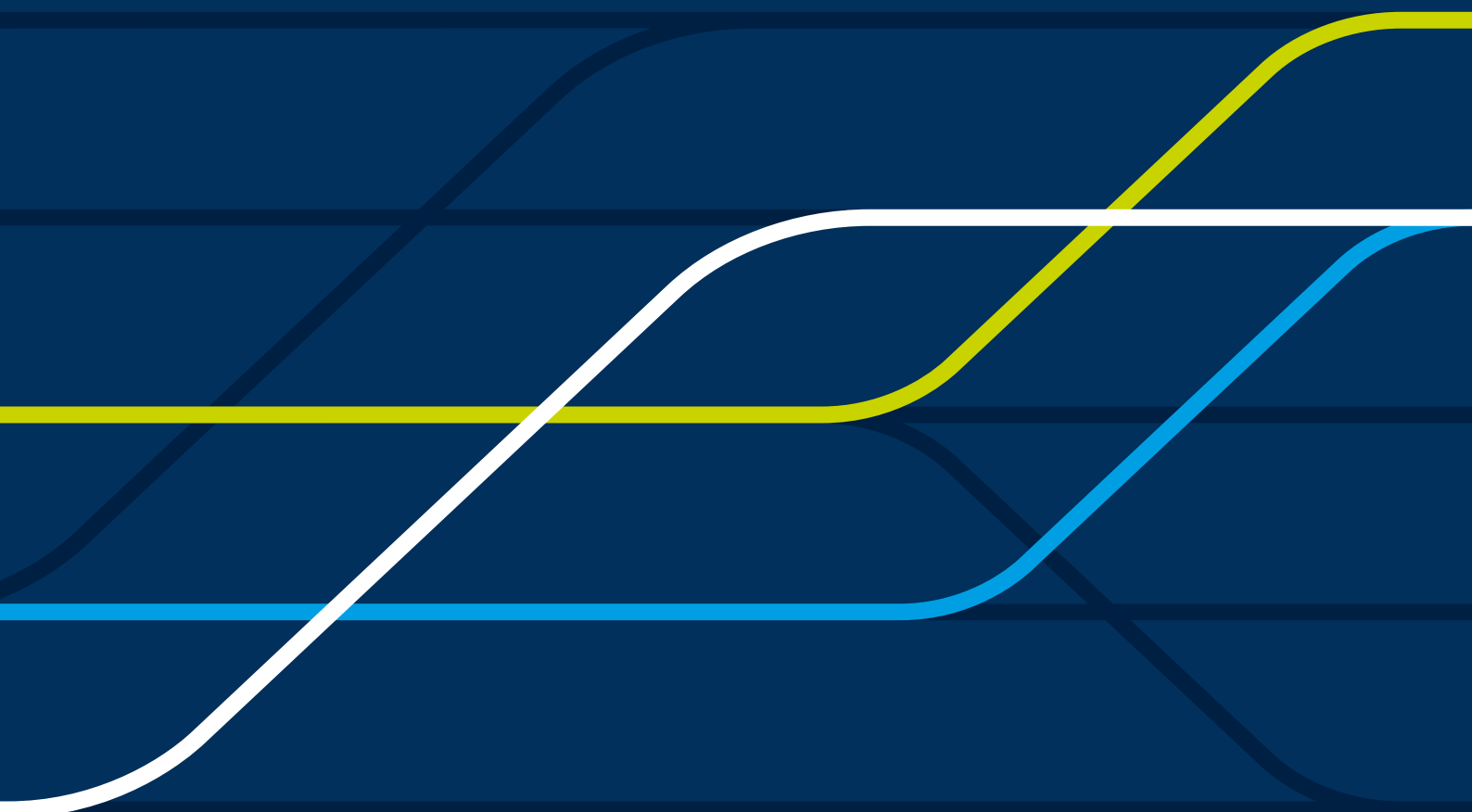


# QUARTERLY REPORT

FIRST QUARTER 2019



# Performance

## KEY FIGURES

	JAN-MAR 2019 € THOU.	JAN-MAR 2018 € THOU.	CHANGE € THOU.
Revenues	13,193	13,993	-800
Gross profit	10,207	9,695	+512
Personnel expenses	8,409	8,261	+148
EBIT	-504	-684	+180
Consolidated loss	-860	-837	-23

## FINANCIAL PERFORMANCE

After the very successful year 2018, IVU also made a good start to the 2019 financial year: Gross profit improved by 5% to € 10,207 thousand (2018: €9,695 thousand). Due to lower hardware deliveries, revenue of €13,193 thousand (2018: €13,993 thousand) was slightly down on the prior-year period.

Personnel capacity was increased by 5% year-on-year, while personnel costs rose by only 2% to €8,409 thousand (2018: € 8,261 thousand) due to the reduction of overtime and vacation.

The first-time application of the new accounting stand-

ard IFRS 16 led to an increase in depreciation by €301 thousand and in financial expenses by €30 thousand, while other operating expenses were reduced by €302 thousand.

At €-504 thousand (2018: €-684 thousand), the operating result (EBIT) for the first quarter was at the previous year's level and corresponds to the seasonal business trend typical for IVU.

The order backlog for 2019 of more than €76 million (2018: €60 million) is well above the previous year's figure and already covers more than 90% of the planned annual revenue for the current financial year.

# Important projects

## **BERLIN. DB LONG DISTANCE CHOOSES IVU.RAIL**

Deutsche Bahn (DB) is successively stepping up its deployment of digital technologies in vehicle planning, preparation and maintenance. One aim of this is to make travel simpler and more convenient for customers. In addition, planning of long distance services is becoming ever more challenging, for instance due to the increase in roadworks, and increasingly requires digital solutions. To cope with this, DB is setting up a new digital production platform for its Long Distance division in conjunction with IVU. One major advantage of the new system is that the impacts of unexpected disruptions to operations can be identified and rectified more quickly. Furthermore, the modern integrated IT system will replace a host of IT applications currently in use. The basis of the new production platform is the standard product IVU.rail, which is already used by numerous railway operators worldwide. This is a long-term collaboration. The 15-year framework agreement covers licensing, implementation and maintenance of IVU.rail.

## **STUTTGART. PARTNERSHIP WITH DAIMLER BUSES**

Public transport is undergoing a radical transformation. Daimler Buses has identified three issues that will have a significant impact on the transport transformation: increasing connectivity, electric mobility and digital mobility services. Daimler Buses and IVU want to work together to develop innovative, integrated solutions that go far beyond the vehicle itself and the traditional IT transport system. At the same time, Daimler Buses acquires a 5.25 percent stake in IVU.

## **AACHEN. JOINT VENTURE FOR ELECTROMOBILITY**

Electric buses are taking over public transport – and fundamentally changing rostering. In response, IVU and ebusplan are now pooling their expertise in a joint venture. EBS ebus solutions GmbH develops innovative software solutions and components tailored specifically to the needs of electric buses. Making use of IVU's and ebusplan's expertise, ebus solutions will develop software, software modules and components for electric buses. The systems are intended to enable a consistent planning process in five fields, where the special features of electrically powered fleets in particular are taken into account. From strategic planning and vehicle scheduling to charging phase planning, depot management and vehicle dispatch, transport companies therefore get an integrated solution for the future of electromobility.

## **BERLIN. RECORD ATTENDANCE AT IVU USER FORUM**

Electromobility also was the chief topic for discussion at the annual industry convention of IVU, which took place in Berlin on 18 and 19 March. Alongside the talks by experts, one particular high point came in the form of the new eCitaro from Daimler Buses, which visitors had the chance to inspect up close. In his address, keynote speaker Ulrich Bastert, head of Marketing, Sales and Customer Services at Daimler Buses, emphasised the importance of the overall system in making efficient use of electric buses. Other talks dealt with topical issues relating to innovation, such as autonomous vehicles and their integration into existing fleets, mobile ticketing and the use of artificial intelligence (AI) for train timetabling.

# Personnel, Outlook

## PERSONNEL

	2019	2018	CHANGE
<b>Number of employees</b> as of 31 March	588	542	+8%
<b>Personnel capacity *</b> 1 January – 31 March	471	448	+5%

<sup>1</sup> Equivalent number of full-time employees (FTE).

The personnel capacity has increased by 5% in comparison with the same period in the previous year to 471 FTE. We are planning to further invest in additional employees in the areas of product development and project management, in order to further strengthen our market position.

## OUTLOOK

The outlook for the 2019 financial year is positive. Demand for the standard products IVU.suite and IVU.rail remains high and the good order backlog indicates a positive business trend. We therefore continue to expect revenue of over € 80 million, gross profit of at least € 55 million and operating earnings (EBIT) of around € 7 million for 2019.

## RISKS

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

# Income in line with IFRS

## 1 January to 31 March 2019

	JAN-MAR 2019 € THOU.	JAN-MAR 2018 € THOU.
<b>Sales revenues</b>	<b>13,193</b>	<b>13,993</b>
Other operating income	45	150
Cost of materials	-3,031	-4,448
<b>Gross profit</b>	<b>10,207</b>	<b>9,695</b>
Personnel expenses	-8,409	-8,261
Depreciation and amortisation on non-current assets	-512	-306
Other operating expenses	-1,790	-1,812
<b>Operating results (EBIT)</b>	<b>-504</b>	<b>-684</b>
Financial expenses	-69	-55
<b>Pre-tax profit (EBT)</b>	<b>-573</b>	<b>-739</b>
Income taxes	-256	-41
Deferred taxes	-31	-57
<b>CONSOLIDATED LOSS</b>	<b>-860</b>	<b>-837</b>

Earnings per share (basis and diluted)	-0.05	-0.05
Average shares outstanding (in thousand shares)	17,719	17,719

	JAN-MAR 2019 € THOU.	JAN-MAR 2018 € THOU.
<b>Consolidated net profit</b>	<b>-860</b>	<b>-837</b>
Currency translation	2	-1
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>2</b>	<b>-1</b>
<b>Other comprehensive income after taxes</b>	<b>2</b>	<b>-1</b>
<b>CONSOLIDATED TOTAL COMPREHENSIVE INCOME AFTER TAXES</b>	<b>-858</b>	<b>-838</b>

# Balance sheet in line with IFRS as at 31 March 2019

<b>ASSETS</b>	<b>31 MAR 2019</b> € THOU.	31 DEC 2018 € THOU.
<b>A. Current assets</b>		
1. Cash and cash equivalents	25,168	21,298
2. Current trade receivables	20,249	24,590
3. Contract assets	15,081	13,135
4. Inventories	2,600	2,146
5. Other current assets	3,547	3,873
<b>Total current assets</b>	<b>66,645</b>	<b>65,042</b>
<b>B. Non-current assets</b>		
1. Property, plant and equipments	1,064	1,043
2. Intangible assets	11,593	11,596
3. Rights of use	7,232	0
4. Non-current trade receivables	0	37
5. Deferred taxes	1,630	1,661
<b>Total non-current assets</b>	<b>21,519</b>	<b>14,337</b>
<b>TOTAL ASSETS</b>	<b>88,164</b>	<b>79,379</b>

<b>LIABILITIES</b>	<b>31. MAR 2019</b> € THOU.	31. DEC 2018 € THOU.
<b>A. Current liabilities</b>		
1. Current trade payables	1,766	3,273
2. Contract liabilities	14,681	7,865
3. Provisions	1,212	1,235
4. Provisions for taxes	1,095	1,714
5. Other current liabilities	9,818	12,110
<b>Total current liabilities</b>	<b>28,572</b>	26,197
<b>B. Non-current liabilities</b>		
1. Leasing liabilities	7,261	0
2. Provisions for pensions	4,811	4,804
<b>Total non-current liabilities</b>	<b>12,072</b>	<b>4,804</b>
<b>C. Equity</b>		
1. Share capital	17,719	17,719
2. Retained earnings	2,500	2,500
3. Other reserves	-983	-985
4. Balance sheet profit	28,284	29,144
<b>Total equity</b>	<b>47,520</b>	<b>48,378</b>
<b>TOTAL LIABILITIES</b>	<b>88,164</b>	<b>79,379</b>

# Equity in line with IFRS

## 1 January 2018 to 31 March 2019

	SHARE CAPITAL € THOU.	RETAINED EARNINGS € THOU.	OTHER COMPRE- HENSIVE INCOME € THOU.	FOREIGN EXCHANGE RECONCIL- ING ITEM € THOU.	UNAPPRO- PRIATED SURPLUS € THOU.	TOTAL € THOU.
<b>As at 1 January 2018</b>	<b>17,719</b>	<b>0</b>	<b>-932</b>	<b>38</b>	<b>27,175</b>	<b>44,000</b>
Consolidated net income 2018	0	0	0	0	6,159	6,159
Transfer to retained earnings	0	2,500	0	0	-2,500	0
Other comprehensive income, net of tax	0	0	-82	-9	82	-9
Dividend distribution (€0.10 per share)	0	0	0	0	-1,772	-1,772
<b>Consolidated recognised results after tax</b>	<b>0</b>	<b>2,500</b>	<b>-82</b>	<b>-9</b>	<b>1,969</b>	<b>4,378</b>
<b>AS AT 31 DECEMBER 2018</b>	<b>17,719</b>	<b>2,500</b>	<b>-1,014</b>	<b>29</b>	<b>29,144</b>	<b>48,378</b>
<b>As at 1 January 2019</b>	<b>17,719</b>	<b>2,500</b>	<b>-1,014</b>	<b>29</b>	<b>29,144</b>	<b>48,378</b>
Consolidated loss 1 Jan-31 Mar 2019	0	0	0	0	-860	-860
Other comprehensive income, net of tax	0	0	0	2	0	2
<b>Consolidated recognised results after tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>-860</b>	<b>-858</b>
<b>AS AT 31 MARCH 2019</b>	<b>17,719</b>	<b>2,500</b>	<b>-1,014</b>	<b>31</b>	<b>28,284</b>	<b>47,520</b>



# Cash flows in line with IFRS

## 1 January to 31 March 2019

	JAN-MAR 2019 € THOU.	JAN-MAR 2018 € THOU.
<b>1. Operating activities</b>		
Group earnings before tax of the period	-573	-739
Depreciation and amortisation on non-current assets	512	306
Change in provisions	-16	-125
Net interest income	69	55
Other non-cash expenses/income	2	-1
<b>Change of items of working capital and borrowings und des Fremdkapitals</b>		
Inventories	-454	130
Receivables and other assets	2,751	5,483
Liabilities (without provisions)	3,017	2,660
Interest paid / Guarantee commissions	-69	-55
Income taxes paid	-875	0
<b>Cash flow from operating activities</b>	<b>4,364</b>	<b>7,714</b>
<b>2. Investing activities</b>		
Outflows for investments in non-current assets	-221	-258
Cash receipts from disposal of fixed assets	0	3
<b>Cash flow from investing activities</b>	<b>-221</b>	<b>-255</b>
<b>3. Financing activities</b>		
Change in current and non-current lease liabilities	-273	0
<b>Cash flow from financing activities</b>	<b>-273</b>	<b>0</b>
<b>4. Cash and cash equivalents</b>		
Change in cash and cash equivalents	3,870	7,459
Cash and cash equivalents at beginning of period	21,298	11,521
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>25,168</b>	<b>18,980</b>

# Explanatory notes

## ACCOUNTING AND VALUATION PRINCIPLES

This quarterly report does not constitute an interim report within the meaning of IAS 34. With the exception of the first-time application of IFRS 16, the accounting and valuation principles applied for the quarterly report as of 31 March 2019 correspond to the methods applied in the preparation of the consolidated financial statements for the 2018 financial year.

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

## SEASONALITY OF BUSINESS OPERATIONS

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

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

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

## TRANSACTIONS WITH RELATED INDIVIDUALS

There were no transactions with related parties in the reporting period.

## 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, 28 May 2019

### THE EXECUTIVE BOARD



Martin Müller-Elschner



Matthias Rust



Leon Struijk

## FINANCIAL CALENDAR 2019

### TUESDAY, 28 MAY 2019

Quarterly report as at 31 March

### WEDNESDAY, 29 MAY 2019

Annual General Meeting

### WEDNESDAY, 28 AUGUST 2019

Half-year report 2019 as at 30 June

### WEDNESDAY, 20 NOVEMBER 2019

Quarterly report as at 30 September.

## IMPRINT

### **Publisher**

IVU Traffic Technologies AG

This report can be downloaded as PDF file at [www.ivu.com](http://www.ivu.com).

### **Contact**

Investor Relations  
T +49-30-859-06-0  
F +49-30-859-06-111  
[ir@ivu.de](mailto:ir@ivu.de)

### **Editorial**

Dr. Stefan Steck,  
IVU Corporate Communications

### **Layout**

Eckhard Berchner,  
IVU Corporate Communications

**IVU Traffic Technologies AG**

Bundesallee 88  
12161 Berlin  
Germany

T +49-30-859-06-0  
F +49-30-859-06-111  
[contact@ivu.com](mailto:contact@ivu.com)  
[www.ivu.com](http://www.ivu.com)