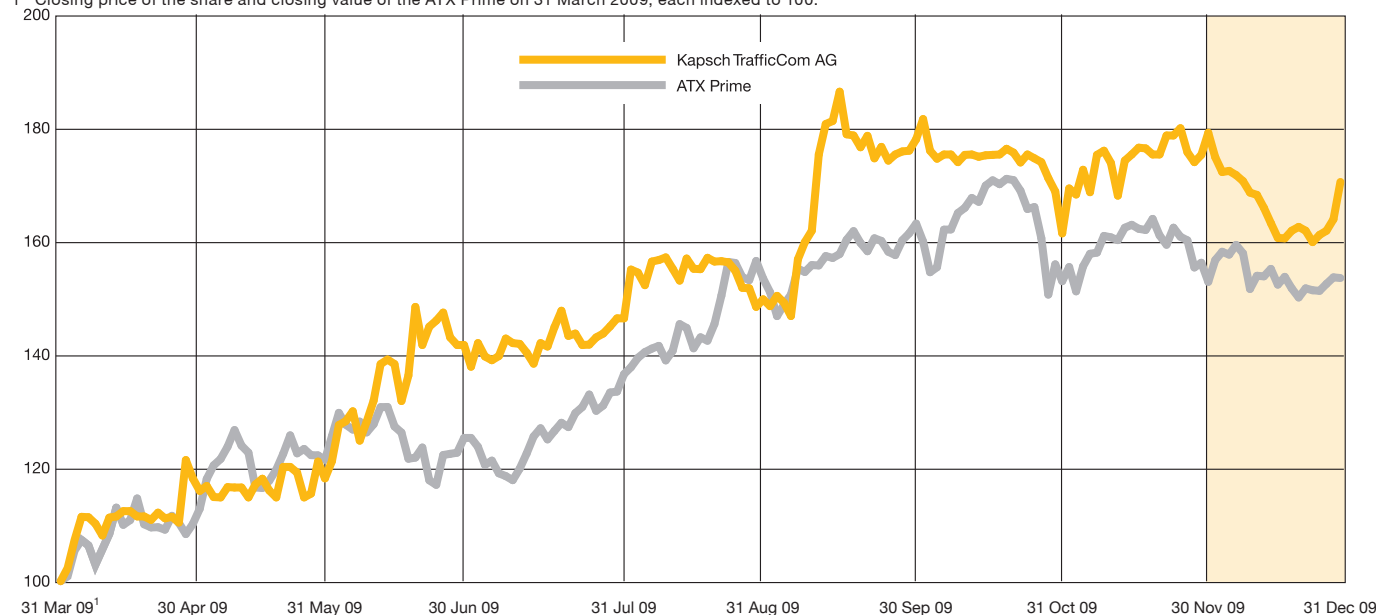
The Kapsch TrafficCom Share.

The Kapsch TrafficCom share closed the third quarter of the current fiscal year 2009/10 on the Vienna Stock Exchange at a share price of EUR 25.28 on 31 December 2009, slightly below the share price on 30 September 2009 (EUR 26.40). During the same period, the ATX Prime developed nearly in uniform motion with the Kapsch TrafficCom share. With the beginning of the third quarter of the current fiscal year 2009/10, the price of the Kapsch TrafficCom share initially increased to EUR 26.93 (closing price on 1 October 2009), then declined throughout the month of October to EUR 23.93 (closing price on 30 October 2009) and finally closed the third quarter at a slightly lower price of EUR 25.28 on 31 December 2009.

Based on the closing price on 31 December 2009 and the number of outstanding shares unchanged at 12.2 million, Kapsch TrafficCom's market capitalization was approximately EUR 308.4 million. As of 31 December 2009, approximately 31.6 % of the shares were in free float, whereas the remaining approximately 68.4 % were continued to be held by KAPSCH-Group Beteiligungs GmbH.

Share price development in FY 2009/10 (Kapsch TrafficCom AG vs. ATX Prime)

¹ Closing price of the share and closing value of the ATX Prime on 31 March 2009, each indexed to 100.



Information on the share		Financial calendar	
Investor Relations Officer	Marcus Handl	16 June 2010	Results FY10
E-Mail	ir.kapschtraffic@kapsch.net	25 August 2010	Ordinary Shareholders' Meeting
Stock exchange	Vienna, Prime Market	1 September 2010	Deduction of dividends (ex-day)
ISIN	AT000KAPSCH9	8 September 2010	First day of payments for dividends
Trading Symbol	KTCG		
Reuters / Bloomberg	KTCG.VI / KTCG AV		

Analysis of results and balance sheet.

Revenues and earnings.

The revenues of the Kapsch TrafficCom Group were at EUR 149.0 million in the first nine months of the current fiscal year 2009/10 (FY10-Q3 cum.), down by 7 % from the EUR 160.1 million recorded in the same period of the previous fiscal year (FY09-Q3 cum.). This decrease was solely attributable to the volatility of the project business in the Road Solution Projects (RSP) segment, which is also visible from the segment analysis. At EUR 117.5 million (FY09-Q3 cum.: EUR 103.8 million), the Services, System Extensions, Components Sales (SEC) segment contributed an increased revenues.

Revenues by segment in the first three quarters of the current fiscal year 2009/10 were as follows:

- At EUR 25.2 million, RSP (Road Solution Projects) segment's revenues recorded a considerable decrease against EUR 50.2 million in the same period of the previous fiscal year due to a lack of comparable projects compared to the previous year where project revenues from partial deliveries for the nationwide electronic truck tolling system in the Czech Republic (phase II) and from the implementation of an electronic toll collection system in New Zealand were realized. The project in South Africa (Gauteng Open Road Tolling - GORT) which was awarded in October 2009 solely contributed revenues of EUR 2.0 million to the RSP segment in the period under review.
- Particularly as a result of increased sales of on-board units (OBUs) in Australia, France and Thailand, the SEC (Services, System Extensions, Components Sales) segment recorded revenues at EUR 117.5 million in the first nine months of the current fiscal year, up 13.2 % compared to the same period of the previous fiscal year (EUR 103.8 million).
- The Others segment (OTH) recorded revenues of EUR 6.3 million in the first nine months of the current fiscal year, slightly up by 1.7 % compared to the same period of the previous fiscal year (EUR 6.2 million).

Altogether, the Kapsch TrafficCom Group reported an operating result (EBIT) at EUR 6.6 million (FY09-Q3 cum.: EUR 21.6 million) in the first nine months of the current fiscal year. Operating results (EBIT) by segment were as follows:

- The RSP segment recorded a considerable decrease of the operating result (EBIT) in the first three quarters of the current fiscal year compared the same period of the previous fiscal year. At EUR minus 21.3 million, the EBIT clearly fell behind the first nine months of the previous year (FY09-Q3 cum.: EUR plus 2.6 million). This development is attributable to the lack of project realizations in the period under review and constantly high investments in the expansion into new markets, particularly the U.S.A.
- The SEC segment recorded an increase of the operating result (EBIT) to EUR 27.9 million (FY09-Q3 cum.: EUR 20.9 million). In the first three quarters of the current fiscal year, the EBIT margin improved by 3.5 % from 20.2 % in the same period of the previous fiscal year to 23.7 %. The operating result (EBIT) was positively affected by the retrospective clarification of the cost absorption of certain transaction clearings in the nationwide electronic truck tolling system in the Czech Republic.
- At EUR 0.1 million (FY09-Q3 cum.: EUR minus 2.0 million), the OTH segment had only a minor but positive effect on the operating result (EBIT) of the Kapsch TrafficCom Group.

The Kapsch TrafficCom Group recorded a financial result of EUR 1.8 million in the first three of the current fiscal year, up by EUR 5.5 million from EUR minus 3.7 million in the same period of the previous fiscal year. This increase was attributable to lower finance costs, an improved foreign currency exchange situation and the impairment of available-for-sale securities in the previous fiscal year. The finance income reduced mainly due to the impact on interest of non-current receivables and to a lower interest yield.

Financial position and cash flows.

Total assets decreased by 10.8 % from EUR 324.5 million as of 31 March 2009 to EUR 289.4 million as of 31 December 2009. This decrease in total assets was particularly attributable to a decrease in trade receivables and other current assets as well as a decrease in cash and cash equivalents. In addition, non-current assets decreased due to the scheduled payment of non-current receivables from the implementation of the nationwide electronic truck tolling system in the Czech Republic. Within the non-current assets, a reclassification of the stake in Q-Free ASA, Norway, was necessary as the shareholding of Kapsch TrafficCom fell, as a consequence of capital increases, below the threshold of 20 %. The shares including the fair value adjustment are now shown under other non-current financial assets and investments (as of 31 March 2009 it was shown under shares in associates) and contains an accounting profit of EUR 14.1 million. The decrease in equity and liabilities was attributable to reduced current financial liabilities from the scheduled repayment of loans as well as to a lower amount of trade payables. The equity ratio was at 52.3 % as of 31 December 2009 (31 March 2009: 41.4 %).

Despite a lower cumulated EBIT the cash flow from operating activities remained at a similar level as in the first three quarters of the previous fiscal year. This development was attributable to a reduction of trade receivables and other current assets. At EUR 6.7 million, the cash flow from investing activities resulted, in particular, from payments for the acquisition of shares in Kapsch Telematic Services GmbH from BRISA Group. Despite the payments of current financial liabilities and the payment of a dividend of EUR 8.4 million which resulted in a negative cash flow from financing activities (EUR minus 43.7 million), cash and cash equivalents were at EUR 49.6 million as of 31 December 2009.

Condensed consolidated interim financial information 31 Dec 2009.^{*)}

Kapsch TrafficCom AG – Consolidated statement of comprehensive income.

All amounts in TEUR	Note	FY10-Q3	FY09-Q3	FY10-Q3 cum.	FY09-Q3 cum.
Revenue	(4)	69,573	51,610	148,972	160,092
Other operating income		534	1,576	1,109	2,372
Changes in finished and unfinished goods and work in progress		527	-14,553	4,227	-1,547
Other own work capitalized		9	149	9	149
Cost of material and other production services		-31,976	-8,290	-70,258	-67,288
Staff costs		-14,679	-13,926	-41,904	-39,533
Amortization of intangible assets and depreciation of property, plant and equipment		-1,842	-1,616	-5,698	-3,569
Other operating expenses		-11,044	11,702	-29,858	-29,090
Operating result	(4)	11,101	3,249	6,599	21,587
Finance income		-971	1,041	6,010	9,211
Finance costs		-2,972	-9,055	-4,893	-12,900
Financial result		-3,943	-8,014	1,117	-3,689
Result from associates	(6)	14,694	0	15,243	0
Profit before income taxes		21,852	-4,765	22,960	17,898
Income taxes	(11)	-2,368	251	-1,300	-5,170
Profit for the period		19,484	-4,515	21,660	12,728
Other comprehensive income for the period					
Gains/losses recognized directly in equity:					
Available for sale financial assets		1,037	1,274	1,831	746
Effects from disproportionate capital increase at associates		-10	0	69	0
Currency translation differences		1,251	-2,929	2,382	-3,910
Income tax relating to components of other comprehensive income		-259	-42	-458	90
Other comprehensive income for the period net of tax	(12)	2,019	-1,698	3,824	-3,074
Total comprehensive income for the period		21,503	-6,212	25,484	9,654
Profit attributable to:					
Equity holders of the company		17,253	-4,183	17,905	11,570
Minority interest		2,231	-332	3,754	1,158
		19,484	-4,515	21,660	12,728
Total comprehensive income attributable to:					
Equity holders of the company		19,213	-5,605	21,442	8,741
Minority interest		2,291	-607	4,042	913
		21,503	-6,212	25,484	9,654
Earnings per share from the profit for the period attributable to the equity holders of the company (in EUR per share)		1.41	-0.34	1.47	0.95
Earnings per share from the profit for the period attributable to the equity holders of the company (in EUR per share), adjusted **)		0.26	-0.34	0.32	0.95

Earnings per share related to 12.2 million shares.

The notes on the following pages form an integral part of this condensed interim financial information.

*) The condensed consolidated interim report has neither been audited nor been reviewed by an auditor.

**) Adjusted for the fair value adjustment of the share in Q-Free ASA, Norway (see note 6).

Kapsch TrafficCom AG – Statement of financial position.

All amounts in TEUR	Note	31 Dec 2009	31 March 2009
ASSETS			
Non-current assets			
Property, plant and equipment	(5)	15,092	16,887
Intangible assets	(5)	27,860	26,089
Shares in associates	(6)	0	12,302
Other non-current financial assets and investments		38,988	3,784
Other non-current assets		7,623	18,423
Deferred tax assets		9,178	8,242
		98,742	85,728
Current assets			
Inventories		38,921	34,220
Trade receivables and other current assets		96,831	140,409
Other current financial assets		5,272	3,946
Cash and cash equivalents		49,648	60,230
		190,671	238,804
TOTAL ASSETS		289,413	324,532
EQUITY AND LIABILITIES			
Equity			
Share capital	(7)	12,200	12,200
Capital reserve		70,077	70,077
Retained earnings and other reserves		64,648	47,769
		146,926	130,046
Minority interests		4,410	4,194
Total equity		151,335	134,240
Non-current liabilities			
Non-current financial liabilities	(8)	10,060	10,060
Liabilities from post-employment benefits to employees	(9)	13,904	14,214
Non-current provisions	(10)	524	524
Other non-current liabilities		6,347	14,773
Deferred tax liability		1,862	1,870
		32,697	41,442
Current liabilities			
Trade and other current payables		39,403	56,253
Other liabilities and deferred income		33,871	25,316
Current tax payables		9,023	7,449
Current financial liabilities	(8)	13,903	49,210
Current provisions	(10)	9,181	10,623
		105,380	148,851
Total liabilities		138,077	190,293
TOTAL EQUITY AND LIABILITIES		289,413	324,532

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom AG – Consolidated statement of changes in equity.

All amounts in TEUR

	Attributable to equity holders of the company			Minority interest	Total equity
	Share capital	Capital reserve	Consolidated retained earnings & other reserves		
Carrying amount as of 31 March 2009	12,200	70,077	47,769	4,194	134,240
Dividend relating to 2008/09			-6,100	-2,288	-8,388
Total comprehensive income			21,442	4,042	25,484
Effects from the acquisition of minority interests			1,538	-1,538	0
Carrying amount as of 31 December 2009	12,200	70,077	64,648	4,410	151,335
Carrying amount as of 31 March 2008	12,200	70,077	48,976	2,123	133,377
Dividend relating to 2007/08			-11,836	0	-11,836
Total comprehensive income			8,741	913	9,654
Carrying amount as of 31 December 2008	12,200	70,077	45,881	3,036	131,195

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom AG – Consolidated cash flow statement.

All amounts in TEUR	FY10-Q3	FY09-Q3	FY10-Q3 cum.	FY09-Q3 cum.
Cash flow from operating activities				
Operating result	11,101	3,249	6,599	21,587
Adjustments for non-cash items and other reconciliations:				
Depreciation and amortisation	1,842	1,616	5,698	3,569
Increase/decrease in obligations for post-employment benefits	-94	-82	-310	-222
Increase/decrease in other non-current liabilities and provisions	1	1,041	0	-119
Increase/decrease in other non-current receivables	-6,143	0	-6,143	0
Increase/decrease in non-current trade payables	-4,724	-5,821	-8,427	-4,428
Increase/decrease in non-current trade receivables	2,376	43,009	10,770	30,261
Other (net)	-3,031	-2,915	2,742	-648
	1,328	40,096	10,929	49,999
Changes in net current assets:				
Increase/decrease in trade receivables and other assets	8,501	-29,055	46,728	-8,508
Increase/decrease in inventories	-457	-947	-4,701	-2,979
Increase/decrease in trade payables and other current payables	7,495	-5,623	-8,295	10,155
Increase/decrease in current provisions	-68	-2,901	-1,441	-4,852
	15,472	-38,525	32,290	-6,184
Cash flow from operations	16,800	1,571	43,219	43,815
Interest received	277	694	540	1,976
Interest payments	-701	-1,432	-1,952	-3,355
Net payments of income taxes	-2,847	-1,270	-3,821	-4,604
Net cash flow from operating activities	13,530	-437	37,985	37,831
Cash flow from investing activities				
Purchases of property, plant and equipment	-640	-4,947	-2,192	-9,949
Purchases of non-current intangible assets	-157	-247	-4,492	-5,612
Purchases of securities and investments	0	0	0	-343
Payments for acquisition of companies (net of cash acquired)	0	-299	0	-11,074
Proceeds from disposal of property, plant and equipment and intangible assets	19	578	20	1,148
Net cash flow from investing activities	-778	-4,916	-6,663	-25,830
Cash flow from financing activities				
Dividends paid to equity holders of the company	0	0	-6,100	-10,980
Dividends paid to minority shareholders of group companies	-195	0	-2,288	0
Increase/decrease in other non-current financial liabilities	0	-5,157	0	-8,026
Increase/decrease in current financial liabilities	-4,986	-9,755	-35,307	16,630
Net cash flow from financing activities	-5,182	-14,912	-43,695	-2,376
Net decrease/increase in cash and cash equivalents	7,570	-20,264	-12,373	9,625
Change in cash and cash equivalents				
Cash and cash equivalents at beginning of period	42,034	77,535	60,230	47,429
Net decrease/increase in cash and cash equivalents	7,570	-20,264	-12,373	9,625
Exchange gains/losses on cash and cash equivalents	44	-2,827	1,791	-2,610
Cash and cash equivalents at end of period	49,648	54,444	49,648	54,444

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom AG – Selected notes to the condensed consolidated interim financial information.

1. General information.

The Kapsch TrafficCom Group is an international supplier of innovative road traffic telematics solutions.

The business activities of the Kapsch TrafficCom Group are subdivided into the following three segments:

- Road Solution Projects (RSP)
- Services, System Extensions, Components Sales (SEC)
- Others (OTH)

The Road Solution Projects segment relates to the installation of road traffic telematics solutions.

The Services, System Extensions, Components Sales segment relates to the sale of services (maintenance as well as operation) and components in the area of road traffic telematics solutions.

The Others segment relates to non-core business activities conducted by the subsidiary Kapsch Components KG. In this segment, Kapsch TrafficCom Group offers engineering solutions, electronic manufacturing and logistics services to affiliated entities and third parties.

2. Basis of preparation.

This condensed interim financial information for the third quarter of the current fiscal year 2009/10 ended 31 December 2009 has been prepared in accordance with IAS 34 “Interim financial reporting”. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 March 2009.

3. Accounting policies.

Except for new or amended IFRSs and IFRICs listed below the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2009, as described in the annual financial statements for the year ended 31 March 2009.

In this condensed interim financial information report for the third quarter of FY10 the following new or amended IFRSs and IFRICs have been adopted:

New IFRSs/IFRICs		Mandatory for accounting periods beginning on or after
IFRS 8	Operating segments	1 January 2009
IFRIC 12	Service concession agreements (*)	30 March 2009
IFRIC 13	Customer loyalty programs (*)	1 January 2009

Amended IFRSs		Mandatory for accounting periods beginning on or after
IAS 1 (R)	Presentation of Financial Statements	1 January 2009
IAS 23 (R)	Borrowing Costs (*)	1 January 2009
IAS 32 and 1	Puttable Financial Instruments and Obligations Arising on Liquidation (*)	1 January 2009

The standards and interpretations marked with (*) had no effect on the condensed interim financial information for the third quarter of FY10 ending 31 December 2009.

4. Segment information.

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

All amounts in TEUR

FY10-Q3 cum.	RSP	SEC	OTH	Consolidated Group
Revenues	25,245	117,465	6,261	148,972
Operating result	-21,347	27,891	55	6,599

FY09-Q3 cum.	RSP	SEC	OTH	Consolidated Group
Revenues	50,160	103,778	6,154	160,092
Operating result	2,601	20,949	-1,963	21,587

The following table contains all single external customers which contributed more than 10 % to the total revenues of the period and additionally shows the information of the attributed operating segment.

All amounts in TEUR	FY10-Q3 cum.			FY09-Q3 cum.		
	Revenue	RSP	SEC	Revenue	RSP	SEC
Customer 1	65,649	x	x	76,836	x	x
Customer 2	20,529		x	21,422		x

5. Capital expenditure.

All amounts in TEUR	Tangible and intangible assets
Carrying amount as of 31 March 2009	42,976
Additions	6,684
Change in consolidated entities	0
Disposals	-67
Depreciation, Amortization, Impairments and other movements	-5,799
Currency translation differences	-841
Carrying amount as of 31 December 2009	42,952
Carrying amount as of 31 March 2008	14,785
Additions	26,121
Change in consolidated entities	484
Disposals	-2,297
Depreciation, Amortization, Impairments and other movements	-2,068
Currency translation differences	-206
Carrying amount as of 31 December 2008	36,820

6. Shares in associates.

All amounts in TEUR	
Carrying amount as of 31 March 2009	12,302
Share of profit for the period	1,205
Additional purchase of shares	104
Currency translation differences	760
Effects from disproportionate capital increase	69
Fair value adjustment on the date of losing significant influence according to IAS 28.18	14,038
Reclassification to "Other non-current financial assets and investments"	-28,479
Carrying amount as of 31 December 2009	0

In January 2009, the Group acquired a share of 20.47% in Q-Free ASA, Norway. The purchase price of TEUR 12,302 included goodwill in the amount of TEUR 4,905. During the period ending 31 December 2009 another capital increase of Q-Free ASA led to a dilution of Kapsch TrafficCom AG's share to 18.46%. This resulted in a reclassification to "Other non-current financial assets and investments". The resulting accounting profit at the time of dilution was recorded in profit and loss pursuant to IAS 28.18.

7. Share capital.

The registered share capital of the company amounts to EUR 12,200,000. The share capital is fully paid in. The total number of ordinary shares is 12,200,000. The shares are ordinary bearer shares and have no par value.

8. Financial liabilities.

All amounts in TEUR	31 Dec 2009	31 March 2009	31 Dec 2008	31 March 2008
Non-current	10,060	10,060	2,556	10,581
Current	13,903	49,210	33,972	17,382
Total	23,963	59,270	36,528	27,963

Movements in borrowings is analysed as follows:

Carrying amount as of 31 March 2009	59,270
Additions	1,001
Repayments of borrowings	-37,257
Currency translation differences	949
Carrying amount as of 31 December 2009	23,963
Carrying amount as of 31 March 2008	27,963
Additions	45,786
Repayments of borrowings	-35,401
Currency translation differences	-1,820
Carrying amount as of 31 December 2008	36,528

9. Liabilities from post-employment benefits to employees.

All amounts in TEUR	31 Dec 2009	31 March 2009	31 Dec 2008	31 March 2008
Severance payments	5,104	5,294	4,898	5,001
Pension benefits	8,800	8,920	8,969	9,088
Total	13,904	14,214	13,867	14,089

Severance payments

The obligation to set up a provision for severance payments is based on the respective labor law.

Pension benefits

Liabilities for pension benefits recognised at the balance sheet date relate to retirees only. All pension agreements are based on past service cost and are not covered by external plan assets (funds). In addition, contributions are paid to an external pension fund for employees of the Group.

10. Provisions.

All amounts in TEUR	31 Dec 2009	31 March 2009	31 Dec 2008	31 March 2008
Non-current provisions	524	524	444	1,694
Current provisions	9,181	10,623	13,398	18,250
Total	9,706	11,147	13,841	19,943

FY10-Q3

All amounts in TEUR	31 March 2009	Change in consolidated entities	Utilization/disposal	Addition	Currency translation differences	31 Dec 2009
Obligations from anniversary bonuses	524	0	-20	20	0	524
Non-current provisions, total	524	0	-20	20	0	524
Warranties	1,820	0	-464	284	53	1,692
Losses from pending transactions and repairs	934	0	-188	0	0	746
Legal fees, costs of litigation and contract risks	3,228	0	-2,581	1,000	55	1,703
Other	4,640	0	-8,226	8,573	53	5,040
Current provisions, total	10,623	0	-11,459	9,856	161	9,181
Total	11,147	0	-11,479	9,877	161	9,706

FY09-Q3

All amounts in TEUR	31 March 2008	Change in consolidated entities	Utilization/disposal	Addition	Currency translation differences	31 Dec 2008
Obligations from anniversary bonuses	464	0	-21	0	0	444
Costs of dismantling and removing assets	1,130	0	-1,130	0	0	0
Other	99	0	-88	0	-10	0
Non-current provisions, total	1,694	0	-1,240	0	-10	444
Warranties	4,128	0	-1,339	172	-250	2,711
Losses from pending transactions and repairs	910	0	-364	157	0	702
Legal fees, costs of litigation and contract risks	6,888	0	-4,315	2,236	-207	4,602
Other	6,324	0	-4,791	3,927	-77	5,383
Current provisions, total	18,250	0	-10,809	6,492	-535	13,398
Total	19,943	0	-12,049	6,492	-545	13,841

11. Income taxes.

Income taxes relate to current taxes and to deferred tax assets and deferred tax liabilities. Applying the Austrian corporate tax rate of 25 % to the Group's pre-tax result gives rise to the theoretical value for the tax expense/income. The effective tax expense/income differs from the above due to, among others, different tax regimes in the various countries, the treatment of tax losses, tax allowances and permanent differences.

After the third quarter of FY10 the effective tax rate is below 25 % as some foreign group companies have lower tax rates. For the full year FY10, management expects an effective tax rate of app. 23 % (full year FY09: 25.2 %).

12. Other comprehensive income.

FY10-Q3	Before tax	Tax (charge) credit	After tax
All amounts in TEUR			
Fair value gains/losses relating to available-for-sale financial assets:			
Fair value gains/losses not realized in the current period	1,831	-458	1,373
Fair value gains/losses realized in the income statement	0	0	0
Effects from disproportionate capital increase at associates	69	0	69
Currency translation differences	2,382	0	2,382
Fair value gains/losses recognized in equity	4,282	-458	3,824

FY09-Q3	Before tax	Tax (charge) credit	After tax
All amounts in TEUR			
Fair value gains/losses relating to available-for-sale financial assets:			
Fair value gains/losses not realized in the current period	746	90	836
Fair value gains/losses realized in the income statement	0	0	0
Currency translation differences	-3,910	0	-3,910
Fair value gains/losses recognized in equity	-3,163	90	-3,074

13. Contingent liabilities, other commitments and financial obligations.

The Group's contingent liabilities primarily result from large scale projects. Other commitments mainly relate to contract and warranty bonds, bank guarantees, performance and bid bonds, sureties and acceptance of guarantees for subsidiaries vis-à-vis third parties.

Details of contingent liabilities and other commitments are as follows:

All amounts in TEUR	31 Dec 2009	31 March 2009
Contract, warranty, performance and bid bonds:		
City highway Santiago	768	846
City highway Sydney and Melbourne	1,544	1,593
Truck tolling system Austria	12,500	12,500
Truck tolling system Czech Republic	7,151	19,938
Gauteng Open Road Tolling South Africa	107,994	0
Tolling system New Zealand	2,121	2,025
Express Toll Collection System, Maryland, USA	0	3,317
Other	4,926	5,338
	137,005	45,557
Bank guarantees	3,028	3,486
Sureties	28	30
Total	140,060	49,073

14. Related parties.

All amounts in TEUR		Sales to related parties Q3 (cum.)	Sales from related parties Q3 (cum.)	Amounts owed by related parties 31 Dec	Amounts owed to related parties 31 Dec
Affiliated companies outside the Kapsch TrafficCom Group	FY10	1,197	9,421	5,072	1,129
	FY09	1,155	9,908	1,938	2,394
Others	FY10	1	2,655	0	10,195
	FY09	84	1,316	0	9,499

Additionally, the related party KAPSCH-Group Beteiligungs GmbH, Vienna, issued a payment guarantee in the amount of EUR 40 million, in relation to the nationwide electronic truck tolling system in the Czech Republic.

Members of the executive and supervisory boards have management functions or are member in supervisory boards of other companies of the Kapsch Group.

15. Events occurring after 31 December 2009.

On 19 January 2010, Kapsch TrafficCom AG acquired a shelf company in Cape Town.

Since 29 January 2010, Kapsch Telematic Technologies Bulgaria EAD is wholly owned by the Kapsch TrafficCom Group.

On 8 February 2010, Kapsch Telematic Services acquired a shelf company in Warsaw and changed the company's name to Kapsch Telematic Services sp. z o.o.

Vienna, 24 February 2010

Management Board



Georg Kapsch, CEO



Erwin Toplak, COO

Kapsch TrafficCom is an international supplier of innovative road traffic telematics solutions. 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 more than 16 million delivered on-board units (OBUs) and 12,000 equipped lanes, 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 23 countries.