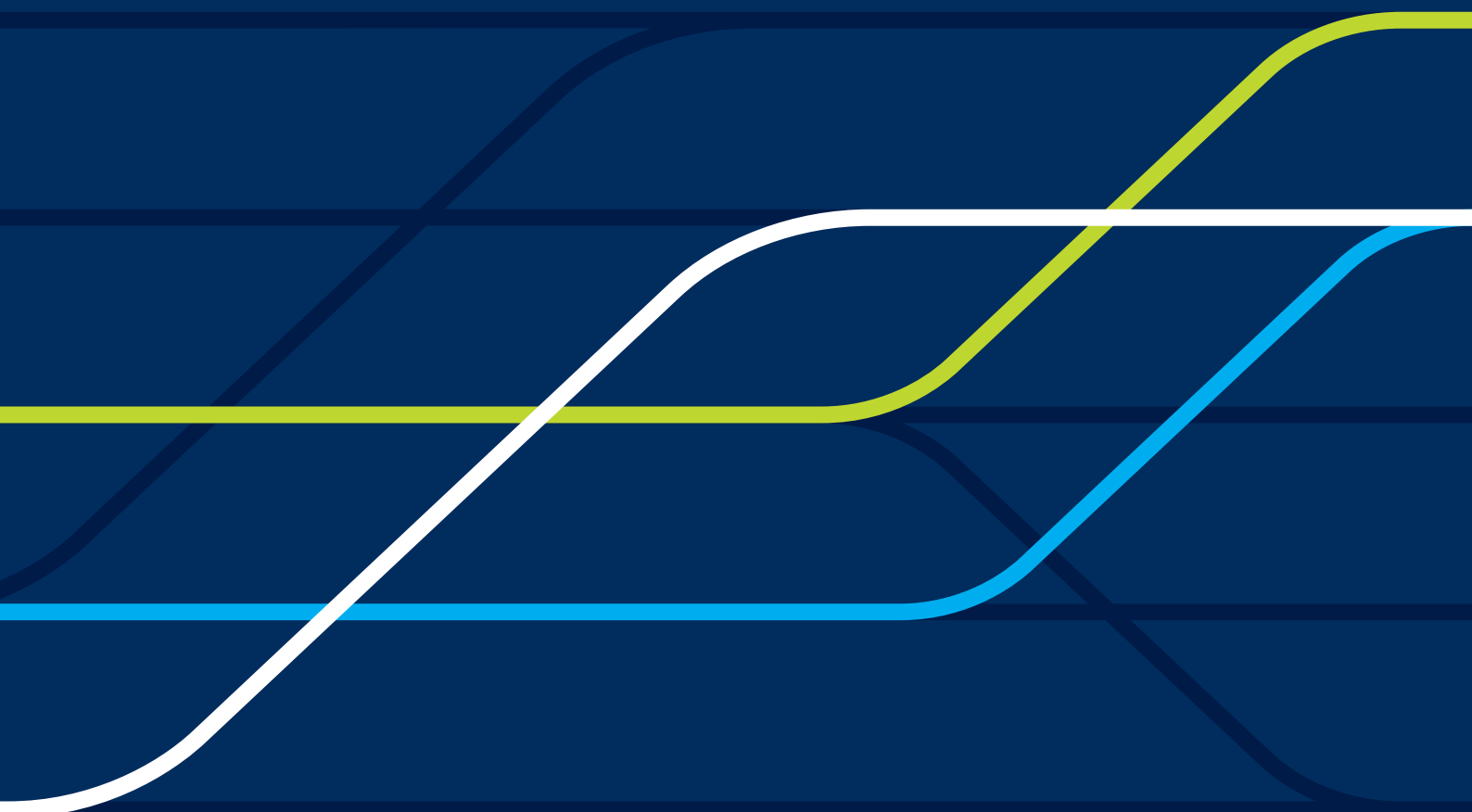


QUARTERLY REPORT

THIRD QUARTER 2019



Performance

KEY FIGURES

	JAN-SEP 2019 € THOU.	JAN-SEP 2018 € THOU.	CHANGE € THOU.
Revenues	49,299	51,932	-2,633
Gross profit	36,492	35,317	+1,175
Personnel expenses	27,403	24,722	+2,681
EBIT	1,689	3,149	-1,460
Consolidated net results	1,398	2,731	-1,333

FINANCIAL PERFORMANCE

IVU will close fiscal 2019 with new record figures as planned, even though the figures for the first nine months of the year are partly lower than in the same period of the previous year. It should be noted here that the figures for the first nine months of the previous year were particularly high due to early hardware deliveries and special items.

Revenue for the first nine months of 2019 was at €42,299 thousand (2018: €51,932 thousand), slightly lower than in the same period last year. Gross profit, which reflects IVU's own value added, increased by €1,175 thousand to €36,492 thousand (2018: €35,317 thousand).

IVU's personnel capacity will increase as planned by 7% in view of the sustained growth of business. Personnel costs will increase by 11% to €27,403 thousand (2018: €24,722 thousand) in the same period of the previous year.

The operating result (EBIT) of €1,689 thousand (2018: €3,149 thousand) is below the comparable period of the previous year. The reasons for this are the above-mentioned positive special effects in the previous year of €700 thousand and the more pronounced seasonal course of business this year, in which a large proportion of invoicing takes place in the fourth quarter.

IVU's operating cash flow of €9,583 thousand (2018: €9,404 thousand) was slightly higher than in the previous year. After deducting the cash flow from investing activities of €638 thousand (2018: €560 thousand) and financing activities of €3,047 thousand (2018: €1,772 thousand), which includes the dividend payment of €2,126 thousand, cash and cash equivalents increased by €5,898 thousand.

The first-time application of the new accounting standard IFRS 16 resulted in an increase of €895 thousand in depreciation and amortization and €93 thousand in financial expenses compared with the prior-year period. At the same time, other operating expenses were reduced by €954 thousand.

OUTLOOK

Demand for IVU products remains high. The order backlog completely covers the planned annual revenue, and the focus is therefore on processing orders on schedule by the end of the year.

We therefore continue to expect revenue of over €80 million, gross profit of at least €55 million and operating earnings (EBIT) of now over €7 million for 2019.

Important projects

BERN. SBB USING IVU.RAIL FOR STATIONARY PERSONNEL

Conveying around 1.25 million local and long-distance passengers every single day, SBB is the biggest railway company in Switzerland and the backbone of the country's public transport network. To provide the best possible customer service, SBB employs 2,300 people – including trainees – at its contact centre and its currently around 150 travel centres throughout Switzerland. The company has recently started planning and dispatching its services in a standardised manner with IVU.rail in IVU.cloud. Originally developed for transport operations, the IVU solution offers numerous functions that can also be used for planning and dispatching SBB's stationary personnel. Hosting in the IVU.cloud means that SBB no longer has to perform complex and time-consuming operations management. Of course, all the data is stored redundantly and secured in accordance with the most stringent standards against unauthorised access.

BERLIN. FLEET MANAGEMENT FOR TRANSDEV GROUP

A single software program for seven companies: thanks to a new all-in-one system from IVU Traffic Technologies, the Transdev Group – Germany's largest private mobility provider – is taking another step towards standardising its processes. The largest private operator of bus and railway services in Germany has been using the IVU.suite for some time now to efficiently schedule, deploy and manage its vehicles and employees. Another milestone has now also been reached: seven subsidiaries operating around 450 buses in Rhineland Palatinate and eastern Germany have commissioned an integrated, all-in-one system for ITCS and ticketing. The IVU.ticket.box on-board computer was installed in all vehicles. The ITCS IVU.fleet and the duty scheduling system IVU.crew also run in the background.

BREMEN. VBN ORDERS INTEGRATED PLANNING SYSTEM

As an amalgamation of over 30 private and municipal transport operators, VBN provides all public transport in the network region covering the cities of Bremen, Bremerhaven and Oldenburg. With the recently ordered planning system, VBN wants to give the small and medium-sized operators in the network access to an integrated resource planning tool to ensure non-discriminatory access to the German public transport market in the future. VBN has already been using the fleet management system IVU.fleet for network-wide fleet management and connection management since 2013. Now, the association is adding the planning products IVU.run and IVU.duty to the tools available to its members. The integrated system allows transport companies to use a computer-supported vehicle and duty scheduling system to deploy vehicles and employees efficiently.

WILDAU. RESEARCH PROJECT MAAS L.A.B.S. LAUNCHED

Mobility as a service is the future of public transport – from trains to bikes for hire culminating in a section of the journey on an autonomous bus, all seamlessly connected in a single system. IVU is now researching ways of making this idea a reality together with its partners in the MaaS L.A.B.S. project funded by the German Federal Ministry of Education and Research. IVU is bringing its expertise as a specialist in integrated software solutions to bear within the MaaS L.A.B.S. project in the development and implementation of forecast and routing algorithms for on-demand transport. The project partners include the Technical University of Applied Sciences Wildau, the University of Siegen and the University of Applied Sciences in Potsdam, transport operators in the cities involved in the project and companies in the industrial sector.

Personnel

FURTHER BUSINESS EVENTS

On September 24, Swiss BLS AG announced in an ad hoc announcement that it would cancel the introduction of a new resource planning system in the rail sector at short notice. We regret this decision but will continue to work with BLS in the areas of bus, ship and stationary personnel. Following the decision, we had very constructive discussions with BLS. BLS will pay invoices in full for services already rendered by us, as contractually agreed, so that no depreciation will be necessary. The resources and employees that have become available are already being used on other projects. We therefore do not expect any impact on the 2019 financial result.

PERSONNEL

The personnel capacity has increased by 7% in comparison with the same period in the previous year to 488 FTE. We are planning to further invest in additional employees in the areas of product development and project management, in order to further strengthen our market position.

	2019	2018	CHANGE
Number of employees as of 30 September	628	565	+11%
Personnel capacity * 1 January – 30 September	488	454	+7%

¹ Equivalent number of full-time employees (FTE).

RISKS

The risks are described on pages 35 and 36 of the Annual Report 2018. No new risks have arisen.

CONSOLIDATED INCOME STATEMENT

1 JANUARY TO 30 SEPTEMBER 2019

	Q3-2019 € THOU.	Q3-2018 € THOU.	JAN-SEP 2019 € THOU.	JAN-SEP 2018 € THOU.
Sales revenues	19,012	21,967	49,299	51,932
Other operating income	157	627	218	1,114
Cost of materials	-5,789	-7,950	-13,025	-17,729
Gross profit	13,380	14,644	36,492	35,317
Personnel expenses	-8,929	-7,951	-27,403	-24,722
Depreciation and amortisation on non-current assets	-504	-486	-1,507	-1,077
Other operating expenses	-2,191	-2,433	-5,893	-6,369
Operating results (EBIT)	1,756	3,774	1,689	3,149
Financial income	0	13	1	13
Financial expenses	-65	-43	-214	-152
Pre-tax profit (EBT)	1,691	3,744	1,476	3,010
Income taxes	-48	-45	15	-109
Deferred taxes	-31	-57	-93	-170
CONSOLIDATED NET RESULTS	1,612	3,642	1,398	2,731
Earnings per share (basis and diluted)			0.08	0.15
Average shares outstanding (in thousand shares)			17,719	17,719

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 JANUARY TO 30 SEPTEMBER 2019

	JAN-SEP 2019 € THOU.	JAN-SEP 2018 € THOU.
Consolidated net results	1,398	2,731
Currency translation	15	-4
Items that may be reclassified subsequently to profit or loss	15	-4
Other comprehensive income after taxes	15	-4
CONSOLIDATED TOTAL COMPREHENSIVE INCOME AFTER TAXES	1,413	2,727

Balance sheet

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2019

ASSETS	30 SEP 2019 € THOU.	31 DEC 2018 € THOU.
A. Current assets		
1. Cash and cash equivalents	27,196	21,298
2. Current trade receivables	8,675	24,590
3. Contract assets	21,268	13,135
4. Inventories	2,241	2,146
5. Other current assets	5,036	3,873
Total current assets	64,416	65,042
B. Non-current assets		
1. Property, plant and equipments	1,125	1,043
2. Intangible assets	11,582	11,596
3. Rights of use	7,516	0
4. Non-current trade receivables	0	37
5. Deferred taxes	1,568	1,661
Total non-current assets	21,791	14,337
TOTAL ASSETS	86,207	79,379

LIABILITIES	30 SEP 2019 € THOU.	31 DEC 2018 € THOU.
A. Current liabilities		
1. Current trade payables	2,451	3,273
2. Contract liabilities	13,372	7,865
3. Provisions	847	1,235
4. Provisions for taxes	141	1,714
5. Other current liabilities	9,024	12,110
Total current liabilities	25,835	26,197
B. Non-current liabilities		
1. Leasing liabilities	7,549	0
2. Provisions for pensions	5,158	4,804
Total non-current liabilities	12,707	4,804
C. Equity		
1. Share capital	17,719	17,719
2. Retained earnings	2,500	2,500
3. Other reserves	-970	-985
4. Balance sheet profit	28,416	29,144
Total equity	47,665	48,378
TOTAL LIABILITIES	86,207	79,379

Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 JANUARY 2018 TO 30 SEPTEMBER 2019

	SHARE CAPITAL € THOU.	RETAINED EARNINGS € THOU.	OTHER COMPRE- HENSIVE INCOME € THOU.	FOREIGN EXCHANGE RECONCIL- ING ITEM € THOU.	UNAPPRO- PRIATED SURPLUS € THOU.	TOTAL € THOU.
As at 1 January 2018	17,719	0	-932	38	27,175	44,000
Consolidated net income 2018	0	0	0	0	6,159	6,159
Transfer to retained earnings	0	2,500	0	0	-2,500	0
Other comprehensive income, net of tax	0	0	-82	-9	82	-9
Dividend distribution (€0.10 per share)	0	0	0	0	-1,772	-1,772
Consolidated recognised results after tax	0	2,500	-82	-9	1,969	4,378
AS AT 31 DECEMBER 2018	17,719	2,500	-1,014	29	29,144	48,378
As at 1 January 2019	17,719	2,500	-1,014	29	29,144	48,378
Consolidated net results 1 Jan–30 Sep 2019	0	0	0	0	1,398	1,398
Other comprehensive income, net of tax	0	0	0	15	0	15
Dividend distribution (€0.12 per share)	0	0	0	0	-2,126	-2,126
Consolidated recognised results after tax	0	0	0	15	-728	-713
AS AT 30 SEPTEMBER 2019	17,719	2,500	-1,014	44	28,416	47,665

Cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS 1 JANUARY TO 30 SEPTEMBER 2019

	JAN-SEP 2019 € THOU.	JAN-SEP 2018 € THOU.
1. Operating activities		
Group earnings before tax of the period	1,476	3,010
Depreciation on non-current assets	1,507	1,077
Change in provisions	-34	-188
Net interest income	213	139
Other non-cash expenses/income	15	-4
Change of items of working capital and borrowings und des Fremdkapitals		
Inventories	-95	-608
Receivables and other assets	7,523	2,604
Liabilities (without provisions)	1,599	3,591
Interest paid / Guarantee commissions	-214	-152
Income taxes paid	-2,407	-65
Cash flow from operating activities	9,583	9,404
2. Investing activities		
Outflows for investments in non-current assets	-639	-573
Interest received	1	13
Cash flow from investing activities	-638	-560
3. Financing activities		
Change in current and non-current lease liabilities	-921	0
Payment of dividends	-2,126	-1,772
Cash flow from financing activities	-3,047	-1,772
4. Cash and cash equivalents		
Change in cash and cash equivalents	5,898	7,072
Cash and cash equivalents at beginning of period	21,298	11,521
CASH AND CASH EQUIVALENTS AT END OF PERIOD	27,196	18,593

Remarks

ACCOUNTING AND VALUATION PRINCIPLES

This quarterly report does not constitute an interim report within the meaning of IAS 34. With the exception of the first-time application of IFRS 16, the accounting and valuation principles applied for the quarterly report as of 30 September 2019 correspond to the methods applied in the preparation of the consolidated financial statements for the 2018 financial year.

When IFRS 16 is applied to operating leases for the first time, the right to use the leased asset is measured at the amount of the lease liability. In accordance with IFRS 16.C7, the comparative information for the 2018 financial year will not be adjusted in the 2019 financial year.

SEASONALITY OF BUSINESS OPERATIONS

The operative business dealings of the IVU Group are affected by seasonal effects. These relate both to the presentation of maintenance invoices in the first quarter and to the increased invoicing of project costs in the fourth quarter of the financial year.

DECLARATION IN LINE WITH WPHG SECTION 37W, PARA. 5 SENTENCE 6

This quarterly report was not subjected to an auditor's inspection.

TRANSACTIONS WITH RELATED INDIVIDUALS

Martin Müller-Elschner, Chairman of the Executive Board, acquired 2,500 shares on the market in the period under review and as of 30 September 2019 held 235,000 IVU shares.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the quarterly report gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Group interim 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, 20 November 2019

THE EXECUTIVE BOARD



Martin Müller-Elschner



Matthias Rust



Leon Struijk

FINANCIAL CALENDAR

WEDNESDAY, 20 NOVEMBER 2019

Quarterly report as at 30 September.

WEDNESDAY, 27 NOVEMBER 2019

German Equity Forum, Frankfurt/Main

THURSDAY, 26 MARCH 2020

Annual Report 2019

WEDNESDAY, 27 MAY 2020

Quarterly report as at 31 March

THURSDAY, 28 MAY 2020

Annual General Meeting 2020

THURSDAY, 27 AUGUST 2020

Half-year financial Report 2020 as at 30 June

THURSDAY, 19 NOVEMBER 2020

Quarterly report as 30 September

IMPRINT

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