

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

Berlin, 28 November 2014

Performance indicators

	1/1 - 30/9/2014 in k€	1/1 - 30/9/2013 in k€	Change in k€
Revenues	27,141	27,840	-699
Gross profit	22,869	21,791	+1,078
Personnel expenses	17,391	16,374	+1,017
EBIT	-61	219	-280
Consolidated profit / loss	-186	55	-241

Management report

Financial performance

IVU's revenues for the first nine months of 2014 at k€ 27,141 were slightly lower than for the same period in 2013 (k€ 27,840). The gross profit, however, which reflects the value created by IVU, increased by k€ 1,078 to k€ 22,869 (2013: k€ 21,791).

On the costs side, personnel expenditure in the first nine months increased as planned to k€ 17,391 (2013: k€ 16,374). Other operating expenditures also increased by k€ 374. EBIT at - k€ 61 was consequently below the figure for the period in the previous financial year (2013: k€ 219).

The negative EBIT in the first nine months is in line with the seasonal business cycle familiar from previous years. The fourth quarter will once again be the strongest quarter this year. The strong order book level confirms the revenue expectations for 2014. Our attention is now focused on meeting deadlines for the completion of all orders by the end of the year.

Key projects in the third quarter 2014

Munich. IVU supplies background software for MVV regional bus services.

About 40 independent transport companies with nearly 600 vehicles on over 200 routes in MVV ("Münchner Verkehrs- und Tarifverbund") provide the local transport throughout the Munich region. The MVV regional bus services are run mainly by small and medium-sized public transport companies. A centralised, multi-client system is now being established under the supervision of MVV GmbH and made available to the public transport companies.

IVU is supplying its products IVU.fleet and IVU.fare as the main components for the integrated real-time data recording and electronic fare management of MVV. Trial operations with the combined on-board computer and ticket printer IVU.ticket.box will begin in January 2015. All devices have been made future-proof by including e-ticketing capability. They continuously provide real-time data to the MVV integration platform. Passengers will benefit from the availability of live information for many services and connections – then also

covering Munich's surrounding districts and including the various transport companies involved.

Hungary. Official handover of new AVL system to Budapest's transport authority.

An official ceremony on 1 October 2014 inaugurated Budapest's new operational control centre with 32 workplaces for around 2,200 buses, trams and trolley buses. IVU implemented the project in record time in only two years with the standard products of the IVU.suite and predefined project steps.

The fleet management system IVU.fleet ensures that the control personnel have a complete overview at all times of the current traffic situation, the locations of all vehicles, and any disturbances. All the vehicles, including the transport boat services on the River Danube, have been equipped with an IVU.box on-board computer to provide the necessary real-time data for operational control and also for the passenger information service. The most obvious sign of the comprehensive modernisation of Budapest's public transport system are the digital passenger information displays which have been set up at some 300 stops all over Budapest. These displays are directly connected by means of IVU.realtime to the operational control centre and they provide live departure times to the nearest minute for all vehicles and ships from the stops or connection nodes.

Aachen. IVU agrees sales cooperation with Scheidt & Bachmann.

IVU has formed a worldwide sales partnership with Scheidt & Bachmann GmbH, an internationally renowned provider of fare management solutions from Mönchengladbach. Through joint collaboration, both companies can now offer complete systems, ranging from ticket sales and validation, access control, on-board computer, and control centres to dynamic information at bus stops and on mobile devices. As a first result of this collaboration the companies jointly demonstrated an on-board computer which combines ticket sales and validation with comprehensive fleet management functionalities at APTA Expo in Houston, Texas, in October 2014.

Berlin. IVU with innovative IT solutions at the InnoTrans 2014.

The InnoTrans trade fair from 23 to 26 September 2014 in Berlin once again provided an outstanding meeting place for the international transport sector. And IVU again participated very successfully. Visitors from all over the world informed themselves at the IVU stand about IT solutions for buses and railways. One of the highlights on show was the IVU.fleet.app, a mobile fleet control option for Android devices. Personnel can use it to gain an overview of the current situation even when they are not in the operational control centre. Also on show was IVU.rail, the specialised planning system for rail transport from IVU, which now offers new multi-day vehicle workings optimisation. Other innovations were presented in the fields of workforce management and e-ticketing. IVU.workforce has been specially adapted to meet the requirements of public transport service providers. And the ticketing module of the IVU.suite now additionally supports the Calypso e-ticketing standard.

Switzerland. International top management at the “IT for Rail” conference in Zurich.

More than 20 representatives from leading European railway companies attended the first “IT for Rail” conference in Zurich at the invitation of IVU and SBB Cargo. On 11 and 12 September 2014, senior managers met with scientists and IVU experts to discuss the benefits and opportunities that IT systems can offer to railway companies. The advantages and disadvantages of standard solutions and experiences with the implementation of IVU.rail were debated. The conference focused on the topic of optimisation: Drawing on internal evaluations, company representatives gave presentations which demonstrated how integrated software solutions could be used to optimise processes for the deployment of personnel and rail vehicles – cutting costs and increasing efficiency.

Personnel

	2014	2013	Change
Number of employees as of 30 September	397	395	+1%
Personnel capacity * 1 January - 30 September	333	320	+4%

* Equivalent number of full-time employees (FTE)

New projects in Germany and abroad require additional project and software engineers. During the first nine months of 2014, the IVU team grew accordingly. In a year-on-year comparison the personnel capacity increased by 4% to 333 FTEs.

In order to recruit and keep highly qualified employees IVU takes action early. IVU is always keen to offer students an insight into the IT systems that keep public transport operations running smoothly. A recent example was the first German-Turkish Summer School from 18 to 22 August. As part of cooperation with Sakarya University, one of Turkey's leading universities, 16 students from its Department of Transport Engineering were the guests of IVU at its Aachen branch.

From 25 to 29 August, for the second time, IVU offered young computer scientists at RWTH Aachen as part of a week-long course on "information management for public mobility services" insights into the technical and organisational challenges faced by the providers of public transport services.

Outlook

Performance is generally best in the fourth quarter so that the targets for the financial year 2014 remain unchanged. We confirm the goals set for 2014 of € 48 million revenue and € 36 million gross profit.

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 report, Martin Müller-Elschner, Chair of IVU's Executive Board, acquired 25,000 IVU shares, and as of 30 September 2014 he holds 165,000 IVU shares.

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

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

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

	Q3 2014	Q3 2013	1st nine months 2014	1st nine months 2013
	k€	k€	k€	k€
Sales revenues	10,402	10,880	27,141	27,840
Other operating revenues	195	133	666	322
Material costs	-1,631	-2,811	-4,938	-6,371
Gross profit	8,966	8,202	22,869	21,791
Personnel expenses	-5,405	-5,297	-17,391	-16,374
Depreciation of non-current assets	-281	-250	-702	-735
Other operating expenses	-1,928	-1,523	-4,837	-4,463
Earnings before interest and taxes (EBIT)	1,352	1,132	-61	219
Financial revenues	10	12	11	19
Financial expenses	-49	-50	-130	-185
Earnings before taxes (EBT)	1,313	1,094	-180	53
Income tax	-1	-4	-6	2
Consolidated profit/loss	1,312	1,090	-186	55
			€	€
Earnings per share (undiluted and diluted)			-0.01	0.00
Average number of shares in circulation (in thousands)			17,719	17,719

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

	1st nine months 2014	1st nine months 2013
	k€	k€
Consolidated profit/loss	-186	55
Currency translations	0	-10
Other earnings after taxes	0	-10
Total consolidated earnings after taxes	-186	45

Consolidated balance sheet in accordance with IFRS as of 30 September 2014

ASSETS	30/09/2014	31/12/2013
	k€	k€
A. Current assets		
1. Liquid funds	13,737	10,668
2. Current trade receivables	10,687	17,867
3. Current receivables from construction contracts	8,750	7,135
4. Inventories	3,285	2,553
5. Other current assets	3,821	4,250
Total current assets	40,280	42,473
B. Non-current assets		
1. Fixed assets	1,263	1,477
2. Intangible assets	11,952	11,593
3. Non-current trade receivables	1,641	1,252
4. Deferred tax assets	2,200	2,200
Total non-current assets	17,056	16,522
Total assets	57,336	58,995
LIABILITIES AND EQUITY	30/09/2014	31/12/2013
	k€	k€
A. Current liabilities		
1. Current trade payables	1,171	2,588
2. Liabilities from construction contracts	9,985	10,625
3. Provisions	974	1,101
4. Tax accruals	1,257	1,259
5. Other current liabilities	7,439	6,665
Total current liabilities	20,826	22,238
B. Non-current liabilities		
1. Pension provisions	3,814	3,755
2. Others	241	361
Total non-current liabilities	4,055	4,116
C. Equity		
1. Subscribed capital	17,719	17,719
2. Capital reserves	3,696	3,696
3. Retained earnings	-450	-450
4. Consolidated balance sheet profit	11,444	11,630
5. Currency translations	46	46
Total equity	32,455	32,641
Total liabilities and equity	57,336	58,995

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

	1st nine months 2014 k€	1st nine months 2013 k€
1. Operating activities		
Consolidated earnings before income and taxes of the period	-180	53
Depreciation of fixed assets	702	735
Changes to provisions	-68	56
Earnings from interest	119	166
Other non-cash income and expenses	0	-10
	573	1,000
Change of items of current assets and current borrowed funds		
Inventories	-732	-1,762
Receivables and other assets	5,994	2,499
Liabilities (without provisions)	-1,886	992
	3,949	2,729
Interest payments	-130	-185
Cash flow from operating activities	3,819	2,544
2. Investing activities		
Payments for investments in property, plant and equipment	-761	-199
Interest received	11	19
Cash flow from investing activities	-750	-180
3. Financing activities		
Cash flow from financing activities	0	0
4. Liquid funds		
Effective change in liquid funds	3,069	2,364
Liquid funds at the beginning of the period	10,668	5,236
Liquid funds at the end of the period	13,737	7,600

(+ = cash inflow / - = cash outflow)

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

	Subscribed capital	Capital reserves	Retained earnings	Currency translations	Balance sheet profit	Total
	k€	k€	k€	k€	k€	k€
As of 1 January 2013	17,719	46,456	-608	100	-34,957	28,710
Consolidated profit 2013	0	0	0	0	3,827	3,827
Other income after taxes	0	0	158	-54	0	104
Offsetting	0	-42,760	0	0	42,760	0
Total consolidated profit/loss after taxes	0	-42,760	158	-54	46,587	3,931
As of 31 December 2013	17,719	3,696	-450	46	11,630	32,641
As of 1 January 2014	17,719	3,696	-450	46	11,630	32,641
Consolidated loss 1 January - 30 September 2014	0	0	0	0	-186	-186
Other income after taxes	0	0	0	0	0	0
Total consolidated loss after taxes	0	0	0	0	-186	-186
As of 30 September 2014	17,719	3,696	-450	46	11,444	32,455

Explanatory Notes

(1) Interim financial statements in accordance with IAS 34

The condensed consolidated interim financial statements meet the requirements in IAS 34. The consolidated interim financial statements do not include all of the information and explanatory notes required for complete financial statements for year-end reporting purposes. They should be read in conjunction with the consolidated financial statements of the annual report 2013.

(2) Accounting and valuation principles

The accounting and valuation principles as applied in the consolidated interim financial statements for the first nine months of 2014 correspond to those pertaining to the consolidated financial statements for the financial year 2013.

(3) Seasonality of business operations

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

Group segment reporting

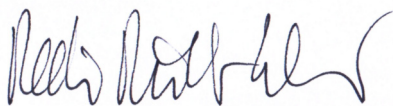
Operating segments	Public Transport		Logistics		Central services		Consolidated	
	1st nine months 2014	1st nine months 2013	1st nine months 2014	1st nine months 2013	1st nine months 2014	1st nine months 2013	1st nine months 2014	1st nine months 2013
	k€	k€	k€	k€	k€	k€	k€	k€
Total sales revenues	23,628	22,804	3,460	2,857	53	51	27,141	25,712
Inter-segment sales	0	2,036	0	92	0	0	0	2,128
Sales to external customers	23,628	24,840	3,460	2,949	53	51	27,141	27,840
Other operating revenues	368	123	241	158	57	41	666	322
Material costs	-4,233	-5,968	-690	-385	-15	-18	-4,938	-6,371
Segment gross profit	19,763	18,995	3,011	2,722	95	74	22,869	21,791
Expenses	-8,740	-8,125	-2,528	-2,572	-11,662	-10,875	-22,930	-21,572
EBIT	11,023	10,870	483	150	-11,567	-10,801	-61	219
Financial expenses, net					-119	-166	-119	-166
EBT	11,023	10,870	483	150	-11,686	-10,967	-180	53
Income tax					-6	2	-6	2
Consolidated profit/loss	11,023	10,870	483	150	-11,692	-10,965	-186	55
Segment assets	45,858	42,169	6,739	5,032	2,539	2,526	55,136	49,727
Investment expenditure	628	276	113	50	104	45	845	371
Impairments	522	546	94	98	86	91	702	735

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 November 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 2015

25 March 2015	Annual Report 2014
29 May 2015	Three-monthly report as of 30 March
3 June 2015	Annual General Meeting
26 August 2015	Six-monthly report as of 30 June
18 November 2015	Nine-monthly report as of 30 September

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