

Consolidated report for the first three months of the financial year 2008 in accordance with IFRS

Berlin, 21 May 2008

Performance figures

	1st Quarter 2008	1st Quarter 2007	Changes
	€ million	€ million	
Revenue	5.1	6.3	-18 %
<i>of which performances not yet registered</i>	1.9	2.0	-8 %
Gross profit	4.2	5.7	-27 %
Personnel costs	4.3	4.3	0 %
EBIT	-1.2	0.1	- €1.1 million
Consolidated profit / loss	-1.2	0.1	- €1.1 million

Report on the situation

In comparison with the same period of the previous financial year, the key parameters of revenue, gross profit and EBIT (see table) make the first three months of the financial year 2008 appear weaker than they actually are. But in the first quarter of 2007 some unusually large invoices were issued for software licences, and in this year that has not yet been the case. This is nothing unusual for IVU, but is characteristic of the often seasonal nature of its financial year.

The figures also reflect in part the project business which is typical for a software house like IVU. This does not generate the steady revenue flow that can be achieved with the sale of mass products. Rather the nature of large projects means that there are revenue peaks, and between these there are dips, in particular when the business involves invoicing for licences. In contrast, maintenance contributes steadily to the revenue, as does the on-going work on the projects, corresponding to the degree of completion (*as performances not yet registered*). If the project involves more work than anticipated this too can lead to a temporary reduction in revenue. With our large and complex IT-projects it is not always possible to avoid this. Nevertheless it is to be expected that once again 2008 will be a good year for business.

The order situation is good. In the middle of the second quarter, the performances and the outstanding orders already cover some 80% of the planned revenue and gross profit for 2008.

Important projects in the first quarter of 2008

In the first three months of 2008, the development and project work was characterised primarily by large orders which had already been started in 2007 or earlier. For example, we concluded a first large section of the KöR project which has been ongoing since 2006. The updating of MICROBUS for the Roads and Transport Authority in Dubai which began in 2007 is also proceeding according to plan.

The work on the second development stage of the on-line tariff service for the Munich Transport Association (MVG), the "Ticket Navigator Profi", could be concluded, as could the development of a new function in MICROBUS for improved vehicle dispatching.

The Public Transport User Forum 2008, which took place in February, was a complete success. Some 280 customers from 12 countries attended. This is a sign for the good market positioning and shows how much the interest has increased in the systems of IVU, and not only in Germany but above all abroad.

Personnel

The personnel development over the first three months of 2008 was as follows:

Personnel development	2008	2007	Change
No. of employees as of 31.3.	293	293	0 %
Personnel capacity* 1.1.-31.3.	242	246	-2 %

* = equivalent number of full-time employees

The IVU team has not grown as planned in the first Quarter 2008. This is due to the continuing tightness of the employment market – highly-qualified software engineers and project leaders are hard to find at the moment.

Prospects

The planning for the financial year 2008 shows that despite the weak first three months, the goals for the financial year remain achievable, namely generating revenue of some €30 million, with an EBIT of about €2 million.

Consolidated financial statement in accordance with IFRS through until 31 March 2008

	1st quarter 2008	1st quarter 2007
	T€	T€
1. Earnings	5 144	6 295
<i>of which performances not yet registered</i>	<i>1 883</i>	<i>2 041</i>
2. Other operating revenues	197	144
3. Material costs	-1 149	-720
Gross profit	4 192	5 719
4. Personnel expenses	-4 282	-4 341
5. Depreciation of non-current assets	-145	-241
6. Other operating expenses	-925	-1 006
EBIT	-1 160	131
7. Interest revenues	4	4
8. Interest payments	-54	-82
9. Earnings before taxes	-1 210	53
10. Consolidated profit/loss	-1 210	53
	€	€
Earnings per share (undiluted and diluted):	-0.07	0.00
(expressed for one thousand shares)		

T€ = x EUR 1000

Consolidated balance sheet in accordance with IFRS as of 31 March 2008

	31.03.2008	31.12.2007
	T€	T€
ASSETS		
A. <u>Current assets</u>		
1. Liquid funds	313	836
2. Trade receivables	6 574	11 665
3. Current receivables from construction contracts	5 822	4 904
4. Inventories	1 078	1 075
5. Other current assets	2 299	1 754
Total current assets	16 086	20 234
B. <u>Non-current assets</u>		
1. Fixed assets (PPE)	1 136	1 005
2. Intangible assets	11 999	12 049
3. Financial instruments held for trading purposes	31	31
4. Deferred tax assets	1 116	1 116
Total non-current assets	14 282	14 201
	30 368	34 435
LIABILITIES		
A. <u>Current liabilities</u>		
1. Short-term loans and current portions of long-term loans	1 378	3 310
2. Trade payables	1 426	2 112
3. Obligations arising from construction contracts	183	560
4. Provisions	220	236
5. Tax provisions	523	523
6. Other current liabilities	5 478	4 899
Total current liabilities	9 208	11 640
B. <u>Non-current liabilities</u>		
1. Long-term debt	335	635
2. Deferred tax liabilities	1 116	1 116
3. Pension provisions	2 491	2 463
4. Additional line items investment grants and investment subsidies	50	58
5. Other non-current assets	221	355
Total non-current assets	4 213	4 627
C. <u>Equity</u>		
1. Subscribed capital	17 719	17 719
2. Capital reserves	46 456	46 456
3. Consolidated balance sheet loss	-47 330	-46 120
4. Currency translation	102	113
Total equity	16 947	18 168
	30 368	34 435

Consolidated cash flow statement in accordance with IFRS as of 31 March 2008

	1.1. - 31.3.2008	1.1. - 31.3.2007
	T€	T€
1. Business activity		
Consolidated earnings before income taxes of the period	-1 210	53
Depreciation of tangible assets	145	241
Changes to provisions	12	29
Differences from currency translation	-11	-2
Earnings from dissolved special positions	-8	-8
Earnings from interest	50	78
Earnings from disposal of plant, property and equipment	-3	0
	-1 025	391
Changes to items of current assets and current borrowed funds		
Inventories	-3	-70
Receivables and other assets	3 628	3 900
Liabilities (without provisions)	-589	-1 176
	2 011	3 045
Interest payments	-54	-82
Cash flow from current business activities	1 957	2 963
2. Investment activities		
Payments for investments in property, plant, and equipment	-244	-80
Receipts from disposal of property, plant and equipment	3	0
Interest received	4	4
Cash flow from investment activities	-237	-76
3. Financing activities		
Repayment of liabilities from sale- & leaseback dealings	-11	-10
Receipts from taking up financial loans	-300	-400
Repayment of financial liabilities	-1 932	-1 978
Cash flow from financing activities	-2 243	-2 388
4. Liquid funds		
Effective change in liquid funds	-523	497
Liquid funds at the beginning of the period	836	943
Liquid funds at the end of the period	313	1 440

(+ = cash inflow / - = cash outflow)

Group equity change account in accordance with IFRS

	Share capital	Capital reserves	Foreign exchange rate changes	Balance Sheet loss	Total
	T€	T€	T€	T€	T€
As of 1 January 2007	17 669	46 456	107	-48 007	16 225
Differences from currency translations (losses not included in consolidated income statement)	0	0	6	0	6
Increase in equity	50	0	0	0	50
Consolidated annual profit 2007	0	0	0	1 887	1 887
As of 31 December 2007	17 719	46 456	113	-46 120	18 168
As of 1 January 2008	17 719	46 456	113	-46 120	18 168
Differences from currency translations (profits not included in consolidated income statement)	0	0	-11	0	-11
Consolidated loss 1.1. - 31.3.2008	0	0	0	-1 210	-1 210
As of 31 March 2008	17 719	46 456	102	-47 330	16 947

Financial calendar 2008

Wednesday, 28 May 2008	Annual general meeting
Wednesday, 30 July 2008	Half-yearly report through until 30 June
Wednesday, 12 Nov 2008	Nine-month report through until 30 September
November 2008	Analysts' conference

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