Kapsch.

KTC: Leading entity of the Kapsch Group.

- Kapsch founded in Vienna in 1892
- Electronic industry
- Strong brand in Austria
- Three key entities
  - Kapsch TrafficCom - KTC (Intelligent Transportation Systems)
  - Kapsch BusinessCom (ICT solutions for enterprises)
  - Kapsch CarrierCom (Telematics and telecommunications solutions for rail and urban public transport operators, carrier networks and energy supply companies)
- Family owned Group (only KTC listed)
- Group revenues >EUR 1bn

KTC: Tradition meets Future.

125 years in the ever-changing technology industry are a proof of the sustainable business approach and the entrepreneurial spirit within the family-owned Kapsch Group.

This, together with the professionalism, structures and transparency required from a listed company, are key success factors for Kapsch TrafficCom.
Kapsch TrafficCom.  
At a glance.

Provider of Intelligent Transportation Systems
- Tolling (Electronic Toll Collection – ETC)
- Mobility (Intelligent Mobility Solutions – IMS)

Global player
- More than 4,800 employees
- Presence in >30 countries
- References in >50 countries

Solid financials
- Revenues ~EUR 650mn
- Sustainable dividend policy: Base dividend of EUR 1,--

Listed at Vienna Stock Exchange
- Market cap >EUR 600mn
- Free float 28.5%
Strategy.
Profitable and sustainable growth.

Top-line growth
- Secure and expand the core business
- Reduce the cluster risk
- Growth resulting from a broad range
- Growth in existing and new markets
- Acquisitions

Profitability
- Price pressure in ETC:
  - Larger number of smaller projects with lower profitability
  - Current and upcoming large tenders – price pressure
  - EBIT margin in IMS to gradually improve:
    - Non-recurring nature of costs for the integration of KTT
    - After KTT integration: better positioning, higher efficiency
    - Synergies between KTT and Kapsch TrafficCom

Sustainability
- Long-term & sustainable management: 125 years of history
- Sustainable business model
- Innovation: open approach
- Patents
- Employees: lifelong learning
- Working environment
- Engaging with stakeholder groups

Revenues to increase in both segments, with higher rates of growth for IMS.

> EBIT margin in ETC comfortably >10%.
> In the medium term IMS EBIT margin of about 8% seems possible.
> Group EBIT margin of 10% (mid term).

R&D and innovation with open approach.
> Close to customers.
> Recognise trends early.
Business model.
One-stop-shop.

End-to-end solutions as a one-stop shop
## Portfolio
Integrated mobility solutions provider

<table>
<thead>
<tr>
<th>Tolling (ETC)</th>
<th>Intelligent Mobility Solutions (IMS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tolling solutions</td>
<td>Highway</td>
</tr>
</tbody>
</table>
| Electronic Toll Collection  
Multi-lane free-flow, managed lanes, mobile tolling, eVignette | Traffic management (TM)  
Highway TM, managed lanes, tunnels and bridges |
| City tolling | Traffic management (TM)  
Urban TM, corridor management, access management |
| Plaza tolling | Traffic safety  
Electronic vehicle registration, commercial vehicle enforcement |
| Tolling services | Connected vehicles  
V2X-automotive, V2X-infrastructure, connected services |
| Trans-European tolling services | Smart parking |
|                           | Integrated mobility |
Financials.

Earnings overview.

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>+/-</th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>648.5</td>
<td>23%</td>
<td>526.1</td>
<td>456.4</td>
</tr>
<tr>
<td>EBITDA</td>
<td>77.8</td>
<td>1%</td>
<td>76.9</td>
<td>61.5</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>12.0%</td>
<td>-3%</td>
<td>14.6%</td>
<td>13.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>60.1</td>
<td>-4%</td>
<td>62.3</td>
<td>32.7</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>9.3%</td>
<td>-3%</td>
<td>11.9%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Profit before tax (PBT)</td>
<td>60.6</td>
<td>11%</td>
<td>54.8</td>
<td>19.9</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>42.7</td>
<td>17%</td>
<td>36.5</td>
<td>11.4</td>
</tr>
<tr>
<td>Profit for the period attributable to equity holders</td>
<td>43.6</td>
<td>40%</td>
<td>31.1</td>
<td>3.6</td>
</tr>
<tr>
<td>Earnings per share (EPS) in EUR</td>
<td>3.4</td>
<td>40%</td>
<td>2.4</td>
<td>0.3</td>
</tr>
</tbody>
</table>

All figures in EUR mn unless otherwise stated.

Revenues by Region FY 2016/17:

- EMEA: 63%
- Americas: 30%
- APAC: 7%

Revenues by Segment FY 2016/17:

- IMS: 84% (2016/17) 18% (2015/16)
- ETC: 16% (2016/17) 46% (2015/16)

For more information, visit www.kapschtraffic.com.

July 2017 | Investor Presentation
The growth of net investments to EUR 12.3mn resulted primarily from the acquisition and integration of KTT.

Free cash flow was again positive at EUR 42.6mn, but was below the 2015/16 value of EUR 90.7mn. Main reasons:
> working capital
> higher net investments

In spite of several acquisitions and the payment of dividends, Kapsch TrafficCom was able to conclude the fiscal year with a net credit (EUR 19.6mn).

The assumption of a promissory note bond (balance sheet extension), acquisitions (effect in equity) and dividend payment led to a reduction of the equity ratio to 35%.

<table>
<thead>
<tr>
<th>Net investments</th>
<th>Free cash flow</th>
<th>Net credit/debt</th>
<th>Balance sheet total and equity ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0 (2014/15)</td>
<td>68.2 (2014/15)</td>
<td>33.8 (2014/15)</td>
<td>515.6 (2014/15)</td>
</tr>
<tr>
<td>7.2 (2015/16)</td>
<td>90.7 (2015/16)</td>
<td>-35.9 (2015/16)</td>
<td>513.7 (2015/16)</td>
</tr>
<tr>
<td>12.3 (2016/17)</td>
<td>42.6 (2016/17)</td>
<td>19.6 (2016/17)</td>
<td>648.8 (2016/17)</td>
</tr>
</tbody>
</table>
Segment results.
Revenue share of IMS increased from 16.0% to 27.8%.

### ETC

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016/17</th>
<th>+/-</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>468.4</td>
<td>6.0%</td>
<td>442.1</td>
</tr>
<tr>
<td>EBIT</td>
<td>65.5 1)</td>
<td>2.8%</td>
<td>63.7</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>14.0%</td>
<td>-0.4%p</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

### IMS

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016/17</th>
<th>+/-</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>180.0</td>
<td>114.4%</td>
<td>84.0</td>
</tr>
<tr>
<td>EBIT</td>
<td>-5.4 2)</td>
<td>-308.9%</td>
<td>-1.3</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>-3.0%</td>
<td>-1.4%p</td>
<td>-1.6%</td>
</tr>
</tbody>
</table>

---

1) Includes badwill of EUR 0.9 million
2) Includes badwill of EUR 2.1 million

---

**ETC revenues**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016/17</th>
<th>+/-</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design &amp; build</td>
<td>96.9</td>
<td>5.0%</td>
<td>92.3</td>
</tr>
<tr>
<td>Operations</td>
<td>269.0</td>
<td>6.7%</td>
<td>252.1</td>
</tr>
<tr>
<td>Components</td>
<td>102.6</td>
<td>5.0%</td>
<td>97.7</td>
</tr>
</tbody>
</table>

**IMS revenues**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016/17</th>
<th>+/-</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design &amp; build</td>
<td>75.3</td>
<td>108.5%</td>
<td>36.1</td>
</tr>
<tr>
<td>Operations</td>
<td>92.6</td>
<td>186.8%</td>
<td>32.3</td>
</tr>
<tr>
<td>Components</td>
<td>12.1</td>
<td>-22.2%</td>
<td>15.6</td>
</tr>
</tbody>
</table>

---

Revenue share ofIMS increased from 16.0% to 27.8%.

---

1) Includes badwill of EUR 0.9 million
2) Includes badwill of EUR 2.1 million

---

1) Includes badwill of EUR 0.9 million
2) Includes badwill of EUR 2.1 million
Outlook.
FY 2017/18.

➢ Continue to grow the top line
  ▪ ETC
    – Good potential in the USA
    – Hope for greater momentum in Asia
    – In EMEA, focus on nation-wide toll collection systems, e.g. in Poland, the Czech Republic and Bulgaria
  ▪ IMS
    – As KTT integration has been completed, stronger focus on sales
    – Greatest attention to the CHARM project
    – Matrix organization should improve cooperation between the Regions and the Solution Centers as well as with customers

➢ Profitability: no great leaps in terms of EBIT
  ▪ Price effects from secured projects in Czech Republic and Austria
  ▪ IMS should achieve a positive EBIT
  ▪ Legal expenses from IP-related dispute with a competitor in the US

➢ Balance sheet
  ▪ Repayment of the corporate bond will influence both financial results and equity ratio
What makes Kapsch TrafficCom unique?

- Ability to develop tailored solutions – proven track record
- Close to our customers
- Domain know-how
- Integrated, one-stop-shop
- Global player
  - Best practice
  - Risk diversification
- A leading position in our core business
- Size and financial stability
- Listed (transparency, access to capital)
- No principal-agent-conflict as one main shareholder is the CEO
  - Long-term view; sustainable measures not sacrificed for short-term profits
Kapsch TrafficCom share.

ISIN: AT000KAPSCH9  Stock Ticker Symbol: KTCG  Reuters: KTCG.VI  Bloomberg: KTCG AV

Shareholder Structure

- The Bank of New York Mellon Corporation/Shareholder Value Management AG 8.2%
- Kapsch-Group Beteiligungs GmbH 63.3%
- Miscellaneous 3.1%
- Free float 28.5%
- Institutional investors 17.0%
- Retail 8.4%

Institutional Investors by Region

- 4.0% Other
- 13.9% UK & Ireland
- 22.4% Austria
- 26.8% North America
- 32.8% Continental Europe (excl. AT)

Basic Information

- Listed in Prime Market segment at the Vienna Stock Exchange since 2007
- 13 million shares
- Market cap: >EUR 600mn
- Coverage by: Kepler Cheuvreux, RCB, Erste Group, Matelan

Select Events

- Aug 27, 2017  Record date AGM
- Aug 30, 2017  Results Q1 2017/18
- Sep 6, 2017  AGM
- Sep 13, 2017  Record date - dividend
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Appendix.
## Competition.

### Overview.

<table>
<thead>
<tr>
<th>Tolling</th>
<th>Traffic Management</th>
<th>Smart Urban Mobility</th>
<th>Safety &amp; Security</th>
<th>Connected Cars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ETC</strong></td>
<td><strong>Highway</strong></td>
<td><strong>Smart Parking</strong></td>
<td><strong>Road Safety Enforcement</strong></td>
<td><strong>V2X Automotive</strong></td>
</tr>
<tr>
<td>T-Systems</td>
<td>Delcan</td>
<td>IPS Group</td>
<td>Redflex</td>
<td>Delphi</td>
</tr>
<tr>
<td>Autostrade</td>
<td>Q-Free</td>
<td>Worldsensing</td>
<td>Jenoptik</td>
<td>Denso</td>
</tr>
<tr>
<td>Q-Free</td>
<td>TransCore</td>
<td>Smart Parking</td>
<td>Sensys</td>
<td>Continental</td>
</tr>
<tr>
<td>emovis</td>
<td>Siemens</td>
<td>Inrix</td>
<td>Gatso</td>
<td>LG Electronics</td>
</tr>
<tr>
<td><strong>City Tolling</strong></td>
<td><strong>Managed Lanes</strong></td>
<td><strong>Urban Traffic Management</strong></td>
<td><strong>Commercial Vehicle Enforcement</strong></td>
<td><strong>V2X Infrastructure</strong></td>
</tr>
<tr>
<td>Q-Free</td>
<td>Delcan</td>
<td>Eagle</td>
<td>IRD</td>
<td>Cohda</td>
</tr>
<tr>
<td>MHI</td>
<td>Xerox</td>
<td>ISwarco</td>
<td>Xerox</td>
<td>Savari</td>
</tr>
<tr>
<td>IBM</td>
<td>SICE</td>
<td>SICE</td>
<td>Mettler Toledo</td>
<td>Neavia</td>
</tr>
<tr>
<td>Cubic</td>
<td>Q-Free</td>
<td>Econolite</td>
<td>Drivewyze (IMS)</td>
<td>Arada</td>
</tr>
<tr>
<td>Siemens</td>
<td>TransCore</td>
<td>Dynniq</td>
<td>Iteris</td>
<td>Dynniq</td>
</tr>
<tr>
<td><strong>Plaza Tolling</strong></td>
<td><strong>Tunnel &amp; Bridges</strong></td>
<td><strong>Intermodal Mobility</strong></td>
<td><strong>Electronic Vehicle Registration</strong></td>
<td><strong>Connected Services</strong></td>
</tr>
<tr>
<td>Tes cidel</td>
<td>SICE</td>
<td>HaCon</td>
<td>3M</td>
<td>n.a.</td>
</tr>
<tr>
<td>TransCore</td>
<td>Delcan</td>
<td>Xerox</td>
<td>UTI</td>
<td>Q-Free</td>
</tr>
<tr>
<td>G.E.A.</td>
<td>Dynniq</td>
<td>Moovel</td>
<td>Neology</td>
<td></td>
</tr>
<tr>
<td>Indra</td>
<td>Telegra</td>
<td>Cubic</td>
<td>TransCore</td>
<td></td>
</tr>
<tr>
<td>SICE</td>
<td>IBI Group</td>
<td>Siemens</td>
<td>Q-Free</td>
<td></td>
</tr>
</tbody>
</table>
Consolidation of Kapsch TrafficCom Transportation.

Impact on FY 2016/17 results.

<table>
<thead>
<tr>
<th>Impact on the P&amp;L</th>
<th>Impact on the balance sheet*</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues EUR +112.8mn</td>
<td>Property, plant &amp; equipment EUR 0.7mn</td>
<td>Number of KTC Group employees up by approximately 900.</td>
</tr>
<tr>
<td>thereof ETC EUR +21.8mn</td>
<td>Intangible assets EUR 9.0mn</td>
<td>KTC is now in the top segment of toll solution providers in the U.S.A.</td>
</tr>
<tr>
<td>thereof IMS EUR +91.0mn</td>
<td>Other non-current assets EUR 0.9mn</td>
<td>Strategic jump from the highways into the cities.</td>
</tr>
<tr>
<td>EBIT EUR -2.3mn</td>
<td>Inventories EUR 1.7mn</td>
<td>KTC has become a leading, globally active full-service provider.</td>
</tr>
<tr>
<td>thereof ETC EUR 1.6mn</td>
<td>Receivables &amp; other current assets EUR 61.0mn</td>
<td>Integration costs weigh on KTC’s profitability.</td>
</tr>
<tr>
<td>thereof IMS EUR -4.0mn</td>
<td>Cash &amp; cash equivalents EUR 9.2mn</td>
<td>Integration completed FY 2016/17.</td>
</tr>
</tbody>
</table>

Purchase price: EUR 31.1mn
Difference to net assets acquired (badwill): EUR 3.0mn

* After concluded purchase price allocation.
Promissory note bond.
Successful Issue.

<table>
<thead>
<tr>
<th>Year</th>
<th>Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>EUR 62.0mn</td>
</tr>
<tr>
<td></td>
<td>USD 14.5mn</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR 26mn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.22% p.a.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>USD 14.5mn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3M LIBOR + 170bps</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Corporate bond expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>EUR70.8mn.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR 23m</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6M EURIBOR + 150bps.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR 8.5mn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.26% p.a.</td>
</tr>
</tbody>
</table>

Corner Stones of the Transaction

> Volume: EUR 62mn + USD 14.5mn
> 3 tenors (5/7/10 years)
> Partially fixed interest, partially variable
> Rationale:
  - Diversified investor base
  - Optimized financing structure
  - Refinancing of corporate bond (EUR 70.8mn outstanding) maturing in November 2017
  - Can be repaid early; higher flexibility
> Extending effect on balance sheet (increase in cash and cash equivalents as well as in non-current financial liabilities)
37 Corporate milestones.
125 years in the ever-changing electronic industry.

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892</td>
<td>Kapsch founded</td>
</tr>
<tr>
<td>1991</td>
<td>Toll collection division within Kapsch AG</td>
</tr>
</tbody>
</table>
| 2002 | Activities structured in three autonomous organizations:  
| | • Kapsch TrafficCom  
| | • Kapsch BusinessCom  
| | • Kapsch CarrierCom |
| 2007 | IPO of Kapsch TrafficCom |
| 2011 | Capital increase |
| 2016 | Acquisition of KTT (Schneider Electric Transportation Business) |

- Morse telegraph devices
- Telephones
- Capacitors and dry batteries
- Radios
- TVs (black & white, later color)
- Telecom networks (analog, later digital)
- Portable radios
- Mobile phones

- 1999: Launch of world’s 1st MLFF ETC system for an urban motorway on Melbourne City Link in Australia.
- 2004: Austria introduces the national truck road user charging system: the worldwide 1st nationwide multi-lane free-flow system on major highways.
- 2007: Nationwide ETC system in Czech Republic goes into operation.
- 2010: Contract for implementation and operation of nationwide tolling system in Poland.
- 2012: Contract for implementation and operation of nationwide tolling system in Belarus.
- 2016: Acquisition of KTT (Schneider Electric Transportation Business).
References in more than 50 countries.
We make mobility solutions intelligent to enable users to arrive at their destination

- comfortably,
- on time,
- safely,
- efficiently, and
- with minimal environmental impact.