



traffic[®]
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Earnings Guidance

13 February 2017, Melbourne: Traffic Technologies Ltd ('TTI' or 'the Company') presents earnings guidance for the half year ended 31 December 2016.

Subject to completion of the half year audit review, TTI is expecting to report the following result for the half year ended 31 December 2016 compared to the previous corresponding period:

	<i>Half Year to 31 Dec 2016</i>	<i>Half Year to 31 Dec 2015</i>
	<i>\$'m</i>	<i>\$'m</i>
Sales revenue	22.0 - 23.0	21.1
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)+	1.9 - 2.1	1.1
Earnings before Interest and Tax (EBIT)	0.9 - 1.1	0.1
Net Profit/Loss After Tax (NPAT)	0.0 - 0.3	(1.0)

+ EBITDA is after taking into account restructuring costs and other one-off items of \$0.3m.

In the first half of the current financial year the Company experienced a positive NPAT swing of between \$1.0 - \$1.3 million compared to the previous corresponding period. Revenue increased by approximately 7%, EBITDA by approximately 82% and EBIT by approximately 900%, with the Company expected to return to a net profit after tax, compared to a loss in the previous year.

The Company has benefitted from the program undertaken to diversify its product range with greater emphasis on:

- Road and street lighting;
- ITS (Intelligent Transportation Systems or electronic signage);
- Traffic controllers;
- Maintenance contracts; and
- Export initiatives.

Although the Company is not yet in a position to issue earnings guidance for the full year to 30 June 2017, the second half result is expected to benefit from contracts recently awarded to the Group, including additional sales of LED road lights and electronic signs, further export sales as well as continuing cost savings from the Group's profit improvement program.

The Company expects to release its half year results to the market in late February 2017.

Should you require any further information please contact Mr. Con Liosatos.

Enquiries:

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