

IVU Traffic Technologies AG

## Consolidated report for the first three months of the financial year 2015 in line with IFRS

Berlin, 29 May 2015

### Key figures

	1/1 – 31/3/2015 in k€	1/1 – 31/3/2014 in k€	Change in k€
<b>Revenues</b>	9,361	8,066	+1,295
<b>Gross profit</b>	7,335	6,652	+683
<b>Personnel expenses</b>	6,316	5,887	+429
<b>EBIT</b>	-786	-820	+34
<b>Consolidated loss</b>	-855	-865	+10

## Management report

### Financial performance

With a revenue increase to € 9,361 k (2014: € 8,066 k) and a plus in gross profit to € 7,335 k (2014: € 6,652 k) for the first three months, IVU has made a good start to the financial year 2015.

Regarding costs, personnel expenses have increased as planned to € 6,316 k (2014: € 5,887 k). Other operating expenses have grown slightly by € 152 k to - € 1,526 k (2014: - € 1,374 k). EBIT improved to - € 786 k (2014: - € 820 k).

The first quarter performance is typical for IVU's seasonal business cycle. This will not affect the annual results and the targets set for 2015 will be achieved. This is backed up by the good level of orders, which total some € 45 million as of 30 April 2015 – accounting for about 90 % of the planned annual revenues for the current financial year.

### Key projects in the first quarter 2015

#### **Lima. Peruvian capital city modernises public transport**

The Peruvian capital Lima has been investing heavily for some years in the modernisation of its public transport system. This includes calls for new tenders for numerous important connections such as the Lima–Callao service. Since the start of this year the Grupo Express Perú (GEP Lima) has been operating a regular service with 150 buses between the capital and the country's chief seaport. IVU supplies the IVU.suite for the scheduling and control of vehicles and personnel, as well as the complete e-ticketing system.

#### **Dublin. Personnel dispatch for 1,300 drivers**

With a total of 685 vehicles, Bus Éireann operates long-distance bus connections between Ireland's major cities, in addition to providing public transport services within cities and in rural areas. To dispatch its more than 1,300 drivers, the company uses the IVU.crew system. It supports Bus Éireann's dispatchers with its automatic driver allocation function and an individual roster layout check. Thanks to its flexible and adjustable payroll rules, IVU.crew is also equipped to meet future demands.

### **Berlin. Incident management system for KKI**

The Berlin-based Competence Centre for Critical Infrastructures GmbH (KKI) operates a hotline service for supply companies and local authorities which in cases of gas emissions, blackouts or other emergencies can be called 24/7, and which will immediately initiate the appropriate measures. IVU is now developing a powerful IT system for the deployment of crisis management personnel. With mathematical algorithms, it supports hotline staff to determine and alarm the nearest available emergency response personnel with the appropriate qualifications.

### **Greifswald. Mobile passenger information via app**

Bus passengers in the German district of Vorpommern-Greifswald can now get information about current departure times with the new version of “VVG live”, which is based on IVU.realtime.app. Users of the smartphone app can request real-time data for numerous bus stops for all routes travelling to those stops and can view minute-by-minute departure times for all buses. Particularly in regions with less frequent services, passengers benefit from the real-time information. With a single glance, passengers can see when the next bus is leaving and whether it will arrive at the destination or interchange on time.

### **Cologne. IVU presents its experiences with IBIS-IP**

Together with other industry partners, IVU has worked in the IP-KOM-ÖV research project of the Association of German Transport Companies (VDV) to develop the future standard for digital data transmission in public transport vehicles. The standard integrates modern transmission methods based on the Internet Protocol (IP), which achieve data rates that are a thousand times higher than earlier systems. As the first company, IVU has already implemented parts of the new specification for its international customers. At the IBIS-IP-Forum in January in Cologne IVU presented its experiences.

### **IVU User Forum. Record attendance**

Representatives of international public transport companies came together on 19 and 20 February for the 27<sup>th</sup> User Forum of IVU Traffic Technologies AG in Berlin. In talks and discussions, they exchanged views about topics relating to the future of public transport. With more than 500 guests from 18 countries, including participants from Canada, Mexico, Columbia and Turkey, attendance at the meeting this year was once more at a record level.

## Personnel

	2015	2014	Change
<b>Number of employees</b> as of 31 March	422	411	+3 %
<b>Personnel capacity *</b> 1 January – 31 March	341	334	+2 %

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

In the first quarter of 2015 we strengthened our team as planned. The personnel capacity has increased by 2 % in comparison with the same period in the previous year to 341.

## Outlook

The good order-book situation promises a continued positive business development. We therefore anticipate for 2015 revenue of € 50 million and a gross profit of € 39 million.

## Risks

The risks are described on pages 20 and 21 of the Annual Report 2014. No new risks have arisen. Neither have there been any changes in risk management.

## Transactions with related individuals

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

## Declaration in line with WpHG Section 37w, Para. 5 Sentence 6

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

## Consolidated income statement in line with IFRS for the period 1 January to 31 March 2015

	1st three months 2015	1st three months 2014
	k€	k€
<b>Sales revenues</b>	<b>9,361</b>	<b>8,066</b>
Other operating revenues	179	260
Material costs	-2,205	-1,674
<b>Gross profit</b>	<b>7,335</b>	<b>6,652</b>
Personnel expenses	-6,316	-5,887
Depreciation of non-current assets	-279	-211
Other operating expenses	-1,526	-1,374
<b>Earnings before interest and taxes (EBIT)</b>	<b>-786</b>	<b>-820</b>
Financial revenues	0	0
Financial expenses	-68	-45
<b>Earnings before taxes (EBT)</b>	<b>-854</b>	<b>-865</b>
Income tax	-1	0
<b>Consolidated profit/loss</b>	<b>-855</b>	<b>-865</b>
	€	€
Earnings per share (undiluted and diluted)	-0.05	-0.05
Average number of shares in circulation (in thousands)	17,719	17,719

## Consolidated statement of comprehensive income for the period 1 January to 31 March 2015

	1st three months 2015	1st three months 2014
	k€	k€
Consolidated profit/loss	-855	-865
Currency translations	-1	0
<b>Other earnings after taxes</b>	<b>-1</b>	<b>0</b>
<b>Total consolidated earnings after taxes</b>	<b>-856</b>	<b>-865</b>

## Consolidated balance sheet in line with IFRS as at 31 March 2015

ASSETS	31/03/2015	31/12/2014
	k€	k€
<b>A. Current assets</b>		
1. Liquid funds	13,736	14,667
2. Current trade receivables	10,299	15,098
3. Current receivables from construction contracts	12,495	9,587
4. Inventories	3,772	3,296
5. Other current assets	4,516	4,652
<b>Total current assets</b>	<b>44,818</b>	<b>47,300</b>
<b>B. Non-current assets</b>		
1. Fixed assets	1,461	1,489
2. Intangible assets	12,239	12,289
3. Non-current trade receivables	10	10
4. Deferred tax assets	3,009	3,009
<b>Total non-current assets</b>	<b>16,719</b>	<b>16,797</b>
<b>Total assets</b>	<b>61,537</b>	<b>64,097</b>
<b>LIABILITIES AND EQUITY</b>	<b>31/03/2015</b>	<b>31/12/2014</b>
	k€	k€
<b>A. Current liabilities</b>		
1. Current trade payables	1,806	5,111
2. Liabilities from construction contracts	9,135	9,417
3. Provisions	818	832
4. Tax accruals	174	373
5. Other current liabilities	9,139	6,828
<b>Total current liabilities</b>	<b>21,072</b>	<b>22,561</b>
<b>B. Non-current liabilities</b>		
1. Pension provisions	5,027	5,016
2. Others	109	335
<b>Total non-current liabilities</b>	<b>5,136</b>	<b>5,351</b>
<b>C. Equity</b>		
1. Subscribed capital	17,719	17,719
2. Capital reserves	3,696	3,696
3. Retained earnings	-1,272	-1,272
4. Consolidated balance sheet profit	15,140	15,995
5. Currency translations	46	47
<b>Total equity</b>	<b>35,329</b>	<b>36,185</b>
<b>Total liabilities and equity</b>	<b>61,537</b>	<b>64,097</b>

## Consolidated statement of cash flows in line with IFRS for the period 1 January to 31 March 2015

	1st three months 2015 k€	1st three months 2014 k€
<b>1. Operating activities</b>		
Consolidated earnings before income and taxes of the period	-854	-865
Depreciation of fixed assets	279	211
Changes to provisions	-3	140
Earnings from interest	68	45
Other non-cash income and expenses	-1	-7
	<b>-511</b>	<b>-476</b>
Change of items of current assets and current borrowed funds		
Inventories	-475	-207
Receivables and other assets	2,026	5,640
Liabilities (without provisions)	-1,700	489
	<b>-660</b>	<b>5,446</b>
Interest payments	-68	-45
Income taxes paid	-1	0
<b>Cash flow from operating activities</b>	<b>-729</b>	<b>5,401</b>
<b>2. Investing activities</b>		
Payments for investments in property, plant and equipment	-202	-79
Interest received	0	0
<b>Cash flow from investing activities</b>	<b>-202</b>	<b>-79</b>
<b>3. Financing activities</b>		
Cash receipts from the acceptance of current financial liabilities	0	3
<b>Cash flow from financing activities</b>	<b>0</b>	<b>3</b>
<b>4. Liquid funds</b>		
Effective change in liquid funds	-931	5,325
Liquid funds at the beginning of the period	14,667	10,668
<b>Liquid funds at the end of the period</b>	<b>13,736</b>	<b>15,993</b>

(+ = cash inflow / - = cash outflow)

## Consolidated statement of changes in equity in line with IFRS for the period 1 January to 31 March 2015

	Subscribed capital	Capital reserves	Retained earnings	Currency translations	Balance sheet profit	Total
	k€	k€	k€	k€	k€	k€
<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 profit 2014	0	0	0	0	4,365	4,365
Other income after taxes	0	0	-822	1	0	-821
<b>Total consolidated profit/loss after taxes</b>	<b>0</b>	<b>0</b>	<b>-822</b>	<b>1</b>	<b>4,365</b>	<b>3,544</b>
<b>As of 31 December 2014</b>	<b>17,719</b>	<b>3,696</b>	<b>-1,272</b>	<b>47</b>	<b>15,995</b>	<b>36,185</b>
<b>As of 1 January 2015</b>	<b>17,719</b>	<b>3,696</b>	<b>-1,272</b>	<b>47</b>	<b>15,995</b>	<b>36,185</b>
Consolidated loss 1 January - 31 March 2015	0	0	0	0	-855	-855
Other income after taxes	0	0	0	-1	0	-1
<b>Total consolidated loss after taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-855</b>	<b>-856</b>
<b>As of 31 March 2015</b>	<b>17,719</b>	<b>3,696</b>	<b>-1,272</b>	<b>46</b>	<b>15,140</b>	<b>35,329</b>



## 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 2014.

(2) Accounting and valuation principles

The accounting and valuation principles as applied in the consolidated interim financial statements for the first three months of 2015 correspond to those pertaining to the consolidated financial statements for the financial year 2014.

(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

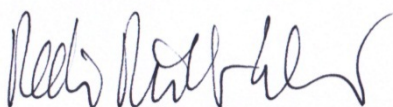
Operating segments	Public Transport		Logistics		Central Services		Consolidated	
	1st three months 2015	1st three months 2014	1st three months 2015	1st three months 2014	1st three months 2015	1st three months 2014	1st three months 2015	1st three months 2014
	k€	k€	k€	k€	k€	k€	k€	k€
<b>Total sales revenues</b>	<b>8,169</b>	<b>7,176</b>	<b>1,192</b>	<b>890</b>	<b>0</b>	<b>0</b>	<b>9,361</b>	<b>8,066</b>
Inter-segment sales	0	0	0	0	0	0	0	0
Sales to external customers	8,169	7,176	1,192	890	0	0	9,361	8,066
<b>Segment gross profit</b>	<b>6,172</b>	<b>5,981</b>	<b>1,133</b>	<b>661</b>	<b>30</b>	<b>10</b>	<b>7,335</b>	<b>6,652</b>
Expenses	-3,056	-2,785	-851	-902	-4,214	-3,785	-8,121	-7,472
<b>EBIT</b>	<b>3,116</b>	<b>3,196</b>	<b>282</b>	<b>-241</b>	<b>-4,184</b>	<b>-3,775</b>	<b>-786</b>	<b>-820</b>
Financial expenses, net					-68	-45	-68	-45
<b>EBT</b>							<b>-854</b>	<b>-865</b>
Income tax					-1	0	-1	0
<b>Consolidated profit/loss</b>							<b>-855</b>	<b>-865</b>
<b>Segment assets</b>	<b>48,162</b>	<b>47,576</b>	<b>7,028</b>	<b>5,901</b>	<b>3,338</b>	<b>3,084</b>	<b>58,528</b>	<b>56,561</b>
Investment expenditure	81	45	37	2	84	32	202	79
Impairments	64	38	12	16	206	13	282	67

## Responsibility statement

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

Berlin, in May 2015

The Executive Board

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

## Financial calendar 2015

3 June 2015	Annual General Meeting
26 August 2015	Six-months report as at 30 June
18 November 2015	Nine-months report as at 30 September

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