

Press release

Kapsch TrafficCom acquires MARK IV IVHS creating leadership in Intelligent Transportation Systems (ITS)

Vienna, December 1, 2010. Kapsch TrafficCom AG yesterday concluded the acquisition of MARK IV IVHS, which includes operations in the United States, in Canada and in Mexico, from subsidiaries of MARK IV, LLC, for a purchase price of approximately USD 70 million (approximately EUR 53 million). The acquisition of the largest equipment supplier for electronic toll collection (ETC) systems in North America is further evidence of Kapsch TrafficCom's firm commitment to the North American market. This acquisition enables Kapsch TrafficCom to offer its current and future customers in North America an extended end-to-end product and solution portfolio for Intelligent Transportation Systems (ITS) and ETC.

Kapsch TrafficCom is positioned to offer customers one of the broadest portfolios of intelligent transportation solutions around the globe, in addition to delivering outstanding customer service. The expanded Kapsch TrafficCom team in North America is now ideally positioned to meet the challenges and demands of current and future customers. MARK IV IVHS team members will continue to provide the service and support that customers throughout the United States, Canada and Mexico have come to rely on.

"This is a historic day for Kapsch and MARK IV IVHS and for the customers we serve", said Georg Kapsch, CEO, Kapsch TrafficCom. "Independently, each has been an industry leader, and together we possess even greater financial strength and ingenuity to deliver leading-edge intelligent transportation solutions. Our collective resources will further our efforts to enhance road safety and enable a better overall experience for drivers while providing industry-leading quality of service to our existing tolling and transportation customers".

Georg Kapsch added, "With the acquisition of MARK IV IVHS we are taking the next significant step in the North American market. Our combined strength, know-how, and ingenuity fortify Kapsch TrafficCom's position in the market place. Kapsch TrafficCom was successful in a number of significant projects this year, such as our projects in South Africa and Poland. In addition, MARK IV IVHS just recently announced a new contract in Mexico. Together we have already set ambitious new goals for the North American market".

"This is a win-win", said Chris Murray, President, MARK IV IVHS. "Our clients will benefit from our combined scale and strength as we bring together the best of both organizations and cultures. I look forward to beginning a new chapter in applying our combined assets to provide top-of-the-line technology solutions and further enhanced customer service".

For over 20 years, Kapsch TrafficCom has been one of the leading international suppliers of innovative road traffic telematics solutions. Kapsch TrafficCom provides customer demand driven solutions which utilize the best technologies suited to meet the requirements of the application and the client's needs.

MARK IVHS is the largest supplier of ETC equipment based on 915 MHz with the largest customer base in North America.

MARK IV IVHS is a designer and manufacturer of dedicated short-range communication (DSRC) devices that are widely used by highway, toll, turnpike, tunnel, and bridge authorities to enable intelligent transportation systems (ITS) such as electronic toll collection (ETC) and automated weigh station bypass. With more than 21.8 million transponders on-the-road and more than 3,700 lanes equipped, MARK IV IVHS is the largest supplier of ETC equipment in North America. With 142 employees, MARK IV IVHS has enabled many landmark ITS deployments, including: the world's first non-stop, all-electronic toll road (Highway 407 ETR, Canada); interoperability between truck electronic preclearance systems and toll collection (PrePass); and, the E-ZPass® system of the 24 toll authorities in 14 states who comprise the E-ZPass® Group in the Northeastern United States. E-ZPass® is a regional ETC system that can be used throughout the Northeast and Midwest regions of the United States. MARK IV IVHS also recently announced a contract award in Mexico.

Kapsch TrafficCom is an international supplier of superior intelligent transportation systems (ITS). Its principle business is the development and supply of electronic toll collection (ETC) systems, in particular for the multi-lane free-flow (MLFF) of the traffic, and the technical and commercial operation of such systems. Kapsch TrafficCom also supplies traffic management systems, with a focus on road safety and traffic control, and electronic access systems and parking management. With approximately 240 references in 39 countries on all five continents, and with more than 19 million transponders (on-board units - OBUs) delivered and more than 13,000 lanes equipped, Kapsch TrafficCom has positioned itself among the leading suppliers of ETC systems worldwide. Kapsch TrafficCom is headquartered in Vienna, Austria, and has subsidiaries and representative offices in 25 countries.

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