

**Report on the first three quarters
of fiscal year 2012/13.**

Kapsch TrafficCom Group – Key Figures.

2012/13 Q1-Q3 (first three quarters of fiscal year 2012/13): 1 April – 31 December 2012

2012/13 Q3 (third quarter of fiscal year 2012/13): 1 October – 31 December 2012

All figures presented in million EUR unless otherwise stated

| Earnings Data | 2012/13 Q1-Q3 | 2011/12 Q1-Q3 | +/- | 2012/13 Q3 | 2011/12 Q3 | +/- | 2011/12 | |
|--|------------------|------------------|-------|-------------------------------------|---------------|------------|---------------|------|
| Revenues | 310.9 | 408.2 | -24 % | 107.6 | 129.4 | -17 % | 549.9 | |
| EBITDA | 2.8 | 50.6 | -95 % | 0.6 | 1.8 | -64 % | 60.6 | |
| EBITDA margin (in %) | 0.9 | 12.4 | | 0.6 | 1.4 | | 11.0 | |
| EBIT | -9.6 | 37.4 | – | -3.4 | -2.7 | -26 % | 42.2 | |
| EBIT margin (in %) | -3.1 | 9.2 | | -3.2 | -2.1 | | 7.7 | |
| Profit before tax | -8.5 | 33.1 | – | -0.2 | 1.6 | – | 36.3 | |
| Profit for the period | -5.8 | 24.7 | – | 1.2 | 2.3 | -49 % | 27.5 | |
| Earnings per share ¹ | -1.09 | 1.40 | – | -0.24 | 0.05 | – | 1.62 | |
| Free cash flow ² | 89.7 | -23.5 | – | 11.0 | 21.4 | -49 % | -49.7 | |
| Capital expenditure ³ | 12.3 | 8.4 | 47 % | 7.1 | 2.6 | 175 % | 13.1 | |
| Employees ⁴ | 2,792 | 2,790 | 0 % | 2,792 | 2,790 | 0 % | 2,705 | |
| On-board units (in million units) | 6.73 | 7.98 | -16 % | 2.74 | 2.27 | 21 % | 11.15 | |
| Business Segments | 2012/13 Q1-Q3 | 2011/12 Q1-Q3 | +/- | 2012/13 Q3 | 2011/12 Q3 | +/- | 2011/12 | |
| Road Solution Projects (RSP): | | | | | | | | |
| Revenues (% of Revenues) | 64.0 (21 %) | 181.0 (44 %) | -65 % | 13.9 (13 %) | 58.1 (45 %) | -76 % | 229.9 (42 %) | |
| EBIT (EBIT margin) | -30.1 (-47.0 %) | 2.0 (1.1 %) | – | -14.3 (-103.4 %) | -5.5 (-9.5 %) | -158 % | 4.1 (1.8 %) | |
| Services, System Extensions, Components Sales (SEC): | | | | | | | | |
| Revenues (% of Revenues) | 234.3 (75 %) | 220.3 (54 %) | 6 % | 89.6 (83 %) | 67.1 (52 %) | 33 % | 308.1 (56 %) | |
| EBIT (EBIT margin) | 20.1 (8.6 %) | 34.9 (15.8 %) | -42 % | 11.0 (12.3 %) | 2.5 (3.7 %) | 347 % | 37.3 (12.1 %) | |
| Others (OTH): | | | | | | | | |
| Revenues (% of Revenues) | 12.6 (4 %) | 6.9 (2 %) | 83 % | 4.1 (4 %) | 4.2 (3 %) | -2 % | 12.0 (2 %) | |
| EBIT (EBIT margin) | 0.4 (2.9 %) | 0.5 (7.6 %) | -31 % | -0.1 (-3.0 %) | 0.3 (8.0 %) | – | 0.8 (6.5 %) | |
| Regions ⁵ | 2012/13 Q1-Q3 | 2011/12 Q1-Q3 | +/- | 2012/13 Q3 | 2011/12 Q3 | +/- | 2011/12 | |
| Austria ⁵ | 27.2 (9 %) | 23.5 (6 %) | 16 % | 12.3 (11 %) | 10.9 (8 %) | 14 % | 32.8 (6 %) | |
| Europe ⁵ | 175.3 (56 %) | 235.0 (58 %) | -25 % | 59.7 (55 %) | 79.5 (61 %) | -25 % | 341.4 (62 %) | |
| Americas ⁵ | 50.1 (16 %) | 49.0 (12 %) | 2 % | 22.2 (21 %) | 13.2 (10 %) | 67 % | 63.6 (12 %) | |
| Rest of World ⁵ | 58.4 (19 %) | 100.7 (25 %) | -42 % | 13.4 (12 %) | 25.8 (20 %) | -48 % | 112.1 (20 %) | |
| Balance Sheet Data | 31 December 2012 | 31 December 2011 | +/- | | | +/- | 31 March 2012 | |
| Total assets | 470.2 | 516.4 | -9 % | | | | 557.7 | |
| Total equity ⁶ | 224.2 | 238.2 | -6 % | | | | 256.2 | |
| Equity ratio ⁶ (in %) | 47.7 | 46.1 | | | | | 45.9 | |
| Net assets (+) / net debt (-) | 1.0 | -50.5 | – | | | | -74.4 | |
| Capital employed | 315.8 | 359.6 | -12 % | | | | 383.8 | |
| Net working capital | 167.0 | 226.7 | -26 % | | | | 285.7 | |
| Stock Exchange Data ⁷ | 2012/13 Q3 | 2012/13 Q2 | +/- | | | 2012/13 Q3 | 2012/13 Q2 | +/- |
| Number of shares ⁷ (in million) | 13.0 | 13.0 | 0 % | Closing price ⁷ (in EUR) | | 47.30 | 49.68 | -5 % |
| Free float ⁷ (in %) | 38.1 | 38.1 | 0 % | Market capitalization ⁷ | | 614.90 | 645.84 | -5 % |
| Ø trading volume ⁸ (in shares) | 28,779 | 24,084 | +19 % | Share performance (in %) | | -4.79 | -15.64 | |

1 earnings per share (EPS) in 2012/13 Q1-Q3 relate to 13.0 million shares, in 2011/12 Q1-Q3 relate to a weighted average number of 12.7 million shares; EPS 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 each third quarter as of 31 December

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

6 incl. minority interests

7 2012/13 Q3 as of 31 December 2012, 2012/13 Q2 as of 30 September 2012; for additional information on the shares see page 5

8 average daily trading volume (double counting)

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. Slight differences in calculations may arise due to the rounding of individual items and percentages.

The English translation is for convenience; only the German text is binding.

Letter from the Chief Executive Officer.



Georg Kapsch, Chief Executive Officer

Dear shareholders,

The first three quarters of the 2012/13 fiscal year proved challenging ones for the Kapsch TrafficCom Group. The new projects that we succeeded in obtaining in the past months have hardly yet contributed to revenues or earnings during the reporting period. At the same time, delays in our existing major projects in Poland and South Africa led to significantly lower revenues than expected. The calculation update of the contract in South Africa yielded a decline in the expected project revenue by roughly 10%, which negatively impacted the profit contribution due to the delayed project progress together with additional costs.

In consequence, the Kapsch TrafficCom Group achieved revenues of EUR 310.9 million during the first three quarters of 2012/13 – a decline of 24% compared with the outstanding results of the same period in the previous year. The EBIT was clearly negative at EUR -9.6 million, weighed down primarily by the South African project.

The current situation must be viewed from multiple perspectives. The earnings situation is not satisfactory. Nevertheless, our fundamental business continues to operate solidly, and we see great future potential. Thanks in particular to the implementation of the new strategy in the year 2012, we have structured the organization of the Kapsch TrafficCom Group for growth through the creation of additional ITS segments as well as through global expansion. This was undertaken in the assumption that the two major projects listed above would deliver contributions to profit typical of other operation projects already during the current fiscal year. We now have two options: either we continue to pursue the strategy of investing in the future and accept this temporary dip in earnings or we take radical measures and cut back our investments and structures. In the latter case, however, we would not have the capacities to participate in the expected future projects, some of them quite large.

We have therefore decided to stay our current course and hold to our growth prospects but also to take advantage of potential cost reductions that have arisen due to the rapid expansion of recent years. Our focus is on the long-term success of the company, not on short-term profit maximization. Moreover, an easing of the situation is already in sight – this is already the case in Poland, while in South Africa we await the start of the

system and in other countries initial new projects have now already begun. In parallel, we are naturally analyzing very carefully where we can streamline or suspend investments and strengthen cost awareness in all areas.

We currently have roughly 1,000 employees in South Africa. This illustrates the magnitude of this project. The legal action, which was not directed against us but has delayed the start of our toll collection system in the Gauteng province for some time, has now been dismissed. We still await the announcement of the new commencement date, which was expected to take place already in December 2012. We now hope that we can put the system into operation at the start of the coming fiscal year. However, the delays have led to additional costs and standby costs and resulted in a reduction of the order volume by roughly 10% in the third quarter of 2012/13. As a result of this, as well as in compliance with the IFRS accounting rules, it was necessary to update the calculation of the contract. This had a significant negative impact on the profit contribution in this quarter, and the overall profitability of the project is also lower than expected as a result.

In our operation project in Poland, we were able to clarify key open issues regarding the system operation during the third quarter. This can also be seen in the considerable improvement of the margin in our segment SEC.

For strategic reasons, Kapsch TrafficCom has withdrawn – at a profit – from the Russian joint venture UTS, which is focused primarily on road operation. We want to continue to concentrate on ETC and ITS opportunities in Russia, such as the upcoming tender for a national toll collection system.

The toll project in Belarus is taking shape, and according to the plan, the first phase should be completed by summer 2013. Our ongoing projects in France, Australia and the U.S.A. are also progressing, which is reflected in the results of the third quarter.

The tender in Hungary that we reported on at mid-fiscal year has produced no result. The further developments here remain to be seen. In the meantime, the tender in Slovenia has begun, and we expect additional tenders in Belgium and the U.S.A. We are following the discussion regarding very comprehensive toll collection systems in Denmark, Russia and Germany with great interest.

Despite the disappointing earnings situation, the strength of the Kapsch TrafficCom Group can be seen in the extremely solid balance sheet structure. The equity ratio increased to 47.7% as at 31 December 2012. On the balance sheet date, we had no net debts, rather net assets in the amount of EUR 1.0 million. The cash and cash equivalents amounted to an impressive EUR 83.7 million. The net working capital and capital employed were back to significantly below the comparison values of the previous year. Not least, the free cash flow increased to EUR 89.7 million. Kapsch TrafficCom therefore enjoys a solid foundation, including for future projects.

The negative influence of the South African project will weigh down the annual results for 2012/13, bringing them considerably lower than previous expectations. In view of the progress that has been made in our existing projects and the expected tenders and additional projects, we are holding firm to our growth-oriented ITS strategy and look forward optimistically to the future.

Yours sincerely,

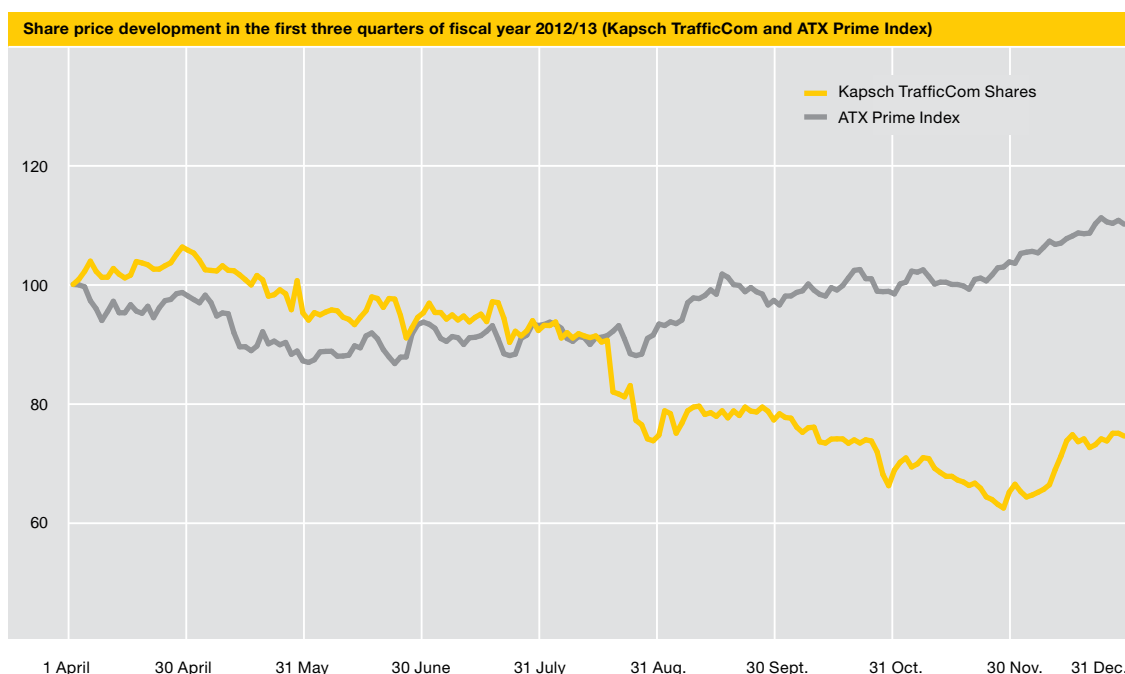


Georg Kapsch
Chief Executive Officer

Kapsch TrafficCom Shares.

The Kapsch TrafficCom shares are listed on the Vienna Stock Exchange and included in the ATX Prime Index. The share price exhibited a decline during the reporting period by 25.5 %, while the ATX Prime gained 10.1 % in this time. From April to August 2012, the share price of Kapsch TrafficCom performed similarly to the rest of the market in a slight downward trend. The ATX Prime was subsequently able to recover its losses, but the shares of Kapsch TrafficCom fell considerably to close the end of the quarter on 28 December 2012 at EUR 47.30.

The number of shares is 13 million. KAPSCH-Group Beteiligungs GmbH holds 61.9 % of the shares, and the remaining 38.1 % are in free float (including the shares of Erwin Toplak, COO). Based on the closing price of the shares of EUR 47.30, Kapsch TrafficCom had a market capitalization of EUR 614.9 million on 31 December 2012.



Closing price of Kapsch TrafficCom shares and closing value of ATX Prime Index on 31 March 2012 each indexed to 100.

| Information on the Shares | | Financial Calendar | |
|----------------------------|-----------------------------|--------------------|---|
| Investor Relations Officer | Marcus Handl | 11 June 2013 | Preliminary results of fiscal year 2012/13 |
| Shareholders' Telephone | +43 (0)50811 1120 | 26 June 2013 | Results of fiscal year 2012/13 |
| E-Mail | ir.kapschtraffic@kapsch.net | 19 August 2013 | Interim report for fiscal year 2013/14 Q1 |
| Website | www.kapsch.net | 12 September 2013 | Ordinary Shareholders' Meeting for fiscal year 2012/13 |
| Stock Exchange | Vienna, Prime Market | 19 September 2013 | Deduction of dividends for fiscal year 2012/13 (ex-day) |
| ISIN | AT000KAPSCH9 | 26 September 2013 | First day of payment for 2012/13 fiscal year dividends |
| Trading Symbol | KTCG | | |
| Reuters | KTCG.VI | | |
| Bloomberg | KTCG AV | | |

Analysis of results and balance sheet.

Revenues and earnings.

The revenues of Kapsch TrafficCom Group were EUR 310.9 million in the first three quarters of the current fiscal year 2012/13 (2012/13 Q1-Q3), down by 23.8% from EUR 408.2 million in the same period of the previous fiscal year (2011/12 Q1-Q3). The segment Services, System Extensions, Components Sales (SEC) exhibited a growth in revenue, while the segment Road Solution Projects (RSP) earned significantly lower revenues than in the same period of the previous year.

Revenues by segment in the first nine months were as follows:

- The segment Road Solution Projects (RSP) recorded revenues of EUR 64.0 million after EUR 181.0 million in the same period of the previous fiscal year, a decrease of 64.6%. The most significant factor for this decline was the completion of implementation of the nationwide electronic toll collection system in Poland during the previous year. The project for the implementation of an electronic toll system in the South African province of Gauteng made no comparable contribution during the reporting period since it is already in the finalization phase and the originally expected revenues cannot be earned in full until the commissioning takes place. The projects begun in Belarus, France, Australia and the U.S.A. as well as the extensions in Poland were also unable to compensate for this fall in revenue during the first three quarters of 2012/13.
- In the segment Services, System Extensions and Components Sales (SEC), revenues increased by 6.3% from EUR 220.3 million in the first three quarters of the previous fiscal year to EUR 234.3 million this year. The operation project in Poland, which began as of 3 July 2011 and was therefore only relevant for six months of the comparison period of the previous year, supplied a significant revenue contribution. The technical and commercial operation of the nationwide system in the Czech Republic and the technical operation including maintenance of the nationwide systems in Austria and Switzerland continued to provide stable revenue contributions. In contrast, the delayed start of the project in the South African province of Gauteng resulted in the absence of the expected deliveries of on-board units, and the revenues in North America also fell short of the previous year.

The number of on-board units sold reflects the average volume of sales and amounted to 6.7 million units (2011/12 Q1-Q3: 8.0 million). The lower volumes in the reporting period were associated with the delayed commissioning of the project in Gauteng, South Africa and the initial deliveries for the nationwide electronic toll collection system in Poland that took place in the previous year.

- In the segment Others (OTH), revenues rose in the first nine months of 2012/13 to EUR 12.6 million (2011/12 Q1-Q3: EUR 6.9 million). This increase resulted largely from the production and deliveries for the GSM-R project of Kapsch CarrierCom.

In the first three quarters of the current fiscal year, the Kapsch TrafficCom Group reported an operating result (EBIT) of EUR -9.6 million (2011/12 Q1-Q3: EUR 37.4 million). Operating results by segment during the reporting period were as follows:

- The segment RSP recorded an EBIT of EUR -30.1 million during the reporting period after EUR 2.0 million in the first nine months of the previous year. As a result of the decreased revenues in comparison with the same period of the previous year, it was not possible to cover the regular costs associated with this segment. Moreover, the project for the implementation of an electronic toll collection system in the South African province of Gauteng additionally weighted down the results. The reasons for this lie in the delay of the commissioning as a result of political discussions, the lower revenues than initially expected prior to the commissioning and additionally incurred costs and standby costs.
- The segment SEC achieved an EBIT of EUR 20.1 million (2011/12 Q1-Q3: EUR 34.9 million). The main factors here were the competitive pricing within the framework of the contract extension with the E-ZPass Group, which have now led to globally typical

margins in the U.S.A. as well, plus the absence of profit contribution connected with the lack of on-board unit deliveries for the system operation in Gauteng, South Africa. The operation project in Poland made an increased contribution to the results compared with the previous year. Measures for further improvement are ongoing.

- The segment OTH exhibited an EBIT of EUR 0.4 million (2011/12 Q1-Q3: EUR 0.5 million). The high EBIT margin of the previous year was due largely to a one-time shouldering of costs for adapting the manufacturing of the GSM-R products.

The financial result improved from EUR -4.3 million in the comparison period of the previous year to EUR 1.0 million. The increase in finance income can be attributed primarily to the sale of the minority shares in the joint venture LLC "United Toll Systems", Russia. The exchange rate gains, the majority of which were not yet realized, lay below those of the previous year. With respect to the finance costs, the as yet unrealized exchange rate losses declined because the group-internal financing of the implementation project in Poland had a considerable influence on the financial result in the previous year.

Financial position and cash flows.

The balance sheet total on 31 December 2012 of EUR 470.2 million was lower than at the end of the 2011/12 fiscal year (31 March 2012: EUR 557.7 million). The total equity of EUR 224.2 million was also below the comparison value on 31 March 2012 of EUR 256.2 million. Due to the decreased balance sheet total, the equity ratio of the Kapsch TrafficCom Group increased from 45.9% on 31 March 2012 to 47.7% on 31 December 2012.

The most significant changes in assets involved the current assets. The trade receivables and other current assets decreased from EUR 287.6 million to EUR 147.8 million primarily due to the payment received for the completion of the Polish project.

On the liabilities side, primarily the current liabilities decreased. The current financial liabilities played the strongest part here, having decreased from EUR 53.2 million to EUR 11.9 million due to the return of the credit for the Polish project.

These balance sheet changes demonstrate a clear improvement in the following figures:

- The free cash flow increased relative to the same period of the previous year from EUR -23.5 million to EUR 89.7 million.
- Despite the payable at term corporate bond amounting to EUR 75.0 million, it was possible to turn the net debt of EUR -74.4 million on the balance sheet date 31 March 2012 to net assets in the amount of EUR 1.0 million on 31 December 2012.
- The net working capital declined from EUR 285.7 million on 31 March 2012 to EUR 167.0 million on 31 December 2012 primarily due to the receipt of payment from the Polish project.

Although the negative operating result and the decrease in trade payables and other current liabilities weighed on the net cash flow from operating activities, it was still possible to improve this from EUR -15.4 million in the comparison period of the previous year to EUR 101.7 million. This was influenced most heavily by the significant decrease in trade receivables and other assets. The net cash flow from investing activities was marked in the first nine months of the 2012/13 fiscal year by expansions to the production capacities, ongoing replacement investments and the acquisition of a share in SIMEX, Mexico. This was compensated in part by the sale of the minority shares in the joint venture LLC "United Toll Systems", Russia. The repayment of current financial liabilities primarily from project financing led to a negative net cash flow from financing activities of EUR -54.9 million (2011/12 Q1-Q3: EUR 51.6 million) with a positive effect on the net debt.

Cash and cash equivalents were increased from EUR 44.9 million on 31 March 2012 to EUR 83.7 million on 31 December 2012.

Condensed consolidated interim financial information as of 31 December 2012.*)

Kapsch TrafficCom Group – Consolidated statement of comprehensive income.

| All amounts in TEUR | Note | 2012/13 Q3 | 2011/12 Q3 | 2012/13 Q1-Q3 | 2011/12 Q1-Q3 |
|---|------|----------------|----------------|----------------|----------------|
| Revenues | (4) | 107,583 | 129,402 | 310,947 | 408,210 |
| Other operating income | | 2,746 | 2,496 | 11,087 | 9,192 |
| Other own work capitalized | | 236 | 0 | 236 | 0 |
| Changes in finished and unfinished goods and work in progress | | -1,260 | 5,421 | 10,697 | 14,649 |
| Cost of materials and other production services | | -53,764 | -78,628 | -170,677 | -219,926 |
| Staff costs | | -32,818 | -31,054 | -97,702 | -87,958 |
| Amortization of intangible assets and depreciation of property, plant and equipment | | -4,074 | -4,509 | -12,386 | -13,182 |
| Other operating expenses | | -22,090 | -25,868 | -61,821 | -73,603 |
| Operating result | (4) | -3,440 | -2,740 | -9,620 | 37,383 |
| Finance income | | 7,022 | 4,219 | 11,073 | 8,194 |
| Finance costs | | -3,976 | 156 | -10,085 | -12,483 |
| Financial result | | 3,046 | 4,375 | 988 | -4,289 |
| Result from joint ventures and associates | | 172 | 0 | 172 | -32 |
| Profit before income taxes | | -223 | 1,635 | -8,460 | 33,061 |
| Income taxes | (10) | 1,395 | 680 | 2,650 | -8,350 |
| Profit for the period | | 1,172 | 2,316 | -5,810 | 24,711 |
| Other comprehensive income for the period | | | | | |
| Gains/losses recognized directly in equity: | | | | | |
| Available-for-sale financial assets | | 1,445 | 1,071 | -5,431 | -737 |
| Currency translation differences | | -768 | -1,087 | -1,500 | -4,601 |
| Income tax relating to components of other comprehensive income | | -63 | 57 | -159 | -7 |
| Other comprehensive income for the period net of tax | (11) | 613 | 41 | -7,090 | -5,346 |
| Total comprehensive income for the period | | 1,786 | 2,357 | -12,900 | 19,366 |
| Profit attributable to: | | | | | |
| Equity holders of the company | | -3,113 | 712 | -14,190 | 17,715 |
| Minority interests | | 4,286 | 1,603 | 8,380 | 6,996 |
| | | 1,172 | 2,316 | -5,810 | 24,711 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the company | | -2,215 | 580 | -20,652 | 13,238 |
| Minority interests | | 4,000 | 1,777 | 7,752 | 6,128 |
| | | 1,786 | 2,357 | -12,900 | 19,366 |
| Earnings per share from the profit for the period attributable to the equity holders of the company (in EUR) | | -0.24 | 0.05 | -1.09 | 1.40 |

Earnings per share (EPS) in 2012/13 Q1-Q3 relate to 13.0 million shares, in 2011/12 Q1-Q3 relate to a weighted average number of 12.7 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.

Kapsch TrafficCom Group – Consolidated balance sheet.

| All amounts in TEUR | Note | 31 December 2012 | 31 March 2012 |
|---|------|------------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | (5) | 23,521 | 21,847 |
| Intangible assets | (5) | 78,316 | 80,379 |
| Other non-current financial assets and investments | | 45,908 | 51,229 |
| Other non-current assets | | 1,280 | 3,420 |
| Deferred tax assets | | 14,948 | 11,189 |
| | | 163,972 | 168,064 |
| Current assets | | | |
| Inventories | | 65,863 | 48,899 |
| Trade receivables and other current assets | | 147,841 | 287,590 |
| Other current financial assets | | 8,826 | 8,213 |
| Cash and cash equivalents | | 83,732 | 44,929 |
| | | 306,262 | 389,631 |
| | | | |
| Total assets | | 470,234 | 557,695 |
| EQUITY | | | |
| Capital and reserves attributable to equity holders of the company | | | |
| Share capital | (6) | 13,000 | 13,000 |
| Capital reserve | | 117,509 | 117,509 |
| Retained earnings and other reserves | | 79,746 | 112,098 |
| | | 210,255 | 242,607 |
| Minority interests | | 13,985 | 13,640 |
| Total equity | | 224,239 | 256,247 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Non-current financial liabilities | (7) | 79,687 | 74,256 |
| Liabilities from post-employment benefits to employees | (8) | 16,835 | 16,704 |
| Non-current provisions | (9) | 1,132 | 1,098 |
| Other non-current liabilities | | 1,923 | 3,440 |
| Deferred income tax liabilities | | 14,293 | 18,316 |
| | | 113,870 | 113,812 |
| Current liabilities | | | |
| Trade payables | | 55,508 | 59,013 |
| Other liabilities and deferred income | | 40,788 | 53,048 |
| Current tax payables | | 4,233 | 3,795 |
| Current financial liabilities | (7) | 11,916 | 53,249 |
| Current provisions | (9) | 19,681 | 18,531 |
| | | 132,125 | 187,636 |
| | | | |
| Total liabilities | | 245,995 | 301,448 |
| | | | |
| Total equity and liabilities | | 470,234 | 557,695 |

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

Kapsch TrafficCom Group – Consolidated statement of changes in equity.

All amounts in TEUR

| | Attributable to equity holders of the company | | | | Minority interests | Total equity |
|--|---|-----------------|----------------|--------------------------------|--------------------|----------------|
| | Share capital | Capital reserve | Other reserves | Consolidated retained earnings | | |
| Carrying amount as of 31 March 2011 | 12,200 | 70,077 | 4,249 | 89,817 | 15,171 | 191,513 |
| Proceed from shares issued | 800 | 47,432 | | | | 48,232 |
| Dividend for 2010/11 | | | | -13,000 | -8,017 | -21,017 |
| Contributions from shareholders | | | 91 | | 0 | 91 |
| Result for the period | | | | 17,715 | 6,996 | 24,711 |
| Other comprehensive income for the period: | | | | | | |
| Currency translation differences | | | -3,732 | | -869 | -4,601 |
| Fair value gains/losses on available-for-sale financial assets | | | -745 | | 0 | -745 |
| Carrying amount as of 31 Dec. 2011 | 13,000 | 117,509 | -137 | 94,531 | 13,281 | 238,184 |
| Carrying amount as of 31 March 2012 | 13,000 | 117,509 | 14,682 | 97,416 | 13,640 | 256,247 |
| Dividend for 2011/12 | | | | -11,700 | -7,407 | -19,107 |
| Result for the period | | | | -14,190 | 8,380 | -5,810 |
| Other comprehensive income for the period: | | | | | | |
| Currency translation differences | | | -872 | | -628 | -1,500 |
| Fair value gains/losses on available-for-sale financial assets | | | -5,590 | | 0 | -5,590 |
| Carrying amount as of 31 Dec. 2012 | 13,000 | 117,509 | 8,220 | 71,526 | 13,985 | 224,239 |

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

Kapsch TrafficCom Group – Consolidated cash flow statement.

| All amounts in TEUR | 2012/13 Q3 | 2011/12 Q3 | 2012/13 Q1-Q3 | 2011/12 Q1-Q3 |
|---|---------------|---------------|----------------|----------------|
| Cash flow from operating activities | | | | |
| Operating result | -3,440 | -2,740 | -9,620 | 37,383 |
| Adjustments for non-cash items and other reconciliations: | | | | |
| Depreciation and amortization | 4,074 | 4,509 | 12,386 | 13,182 |
| Increase/decrease in obligations for post-employment benefits | 44 | 132 | 131 | 23 |
| Increase/decrease in other non-current liabilities and provisions | 400 | 22 | 185 | 48 |
| Increase/decrease in other non-current receivables and assets | 972 | -1,112 | 803 | -427 |
| Increase/decrease in trade receivables (non-current) | 1,468 | -356 | 2,757 | 4,532 |
| Increase/decrease in trade payables (non-current) | -1,135 | -3,322 | -1,850 | -4,173 |
| Other (net) | -2,256 | 4,194 | -3,033 | -3,834 |
| | 127 | 1,327 | 1,758 | 46,733 |
| Changes in net current assets: | | | | |
| Increase/decrease in trade receivables and other assets | 38,469 | 17,650 | 141,199 | -34,621 |
| Increase/decrease in inventories | -10,305 | -5,507 | -16,964 | -15,953 |
| Increase/decrease in trade payables and other current payables | -8,792 | 13,550 | -15,256 | 2,561 |
| Increase/decrease in current provisions | -288 | -453 | 1,150 | -1,462 |
| | 19,084 | 25,240 | 110,130 | -49,475 |
| | | | | |
| Cash flow from operations | 19,211 | 26,568 | 111,887 | -2,742 |
| Interest received | 1,693 | 511 | 2,514 | 909 |
| Interest payments | -3,010 | -1,750 | -6,079 | -4,839 |
| Net payments of income taxes | -119 | -1,364 | -6,654 | -8,741 |
| Net cash flow from operating activities | 17,774 | 23,964 | 101,668 | -15,414 |
| Cash flow from investing activities | | | | |
| Purchases of property, plant and equipment | -4,173 | -2,304 | -8,503 | -7,215 |
| Purchases of intangible assets | -2,960 | -290 | -3,821 | -1,172 |
| Purchases of securities and investments | 8 | -3,099 | -1,561 | -4,781 |
| Payments for acquisition of shares in companies consolidated at equity | 0 | 0 | 0 | -32 |
| Proceeds from disposal of property, plant and equipment and intangible assets | 313 | -2 | 319 | 281 |
| Proceeds from the sale of securities and investments | 5,997 | 0 | 5,997 | 0 |
| Net cash flow from investing activities | -815 | -5,695 | -7,570 | -12,919 |
| Cash flow from financing activities | | | | |
| Proceeds from shares issued and contributions from shareholder | 0 | 0 | 0 | 48,322 |
| Dividends paid to company shareholders | 0 | 0 | -11,700 | -13,000 |
| Dividends paid to minority shareholders of group companies | -45 | -976 | -7,407 | -8,017 |
| Increase in non-current financial liabilities | 5,350 | 41 | 5,433 | 176 |
| Decrease in non-current financial liabilities | 20 | 0 | 0 | 0 |
| Increase in current financial liabilities | -1,936 | 6,817 | 5,827 | 30,037 |
| Decrease in current financial liabilities | -4,308 | -2,840 | -47,016 | -5,919 |
| Net cash flow from financing activities | -920 | 3,042 | -54,863 | 51,600 |
| | | | | |
| Net increase/decrease in cash and cash equivalents | 16,039 | 21,311 | 39,235 | 23,267 |
| Change in cash and cash equivalents | | | | |
| Cash and cash equivalents at beginning of period | 67,661 | 42,233 | 44,929 | 42,001 |
| Net increase/decrease in cash and cash equivalents | 16,039 | 21,311 | 39,235 | 23,267 |
| Currency translation differences on cash and cash equivalents | 32 | -559 | -432 | -2,283 |
| Cash and cash equivalents at end of period | 83,732 | 62,985 | 83,732 | 62,985 |

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

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

1. General information.

The Kapsch TrafficCom Group is an international supplier of intelligent transportation systems (ITS).

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 segment Road Solution Projects relates to the installation of ITS solutions.

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

The segment Others relates to non-core business activities conducted by Kapsch Components GmbH & Co KG. In this segment, engineering solutions, electronic manufacturing and logistics services are rendered to affiliated entities and third parties.

2. Basis of preparation.

This condensed interim financial information for the first three quarters of the current fiscal year 2012/13 ended 31 December 2012 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 2012.

3. Accounting policies.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2012, as described in the annual financial statements for the year ended 31 March 2012.

In this condensed interim financial information for the first three quarters of the current fiscal year 2012/13, no new IFRSs and IFRICs have been adopted.

4. Segment information.

| 2012/13 Q1-Q3 All amounts in TEUR | Road Solution Projects | Services, System Extensions, Components Sales | Others | Consolidated group |
|--------------------------------------|---------------------------|---|--------|-----------------------|
| Revenues | 64,021 | 234,292 | 12,634 | 310,947 |
| Operating result | -30,068 | 20,084 | 364 | -9,620 |

| 2011/12 Q1-Q3 All amounts in TEUR | Road Solution Projects | Services, System Extensions, Components Sales | Others | Consolidated group |
|--------------------------------------|---------------------------|---|--------|-----------------------|
| Revenues | 180,980 | 220,340 | 6,890 | 408,210 |
| Operating result | 1,964 | 34,894 | 525 | 37,383 |

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 contributed operating segment.

| 2012/13 Q1-Q3 All amounts in TEUR | Revenues | Road Solution Projects | Services, System Extensions, Components Sales |
|--------------------------------------|----------|---------------------------|---|
| Customer 1 | 63,415 | x | x |
| Customer 2 | 56,775 | x | x |
| Customer 3 | 42,027 | x | x |

| 2011/12 Q1-Q3 All amounts in TEUR | Revenues | Road Solution Projects | Services, System Extensions, Components Sales |
|--------------------------------------|----------|---------------------------|---|
| Customer 1 | 65,310 | x | x |
| Customer 2 | 136,500 | x | |
| Customer 3 | 59,605 | x | x |

5. Capital expenditure.

| All amounts in TEUR | Tangible and intangible assets |
|---|-----------------------------------|
| Carrying amount as of 31 March 2012 | 102,226 |
| Additions | 12,324 |
| Disposals | -408 |
| Depreciation, amortization, impairments and other movements | -12,386 |
| Currency translation differences | 81 |
| Carrying amount as of 31 December 2012 | 101,837 |
| Carrying amount as of 31 March 2011 | 108,092 |
| Additions | 8,387 |
| Disposals | -219 |
| Depreciation, amortization, impairments and other movements | -13,182 |
| Currency translation differences | 932 |
| Carrying amount as of 31 December 2011 | 104,010 |

6. Share capital.

The registered share capital of the company amounts to EUR 13,000,000. The share capital is fully paid in. The total number of ordinary shares issued is 13,000,000. The shares are ordinary bearer shares and have no par value.

7. Financial liabilities.

| All amounts in TEUR | 31 Dec. 2012 | 31 March 2012 | 31 Dec. 2011 | 31 March 2011 |
|---------------------|---------------|----------------|----------------|---------------|
| Non-current | 79,687 | 74,256 | 74,288 | 74,112 |
| Current | 11,916 | 53,249 | 47,174 | 23,083 |
| Total | 91,603 | 127,505 | 121,462 | 97,195 |

Movements in borrowings are analyzed as follows:

| All amounts in TEUR | Non-current | Current | Total |
|---|---------------|---------------|----------------|
| Carrying amount as of 31 March 2012 | 74,256 | 53,249 | 127,505 |
| Additions | 5,433 | 5,827 | 11,260 |
| Repayments of borrowings | 0 | -47,016 | -47,016 |
| Currency translation differences | -1 | -145 | -146 |
| Carrying amount as of 31 December 2012 | 79,687 | 11,916 | 91,603 |

| All amounts in TEUR | Non-current | Current | Total |
|---|---------------|---------------|----------------|
| Carrying amount as of 31 March 2011 | 74,112 | 23,083 | 97,195 |
| Additions | 176 | 30,037 | 30,213 |
| Repayments of borrowings | 0 | -5,919 | -5,919 |
| Currency translation differences | 0 | -27 | -27 |
| Carrying amount as of 31 December 2011 | 74,288 | 47,174 | 121,462 |

8. Liabilities from post-employment benefits to employees.

| All amounts in TEUR | 31 Dec. 2012 | 31 March 2012 | 31 Dec. 2011 | 31 March 2011 |
|----------------------|---------------|---------------|---------------|---------------|
| Termination benefits | 6,714 | 6,452 | 6,003 | 5,912 |
| Pension benefits | 10,121 | 10,251 | 10,334 | 10,403 |
| Total | 16,835 | 16,704 | 16,337 | 16,315 |

Termination benefits

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

Pension benefits

Liabilities for pension benefits recognized 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.

9. Provisions.

| All amounts in TEUR | 31 Dec. 2012 | 31 March 2012 | 31 Dec. 2011 | 31 March 2011 |
|---------------------|---------------|---------------|--------------|---------------|
| Non-current | 1,132 | 1,098 | 660 | 686 |
| Current | 19,681 | 18,531 | 3,260 | 4,722 |
| Total | 20,813 | 19,628 | 3,920 | 5,408 |

| 2012/13 Q1-Q3 All amounts in TEUR | 31 March 2012 | Addition | Utilization | Disposal | Currency translation differences | 31 Dec. 2012 |
|--|---------------|--------------|---------------|---------------|----------------------------------|---------------|
| Obligations from anniversary bonuses | 868 | 126 | 0 | -94 | 0 | 899 |
| Other | 230 | 0 | 0 | 0 | 3 | 233 |
| Non-current provisions, total | 1,098 | 126 | 0 | -94 | 3 | 1,132 |
| Warranties | 1,229 | 1,388 | -5 | -9 | -9 | 2,594 |
| Losses from pending transactions and rework | 12,382 | 0 | -273 | 0 | 229 | 12,339 |
| Legal fees, costs of litigation and contract risks | 1,022 | 228 | -737 | -119 | 6 | 401 |
| Other | 3,897 | 7,227 | -5,305 | -1,511 | 40 | 4,348 |
| Current provisions, total | 18,531 | 8,844 | -6,320 | -1,640 | 267 | 19,681 |
| Total | 19,628 | 8,969 | -6,320 | -1,734 | 270 | 20,813 |

| 2011/12 Q1-Q3 All amounts in TEUR | 31 March 2011 | Addition | Utilization | Disposal | Currency translation differences | 31 Dec. 2011 |
|--|---------------|------------|---------------|---------------|----------------------------------|--------------|
| Obligations from anniversary bonuses | 605 | 24 | 0 | -27 | 0 | 602 |
| Other | 81 | 0 | -25 | 0 | 2 | 58 |
| Non-current provisions, total | 686 | 24 | -25 | -27 | 2 | 660 |
| Warranties | 1,480 | 0 | -13 | -11 | 4 | 1,459 |
| Legal fees, costs of litigation and contract risks | 1,442 | 0 | -35 | -1,024 | -17 | 366 |
| Other | 1,800 | 636 | -1,000 | -3 | 1 | 1,435 |
| Current provisions, total | 4,722 | 636 | -1,049 | -1,038 | -12 | 3,260 |
| Total | 5,408 | 660 | -1,074 | -1,065 | -9 | 3,920 |

10. 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.

In the first three quarters of 2012/13, the tax rate is 31 % (2011/12 Q1-Q3: 25 %). For the full year 2012/13, management expects an effective tax rate of approximately 25 %.

11. Other comprehensive income.

| 2012/13 Q1-Q3 All amounts in TEUR | Before taxes | Tax expense /income | After taxes |
|---|---------------|------------------------|---------------|
| Fair value gains/losses on available-for-sale financial assets: | | | |
| Unrealized gains/losses in the current period | -5,431 | -159 | -5,590 |
| Currency translation differences | -1,500 | | -1,500 |
| Fair value changes recognized in equity | -6,931 | -159 | -7,090 |

The fair value gains/losses not realized amounting to TEUR -6,068 relate to the investment in Q-Free ASA, Norway (2011/12 Q1-Q3: TEUR -767).

| 2011/12 Q1-Q3 All amounts in TEUR | Before taxes | Tax expense /income | After taxes |
|---|---------------|------------------------|---------------|
| Fair value gains/losses on available-for-sale financial assets: | | | |
| Unrealized gains/losses in the current period | -737 | -7 | -745 |
| Currency translation differences | -4,601 | | -4,601 |
| Fair value changes recognized in equity | -5,338 | -7 | -5,346 |

12. Contingent liabilities and other commitments.

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 and sureties.

Details for contingent liabilities and other commitments are as follows:

| All amounts in TEUR | 31 Dec. 2012 | 31 March 2012 |
|--|----------------|----------------|
| Contract, warranty, performance and bid bonds: | | |
| City Highway Sydney and Melbourne | 2,590 | 1,811 |
| Truck toll collection system Austria | 8,500 | 8,500 |
| Truck toll collection system Czech Republic | 3,451 | 4,471 |
| Toll collection system in South Africa: Gauteng, Marian Hill, Huguenot | 105,420 | 114,113 |
| Toll collection system Poland | 7,256 | 43,501 |
| Toll collection system Portugal | 1,820 | 1,820 |
| Toll collection system North America | 20,599 | 0 |
| Other | 1,341 | 906 |
| | 150,977 | 175,121 |
| Bank guarantees | 2,061 | 1,722 |
| Sureties | 198 | 524 |
| Total | 153,235 | 177,366 |

13. Related parties.

| All amounts in TEUR | | Sales to related parties Q1-Q3 | Sales from related parties Q1-Q3 | Amounts owed by related parties 31 December | Amounts owed to related parties 31 December |
|--|---------|--------------------------------|----------------------------------|---|---|
| Affiliated companies outside the Kapsch TrafficCom Group | 2012/13 | 10,204 | 16,373 | 4,459 | 4,969 |
| | 2011/12 | 4,813 | 17,860 | 5,366 | 8,643 |
| Others | 2012/13 | 1,389 | 2,294 | 293 | 9,114 |
| | 2011/12 | 31 | 3,399 | 0 | 9,352 |

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

14. Events after 31 December 2012.

No major events occurred after 31 December 2012.

Vienna, 27 February 2013

Executive Board



Georg Kapsch
Chief Executive Officer



Erwin Toplak
Executive Board member



André Laux
Executive Board member

Kapsch TrafficCom is a provider of intelligent transportation systems (ITS) in the application fields of toll collection, urban access management and traffic safety and security. Kapsch TrafficCom covers the entire value creation chain of its customers as a one-stop shop by providing products and components as well as subsystems as open market products, by integrating them into turnkey systems or by developing end-to-end solutions, including the technical and commercial operations of systems. Within its current core business of electronic toll collection (ETC), Kapsch TrafficCom designs, builds and operates ETC systems, in particular for multi-lane free-flow traffic. With 280 references in 41 countries on all continents and with almost 70 million on-board units delivered and about 18,000 lanes equipped, Kapsch TrafficCom has positioned itself as an internationally recognized supplier of ETC systems worldwide. Kapsch TrafficCom is headquartered in Vienna, Austria, and has subsidiaries and representative offices in 30 countries. For additional information, please visit www.kapschtraffic.com.

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