

Kapsch TrafficCom

Electronic Toll Collection Systems

03 Jun 2014

Austria

COMPANY DESCRIPTION

Kapsch TrafficCom AG is an Austria-based supplier of "intelligent road traffic telematic solutions". The Company develops and sells products, systems and services primarily for electronic toll collection (ETC) systems and specializes in solutions for open road tolling (ORT), multi-lane free-flow (MLFF) and high occupancy tolling (HOT). The company is based in Vienna, Austria, but has subsidiaries and interests in more than 20 countries. Until 2009, the Company has performed 210 installations in 35 countries in Europe, Australia, North America, Latin America, Middle East, Asia Pacific and in South Africa, and about 13 million on-board units (OBUs) and over 11,300 equipped lanes. Since 2007, Kapsch TrafficCom AG has been listed on the Vienna Stock Exchange.

Main Shareholders: KAPSCHE-Group (61.9%)
Institutional Investors (27.2%)

INCOME STATEMENT

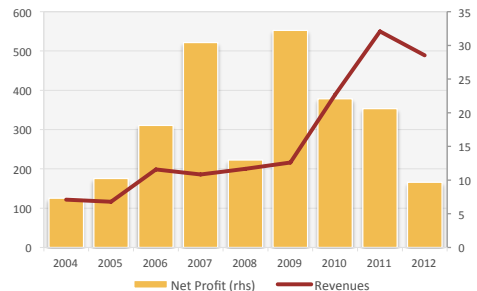
EUR mil	2008	2009	2010	2011	2012
Sales	200.3	216.0	388.6	549.9	488.9
Cost of Goods & Services	78.1	98.0	191.3	287.3	257.6
Gross Profit	122.1	118.0	197.3	262.6	231.4
Staff Cost	54.6	59.7	86.5	121.7	131.6
Other Cost	32.4	26.3	48.2	80.2	66.9
EBITDA	35.1	32.0	62.7	60.7	32.9
Depreciation	6.0	7.5	13.6	18.4	17.7
EBIT	29.1	24.5	49.1	42.3	15.3
Financing Cost	3.7	2.6	3.4	5.9	-1.3
Extraordinary Cost	3.5	-22.0	4.4	0.1	-0.3
Pre-Tax Profit	21.9	43.9	41.3	36.3	16.9
Tax	5.5	7.4	12.8	8.9	0.2
Minorities	3.4	4.3	6.4	6.9	7.0
Net Profit	13.0	32.2	22.1	20.6	9.7
Dividends	6.1	9.2	13.0	11.7	0.0

EBITDA Margin	17.5%	14.8%	16.1%	11.0%	6.7%
EBIT Margin	14.5%	11.4%	12.6%	7.7%	3.1%
Net Margin	6.5%	14.9%	5.7%	3.7%	2.0%

CASH FLOW

EUR mil	2008	2009	2010	2011	2012
Net Profit	13.0	32.2	22.1	20.6	9.7
Depreciation	6.0	7.5	13.6	18.4	17.7
Non-Cash Items	25.6	-21.0	-71.3	-62.7	28.1
Change in Working Capital	-2.6	27.7	24.0	-14.1	11.7
Total Cash From Operations	42.1	46.5	-11.7	-37.8	67.2
Capital Expenditures	-17.5	-3.9	-6.4	-10.6	-12.7
Other	-27.2	-11.4	-54.5	-6.0	2.7
Total Cash From Investing	-44.8	-15.3	-60.9	-16.7	-10.0
Dividends Paid	-12.0	-6.1	-9.2	-13.0	-13.0
Issuance Of Shares	0.0	0.0	0.0	48.3	48.3
Issuance Of Debt	27.5	-37.5	76.0	22.1	-57.8
Total Cash From Financing	15.5	-43.6	66.8	5.9	-22.5
NET CHANGE IN CASH	12.8	-12.5	-5.7	2.9	34.7

REVENUES & PROFITS (EUR mil)



BALANCE SHEET

EUR mil	2008	2009	2010	2011	2012
Non-Current Assets	85.7	101.4	159.7	168.1	164.1
Property, Plant & Equipment	16.9	15.8	19.4	21.8	24.7
Current Assets	238.8	193.7	290.4	389.6	403.1
Inventories	34.2	37.6	49.5	48.9	66.4
Receivables	130.0	84.0	79.3	80.5	72.4
Cash & Cash Equivalents	60.2	47.7	42.0	44.9	79.0
Total Assets	324.5	295.1	450.1	557.7	567.2
Shareholders' Equity	134.2	168.2	191.5	256.2	240.7
Liabilities	190.3	126.8	258.6	301.4	326.5
Non-Current Liabilities	41.4	37.6	117.4	113.8	137.9
Long-Term Debt	10.1	10.1	74.1	74.3	104.4
Current Liabilities	148.9	89.2	141.2	187.6	188.7
Short-Term Debt	49.2	9.2	23.1	53.2	19.7
Trade Payables	56.3	41.3	72.5	59.0	80.2

ROE	9.9%	22.0%	13.0%	9.8%	4.1%
ROCE	6.8%	17.2%	11.1%	9.1%	4.2%
Net Debt/Equity	-0.7%	-16.9%	28.8%	32.2%	18.7%

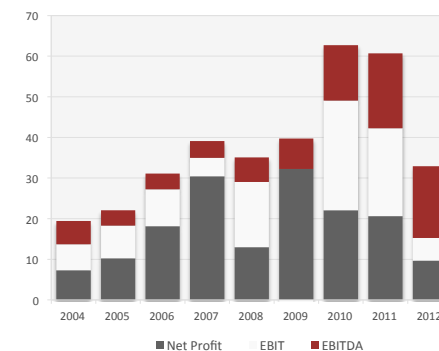
RATIOS & OTHER

	2008	2009	2010	2011	2012
Gross Margin	61.0%	54.6%	50.8%	47.8%	47.3%
Net Debt/EBITDA	0.0	-0.9	0.9	1.4	1.4
Cost of Financing	8.5%	6.7%	5.9%	5.2%	-1.0%
Payout Ratio	47%	28%	59%	57%	0%
FX TO USD (Average)	0.68	0.72	0.76	0.72	0.78
FX TO USD (Year-End)	0.72	0.70	0.75	0.77	0.76
Shares Outstanding (Average)	11.7	12.2	12.2	12.2	12.7
Share Price, Year-End	31.8	14.8	25.3	62.5	63.5
Market Capitalisation (USD mil)	517	259	409	988	1,068
Enterprise Value (USD mil)	516	218	482	1,095	1,127
EV/EBITDA	10.1	4.9	5.8	13.0	26.6
P/E	28.6	5.6	14.0	37.0	83.6
P/BV	2.9	1.1	1.7	3.1	3.5

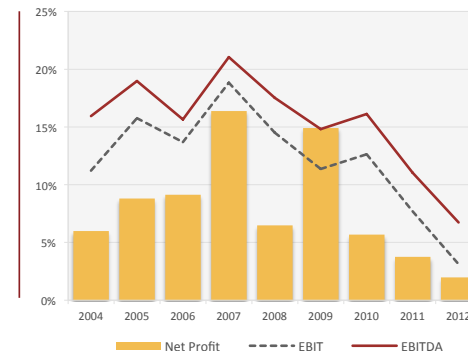
Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

Financials

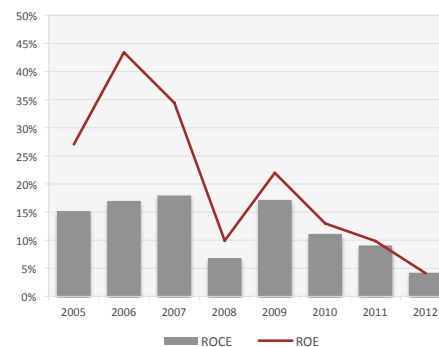
FROM EBITDA TO NET PROFIT (EUR mil)



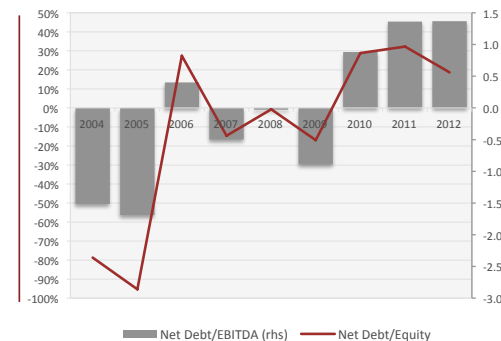
PROFIT MARGIN



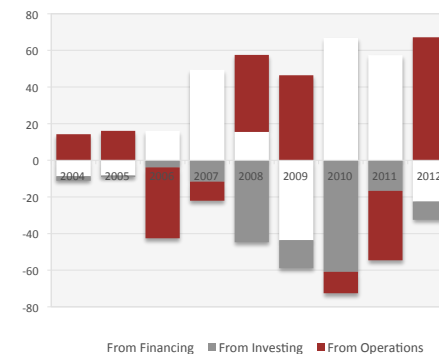
ROE & ROCE



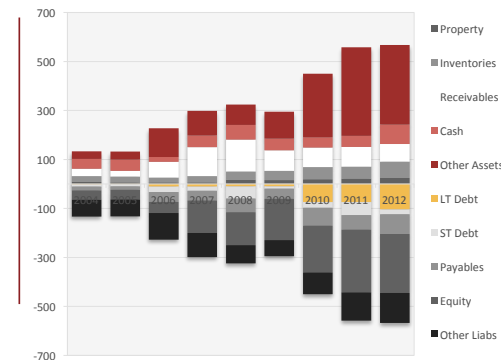
INDEBTEDNESS



CASH FLOW SUMMARY (EUR mil)



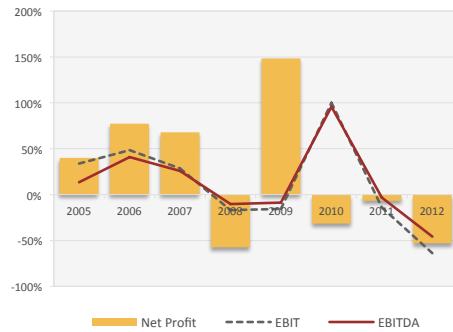
BALANCE SHEET STRUCTURE (EUR mil)



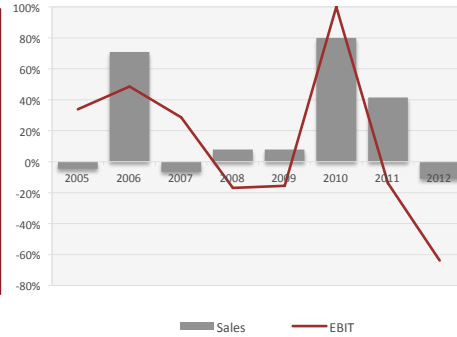
Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

Momentum

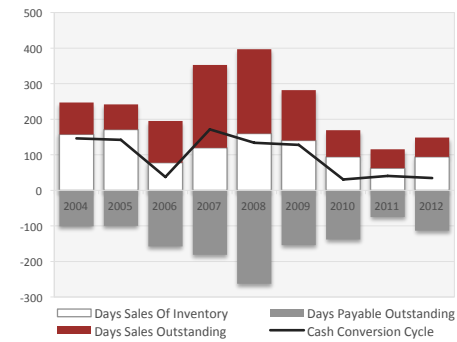
PROFIT GROWTH



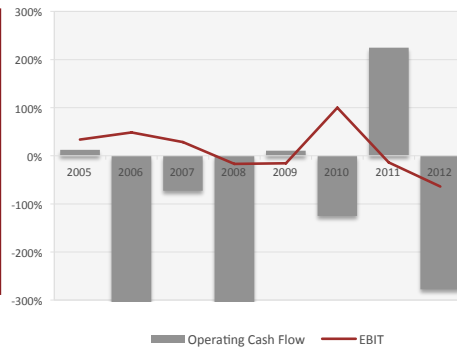
SALES GROWTH



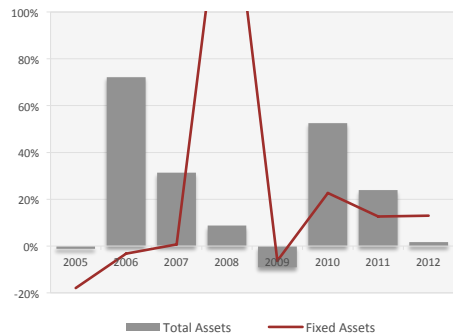
CASH CONVERSION CYCLE (days)



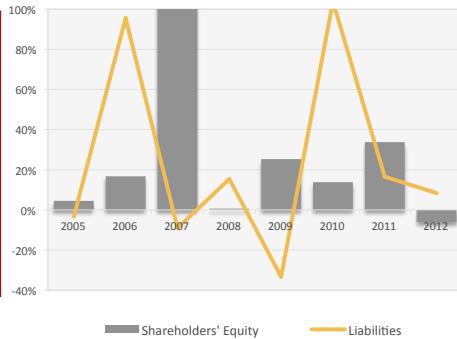
OPERATING CASH FLOW



ASSET GROWTH



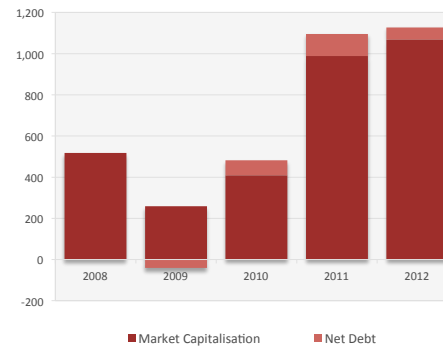
EQUITY AND LIABILITIES GROWTH



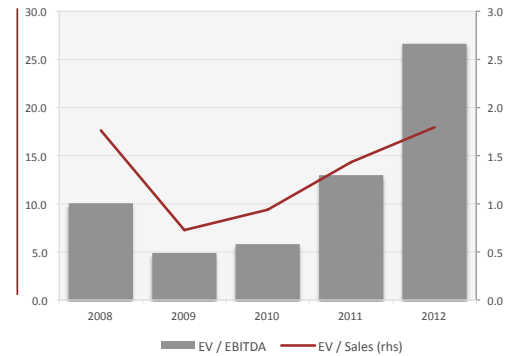
Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

Valuation

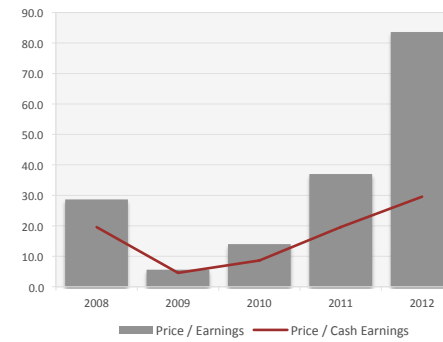
MARKET CAPITALISATION & NET DEBT (USD mil)



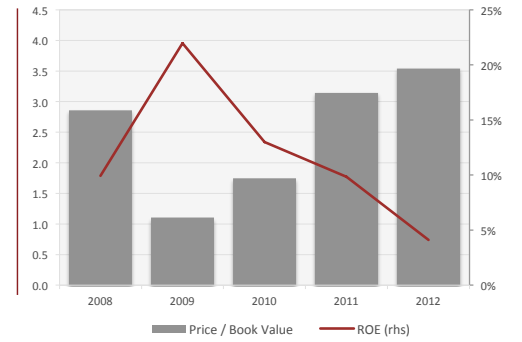
ENTERPRICE VALUE (EV)



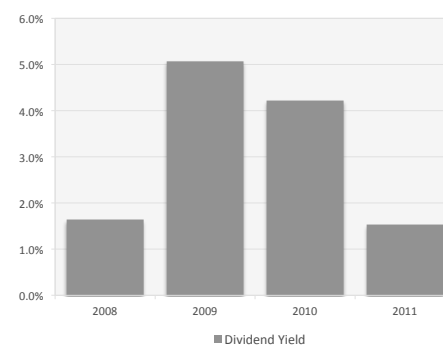
PRICE TO EARNINGS & CASH EARNINGS



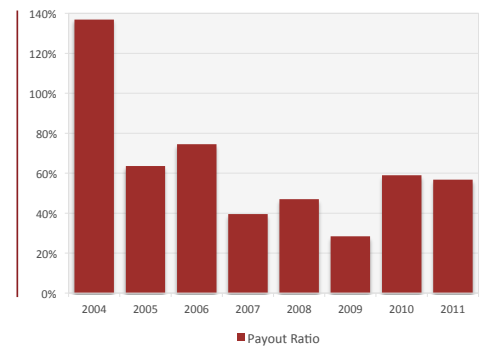
PRICE TO BOOK VALUE



DIVIDEND YIELD



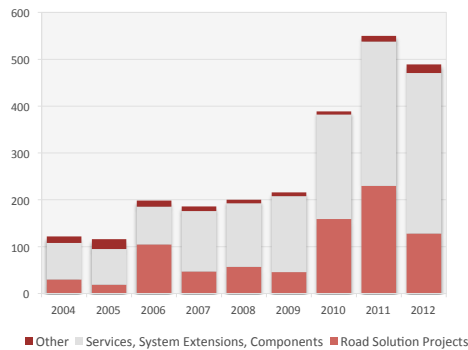
DIVIDEND PAYOUT



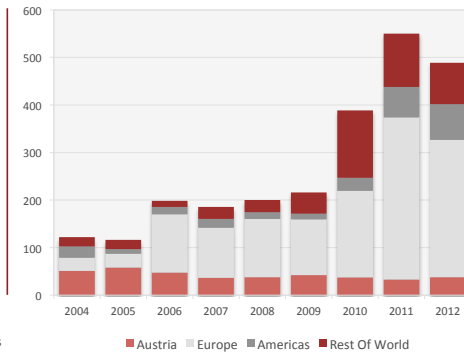
Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

Business Specifics

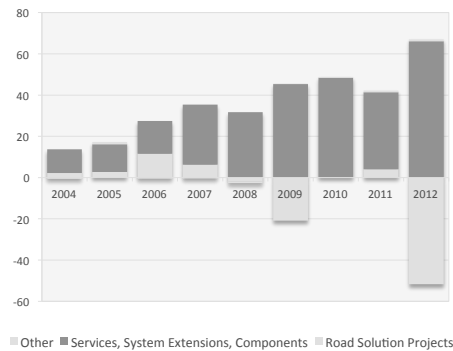
SALES BY SEGMENT (EUR mil)



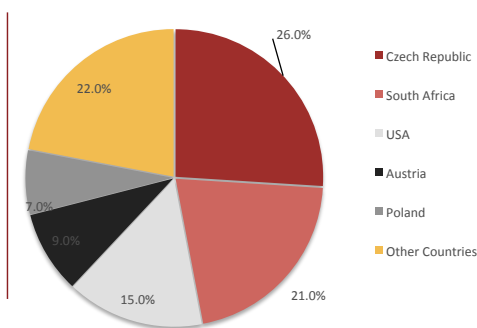
SALES BY REGIONS (EUR mil)



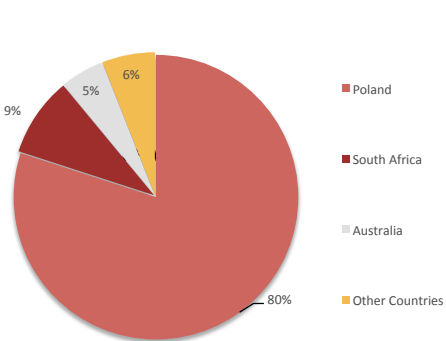
EBIT BREAKDOWN (EUR mil)



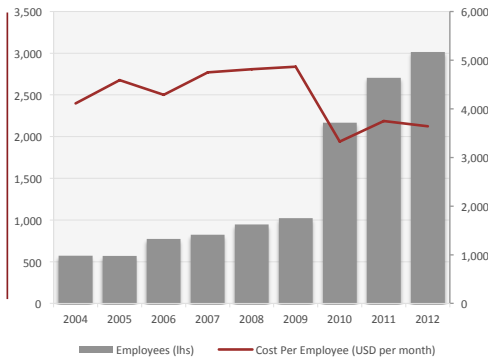
SYSTEM, EXTENSION, COMPONENTS SEGMENT IN 2011



ROAD SOLUTION PROJECTS SEGMENT IN 2011



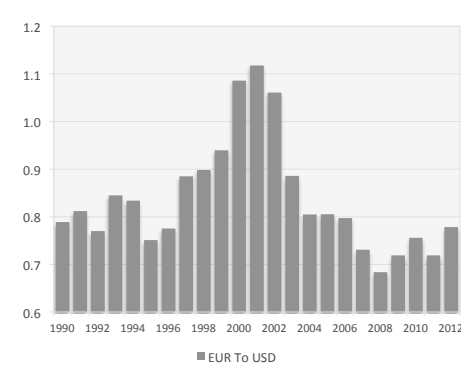
EMPLOYEES & EMPLOYEES COSTS



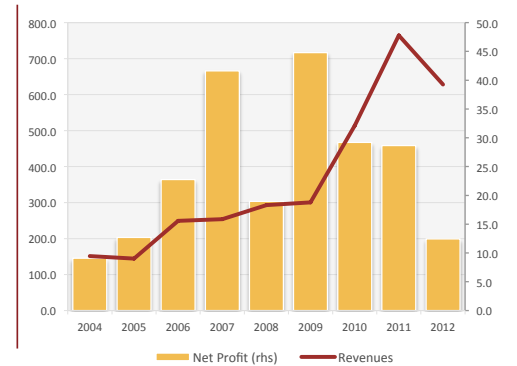
Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

Financials (USD)

FX TO USD



REVENUES & PROFIT (USD mil)



INCOME STATEMENT

USD mil	2008	2009	2010	2011	2012
Sales	293.0	300.4	514.1	764.8	628.4
Cost of Goods & Services	114.3	136.4	253.0	399.5	331.0
Gross Profit	178.7	164.1	261.0	365.3	297.3
Staff Cost	79.9	83.0	114.4	169.3	169.1
Other Cost	47.4	36.5	63.7	111.6	86.0
EBITDA	51.3	44.5	82.9	84.4	42.3
Depreciation	8.8	10.4	18.0	25.6	22.7
EBIT	42.5	34.1	64.9	58.8	19.6
Financing Cost	5.4	3.7	4.5	8.2	-1.7
Extraordinary Cost	5.1	-30.6	5.8	0.1	-0.4
Pre-Tax Profit	32.0	61.1	54.6	50.5	21.7
Tax	8.0	10.3	17.0	12.3	0.2
Minorities	5.0	6.0	8.4	9.5	9.0
Net Profit	19.0	44.8	29.2	28.6	12.4
Dividends	8.9	12.7	17.2	16.3	0.0

BALANCE SHEET

USD mil	2008	2009	2010	2011	2012
Non-Current Assets	119.3	145.4	211.9	217.8	216.5
Property, Plant & Equipment	23.5	22.7	25.7	28.3	32.6
Inventories	47.6	53.9	65.7	63.4	87.7
Receivables	180.9	120.4	105.3	104.3	95.6
Cash & Cash Equivalents	83.8	68.4	55.7	58.2	104.3
Total Assets	451.7	422.9	597.3	722.9	748.5
Shareholders' Equity	186.8	241.1	254.1	332.1	317.6
Liabilities	264.9	181.8	343.1	390.7	430.9
Non-Current Liabilities	57.7	53.9	155.8	147.5	182.0
Long-Term Debt	14.0	14.4	98.3	96.2	137.7
Current Liabilities	207.2	127.9	187.3	243.2	249.0
Short-Term Debt	68.5	13.2	30.6	69.0	25.9
Trade Payables	78.3	59.2	96.2	76.5	105.9

EBITDA Margin	17.5%	14.8%	16.1%	11.0%	6.7%
EBIT Margin	14.5%	11.4%	12.6%	7.7%	3.1%
Net Margin	6.5%	14.9%	5.7%	3.7%	2.0%

ROE	9.9%	22.0%	13.0%	9.8%	4.1%
ROCE	6.8%	17.2%	11.1%	9.1%	4.2%
Net Debt/Equity	-0.7%	-16.9%	28.8%	32.2%	18.7%

CASH FLOW

USD mil	2008	2009	2010	2011	2012
Net Profit	19.0	44.8	29.2	28.6	12.4
Depreciation	8.8	10.4	18.0	25.6	22.7
Non-Cash Items	37.5	-29.1	-94.3	-87.3	36.1
Change in Working Capital	-3.7	38.5	31.7	-19.6	15.1
Total Cash From Operations	61.6	64.6	-15.4	-52.6	86.3
Capital Expenditures	-25.7	-5.4	-8.4	-14.8	-16.3
Other	-39.8	-15.9	-72.2	-8.4	3.5
Total Cash From Investing	-65.5	-21.3	-80.6	-23.2	-12.8
Dividends Paid	-17.6	-8.5	-12.1	-18.1	-16.7
Issuance Of Shares	0.0	0.0	0.0	67.2	62.1
Issuance Of Debt	40.3	-52.2	100.5	30.8	-74.3
Total Cash From Financing	22.6	-60.7	88.4	79.9	-28.9
NET CHANGE IN CASH	18.7	-17.4	-7.6	4.1	44.6

RATIOS & OTHER

	2008	2009	2010	2011	2012
Gross Margin	61.0%	54.6%	50.8%	47.8%	47.3%
Net Debt/EBITDA	0.0	-0.9	0.9	1.4	1.4
Cost of Financing	8.5%	6.7%	5.9%	5.2%	-1.0%
Payout Ratio	47%	28%	59%	57%	0%
FX TO USD (Average)	0.68	0.72	0.76	0.72	0.78
FX TO USD (Year-End)	0.72	0.70	0.75	0.77	0.76
Shares Outstanding (Average)	11.7	12.2	12.2	12.2	12.7
Share Price, Year-End EUR	31.8	14.8	25.3	62.5	63.5
Market Capitalisation (USD mil)	517	259	409	988	1,068
Enterprise Value (USD mil)	516	218	482	1,095	1,127
EV/EBITDA	10.1	4.9	5.8	13.0	26.6
P/E	28.6	5.6	14.0	37.0	83.6
P/BV	2.86	1.11	1.75	3.14	3.54

Source: Company data, Helgi Analytics calculation, Valuation multiples are based on share price as of the year-end

ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 95% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgianalytics.com.

Helgi Analytics

Eliasova 38, Prague 6
160 00, Czech Republic
www.helgianalytics.com

DISCLAIMER

© 2013, HELGI ANALYTICS LTD. ALL RIGHTS RESERVED. All information contained herein is protected by Copyright Law and no such information may be copied or otherwise reproduced, in whole or in part, in any form or manner, by any Person or Company without Helgi Analytics' prior written consent. All information contained herein is obtained by Helgi Analytics from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error, as well as other factors, however, all information contained herein is provided without warranty of any kind. Under no circumstances is Helgi Analytics under any liability to any person or entity for any loss or damage caused by any error, or other circumstance or contingency within or beyond the control of Helgi Analytics or any of its directors, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication, or delivery of any such information, or any direct or indirect damages whatsoever. The financial reporting, analysis, projections, observations, and other information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell, or hold any securities.