



June 18, 2025

On Track for Further Growth

IVU Drives Efficiency in Public Transport

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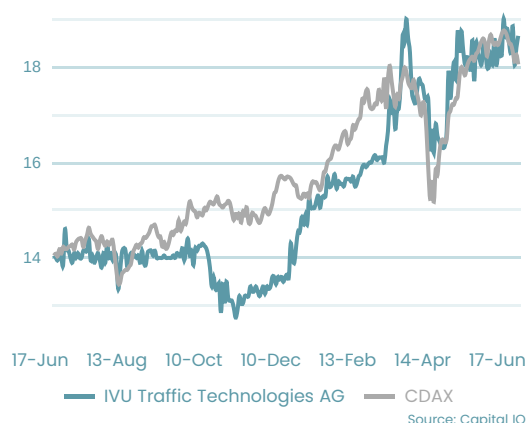
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Rating	Buy
Price target	25.00 EUR
Potential	34%
Share data	
Share price (last close price in EUR)	18.65
Number of shares (in m)	17.3
Market cap. (in EUR m)	322.5
Trading vol. (Ø 3 months; in K shares)	11.5
Enterprise Value (in EUR m)	297.8
Ticker	XTRA:IVU
Guidance	
Sales (in EUR m)	>140
EBIT (in EUR m)	~18

Share price (EUR)



Shareholder	
Founders	20.0%
Mission Trail Partners LP	8.2%
Teslin Capital Management	5.8%
Management	2.2%
Free float	63.8%

Calendar	
Q2 results	August 28, 2025
Q3 results	November 20, 2025
-	

Changes in estimates			
	2025e	2026e	2027e
Sales (old)	145.5	159.8	174.6
Δ	-	-	-
EBIT (old)	18.0	20.3	23.7
Δ	-	-	-
EPS (old)	0.73	0.81	0.95
Δ	-	-	-

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On Track for Further Growth – IVU Drives Efficiency in Public Transport

IVU Traffic Technologies AG is a leading provider of software and related IT services for public transport operators in Europe. With its integrated product portfolio, the company addresses the planning and dispatching of vehicles and staff as well as the control of operations, including onboard computers and ticketing solutions.

The market for intelligent transport systems for public transport benefits from both the structural expansion of public transport and the digitalization of transport companies, which increasingly require real-time information for operational control and passenger information. The increasing market liberalization in the European rail sector increases the pressure on established companies and drives the demand for efficient standard software. The market research institute Berg Insight forecasts an annual **market growth in Europe of 6.3%**. IVU successfully positions itself as a **complete provider for public road and rail transport** in this environment and regularly prevails in large, Europe-wide tenders. With a multitude of large customers, the company achieves a **market coverage in German rail transport of over 90%** and additionally covers a significant part of the market in Europe and in public road transport.

IVU's business model is characterized by high customer retention and predictability: After the initial license sale, the high switching costs due to the complex implementation lead to long-term customer relationships with regular maintenance and support revenues. The historically stable revenue growth of around 10% per year is likely to continue in the future, supported by a **share of recurring revenues of currently over 44%**. In terms of margins, the company is at a relatively low level for a software company with an EBIT margin of 12.6%, which is attributable to the significant increase in personnel and the expansion of research and development capacities. The announced reduction in new hires should enable a gradual scaling and associated increase in profitability in the future. Thanks to the low capital-intensive business model with a lean balance sheet, the company achieves a **high free cash flow conversion**, apart from temporary working capital fluctuations.

Our DCF model forecasts, among other things, an average annual revenue growth of 8.9% (CAGR 2024 – 2031e) and an EBIT margin of 15.5% from 2030e with further long-term potential and implies a fair value of EUR 25.00 per share. Due to the projected revenue and earnings growth, the EV/EBIT decreases from 16.6x (2025e) to an attractive 12.6x (2027e), supporting our positive view.

Conclusion: IVU has been able to distinguish itself in the past as a quality company by reliably achieving the continuously increasing guidance. The convincing historical development is set to continue in the future, supported by additional margin potential. As transport operators, the company's customers are systemically relevant and are currently in focus due to government infrastructure investments. The importance of IVU's solution as the central control and planning software for customers' operations and the increasing share of recurring revenues results in an attractive risk-return profile in our view. We are initiating coverage on the stock with a "Buy" rating and a DCF-based price target of EUR 25.00.

FYend: 31.12.	2023	2024	2025e	2026e	2027e
Sales	122.5	133.7	145.5	159.8	174.6
Growth yoy	8.2%	9.1%	8.9%	9.8%	9.3%
EBITDA	20.3	21.7	23.2	25.5	28.9
EBIT	15.8	16.8	18.0	20.3	23.7
Net income	11.4	12.0	12.6	14.1	16.4
Gross profit margin	81.9%	83.5%	83.3%	82.9%	82.7%
EBITDA margin	16.6%	16.2%	15.9%	16.0%	16.6%
EBIT margin	12.9%	12.6%	12.4%	12.7%	13.5%
Net Debt	-29.7	-22.1	-32.5	-32.1	-37.8
Net Debt/EBITDA	-1.5	-1.0	-1.4	-1.3	-1.3
ROCE	21.7%	20.8%	20.8%	22.6%	24.4%
EPS	0.65	0.69	0.73	0.81	0.95
FCF per share	0.58	0.30	1.05	0.46	0.83
Dividend	0.26	0.28	0.30	0.32	0.34
Dividend yield	1.4%	1.5%	1.6%	1.7%	1.8%
EV/Sales	2.4	2.2	2.0	1.9	1.7
EV/EBITDA	14.7	13.7	12.8	11.7	10.3
EV/EBIT	18.9	17.7	16.6	14.7	12.6
PER	28.7	27.0	25.5	23.0	19.6
P/B	4.1	3.8	3.5	3.2	2.9

Source: Company data, Montega, Capital IQ

Figures in EUR m, EPS in EUR, Price: 18.65 EUR

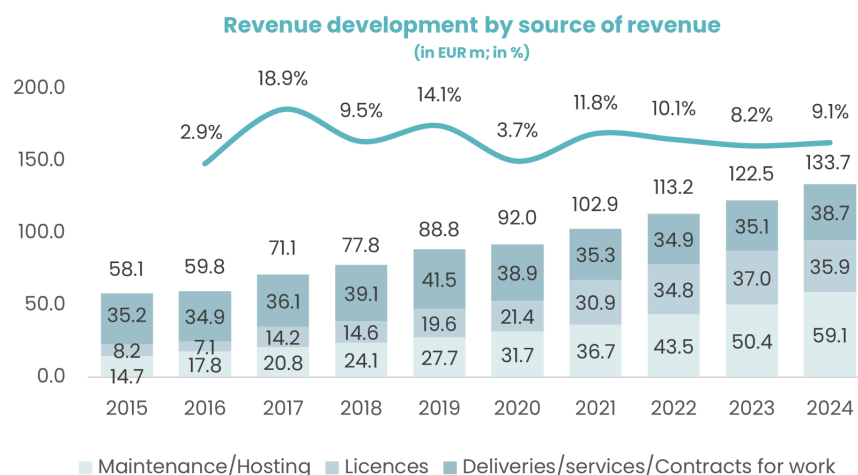
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Investment Case

IVU Traffic Technologies AG is a software company that enables the effective use of vehicles and personnel in public transport. The company's more than 500 customers consist on one hand of operators of road-based public transport mainly with buses, subways, and trams, and on the other hand of railway companies in local and long-distance rail transport.

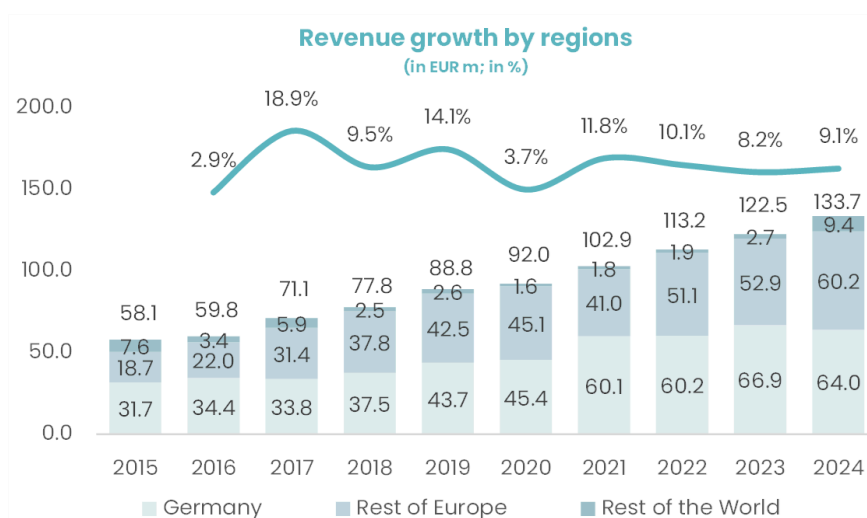
Thanks to the solid business model, steadily increasing revenues with a CAGR of 9.7% (2015–2024) have been generated. The growth rates also showed little fluctuation in recent years.



Source: Company, Montega

Newly acquired IVU customers usually purchase the implemented software as part of fixed contracts for work as a combination of license and service. Following the implementation project, maintenance and support services are provided. With each license sale, the company's recurring revenue base grows, securing future earnings. The shift from on-premise solutions to cloud software generates additional permanent hosting revenue. The share of recurring revenue increased to 44.2% (2024) through consistently high growth rates in maintenance and hosting revenues between 15% and 20% per year.

The company primarily operates in Europe, generating over 90% of its revenues here. About half of the business is in the home market of Germany. No structural changes are observed; instead, the company is growing with slight shifts in all regions. Internationally, the centrally deployed planning software can be used relatively easily, whereas the vehicle-integrated solutions, in contrast, require adaptations to regional data standards and interfaces and are therefore sold in selected markets such as the other DACH countries, the Netherlands, Belgium, Luxembourg, or in Scandinavia. The business with railways is more focused on the planning area and is correspondingly more international.



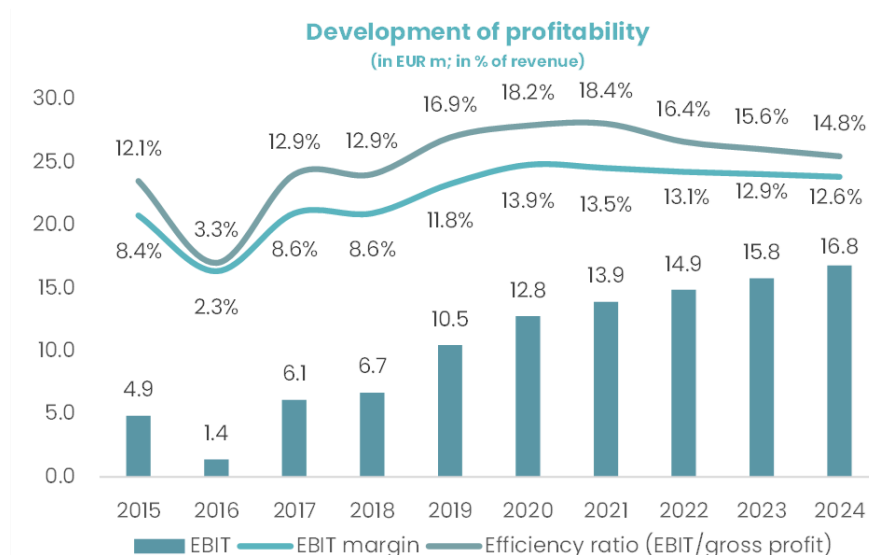
Source: Company, Montega

The product portfolio of IVU is tailored to its two main customer groups, available as IVU.suite for public transportation and as IVU.rail for railway companies. The offering consists, on the one hand, of the "Planning" area with solutions for network and timetable design and also the scheduling and deployment of vehicles and staff. The "Operations" area on the other hand includes software for on-board computers and control centers, as well as ticketing and passenger information solutions. In addition, services such as strategic consulting and the customization of software are offered.

Planning			Operations			
Service planning	Resource planning	Resource dispatching	Fleet management	Ticketing and on-board devices	Information and analytics	Controlling
Network and timetable planning IVU.timetable IVU.trainpath	Vehicle scheduling IVU.run	Vehicle dispatch and depot management IVU.vehicle IVU.charge	Control centre IVU.fleet IVU.controlcentre	Tariff management and fare collection IVU.fare	Dynamic passenger information IVU.realtime IVU.journey	Accounting and reporting IVU.control
Data integration IVU.pool IVU.integration	Personnel and duty scheduling IVU.duty	Personnel dispatch IVU.crew	Incident management IVU.incident	Ticket sales and inspection IVU.ticket	Big data and analytics IVU.data	
		Mobile workplace IVU.pad	On-board software IVU.cockpit	Vehicle equipment IVU.box IVU.ticket.box IVU.validator		

Source: Company, Montega

The revenue growth is also reflected in the EBIT development. In terms of margin, the company has been at a constant double-digit level since 2019, but due to the significant increase in personnel (FTE growth 2015-2024: 10.2% p.a.), it has not been able to achieve any further increase in profitability. IVU also pays attention to the ratio of EBIT to gross profit, which should be at least 12.5% and improve from the current level of 14.8% over the medium term.

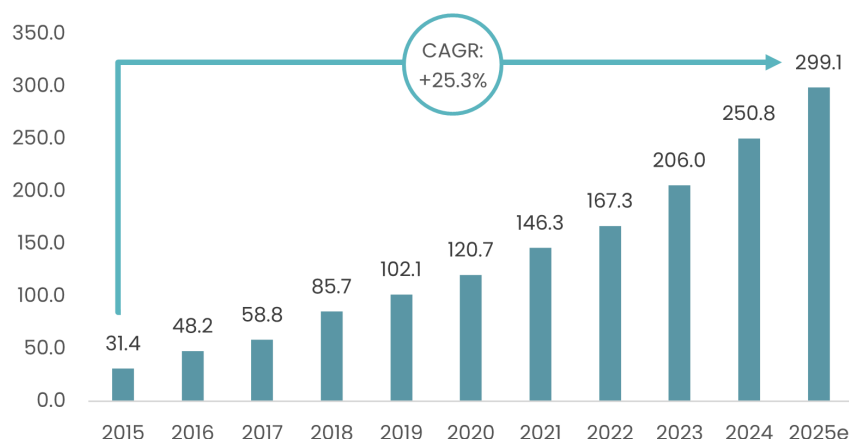


Source: Company, Montega

Growing Importance of Public Transport

Many software providers were able to show significant growth by switching to a software-as-a-service model. The SaaS model is characterized by the transition from a one-time license fee to regular software rental, as well as the expansion of the provider's value creation, particularly through the adoption of hosting in the cloud as opposed to on-premise operation on the servers of the customer. According to Gartner, the strong growth of cloud software or SaaS is expected to continue in 2025 and beyond.

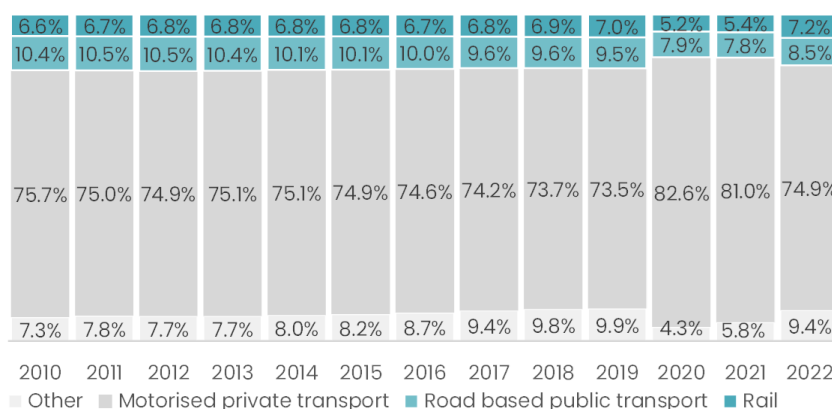
Global expenditure for cloud applications / SaaS
(in USD bn)



Source: Gartner 2024, Montega

Since IVU offers industry-specific solutions and generates over 90% of its revenues in Europe, both the shift to the SaaS model and the general development of the company are dependent on the public transport in Europe. In the industry, investments are often financed through funding programs, so one-time license purchases are preferred by customers. Across the industry, recurring revenues are thus expected to continue to stem over the medium term primarily from software maintenance and cloud hosting, whereas license income from recurring rental models is anticipated to play a subordinate role.

Passenger transport in the EU
(share of passenger-kilometres)



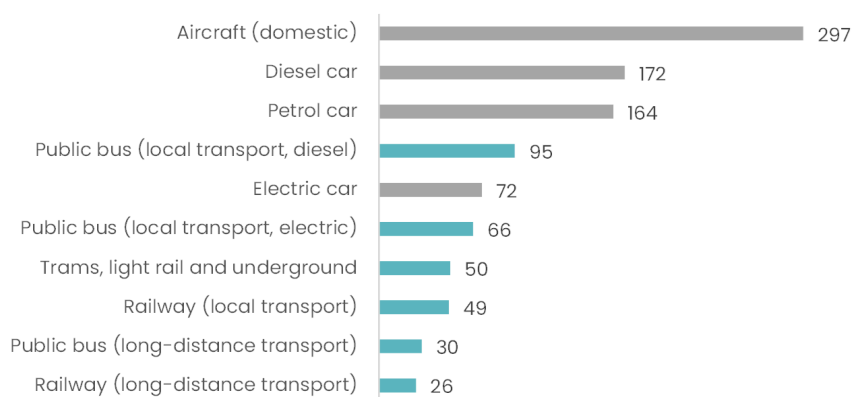
Source: European Commission, Montega, Status: 2024

In European passenger transport, motorized individual transport continues to play a dominant role. Approximately three-quarters of the distance traveled in the EU is covered by cars, mopeds, or motorcycles. During the COVID-19 pandemic, the total distance traveled in the EU fell by almost 30% yoy in 2020, and the share of motorized individual transport temporarily rose to over 80%. By 2022, the figures had approached historical levels. Overall, passenger kilometres increased only slightly over time, with a CAGR of 0.3% from 2010 to 2022.

Public transport is generally lower in emissions than individual transport, making the expansion of public transport desirable for climate protection reasons. Furthermore, public transport offers additional societal benefits through space-saving traffic management and the relief of densely populated cities.

Greenhouse gas emissions per mode of transport

(data for Germany 2023; in g/Pkm)



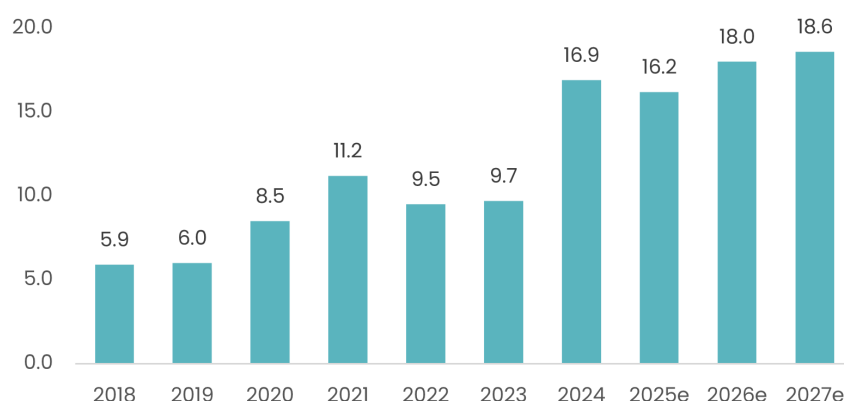
Source: Federal Environment Agency, Montega

According to the European Commission, the distance traveled by public transport is expected to increase with a **CAGR of 3.7%** from 873bn kilometres in 2022 to 1,174bn kilometres in 2030 to achieve the targeted reduction in total emissions by 55% by 2030. Due to the disproportionate growth, the share of total passenger transport is expected to rise from 15.7% to 18.1%. For this, public transport should become competitive with individual transport in terms of costs, frequency, and comfort. A key EU funding instrument for financing transport infrastructure investments is the "Connecting Europe Facility - Transport" with a budget of EUR 25.8bn (+11.2% compared to the previous budget of EUR 23.2bn from 2014-2020). Supported projects include, for example, the construction of a railway line between Lyon and Turin or the acquisition of emission-free buses in Amsterdam. In 2024, grants amounting to EUR 7bn were approved for 134 projects, with 80% of the funding allocated to rail transport.

In Germany, in response to the current maintenance backlog in the rail network, infrastructure funds have been significantly increased. For the period 2025-2027, the Deutsche Bahn will be provided with federal funds amounting to EUR 52.8bn under the so-called "S3" renovation program, which is significantly higher than in the past. The funds are intended, in particular, for the basic renovation of heavily used route corridors and the modernization of outdated signal boxes and operational facilities.

Federal funding for rail infrastructure

(in EUR bn)



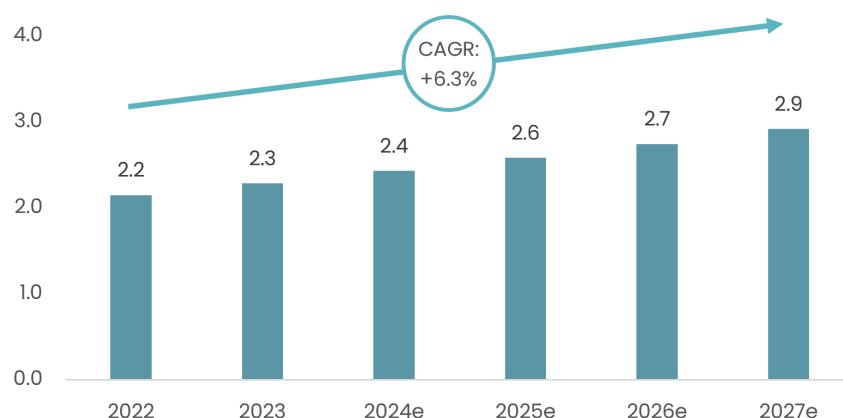
Source: Deutsche Bahn, Montega

In addition, the DB reported an additional investment need of EUR 150bn, of which at least 80bn is required for further general renovations, the repair of railway bridges, and the upgrading of digital signal boxes. The recently adopted special fund for infrastructure and climate neutrality investments, with a budget of EUR 500bn over twelve years, is expected to help with the financing.

The necessary renovations and investments also include the digitization of rail operations, which mainly refers to the digitization of control and safety technology. For example, with a digital signal box, commands can be transmitted via fiber optics to switches and signals. Software solutions such as those offered by IVU are probably less directly affected by the investment programs but could be among the indirect beneficiaries, especially since the solutions are likely to be relatively inexpensive compared to the costly infrastructure. IVU achieved a revenue of EUR 13.2m in 2024 with its largest customer, which is probably Deutsche Bahn.

For suppliers of public transport in the area of intelligent transport systems, disproportionate growth is expected. This market includes systems installed in vehicles, stops, or depots, as well as back-office IT for planning, scheduling, and controlling vehicles.

Market development: Intelligent transport systems for public transport in EU-27+3
(in EUR bn)



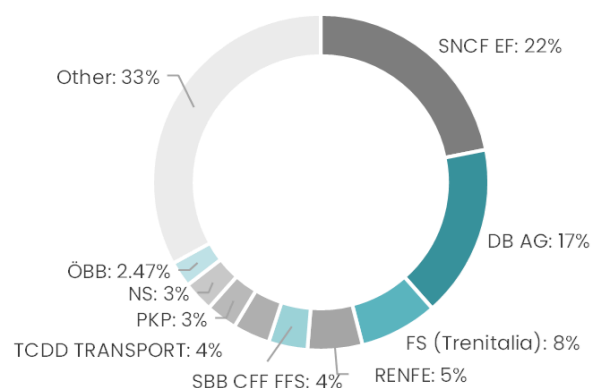
Source: Berg Insight 2024, Montega

Berg Insight, a market research institute, forecasts an annual growth of 6.3% until 2027 for the European market for intelligent transport systems for public transport. The institute identifies growth drivers, particularly in areas where IVU offers corresponding products. This includes the electrification of the bus fleet, which results in additional requirements for planning and scheduling, increasing customer demands for real-time information, and an increasing degree of standardization. Furthermore, by 2027, 94.1% (compared to 2022: 91.0%) of buses are expected to be equipped with GPS-enabled on-board computers.

State Railways Dominate Rail Transport

The distinction between road and rail transport results in two differently structured sales markets, which can also be differentiated by region. Based on IVU's regional revenue distribution and a balanced importance of road and rail transport, we classify rail transport in Europe and in Germany and the German public transport as focus areas, as the business with railway companies is likely to be more international and thus the market outside Germany takes on greater importance than in road transport.

Market shares of European railway companies
(as a share of passenger-kilometres)



Source: UIC, Company, Montega | presumed IVU customers in blue-green

Rail passenger transport in Europe is characterized by (former) state monopolists, who, even after varying degrees of market liberalization, account on average for over 75% of total passenger kilometres in their home country according to IRG-rail. The majority of activity is concentrated in the home market, so market shares in Europe depend particularly on the size of the national market. The largest companies, therefore, come from the countries with the largest railway networks in Europe, such as the French SNCF, which due to the late opening of the French market holds over 99% market share there, and Deutsche Bahn. However, even railway companies that have relatively small market shares in our European perspective can be large companies and relevant customers. For example, we calculated a market share of 0.2% for the second-largest railway company in Switzerland (BLS AG) with 1.1bn passenger kilometres. At the end of 2024, BLS AG announced that it would spend CHF 49m over 14 years for purchasing, operating and maintaining IVU's resource planning system.

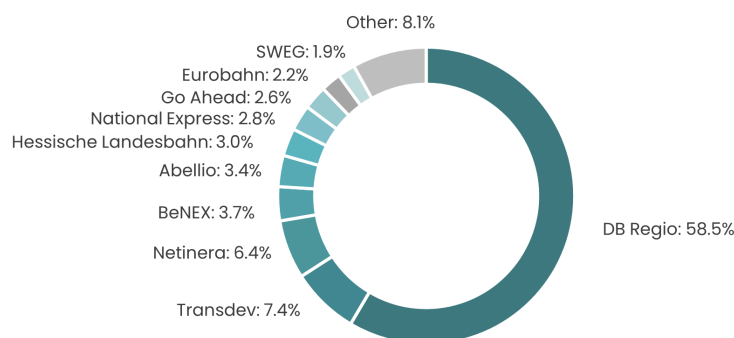
When considering the large state railways, we assume that three of the five largest companies use IVU products. In addition to the color-coded companies in the graphic, the Danish DSB and the aforementioned BLS AG should also be mentioned here.

As a result of market liberalization, transport services are increasingly awarded through public tenders. Established companies now compete in terms of the provided performance and the incurred costs and must organize operations efficiently. Moreover, transport companies can participate in tenders in new markets and thus win new routes. For example, the IVU customer Transdev was able to win one of the first concessions awarded in France and will operate the regional route between Marseille and Nice from summer 2025. Another expanding IVU customer, Trenitalia, will be the first private railway company to transport passengers with high-speed trains in Spain between Madrid and Barcelona.

Slightly above the European average, Deutsche Bahn achieves a market share of around 80% in its home country, mainly due to a high share in long-distance rail transport of 95%. Apart from DB, private companies (~3%) like Flixbus and foreign state railways (~2%) like the Austrian Westbahn or the French SNCF are offering long-distance rail transport.

The majority of railway companies operating in Germany are active in local passenger transport, i.e. city, suburban, and regional transport with, for example, the "S-Bahn" or regional trains, so this market segment is much more fragmented. As a result, Deutsche Bahn achieves a market share of just under 60%. In the home market, IVU is particularly strong, so the company's customers probably account for a cumulative market share of over 90%.

Market shares in German local rail passenger transport
(as of September 2023)

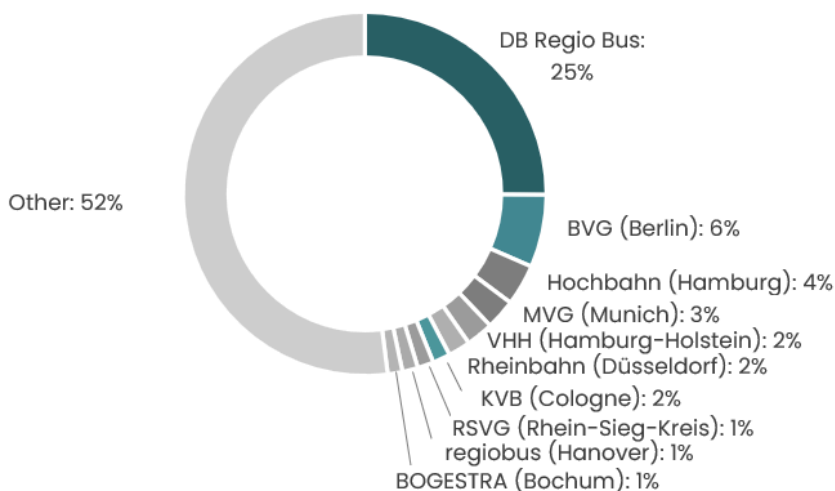


Source: mofair e.V., Company, Montega | presumed IVU customers in blue-green

Decentralized Traffic on the Road

The road-based public transport in Germany is organized at the municipal level and falls under the responsibility of the districts and cities as task carriers. The task carriers regularly join together to form transport associations that standardize tariff and timetable systems and commission municipal and private transport companies, which then provide the actual transport service. Major transport associations in Germany include the Verkehrsverbund Rhein-Ruhr (VRR), the Verkehrsverbund Berlin-Brandenburg (VBB), and the Hamburger Verkehrsverbund (HVV). In addition, there are also mixed associations with task carriers and companies as well as pure company associations. The market is very regionally organized and consists of over 60 transport associations and around 1,000 transport companies. In addition to the bus division of DB, which is active with over 9,900 buses in almost 300 districts and independent cities, most companies operate exclusively regionally, resulting in a large number of potential customers. Even comparatively small operators with only a few vehicles have to manage and plan fleets worth several million euros. At the same time, they are likely to have insufficient internal IT capacities to replace standard software. Sometimes the transport associations themselves also act as customers and conclude framework contracts for multi-tenant software for the connected transport companies. An example of this is the Verkehrsverbund Bremen/Niedersachsen, consisting of 30 companies, which, through the central ordering of the software, also aims to provide small and medium-sized enterprises with non-discriminatory access to the public transport market. We consider the overview presented here of passenger transport by buses, the most significant mode of transport in public road transport, to be indicative and significant for the entire road-based public transport sector.

Market shares in passenger transport with buses
(as a share of seat kilometres)



Source: VDV, Company, Montega | presumed IVU customers in blue-green

In our opinion, the following growth drivers are relevant for the market concerning IVU:

- **Expansion of public transport:** The anticipated increase in passenger kilometres requires a fundamental increase in the vehicle and personnel fleet, which raises the number of required software licenses and the systems installed in the vehicles. Additional momentum for public transport may come from large infrastructure investments in Germany.
- **Need for efficiency with scarce resources:** The necessary expansion of vehicles and personnel can be restricted by a lack of funds and skilled labor shortages. In this case, optimizing existing resources through powerful software comes to the forefront.
- **Increasing demands on transport operators:** Originating from passengers and contracting entities, there is an increase in demands for real-time information, punctuality, and quick reactions in case of disruptions.
- **Cloud-based software operation:** The shift to a pure SaaS model is rather cautious due to the nature of the industry's financing structure. However, the transition from on-premise installations to cloud solutions is also taking hold here, leading to additional hosting revenues.
- **Liberalization of rail transport:** Market liberalization increases the competitive pressure on established companies, raising the need to make internal processes and the use of vehicles and personnel more efficient through modern software solutions. Additionally, transport companies can participate in tenders and thereby open up new routes. Software providers could thus enter new markets together with existing customers.
- **Electrification of bus fleets:** The switch to e-buses increases the complexity of deployment planning, which must take into account, among other things, battery status and available charging infrastructure. Factors such as weather, utilization, and battery age also play a role in energy consumption forecasting.

Leading Market Position in Europe

IVU is positioned as a comprehensive software provider with complementary hardware products in both public transport and rail transport, with the "Planning" product area taking a dominant position in rail transport.

Competitors differ in terms of the addressed customer segment and product portfolio.

The two companies **init innovation in traffic systems SE** (Germany) and **Trapeze** (Canada), which also cover the entire solution spectrum as full-service providers, are primarily active in road-based transport according to our assessment. Unlike IVU, init's hardware business is likely to have a larger share of revenue, reflected in a lower gross margin of 37.0% (2024). Revenues amounting to EUR 265.7m in 2024 are primarily generated in North America (revenue share: 36.8%) and Germany (revenue share: 33.6%). Trapeze is the first acquisition of Constellation Software Inc., with the company's focus likely on operational control systems.

In the area of planning and scheduling, **Giro Inc.** (Canada), **Qnamic AG** (Switzerland), and **Optibus** (Israel) should be mentioned. Giro, in particular, is probably one of the main competitors and counts among its customers some of the largest providers such as Hamburger Hochbahn in public transport and SNCF in rail transport. Among the customers of the rail-specialized Qnamic AG are, for example, SOB AG and the Swiss subsidiary of DB Cargo. Optibus was founded in 2014, is already active in 6,000 cities, and has won its first customers in Germany, such as KVG Lippe. In the last funding round in 2022, a valuation of USD 1.3bn was achieved.

The other identified competitors are also likely to be primarily active in road-based public transport. Here, **ATRON electronic GmbH** (Germany) should be mentioned, which offers on-board computers, operations control systems, and solutions for fleet and depot management as well as ticketing. Also from Germany is **PSI Transcom**, which is particularly represented in the field of depot management and is also active as a provider in the areas of personnel planning and dispatching, operations control systems, and passenger information. The company was sold with the transaction completed in March 2025 from PSI Software SE to the CHAPTERS platform Altamount, which focuses on software companies in the area of critical infrastructure. With sales revenues of approximately EUR 18.0m, a negative net income of EUR -1.2m was achieved in 2024.

The exact market shares of the providers cannot be determined and are also not reported by the companies. To quantify the competitive position, it is alternatively possible to estimate market coverage in terms of the cumulative market shares of customers based on published customer relationships. Market coverage is unlikely to correspond to actual market shares, as a transport company can use several providers for different functions, and internal IT subsidiaries, for example, can also take over parts of the value chain through in-house developments or responsibility for operating and hosting.

- In the area of **European railways**, the ten largest railway companies have a market share of around 70%. The IVU customers included in this are likely to account for a share of 30%, resulting in an estimated market coverage of over 40%.
- In **German rail transport**, a market coverage of 95% can be achieved in long-distance transport alone through the major customer DB Fernverkehr. In local and regional rail passenger transport, in addition to the market leader DB Regio, almost all other major operators are among IVU's customer base, so that the market coverage probably exceeds 90%.
- In the decentralized **public transport on the road**, the market share of the leading ten operators is 48%, of which we believe three companies are IVU customers and hold market shares of 33%. This high coverage primarily stems from the market position of DB Regio Bus, which, with a 25% market share, is larger than the next nine companies combined. The number of customer companies, with three out of ten, suggests that the actual market coverage of IVU could be below the mathematical projection of roughly 70%. Nevertheless, we assume that a significant portion of the market should fall to IVU Traffic Technologies AG.

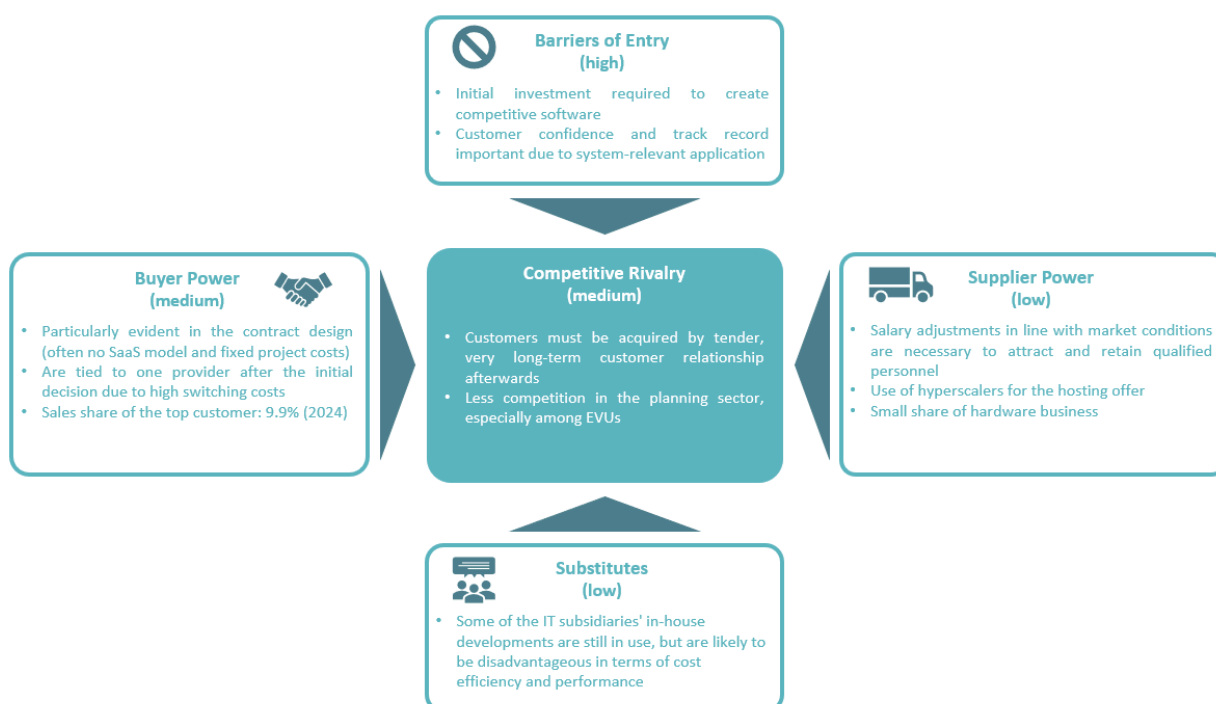
The company is likely to occupy a leading position in the addressed markets and is particularly strongly represented in German rail transport.

In the future, IVU is likely to continue benefiting from the following competitive advantages:

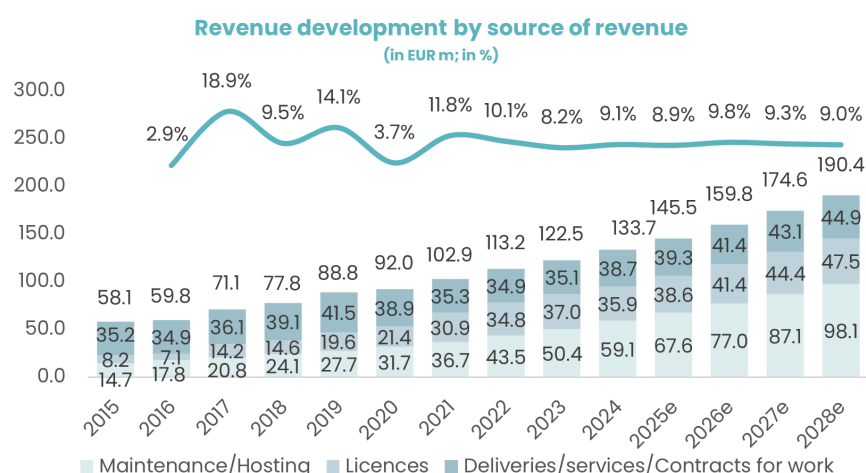
- Lock-In Effects:** The software implementation can take up to several years and involves considerable effort, which, depending on the functions used, includes entering all vehicles and employees in the database. However, the same effect also benefits competitors, which could make gaining market share more difficult. Some potential clients may not yet be using a comparable software solution, but rather self-developed or outdated software that has not been adequately maintained and updated. For example, according to their own statement, at DB Fernverkehr, IT systems were largely at the end of their life cycle before the introduction of IVU.rail in 2019.
- Standard software enables centralization:** Larger transport companies often have several subsidiaries or divisions that use different, sometimes redundant software. By replacing decentralized systems with a unified software, efficiency gains can be achieved both in resource planning and in operations management, which increases the attractiveness of the solutions compared to individual developments. Synergies can also be realized at the level of the transport association through integrated systems.
- Leading Optimization Algorithms:** Optimizing vehicle and personnel scheduling as well as automatic dispatching holds a special position in the product landscape because, at best, expensive resources can be saved. In 2022, IVU secured exclusive access to LBW Optimization GmbH's world-leading optimization algorithms in the transportation sector by acquiring the company.
- Full-service Provider:** After a module has been placed with a new customer, IVU can expand the collaboration through complementary, integrated solutions. However, the software is by design relatively open in the interest of the customer, with interfaces to third-party systems, so that users can achieve a seamless data flow even when using different providers.
- Reliable partner through high creditworthiness:** The, apart from leasing liabilities, debt-free IVU not only has a cash position of EUR 23.2m (as of 31.03.2025) but has also invested an additional EUR 25.0m since 2020. The creditworthiness and long company history demonstrate to clients that IVU is a reliable partner that can not only pre-finance larger projects but is also capable of subsequently performing long-term maintenance and updates.

Overall, we see IVU in a promising competitive position. New orders are usually put out to tender, so IVU has to prevail against competitors. We rate the competition in the industry as moderate, as a large part of the competitors have either focused on one product or customer area. After the award of the contract, the transport operator is practically tied to the chosen provider even after the end of the fixed contract term, which, however, is not excessively exploited in our opinion in the sense of a long-term customer relationship.

Competitive Position of IVU



Stable Business Through Long-Term Maintenance and Support Contracts



Source: Company, Montega

The revenue could be increased even years that were rather bad for public transport in general and has shown a CAGR of 9.7% since 2015, which is expected to continue at a similar level (CAGR 2024 to 2028e: 9.3%) according to our assumptions. Our growth forecasts are to be understood as a smoothed value, while the actual growth rates in individual years are expected to fluctuate more strongly due to the influence of large projects. With revenue growth of 14.8% yoy in Q1/25, the company started the new financial year successfully, even though the first quarter typically accounts for the lowest share of full-year revenues. Revenues are divided into the areas of licenses, deliveries/services/contracts for work and maintenance/hosting.

Licenses: The license revenues shown here (2024: EUR 35.9m) include only the separately sold licenses, while other software licenses sold as part of contracts for work together with the associated implementation service are classified under Deliveries/services/contracts for work. Revenues from projects are realized over time depending on the degree of completion over the project duration, while revenues from separately sold licenses are realized directly upon delivery. This single immediate realization and the presumably higher dependence on new customer business result in significant fluctuations in the growth rate, so that there are both years with significantly double-digit growth and years with single-digit growth or recently in 2024 even with a slight decline of 3.1%.

The license price is determined by both the number of vehicles and employees to be managed and the importance of the respective function for the user and its impact on the transport operation. Merely through the intended expansion of public transport and the increase in frequency, a corresponding increase in vehicles and employees is necessary, which should be reflected in rising license revenues. We expect further growth from general price increases, the acquisition of new customers, and the introduction of new functions.

Deliveries/services/contracts for work: In this segment, in addition to the already mentioned license component, revenues from hardware sales and from providing implementation, consulting, and training services are included. The total license revenue amounted to EUR 53.7m in 2024, so software worth EUR 17.9m was sold as a contract for work or as a project.

The hardware sales are not disclosed by the company itself, but can be derived from the proportion of material expenses for purchased goods. This expense has steadily declined since its peak in 2019 at EUR 18.2m and was only EUR 7.7m in 2024, which indicates a comparably strong decline in the hardware business and is likely also responsible for the low growth of segment sales (CAGR 2015 to 2024: 1.1%). However, we do not expect a further decline in hardware sales. The existing relevance of the products is underscored by the regular announcement of new orders (most recently IVU.ticket.box at Klagenfurt Mobil on 11.03.2025; IVU.ticket.box at Zürichsee-Schiffahrtgesellschaft on 15.01.2025, IVU.gateway at infra fürth on 17.12.2024). The company's focus is, however, on the distribution of software solutions, so we assume that the current historically low level will be maintained with slight growth. In the service sector, we expect growth in the mid-single-digit range, which is likely to result more from price increases as a result of passed-on salary increases and less from volume expansion.

Maintenance/hosting: Revenues from the maintenance/hosting sector have represented the largest share since 2021 (revenue share in 2024: 44.2%). The high growth rates are very stable between 15% and 20%. Typically, with each license, a maintenance contract is also concluded, for which an annual fee is charged depending on the license costs. Depending on the specific contract design, this may include software updates with implementation and 24/7 support. In addition to the price growth of existing maintenance activities due to largely automatic inflation adjustments, new license sales to new and existing customers are also likely to contribute to growth. In the maintenance/hosting area, hosting revenues from taking over technical operations management in the cloud are also included, where we see even higher growth dynamics due to the increasing shift from on-premise solutions to a cloud model. We believe that the recurring maintenance and hosting revenues represent the essential growth driver and are expected to reach a revenue share of over 50% by 2028 (of which maintenance: 39.7% and hosting: 11.8%).

IVU can boast an impressive track record of consistently meeting or exceeding guidance. The high visibility comes not only from the recurring revenues from maintenance and hosting but also from the upcoming and ongoing implementation projects, which can last from several months to several years. We classify guidance as fulfilled with a rounded target value if there is a deviation of up to 3% and a positive deviation of up to 10% if a minimum value is given. We also consider the only slightly negative deviation to be fulfilled guidance. In 2024, the EBIT was EUR 16.8m with a target of "around" EUR 17.0m.

For 2025, an EBIT of "around" EUR 18.0m is forecasted with a group revenue of "over" EUR 140.0m and a gross profit of "over" EUR 120.0m. The company expects revenues from implementation projects worth EUR 18.0m from existing contracts as of December 31, 2024, and EUR 64.0m from maintenance and hosting contracts in 2025. The total order backlog for the current financial year amounted to EUR 122m after the first quarter.

Guidance Track Record IVU Traffic Technologies AG*

Guidance / Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue guidance	some 50	around 55	around 62	at least 72	over 80	over 90	over 100	over 105	over 120	over 130
Gross profit guidance	appr. 39	around 42	around 45	around 50	min. 55	65	appr. 75	over 80	over 95	around 110
EBIT guidance	-	-	at least 3	4-5	appr. 7	over 10	over 13	over 14	over 15	around 17
Revenue achieved	58.1	59.8	71.1	77.8	88.8	92.0	102.9	113.2	122.5	133.7
Gross profit achieved	40.1	42.8	47.7	52.1	62.1	70.4	75.8	90.6	101.1	113.4
EBIT achieved	4.9	1.4	6.1	6.7	10.5	12.8	13.9	14.9	15.8	16.8

Guidance fulfilled

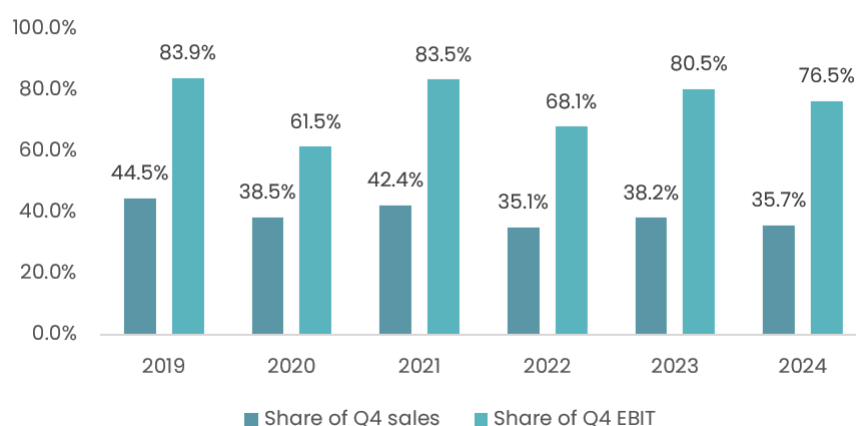
Guidance exceeded

*based on the original guidance at the beginning of the year | Source: Company, Montega

The business exhibits a certain degree of seasonality with a disproportionately large share of revenues in the fourth quarter due to the billing of ongoing projects based on progress at the end of the year and the annual issuance of maintenance invoices. Revenues increase quarter by quarter, with the first quarter typically accounting for the lowest share of 17.9% on average. This effect is more pronounced in the results, as personnel costs, in particular, are relatively evenly distributed throughout the year. In Q1/25, the company achieved a positive EBIT of EUR 0.2m, in contrast to the typically negative six-figure EBIT contribution of the first quarters of previous years.

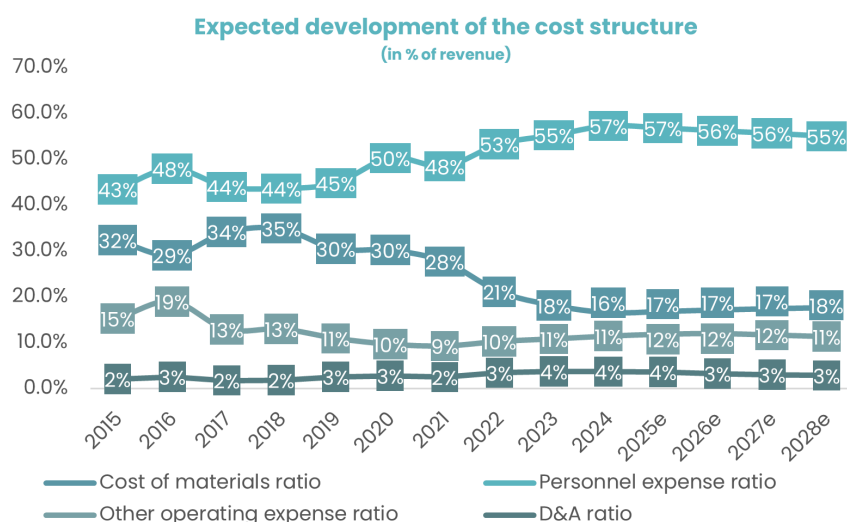
Seasonality of the business model

(Q4 KPI in % of the full year)



Source: Company, Montega

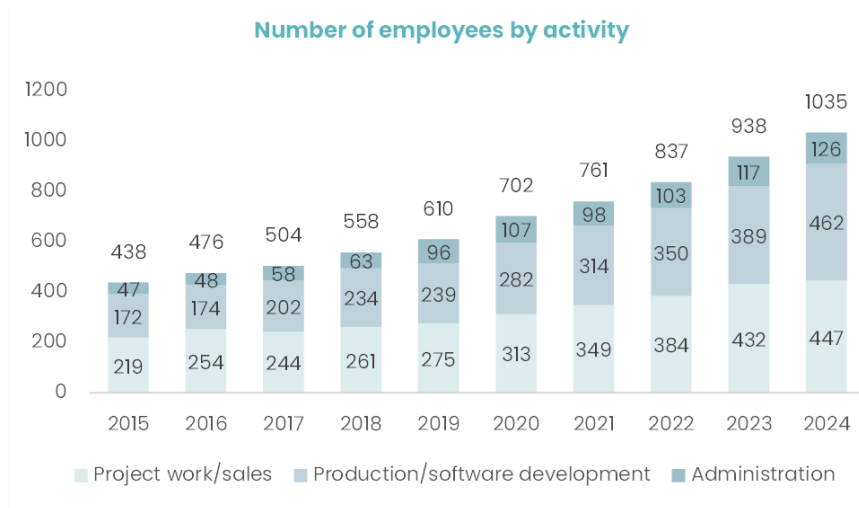
Cost Structure Reflects Personnel Intensity



Source: Company, Montega

Personnel Expenses: The decline in the hardware business is likely to have impacted the observable increase in the personnel expense ratio. The lower hardware share leads to a larger proportion of the company's own value creation provided by the personnel. In relation to the gross profit, personnel costs have generally remained relatively stable at 67% to 68% in recent years. This stable ratio also shows that relatively few scaling gains have been realized so far. In this context, research and development costs, which are largely included in personnel expenses, have been significantly increased in recent years (CAGR 2020 - 2024: 14.8%). In the future, IVU plans to focus more on the efficient use of the existing workforce after the high historical personnel growth. In 2024, the majority of FTE growth already came from average effects of hires from the previous year. In the following years, new hires should be significantly reduced further.

We expect strong scaling opportunities, particularly in administration. We also see opportunities in production/software development to maintain the development speed with the existing personnel. The largest personnel growth, which we also project to be below the historical level, is expected among employees in project work, as they should be needed especially for the rapidly growing maintenance business. Hosting also binds resources, but it is expected to scale more strongly in the future.



Source: Company, Montega | average employees per year, not on an FTE basis

Material costs: The material costs have decreased both in absolute terms and relative to revenue, which is likely due to the previously mentioned expenses for purchased goods and the decline in the hardware business. The expense for purchased services primarily consists of hyperscaler costs incurred for the hosting business. This position has increased over time and has been responsible for the majority of material costs since 2021. Due to the expected continuation of hosting growth, we anticipate further rising costs here, which are unlikely to be offset by decreasing hardware costs.

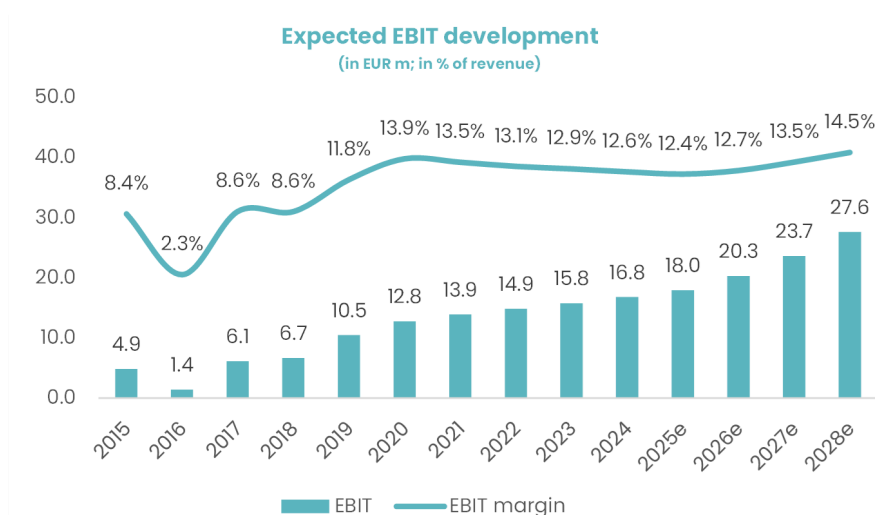
Other operating expenses: The other operating expense ratio could be slightly lowered in the initial period of consideration and reached its lowest point in 2022 at 9.3%. More recently, in 2024, the expenses amounted to EUR 15.2m and are composed of operating expenses (share of other operating expenses: 41.9%), selling expenses (24.9%), administrative expenses (26.2%), and miscellaneous other operating expenses (7.1%).

Operating costs include license and hosting fees as well as energy costs and should therefore also develop with the increasing revenues from maintenance/hosting. Selling expenses were at a historically low level during the pandemic and are now, despite increasing travel activities and trade fair presence, with 2.8% of sales still below the pre-Corona average of 4.2%, indicating potential scaling. Administrative expenses are expected to benefit from disproportionate growth in legal and consulting costs and lower recruiting expenses as a result of reduced new hires. Our projected ratio reflects growth through maintenance/hosting and additional expenses from the ERP system transition.

Depreciation: Depreciation amounted to EUR 4.9m in 2024 and is composed according to the balance sheet structure of depreciation on tangible assets, intangible assets, and right-of-use assets from lease liabilities, which represented the largest item at EUR 1.9m in 2024. Software activated during the LBW acquisition in 2022 is evenly depreciated over eight years at EUR 1.2m. Overall, depreciation on intangible assets amounted to EUR 1.8m. For the slightly present tangible assets, depreciation (2024: EUR 1.2m) annually accounts for a large part of the remaining book value of the operating and business equipment.

EBIT as the Central Performance KPI

EBIT is, in our opinion, the essential performance indicator and represents an appropriate approximation to free cash flow. The included depreciation on tangible assets is likely a suitable proxy for the still necessary investments in operating equipment, while the depreciation on right-of-use assets reflects rental expenses to be classified as operating costs.



Source: Company, Montega

Except for 2016, EBIT has been steadily increased. In 2016, two hardware projects in Israel were written down due to cancellation and termination. The learnings from this are still considered by IVU today when deciding with which products the company wants to be active in which regions.

Since the LBW acquisition, the associated PPA amortizations have been noticeable in the EBIT margin. For the next few years, we forecast EBIT growth of 13.2% per year until 2028. The disproportionate increase compared to sales growth is likely to occur primarily as a result of margin expansion through more efficient personnel deployment.

Positive Financial Result Below EBIT

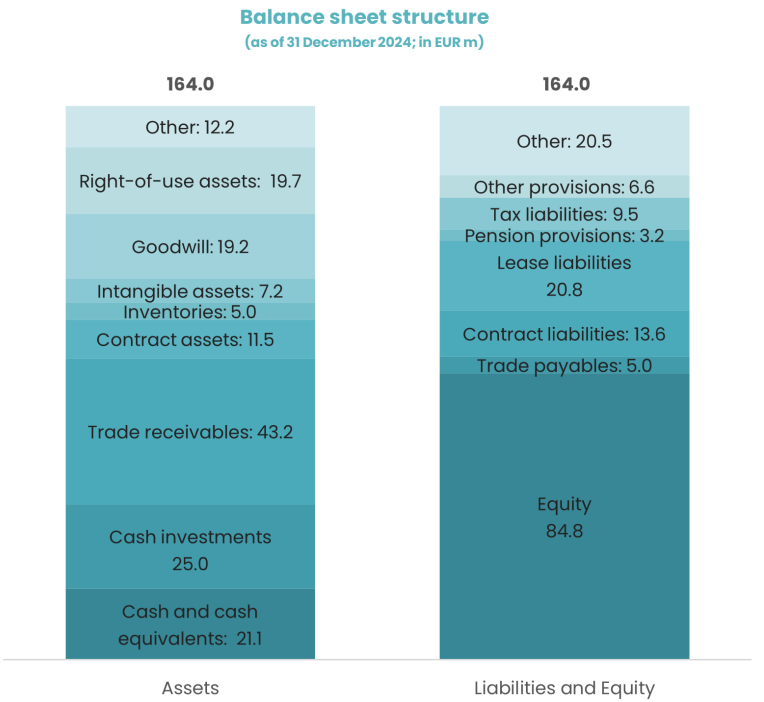
The positions below EBIT reflect the balance sheet structure with a high cash reserve and leasing arrangements. Interest income from investments, which may develop depending on the invested funds and interest rates, amounted to EUR 1.3m in 2024. Interest of EUR 0.8m in 2024 is primarily paid for rights-of-use (EUR 0.7m) and to a lesser extent attributed to financing costs for guarantees (EUR 0.1m). The financial result also includes the at-equity participation result of TRENOLab (2024: EUR 0.03m).

Furthermore, IVU, as a profitable company, pays taxes. There are no domestic loss carryforwards or significant loss carryforwards abroad, so the effective tax rate in 2024 was 30.4%.

Balance Sheet Shows High Liquidity Despite Low Capital Intensity

Outside of ongoing expense positions and the binding as working capital, IVU requires very little capital. As a result, the balance sheet consists of almost 30% liquid funds (31.12.2024: EUR 21.1m) and cash reserves (call and time deposits amounting to EUR 25m), which, in our opinion, may not largely be necessary for operations. Since financial debts are simultaneously avoided, the company has various options regarding the use of funds.

The investments necessary for the business in the further development of products are predominantly reported as personnel expenses in the profit and loss statement. There is no capitalization of research and development costs, so there may be hidden reserves in the form of proprietary developments.



Source: Company, Montega

Working capital primarily consists of trade receivables as well as contract assets and liabilities. Due to the lower material costs, trade payables and inventories, which largely include advance payments, are added to a lesser extent. The working capital ratio is currently at 30.7% of sales. Although receivables always represent a large balance sheet item, they are currently significantly above the historical range of approximately EUR 20.0m to 30.0m, standing at EUR 43.2m due to high year-end sales. Revenue from project business is recognized based on the degree of completion as of the balance sheet date. Contract liabilities arise from advance payments received that have not yet been recognized as revenue; unbilled project work leads to contract assets. Since 2020, contract assets (with the exception of 2023) have been below contract liabilities at year-end, which has a correspondingly positive effect on working capital.

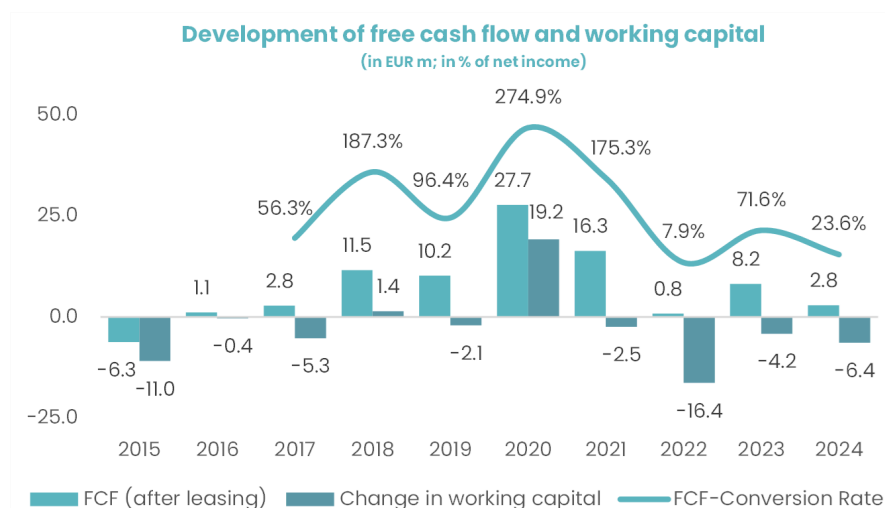
IVU has entered into lease agreements primarily for the rental of locations in Berlin, Aachen, and Rome, resulting in corresponding rights of use and lease liabilities. In particular, the contracts for Aachen and Berlin were extended long-term in 2024, leading to investments by the owner to create attractive workplaces for IVU employees.

In addition, the assets side of the balance sheet includes the tangible fixed assets, consisting completely of operating and business equipment, which is mostly depreciated and reported with a book value of EUR 1.9m. The intangible assets amounting to EUR 7.2m arose mainly from the software activated in the context of the acquisition of LBW Optimization GmbH in 2022, which were valued at EUR 9.3m. The transaction also increased the goodwill by EUR 6.9m. Graphically summarized under "Other" are, in addition to the tangible fixed assets, deferred income (EUR 4.1m) from payments to a hosting provider to secure purchasing conditions, deferred tax assets (EUR 3.0m), tax claims through withholding and input tax claims (EUR 1.0m), as well as a 20% stake in the Italian company TRENOLab S.r.l. (EUR 0.3m). TRENOLab is a software provider for railways. The company's solutions have been integrated as partner products in IVU.rail.

On the liabilities side, the "Other" position mainly includes personnel-related liabilities due to vacation entitlements and obligations from overtime and special payments (EUR 10.9m), liabilities from sales and payroll taxes (EUR 6.0m; income tax liabilities are listed separately), as well as liabilities from contract risks (EUR 2.3m).

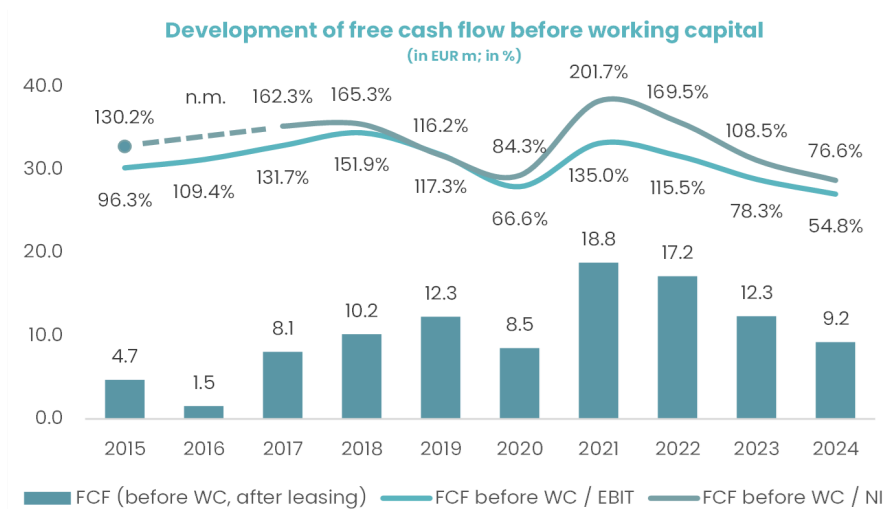
High Cash Conversion Influenced by Working Capital Fluctuations

The business model is characterized by a comparatively low investment requirement outside of personnel costs. The annual investments (CAPEX) consistently range from EUR 1.0m to 2.0m and almost entirely pertain to tangible assets such as operating and business equipment. This fundamentally enables a high cash conversion.



Source: Company, Montega

The actual FCF conversion rate (here in % of net income) is subject to significant fluctuations, primarily driven by changes in working capital, particularly in trade receivables. In years with a reduction in working capital, which was positively represented graphically through the corresponding cash flow effect, very high conversion rates were possible (2018: 187.3%; 2020: 274.9%), while a significant increase leads to very low rates (2022: 7.9%; 2024: 23.6%), although positive cash flows were generated in all years except 2015. The FCF conversion rates were negative in 2015 (due to negative FCF) and in 2016 (due to negative net income). The average working capital ratio (2015 to 2024) is 29.4% of revenue based on year-end values. Working capital is particularly high in the fourth quarter due to invoicing at the end of the year. The intra-year view of quarterly values results in an average working capital ratio of 23.9%.

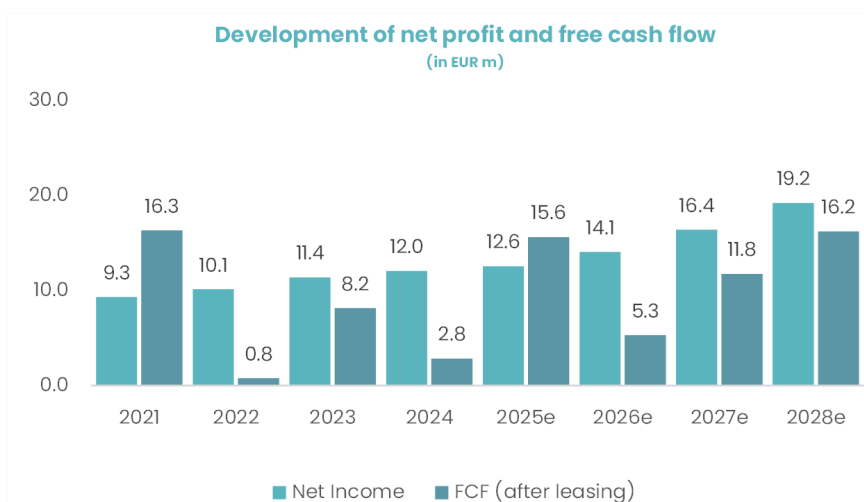


Source: Company, Montega

Adjusted for the volatile effects of working capital, significantly more stable cash flows are evident, which not only were mostly able to exceed the annual net income but also regularly exceeded EBIT despite taxes included.

Further Increasing Free Cash Flows Expected

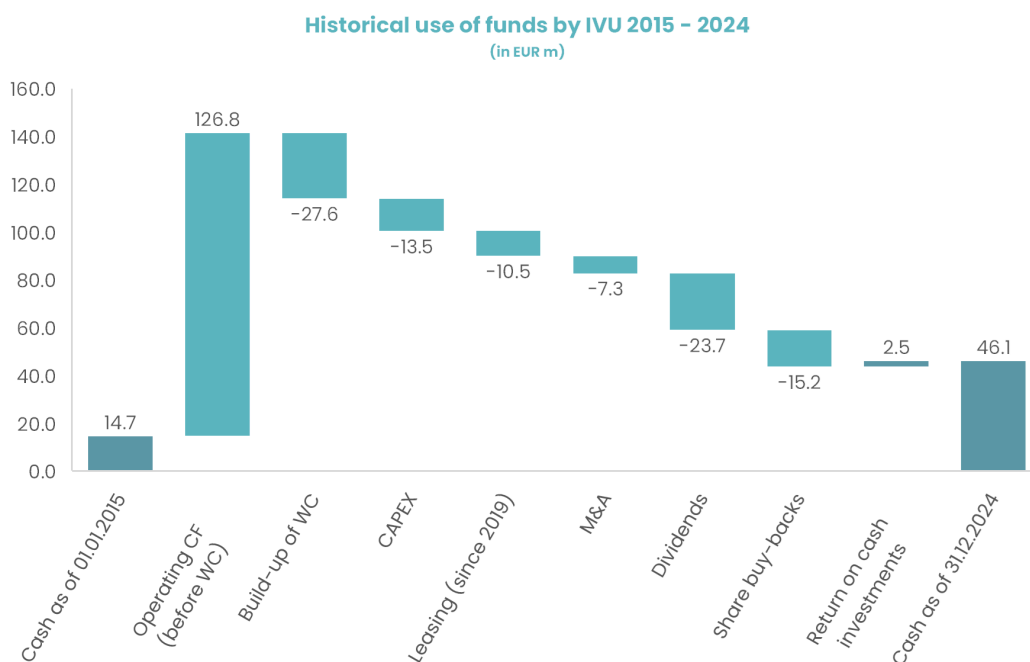
Based on the forecasted increase in sales and the disproportionate growth of operating profit, we also expect a positive development of the net result and free cash flow. The free cash flow yield at a price of EUR 18.65 is expected to rise to 5.8% (2028e).



Source: Company, Montega

The free cash flow is likely to exhibit greater fluctuations than the net income. While we expect significant cash generation in 2025 due to the reduction of the historically high receivables, in 2026, the payment of already recognized income tax liabilities is likely to reduce cash conversion. Subsequently, we have forecasted a smoothed continuous increase in working capital, which in reality, is likely to show higher variance with movements in both directions.

The following is intended to consider the cumulative cash flow generation, the structural setup of working capital, and the capital allocation of IVU, independently of annual fluctuations. Since 2015, an operating cash flow of EUR 126.8m has been generated with an annual net profit of EUR 78.1m. The cash position increased during this period, including the longer-term investment of EUR 25.0m, by EUR 31.4m to EUR 46.1m.



Source: Company, Montega

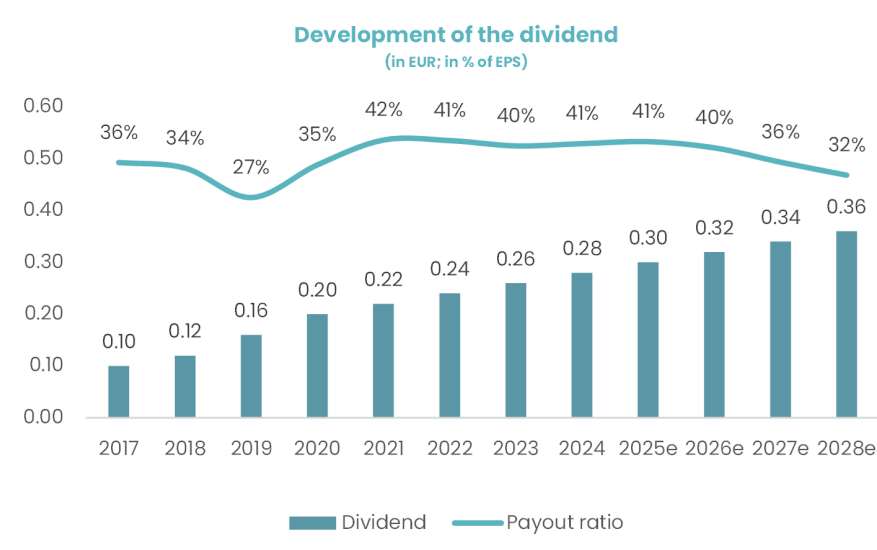
Working Capital: Regardless of the annual fluctuations in both directions, working capital has a lesser impact in cumulative terms than in individual years. Nevertheless, due to the significant growth of the company – revenue increased from EUR 51.1m in 2015 to EUR 133.7m in 2024 – there was an overall build-up of working capital, which tied up capital.

Mergers & Acquisitions: The company conducted acquisitions to expand its product portfolio. The largest transaction was the purchase of LBW Optimization GmbH in 2022 for a total purchase price of EUR 13.5m, of which EUR 11.1m was paid in cash and EUR 2.4m with its own shares. LBW achieved a net profit of EUR 1.4m in the previous year with revenues of EUR 3.6m, resulting in a P/E ratio of 9.6. LBW's business model was the development of optimization algorithms for local, rail, and air transport. Through the acquisition, the company gained exclusive access to these algorithms, which it claims are world-leading.

In 2024, 26% of EBS ebus solutions GmbH was acquired, increasing the shareholding to 100%. EBS was founded in 2019 as a joint venture between IVU and ebusplan GmbH to develop specialized software solutions for electric buses. The background of this acquisition is the permanent gain of exclusive access to the software solutions, including EBS.charge. The purchase price for the 26% was EUR 0.4m, which was mostly covered by the initial consolidation of cash and cash equivalents of EUR 0.3m. The purchase valuation of EUR 1.5m is thus offset by a net profit of EUR 0.2m in 2023, with no external revenues generated.

A cash inflow from M&A transactions resulted from the sale of IVU.elect in 2020 amounting to EUR 4.6m after cash outflows. This involved software for the organization and execution of elections, which therefore had few contact points with the core business. By the time of the sale on May 29, the subsidiary had generated revenues of EUR 0.5m and a net profit of EUR 0.1m in 2020.

Dividends: The largest portion of the free cash flow, totaling EUR 23.7m, was used for dividends to the shareholders. After no dividend was distributed for the fiscal years 2015 and 2016, an annual increase has taken place since the payment in 2018 for the year 2017. For 2024, the dividend proposal for the annual general meeting on 28.05.2025 amounts to EUR 0.28. We believe that the company will continue the annual increase by 2 cents. The net liquidity and existing earning power of the company also open up possibilities for the payment of a special dividend.

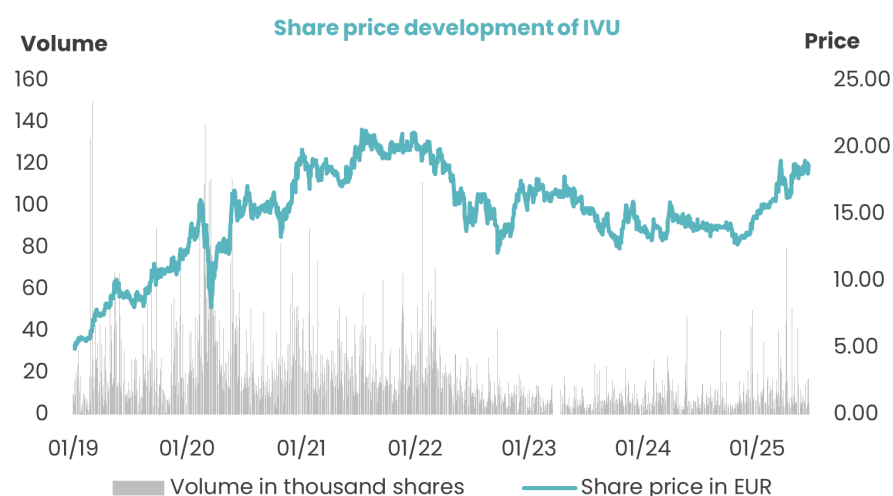


Source: Company, Montega

Share Buybacks: In recent years, own shares have been regularly repurchased, and the company has left all permissible uses open. The repurchased shares were used for executive compensation, employee participation programs, as well as M&A (130.9 thousand shares for the LBW acquisition). There are no plans to retire the shares. Therefore, share buybacks are to be interpreted as a cost position and not as a distribution variant. For shareholders, they have the advantage that there is no dilution for executive compensation and M&A, and they provide a higher alignment of employee interests compared to cash bonuses. IVU currently holds 428,096 own shares. With a share capital of 17,719,160, there are thus 17,291,064 shares in circulation.

Sideways Movement in Share Price

The recent price history is characterized by a significant increase followed by a longer sideways movement below the high. From just under 5.00 EUR at the beginning of 2019, the price rose to highs of over 21.00 EUR in 2021 and was able to multiply. In 2022, a correction movement occurred, reaching its low at 12.14 EUR. Since then, the stock has moved relatively sideways at prices between 13.00 and 17.00 EUR. In March 2025, a temporary high of EUR 19.00 was reached, which the share price has recently approached again.



Source: Capital IQ

Valuation Level Offers Upside Potential

After moving sideways, the stock is currently trading at an EV/EBIT of 17.3 (LTM), which is rather in the middle of the range of the last three years between approximately 14.0 and 20.0. We have valued the company using a DCF model and verified the result through a peer group comparison.

- **DCF Model:** Our DCF model includes a medium-term growth forecast from 2024–2031e of 8.9% per year with an expansion of the EBIT margin to 15.5% by 2030e or 17.5% in the terminal value. With a WACC of 7.86%, this results in a fair value of EUR 24.93 per share.
- **Peer Group Analysis:** The peer group consists of eight software companies that, due to the lack of stock market listing of competitors, are primarily active in other markets and therefore offer only limited comparability. The average EV/EBITDA 2025e–2027e implies a fair value of EUR 21.03 for the IVU stock.

Conclusion

IVU Traffic Technologies AG achieves consistently increasing revenues supported by recurring maintenance and hosting revenues and can therefore regularly report the best year in the company's history. The guidance has always been met or even exceeded, reflecting the high quality of the company. The company's products and services are essential for the system-relevant public transport, which will receive a boost in the coming years, especially in Germany, through government investment programs. Due to the efficiency gains in personnel deployment envisaged by the company, we see realizable expansion potential in the EBIT margin. On a balance sheet level, the debt-free company is well-equipped with a high cash position and ample liquidity, thus having significant leeway for higher distributions or further acquisitions, where IVU has been selective in the past and expanded its product portfolio at, in our opinion, attractive valuations. We initiate coverage on IVU with a "Buy" rating and a DCF-based price target of EUR 25.00.

SWOT

IVU Traffic Technologies AG operates as a specialized provider of software solutions for public transport and achieves stable revenues through its strong market position and long-term customer relationships. However, the already high number of customers may limit new customer growth, while license revenues from existing customers are restricted by the rather slow transition to a software rental model.

Strengths

- **Long-term customer relationships:** The complex software implementation with lengthy integration and training leads to high switching costs, which strengthens customer retention.
- **Market-leading product:** IVU holds a leading market position in Germany and Europe. The ability to win large Europe-wide tenders reflects the quality and competitiveness of the offering.
- **High reputation:** IVU has been established in the market for decades and enjoys great trust, which has been strengthened by the excellent creditworthiness of the debt-free company.
- **Low cyclicity:** Regardless of market developments, revenue and earnings have been increased, and the steadily rising guidance in the period under consideration has always been at least met.

Weaknesses

- **Slow SaaS transition due to industry dynamics:** The transformation to recurring license revenues in the SaaS model is progressing slowly in the public transport sector, as customers typically operate on a project-financed basis and purchase software as a one-time license. License revenues can therefore only be generated once at the beginning, even with long-term customer relationships.
- **Low margin for a software company:** IVU shows a rather low margin level for a software company, which indicates a high service component and historically low economies of scale.
- **High market coverage limits new customer growth:** The large customer base of IVU means that there is a small number of potential new customers, especially in the German rail traffic sector.

Opportunities

- **Growing importance of public transport:** Climate targets, urbanization, and transport policy measures lead to an increasing demand for public transport and rail transport services – with a corresponding need for planning and operational software.
- **Market liberalization increases the importance of efficiency:** The opening of railway markets creates new customer potentials and leads to higher competitive pressure on transport companies.
- **Increasing requirements for transport operators:** Powerful software can help transport operators meet the requirements of contracting entities for real-time information, punctuality, and cost efficiency.

Threats

- **Need to expand existing customer business:** Since license revenues are generated only once and new customer growth is potentially limited, the company must do more business with existing customers to maintain revenue levels. In retrospect, however, this model has been successful.
- **Loss of technological competitiveness:** If IVU fails to continuously adapt its product portfolio to the current state of technology, its success in tenders and customer retention could suffer.
- **Delays and additional costs in projects:** It is regularly necessary to agree on a fixed price for contracts in implementation projects to attract customers, so that any additional costs can only be passed on to a limited extent. So far, the contracts have been priced appropriately, so no negative impacts have resulted from the contract structure.

Valuation

We have conducted the evaluation of IVU Traffic Technologies AG based on a DCF model and additionally validated the result using a peer group. The following presents the central model assumptions and the peer group.

DCF Model

Our DCF model reflects the medium- and long-term growth potential that arises from the expansion of public transport and the disproportionately increasing demand for software, the growth of maintenance and hosting revenues, and the strong competitive position. Specifically, we expect a top-line CAGR of 9.3% until 2028 and an average annual growth of 8.4% from 2028 to 2031. To determine the terminal value, an eternal growth rate of 2.5% is assumed.

In the future, we expect stronger personnel scaling, which should also be driven by the company through fewer new hires, enabling an increase in the EBIT margin by 2.9PP by 2030 compared to 2024, reaching 15.5%. In the long term, the business model is likely to allow for higher margins as well, so we set the EBIT margin in the Terminal Value at 17.5%.

For working capital, after the strong increase in receivables last year, we expect a slight release first, before continuous growth of the company ties up further capital in the low- to mid-million EUR range. This is intended to reflect the smoothed increase in tied-up capital. Meanwhile, the actual value is likely to show fluctuations in both directions in individual years.

Based on our forecasts, free cash flows in the detailed planning period range between EUR 12.1m and 16.5m, and in the medium-term planning between EUR 16.6m and 20.6m.

In the past, the company has been able to publish steadily increasing revenues and results, independent of economic developments. The chosen beta of 0.9 reflects the low cyclicity, the increasing share of recurring revenues, and the existing net liquidity of the company.

The risk-free return is assumed to be 2.5% based on long-term, fixed-income securities. A market return of 9.0% is assumed, resulting in a risk premium of 6.5% overall. Although IVU currently has no financial debt, in the long term, we still see the potential for debt financing due to the stability of the business model, which, however, is likely to be limited in scope. We assume a debt ratio of 10%, so with equity costs of 8.35% and debt costs of 5.0%, a WACC of 7.86% results.

Based on our DCF model, we calculate a fair value of EUR 24.93 for the shares of IVU Traffic Technologies AG.

DCF Model

Figures in EUR m

	2025e	2026e	2027e	2028e	2029e	2030e	2031e	Terminal Value
Sales	145.5	159.8	174.6	190.4	207.3	225.1	242.6	248.6
Change yoy	8.9%	9.8%	9.3%	9.0%	8.8%	8.6%	7.8%	2.5%
EBIT	18.0	20.3	23.7	27.6	31.2	34.8	37.5	43.5
EBIT margin	12.4%	12.7%	13.5%	14.5%	15.1%	15.5%	15.5%	17.5%
NOPAT	12.5	14.1	16.5	19.2	21.7	24.2	26.1	30.3
Depreciation	5.2	5.2	5.3	5.3	5.2	5.1	5.0	5.1
in % of Sales	3.6%	3.3%	3.0%	2.8%	2.5%	2.3%	2.0%	2.0%
Change in Liquidity from								
- Working Capital	2.5	-2.6	-4.8	-3.0	-4.3	-4.6	-4.5	-1.6
- Capex	-4.7	-4.9	-5.1	-5.4	-6.2	-6.5	-6.3	-5.1
Capex in % of Sales	3.2%	3.1%	2.9%	2.8%	3.0%	2.9%	2.6%	2.0%
Other								
Free Cash Flow (WACC model)	15.9	12.1	12.1	16.5	16.6	18.6	20.6	28.9
WACC	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
Present value	15.2	10.8	10.0	12.6	11.7	12.2	12.5	303.1
Total present value	15.2	25.9	35.9	48.5	60.2	72.4	85.0	388.1

Valuation (in EUR m)

Total present value (Tpv)	388.1
Terminal Value	303.1
Share of TV on Tpv	78%
Liabilities	3.2
Liquidity	46.1
Equity value	431.0

Number of shares (in m)	17.3
Value per share (EUR)	24.9
+Upside / -Downside	34%
Share price (EUR)	18.65

Model parameter

Debt ratio	10.0%
Costs of Debt	5.0%
Market return	9.0%
Risk free rate	2.5%

Beta	0.9
WACC	7.9%
Terminal Growth	2.5%

Growth: sales and margin

Short term sales growth	2025-2028	9.4%
Mid term sales growth	2025-2031	8.9%
Long term sales growth	from 2032	2.5%
Short term EBIT margin	2025-2028	13.3%
Mid term EBIT margin	2025-2031	14.2%
Long term EBIT margin	from 2032	17.5%

Sensitivity Value per Share (EUR)

WACC	1.75%	2.25%	2.50%	2.75%	3.25%
8.36%	21.04	22.17	22.80	23.49	25.07
8.11%	21.88	23.11	23.82	24.58	26.35
7.86%	22.78	24.15	24.93	25.79	27.78
7.61%	23.76	25.28	26.15	27.11	29.37
7.36%	24.83	26.53	27.51	28.59	31.16

Terminal Growth

Sensitivity Value per Share (EUR)

WACC	17.00%	17.25%	17.50%	17.75%	18.00%
8.36%	22.34	22.57	22.80	23.03	23.26
8.11%	23.32	23.57	23.82	24.06	24.31
7.86%	24.40	24.67	24.93	25.19	25.45
7.61%	25.59	25.87	26.15	26.43	26.71
7.36%	26.91	27.21	27.51	27.81	28.11

EBIT-margin from 2032e

Source: Montega

Peer Group Analysis

Of the companies mentioned in the competitive analysis, only init is directly listed on the stock exchange, which, due to other focuses in its business model, also does not offer an optimal comparison. The peer group therefore primarily consists of companies that have a comparable business model, but supply different sales markets and are thus exposed to different revenue drivers and risk factors. The informative value of the peer group analysis is therefore considered to be limited.

The **init innovation in traffic systems SE**, based in Karlsruhe, also offers hardware and software for public transport, but unlike IVU, it is likely to have a stronger focus on hardware solutions and public transport systems. The revenues amounting to EUR 265.7m in 2024 are primarily generated in North America (revenue share: 36.8%) and Germany (revenue share: 33.6%).

CHAPTERS Group AG is an investment company based in Hamburg and invests in companies that offer digital "Mission Critical" solutions. In March 2025, IVU competitor PSI Transcom GmbH was acquired. In 2023, 40 majority holdings generated revenues amounting to EUR 70.8m.

PSI Software SE is the previous owner of PSI Transcom GmbH and provides industry-specific software solutions for energy supply, production, and logistics. Revenues of EUR 260.8m (2024) are divided into the areas of Grid & Energy Management (EUR 115.6m), Process Industries & Metals (EUR 65.7m), Discrete Manufacturing (EUR 30.0m), and Logistics (EUR 31.4m). The share of recurring revenues is 40.6%.

The **ATOSS Software SE** from Munich is a provider of time management and workforce planning. The company achieved revenues of EUR 170.6m in 2024, which are distributed across software (73%), consulting (21%), hardware (3%), and other (2%). Recurring revenues from cloud, subscription, and software maintenance account for 65% of the turnover. The company demonstrates high profitability with an EBIT margin of 37.2%.

The **Fabasoft AG** (Austria) develops and sells solutions for document, process, and file management for private and public clients mainly in Austria and Germany. Recurring revenues from software updates, usage fees, and recurring services account for 52.7% of the total EUR 81.0m revenues in the FY 2023/2024.

Mensch und Maschine Software SE creates standard software for computer-aided design, manufacturing, and development, as well as solutions for the planning and management of industrial and construction projects. Additionally, in the second segment "Digitalization," customer-specific solutions, training, and the Autodesk business are offered.

Nemetschek SE from Munich offers software solutions for construction and infrastructure projects and the media industry. The majority of the EUR 995.6m in revenues from 2024 is recurring in nature (86.5%), with EUR 567.8m coming from software rental models and EUR 293.3m from recurring software services. Additional revenues come from one-time software and license sales (revenue share 2024: 10.1%) and from consulting & hardware (3.4%).

TeamViewer SE is a global provider of software for remote access, remote maintenance, and remote work, generating the majority of its revenues from business with small and medium-sized enterprises. The expected subscription revenues by the end of the 2024 fiscal year were EUR 684.1m, exceeding the annual revenues of EUR 671.4m.

For IVU, we have classified EBIT as the central performance KPI. However, in other companies, this metric might not be representative, for example, due to higher PPA amortizations, so the EV/EBITDA multiple seems appropriate for peer group comparison. For 2025e, the peer group is traded at a premium of 31% to IVU. The consensus sees both stronger revenue growth for the chosen peer companies with a median CAGR from 2024 to 2027 of around 12% and a stronger EBITDA margin expansion of 8.6PP by 2027 compared to our plan for IVU with a CAGR of 9.3% and an EBITDA margin expansion of 0.3%. As a result, the valuation premium to IVU decreases to 9% (2026e) or 2% (2027e). We consider the achievement of growth targets to be particularly visible at IVU due to its market position and history. On average, the valuation premium from 2025e to 2027e is 13.9%. The implied fair value of IVU's shares is EUR 21.03, thereby confirming the upside indicated by the DCF valuation relative to the current share price.

Peergroup IVU Traffic Technologies AG

Company	EV (m LC)	EV / Sales				Growth yoy			
		2024	2025e	2026e	2027e	2024	2025e	2026e	2027e
init innovation in traffic systems SE	453	1.70	1.44	1.24	1.09	26.0%	18.7%	16.0%	13.6%
CHAPTERS Group AG	1,022	9.23	6.90	5.52	n.a.	56.4%	33.8%	25.0%	n.a.
PSI Software SE	493	1.89	1.71	1.55	1.42	-3.4%	10.2%	10.4%	9.7%
ATOSS Software SE	2,068	12.12	10.79	9.47	8.34	12.8%	12.4%	13.9%	13.6%
Fabasoft AG	159	1.97	1.83	1.68	1.53	16.9%	7.3%	9.0%	9.8%
Mensch und Maschine Software SE	895	2.75	3.64	3.50	3.30	1.1%	-24.6%	4.0%	6.2%
Nemetschek SE	14,473	14.54	12.33	10.78	9.44	16.9%	17.9%	14.4%	14.2%
TeamViewer SE	2,617	3.90	3.36	3.09	2.83	7.1%	16.0%	8.8%	9.0%
Median		3.32	3.50	3.30	2.83	14.9%	14.2%	12.2%	9.8%
IVU Traffic Technologies AG	297.8	2.23	2.05	1.86	1.71	9.1%	8.8%	9.8%	9.3%
Potential/Difference		49%	71%	77%	66%	-5.7 PP	-5.3 PP	-2.3 PP	-0.6 PP
Fair value per share		27.11	30.89	31.88	30.05				

Company	EV (m LC)	EV / EBITDA				EBITDA margin			
		2024	2025e	2026e	2027e	2024	2025e	2026e	2027e
init innovation in traffic systems SE	453	11.70	9.65	7.86	6.63	14.6%	14.9%	15.8%	16.5%
CHAPTERS Group AG	1,022	65.09	22.27	15.99	13.72	14.2%	31.0%	34.5%	n.a.
PSI Software SE	493	neg.	19.70	13.25	10.20	-0.2%	8.7%	11.7%	13.9%
ATOSS Software SE	2,068	30.49	31.16	26.91	23.23	39.8%	34.6%	35.2%	35.9%
Fabasoft AG	159	7.37	6.88	6.55	5.90	26.7%	26.7%	25.7%	26.0%
Mensch und Maschine Software SE	895	15.77	14.21	12.22	10.75	17.4%	25.6%	28.7%	30.7%
Nemetschek SE	14,473	48.08	39.26	33.29	28.73	30.2%	31.4%	32.4%	32.9%
TeamViewer SE	2,617	8.82	7.80	7.18	6.61	44.2%	43.1%	43.0%	42.9%
Median		15.77	16.95	12.73	10.47	22.0%	28.8%	30.5%	30.7%
IVU Traffic Technologies AG	297.8	13.72	12.95	11.68	10.31	16.2%	15.8%	16.0%	16.6%
Potential/Difference		15%	31%	9%	2%	-5.8 PP	-13 PP	-14.6 PP	-14.1 PP
Fair value per share		21.22	23.97	20.20	18.93				

Company	EV (m LC)	EV / EBIT				EBIT margin			
		2024	2025e	2026e	2027e	2024	2025e	2026e	2027e
init innovation in traffic systems SE	453	18.46	14.22	10.97	8.86	9.2%	10.1%	11.3%	12.3%
CHAPTERS Group AG	1,022	neg.	29.88	19.39	16.12	-4.2%	23.1%	28.5%	n.a.
PSI Software SE	493	neg.	46.33	22.09	15.10	-5.8%	3.7%	7.0%	9.4%
ATOSS Software SE	2,068	32.61	33.23	28.61	24.59	37.2%	32.5%	33.1%	33.9%
Fabasoft AG	159	11.89	11.97	11.05	9.89	16.5%	15.3%	15.2%	15.5%
Mensch und Maschine Software SE	895	19.25	17.11	14.40	12.50	14.3%	21.3%	24.3%	26.4%
Nemetschek SE	14,473	61.79	47.75	39.97	33.68	23.5%	25.8%	27.0%	28.0%
TeamViewer SE	2,617	12.68	10.91	9.72	8.83	30.7%	30.8%	31.8%	32.1%
Median		18.85	23.50	16.90	13.80	15.4%	22.2%	25.6%	26.4%
IVU Traffic Technologies AG	297.8	17.73	16.73	14.67	12.57	12.6%	12.2%	12.7%	13.6%
Potential/Difference		6%	40%	15%	10%	-2.8 PP	-10 PP	-12.9 PP	-12.8 PP
Fair value per share		19.75	25.62	21.27	20.34				

Company	Price (LC)	PE				FCF yield			
		2024	2025e	2026e	2027e	2024	2025e	2026e	2027e
init innovation in traffic systems SE	38.50	24.5	19.5	14.7	11.4	-1.6%	0.4%	3.4%	6.2%
CHAPTERS Group AG	42.90	195.0	38.3	23.3	n.a.	0.8%	4.5%	5.6%	n.a.
PSI Software SE	29.10	neg.	80.3	31.5	20.8	-5.6%	2.1%	2.6%	4.0%
ATOSS Software SE	136.60	47.8	49.6	42.4	36.0	2.8%	2.3%	2.6%	3.0%
Fabasoft AG	15.80	18.6	16.7	18.8	16.6	3.9%	1.0%	-0.9%	1.2%
Mensch und Maschine Software SE	54.70	30.3	26.8	22.6	19.5	5.8%	2.8%	4.7%	6.1%
Nemetschek SE	122.90	80.9	63.4	51.6	42.6	2.0%	2.2%	2.5%	2.8%
TeamViewer SE	9.96	9.5	9.4	8.2	7.2	9.3%	7.5%	10.1%	10.9%
Median		30.34	32.56	22.96	19.47	2.4%	2.3%	3.0%	4.0%
IVU Traffic Technologies AG	18.65	27.03	25.90	23.02	19.63	1.7%	6.1%	2.7%	4.8%
Potential/Difference		12%	26%	0%	-1%	42%	3.8 PP	-0.4 PP	0.9 PP
Fair value per share		20.93	23.44	18.60	18.49				

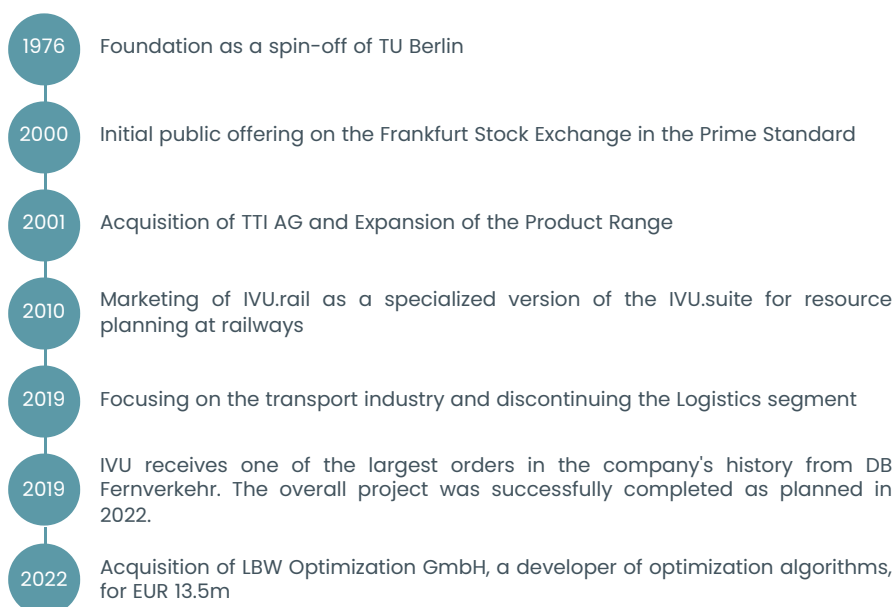
Company Background

IVU Traffic Technologies AG develops hardware and software systems for public transport and enables, among other things, the efficient planning and scheduling of vehicles and personnel, the control of operations, as well as ticket sales. In addition to the sale of software licenses and hardware, the group offers both the implementation and customization of standard software, as well as consulting and training services, and the provision of maintenance and hosting.

Sector	Systems Software
Ticker	IVU
Employees	846 FTE
Revenue	EUR 133.7m
EBIT	EUR 16.8m
EBIT margin	12.6%
Business model	Development, production and distribution of software and hardware for the planning, organization and management of public transport
Locations	Germany (HQ: Berlin), Italy, Switzerland, Austria, Netherlands, France, Great Britain, Sweden, Hungary, Turkey, USA, Canada, Chile, Vietnam
Customer structure	More than 500 operators of public local and long-distance transport

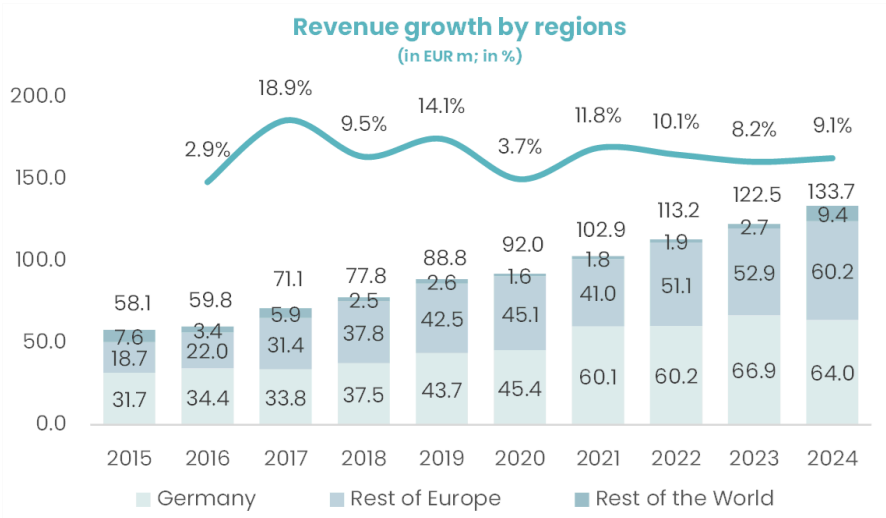
Source: Company, Montega; As of FY 2024

Major Events in the Company's History



Markets and Products

IVU is primarily active in Europe and generates over 90% of its revenues here. About half of the business is in its home market, Germany. Other core markets, besides the DACH countries, include the Benelux region, Scandinavia, and Italy. In 2024, the business outside of Europe was significantly expanded. Here, IVU is active, for example, on a route operated by Deutsche Bahn in India or with a railway in Toronto.



Source: Company

The core of IVU's product offering consists of the modular software solution IVU.suite and IVU.rail, a customized version of the IVU.suite for railway companies with special features for rail transport, such as integrated route booking and management. In addition, IVU offers complementary services.

Planning			Operations			
Service planning	Resource planning	Resource dispatching	Fleet management	Ticketing and on-board devices	Information and analytics	Controlling
Network and timetable planning IVU.timetable IVU.trainpath	Vehicle scheduling IVU.run	Vehicle dispatch and depot management IVU.vehicle IVU.charge	Control centre IVU.fleet IVU.controlcentre	Tariff management and fare collection IVU.fare	Dynamic passenger information IVU.realtime IVU.journey	Accounting and reporting IVU.control
Data integration IVU.pool IVU.integration	Personnel and duty scheduling IVU.duty	Personnel dispatch IVU.crew	Incident management IVU.incident	Ticket sales and inspection IVU.ticket	Big data and analytics IVU.data	
		Mobile workplace IVU.pad	On-board software IVU.cockpit	Vehicle equipment IVU.box IVU.ticket.box IVU.validator		

The software offering can be divided into two areas: "Planning" and "Operations". The "Planning" area includes solutions that allow transport companies to plan routes, determine the necessary vehicles and staff, and allocate specific resources. Specifically, the following modules are included here:

- **Service planning:** IVU.timetable and IVU.trainpath support the entire planning process from route network design and timetable creation to timetable publication, taking into account basic and infrastructure data. Transport associations can use IVU.pool and IVU.integration to manage timetable data from different companies in a standardized way.
- **Resource planning:** IVU.run and IVU.duty enable integrated service and duty optimization, minimizing the required vehicles and personnel. In doing so, both vehicle-specific criteria such as the battery capacity of e-buses and legal labor requirements, as well as individual preferences, are taken into account.
- **Resource dispatching:** IVU.vehicle and IVU.charge are responsible for assigning vehicles to routes and record disruptions through real-time monitoring. This also integrates track occupancy for railways, the charging management of e-buses, and workshop planning. The allocation of employees with IVU.crew can respond spontaneously to outages and delays, informing staff about changes to their schedule via the IVU.pad app.

The "Operations" products primarily include software for control centers and on-board computers as well as ticketing solutions. These include the following modules:

- **Fleet management:** In daily operations, the background system IVU.fleet as an ITCS solution in combination with the driver-operated IVU.cockpit ensures communication between the control center and the vehicle, so that, for example, route changes can be communicated and data from vehicle sensors can be transmitted. IVU.cockpit can be operated both via IVU's on-board computers and via an Android tablet.
- **Incident management:** IVU.incident collects disruption-relevant data and enables adjacent modules such as IVU.fleet and IVU.realtime to re-plan routes and schedules and inform passengers.
- **Ticketing:** With IVU.fare, all necessary data for handling ticket sales, such as developed fare models or Germany ticket subscriptions, can be managed. Linked to this, IVU.ticket controls the sales process as software for sales and control devices and issues tickets as e-tickets or barcode tickets.
- **On-board devices:** Among the devices from IVU are on-board computers for operating the IVU.cockpit software, which can be connected to vehicle sensors and sometimes also include ticketing functionalities, as well as pure ticketing systems for the sale and verification of tickets.
- **Information and analytics:** The data collected in the IVU system, as well as interfaces to external data sources, can be provided to passengers in the form of departure forecasts and processed in the travel planning tool IVU.journey. With IVU.data, customers can use the aggregated data for data analysis and AI applications.
- **Accounting and reporting:** With IVU.control, transport companies can monitor their fulfillment of contractual requirements through target-actual comparisons and report to the contracting entities. The software enables the contracting entities to manage contracts with different transport companies and to create monthly and annual statements.

In addition, the following overarching services are offered:

- **IVU.integration:** Connection to external systems with standard interfaces
- **IVU.xpress:** Standardized Implementation Process
- **IVU.service:** Support and Training
- **IVU.cloud:** Technical management including hosting, maintenance, and updating
- **IVU.consult:** Strategic consulting for tenders, optimization projects, and the application of planning solutions (Planning-as-a-Service)
- **IVU.solutions:** Customer-specific software solutions

Management

The IVU is led by a two-member management board.



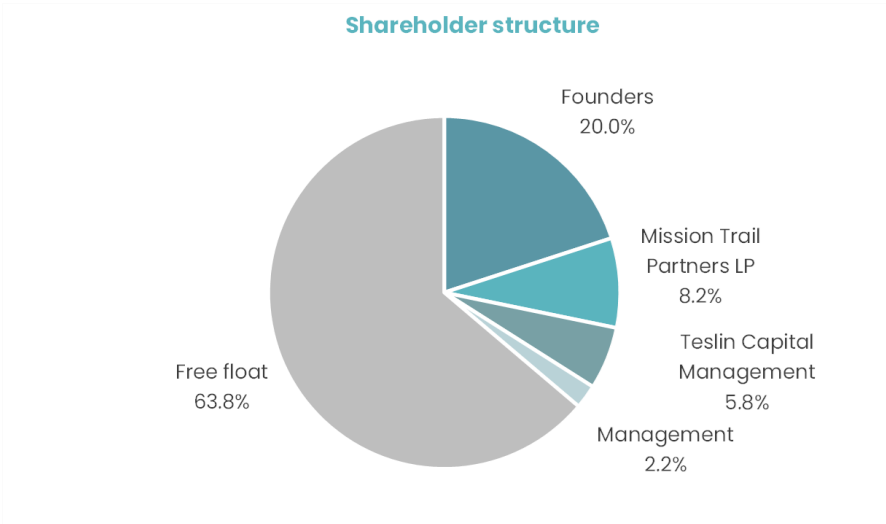
Martin Müller-Elschner (CEO and CFO) has been on the board of IVU since 2008 and has held the position of CEO since 2010. He has been active at IVU since 1994 and has worked, among other roles, as a project manager in the area of passenger information and as a department head.



Leon Struijk (COO) took over the technical-operational division as COO on November 1, 2024. He began at IVU in 2016 as an external consultant. Previously, he gained experience in transport and infrastructure consulting at PwC, as a manager at Connexion, and as the founder of the transport company Qbuzz.

Shareholder Structure

The share capital of IVU is divided into 17,719,160 shares. Aside from the founders of the company, who collectively hold 20%, the Texan financial investor Mission Trail Partners LP is the largest investor. Mission Trail took over the 5.3% stake from Daimler Buses, which will continue to collaborate with IVU due to a long-term framework agreement.



Source: Company, Montega

DCF Model

Figures in EUR m

	2025e	2026e	2027e	2028e	2029e	2030e	2031e	Terminal Value
Sales	145.5	159.8	174.6	190.4	207.3	225.1	242.6	248.6
Change yoy	8.9%	9.8%	9.3%	9.0%	8.8%	8.6%	7.8%	2.5%
EBIT	18.0	20.3	23.7	27.6	31.2	34.8	37.5	43.5
EBIT margin	12.4%	12.7%	13.5%	14.5%	15.1%	15.5%	15.5%	17.5%
NOPAT	12.5	14.1	16.5	19.2	21.7	24.2	26.1	30.3
Depreciation	5.2	5.2	5.3	5.3	5.2	5.1	5.0	5.1
in % of Sales	3.6%	3.3%	3.0%	2.8%	2.5%	2.3%	2.0%	2.0%
Change in Liquidity from								
- Working Capital	2.5	-2.6	-4.8	-3.0	-4.3	-4.6	-4.5	-1.6
- Capex	-4.7	-4.9	-5.1	-5.4	-6.2	-6.5	-6.3	-5.1
Capex in % of Sales	3.2%	3.1%	2.9%	2.8%	3.0%	2.9%	2.6%	2.0%
Other								
Free Cash Flow (WACC model)	15.9	12.1	12.1	16.5	16.6	18.6	20.6	28.9
WACC	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%
Present value	15.2	10.8	10.0	12.6	11.7	12.2	12.5	303.1
Total present value	15.2	25.9	35.9	48.5	60.2	72.4	85.0	388.1

Valuation (in EUR m)

Total present value (Tpv)	388.1
Terminal Value	303.1
Share of TV on Tpv	78%
Liabilities	3.2
Liquidity	46.1
Equity value	431.0

Number of shares (in m)	17.3
Value per share (EUR)	24.9
+Upside / -Downside	34%
Share price (EUR)	18.65

Model parameter

Debt ratio	10.0%
Costs of Debt	5.0%
Market return	9.0%
Risk free rate	2.5%

Beta	0.9
WACC	7.9%
Terminal Growth	2.5%

Growth: sales and margin

Short term sales growth	2025-2028	9.4%
Mid term sales growth	2025-2031	8.9%
Long term sales growth	from 2032	2.5%
Short term EBIT margin	2025-2028	13.3%
Mid term EBIT margin	2025-2031	14.2%
Long term EBIT margin	from 2032	17.5%

Sensitivity Value per Share (EUR)

WACC	1.75%	2.25%	2.50%	2.75%	3.25%
8.36%	21.04	22.17	22.80	23.49	25.07
8.11%	21.88	23.11	23.82	24.58	26.35
7.86%	22.78	24.15	24.93	25.79	27.78
7.61%	23.76	25.28	26.15	27.11	29.37
7.36%	24.83	26.53	27.51	28.59	31.16

Terminal Growth

Sensitivity Value per Share (EUR)

WACC	17.00%	17.25%	17.50%	17.75%	18.00%
8.36%	22.34	22.57	22.80	23.03	23.26
8.11%	23.32	23.57	23.82	24.06	24.31
7.86%	24.40	24.67	24.93	25.19	25.45
7.61%	25.59	25.87	26.15	26.43	26.71
7.36%	26.91	27.21	27.51	27.81	28.11

EBIT-margin from 2032e

Source: Montega

P&L (in EUR m) IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
Sales	113.2	122.5	133.7	145.5	159.8	174.6
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	113.2	122.5	133.7	145.5	159.8	174.6
Material Expenses	23.9	22.1	22.0	24.4	27.3	30.3
Gross profit	89.4	100.4	111.7	121.2	132.5	144.4
Personnel expenses	60.3	67.6	76.5	82.6	89.7	97.1
Other operating expenses	11.6	13.2	15.2	17.2	19.1	20.3
Other operating income	1.2	0.8	1.7	1.7	1.8	1.9
EBITDA	18.7	20.3	21.7	23.2	25.5	28.9
Depreciation on fixed assets	1.0	1.2	1.2	1.2	1.2	1.3
EBITA	17.7	19.1	20.5	22.0	24.3	27.6
Amortisation of intangible assets	2.8	3.3	3.7	4.0	4.0	3.9
Impairment charges and Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	14.9	15.8	16.8	18.0	20.3	23.7
Financial result	-0.1	0.7	0.5	0.1	-0.1	-0.1
Result from ordinary operations	14.7	16.4	17.3	18.0	20.2	23.6
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
EBT	14.7	16.4	17.3	18.0	20.2	23.6
Taxes	4.6	5.0	5.3	5.5	6.1	7.2
Net Profit of continued operations	10.1	11.4	12.0	12.6	14.1	16.4
Net Profit of discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	10.1	11.4	12.0	12.6	14.1	16.4
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	10.1	11.4	12.0	12.6	14.1	16.4

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Increase / decrease in inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Own work capitalised	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Material Expenses	21.1%	18.1%	16.5%	16.7%	17.1%	17.3%
Gross profit	78.9%	81.9%	83.5%	83.3%	82.9%	82.7%
Personnel expenses	53.2%	55.2%	57.2%	56.7%	56.1%	55.6%
Other operating expenses	10.2%	10.8%	11.4%	11.8%	11.9%	11.6%
Other operating income	1.1%	0.6%	1.3%	1.2%	1.1%	1.1%
EBITDA	16.5%	16.6%	16.2%	15.9%	16.0%	16.6%
Depreciation on fixed assets	0.9%	1.0%	0.9%	0.8%	0.8%	0.8%
EBITA	15.6%	15.6%	15.3%	15.1%	15.2%	15.8%
Amortisation of intangible assets	2.5%	2.7%	2.8%	2.8%	2.5%	2.2%
Impairment charges and Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT	13.1%	12.9%	12.6%	12.4%	12.7%	13.5%
Financial result	-0.1%	0.5%	0.4%	0.0%	-0.1%	-0.1%
Result from ordinary operations	13.0%	13.4%	12.9%	12.4%	12.6%	13.5%
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBT	13.0%	13.4%	12.9%	12.4%	12.6%	13.5%
Taxes	4.1%	4.1%	3.9%	3.8%	3.8%	4.1%
Net Profit of continued operations	8.9%	9.3%	9.0%	8.6%	8.8%	9.4%
Net Profit of discontinued operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit before minorities	8.9%	9.3%	9.0%	8.6%	8.8%	9.4%
Minority interests	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit	8.9%	9.3%	9.0%	8.6%	8.8%	9.4%

Source: Company (reported results), Montega (forecast)

Balance sheet (in EUR m) IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
ASSETS						
Intangible assets	42.8	43.0	46.1	45.6	45.3	45.1
Property, plant & equipment	1.9	1.9	1.9	2.0	2.2	2.4
Financial assets	0.7	0.8	0.3	0.3	0.3	0.3
Fixed assets	45.3	45.7	48.3	47.9	47.7	47.8
Inventories	4.3	4.8	5.0	6.6	6.2	7.8
Accounts receivable	31.8	30.0	43.2	35.9	39.4	43.1
Liquid assets	23.1	25.4	21.1	31.8	31.9	38.1
Other assets	41.2	46.6	46.5	51.5	53.4	55.3
Current assets	100.3	106.8	115.7	125.8	130.9	144.3
Total assets	145.6	152.5	164.0	173.7	178.7	192.1
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	74.7	79.0	84.8	92.5	101.3	112.2
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0
Provisions	17.1	18.0	19.3	19.6	13.4	13.7
Financial liabilities	15.6	17.1	20.8	20.9	21.1	21.3
Accounts payable	4.7	2.8	5.0	4.0	4.5	5.0
Other liabilities	33.5	35.6	34.1	36.7	38.3	39.9
Liabilities	70.9	73.5	79.2	81.2	77.3	79.9
Total liabilities and shareholders' equity	145.6	152.5	164.0	173.7	178.7	192.1

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
ASSETS						
Intangible assets	29.4%	28.2%	28.1%	26.2%	25.3%	23.5%
Property, plant & equipment	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%
Financial assets	0.4%	0.5%	0.2%	0.2%	0.2%	0.2%
Fixed assets	31.1%	30.0%	29.4%	27.6%	26.7%	24.9%
Inventories	2.9%	3.2%	3.1%	3.8%	3.5%	4.1%
Accounts receivable	21.9%	19.7%	26.3%	20.7%	22.0%	22.4%
Liquid assets	15.8%	16.7%	12.9%	18.3%	17.9%	19.8%
Other assets	28.3%	30.5%	28.3%	29.7%	29.9%	28.8%
Current assets	68.9%	70.0%	70.6%	72.4%	73.3%	75.1%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	51.3%	51.8%	51.7%	53.3%	56.7%	58.4%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions	11.7%	11.8%	11.7%	11.3%	7.5%	7.2%
Financial liabilities	10.7%	11.2%	12.7%	12.1%	11.8%	11.1%
Accounts payable	3.3%	1.8%	3.1%	2.3%	2.5%	2.6%
Other liabilities	23.0%	23.3%	20.8%	21.1%	21.4%	20.8%
Total Liabilities	48.7%	48.2%	48.3%	46.7%	43.3%	41.6%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company (reported results), Montega (forecast)

Statement of cash flows (in EUR m) IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
Net income	10.1	11.4	12.0	12.6	14.1	16.4
Depreciation of fixed assets	1.0	1.2	1.2	1.2	1.2	1.3
Amortisation of intangible assets	2.8	3.3	3.7	4.0	4.0	3.9
Increase/decrease in long-term provisions	-1.4	0.1	-0.4	0.3	0.3	0.3
Other non-cash related payments	7.7	3.1	0.2	0.0	-6.5	0.0
Cash flow	20.3	19.1	16.7	18.0	13.1	22.0
Increase / decrease in working capital	-15.8	-7.2	-9.9	2.3	-2.9	-5.1
Cash flow from operating activities	4.5	11.9	6.7	20.3	10.2	16.9
CAPEX	-1.9	-1.7	-1.6	-2.1	-2.3	-2.5
Other	-11.0	1.0	1.2	0.0	0.0	0.0
Cash flow from investing activities	-12.9	-0.8	-0.4	-2.1	-2.3	-2.5
Dividends paid	-3.9	-4.2	-4.5	-4.9	-5.2	-5.6
Change in financial liabilities	-1.8	-2.0	-2.3	-2.6	-2.6	-2.6
Other	-4.4	-2.6	-3.8	0.0	0.0	0.0
Cash flow from financing activities	-10.0	-8.8	-10.7	-7.5	-7.8	-8.2
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Change in liquid funds	-18.4	2.3	-4.3	10.7	0.1	6.2
Liquid assets at end of period	23.1	25.4	21.1	31.8	31.9	38.1

Source: Company (reported results), Montega (forecast)

Key figures IVU Traffic Technologies AG	2022	2023	2024	2025e	2026e	2027e
Earnings margins						
Gross margin (%)	78.9%	81.9%	83.5%	83.3%	82.9%	82.7%
EBITDA margin (%)	16.5%	16.6%	16.2%	15.9%	16.0%	16.6%
EBIT margin (%)	13.1%	12.9%	12.6%	12.4%	12.7%	13.5%
EBT margin (%)	13.0%	13.4%	12.9%	12.4%	12.6%	13.5%
Net income margin (%)	8.9%	9.3%	9.0%	8.6%	8.8%	9.4%
Return on capital						
ROCE (%)	26.8%	21.7%	20.8%	20.8%	22.6%	24.4%
ROE (%)	14.9%	15.2%	15.2%	14.8%	15.2%	16.2%
ROA (%)	7.0%	7.5%	7.3%	7.2%	7.9%	8.5%
Solvency						
YE net debt (in EUR)	-28.9	-29.7	-22.1	-32.5	-32.1	-37.8
Net debt / EBITDA	-1.5	-1.5	-1.0	-1.4	-1.3	-1.3
Net gearing (Net debt/equity)	-0.4	-0.4	-0.3	-0.4	-0.3	-0.3
Cash Flow						
Free cash flow (EUR m)	2.6	10.2	5.1	18.2	7.9	14.4
Capex / sales (%)	1.6%	0.6%	0.2%	1.4%	1.4%	1.4%
Working capital / sales (%)	19.7%	26.6%	28.3%	27.3%	24.9%	24.9%
Valuation						
EV/Sales	2.6	2.4	2.2	2.0	1.9	1.7
EV/EBITDA	15.9	14.7	13.7	12.8	11.7	10.3
EV/EBIT	20.0	18.9	17.7	16.6	14.7	12.6
EV/FCF	116.7	29.3	57.9	16.4	37.5	20.7
PE	32.2	28.7	27.0	25.5	23.0	19.6
P/B	4.3	4.1	3.8	3.5	3.2	2.9
Dividend yield	1.3%	1.4%	1.5%	1.6%	1.7%	1.8%

Source: Company (reported results), Montega (forecast)

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Company	Disclosure (as of 18.06.2025)
IVU Traffic Technologies AG	1,8,9

Price history

Recommendation	Date	Price (EUR)	Price target (EUR)	Potential
Buy (Initiation)	18.06.2025	18.65	25.00	+34%