

## Consolidated report for the first half of the financial year 2010 in accordance with IFRS

Berlin, 26 July 2010

### Performance figures

	1 <sup>st</sup> half year 2010 in k€	1 <sup>st</sup> half year 2009 in k€	Change 2010 to 2009 in k€
<b>Revenue</b>	15,663	15,817	-154
<b>Gross profit</b>	12,647	12,658	-11
<b>Personnel costs</b>	9,577	9,360	217
<b>EBIT</b>	9	125	-116
<b>Consolidated loss</b>	-214	-7	-207

## Report on the situation

### Performance figures

In the first half of 2010, IVU Traffic Technologies AG again generated a stable result, with revenue of roughly € 15.7 million (first half of 2009: € 15.8 million) and gross profit almost identical to that of the prior-year period at around € 12.6 million (first half of 2009: € 12.7 million). IVU thus replicated its strong results from the previous year. Due to the cross-period aspect of the projects and seasonal business development, an operating result (EBIT) of about zero is normal for the first half of the financial year.

There is worldwide demand for our IT systems for public transport and logistics, which we are pushing forward through the systematic expansion of our sales activities and product developments. We are confident that we will achieve our targets for the financial year 2010.

### Important projects in the first half of 2010

#### Argentina. IVU plans for three cities.

In future, bus services in the cities of Rosario, Santa Fé and Buenos Aires will be optimised using IVU.plan. RosarioBus Holding, which is responsible for public transport in this region, will be using the IVU system in place of its self-developed planning software in order to be prepared for future expansion. The company operates a total of 1,100 buses, and this number is due to increase in the near future after winning additional concessions.

Country-specific challenges in Argentina were numerous legal restrictions, which often made route planning difficult. To make the best possible use of cost-intensive resources, a planning system was needed that is capable of meeting all the legal requirements and that fulfils specific operational needs, but that nevertheless ensures efficient duty scheduling and timetable planning.



## **Finland. IVU systems dispatch for the state railway.**

With 19 tracks, 310 main line routes and some 890 commuter services running every day, Helsinki's main station is one of the most important railway nodes in Finland.

The Finnish state-owned railway company (VR Group) plans to further improve frequency and quality of vehicle management – and has chosen IVU.rail for this purpose. It is only possible to cope with these high dispatching tasks with the assistance of reliable software solutions. Every minute trains are arriving and departing in the station – if there are any delays, free sections of track have to be identified as quickly as possible so that waiting trains can be diverted. The IVU software system will ensure an optimised parking planning. Implementation will be complete by the end of this year.

## **Germany. IVU is well received.**

BeNEX, the North German holding company for transport services, has set itself the goal of providing good connections. And to do this, BeNEX has chosen to use the operation control system of IVU.

With participation in five railway companies and three bus companies, BeNEX provides an annual transport capacity of some 38 million rail-kilometres and 18 million kilometres on the road. Such complex transport operations require a software system that is able to fulfil the requirements of all the companies involved but also one that follows a uniform standard.

Over the course of this year, the Regensburg regional network including the Donautalbahn and the Dieselnetz Oberfranken will receive IVU's operational control system.

## **Netherlands. Re-elections with IVU system.**

The IVU election system was used in the election of a new Dutch parliament on 9 June 2010. The re-election was triggered by the fall of the previous coalition. The Kiesraad, the Dutch electoral council, thereby used the IVU election system for the third time. The E-Government solution had already proven its reliability at the European elections in 2009 and at the Dutch local elections in March 2010. The core of the IVU software is a component that precisely maps the complex regulations of electoral laws. The system again put in a convincing performance at the parliamentary re-election with efficient consolidation of the vote counts and when it calculated the allocation of seats to parties and candidates.

## Personnel

Personnel development	2010	2009	Change in percent
No. of employees as of 30 June	327	321	+2%
Personnel capacity* 1 January to 30 June 2010	281	271	+4%

\* = equivalent number of full-time employees.

Although a slight economic recovery is noticeable on the applicant market, IVU is able to find qualified new employees. IVU's attractiveness as an employer is based on challenging tasks for interesting customers in the areas of public transport and logistics. Besides recruiting well-trained experts, IVU attaches considerable importance to developing employee potential. One recent example of target-oriented qualification is the management trainees' circle, which is already the third of IVU's established initiatives.

## Prospects

The prospects for the financial year 2010 remain unchanged from the first quarter report. We continue to expect an annual revenue of € 40 million and a gross profit of € 30 million.



## **Risks**

The risks are described on page 14 of the Annual Report 2009. There are no further new risks. In addition, there have been no changes in risk management / controlling.

## **Transactions with related individuals**

Frank Kochanski, member of the Executive Board, has bought 3,500 IVU shares in the reporting period and now holds a total of 8,500 IVU shares.

## **Declaration in accordance with WpHG section 37w, paragraph 5**

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

## Consolidated half-yearly income statement in accordance with IFRS as of 30 June 2010

	Q2 2010	Q2 2009	1 <sup>st</sup> half year 2010	1 <sup>st</sup> half year 2009
	k€	k€	k€	k€
<b>Earnings</b>	<b>8,298</b>	<b>8,500</b>	<b>15,663</b>	<b>15,817</b>
Other operating revenues	119	132	211	233
Material costs	-1,975	-2,034	-3,227	-3,392
<b>Gross profit</b>	<b>6,442</b>	<b>6,598</b>	<b>12,647</b>	<b>12,658</b>
Personnel expenses	-4,879	-4,860	-9,577	-9,360
Depreciation of non-current assets	-214	-178	-411	-367
Other operating expenses	-1,306	-1,436	-2,650	-2,806
<b>EBIT</b>	<b>43</b>	<b>124</b>	<b>9</b>	<b>125</b>
Interest revenues	1	1	8	4
Interest payments	-27	-38	-60	-96
<b>Earnings before taxes (EBT)</b>	<b>17</b>	<b>87</b>	<b>-43</b>	<b>33</b>
Taxes on income and revenues	-168	-32	-171	-40
<b>Consolidated profit / loss</b>	<b>-151</b>	<b>55</b>	<b>-214</b>	<b>-7</b>
			<b>2010</b>	<b>2009</b>
			€	€
Earnings per share (undiluted and diluted)			-0.01	0.00
<b>Average no. of shares in circulation</b>			17,719	17,719
(in thousands)				

## Statement of comprehensive income: 1 January – 30 June 2010

	2 <sup>nd</sup> quarter 2010	2 <sup>nd</sup> quarter 2009
	k€	k€
<b>Consolidated loss</b>	<b>-214</b>	<b>-7</b>
Currency translations	27	13
Other earnings after taxes	27	13
<b>Total consolidated earnings after taxes</b>	<b>-187</b>	<b>6</b>

## Consolidated balance sheet in accordance with IFRS as of 30 June 2010

<b><u>ASSETS</u></b>	<b>30/06/10</b>	<b>31/12/09</b>
	k€	k€
<b>A. <u>Current assets</u></b>		
1. Liquid funds	3,236	1,129
2. Trade receivables	8,744	15,991
3. Current receivables from construction contracts	6,631	4,237
4. Inventories	2,251	1,679
5. Other current assets	1,590	2,015
Total current assets	22,452	25,051
<b>B. <u>Non-current assets</u></b>		
1. Fixed assets	1,044	1,166
2. Intangible assets	11,725	11,792
3. Deferred tax assets	1,141	1,141
Total non-current assets	13,910	14,099
	<b>36,362</b>	<b>39,150</b>
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<b><u>LIABILITIES</u></b>	<b>30/06/10</b>	<b>31/12/09</b>
	k€	k€
<b>A. <u>Current liabilities</u></b>		
1. Current loans and liabilities	32	1,469
2. Trade payables	1,443	3,044
3. Obligations arising from construction contracts	2,629	2,983
4. Provisions	531	572
5. Tax provisions	84	84
6. Other current liabilities	6,389	5,597
Total current liabilities	11,108	13,749
<b>B. <u>Non-current liabilities</u></b>		
1. Deferred tax liabilities	1,141	1,141
2. Pension provisions	2,818	2,745
3. Others	321	354
Total non-current liabilities	4,280	4,240
<b>C. <u>Equity</u></b>		
1. Subscribed capital	17,719	17,719
2. Capital reserves	46,456	46,456
3. Consolidated balance sheet loss	-43,275	-43,061
4. Currency translation	74	47
Total equity	20,974	21,161
	<b>36,362</b>	<b>39,150</b>
	<b>36,362</b>	<b>39,150</b>

## Consolidated cash flow statement in accordance with IFRS as of 30 June 2010

	01/01/2010 -30/06/2010	01/01/2009 -30/06/2009
	k€	k€
<b>1. Business activity</b>		
Consolidated earnings before income and taxes of the period	-43	33
Depreciation of tangible assets	411	367
Changes to provisions	32	-94
Differences from currency translation	27	13
Earnings from dissolved special positions	0	-16
Earnings from interest	52	92
Earnings from disposal of plant, property and equipment	-1	-1
	<b>478</b>	<b>394</b>
Changes to item of current assets and current borrowed funds		
Inventories	-572	307
Receivables and other assets	5,027	4,557
Liabilities (without provisions)	-1,239	-2,415
	<b>3,694</b>	<b>2,843</b>
Interest payments	-60	-96
Tax payments on revenues	0	-99
<b>Cash flow from current business activities</b>	<b>3,634</b>	<b>2,648</b>
<b>2. Investment activities</b>		
Payments for investments in property, plant and equipment	-72	-232
Interest received	8	4
<b>Cash flow from investment activities</b>	<b>-64</b>	<b>-228</b>
<b>3. Financing activities</b>		
Receipts from sale & leaseback dealings	0	34
Repayments from sale & leaseback dealings	-26	-28
Receipts from taking up financial loans	-1,463	-1,079
Repayments from financial liabilities	26	-635
<b>Cash flow from financing activities</b>	<b>-1,463</b>	<b>-1,708</b>
<b>4. Liquid funds at the end of the period</b>		
Effective change in liquid funds	2,107	712
Liquid funds at the beginning of the period	1,129	349
<b>Liquid funds at the end of the period</b>	<b>3,236</b>	<b>1,061</b>

(+ = cash inflow / - = cash outflow)



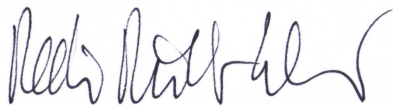
## Group equity change account in accordance with IFRS

	Share capital	Capital reserves	Foreign exchanges rate	Balance sheet	Total
	k€	k€	k€	k€	k€
<b>As of 1 January 2009</b>	<b>17,719</b>	<b>46,456</b>	<b>57</b>	<b>-44,850</b>	<b>19,382</b>
Annual profit 2009	0	0	0	1,789	1,789
Other earnings after taxes	0	0	-10	0	-10
<b>Total consolidated earnings after taxes</b>	<b>0</b>	<b>0</b>	<b>-10</b>	<b>1,789</b>	<b>1,779</b>
<b>As of 31 December 2009</b>	<b>17,719</b>	<b>46,456</b>	<b>47</b>	<b>-43,061</b>	<b>21,161</b>
<b>As of 1 January 2010</b>	<b>17,719</b>	<b>46,456</b>	<b>47</b>	<b>-43,061</b>	<b>21,161</b>
Consolidated loss 01/01/10 - 30/06/10	0	0	0	-214	-214
Other earnings after taxes	0	0	27	0	27
<b>Total consolidated earnings after taxes</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>-214</b>	<b>-187</b>
<b>As of 30 June 2010</b>	<b>17,719</b>	<b>46,456</b>	<b>74</b>	<b>-43,275</b>	<b>20,974</b>

## Balance sheet oath

We assure that, to the best of our knowledge and in accordance with the principles applied for the correct interim consolidated reporting, this interim consolidated report provides an accurate presentation of the situation of the company relating to assets, finances and revenues, that the consolidated interim report presents the course of business including the business results and the situation of the company in a way which corresponds to the actual conditions, and the key opportunities.

Berlin, July 2010

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 2010

Wednesday, 10 November 2010  
November 2010

Nine-monthly report until 30 September  
Equity Forum in Frankfurt/Main

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