

Press release

Federal Court Affirmatively Dismisses All Neology Claims of Patent Infringement Against Kapsch to Open 6C Tolling Standard.

Vienna, January 7, 2020 – Kapsch TrafficCom (Kapsch) is pleased to report the United States District Court in Delaware has dismissed with prejudice Neology, Inc. (Neology)'s outstanding patent infringement-related claims against Kapsch. The dismissal is an important victory for the electronic tolling industry as a whole, and confirms that Kapsch does not violate any Neology patent assertions by importing, marketing, or selling electronic tolling products using the ISO/IEC 18000-6C communications protocol ("6C Standard").

The invalidity of these patent claims was previously upheld by the United States Patent and Trademark Office (USPTO), the International Trade Commission, and the United States Court of Appeals for the Federal Circuit.

The dismissal effectively confirms 6C as an open, non-proprietary standard available for use across the tolling industry. Kapsch has been a firm proponent of open standards to facilitate national electronic tolling interoperability, having released its Open Standard Time Division Multiplexing (TDM) specification to the public in 2013 to give access to developers working with the highly reliable and thoroughly tested TDM specification. The TDM protocol is currently utilized by the E-ZPass® Group, the largest interoperable tolling network in the country.

"We accept Neology's action to dismiss its patent claims, and maintain our long-standing commitment to open standards and fair competition in electronic tolling going forward," said Chris Murray, president of Kapsch TrafficCom North America. "This resolution will facilitate the goal of national electronic tolling interoperability in the US by enabling access to organizations and individuals seeking to work with, market, and implement various toll technology specifications."

Open standard communication protocols are critical to meeting the goals of the U.S. Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted in 2012, which mandates national agreement on tolling technologies and business practices to facilitate interoperability between tolling platforms.

Kapsch TrafficCom is a provider of intelligent transportation systems in the fields of tolling, traffic management, smart urban mobility, traffic safety and security, and connected vehicles. As a one-stop solutions provider, Kapsch TrafficCom offers end-to-end solutions covering the entire value creation chain of its customers, from components and design to the implementation and operation of systems. The mobility solutions supplied by Kapsch TrafficCom help make road traffic safer and more reliable, efficient, and comfortable in urban areas and on highways while helping to reduce pollution.

Kapsch TrafficCom is an internationally renowned provider of intelligent transportation systems thanks to the many projects it has brought to successful fruition in more than 50 countries around the globe. As part of the Kapsch Group, Kapsch TrafficCom with headquarters in Vienna, has subsidiaries and branches in more than 30 countries. It has been listed in the Prime Market of the Vienna Stock Exchange since 2007 (ticker symbol: KTCG). Kapsch TrafficCom's about 5,000 employees generated revenues of EUR 738 million in fiscal year 2018/19.

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