

Report on the first three quarters of fiscal year 2011/12.

Kapsch TrafficCom Group – Key Figures.

FY12 Q1-Q3 (first three quarters of fiscal year 2011/12): 1 April – 31 December 2011

FY12 Q3 (third quarter of fiscal year 2011/12): 1 October – 31 December 2011

All figures presented in million EUR unless otherwise stated

Earnings Data	FY12 Q1-Q3	FY11 Q1-Q3	+/-	FY12 Q3	FY11 Q3	+/-	FY11
Revenues	408.2	258.5	58 %	129.4	111.9	16 %	388.6
EBITDA	50.6	31.7	59 %	1.8	7.8	-77 %	62.5
EBITDA margin (in %)	12.4	12.3		1.4	7.0		16.1
EBIT	37.4	23.2	61 %	-2.7	5.0	-155 %	48.9
EBIT margin (in %)	9.2	9.0		-2.1	4.4		12.6
Profit before tax	33.1	23.6	40 %	1.6	4.6	-65 %	41.3
Profit for the period	24.7	16.8	47 %	2.3	2.2	4 %	28.4
Earnings per share ¹	1.40	1.09	28 %	0.05	0.18	-69 %	1.81
Free cash flow ²	-23.8	16.3	-246 %	21.4	37.5	-43 %	-19.9
Capital expenditure ³	8.4	5.8	45 %	2.6	3.2	-20 %	8.3
Employees ⁴	2,790	1,756	59 %	–	–		2,167
On-board units (in million units)	7.98	2.88	178 %	2.27	1.38	65 %	5.20

Business Segments	FY12 Q1-Q3	FY11 Q1-Q3	+/-	FY12 Q3	FY11 Q3	+/-	FY11
Road Solution Projects (RSP):							
Revenues (% of revenues)	181.0 (44 %)	105.9 (41 %)	71 %	58.1 (45 %)	53.1 (47 %)	9 %	158.9 (41 %)
EBIT (EBIT margin)	2.0 (1.1 %)	-4.5 (-4.3 %)	-143 %	-5.5 (-9.5 %)	-5.3 (-10.0 %)	4 %	0.1 (0.1 %)
Services, System Extensions, Components Sales (SEC):							
Revenues (% of revenues)	220.3 (54 %)	147.8 (57 %)	49 %	67.1 (52 %)	57.6 (51 %)	17 %	223.3 (57 %)
EBIT (EBIT margin)	34.9 (15.8 %)	27.4 (18.5 %)	27 %	2.5 (3.7 %)	10.2 (17.7 %)	-76 %	48.3 (21.6 %)
Others (OTH):							
Revenues (% of revenues)	6.9 (2 %)	4.7 (2 %)	45 %	4.2 (3 %)	1.3 (1 %)	228 %	6.4 (2 %)
EBIT (EBIT margin)	0.5 (7.6 %)	0.3 (6.8 %)	63 %	0.3 (8.0 %)	0.1 (8.9 %)	195 %	0.4 (6.7 %)

Revenues by Regions (% of revenues)	FY12 Q1-Q3	FY11 Q1-Q3	+/-	FY12 Q3	FY11 Q3	+/-	FY11
Austria	23.5 (6 %)	26.9 (10 %)	-12 %	10.9 (8 %)	10.8 (10 %)	0 %	37.5 (10 %)
Europe (excl. Austria)	235.0 (58 %)	121.4 (47 %)	94 %	79.5 (61 %)	47.3 (42 %)	68 %	182.0 (47 %)
Americas	49.0 (12 %)	11.4 (4 %)	328 %	13.2 (10 %)	8.1 (7 %)	64 %	27.6 (7 %)
Rest of World	100.7 (25 %)	98.8 (38 %)	2 %	25.8 (20 %)	45.7 (41 %)	-44 %	141.5 (36 %)

Balance Sheet Data	31 Dec. 2011	31 Dec. 2010	+/-	31 March 2011
Total assets	516.4	432.9	19 %	450.1
Total equity ⁵	238.2	176.4	35 %	191.5
Equity ratio ⁵ (in %)	46.1	40.8		42.5
Net assets (+)/net debt (-)	-50.5	-9.5	430 %	-47.2
Capital employed	359.6	270.2	33 %	288.7
Net working capital	226.7	129.6	75 %	175.9

Stock Exchange Data ⁶	FY12 Q3	FY12 Q2	+/-		FY12 Q3	FY12 Q2	+/-
Number of shares ⁶ (in million)	13.0	13.0	0 %	Closing price ⁶ (in EUR)	58.50	49.64	18 %
Free float ⁶ (in %)	35.8	35.8	0 %	Market capitalization ^{6,8}	760.50	645.26	18 %
Ø trading volume ⁷ (in shares)	11,356	31,055	-63 %	Share performance (in %)	17.85	-19.67	

- earnings per share (EPS) in FY12 Q1-Q3 relate to a weighted average number of 12.7 million shares and in FY11 relate to 12.2 million outstanding shares; EPS calculated from the profit for the period attributable to the equity holders of the company
- operating cash flow minus capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)
- capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)

- as of end of period
- incl. minority interests
- FY12 Q3 as of 31 December 2011, FY12 Q2 as of 30 September 2011; for additional information on the share see page 5
- average daily trading volume (double counting)
- in million EUR

Disclaimer

Certain statements contained in this report constitute "forward-looking statements". These statements, which contain the words "believe", "intend", "expect" and words of similar meaning, reflect management's beliefs and expectations and are subject to risks and uncertainties that may cause actual results to differ materially. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. The company disclaims any obligation to publicly announce the result of any revisions to the forward-looking statements made herein, except where it would be required to do so under applicable law. Slight differences in calculations may arise due to the rounding of individual items and percentages. The English translation is for convenience; only the German text is binding.

Letter from the CEO.



Georg Kapsch, Chief Executive Officer

Dear shareholders,

This interim report demonstrates that the Kapsch TrafficCom Group was able to successfully continue its growth of the past years during the first three quarters of the fiscal year 2011/12. Our new and existing projects as well as our acquisition of the Canadian and American Mark IV IVHS companies in November 2010 enabled a significant increase in our revenues and EBIT. In the past three quarters, we have exceeded the total annual sales of the previous year and achieved successes on many levels that support our future and continued growth.

At the start of the third quarter, we reached a basic agreement with Asfinag Mautservice GmbH regarding the extension of the current operation and maintenance contract for the nationwide electronic truck tolling system in Austria through the end of the year 2018. At the end of December, we were also awarded the contract for maintenance and toll-based operation of a section of the Don highway M-4 in Russia as part of a joint venture with Mostotrest, the largest Russian infrastructure and bridge building company. In addition to a toll collection system, we will install a traffic information and management system to enhance the traffic safety and control. The operation agreement has a term of ten years plus an extension option for an additional three years. In addition to the expected effects on revenue and profits, we also see this as a first, important step into the Russian market.

In the first three quarters of 2011/12, the Kapsch TrafficCom Group achieved revenues totaling EUR 408.2 million, representing an increase of 58 % over the same period of the previous year. At EUR 37.4 million, the EBIT for the past nine months exceeds the previous year's value by 61 %, raising the EBIT margin slightly to 9.2 %. Our project business in the segment Road Solution Projects (RSP) also exhibited a clear improvement, as did the segment Services, System Extensions, Components Sales (SEC). This growth is also reflected in the all-time high of 8.0 million on-board units delivered during the past nine months, far surpassing the 2.9 million units delivered in the same period of the previous year.

Despite these outstanding developments and the continued project outlook, we were not satisfied with the third quarter. Delays in the ongoing projects in Poland and South Africa meant that we already posted the costs but not yet the full corresponding revenue from the operation of the systems. As a result of this as well as due to negative currency exchange effects not yet realized, the EBIT was negative in the third quarter at EUR -2.7 million.

In our major project in Poland, completion of the acceptance process for the nationwide electronic toll collection system is not expected until the fourth quarter of our fiscal year, significantly later than we anticipated even at the end of the second quarter. Despite the extremely short implementation time, the system was put into operation on 3 July 2011, just two days later than planned, and completed in stages by the end of December. Since then, we have been paying the ongoing costs for the operation of the system but have received only reduced operating performance. Payment of the still outstanding receivables has also been delayed because the system acceptance is a prerequisite for these payments.

In South Africa, we have been working toward commissioning of the toll collection system for multi-lane free-flow traffic in the Gauteng province on 15 February 2012, and have begun the mobilization phase for operation. As a result of new rate discussions with the government, however, our customer was forced to postpone the system start again during the third quarter to 30 April 2012.

Our market expansion in the U.S.A. continues. After Kapsch TrafficCom IVHS was selected in July 2011 by the E-Z Pass® Group as supplier for the new ten-year technology and service contract, we have since been working with the 24 toll authorities to finalize the contracts. We are also participating in additional tenders in the U.S.A.

In October 2011, we began work in Portugal on the installation of an electronic toll collection system for multi-lane free-flow traffic over a 100 km stretch, which should be completed in stages by October 2013.

It is expected that our offer for the tender regarding a nationwide electronic truck toll collection system in Slovenia can be submitted in March following a postponement. We currently anticipate a decision on this tender to be made in the first half of 2012. Additional tenders for nationwide toll collection systems are currently in planning in Hungary and Denmark.

In terms of projects, the fourth quarter of our current fiscal year is characterized by the acceptance of the Polish toll collection system, the continued developments in South Africa as well as other existing and potential projects. For some time, we have been engaged in talks regarding another major order on which a decision should be made in the coming days. We are also currently intensely involved in the further development of the Kapsch TrafficCom Group. Our strong growth in recent years and the planned continuation of this growth require us to adapt our organizational structures. In recent months, we have defined our strategy for the coming five years, up to 2016, and are now beginning its implementation. On one hand, our goal is to adapt our organization to the growth we are experiencing in order to increase our efficiency; on the other, we see additional growth prospects in the expansion of our fields of business. On the basis of our strategic plans as well as existing and expected implementation and operation projects, we continue to see a future with great potential, which we intend to capitalize on.

Sincerely,



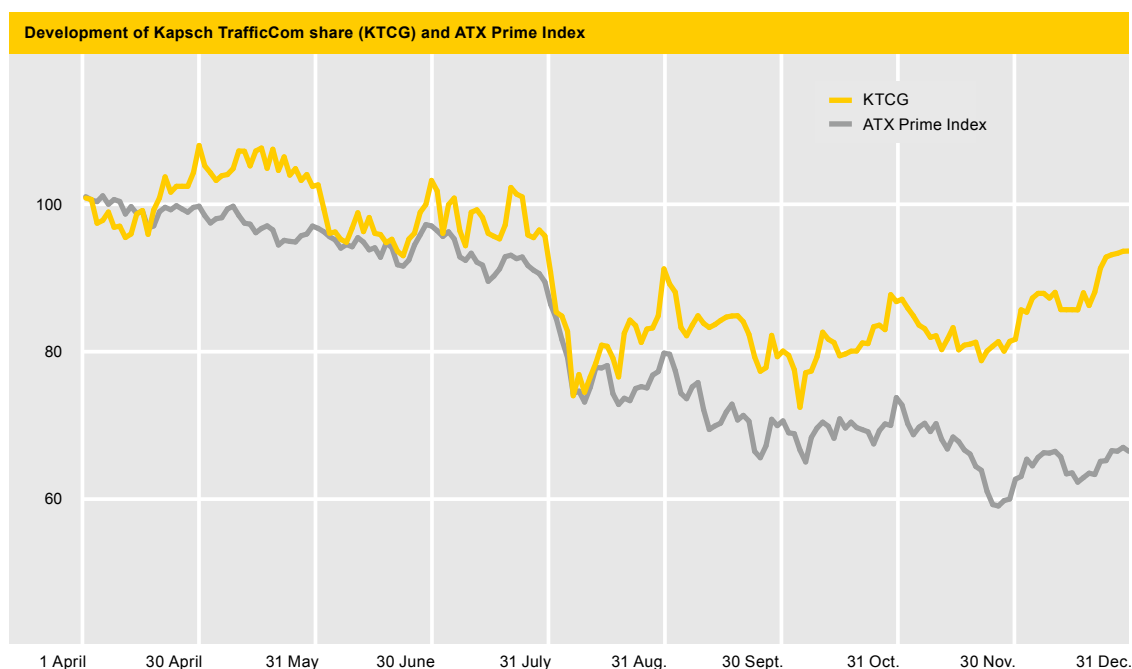
Georg Kapsch
Chief Executive Officer

The Kapsch TrafficCom Share.

The shares of Kapsch TrafficCom are listed on the Vienna Stock Exchange and are included in the ATX Prime Index. In the first three quarters of the fiscal year, the share price exhibited high volatility and initially developed similarly to the general situation on the international stock markets. After a price drop at the start of August, the share recovered briefly before falling to its lowest level during the reporting period of EUR 45.22 on 4 October. After this point, however, the price rose continuously at a rate significantly stronger than the relevant comparison indexes. On 29 December 2011, the Kapsch TrafficCom share closed at EUR 58.50, 6 % below the price on 31 March 2011, while the ATX Prime Index lost 23 % of its value over the same time period.

In connection with the capital increase on 27 July 2011, the number of shares increased from 12.2 million to 13 million. The free float (including the shares of Erwin Toplak, COO) has since been 35.8 %. Capital Research and Management Company, which until recently held over 5 % of the voting rights via funds, informed the company in February 2012 that it had fallen below the 5 % threshold. KAPSCH-Group Beteiligungs GmbH holds roughly 64.2 % of the shares since the capital increase. Based on the final share price of EUR 58.50, Kapsch TrafficCom had a market capitalization of EUR 760.5 million on 31 December 2011.

Share price development in the first three quarters of the fiscal year 2011/12



Closing price of the Kapsch TrafficCom share (KTCG) and closing value of the ATX Prime Index on 31 March 2011, each indexed to 100.

Information on the share		Financial calendar	
Investor Relations Officer	Marcus Handl	17 July 2012	Results of FY12
Shareholders' Telephone	+43 (0)50811 1120	24 August 2012	Annual General Meeting for FY12
E-Mail	ir.kapschtraffic@kapsch.net	24 August 2012	Interim report for FY13 Q1
Website	www.kapschtraffic.com	31 August 2012	Deduction of dividends for FY12 (ex-day)
Stock Exchange	Vienna, Prime Market	7 September 2012	First day of payment for FY12 dividends
ISIN / Trading Symbol	AT000KAPSCH9 / KTCG		
Reuters / Bloomberg	KTCG.VI / KTCG AV		

Analysis of results and balance sheet.

Revenues and earnings.

The revenues of the Kapsch TrafficCom Group were at EUR 408.2 million in the first nine months of the current fiscal year 2011/12 (FY12 Q1-Q3), up by 57.9 % from EUR 258.5 million compared to the same period of the previous fiscal year (FY11 Q1-Q3). This positive trend was attributable to the two major segments, Road Solution Projects (RSP) and Services, System Extensions, Components Sales (SEC), both of which recorded significant increases.

Revenues by segment in the first three quarters of the current fiscal year were as follows:

- The segment Road Solution Projects (RSP) recorded revenues of EUR 181.0 million, up by 70.9 % after EUR 105.9 million in the same period of the previous fiscal year. The main driver for this positive development was the ongoing implementation of the nationwide toll collection system in Poland. Moreover, the project for the implementation of an electronic toll collection system for the operator ASCENDI in Portugal and the realization of the Australian Airport Link project contributed increased revenues. In contrast to the previous year's period, no major extensions for the nationwide electronic truck toll collection system in the Czech Republic were contracted or realized.
- In the segment Services, System Extensions and Components Sales (SEC), revenues increased by 49.0 % from EUR 147.8 million in first nine months of the previous fiscal year to EUR 220.3 million this year. The most important factors for this development were the revenues from the mobilization phase for the electronic toll collection system in the South African Gauteng province and the associated deliveries of on-board units as well as the revenues of the Canadian and American IVHS subsidiaries (formerly Mark IV IVHS) acquired in November 2010. Both the ongoing operations of the nationwide truck toll collection system in the Czech Republic and the ongoing operations and maintenance of the nationwide truck toll collection system in Austria also exhibited increased revenues.

The number of on-board units delivered reached the all-time high of 8.0 million units (FY11 Q1-Q3: 2.9 million units), attributable to the deliveries for the South African project and the nationwide toll collection system in Poland as well as to the Canadian and American IVHS subsidiaries (formerly Mark IV IVHS) acquired in November 2010.

- The segment Others (OTH) recorded revenues of EUR 6.9 million (FY11 Q1-Q3: EUR 4.7 million), an increase of 45.3 %. This is mainly attributable to deliveries for GSM-R orders by Kapsch CarrierCom.

In the first three quarters of the current fiscal year, Kapsch TrafficCom Group reported an operating result (EBIT) of EUR 37.4 million, up by 61.1 % compared with the same period in the previous year (EUR 23.2 million). This result was impacted negatively by exchange rate effects remaining largely unrealized. Operating results (EBIT) by segment were as follows:

- The segment RSP recorded an EBIT of EUR 2.0 million after EUR -4.5 million in the same period of the previous fiscal year. This represents an EBIT margin of 1.1 %. This improvement can primarily be attributed to the nationwide toll collection system in Poland even though negatively influenced by the lower exchange rate of the Polish zloty to the euro. The ongoing expenditures for expansion into new markets such as the U.S., Slovenia, Russia and Singapore weighted down the results.
- The EBIT for the segment SEC was EUR 34.9 million (FY11 Q1-Q3: EUR 27.4 million) corresponding to an EBIT margin of 15.8 %, which was 2.7 percentage points lower than the previous year (FY11 Q1-Q3: 18.5 %). This improvement mainly resulted from the delay in the start of the South African project and the limited start of the Polish project, resulting in the fact that the recurring revenues from these operation projects were not received in their full amounts.
- The segment OTH showed a positive EBIT of EUR 0.5 million (FY11 Q1-Q3: EUR 0.3 million). The EBIT of this segment is still marginal.

Kapsch TrafficCom recorded a financial result of EUR -4.3 million in the period under consideration (FY11 Q1-Q3: EUR 0.4 million). Finance income increased slightly due to not yet realized exchange rate gains. Finance costs rose as a result of exchange rate losses, which largely remained unrealized, essentially resulting from the financing of the projects in Poland and South Africa. Increased interest expenses in connection with the corporate bond issued last year and the financing of the nationwide toll collection project in Poland were additional reasons for the higher finance costs. Due to these developments, the profit before taxes and consequently the profit for the period as well as the earnings per share exhibited lower growth rates than the operating result (EBIT).

Financial position and cash flows.

Total assets increased as a consequence of the augmented project business to EUR 516.4 million as of 31 December 2011 (31 March 2011: EUR 450.1 million). Total equity reached EUR 238.2 million, EUR 46.7 million above the previous year's figure of EUR 191.5 (31 March 2011), mainly due to the capital increase at the end of July 2011 as well as the profit of the year to date amounting to EUR 19.4 million. On this basis, the equity ratio of the Kapsch TrafficCom Group increased to 46.1 % as of 31 December 2011 (31 March 2011: 42.5%) despite an increase in total assets and the high project-related net working capital.

The most significant changes in assets were due to the increase in inventories relative to 31 March 2011 by EUR 16.0 million to reach EUR 65.4 million in connection with the nationwide electronic toll collection system in Poland. The higher trade receivables (31 December 2011: EUR 226.1 million; 31 March 2011: EUR 190.9 million) resulted predominantly from receivables from the project in Poland and the South African Gauteng project.

On the liabilities side, the most significant changes were in the increased current liabilities, which were mainly influenced by the current financial liabilities increasing from EUR 23.1 million to EUR 47.2 million due largely to utilization of the credit line for the project in Poland.

Net cash flow from operating activities declined to EUR -15.4 million in the first nine months of the current fiscal year, compared to EUR 22.1 million in the same period of the previous fiscal year. Mainly the rise in trade receivables and other current assets as well as the increase in inventories were responsible for this development, also leading to a further increase of the net working capital. This could not be compensated by the significantly improved operating result (EBIT). The net cash flow from investing activities was determined by the expansion of production facilities, modernization of office premises and the acquisition of securities. The free cash flow declined to EUR -23.8 million after EUR 16.3 million in the same period of the previous fiscal year. The capital increase at the end of July 2011 and the drawdown of a short-term credit for the project in Poland positively affected the net cash flow from financing activities, while the payment of dividends lowered the result.

Cash and cash equivalents were increased to EUR 63.0 million as of 31 December 2011, compared to EUR 42.0 million as of 31 March 2011. The increase in short-term financial liabilities could not be offset by the increased cash and cash equivalents, leading to marginally higher net debts of EUR 50.5 million as of 31 December 2011 compared to EUR 47.2 million as of 31 March 2011.

Events occurring after 31 December 2011.

No major events occurred after 31 December 2011.

Condensed consolidated interim financial information as of 31 Dec. 2011.*)

Kapsch TrafficCom Group –

Consolidated statement of comprehensive income.

All amounts in TEUR	Note	FY12 Q3	FY11 Q3	FY12 Q1-Q3	FY11 Q1-Q3
Revenue	(4)	129,402	111,938	408,210	258,481
Other operating income		2,496	1,225	9,192	3,283
Changes in finished and unfinished goods and work in progress		5,421	-2,750	14,649	-1,512
Cost of materials and other production services		-78,628	-59,726	-219,926	-123,220
Staff costs		-31,054	-22,212	-87,958	-59,291
Amortization of intangible assets and depreciation of property, plant and equipment		-4,509	-2,817	-13,182	-8,534
Other operating expenses		-25,868	-20,694	-73,603	-45,995
Operating result	(4)	-2,740	4,963	37,383	23,212
Finance income		4,219	1,819	8,194	5,160
Finance costs		156	-2,143	-12,483	-4,794
Financial result		4,375	-324	-4,289	367
Result from associates		0	0	-32	0
Profit before income taxes		1,635	4,638	33,061	23,579
Income taxes	(10)	680	-2,412	-8,350	-6,755
Profit for the period		2,316	2,227	24,711	16,824
Other comprehensive income for the period					
Gains/losses recognized directly in equity:					
Available-for-sale financial assets		1,071	629	-737	-2,726
Currency translation differences		-1,087	283	-4,601	2,226
Income tax relating to components of other comprehensive income		57	-62	-7	-227
Other comprehensive income for the period net of tax	(11)	41	849	-5,346	-727
Total comprehensive income for the period		2,357	3,076	19,366	16,097
Profit attributable to:					
Equity holders of the company		712	2,165	17,715	13,333
Minority interests		1,603	62	6,996	3,491
		2,316	2,227	24,711	16,824
Total comprehensive income attributable to:					
Equity holders of the company		580	2,753	13,238	12,049
Minority interests		1,777	323	6,128	4,047
		2,357	3,076	19,366	16,097
Earnings per share from the profit for the period attributable to the equity holders of the Company (in EUR)		0.05	0.18	1.40	1.09

Earnings per share of FY12 Q1-Q3 relate to a weighted average number of 12.7 million shares, in FY11 Q1-Q3 relate to 12.2 million outstanding shares.

The notes on the following pages form an integral part of this condensed interim financial information.

*) The condensed consolidated interim report has neither been audited nor been reviewed by an auditor.

Kapsch TrafficCom Group – Consolidated balance sheet.

All amounts in TEUR	Note	31 December 2011	31 March 2011
ASSETS			
Non-current assets			
Property, plant and equipment	(5)	20,634	19,404
Intangible assets	(5)	83,376	88,687
Other non-current financial assets and investments		39,048	34,490
Other non-current assets		5,532	9,018
Deferred tax assets		5,264	8,110
		153,855	159,709
Current assets			
Inventories		65,438	49,485
Trade receivables and other current assets		226,138	190,885
Other current financial assets		7,947	8,037
Cash and cash equivalents		62,985	42,001
		362,508	290,407
Total assets		516,363	450,116
EQUITY			
Capital and reserves attributable to equity holders of the company			
Share capital	(6)	13,000	12,200
Capital reserve		117,509	70,077
Retained earnings and other reserves		94,394	94,066
		224,903	176,343
Minority interests		13,281	15,171
Total equity		238,184	191,513
LIABILITIES			
Non-current liabilities			
Non-current financial liabilities	(7)	74,288	74,112
Liabilities from post-employment benefits to employees	(8)	16,337	16,315
Non-current provisions	(9)	660	686
Other non-current liabilities		7,240	10,423
Deferred income tax liabilities		12,265	15,876
		110,791	117,412
Current liabilities			
Trade payables		72,791	72,531
Other liabilities and deferred income		39,183	36,881
Current tax payables		4,980	3,973
Current financial liabilities	(7)	47,174	23,083
Current provisions	(9)	3,260	4,722
		167,388	141,191
Total liabilities		278,179	258,603
Total equity and liabilities		516,363	450,116

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom Group – Consolidated statement of changes in equity.

All amounts in TEUR

	Attributable to equity holders of the Company			Minority interests	Total equity
	Share capital	Capital reserve	Consolidated retained earnings and other reserves		
Carrying amount as of 31 March 2010	12,200	70,077	80,937	5,035	168,249
Dividend for 2009/10			-9,150	-3,248	-12,398
Total comprehensive income			12,049	4,047	16,097
Effects from business combinations and the acquisition of minority interests			-827	5,285	4,458
Carrying amount as of 31 Dec. 2010	12,200	70,077	83,009	11,119	176,405
Carrying amount as of 31 March 2011	12,200	70,077	94,066	15,171	191,513
Proceed from shares issued	800	47,432			48,232
Dividend for 2010/11			-13,000	-8,017	-21,017
Total comprehensive income			13,238	6,128	19,366
Contributions from shareholders			91	0	91
Carrying amount as of 31 Dec. 2011	13,000	117,509	94,394	13,281	238,184

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom Group – Consolidated cash flow statement.

All amounts in TEUR	FY12 Q3	FY11 Q3	FY12 Q1-Q3	FY11 Q1-Q3
Cash flow from operating activities				
Operating result	-2,740	4,963	37,383	23,212
Adjustments for non-cash items and other reconciliations:				
Depreciation and amortization	4,509	2,817	13,182	8,534
Increase/decrease in obligations for post-employment benefits	132	-39	23	-114
Increase/decrease in other non-current liabilities and provisions	22	-9	48	-28
Increase/decrease in other non-current receivables and assets	-1,112	319	-427	319
Increase/decrease in trade payables (non-current)	-3,322	931	-4,173	2,868
Increase/decrease in trade receivables (non-current)	-356	1,601	4,532	-1,636
Other (net)	4,194	290	-3,834	309
	1,327	10,873	46,733	33,463
Changes in net current assets:				
Increase/decrease in trade receivables and other assets	17,650	10,998	-34,621	-27,241
Increase/decrease in inventories	-5,507	1,632	-15,953	1,760
Increase/decrease in trade payables and other current payables	13,550	20,723	2,561	22,790
Increase/decrease in current provisions	-453	-1,126	-1,462	-2,529
	25,240	32,227	-49,475	-5,219
Cash flow from operations	26,568	43,100	-2,742	28,244
Interest received	511	334	909	742
Interest payments	-1,750	-1,133	-4,839	-2,093
Net payments of income taxes	-1,364	-1,509	-8,741	-4,789
Net cash flow from operating activities	23,964	40,793	-15,414	22,104
Cash flow from investing activities				
Purchases of property, plant and equipment	-2,304	-1,875	-7,215	-4,278
Purchases of intangible assets	-290	-1,368	-1,172	-1,523
Purchases of securities and investments	-3,099	0	-4,781	0
Payments for acquisition of companies (net of cash acquired)	0	-50,630	0	-51,892
Payments for acquisition of shares in companies consolidated at equity	0	-1,000	0	-1,000
Payments for acquisition of minority interests	0	0	-32	0
Proceeds from the disposal of shares in subsidiaries	0	0	0	36
Proceeds from disposal of property, plant and equipment and intangible assets	-2	202	281	233
Net cash flow from investing activities	-5,695	-54,671	-12,919	-58,424
Cash flow from financing activities				
Proceeds from shares issued and contribution from shareholder	0	0	48,322	0
Dividends paid to company shareholders	0	0	-13,000	-9,150
Dividends paid to minority shareholders of group companies	-976	-2,645	-8,017	-3,248
Increase in non-current financial liabilities	41	73,861	176	74,127
Decrease in non-current financial liabilities	0	0	0	-72
Increase in current financial liabilities	6,817	-1,528	30,037	1,010
Decrease in current financial liabilities	-2,840	-205	-5,919	-586
Net cash flow from financing activities	3,042	69,483	51,600	62,081
Net increase/decrease in cash and cash equivalents	21,311	55,605	23,267	25,761
Change in cash and cash equivalents				
Cash and cash equivalents at beginning of period	42,233	19,240	42,001	47,743
Net increase/decrease in cash and cash equivalents	21,311	55,605	23,267	25,761
Currency translation differences on cash and cash equivalents	-559	1,550	-2,283	2,891
Cash and cash equivalents at end of period	62,985	76,396	62,985	76,396

The notes on the following pages form an integral part of this condensed interim financial information.

Kapsch TrafficCom Group – Selected notes to the condensed consolidated interim financial information.

1. General information.

The Kapsch TrafficCom Group is an international supplier of superior intelligent transportation systems (ITS).

The business activities of the Kapsch TrafficCom Group are subdivided into the following three segments:

- Road Solution Projects (RSP)
- Services, System Extensions, Components Sales (SEC)
- Others (OTH)

The segment Road Solution Projects (RSP) relates to the installation of ITS solutions.

The segment Services, System Extensions, Components Sales (SEC) relates to the sale of services (maintenance and operation) and components in the area of ITS solutions.

The segment Others (OTH) relates to the non-core business activities conducted by the subsidiary Kapsch Components GmbH & Co KG. In this segment, engineering solutions, electronic manufacturing and logistics services are offered to affiliated entities and third parties.

2. Basis of preparation.

This condensed interim financial information for the first three quarters of the current fiscal year 2011/12 ended 31 December 2011 has been prepared in accordance with IAS 34 "Interim financial reporting". The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 March 2011.

3. Accounting policies.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2011, as described in the annual financial statements for the year ended 31 March 2011.

In this condensed interim financial information for the first three quarters of the current fiscal year 2011/12, no new IFRSs and IFRICs have been adopted.

4. Segment information.

FY12 Q1-Q3 All amounts in TEUR	Road Solution Projects	Services, System Extensions, Components Sales	Others	Consolidated Group
Revenue	180,980	220,340	6,890	408,210
Operating result	1,964	34,894	525	37,383

FY11 Q1-Q3 All amounts in TEUR	Road Solution Projects	Services, System Extensions, Components Sales	Others	Consolidated Group
Revenue	105,903	147,836	4,741	258,481
Operating result	-4,530	27,420	322	23,212

The following table contains all single external customers which contributed more than 10 % to the total revenues of the period and additionally shows the information of the contributed operating segment.

FY12 Q1-Q3 All amounts in TEUR	Revenue	Road Solution Projects	Services, System Extensions, Components Sales
Customer 1	136,500	x	
Customer 2	65,310	x	x
Customer 3	59,605	x	x

FY11 Q1-Q3 All amounts in TEUR	Revenue	Road Solution Projects	Services, System Extensions, Components Sales
Customer 1	0		
Customer 2	80,489	x	x
Customer 3	56,510	x	x

5. Capital expenditure.

FY12 Q1-Q3 All amounts in TEUR	Tangible and intangible assets
Carrying amount as of 31 March 2011	108,092
Additions	8,387
Disposals	-219
Depreciation, amortization, impairments and other movements	-13,182
Currency translation differences	932
Carrying amount as of 31 December 2011	104,010

FY11 Q1-Q3 All amounts in TEUR	Tangible and intangible assets
Carrying amount as of 31 March 2010	44,352
Additions	51,849
Disposals	-288
Addition resulting from company acquisition	12,346
Depreciation, amortization, impairments and other movements	-8,536
Currency translation differences	445
Carrying amount as of 31 December 2010	100,169

6. Share capital.

After placement of 800,000 new shares on 27 July 2011, the registered share capital of the company amounts to EUR 13,000,000. The placement price has been determined at EUR 61.25 per share, resulting in gross proceeds of EUR 49.0 million to the Kapsch TrafficCom Group. The total number of ordinary shares issued is 13,000,000. The shares are ordinary bearer shares and have no par value.

7. Financial liabilities.

All amounts in TEUR	31 Dec. 2011	31 March 2011	31 Dec. 2010	31 March 2010
Non-current	74,288	74,112	84,115	10,060
Current	47,174	23,083	9,662	9,237
Total	121,462	97,195	93,777	19,297

Movements in borrowings are analysed as follows:

FY12 Q1-Q3 All amounts in TEUR	Non-current	Current	Total
Carrying amount as of 31 March 2011	74,112	23,083	97,195
Additions	176	30,037	30,213
Repayments of borrowings	0	-5,919	-5,919
Currency translation differences	0	-27	-27
Carrying amount as of 31 December 2011	74,288	47,174	121,462

The additions in current financial assets mainly relate to the tolling project in Poland.

FY11 Q1-Q3 All amounts in TEUR	Non-current	Current	Total
Carrying amount as of 31 March 2010	10,060	9,237	19,297
Additions	74,127	1,010	75,137
Repayments of borrowings	-72	-586	-658
Currency translation differences	0	1	1
Carrying amount as of 31 December 2010	84,115	9,662	93,777

8. Liabilities from post-employment benefits to employees.

All amounts in TEUR	31 Dec. 2011	31 March 2011	31 Dec. 2010	31 March 2010
Termination benefits	6,003	5,912	5,582	5,561
Pension benefits	10,334	10,403	10,223	8,755
Total	16,337	16,315	15,805	14,316

Termination benefits

The obligation to set up a provision for termination benefits is based on the respective labor law.

Pension benefits

Liabilities for pension benefits recognized at the balance sheet date relate to retirees only. All pension agreements are based on past service cost and are, except for the pension plans of KTC IVHS, not covered by external plan assets (funds). In addition, contributions are paid to an external pension fund for employees of the Group.

9. Provisions.

All amounts in TEUR	31 Dec. 2011	31 March 2011	31 Dec. 2010	31 March 2010
Non-current	660	686	555	583
Current	3,260	4,722	4,316	6,845
Total	3,920	5,408	4,871	7,428

FY12 Q1-Q3 All amounts in TEUR	31 March 2011	Utilization/ disposal	Addition	Currency translation differences	31 Dec. 2011
Obligations from anniversary bonuses	605	-27	24	0	602
Other	81	-25	0	2	58
Non-current provisions, total	686	-52	24	2	660
Warranties	1,480	-25	0	4	1,459
Legal fees, costs of litigation and contract risks	1,442	-1,059	0	-17	366
Other	1,800	-1,003	636	1	1,435
Current provisions, total	4,722	-2,087	636	-12	3,260
Total	5,408	-2,139	660	-9	3,920

FY11 Q1-Q3 All amounts in TEUR	31 March 2010	Utilization/ disposal	Addition	Currency translation differences	31 Dec. 2010
Obligations from anniversary bonuses	583	-29	2	0	555
Non-current provisions, total	583	-29	2	0	555
Warranties	2,361	-222	16	162	2,317
Losses from pending transactions and rework	710	-710	0	0	0
Legal fees, costs of litigation and contract risks	891	-54	0	11	848
Other	2,883	-2,358	594	32	1,151
Current provisions, total	6,845	-3,344	610	205	4,316
Total	7,428	-3,374	612	205	4,871

10. Income taxes.

Income taxes relate to current taxes and to deferred tax assets and deferred tax liabilities. Applying the Austrian corporate tax rate of 25 % to the Group's pre-tax result gives the theoretical value for the tax expense/income. The effective tax expense/income differs from the above due to, among others, different tax regimes in the various countries, the treatment of tax losses, tax allowances and permanent differences.

In the first three quarters of FY12, the tax rate is 25 % (FY11 Q1-Q3: 29 %). For the full year FY12, management expects an effective tax rate of approximately 25 %.

11. Other comprehensive income.

FY12 Q1-Q3 All amounts in TEUR	Before tax	Tax expense/income	After tax
Fair value gains/losses relating to available-for-sale financial assets:			
Fair value gains/losses not realized in the current period	-737	-7	-745
Currency translation differences	-4,601		-4,601
Fair value gains/losses recognized in equity	-5,338	-7	-5,346

The fair value gains/losses not realized amounting to TEUR -767 relate to the investment in Q-Free ASA, Norway (FY11 Q1-Q3: TEUR -3,634).

FY11 Q1-Q3 All amounts in TEUR	Before tax	Tax expense/income	After tax
Fair value gains/losses relating to available-for-sale financial assets:			
Fair value gains/losses not realized in the current period	-2,726	-227	-2,953
Currency translation differences	2,226		2,226
Fair value gains/losses recognized in equity	-501	-227	-727

12. Contingent liabilities and other commitments.

The Group's contingent liabilities primarily result from large scale projects. Other commitments mainly relate to contract and warranty bonds, bank guarantees, performance and bid bonds and sureties.

Details for contingent liabilities and other commitments are as follows:

All amounts in TEUR	31 Dec. 2011	31 March 2011
Contract, warranty, performance and bid bonds		
City Highway Sydney and Melbourne	2,921	2,306
Truck tolling system Austria	8,500	12,500
Truck tolling system Czech Republic	4,626	9,414
Tolling projects in South Africa: Gauteng, Marian Hill, Huguenot	111,381	120,208
Tolling project Poland	40,171	24,656
Tolling project Portugal	1,820	0
Other	865	967
	170,283	170,051
Bank guarantees	1,984	1,975
Sureties	523	544
Total	172,791	172,570

13. Related parties.

All amounts in TEUR		Sales to related parties Q1-Q3	Sales from related parties Q1-Q3	Amounts owed by related parties 31 December	Amounts owed to related parties 31 December
Affiliated companies outside the Kapsch TrafficCom Group	FY12	4,813	17,860	5,366	8,643
	FY11	1,171	11,595	4,750	2,569
Others	FY12	31	3,399	0	9,352
	FY11	0	2,964	0	9,415

The members of the management and supervisory boards have management functions or are members in supervisory boards of other companies of the Kapsch Group.

14. Events occurring after 31 December 2011.

No major events occurred after 31 December 2011.

Vienna, 29 February 2012

Executive Board



Georg Kapsch
Chief Executive Officer



Erwin Toplak
Chief Operating Officer



André Laux
Executive Board member

Kapsch TrafficCom is an international supplier of superior intelligent transportation systems (ITS) and primarily supplies electronic toll collection systems. With its end-to-end solution portfolio, Kapsch TrafficCom covers the entire value creation chain of its customers, from products and systems to integration and operations as a one-stop shop. It also offers solutions for urban traffic management as well as for traffic safety and security. Add-on applications to these solutions complement the offering. With references in 41 countries on all 5 continents, Kapsch TrafficCom has positioned itself among the internationally recognized suppliers of intelligent transportation systems. Kapsch TrafficCom AG is headquartered in Vienna, Austria, and has subsidiaries and representative offices in 27 countries.

Kapsch TrafficCom AG | Am Europlatz 2 | 1120 Vienna | Austria | www.kapschtraffic.com

Investor Relations | Marcus Handl | Phone +43 50 811 1120 | Fax +43 50 811 99 1120 | E-mail ir.kapschtraffic@kapsch.net

Public Relations | Katharina Riedl | Phone +43 50 811 1705 | Fax +43 50 811 99 1710 | E-mail katharina.riedl@kapsch.net