

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

Berlin, 27 August 2014

### Performance indicators

	<b>1/1 - 30/6/2014 in k€</b>	<b>1/1 - 30/6/2013 in k€</b>	<b>Change in k€</b>
<b>Revenues</b>	16,739	16,960	-221
<b>Gross profit</b>	13,903	13,589	314
<b>Personnel expenses</b>	11,986	11,077	909
<b>EBIT</b>	-1,413	-913	-500
<b>Consolidated loss</b>	-1,498	-1,035	-463

## Management report

### Financial performance

IVU's revenues for the first six months of 2014 at k€ 16,739 were slightly lower than for the same period in 2013 (k€ 16,960). The gross profit, however, which reflects the value created by IVU, increased to k€ 13,903 (2013: k€ 13,589). EBIT of - k€ 1,413 was lower than in the previous year (2013: - k€ 913). This is mainly due to the additional costs for newly recruited personnel. Personnel costs for the period covered by this interim report increased as planned by 8% to k€ 11,986 compared with k€ 11,077 for the same period in 2013.

The negative EBIT in the first half year is in line with the seasonal business cycle familiar from previous years. This will not affect the annual results and the targets set for 2014 will be achieved. This is backed up by the good level of orders, which already account for over 90% of the planned annual revenues for the current financial year as of 30 June 2014.

### Key projects in the first half of 2014

#### **Mainz. IVU.realtime.app provides real-time information for passengers.**

The IVU.realtime.app allows passengers to always find out when a bus will depart – whether they are waiting at the bus stop, are about to leave home, or are actually on the bus. In contrast to a static timetable, the IVU.realtime.app shows the live bus departure times anywhere at any time. When a query is received, the app responds within seconds to provide real-time data to the smartphone directly from the operational control centre. Since the beginning of July, trips with the buses and trams of the MVG public transport company (Mainzer Verkehrsgesellschaft) can also be planned with the IVU.realtime.app. The system has already been implemented by public transport companies across Europe. It is used to plan journeys by passengers in London and customers of APAM in the Italian city of Mantua. In Germany, the app is available for the services provided by ASEAG in Aachen or wupsi (Kraftverkehr Wupper-Sieg) in Leverkusen and the Rheinisch-Bergische district. The app has now been downloaded for the 100,000th time from the iOS and Android stores.

## **The Netherlands and Germany. Smooth European elections with IVU.elect.**

At the end of May, the elections for European Parliament took place across all of the European Union. In the Netherlands and Germany, the proven election system IVU.elect has already ensured for a smooth election process in the past. The software took care of preparing and organising the polling procedures, in addition to evaluating the votes in a quick and secure manner. During the preparation stage, the system facilitated the administration of the candidates and parties, helped to create lists and election materials and simplified the registration process for eligible voters. The software was also used to organise election workers and polling sites with ease. Early prognoses on election night were also made possible with IVU.elect.

## **IVU General Meeting. Shareholders elect new Supervisory Board.**

The Annual General Meeting of IVU Traffic Technologies AG elected a new Supervisory Board on 3 June 2014. A new member is Ulrike Mayer-Johanssen, Member of the Executive Board of MetaDesign AG in Berlin. The previous chairman, Klaus-Gerd Kleversaat, has left the Supervisory Board with effect from the conclusion of the General Meeting. He has been succeeded as chairman by Prof Herbert Sonntag. André Neiss, CEO of üstra Hannoversche Verkehrsbetriebe AG, remains a member of the Supervisory Board.

## Personnel

	2014	2013	Change
<b>Number of employees</b> as of 30 June	404	392	+ 3%
<b>Personnel capacity *</b> 1 January - 30 June	335	317	+ 6%

\* Equivalent number of full-time employees (FTE)

New projects in Germany and abroad require additional project and software engineers. During the first half of 2014, the IVU team grew accordingly. In a year-on-year comparison the personnel capacity increased by 6% to 335.

By means of effective human resources marketing, IVU was once again able to recruit highly-qualified staff. In the first half year IVU attended five career fairs, among others, the Sticks & Stones career fair in Berlin, whose organisers are hoping to promote more tolerance and individuality in the working world.

In addition to the staff expansion, IVU places a priority on the further development of its existing team. More than 60 IVU software developers were able to add to their knowledge in specialist fields during two IVU Developer School events held over several days in April and June. With training measures like this, IVU aims to ensure that its developers are always at the cutting edge of technological developments. They are the guarantee for high-quality software that customers can rely on.

## Outlook

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

## **Risks**

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

## **Transactions with related individuals**

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

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

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

## Consolidated income statement in accordance with IFRS for the period 1 January to 30 June 2014

	Q2 2014	Q2 2013	1st half 2014	1st half 2013
	kEUR	kEUR	kEUR	kEUR
<b>Revenues</b>	<b>8.673</b>	<b>8.661</b>	<b>16.739</b>	<b>16.960</b>
Other operating revenues	211	97	471	189
Material costs	-1.633	-1.741	-3.307	-3.560
<b>Gross profit</b>	<b>7.251</b>	<b>7.017</b>	<b>13.903</b>	<b>13.589</b>
Personnel expenses	-6.099	-5.573	-11.986	-11.077
Depreciation of non-current assets	-210	-247	-421	-485
Other operating expenses	-1.535	-1.525	-2.909	-2.940
<b>Earnings before interest and taxes (EBIT)</b>	<b>-593</b>	<b>-328</b>	<b>-1.413</b>	<b>-913</b>
Financial revenues	1	7	1	7
Financial expenses	-36	-55	-81	-135
<b>Earnings before taxes (EBT)</b>	<b>-628</b>	<b>-376</b>	<b>-1.493</b>	<b>-1.041</b>
Taxes on income and revenues	-5	-1	-5	6
<b>Consolidated loss</b>	<b>-633</b>	<b>-377</b>	<b>-1.498</b>	<b>-1.035</b>
			EUR	EUR
Earnings per share (undiluted and diluted)			-0,08	-0,06
Average number of shares in circulation (in thousands)			17.719	17.719

## Consolidated statement of comprehensive income for the period 1 January to 30 June 2014

	1st half 2014	1st half 2013
	kEUR	kEUR
Consolidated loss	-1.498	-1.035
Currency translations	0	-5
<b>Other earnings after taxes</b>	<b>0</b>	<b>-5</b>
<b>Total consolidated earnings after taxes</b>	<b>-1.498</b>	<b>-1.040</b>

## Consolidated balance sheet in accordance with IFRS as of 30 June 2014

ASSETS	30/06/2014	31/12/2013
	kEUR	kEUR
<b>A. Current assets</b>		
1. Liquid funds	13.753	10.668
2. Current trade receivables	9.588	17.867
3. Current receivables from construction contracts	9.007	7.135
4. Inventories	3.153	2.553
5. Other current assets	4.216	4.250
<b>Total current assets</b>	<b>39.717</b>	<b>42.473</b>
<b>B. Non-current assets</b>		
1. Fixed assets	1.350	1.477
2. Intangible assets	11.709	11.593
3. Non-current trade receivables	1.750	1.252
4. Deferred tax assets	2.200	2.200
<b>Total non-current assets</b>	<b>17.009</b>	<b>16.522</b>
<b>Total assets</b>	<b>56.726</b>	<b>58.995</b>
<b>LIABILITIES AND EQUITY</b>	<b>30/06/2014</b>	<b>31/12/2013</b>
	kEUR	kEUR
<b>A. Current liabilities</b>		
1. Current financial liabilities	0	0
2. Current trade payables	1.543	2.588
3. Liabilities from construction contracts	10.627	10.625
4. Provisions	1.099	1.101
5. Tax accruals	1.256	1.259
6. Other current liabilities	6.807	6.665
<b>Total current liabilities</b>	<b>21.332</b>	<b>22.238</b>
<b>B. Non-current liabilities</b>		
1. Tax accruals	0	0
2. Pension provisions	3.794	3.755
3. Others	457	361
<b>Total non-current liabilities</b>	<b>4.251</b>	<b>4.116</b>
<b>C. Equity</b>		
1. Subscribed capital	17.719	17.719
2. Capital reserves	3.696	3.696
3. Retained earnings	-450	-450
4. Consolidated balance sheet profit	10.132	11.630
5. Currency translations	46	46
<b>Total equity</b>	<b>31.143</b>	<b>32.641</b>
<b>Total liabilities and equity</b>	<b>56.726</b>	<b>58.995</b>

## Consolidated statement of cash flows in accordance with IFRS for the period 1 January to 30 June 2014

	1st half 2014 kEUR	1st half 2013 kEUR
<b>1. Operating activities</b>		
Consolidated earnings before income and taxes of the period	-1.493	-1.041
Depreciation of fixed assets	421	485
Changes to provisions	37	6
Earnings from interest	80	128
Other non-cash income and expenses	0	-5
	<b>-955</b>	<b>-427</b>
Change of items of current assets and current borrowed funds		
Inventories	-600	-992
Receivables and other assets	6.441	3.556
Liabilities (without provisions)	-1.437	1.820
	<b>3.449</b>	<b>3.957</b>
Interest payments	-81	-135
<b>Cash flow from operating activities</b>	<b>3.368</b>	<b>3.822</b>
<b>2. Investing activities</b>		
Payments for investments in property, plant and equipment	-284	-133
Interest received	1	7
<b>Cash flow from investing activities</b>	<b>-283</b>	<b>-126</b>
<b>3. Financing activities</b>		
Cash receipts from the acceptance of current financial liabilities	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>
<b>4. Liquid funds</b>		
Effective change in liquid funds	3.085	3.696
Liquid funds at the beginning of the period	10.668	5.236
<b>Liquid funds at the end of the period</b>	<b>13.753</b>	<b>8.932</b>

(+ = cash inflow / - = cash outflow)



## Consolidated statement of changes in equity in accordance with IFRS for the period 1 January to 30 June 2014

	Subscribed capital	Capital reserves	Retained earnings	Currency translations	Balance sheet profit	Total
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
<b>As of 1 January 2013</b>	<b>17.719</b>	<b>46.456</b>	<b>-608</b>	<b>100</b>	<b>-34.957</b>	<b>28.710</b>
Consolidated profit 2013	0	0	0	0	3.827	3.827
Other income after taxes	0	0	158	-54	0	104
Offsetting	0	-42.760	0	0	42.760	0
<b>Total consolidated profit/loss after taxes</b>	<b>0</b>	<b>-42.760</b>	<b>158</b>	<b>-54</b>	<b>46.587</b>	<b>3.931</b>
<b>As of 31 December 2013</b>	<b>17.719</b>	<b>3.696</b>	<b>-450</b>	<b>46</b>	<b>11.630</b>	<b>32.641</b>
<b>As of 1 January 2014</b>	<b>17.719</b>	<b>3.696</b>	<b>-450</b>	<b>46</b>	<b>11.630</b>	<b>32.641</b>
Consolidated loss						
1 January - 30 June 2014	0	0	0	0	-1.498	-1.498
Other income after taxes	0	0	0	0	0	0
<b>Total consolidated loss after taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1.498</b>	<b>-1.498</b>
<b>As of 30 June 2014</b>	<b>17.719</b>	<b>3.696</b>	<b>-450</b>	<b>46</b>	<b>10.132</b>	<b>31.143</b>

## Responsibility statement


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

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

Berlin, in August 2014

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

**Martin Müller-Elschner**

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

**Dr. Helmut Bergstein**

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

**Frank Kochanski**

## Financial calendar 2014

25 November 2014	German Equity Forum, Frankfurt
28 November 2014	Nine-monthly report up to 30 September

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