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Earnings & Dividend Guidance

31 July 2013, Melbourne: Traffic Technologies Ltd (TTI) is pleased to announce earnings guidance for the financial year ended 30 June 2013.

As detailed below and subject to completion of the audit, TTI expects to achieve a positive improvement in its operating result for the financial year ended 30 June 2013 compared to the previous year.

	Year to 30 June 2013	Year to 30 June 2012
	\$'m	\$'m
Sales revenue	45.0	53.1
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	5.9 – 6.2	5.9
Earnings before Interest and Tax (EBIT)	4.1 – 4.4	4.0
Net Profit After Tax (NPAT)	2.6 – 3.0	1.7
EPS (cents per share)	1.4 – 1.6	0.97
DPS (cents per share)	0.4	0.0

The Company is extremely pleased with the expected result and more importantly with the increase in EBIT and NPAT compared to the previous financial year. Despite the reduced contribution from major intersection upgrades the Group has been able to improve profitability through continued focus on operating efficiencies and cost control which has seen an improvement in overall margins.

The Company anticipates paying a final dividend of 0.2 cents fully franked subject to completion of the audit and relevant approvals which will bring the full year dividend to 0.4 cents, fully franked.

Outlook

Commenting on the outlook, Con Liosatos, Managing Director said "The Company is well positioned in coming years with the recent appointment to the NSW RMS panel (announced on 21 May 2013) which is expected to substantially underwrite revenue from major intersection upgrades over the next 30 months with up to 1,800 intersections to be upgraded at a cost of \$25m.

In addition, TTI has recently won further export contracts in the UK and domestic road lighting contracts which will improve the contributions from these businesses this financial year. Both these businesses should be important growth drivers of earnings in future years.

We anticipate being able to report further progress in the first half of the 2014 financial year from the current trials of our new LED road light which, if successful, will position TTI as the key provider of Category V LED road lights in a market estimated to be 2-3 times the size of the traffic intersection market.”

The Company expects to release its full year results to the market in the final week of August 2013.

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

Enquiries:

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