

Press Release

The Kapsch Group on a stable course in fiscal year 2014/15

Vienna, August 3, 2015 – The Kapsch Group reported revenue of EUR 908.8 million and EBIT of EUR 6.6 million for the past fiscal year (April 1, 2014 – March 31, 2015). Kapsch is one of Austria's most successful technology corporations to specialize in the future-oriented market segments of Intelligent Transportation Systems (ITS) and Information and Communications Technology (ICT). Headquartered in Vienna, the company employs a total of 5,734 people worldwide. The Kapsch Group is on a stable, economically sound course.

At a figure of EUR 908.8 million, the Kapsch Group succeeded in maintaining revenue close to the prior-year amount of EUR 923.3 million (-1.6%). The adjusted operating result increased significantly to EUR 43.5 million (previous year: EUR 27.2 million). After accounting for impairment losses, EBIT amounted to EUR 6.6 million (previous year: EUR 25.2 million). The number of employees increased by 5% to 5,734, primarily as a result of continued expansion at the operating companies in Poland and Belarus, the assumption of temporary personnel at Kapsch TrafficCom in South Africa, and a business acquisition at Kapsch CarrierCom. The research and development ratio came to just under 10% of revenue (EUR 88.2 million) and thus remained stable compared with the prior year.

Three key entities for intelligent mobility and communications solutions

Kapsch TrafficCom¹, a listed company that is the world's leading supplier of Intelligent Transportation Systems (ITS), contributes a share of 50% (EUR 456.4 million) to the total revenue of the Kapsch Group². Kapsch CarrierCom, which provides end-to-end telecommunications solutions for railway operators and operators of urban public transportation systems, was responsible for 21% (EUR 190.6 million) of the Group's revenue². Kapsch BusinessCom, a successful ICT service partner in Austria, other Central European countries, and Eastern Europe, contributed 33% (EUR 301.9 million)² to total revenue.

For Kapsch TrafficCom, the biggest business success of the past fiscal year was the major contracts awarded for an electronic toll collection system in Sydney/Australia and for a fully electronic toll collection system for the New York State thruway.

Kapsch CarrierCom expanded its portfolio in the urban public transportation sector by acquiring the Belgian company Prodata Mobility Systems NV during the past fiscal year. Kapsch CarrierCom also reported successful TETRA projects for metro solutions in Newcastle/United Kingdom and in Rio de Janeiro/Brazil in the reporting period. In the railway segment, Kapsch CarrierCom was hired by the Chinese railway operator to implement GSMR technology, and an agreement was reached with the Algerian railway operator to launch a joint venture in railway communications.

1) Kapsch-Group Beteiligungs GmbH currently holds 63.13% of the shares in Kapsch TrafficCom AG

2) The revenue figures for the Kapsch Group's three key companies include intragroup revenue

Major successes reported by Kapsch BusinessCom were the modernization of the entire IT infrastructure of Tyrol Air Ambulance and virtualization of the Runtastic platform.

Kapsch Smart Energy, founded in 2010, was also able to win additional contracts, including the installation of 1,400 smart meters for Wiener Netze GmbH.

With regard to the regional distribution of revenue, the situation changed only minimally compared with the previous year. The countries of Central and Eastern Europe made up the largest share (33%) followed by the Austrian domestic market with 30%. In the strategically significant U.S. target market, the 2014 acquisition of Transdyn Inc., a manufacturer and integrator of traffic management systems, has already enabled strategically important projects to be won under the company's new name, KTC USA Inc.

Outlook and market potential

In light of the current economic and technological trends, the company management sees the following market opportunities in the areas of telecommunications and traffic control systems in which the Kapsch Group operates:

As part of its 2020 project, Kapsch TrafficCom has defined three strategic priorities: achieving operational excellence, growing and securing the core business, and launching an Intelligent Mobility Solutions (IMS) business. The goal is to expand the core business to address new areas of business, above all with regard to inner-city, mobile traffic solutions such as smart parking.

Kapsch CarrierCom is aiming to take advantage of its innovative product portfolio in the area of train communications to develop new markets, particularly in Europe but also in northern Africa, in the Arab as well as in the Asian region, and to expand the existing GSM-R networks. In the area of public transportation, the markets in Europe, South Africa, the U.S., South America, and Russia will be offered an integrated portfolio of products and solutions in the future.

Kapsch BusinessCom plans to focus increasingly on the manufacturing industries, the public sector, and the healthcare, utilities, and finance sectors. The goal of Kapsch BusinessCom is to use ICT solutions to more actively design and develop its customers' business processes.

You will find the detailed Annual Report at:

www.kapsch.net/KapschGroup/downloads/reports/Kapsch_Annual-report_2014-15



Kapsch is one of Austria's most successful technology corporations to specialize in the future-oriented market segments of Intelligent Transportation Systems (ITS) and Information and Communications Technology (ICT). Kapsch is organized as a group of companies with the key entities Kapsch TrafficCom, Kapsch CarrierCom, and Kapsch BusinessCom. As a family-owned company headquartered in Vienna, Kapsch has been dedicated to the continuous development and implementation of new technologies for the benefit of its customers since 1892. With a wide range of innovative solutions and services, Kapsch makes a valuable contribution toward responsible approaches to a mobile and networked world. The companies of the Kapsch Group employ more than 5,700 people at subsidiaries and branch offices around the world. Kapsch. Always one step ahead. For additional information: www.kapsch.net

Follow us on Twitter: twitter.com/kapschnet

Press contact

Ingrid Lawicka

Spokesperson

Kapsch AG

Am Europlatz 2, 1120 Vienna, Austria

Phone +43 50811 1705

E-mail ingrid.lawicka@kapsch.net