



kapsch >>>
challenging limits

Kapsch TrafficCom

Results for H1 2020/21.

November 18, 2020.

Disclaimer.



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 and 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, 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.

Securities issued by Kapsch TrafficCom 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.

Financial results.
H1 2020/21.

H1 2020/21.

Overview.

> Strong decline in revenues

- Major projects in Germany, Czech Republic and Bulgaria totaling EUR 64 million ended and could not be compensated by new business
- COVID-19: Delay of tenders and contract awards as well as reduced OBU sales.

> EBIT significantly negative

- Higher than expected impact from personnel shortage in USA and expenses related to the implementation of new software.
- Lower revenues require a lower cost basis. Reducing costs takes time. Ended major projects had a good profitability.
- Special effects.

Revenues

EUR 257 mn

Previous | EUR 359 mn
year | -28%

EBIT

EUR -58 mn

Previous | EUR 9 mn
year | n.m.

EBIT margin

-22.5%

Previous | 2.4%
year | -24.9%p

EPS

EUR -4.15

Previous | EUR 0.18
year | n.m.

Special effects on EBIT in H1 2020/21.

> Adjustments of project margins and provisions for onerous contracts	EUR -32 million
Due to a few projects, especially in North America, adjustments in project margins and set up of provisions for onerous contracts were necessary.	
> Goodwill impairment	EUR -21 million
Full impairment of goodwill of the CGU ETC-EMEA	
> Currency effects	EUR -6 million
USD, SEK against EUR	
	<hr/> EUR -59 million * <hr/>

**Slight differences in calculations
may arise due to the
rounding of individual items.*

Earnings.

EBIT.

All figures in EUR mn unless otherwise stated	H1 2019/20	H1 2020/21	+/-
Revenues	359.2	257.5	-28%
Other operating income	5.2	2.1	-60%
Changes: un-/ finished goods & work in progress	1.8	0.5	-71%
Cost of materials and other production services	-156.9	-116.4	-26%
Staff costs	-130.1	-125.5	-4%
Amortization, depreciation and impairments	-17.8	-37.5	111%
Other operating expense	-51.8	-36.6	-29%
Proportional result of joint ventures	-0.9	-1.9	-126%
EBIT	8.8	-57.8	n.m.
<i>EBIT margin</i>	<i>2.4%</i>	<i>-22.5%</i>	<i>-24.9%p</i>

Mainly autoTicket
(Germany)

FX impact on EBIT

in EUR mn	H1 2019/20	H1 2020/21	+/-
	1.1	-5.8	-6.9

Due to lower revenues

Includes EUR 21 million
impairment of goodwill

Mainly USD, SEK against EUR

Headcount development

End of period	H1 2019/20	H1 2020/21	+/-
	4,997	4,805	-192

About 300 less than at the
end fo FY 2019/20

Earnings.

Financial result, taxes, non-controlling interests.

All figures in EUR mn unless otherwise stated	H1 2019/20	H1 2020/21	+/-
EBIT	8.8	-57.8	n.m.
Financial result	-4.4	-7.8	-77%
Proportional results from associates and joint ventures from financial investments	-0.7	-0.5	-31%
Result before income taxes	3.6	-66.2	n.m.
Income taxes	-1.3	10.6	n.m.
Tax rate	35.9%	n.m.	n.m.
Result for the period	2.3	-55.6	n.m.
Non-controlling interests	0.1	-1.6	n.m.
Result attributable to equity holders of the company	2.3	-54.0	n.m.

In particular US dollar and
Zambian kwacha

Financial result

All figures in EUR mn unless otherwise stated	H1 2019/20	H1 2020/21	change
Interest (net result)	-1.5	-2.0	-0.6
FX (net result)	-0.4	-3.9	-3.5
Other (net result)	-2.6	-1.9	0.7

Theoretical tax rate of
25% applied to:
Result before taxes excl:

- Proportional result
from associates and
joint ventures
- Goodwill impairment

Includes EUR -0.4 million
(mark-to-market) write-down
of investment in Q-Free
and
EUR -0.7 million
hyperinflation adjustments in
Argentina

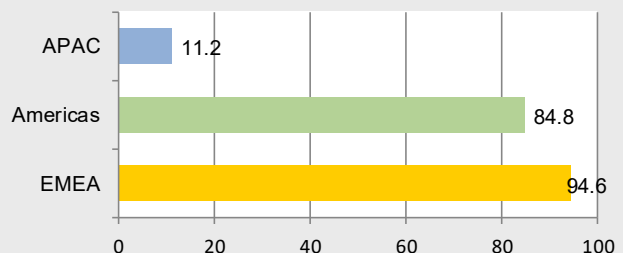
H1 2020/21.

Segment results.

ELECTRONIC TOLL COLLECTION (ETC)

All figures in EUR mn unless otherwise stated	2019/20	H1 2019/20	H1 2020/21	+/-
Revenues	563.5	281.2	190.6	-32%
Implementation	219.3	110.5	65.9	-40%
Operations	234.9	121.2	90.0	-26%
Components	109.3	49.5	34.6	-30%
EBIT	1.5	17.5	-52.1	—
EBIT margin	0.3%	6.2%	-27.3%	-34%p

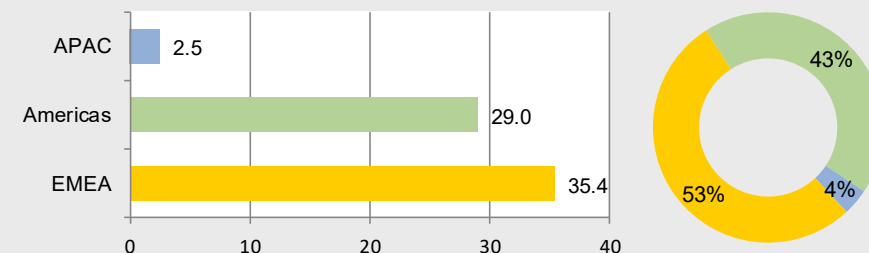
Revenues by region



INTELLIGENT MOBILITY SERVICES (IMS)

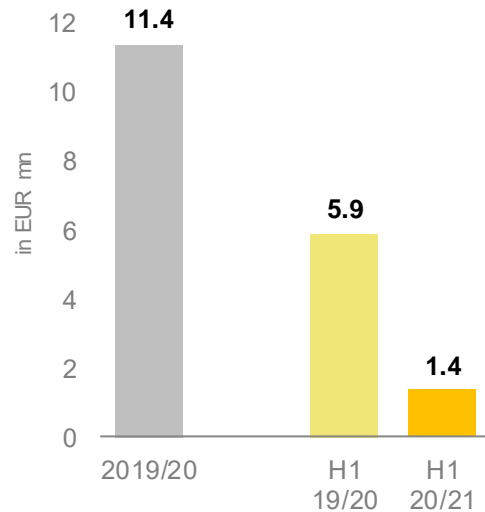
All figures in EUR mn unless otherwise stated	2019/20	H1 2019/20	H1 2020/21	+/-
Revenues	167.7	78.1	66.9	-14%
Implementation	73.6	32.0	31.3	-2%
Operations	84.4	40.7	33.5	-18%
Components	9.7	5.3	2.2	-59%
EBIT	-40.7	-8.7	-5.7	34%
EBIT margin	-24.2%	-11.1%	-8.6%	3%p

Revenues by region

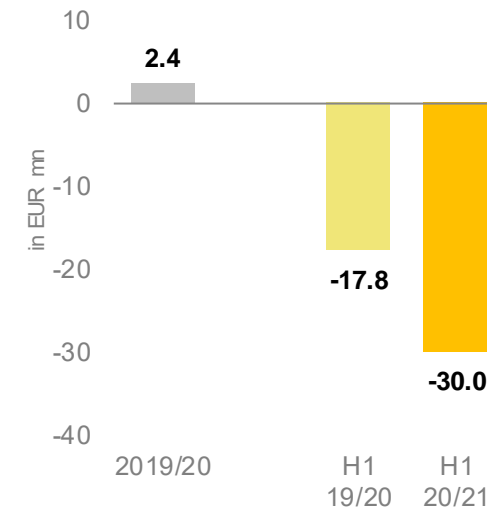


Other key financials.

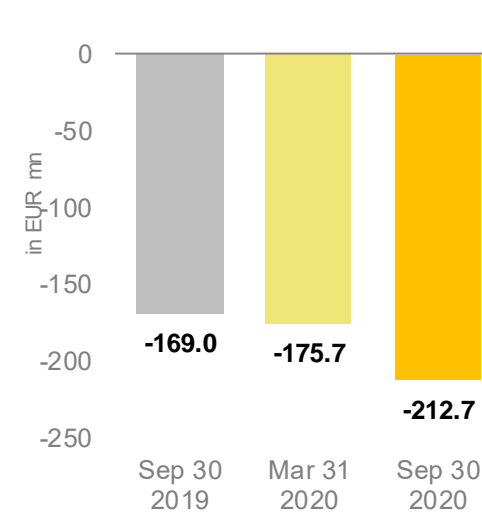
Net CAPEX



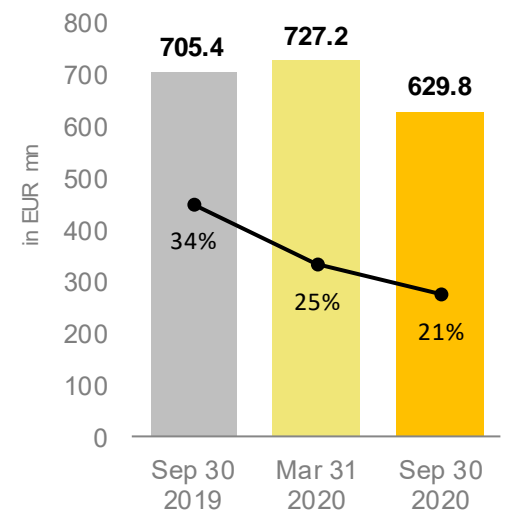
Free cash flow



Net cash/debt



Balance sheet total and equity ratio



- > Strict CAPEX control in H1 2020/21.
- > While the free cash flow was strongly negative at EUR -27 million in Q1 2020/21, the negative amount in Q2 could be reduced to EUR -3.

- > Net debt increased because of the negative free cash flow.
- > Balance sheet total lower because of the goodwill impairment, lower contract assets (mainly USA) and paid invoice from a major project.

Outlook.

Outlook.

Months ahead.

- Existing and additional cost-cutting measures.
- Structural measures to become more flexible and increase profitability.
- Start implementing a new strategy.

Guidance FY 2020/21.

- Revenues: Down by about 25% to about EUR 550 million
- EBIT: Negative high two-digit million value
- No dividend for FY 2020/21



***Thank you
for your attention.***

Kapsch TrafficCom

Kapsch TrafficCom AG
Am Europlatz 2
1120 Vienna, Austria
P: +43 50 811 - 0
IR.kapschtraffic@kapsch.net
www.kapschtraffic.com/IR

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.