

Consolidated report for the first three months of the financial year 2014 in accordance with IFRS

Berlin, 30 May 2014

Performance figures

	01/01 - 31/03/2014 in k€	01/01 - 31/03/2013 in k€	Change in k€
Revenue	8.066	8.299	-233
Gross profit	6.652	6.572	+80
Personnel expenses	5.887	5.504	+383
EBIT	-820	-585	-235
Consolidated loss	-865	-658	-207

Report on the situation

Performance figures

With revenue for the first three months of € 8.066 k (2013: € 8.299 k) and gross profit of € 6.652 k (2013: € 6.572 k), IVU has made a solid start to the financial year 2014. While revenue was slightly lower than the previous year, gross profit, which reflects IVU's own value creation, improved. EBIT at - € 820 k was down on the previous year (2013: - € 585 k). This is due to the 7% increase in personnel expenses to € 5.887 k (2013: € 5.504 k) in line with personnel capacity increase.

The first quarter performance is typical for IVU's seasonal business cycle. This will not affect the annual results and the targets set for 2014 will be achieved. This is backed up by the good level of orders, which total some € 40 million as of 30 April 2014 – already accounting for about 80% of the planned annual revenues for the current financial year.

Important projects in Q1 2014

Colombia. Ibagué chooses the IVU.suite.

Following the example of the Colombian city of Cali, which has successfully created a modern Bus Rapid Transit System (BRT) using the IVU.suite, Ibagué, which lies 200 km to the north-east, has now also chosen to introduce IVU technologies to modernise its urban transport system. In order to provide more efficient bus transport for its 500,000 residents, the municipality has commissioned IVU with the introduction of its e-ticketing system, including planning and fleet management. The first buses are already being fitted out with the new systems, and the installation of all the components is due to be completed in 2015.

Munich. Modern local elections with IVU.elect.

On 16 and 30 March, the city council, district councillors and mayor were elected in the Bavarian state capital of Munich. More than 1 million voters were called upon to choose the 80 members of the city council in a complex process of counting and vote-splitting. This is the fifth time that an election in Munich has been carried out using IVU software. IVU.elect significantly supported a total of 9,000 poll workers in the organisation of 1,000 polling stations, as well as compiling, calculating, checking and presenting the results.

London. Another award for IVU.realtime.cloud.

On 6 March this year, IVU received the London Transport Award 2014, together with Transport for London und Aardvark, in the category “Excellence in Technology”, following on the UITP Award it won in May 2013. The Jury recognised in particular the integration of cloud technology, which makes live departure times of 8,500 London buses at 19,000 stops available for external application via the Unified Real-time API.

Karlsruhe. IVU at IT-Trans.

Once again this year, IVU took part in the biennial international conference and trade fair for IT solutions in public transport. More than 3,600 trade visitors from more than 50 nations came to Karlsruhe from 18 to 20 February 2014 to inform themselves about the latest developments.

IVU User Forum. The public transport sector meets in Berlin.

This year, the IVU User Forum took place for the 26th time in the Estrel Hotel Berlin. On 10 and 11 March 2014, customers and partners of IVU Traffic Technologies AG had the opportunity to listen to a variety of talks and to visit an accompanying exhibition in order to learn more about the latest trends in the sector and to discuss the current challenges facing public transport. This event has established itself as an important meeting place for the sector, as is demonstrated by this year’s record number of participants: some 450 representatives of public transport companies from 12 countries took up the invitation to come to Berlin.

Myanmar. IVU accompanies German President to Yangon.

IVU CEO Martin Müller-Elschner is one of 14 business delegates who accompanied the German Federal President Joachim Gauck on his three-day trip to Myanmar from 9 to 11 February. They were attending the first German-Myanmar Economic Forum in Yangon (Rangoon), which Joachim Gauck officially opened. The delegates were provided with an excellent platform for dialogue with representatives of the local economy, with a view to future cooperation.

Personnel

Personnel development	2014	2013	Change in %
No. of employees as of 31 March	411	381	+8%
Personnel capacity * 1 January – 31 March	334	312,5	+7%

* Equivalent number of full-time employees (FTE)

In the first quarter of 2014 we strengthened our team in Germany and internationally as planned. The personnel capacity has increased by 7% in comparison with the same period in the previous year to 334. In addition to recruiting specialists with good qualifications, IVU also attaches particular importance to the development of individual potential. The encouragement of women in STEM professions remains an important topic. In March this year, IVU participated again in the national 'Girls' Day' and offered interested female students the opportunity to learn more about the work of IVU engineers.

Outlook

The good order-book situation promises a continuing positive business trend. We therefore anticipate for 2014 annual revenue of € 48 million and a gross profit of € 36 million.

Risks

The risks are described on pages 20 and 21 of the Annual Report 2013. No new risks have arisen. Neither have there been any changes in risk management or financial controlling.

Transactions with related individuals

In the period covered by this interim report, there were no transactions with related individuals.

Declaration in accordance with WpHG Section 37w, paragraph 5 sentence 6

This three-month report was not subjected to an auditor's inspection.

Consolidated report through until 31 March 2014 in accordance with IFRS

	Q1 2014	Q1 2013
	in k€	in k€
Revenues	8,066	8,299
Other operating revenues	260	92
Material costs	-1,674	-1,819
Gross profit	6,652	6,572
Personnel expenses	-5,887	-5,504
Depreciation of non-current assets	-211	-238
Other operating expenses	-1,374	-1,415
EBIT	-820	-585
Financial revenues	0	0
Financial expenses	-45	-80
Earnings before taxes (EBT)	-865	-665
Taxes on income and revenues	0	7
Consolidated loss	-865	-658
	2014	2013
	EUR	EUR
Earnings per share (undiluted and diluted)	-0.05	-0.04
Average number of shares in circulation (in thousands)	17,719	17,719

Statement of comprehensive income 1 January - 31 March 2014

	Q1 2014	Q1 2013
	in k€	in k€
Consolidated loss	-865	-658
Currency translations	0	5
Other earnings after taxes	0	5
Total consolidated earnings after taxes	-865	-653

Consolidated balance sheet in accordance with IFRS as of 31 March 2014

<u>ASSETS</u>	31/03/2014	31/12/2013
	k€	k€
A. <u>Current Assets</u>		
1. Liquid funds	15,993	10,668
2. Current trade receivables	10,413	17,867
3. Current receivables from construction contracts	8,391	7,135
4. Inventories	2,760	2,553
5. Other current assets	4,311	4,250
Total current assets	<u>41,868</u>	<u>42,473</u>
B. <u>Non-current assets</u>		
1. Fixed assets	1,361	1,477
2. Intangible assets	11,582	11,593
3. Non-current trade receivables	1,750	1,252
4. Deferred tax assets	2,200	2,200
Total non-current assets	<u>16,893</u>	<u>16,522</u>
	<u>58,761</u>	<u>58,995</u>
<u>LIABILITIES</u>		
A. <u>Current liabilities</u>		
1. Current financial liabilities	3	0
2. Current trade payables	1,607	2,588
3. Obligations arising from construction contracts	9,798	10,625
4. Provisions	1,099	1,101
5. Tax accruals	1,259	1,259
6. Other current liabilities	9,030	6,665
Total current liabilities	<u>22,796</u>	<u>22,238</u>
B. <u>Non-current liabilities</u>		
1. Tax accruals	0	0
2. Pension provisions	3,897	3,755
3. Others	292	361
Total non-current liabilities	<u>4,189</u>	<u>4,116</u>
C. <u>Equity</u>		
1. Subscribed capital	17,719	17,719
2. Capital reserves	3,696	3,696
3. Retained earnings	-450	-450
4. Consolidated balance sheet profit	10,765	11,630
5. Currency translations	46	46
Total equity	<u>31,776</u>	<u>32,641</u>
	<u>58,761</u>	<u>58,995</u>

Consolidated cash flow statement in accordance with IFRS as of 31 March 2014

	Q1 2014	Q1 2013
	k€	k€
1. Business activities		
Consolidated earnings before income and taxes of the period	-865	-665
Depreciation of fixed assets	211	238
Changes to provisions	140	18
Earnings from interest	45	80
Other non-cash income and expenses	-7	5
	<u>-476</u>	<u>-324</u>
Change of items of current assets and current borrowed funds		
Inventories	-207	-460
Receivables and other assets	5,640	2,476
Liabilities (without provisions)	489	-1,680
	<u>5,446</u>	<u>12</u>
Interest payments	-45	-80
Cash flow from current business activities	<u>5,401</u>	<u>-68</u>
2. Investment activities		
Payments for investments in property, plant and equipment	-79	-66
Cash flow from investment activities	<u>-79</u>	<u>-66</u>
3. Financing activities		
Cash receipts from the acceptance of current financial liabilities	3	0
Cash flow from financing activities	<u>3</u>	<u>0</u>
4. Liquid funds		
Effective change in liquid funds	5,325	-134
Liquid funds at the beginning of the period	10,668	5,236
Liquid funds at the end of the period	<u>15,993</u>	<u>5,102</u>

(+ = cash inflow / - = cash outflow)

Group equity change in accordance with IFRS as of 31 March 2014

	Subscribed capital	Capital reserves	Retained earnings	Foreign exchange rate changes	Balance sheet loss	Total
	k€	k€	k€	k€	k€	k€
As of 1 January 2013	17,719	46,456	-608	100	-34,957	28,710
Consolidated profit 2013	0	0	0	0	3,827	3,827
Other income after taxes	0	0	158	-54	0	104
Offsetting	0	-42,760	0	0	42,760	0
Total consolidated profit/loss after taxes	0	-42,760	158	-54	46,587	3,931
As of 31 December 2013	17,719	3,696	-450	46	11,630	32,641
As of 1 January 2014	17,719	3,696	-450	46	11,630	32,641
Consolidated loss 1 January to 31 March 2013	0	0	0	0	-865	-865
Other income after taxes	0	0	0	0	0	0
Total consolidated profit/loss after taxes	0	0	0	0	-865	-865
As of 31 March 2014	17,719	3,696	-450	46	10,765	31,776

Responsibility statement

(in accordance with Sections 264.2 Sentence 3, & 289.1 Sentence 5 of the German Commercial Code - HGB)

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Berlin, in May 2014

A handwritten signature in black ink, appearing to read 'Martin Müller-Elschner'.

Martin Müller-Elschner

A handwritten signature in black ink, appearing to read 'Dr. Helmut Bergstein'.

Dr. Helmut Bergstein

A handwritten signature in black ink, appearing to read 'Frank Kochanski'.

Frank Kochanski

Financial calendar 2014

3 June 2014	General meeting
27 August 2014	Six-month report up to 30 June
28 November 2014	Nine-month report up to 30 September

Contact:

IVU Traffic Technologies AG
Bundesallee 88, 12161 Berlin
Tel: +49.30.85906-0
Fax: +49.30.85906-111
E-Mail: ir@ivu.de
Internet: www.ivu.de