Results for 2017/18.
June 18, 2018
Revenues increased for the third year in a row – record sales.

Zambia: Nation-wide concession agreement for road safety & traffic management.

Bulgaria: Awarded contract for design & build of a nation-wide truck toll system and implementation of eVignette.

Maryland, USA: Upgrade and operation of toll collection equipment.

Poland and Czech Republic: Tenders discontinued.

Dividend of EUR 1.50 per share proposed to the Annual General Meeting.

**Highlights.**

FY 2017/18.

- Revenues increased for the third year in a row – record sales.
- Zambia: Nation-wide concession agreement for road safety & traffic management.
- Bulgaria: Awarded contract for design & build of a nation-wide truck toll system and implementation of eVignette.
- Maryland, USA: Upgrade and operation of toll collection equipment.
- Poland and Czech Republic: Tenders discontinued.
- Dividend of EUR 1.50 per share proposed to the Annual General Meeting.

**Revenues**

<table>
<thead>
<tr>
<th></th>
<th>EUR 693.3 mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>EUR 648 mn</td>
</tr>
</tbody>
</table>

**EBIT**

<table>
<thead>
<tr>
<th></th>
<th>EUR 50.1 mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>EUR 60 mn</td>
</tr>
</tbody>
</table>

**EBIT margin**

<table>
<thead>
<tr>
<th></th>
<th>7.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

**EPS**

<table>
<thead>
<tr>
<th></th>
<th>EUR 2.21</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>EUR 3.35</td>
</tr>
</tbody>
</table>
Highlights.
New major project in Zambia.

About the project

- Nation-wide concession contract to improve road safety and traffic management.
- Main components:
  - Vehicle inspection,
  - Vehicle registration,
  - Speeding fines and other traffic-related infringements.
- Term: 17 years

Organizational & financial

- Joint venture (JV) with local partner Lamise Trading.
- JV consolidated at equity; reported as result from operating activities.
- JV’s expected revenues in the first 3 years projected to be in the range of EUR 90 million to EUR 110 million.

Republic of Zambia

- Capital: Lusaka
- Official language: English
- GDP (PPP)/cap*: USD 3,933
- Currency: Zambian Kwacha (ZMW)
- Population*: 16.6 million; >40% live in urban areas

*Source: World Bank (Data for 2016)
**Highlights.**

New major project in Bulgaria.

**About the project**

- Contract to design and build nation-wide tolling System.
- Satellite technology for trucks over 3.5 tons.
- eVignette for passenger cars.
- Tolls collected on all class I, II, and III roads, (all paved roads).
- Some details:
  - 500 terminals for registering and issuing eVignettes,
  - 100 enforcement vehicles, 100 weigh-in-motion facilities, 100 tolling gantries.
- Term: 19 months from signing (January 2018).
- Kapsch TrafficCom’s 6th nation-wide toll collection system in Europe (after Austria, Switzerland, Poland, the Czech Republic, and Belarus).

**Financial**

- Total revenues of about EUR 76.6 million.

---

**Republic of Bulgaria**

- Capital: Sofia
- Official language: Bulgarian
- GDP (PPP)/cap*: USD 19,242
- Currency: Lev (BGN)
- Population*: 7.1 million
- Member of the European Union

---

*Source: World Bank (Data for 2016)
Highlights.
New major project in Maryland (USA).

About the project
➢ Contract to replace and maintain all roadside tolling equipment in the mixed-mode, cash, and express toll lanes under management of the Maryland Transportation Authority.
➢ The new roadside equipment will include:
  ▪ RFID toll readers.
  ▪ Automated license plate recognition (ALPR) cameras.
  ▪ Scanners in the mixed-mode lanes.
  ▪ Stereoscopic Vehicle Detection and Classification sensors.
➢ Term: Start in February 2018, replacement of all toll equipment by 2020, six years of subsequent operations and maintenance as well as the option to extend the contract for additional four years.

Financial
➢ Total revenues of more than EUR 55 million.
General remark
Dependency on a few large customers reduced by
> diversification of services and
> large portfolio of smaller contracts.
Lower cluster risk: The end of a large-volume contract hurts, but the company is in no way threatened in its existence.

Status Poland
> Contract expires in November 2018.
> Polish government wants to have the tolling system operated by a state agency.
> Kapsch TrafficCom aims at doing business in Poland also in the future.

Status Czech Republic
> Contract until the end of 2019.
> Tender, in which Kapsch TrafficCom turned out not to be the cheapest, has been cancelled.
> Kapsch TrafficCom wants to continue being a strong partner for the government regarding toll collection.
Financial results.
Fiscal year 2017/18.
## Earnings.

### EBIT.

All figures in EUR mn unless otherwise stated

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>648.5</td>
<td>693.3</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>25.1</td>
<td>20.5</td>
<td>-18%</td>
</tr>
<tr>
<td><strong>Changes: un-/ finished goods &amp; work in progress</strong></td>
<td>1.4</td>
<td>2.8</td>
<td>97%</td>
</tr>
<tr>
<td><strong>Own work capitalized</strong></td>
<td>3.6</td>
<td>0.4</td>
<td>-89%</td>
</tr>
<tr>
<td><strong>Cost of materials and other production services</strong></td>
<td>-242.1</td>
<td>-279.8</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Staff costs</strong></td>
<td>-224.2</td>
<td>-237.9</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Amortization and depreciation</strong></td>
<td>-17.7</td>
<td>-14.8</td>
<td>-16%</td>
</tr>
<tr>
<td><strong>Other operating expense</strong></td>
<td>-134.4</td>
<td>-134.9</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Proportional operating result of joint ventures</strong></td>
<td>0.0</td>
<td>0.5</td>
<td>2%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>60.1</td>
<td>50.1</td>
<td>-17%</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>9.3%</td>
<td>7.2%</td>
<td>-2.0%p</td>
</tr>
</tbody>
</table>

1) Includes badwill of EUR 3.0 million from KTT acquisition
2) JV in Zambia (since Q3 2017/18)

### FX impact on EBIT

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>in EUR mn</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4.7</strong></td>
<td>-5.2</td>
<td>-9.9</td>
<td></td>
</tr>
</tbody>
</table>

### Headcount development

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>End of period</strong></td>
<td>4,823</td>
<td>5,259</td>
<td>436</td>
</tr>
</tbody>
</table>
## Earnings.

Financial result, taxes, non-controlling interests.

### Financial result

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>60.1</td>
<td>50.1</td>
<td>-17%</td>
</tr>
<tr>
<td>Financial result</td>
<td>0.4</td>
<td>-5.2</td>
<td>—</td>
</tr>
<tr>
<td>Result before income taxes</td>
<td>60.6</td>
<td>44.2</td>
<td>-27%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-18.0</td>
<td>-16.2</td>
<td>-10%</td>
</tr>
<tr>
<td>Tax rate</td>
<td>29.6%</td>
<td>36.6%</td>
<td>7.0%p</td>
</tr>
<tr>
<td>Result for the period</td>
<td>42.7</td>
<td>28.0</td>
<td>-34%</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-0.9</td>
<td>-0.6</td>
<td>-30%</td>
</tr>
<tr>
<td>Result attributable to equity holders of the firm</td>
<td>43.6</td>
<td>28.7</td>
<td>-34%</td>
</tr>
<tr>
<td>Earnings per share (EPS) in EUR</td>
<td>3.35</td>
<td>2.21</td>
<td>-34%</td>
</tr>
</tbody>
</table>

### Financial result

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest (net result)</td>
<td>-1.7</td>
<td>-4.2</td>
<td>-2.5</td>
</tr>
<tr>
<td>FX (net result)</td>
<td>4.4</td>
<td>0.1</td>
<td>-4.2</td>
</tr>
<tr>
<td>Other (net result)</td>
<td>-2.3</td>
<td>-1.1</td>
<td>1.2</td>
</tr>
</tbody>
</table>
**Segment results.**

ETC accounts for 75% of total revenues, IMS 25%.

### Key financials

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>468.4</td>
<td>521.6</td>
<td>11%</td>
</tr>
<tr>
<td>EBIT</td>
<td>65.5</td>
<td>53.5</td>
<td>-18%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>14.0%</td>
<td>10.3%</td>
<td>-3.7%</td>
</tr>
</tbody>
</table>

1) Includes badwill of EUR 0.9 million

### Revenues by region

- **ETC**
  - EMEA: 66%
  - Americas: 27%
  - APAC: 7%

### Revenues by type

- **ETC**
  - Design & build: 96.9, 138.9 (+43%)
  - Operations: 269.0, 278.1 (+3%)
  - Components: 102.6, 104.7 (+2%)
  - OBUs sold, million units: 11.7, 12.7 (+8%)

### Key financials

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>180.0</td>
<td>171.6</td>
<td>-5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>-5.4</td>
<td>-3.4</td>
<td>36%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>-3.0%</td>
<td>-2.0%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

2) Includes badwill of EUR 2.1 million

### IMS

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>87.5</td>
<td>83.4</td>
<td>-5%</td>
</tr>
<tr>
<td>Operations</td>
<td>80.4</td>
<td>78.9</td>
<td>-2%</td>
</tr>
<tr>
<td>Components</td>
<td>12.1</td>
<td>9.3</td>
<td>-23%</td>
</tr>
</tbody>
</table>

June 18, 2018 | Kapsch TrafficCom: Results FY 2017/18
In connection with the acquisition and integration of KTT, net investments increased in the previous year. In 2017/18 they came down again.

Free cash flow again positive at EUR 33.1 million, but below the previous year’s figure.

Despite several investments and the dividend payment, Kapsch TrafficCom again closed the fiscal year with a net credit (EUR 16.2 million).

The equity ratio increased to 37.0% and underlines the solid balance sheet structure of the company.
Outlook.

2018/19 and medium-term.
Outlook.
FY 2018/19.

2018/19.

- Revenue growth of about 10%, whereas business dynamics should increase as the year progresses.
  - Nation-wide tolling system in Bulgaria
  - Dynamic development in the USA
  - Relating to the new joint venture in Zambia
- Increase in EBIT by about 10%.

Medium-term.

- EBIT margin of the Group sustainably higher than 10%.
- EBIT margin of the ETC segment shall be held comfortably above 10%.
- EBIT margin of the IMS segment shall improve continuously. In a good environment, up to 8% are feasible.
This presentation is made by Kapsch TrafficCom AG ("Kapsch TrafficCom") solely for use at this presentation. It is furnished to you solely for your information and its content may not be copied, distributed, disclosed or otherwise be made available, directly or indirectly, to any other person by any recipient, or published, in whole or in part, for any purpose.

The facts and information contained herein are as up to date as is reasonably possible and are subject to revision in the future. Neither Kapsch TrafficCom nor any of its respective directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied, as to the accuracy, completeness or fairness of the information or opinions contained in this presentation. Neither Kapsch TrafficCom nor any of its respective directors, officers, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this presentation.

Whilst all reasonable care has been taken to ensure that the facts stated herein are accurate and that the opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of Kapsch TrafficCom. Where any information or statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by Kapsch TrafficCom as being accurate. We have not independently verified market data provided by third parties or industry or general publications.

This presentation contains forward-looking statements, based on the beliefs and assumptions currently held by the management of Kapsch TrafficCom, which are expressed in good faith and are in its opinion, reasonable. These statements may be identified by words such as "expectation" or "target" and similar expressions, or by their context. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, financial condition, performance, or achievements of Kapsch TrafficCom, or results of our industry generally, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. Kapsch TrafficCom disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Kapsch TrafficCom in any jurisdiction in which such solicitation, offer or sale would be unlawful, nor shall part, or all, of this presentation form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities. Any such offers will only be made when a prospectus is published.

This document is directed only at persons (i) who are outside the United Kingdom or (ii) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (iii) who fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Order (all such persons together being referred to as "Relevant Persons"). Any person who is not a Relevant Person must not act or rely on this presentation or any of its contents. Any investment or investment activity to which this presentation relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

The shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities law.

The distribution of this presentation in other jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions. By accepting this presentation you agree to be bound by the foregoing instructions and restrictions.
Thank you for your attention.

Georg Kapsch  
CEO  
Kapsch TrafficCom  
Am Europlatz 2  
1120 Vienna, Austria  
P: +43 50 811 - 0  
E-Mail: georg.kapsch@kapsch.net  
www.kapschtraffic.com

Ulrike Klemm-Pöttinger  
EVP Finance  
Kapsch TrafficCom  
Am Europlatz 2  
1120 Vienna, Austria  
P: +43 50 811 2800  
E-Mail: ulrike.klemm-poettinger@kapsch.net  
www.kapschtraffic.com

Please Note:  
The content of this presentation is the intellectual property of Kapsch TrafficCom AG and all rights are reserved with respect to the copying, reproduction, alteration, utilization, disclosure or transfer of such content to third parties. The foregoing is strictly prohibited without the prior written authorization of Kapsch TrafficCom AG. Product and company names may be registered brand names or protected trademarks of third parties and are only used herein for the sake of clarification and to the advantage of the respective legal owner without the intention of infringing proprietary rights.