

**Report on the first quarter of
fiscal year 2012/13.**

Kapsch TrafficCom Group – Key figures.

2012/13 (fiscal year 2012/13): 1 April 2012–31 March 2013

2012/13 Q1 (first quarter of fiscal year 2012/13): 1 April 2012–30 June 2012

Earnings Data		2012/13 Q1	2011/12 Q1	+/- %	2011/12
Revenues	in million EUR	106.4	134.7	-21 %	549.9
EBITDA	in million EUR	-1.6	26.5	–	60.6
EBITDA margin	in %	-1.5	19.7	–	11.0
EBIT	in million EUR	-5.6	22.2	–	42.2
EBIT margin	in %	-5.2	16.5	–	7.7
Profit before tax	in million EUR	-5.8	19.1	–	36.3
Profit for the period	in million EUR	-4.4	13.9	–	27.5
Earnings per share ¹	in EUR	-0.46	0.91	–	1.62
Free cash flow ²	in million EUR	74.6	-9.0	–	-50.9
Capital expenditure ³	in million EUR	2.4	3.2	-26 %	13.1
Employees ⁴		2,643	2,428	9 %	2,705
On-board units delivered	in million units	1.69	2.77	-39 %	11.15

Business Segments		2012/13 Q1	2011/12 Q1	+/- %	2011/12
Road Solution Projects (RSP)					
Revenues (% of total revenues)	in million EUR	34.9 (33 %)	54.8 (41 %)	-36 %	229.9 (42 %)
EBIT (EBIT margin)	in million EUR	-7.2 (-20.6 %)	3.5 (6.4 %)	–	4.1 (1.8 %)
Services, System Extensions, Components Sales (SEC)					
Revenues (% of total revenues)	in million EUR	67.7 (64 %)	78.5 (58 %)	-14 %	308.1 (56 %)
EBIT (EBIT margin)	in million EUR	1.6 (2.3 %)	18.5 (23.6 %)	-92 %	37.3 (12.1 %)
Others (OTH)					
Revenues (% of total revenues)	in million EUR	3.8 (4 %)	1.4 (1 %)	166 %	12.0 (2 %)
EBIT (EBIT margin)	in million EUR	0.1 (2.1 %)	0.2 (13.7 %)	-59 %	0.8 (6.5 %)

Revenues by Regions		2012/13 Q1	2011/12 Q1	+/- %	2011/12
Austria – Revenues (% of total revenues)	in million EUR	7.8 (7 %)	6.4 (5 %)	21 %	32.8 (6 %)
Europe ⁵ – Revenues (% of total revenues)	in million EUR	66.6 (63 %)	69.0 (51 %)	-3 %	341.4 (62 %)
Americas – Revenues (% of total revenues)	in million EUR	9.4 (9 %)	20.0 (15 %)	-53 %	63.6 (12 %)
Rest of World – Revenues (% of total revenues)	in million EUR	22.5 (21 %)	39.3 (29 %)	-43 %	112.1 (20 %)

Balance Sheet Data		30 June 2012	30 June 2011	+/- %	31 March 2012
Total assets	in million EUR	499.0	514.9	-3 %	557.7
Total equity ⁶	in million EUR	247.4	197.1	25 %	256.2
Equity ratio ⁶	in %	49.6	38.3	–	45.9
Net assets (+)/debt (-)	in million EUR	0.2	-56.0	–	-74.4
Capital employed	in million EUR	333.1	329.9	1 %	383.8
Net working capital	in million EUR	199.1	203.5	-2 %	285.7

Stock Exchange Data ⁵		2012/13 Q1	2011/12 Q1	2012/13 Q1	2011/12 Q1		
Number of shares ⁴	in million	13.0	12.2	Closing price ⁴	in EUR	58.89	61.79
Free float ⁴	in %	38.1	31.6	Market capitalization ⁴	in %	765.57	753.80
Ø daily trading volume ⁷	in shares	13,752	13,089	Share performance ⁷	in million EUR	-7.26	-1.14

¹ Earnings per share 2012/13 Q1 relate to 13.0 million shares (2011/12 Q1: 12.2 million shares), calculated from the result for the period attributable to the equity holders of the company

² Operating cash flow minus capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)

³ Capital expenditure from operations (excl. payments for acquisition of companies and purchases of securities and investments)

⁴ Each first quarter – as of 30 June

⁵ Excl. Austria

⁶ Incl. minority interests

⁷ Average daily trading volume (double counting) and share performance, each in the first quarter of the fiscal year

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 Chief Executive Officer.



Georg Kapsch, Chief Executive Officer

Dear shareholders,

The first quarter of fiscal year 2012/13 was in retrospect an extremely heterogeneous period for the Kapsch TrafficCom Group. On one hand, recent developments with our projects resulted in revenues and results for the reporting period that did not live up to our expectations. On the other hand, the main balance sheet figures from the end of June, after completion of our major project in Poland, reflect a renewed strengthening of the balance sheet structure. The recently obtained new orders further embolden us in our growth strategy and in the assumption that we will increasingly implement integrated systems for various ITS applications even beyond the area of toll collection systems.

I would like begin by reporting on the group's current financial status. The revenue of the Kapsch TrafficCom Group for the first quarter of 2012/13 was EUR 106.4 million, which is 21 % below the value from the same period of the previous year. The main reason for this decline can be seen in the high contributions made in the previous year by our two large implementation projects in Poland and South Africa; the new projects begun since then were not able to compensate for this during the current reporting period. Another reason for the lower revenue was the number of on-board units sold. The contract negotiations with the 24 toll authorities of the E-ZPass Group for finalization of the ten-year agreement resulted in a slow start to the on-board unit sales, leaving them below the quantities expected over the reporting period. This factor, as well as the competitive pricing situation, which brought the margins in the U.S.A. down in line with typical global margins, was clearly reflected in the EBIT of the first quarter. The operating result for the first three months of the fiscal year is negative at EUR -5.6 million. Current developments in our projects in South Africa and Poland also contributed to this disappointing result. The lower revenue generally made it more difficult to fully cover all our costs.

In South Africa, the start of the electronic toll collection system for multi-lane free-flow traffic in the Gauteng province was delayed during the reporting period. Just two days before the final agreed deadline, the commissioning of the system was postponed indefinitely on 28 April 2012 due to a lawsuit. The lack of commissioning also meant the absence of associated revenue. After the government lodged an appeal against this decision on 23 May 2012, the first hearings were held on 15 August 2012.

Our toll project in Poland has now been in operation for one year. The acceptance of the nationwide electronic toll collection system viaTOLL took place on 21 February 2012, and payment for the last milestone of the system implementation was received in the first quarter of the current fiscal year. However, the operation of the system caused higher performance related costs in the first quarter. In the meantime, we were contracted to realize an extension of 320 km, and additional route sections should follow in 2013; this at least demonstrates the customer's satisfaction with the system.

Although we are dissatisfied with the results of the first quarter, the volatility of the results is inherent in the project business in which the Kapsch TrafficCom Group is engaged. For this reason, comparisons between individual quarters are only of limited value, and in measuring our success, we concern ourselves exclusively with the overall result for the year.

At the same time, we can once again look with satisfaction at an extremely solid balance sheet structure at the end of the quarter. The completion of the system implementation process in Poland and the associated payment led to clear improvements over the balance sheet conditions of 31 March 2012. The equity ratio of 49.6 % is near the 50-per-cent mark, and the liquid assets at the end of the quarter amounted to EUR 77.4 million. Despite the corporate bond due in 2017, our net worth is once again positive (net assets) rather than negative (net debt). The net working capital and the capital employed declined considerably relative to the 31 March 2012 reporting date, and it should not be overlooked that the Kapsch TrafficCom Group achieved an impressive free cash flow of EUR 74.6 million in the first quarter of fiscal year 2012/13. Despite the short-term dip in profit, this situation convinces us not to reduce our investments in research and development or in new projects; instead, we will use our solid financial basis to ensure a strong future for the Kapsch TrafficCom Group.

We are particularly proud of the most recent success we achieved in Texas at the end of July. For the first time, Kapsch TrafficCom was selected as supplier for an entire system within the hard-fought market in the U.S.A. On two highways in northern Texas, we will implement what is called a "managed lane" system, which encompasses a toll collection system, an intelligent transportation system and a network communication system. It will be one of the newest and most modern transportation systems in North America.

The major project in Belarus, where we were commissioned with the construction and subsequent operation of a nationwide electronic toll collection system for 20 years, will start in autumn, and the associated revenues will be reflected on the balance sheet as of the second half of this fiscal year. In addition, we are expecting decisions on other potential projects during the course of the current fiscal year. In order to continue our planned growth with regard to new projects and new markets, we are also working intensively on implementation of the 2016 strategy and the new company structure this entails.

Sincerely,

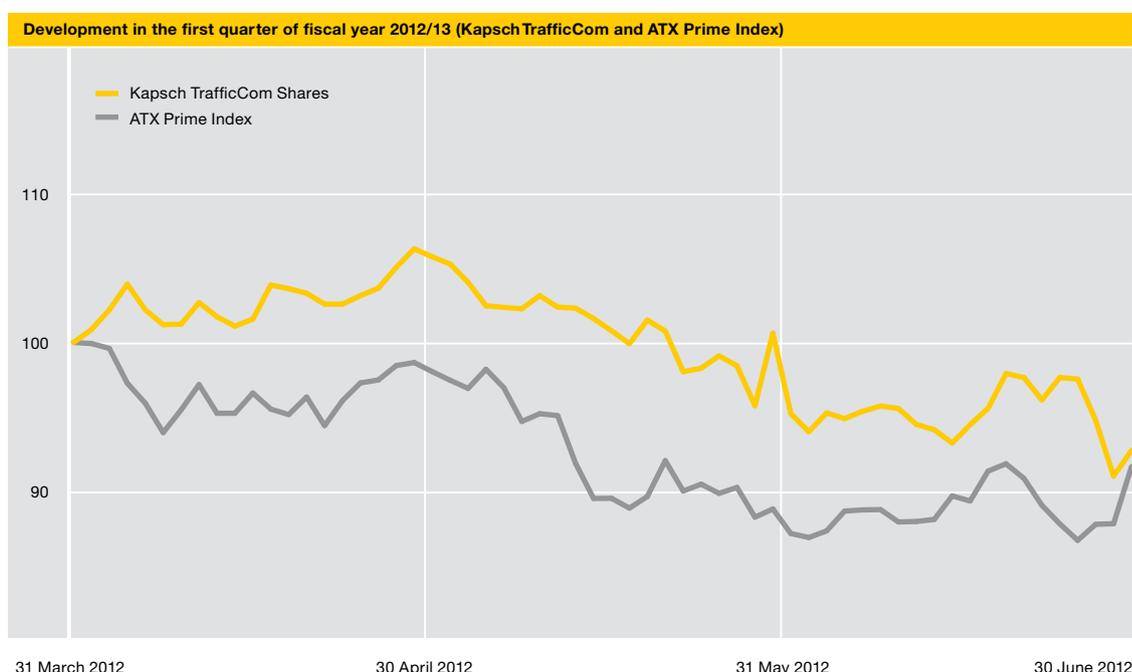


Georg Kapsch
Chief Executive Officer

Kapsch TrafficCom Shares.

The shares of Kapsch TrafficCom are listed on the Vienna Stock Exchange and are included in the ATX Prime Index. The share price development was characterized by continued high volatility in the first quarter of the fiscal year. Starting from a closing price of EUR 63.50 on 31 March 2012 at the end of the previous fiscal year, the shares initially rose to EUR 67.50 but then fell again to EUR 58.89 by the end of the quarter on 30 June. While the Kapsch TrafficCom shares fared significantly better than the ATX during the previous year, the 7 % decline during the reporting quarter corresponds to the broader stock market development, even at the international level.

In connection with the capital increase on 27 July 2011, the number of shares has since increased from 12.2 million to 13 million. The free float (including the shares of Erwin Toplak, COO) is 38.1 %. KAPSCH-Group Beteiligungs GmbH holds 61.9 % of the shares. Based on the final share price of EUR 58.89, Kapsch TrafficCom had a market capitalization of EUR 765.6 million on 30 June 2012.



Closing price of Kapsch TrafficCom Shares and closing value for the ATX Prime Index on 31 March 2012, each indexed to 100.

Information on the Shares		Financial Calendar	
Investor Relations Officer	Marcus Handl	24 August 2012	Ordinary Shareholders' Meeting for FY12
Shareholders' Telephone	+43 (0)50811 1120	31 August 2012	Deduction of dividends for FY12 (ex-day)
E-Mail	ir.kapschtraffic@kapsch.net	7 September 2012	First day of payment for FY12 dividends
Website	www.kapsch.net	22 November 2012	Interim financial report FY13 Q2
Stock Exchange	Vienna, Prime Market	27 February 2013	Interim financial report FY13 Q3
ISIN	AT000KAPSCH9	26 June 2013	Results FY13
Trading Symbol	KTCG	19 August 2013	Ordinary Shareholders' Meeting for FY13
Reuters	KTCG.VI	2 September 2013	Deduction of dividends for FY13 (ex-day)
Bloomberg	KTCG AV	9 September 2013	First day of payment for FY13 dividends

Analysis of results and balance sheet.

Revenues and earnings.

The revenues of the Kapsch TrafficCom Group were at EUR 106.4 million in the first quarter of the current fiscal year 2012/13 (2012/13 Q1), representing a decrease of 21.1 % from EUR 134.7 million, the value for the same period of the previous fiscal year (2011/12 Q1). In both major segments, Road Solution Projects (RSP) and Services, System Extensions, Components Sales (SEC), decreased revenues were registered.

Revenues by segment in the first three months were as follows:

- The segment RSP (Road Solution Projects) recorded revenues of EUR 34.9 million after EUR 54.8 million in the same period of the previous fiscal year, a decline of 36.3%. The main drivers for this decrease were the finalization of the construction for the nationwide truck toll collection system in Poland in the previous year and the lower revenue contribution of the South African electronic toll collection system project in the Gauteng province, which is at its final stage of completion. The decline could not be compensated for in the first quarter of 2012/13 by the initiated projects in Belarus and France as well as the extensions in Poland.
- In the segment SEC (Services, System Extensions and Components Sales), revenues decreased by 13.8% from EUR 78.5 million in quarter one of the previous fiscal year to EUR 67.7 million this year. The order obtained last year based on a very competitively priced offer and the ongoing negotiations with the members of the E-ZPass Group led to a delay in both on-board units sold and revenues. The suspended start of the operations project in South Africa also affected revenues negatively. However, the technical and commercial operation of the truck toll collection system in Poland contributed significant revenues in this quarter, while in the same period of the previous year the implementation was not yet complete. Both the ongoing technical and commercial operation of the nationwide truck toll collection system in the Czech Republic and the ongoing technical operation, including maintenance, of the nationwide truck toll collection system in Austria recorded a steady revenue contribution, as in the previous year.

The number of on-board units sold amounted to 1.69 million units (2011/12 Q1: 2.77 million units). In contrast to quarter one of the previous fiscal year, no initial equipment sales took place in connection with nationwide tolling projects. The main reasons for the lower volume of units sold were that the delivery of equipment for the nationwide truck toll collection system in Poland already took place in the previous year and the start of the South African Gauteng project was suspended by the customer. Furthermore, the ongoing negotiations with members of the E-ZPass Group led to a delay in delivery.

- The segment Others (OTH) recorded revenues of EUR 3.8 million (2011/12 Q1: EUR 1.4 million), representing an increase of 166.3%. This rise was due to the production and supply for the GSM-R project of Kapsch CarrierCom.

In the first three months of the current fiscal year, the Kapsch TrafficCom Group reported an operating result (EBIT) of EUR -5.6 million (2011/12 Q1: EUR 22.2 million). Operating results by segment were as follows:

- The segment RSP recorded an EBIT of EUR -7.2 million (2011/12 Q1: EUR 3.5 million). Due to lower revenues compared with the same period of previous fiscal year, the periodic costs allocated to this segment could not be covered.
- The EBIT for the segment SEC was at EUR 1.6 million (2011/12 Q1: EUR 18.5 million). The decrease was due to the decline in total revenues, the delay of orders from the E-ZPass Group and the competitive pricing agreement, which brought the margins in the U.S.A. down in line with typical global margins, the performance related higher operation costs in Poland as well as the lack of profit contribution from the South African operations project.

- The segment OTH exhibited an EBIT of EUR 0.1 million (2011/12 Q1: EUR 0.2 million). The above-average EBIT margin of the previous fiscal year's period was due to a nonrecurring absorption of costs for the adaptation of the production for GSM-R products.

The financial result of Kapsch TrafficCom improved to EUR -0.3 million in the period under consideration (2011/12 Q1: EUR -3.2 million). Finance income increased due to higher, mainly unrealized, exchange rate gains. Finance costs decreased as a result of lower unrealized exchange rate losses and a decline in interest and similar expenses.

Financial position and cash flows.

As of 30 June 2012, total assets decreased to EUR 499.0 million compared to EUR 557.7 million as of 31 March 2012. Total equity declined slightly to EUR 247.4 million on 30 June 2012 (31 March 2012: EUR 256.2 million). Due to these two effects, the Kapsch TrafficCom Group's equity ratio improved from 45.9% as of 31 March 2012 to 49.6% as of 30 June 2012.

The largest change in assets derived from the current assets. Trade receivables went down from EUR 287.6 million to EUR 194.7 million, mainly due to the receipt of payment for the finalization of the Polish nationwide electronic truck tolling project.

On the liabilities side, the current financial liabilities decreased from EUR 53.2 million to EUR 11.4 million due to repayment of the loan for the nationwide truck toll collection project in Poland. Moreover, other liabilities and deferred income were reduced from EUR 53.0 million to EUR 42.1 million, which was also a result of the finalization of the Polish project.

These financial changes resulted in a significant improvement of the following ratios:

- The free cash flow improved from EUR -9.0 million to EUR 74.6 million compared to the same period of the previous year.
- Despite the corporate bond due in 2017 amounting to EUR 75.0 million, the Kapsch TrafficCom Group achieved net assets of EUR 0.2 million.
- Net working capital decreased from EUR 285.7 million as of 31 March 2012 to EUR 199.1 million as of 30 June 2012 due to the receipt of payment from the Polish project.

Although the net cash flow from operations was encumbered by the negative operating result and the decrease of trade payables and other current payables, an improvement from EUR -5.8 million to EUR 77.0 million compared to the same period of the previous year was registered. This was due primarily to the significantly lower trade receivables and other assets. In the first three months of the current fiscal year, reinvestments made up the greater part of the net cash flow from investing activities. The repayment of short term financial liabilities, mainly for project financing, led to a negative net cash flow from financing activities of EUR -41.8 million (2011/12 Q1: EUR 35.7 million), which had a positive effect on net assets.

It was therefore possible to increase the cash and cash equivalents from EUR 44.9 million as of 31 March 2012 to EUR 77.4 million as of 30 June 2012.

Condensed consolidated interim financial information as of 30 June 2012.*)

Kapsch TrafficCom Group – Consolidated statement of comprehensive income.

All amounts in TEUR	Note	2012/13 Q1	2011/12 Q1	2012/13 Q1 cum.	2011/12 Q1 cum.
Revenues	(4)	106,369	134,742	106,369	134,742
Other operating income		2,811	1,842	2,811	1,842
Changes in finished and unfinished goods and work in progress		4,775	493	4,775	493
Cost of materials and other production services		-63,130	-61,200	-63,130	-61,200
Staff costs		-32,736	-29,537	-32,736	-29,537
Amortization of intangible assets and depreciation of property, plant and equipment		-3,919	-4,278	-3,919	-4,278
Other operating expenses		-19,729	-19,820	-19,729	-19,820
Operating result	(4)	-5,558	22,241	-5,558	22,241
Finance income		2,785	1,644	2,785	1,644
Finance costs		-3,040	-4,801	-3,040	-4,801
Financial result		-255	-3,156	-255	-3,156
Result before income tax		-5,814	19,085	-5,814	19,085
Income taxes	(10)	1,458	-5,187	1,458	-5,187
Result for the period		-4,356	13,899	-4,356	13,899
Other comprehensive income for the period					
Gains/losses recognized directly in equity:					
Available-for-sale financial assets		-2,272	-1,020	-2,272	-1,020
Currency translation differences		-2,133	-449	-2,133	-449
Income tax relating to components of other comprehensive income		-93	-100	-93	-100
Other comprehensive income for the period net of tax	(11)	-4,498	-1,569	-4,498	-1,569
Total comprehensive income for the period		-8,854	12,329	-8,854	12,329
Result attributable to:					
Equity holders of the company		-5,931	11,101	-5,931	11,101
Minority interests		1,575	2,797	1,575	2,797
		-4,356	13,899	-4,356	13,899
Total comprehensive income attributable to:					
Equity holders of the company		-10,003	9,636	-10,003	9,636
Minority interests		1,149	2,693	1,149	2,693
		-8,854	12,329	-8,854	12,329
Earnings per share from the result for the period attributable to the equity holders of the company (in EUR)		-0.46	0.91	-0.46	0.91

Earnings per share of 2012/13 Q1 relate to 13.0 million shares (2011/12 Q1 relate to 12.2 million 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	30 June 2012	31 March 2012
ASSETS			
Non-current assets			
Property, plant and equipment	(5)	21,785	21,847
Intangible assets	(5)	79,710	80,379
Other non-current financial assets and investments		48,665	51,229
Other non-current assets		2,864	3,420
Deferred tax assets		12,131	11,189
		165,155	168,064
Current assets			
Inventories		53,215	48,899
Trade receivables and other current assets		194,719	287,590
Other current financial assets		8,522	8,213
Cash and cash equivalents		77,357	44,929
		333,812	389,631
Total assets		498,967	557,695
EQUITY			
Capital and reserves attributable to equity holders of the company			
Share capital	(6)	13,000	13,000
Capital reserve		117,509	117,509
Retained earnings and other reserves		102,095	112,098
		232,604	242,607
Minority interests		14,789	13,640
Total equity		247,393	256,247
LIABILITIES			
Non-current liabilities			
Non-current financial liabilities	(7)	74,277	74,256
Liabilities from post-employment benefits to employees	(8)	16,759	16,704
Non-current provisions	(9)	1,115	1,098
Other non-current liabilities		2,908	3,440
Deferred income tax liabilities		17,393	18,316
		112,452	113,812
Current liabilities			
Trade payables		57,316	59,013
Other liabilities and deferred income		42,101	53,048
Current tax payables		3,489	3,795
Current financial liabilities	(7)	11,443	53,249
Current provisions	(9)	24,773	18,531
		139,123	187,636
Total liabilities		251,574	301,448
Total equity and liabilities		498,967	557,695

The notes on the following pages form an integral part of this 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	Other reserves	Consolidated retained earnings		
Carrying amount as of 31 March 2011	12,200	70,077	4,249	89,817	15,171	191,513
Dividend for 2010/11					-6,792	-6,792
Contributions from shareholders			91		0	91
Result for the period				11,101	2,797	13,899
Other comprehensive income for the period:						
Currency translation differences			-345		-104	-449
Fair value gains/losses on available-for-sale financial assets			-1,120		0	-1,120
Carrying amount as of 30 June 2011	12,200	70,077	2,875	100,918	11,072	197,142
Carrying amount as of 31 March 2012	13,000	117,509	14,682	97,416	13,640	256,247
Result for the period				-5,931	1,575	-4,356
Other comprehensive income for the period:						
Currency translation differences			-1,707		-426	-2,133
Fair value gains/losses on available-for-sale financial assets			-2,365		0	-2,365
Carrying amount as of 30 June 2012	13,000	117,509	10,610	91,485	14,789	247,393

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

Kapsch TrafficCom Group – Consolidated cash flow statement.

All amounts in TEUR	2012/13 Q1	2011/12 Q1	2012/13 Q1 cum.	2011/12 Q1 cum.
Cash flow from operating activities				
Operating result	-5,558	22,241	-5,558	22,241
Adjustments for non-cash items and other reconciliations:				
Depreciation and amortization	3,919	4,278	3,919	4,278
Increase/decrease in obligations for post-employment benefits	55	-56	55	-56
Increase/decrease in other non-current liabilities and provisions	-2	16	-2	16
Increase/decrease in other non-current receivables and assets	-28	640	-28	640
Increase/decrease in trade receivables (non-current)	360	3,297	360	3,297
Increase/decrease in trade payables (non-current)	-418	-1,094	-418	-1,094
Other (net)	-1,693	-1,809	-1,693	-1,809
	-3,366	27,513	-3,366	27,513
Changes in net current assets:				
Increase/decrease in trade receivables and other assets	90,470	-30,780	90,470	-30,780
Increase/decrease in inventories	-4,316	-5,472	-4,316	-5,472
Increase/decrease in trade payables and other current payables	-12,644	8,686	-12,644	8,686
Increase/decrease in current provisions	6,242	-1,332	6,242	-1,332
	79,753	-28,898	79,753	-28,898
Cash flow from operations	76,387	-1,385	76,387	-1,385
Interest received	354	134	354	134
Interest payments	-1,451	-1,616	-1,451	-1,616
Net payments of income taxes	1,688	-2,895	1,688	-2,895
Net cash flow from operating activities	76,978	-5,762	76,978	-5,762
Cash flow from investing activities				
Purchase of property, plant and equipment	-1,790	-2,524	-1,790	-2,524
Purchase of intangible assets	-620	-713	-620	-713
Payments for acquisition of shares in companies consolidated at equity	0	-33	0	-33
Proceeds from the disposal of property, plant and equipment and intangible assets	8	79	8	79
Net cash flow from investing activities	-2,402	-3,191	-2,402	-3,191
Cash flow from financing activities				
Contributions paid from shareholders	0	91	0	91
Increase in non-current financial liabilities	41	56	41	56
Decrease in non-current financial liabilities	-20	0	-20	0
Increase in current financial liabilities	111	35,859	111	35,859
Decrease in current financial liabilities	-41,894	-320	-41,894	-320
Net cash flow from financing activities	-41,761	35,685	-41,761	35,685
Net increase/decrease in cash and cash equivalents	32,814	26,732	32,814	26,732
Change in cash and cash equivalents				
Cash and cash equivalents at beginning of period	44,929	42,001	44,929	42,001
Net increase/decrease in cash and cash equivalents	32,814	26,732	32,814	26,732
Exchange gains/losses on cash and cash equivalents	-387	-354	-387	-354
Cash and cash equivalents at end of period	77,357	68,379	77,357	68,379

The notes on the following pages form an integral part of this 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 high-performance 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 relates to the installation of ITS solutions.

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

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

2. Basis of preparation.

This condensed interim financial information for the first quarter of the current fiscal year 2012/13 ended 30 June 2012 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 2012.

3. Accounting policies.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2012, as described in the annual financial statements for the year ended 31 March 2012.

In this condensed interim financial information for the first quarter of the current fiscal year 2012/13, no new or amended IFRSs and IFRICs have been adopted.

4. Segment information.

2012/13 Q1 All amounts in TEUR	Road Solution Projects	Services, System Extensions, Components Sales	Others	Consolidated group
Revenues	34,876	67,697	3,796	106,369
Operating result	-7,191	1,554	79	-5,558

2011/12 Q1 All amounts in TEUR	Road Solution Projects	Services, System Extensions, Components Sales	Others	Consolidated group
Revenues	54,786	78,530	1,425	134,742
Operating result	3,516	18,530	196	22,241

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.

2012/13 Q1 All amounts in TEUR	Revenue	Road Solution Projects	Services, System Extensions, Components Sales
Customer 1	31,689	x	x
Customer 2	20,432	x	x
Customer 3	18,567	x	x

2011/12 Q1 All amounts in TEUR	Revenue	Road Solution Projects	Services, System Extensions, Components Sales
Customer 1	39,744	x	
Customer 2	22,203	x	x
Customer 3	21,620	x	x

5. Capital expenditure.

All amounts in TEUR	Tangible and intangible assets
Carrying amount as of 31 March 2012	102,226
Additions	2,410
Disposals	-8
Depreciation, amortization, impairments and other movements	-3,919
Currency translation differences	786
Carrying amount as of 30 June 2012	101,495
Carrying amount as of 31 March 2011	108,092
Additions	3,493
Disposals	-74
Depreciation, amortization, impairments and other movements	-4,278
Currency translation differences	-321
Carrying amount as of 30 June 2011	106,912

6. Share capital.

The registered share capital of the company amounts to EUR 13,000,000. The share capital is fully paid in. 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	30 June 2012	31 March 2012	30 June 2011	31 March 2011
Non-current	74,277	74,256	74,169	74,112
Current	11,443	53,249	58,620	23,083
Total	85,720	127,505	132,789	97,195

Movements in borrowings is analyzed as follows:

All amounts in TEUR	Non-current	Current	Total
Carrying amount as of 31 March 2012	74,256	53,249	127,505
Additions	41	111	152
Repayments of borrowings	-20	-41,894	-41,914
Currency translation differences	0	-23	-23
Carrying amount as of 30 June 2012	74,277	11,443	85,720

All amounts in TEUR	Non-current	Current	Total
Carrying amount as of 31 March 2011	74,112	23,083	97,195
Additions	56	35,859	35,915
Repayments of borrowings	0	-320	-320
Currency translation differences	0	-1	-1
Carrying amount as of 30 June 2011	74,169	58,620	132,789

8. Liabilities from post-employment benefits to employees.

All amounts in TEUR	30 June 2012	31 March 2012	30 June 2011	31 March 2011
Termination benefits	6,494	6,452	5,928	5,912
Pension benefits	10,265	10,251	10,331	10,403
Total	16,759	16,704	16,259	16,315

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 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	30 June 2012	31 March 2012	30 June 2011	31 March 2011
Non-current	1,115	1,098	702	686
Current	24,773	18,531	3,389	4,722
Total	25,887	19,628	4,092	5,408

2012/13 Q1 All amounts in TEUR	31 March 2012	Addition	Utilization	Disposal	Currency translation differences	30 June 2012
Obligations from anniversary bonuses	868	9	0	0	0	877
Other	230	0	0	0	8	237
Non-current provisions, total	1,098	9	0	0	8	1,115
Warranties	1,229	8	0	-3	10	1,244
Losses from pending transactions and rework	12,382	0	-103	0	-272	12,007
Legal fees, costs of litigation and contract risks	1,022	0	-26	-61	6	942
Other	3,897	7,853	-1,112	0	-59	10,580
Current provisions, total	18,531	7,861	-1,241	-64	-314	24,773
Total	19,628	7,870	-1,241	-64	-306	25,887

2011/12 Q1 All amounts in TEUR	31 March 2011	Addition	Utilization	Disposal	Currency translation differences	30 June 2011
Obligations from anniversary bonuses	605	37	0	-9	0	633
Other	81	0	-10	0	-1	70
Non-current provisions, total	686	37	-10	-9	-1	702
Warranties	1,480	4	0	-4	-33	1,446
Legal fees, costs of litigation and contract risks	1,442	24	-35	-374	9	1,067
Other	1,800	629	-1,558	-3	9	877
Current provisions, total	4,722	656	-1,593	-381	-15	3,389
Total	5,408	693	-1,603	-390	-16	4,092

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 rise to 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.

After the first quarter of 2012/13, the effective tax rate is 25 % (first quarter of 2011/12: 27 %). For the full year 2012/13, management expects an effective tax rate of approximately 25 %.

11. Other comprehensive income.

2012/13 Q1 All amounts in TEUR	Before taxes	Tax expense /income	After taxes
Fair value gains/losses on available-for-sale financial assets:			
Unrealized gains/losses in the current period	-2,272	-93	-2,365
Currency translation differences	-2,133		-2,133
Fair value changes recognized in equity	-4,405	-93	-4,498

The fair value gains/losses not realized amounting to TEUR -2,645 relate to the investment in Q-Free ASA, Norway (2011/12 Q1: TEUR -1,421).

2011/12 Q1 All amounts in TEUR	Before taxes	Tax expense /income	After taxes
Fair value gains/losses on available-for-sale financial assets:			
Unrealized gains/losses in the current period	-1,020	-100	-1,120
Currency translation differences	-449		-449
Fair value changes recognized in equity	-1,469	-100	-1,569

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 & bid bonds and sureties.

Details for contingent liabilities and other commitments are as follows:

All amounts in TEUR	30 June 2012	31 March 2012
Contract, warranty, performance and bid bonds:		
City Highway Sydney und Melbourne	1,884	1,811
Truck toll collection system Austria	8,500	8,500
Truck toll collection system Czech Republic	4,256	4,471
Toll collection system in South Africa: Gauteng, Marian Hill, Huguenot	112,628	114,113
Toll collection system Poland	23,712	43,501
Toll collection system Portugal	1,820	1,820
Other	709	906
	153,503	175,121
Bank guarantees	1,703	1,722
Sureties	524	524
Total	155,735	177,366

13. Related parties.

All amounts in TEUR		Sales to related parties Q1	Sales from related parties Q1	Amounts owed by related parties 30 June	Amounts owed to related parties 30 June
Affiliated companies outside the Kapsch TrafficCom Group	2012/13	3,120	5,353	4,575	5,994
	2011/12	477	6,056	2,058	4,696
Others	2012/13	0	1,142	0	8,856
	2011/12	0	1,100	0	9,115

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

14. Events occurring after 30 June 2012.

On 30 July 2012, Kapsch TrafficCom was selected to design, build, and integrate the Managed Lane System (MLS) in North Texas. The contract value amounts to about EUR 64 million.

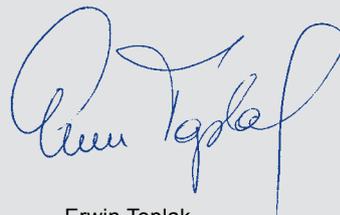
On 31 July 2012, Kapsch TrafficCom made an investment in SIMEX, Integración de Sistemas, S.A.P.I. de C.V., Mexico, in consideration for the issuance by SIMEX of new shares of capital stock representing 33 % of SIMEX's post-closing issued and outstanding capital stock.

Vienna, 24 August 2012

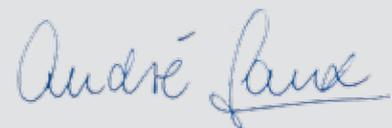
Executive Board



Georg Kapsch
Chief Executive Officer



Erwin Toplak
Chief Operating Officer



André Laux
Executive Board member

Kapsch TrafficCom is a provider of high-performance intelligent transportation systems (ITS) in the application fields of toll collection, urban access management and traffic safety and security. Kapsch TrafficCom covers the entire value creation chain of its customers as a one-stop shop by providing products and components as well as subsystems as open market products, by integrating them into turnkey systems or by developing end-to-end solutions, including services for the technical and commercial operations of systems. Within its current core business of electronic toll collection (ETC), Kapsch TrafficCom designs, builds and operates ETC systems, in particular for multi-lane free-flow traffic. With 280 references in 41 countries on all 5 continents and with almost 70 million on-board units delivered and about 18,000 lanes equipped, Kapsch TrafficCom has positioned itself as an internationally recognized supplier of electronic toll collection systems worldwide. Kapsch TrafficCom is headquartered in Vienna, Austria, and has subsidiaries and representative offices in 30 countries. For additional information, visit us at www.kapschtraffic.com.

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