



**traffic**<sup>®</sup>  
technologies.ltd

## Earnings Guidance

**4 August 2014, Melbourne:** Traffic Technologies Ltd (TTI) presents earnings guidance for the financial year ended 30 June 2014. TTI is expecting to report the following operating result for the financial year ending 30 June 2014 compared to the previous financial year:

	Year to 30 June 2014	Year to 30 June 2013
	\$'m	\$'m
Sales revenue	39.0 – 41.0	45.2
EBITDA before one-off costs	3.6 – 4.0	
One-off costs	~0.9	
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	2.7 – 3.1	6.1
Earnings before Interest and Tax (EBIT)	0.6 – 1.0	4.3
Net Profit/(Loss) After Tax (NPAT)	(1.0) – (1.4)	3.1

As previously announced, FY14 trading was behind expectation due to government expenditure cutbacks and a challenging economic environment. As a result, earnings for the 2014 financial year are expected to be lower than the previous financial year. The full year result will include one-off costs of approximately \$0.9m associated with a restructuring program and acquisition costs associated with the purchase of Quick Turn Circuits Pty Ltd (QTC).

### Quick Turn Circuits

The acquisition of QTC during the year was an important strategic acquisition for the Group and has so far exceeded our expectations. The integration of QTC into our business is now complete and it has certainly strengthened our core traffic signals and intersection business in Australia and internationally. This was demonstrated by the Company recently announcing an export order won by QTC for the supply of \$1.4m of traffic controllers to Saudi Arabia and the group expects to develop its export markets further over the next year.

## **Outlook**

Commenting on the outlook, Con Liosatos, Managing Director said, "The outlook for the 2015 financial year is much more positive than 2014 bolstered by the beginning of major infrastructure projects as recently announced by State and Federal governments. The Group also expects to benefit in the medium term from new product initiatives in the Intelligent Transport Systems (ITS) area, key manufacturing initiatives and in particular the expected roll-out of LED road lights across Australia which is expected to result in significant long term cost savings for State and local government in terms of power savings and maintenance costs."

The above figures are based on information known to management at this time and are subject to the completion of the full year accounts and the final audit. The Company expects to release its full year results to the market in the final week of August 2014.

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

## **Enquiries:**

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