

Report for the first six months of the financial year 2006

Berlin, 26 July 2006

Performance figures

	1st half year 2006	1st half year 2005
	€ million	€ million
Revenue	12.8	10.6
<i>of which performances not yet registered</i>	3.4	2.1
Gross profit	10.7	9.2
Personnel costs	8.0	7.4
EBIT	-0.7	-1.6
Consolidated profit / loss	-0.9	-1.7
Operating result	-0.1	-0.7

Report on the situation

There has been a stable continuation in the second quarter 2006 of the trends for the current financial year. Half-yearly revenues have more than doubled over the figure for Q1 2006 to €12.8 million. This represents an increase of 21% over the same period in the previous year. The increase in gross profits already noted in the first quarter has become more evident: the half-yearly gross profits of € 10.7 million represent a year-on-year increase of 16%.

One of the main reasons for the marked increase in revenues is the continuing buoyancy of sales of the i.box family of on-board computer systems for operational control and ticketing systems. This also explains the elevated material costs (purchase of i.box hardware).

As an important parameter, the earnings before interest and tax (EBIT) were improved by almost €1 million, from - €1.6 million to - €0.7 million. At the same time the consolidated group loss for the first half year was reduced by € 800 000 to - €0.9 million. The operating result* also improved in a year-on-year comparison by about € 600 000.

The personnel expenses have risen by 9% over the same period last year. This is a consequence of the recruitment policy announced in the Q1 2006 Report; IVU is appointing additional highly-qualified computer scientists and software engineers. The team is becoming stronger as a result of these specific changes, and the objective is a further increase in efficiency. The personnel development has been as follows:

Personnel development	2006	2005	Change
No. of employees as of 30.6.	289	262	10%
Personnel capacity (1.1.-30.6.)	240	224	7%

It is not unusual for IVU to report a negative value for EBIT and a consolidated group loss for the first half of the year. A marked seasonal distribution of revenues, with a peak in the fourth quarter, is a characteristic of the sectors in which IVU operates. The half-yearly revenues,

* As defined on p. 12 of the Management Report 2005



which are already at 42% of the planned annual revenues, are satisfactorily high in comparison to previous years.

IVU's order books continue to be in good condition. Taking the performances already completed in the current financial year and the work which is outstanding, at the beginning of the third quarter about 86% of the planned revenue and the gross profits for 2006 are covered.

The goal of the group for 2006 is to achieve revenue in excess of € 30 million and gross profits of € 25 million, and associated with this a considerable increase in EBIT.

Half-yearly and Q2 financial statement in accordance with IFRS as of 30 June 2006

	Q2 2006	Q2 2005	1st half year 2006	1st half year 2005
	TEUR	TEUR	TEUR	TEUR
1. Earnings	6 670	5 378	12 780	10 617
<i>of which performances not yet registered</i>	<i>778</i>	<i>1 155</i>	<i>3 354</i>	<i>2 092</i>
2. Other operating revenues	43	2	253	228
3. Material costs	-1 492	-927	-2 370	-1 611
Gross profit	5 221	4 453	10 663	9 234
4. Personnel expenses	-4 109	-3 536	-8 043	-7 397
5. Depreciation of non-current assets	-337	-555	-715	-1 116
6. Other operating expenses	-1 362	-1 316	-2 580	-2 361
EBIT	-587	-954	-675	-1 640
7. Interest revenues	3	3	10	39
8. Interest payments	-86	-131	-192	-255
9. Earnings before taxes	-670	-1 082	-857	-1 856
10. Taxes on income and earnings	0	0	0	201
11. Group deficit	-670	-1 082	-857	-1 655
			EUR	EUR
Earnings per share (undiluted and diluted)			-0.05	-0.10
(expressed for one thousand shares)				

T€ or TEUR = thousands of euros

Balance sheet

	30.06.06	31.12.05
	TEUR	TEUR
ASSETS		
A. Current assets		
1. Liquid funds	947	542
2. Trade receivables	5 327	9 666
3. Current receivables from construction contracts	4 359	2 220
4. Inventories	992	870
5. Other current assets	1 630	2 345
Total current assets	13 255	15 643
B. Non-current assets		
1. Fixed assets (PPE)	1 050	1 212
2. Intangible assets	12 903	13 275
3. Financial instruments held for trading purposes	0	24
4. Deferred tax assets	1 079	1 079
Total non-current assets	15 032	15 590
	28 287	31 233
LIABILITIES		
A. Current liabilities		
1. Short-term loans and current portions of long-term loans	2 826	2 625
2. Trade payables	441	1 347
3. Obligations arising from construction contracts	90	1 967
4. Provisions	423	833
5. Tax provisions	343	343
6. Other current liabilities	4 273	3 945
Total current liabilities	8 396	11 060
B. Non-current liabilities		
1. Long-term debt	2 435	2 035
2. Deferred tax liabilities	1 079	1 079
3. Pension provisions	2 244	2 154
4. Additional line items investment grants and investment subsidies	107	133
5. Other non-current assets	18	16
Total non-current liabilities	5 883	5 417
C. Equity		
1. Subscribed capital	17 669	17 669
2. Capital reserves	46 456	46 456
3. Consolidated balance sheet loss	-50 307	-49 450
4. Currency translation	190	81
Total equity	14 008	14 756
	28 287	31 233

Cash flow statement

	1.1. - 30.06.2006	1.1. - 30.06.2005
	T€	T€
1. Business activity		
Consolidated earnings before income taxes of the period	-857	-1 856
Depreciation of tangible assets	715	1 116
Changes to provisions	-320	-756
Differences from currency translation	109	19
Earnings from dissolved special positions	-26	-26
Earnings from interest	182	216
Revenue from disposal of property, plant and equipment	59	12
	-138	-1 275
Changes to items of current assets and current borrowed funds		
Inventories	-122	-328
Receivables and other assets	2 915	2 245
Liabilities (without provisions)	-2 452	-967
	204	-325
Interest payments	-192	-255
Income tax payments	0	201
Cash flow from current business activities	12	-379
2. Investment activities		
Payments for investments in property, plant, and equipment	-272	-216
Receipts from disposal of property, plant and equipment	52	47
Interest received	10	38
Cash flow from investment activities	-210	-131
3. Financing activities		
Receipts/payments from financial liabilities	1 103	-192
Repayment of financial liabilities	-500	0
Cash flow from financing activities	603	-192
4. Liquid funds at the end of the period		
Effective change in liquid funds	405	-702
Liquid funds at the beginning of the period	542	1 619
Liquid funds at the end of the period	947	917

Group equity change account

	Share capital	Capital reserves	Foreign exchange rate changes	Balance sheet loss	Total
As of 1 January 2005	16 169	46 456	83	-51 611	11 097
Increase in equity with Commercial Register entry 22 July 2005	1 500				1 500
Differences from currency translations (losses not included in consolidated income statement)			-2		-2
Consolidated annual profit				2.161	2.161
As of 31 December 2005	17 669	46 456	81	-49 450	14 756
As of 1 January 2006	17 669	46 456	81	-49 450	14 756
Differences from currency translations (profits not included in consolidated income statement)			109		109
Consolidated loss 1.1. - 30.6.2006				-857	-857
As of 30 June 2006	17 669	46 456	190	-50 307	14 008

Financial calendar 2006

Wednesday, 8 November 2006 Quarterly report as of 30 September.

Monday, 27 November 2006 Analysts' conference

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