A WORD FROM THE MANAGING DIRECTOR

Dear Colleagues and Partners!

I am very happy to welcome our latest addition to the Cale family – Cale America! As of 2012, we now have a dedicated and highly professional team of new colleagues in the important US market. Having our own company will make it easier for us to launch a range of new products in the country and to provide even better services to our customers.

Cale is also moving on in Europe. In the spring, we will be delivering another large order to Amsterdam, one of our biggest customers, with probably the most advanced systems and highest requirements in the world.

At the Intertraffic trade show, we will demonstrate our latest terminal, CWT Compact, and the back office system CWO 2.

Cale is currently investing heavily in R&D, customer support and business development and you will see many new products and useful features from us in the near future.

Welcome on board an exciting and rewarding journey with Cale!

Henrik Mella, MD, Cale Group

CALE GROUP EXPANDED

In December 2011, Cale Group acquired the assets of Cale Parking Systems USA.

Hereby a new US subsidiary, Cale America, was created. The US market is a top priority for the Cale Group. The creation of a US subsidiary is part of Cale’s global expansion strategy to grow the business both organically and through acquisitions.

Edward Olender has been appointed new President for Cale America. Previously acting as President within Cale Systems Inc., Canada, Mr. Olender will take on the full mandate and responsibility as President for Cale America. Mr. Olender has been with Cale Group for many years. He has a broad knowledge of the parking industry and Cale’s products. Beside his new responsibilities, Mr. Olender will remain President of Cale Systems Inc.

Jeff Nethery has been appointed General Manager of Cale America. Mr. Nethery, will, in close co-operation with Mr. Olender, be responsible for Cale America’s day-to-day operations.
INNOVATION FROM CALE
MARKET REPORT

AUSTRALIA

Cale Australia has received an order from the City of Adelaide. The city is an old customer from the 80s, which has returned and will now upgrade existing terminals.

Cale has also signed a new framework agreement with the City of Melbourne.

BALTIC COUNTRIES

The Cale distributor SIA Hansab has successfully completed a local integration of an EMV chip&PIN credit card solution. This makes it possible to pay in accordance with ruling EMV standards in all three Baltic countries, whereby security to a high degree is improved.

CANADA

For Cale Systems, challenges are like candy

One of Montreal’s major hospitals wanted to install Pay & Display equipment. This project included a number of special requirements including the fact that solar power was the only available option. However, some locations received very little sunlight. Furthermore, they wanted shelters that could provide protection for the elderly during the winter and that would also allow people with reduced mobility to pay for their parking.

Cale Systems is at its best in the face of such challenges. They designed a special shelter; one with a solar power option, securely mounted on a post, high enough to prevent vandalism. The 360° brackets enable the customer to move the panel as required in order to optimise the sunlight. The design also prevents the accumulation of snow.

This installation has been well received and the Cale engineering team has been praised many times for their innovative skills and the ability to identify parking solutions. A number of MPC 104s have now been installed and are operating perfectly at the Louis Hippolyte Lafontaine Hospital in Montreal.

FINLAND

Like the Baltic countries, Laatukilpi OY in Finland has also successfully completed a local integration of a market adopted EMV credit card solution, allowing secure payments.

GERMANY

Upgrade possibility from MP 102 to MP 104

In Germany, Cale’s focus is on the much appreciated upgrade kit, transforming an MP 102 terminal to an MP 104 version with little effort. This gives the operator the possibility to benefit from new features and connectivity to Cale WebOffice. This approach has been very well received as it offers high value for the investment and is environmentally friendly.
The City of Kassel

Following a public tender, the City of Kassel has placed a repeat order with Cale Deutschland for a large number of MP 104 terminals. With this enlargement of their stock, around 170 Cale MP 104 terminals are now in use in Kassel. The new terminals replace older Cale MP 5005 terminals, which have been in good use for over 20 years.

New customers for Cale Deutschland

Despite tough competition, Cale Deutschland was able to win some new customers in 2011. A few examples are the Cities of Frankenberg (Eder) and Willingen (Upland), the municipalities Bienenbüttel and Ebergötzen and the Stadtwerke Dingolfing. All these customers have taken the decision to invest in Cale equipment.

The City of Würzburg

The City of Würzburg (SVG Würzburg) has ordered 40 refurbished MP 104 terminals from Cale Deutschland. The terminals were earlier used as ticketing terminals within public transport.

These terminals are replacing older MP 8008 terminals, which also have been in service for over 20 years.

The terminals have been upgraded to the latest technical standard and offer the possibility to communicate via Internet over a modem.

The City of Göttingen

Even the City of Göttingen has invested in refurbished MP 104 terminals. 60+ terminals are right now replacing around 20 year old parking terminals. The upgrade of stock also makes it possible for Göttingen to connect to Cale WebOffice over Internet. At the same time, existing MP 102 terminals are upgraded to new MP 104 technology.

New customers for Cale Deutschland

Also when it comes to equipment for camping parking areas, Cale Deutschland has won a number of new customers. The possibility to use bank notes offers operators of camping parking areas great benefits.

HOLLAND

Through the Dutch Cale distributor, Schmit Parkeersystemen, Cale has received a number of repeat orders from Zwolle, Utrecht and Maastricht.

Furthermore, Cale is pleased to announce a substantial new order for 700 terminals from the City of Amsterdam.

This is the latest in a series of orders to the City of Amsterdam, which by the end of the summer will operate close to 3,000 Cale CWT 2120 terminals in the city.

Cale looks forward to further cooperation with this very important and innovative customer.

IRELAND

Cale has won a public tender for a larger number of coin operated MPC terminals for installation in Douglas, a suburb of Cork. The terminals are connected to CWO via GPRS.
SWEDEN

Following a public tender, the city of Eskilstuna has renewed the contract with Cale for terminals until the autumn of 2013, and additionally, for service and spare parts until the autumn of 2014. Important in the evaluation was that the equipment would hold a high level of operational security.

Mobil Park was the first company in Sweden to invest in CWT Compact. Installation will take place in the skiing and leisure resort of Åre, which receives plenty of international visitors every year. CWT Compact is especially suited for such a location, due to the flexibility in using several languages with all user instructions on the display. CWT Compact today handles up to eight different languages. Another benefit is the flexibility in changing tariffs, which is useful as the operator wants to be able to raise the parking fee during weeks when Swedish schools have “sport” holiday (as the resort then becomes more crowded).

Parkingsservice in Södertälje (south of Stockholm) has purchased a number of EMV approved MP 104 terminals. They are painted in a special green colour to emphasise the operator’s environmental consideration.

Post payment

Cale has released the full range of EMV PCI DSS solutions for the Nordic market supporting both pre-payment and post-payment, with and without PIN-pad. e2e (end-to-end encryption) is also supported. Several customers have started to upgrade their terminals.

Centralsjukhuset in Karlstad (Karlstad Central Hospital) has upgraded to EMV (VISA and MasterCard) and in connection with this invested in further MPC terminals.

Södra Älvsborg’s Hospital (Borås Lasarett) has also upgraded to EMV and combined this with purchase of a number of MP 104 terminals for card payment. Earlier, it was only possible to pay by petrol card.

Västerås and Örebro are other cities, who have started their upgrade.

UNITED KINGDOM

MP 104 at Kielder Water & Forest Park

Kielder Water & Forest Park is the largest man-made forest and lake in Northern Europe. The special combination of the water and forest plus unique local scenery make for an excellent tourist and leisure location, which is enjoyed by many thousands of visitors each year.

In a joint venture between the Forestry Commission and Northumbrian Water, Cale MP 104 terminals were installed at the location’s car parks.

The terminals were chosen for their proven reliability, durability and ease of operation. The terminals also make use of the MP 104’s advanced tariff capabilities to provide visitors with the ability to make donations that go towards the upkeep of the services provided to visitors.
**Barrier solution in Rushmere Country Park**

In 2011 The Countryside Access Service of Central Bedfordshire Council complimented the existing facility at Stockgrove Country Park with the Rushmere Estates. At the same time, the Council decided to introduce charges at both of the parks. They chose a fixed price pay-at-exit system from Cale BriParc. Proximity season cards are offered to the many regular visitors and it is possible to pay with tokens purchased at cafes located within the parks, in case the visitor does not have the correct change. A GSM wireless intercom system was installed and when a driver presses the help button, one of several pre-programmed telephone numbers is automatically dialled. The call recipient has the ability to remotely raise the barrier using their handset.

The products have proven reliable, which was an important consideration for the Council.

**Solar credit card success in Bedford**

Bedford Borough Council has installed two MP 104 solar powered EMV, level 2, credit card terminals.

During the week, the car park operates at near saturation with many drivers choosing to take advantage of the credit card payment facility at the terminal.

The use of solar powered terminals meant that there was a significant cost savings for the Council, as they did not have to install a mains supply. The terminals have proven reliable on solar and are very popular with customers.

**USA**

Cale’s newest subsidiary, Cale America, has begun in 2012 with some key business wins and orders from existing customers. The City of Wells, Maine, will be installing Cale terminals in beach parking lots, while Portland, Maine, will begin the process of converting its single space on-street terminals to the MPC terminal.

Due to the lack of snow this winter in Minneapolis, the City, which already has more than 300 pay-by-space terminals installed, has just ordered 100 more terminals. The next phase of the MPC terminal installations will begin in March.
CORPORATE INFORMATION

NEW PRODUCT MANAGER

From February 6th, Ola Jorup joins the product management team at Cale Access.

Ola has plentiful experience from project and product management within the telecom sector. During his latest employment at Symsoft AB, he was responsible for online charging products towards a global customer base of mobile network operators.

Ola will complement the product management team with his experience and his great interest for products and services.

NEW INTERNATIONAL SUPPORT

Since February 1st, Tony Lindberg is working with international support at Cale Access.

Tony has worked at the Cale production facility ParkOPrint, a part of the AQ Group, for 10 years. His main tasks have been assembly and quality control of the CWT 2100 series. This gives him a big advantage working with Cale products and services.

NEW DATABASE ADMINISTRATORS

Cale Access has employed two new Database Administrators (DBA), Pierre Aslan and Ömer Aslan. The DBA has an important role in taking care of Cale’s production databases and serving various systems. They also help customers with their CWO backoffice systems.

Pierre has a BSc degree in Industrial Engineering from Turkey and the US and has post graduate studies from Sweden. He also has vast experience from database administration at various companies in different branches.

Ömer Aslan has an MSc in Telecommunications and Network Systems and has experience from working in many different countries.

LOCAL REPRESENTATION IN SPAIN

Since January 2012, Cale has employed Gaby Chaib as Sales Representative in Spain. Gaby will have his base in the office of Scheidt & Bachmann in Madrid.

Gaby Chaib is an experienced engineer and business development professional with over 10 years of experience across industries on three continents. Mr. Chaib started his career at Accenture in Canada, where he first held technical roles and then moved towards client oriented and business development responsibilities.

Mr. Chaib holds an Electrical Engineering degree from Canada’s Polytechnique University and was trained at Sherbrooke’s Business School.
MILESTONES IN THE US MARKET

Last year, Cale achieved two major milestones in the US market. The first was passing the 10,000 installed terminals threshold. In fact, more than 11,000 terminals were installed throughout the country by the end of 2011. The company should surpass the mark of 13,000 installed terminals before the end of this year.

The second milestone was the expansion of the CALE Help Desk and Call Center programme, in which trained Cale agents answer calls from terminal users and field questions about multiple municipal parking programmes. The service also includes online logging and tracking of terminal maintenance and dispatching of field service technicians utilising smartphone apps for ticket updates. After launching the service for Chicago in 2009 and handling more than 100,000 parking calls, Cale now takes all inbound parking calls in the cities of Baltimore, Maryland; Portland, Oregon; Indianapolis, Indiana; Akron, Ohio; and the Baltimore County Revenue Authority.

WHERE TO SEE CALE PRODUCTS 2012

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<td>27-30 Mar.</td>
<td>Intertraffic, Amsterdam, Holland</td>
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<td>22-24 May</td>
<td>Svepark Conference and Expo, Växjö, Sweden</td>
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<td>10-13 Jun.</td>
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