

# QUARTERLY REPORT

THIRD QUARTER 2020



# Performance

## KEY FIGURES

	JAN-SEP 2020	JAN-SEP 2019	CHANGE
	€ THOU.	€ THOU.	€ THOU.
Revenue	56,615	49,299	+ 7,316
Gross profit	45,055	36,492	+ 8,563
Personnel expenses	32,724	27,403	+ 5,321
EBIT	4,917	1,689	+ 3,228
Consolidated net result	4,121	1,398	+ 2,723

## FINANCIAL PERFORMANCE

IVU is defying the difficult overall economic environment and will close the financial year 2020 with new record figures. Compared with the same period of the previous year, the key figures in the first nine months of 2020 have again developed very positively.

Revenues rose by 15% to €56,615 thousand (2019: €49,299 thousand) and the gross profit of €45,055 thousand (2019: €36,492 thousand) was 23% above the same period of the previous year.

Personnel growth was also very successful: With an average of 563 FTE for the first nine months, personnel capacity was increased by 15% year on year (2019: 488). On 30 September 2020 IVU had a total of 720 employees (2019: 628). Correspondingly, the personnel costs increase by 19% to €32,724 thousand (2019: €27,403 thousand).

The EBIT of €4,917 thousand after the first nine months of 2020 is significantly higher than in the same period of the previous year (2019: €1,689 thousand) due to the proceeds from the sale of IVU.elect GmbH.

The operating cash flow of IVU, at €11,927 thousand is significantly above the previous year (2019: €9,583 thousand). The cash flow from financing activities of €-5,871 thousand (2019: €-3,047 thousand), which includes the dividend payment of €2,812 thousand and the purchase of own shares of €1,965 thousand in the first half of 2020, is offset by income of

€152 thousand from investing activities. (2019: €-638 thousand). The cash position thus increases by €6,208 thousand compared to 31 December 2019.

## EFFECTS OF THE CORONAVIRUS

IVU has so far come through the pandemic well. Due to the structure of our business, we are in a good and robust position in every respect, both technically and financially. We are therefore confident that we will come through the second wave as well as through the first. However, depending on how the pandemic progresses, there may be slight delays in the fourth quarter, particularly in the hardware-related systems business. Our customers are affected to varying degrees by the effects of the coronavirus and the resulting decline in demand. Major investments planned for the long term will continue to be made, although projects may be postponed in individual cases.

## OUTLOOK

The order backlog fully covers the planned annual revenues for the current financial year. The focus is on the timely processing of orders by the end of the year.

We continue to expect a positive business development for the financial year 2020 with EBIT at over €12.5 million, gross profit of at least €67 million and revenues of over €90 million.

# Important projects

## SLOVENIAN NATIONAL RAILWAY CHOOSES IVU.RAIL

Precise vehicle scheduling and more efficient use of resources – in future, the Slovenian national railway SŽ will plan and dispatch its entire rail fleet, including staff, with IVU.rail. The integrated standard system enables SŽ to implement a continuous digital workflow across all operational areas. In this way, it is possible to control vehicle and duty planning, as well as staff and vehicle dispatching within one system. To this end, IVU.rail integrates the existing operational and planning processes at SŽ, which previously often took place manually, in order to improve workflows and ensure more efficient use of resources. Staff dispatching benefits from the mobile app IVU.pad, which facilitates communication between dispatch managers and mobile staff. A powerful optimisation system also supports users, planners and dispatch managers with sophisticated algorithms for complex tasks such as extensive variant planning or last-minute changes to the timetable. The first journeys are to be planned and scheduled with IVU.rail from the end of 2020.

## VR GROUP OPTIMISES DEPLOYMENT OF ITS TRAIN PERSONNEL

Efficient personnel deployment on the train: To meet increasing requirements in terms of planning and dispatch of their train personnel, Finnish state railway VR Group is using the planning and optimisation tools of the standard system IVU.rail. On a rail network of 5,660 km, state-owned VR Group conveys around 15 million passengers every year between the capital Helsinki in the south and Kolari in the far north. The company has been planning and dispatching the train schedules in regional transport as well as all parking and track occupancy at Helsinki Central Station with IVU.rail since back in 2010. In view of growing demands on efficiency and planning quality, VR Group decided to use the IVU software also to replace the system for planning and dispatch of its conductors in regional train services and train drivers throughout the Group.

## DE LIJN USES IVU.SUITE TO PROVIDE PASSENGER INFORMATION

Up-to-date information on more than 450 displays at nearly 60 bus stations: Belgian transport company De Lijn has recently used the IVU.suite to modernise the passenger information at the country's key transport hubs. De Lijn operates public transport in the Flemish provinces of Belgium with over 3,200 buses and around 400 trams. To modernise the passenger information, IVU provided its stop computer software IVU.realtime.stop, which supplies the displays at every bus station with current data. The system allows bilingual output, which is customary in many parts of Belgium, as well as automatic colour coding of the lines shown on TFT displays. The audio output is also designed for the requirements of large interchanges.

## NEW ON-BOARD COMPUTER SYSTEM FOR ANDROID TABLETS

A tablet instead of an on-board computer. With IVU.cockpit for Android, transport companies will be able to dispense with the permanent installation of driver-operated devices in their buses if required. This means that all functions of the proven on-board computer software are now also available on commercial tablets. The software contains everything that is necessary for smooth driving operations: from digital voice radio and vehicle location to dispatch actions such as connection management and changes to vehicle workings. Interfaces in accordance with VDV 301 and ITxPT compatibility seamlessly connect tablets and on-board computers to external peripheral devices. The system is an integral part of the IVU.suite ecosystem and is closely linked to the IVU.fleet control centre software, which supports dispatch with numerous automated and convenient functions.

# Personnel

## PERSONNEL

IVU's employees have adapted well to the changed conditions caused by the coronavirus. In view of the dynamic situation, a large proportion of them continue to work regularly from home on projects and products.

As a company we remain flexible. Appointments in our offices are – with restrictions – just as possible as business trips and customer visits on site. At the same time, we continue to use all possibilities of digital working.

Depending on the further development of the pandemic, we continuously review and adjust our measures to protect our employees and customers.

The recruiting of new employees also continues unhindered: The personnel capacity of the first nine months 2020 has increased by 15% in comparison with the previous year to 563 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.

	2020	2019	CHANGE
Number of employees as at 30 September	720	628	+15%
Personnel capacity <sup>1</sup> 1 January - 30 September	563	488	+15%

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

## RISKS

The risks are described on pages 34 and 35 of the Annual Report 2019. No new risks have arisen. Regarding the effects of the coronavirus, we continue to assume an overall low risk for the business development of IVU.

# Income

## CONSOLIDATED INCOME STATEMENT 1 JANUARY TO 30 SEPTEMBER 2020

	Q3-2020	Q3-2019	JAN-SEP 2020	JAN-SEP 2019
	€ THOU.	€ THOU.	€ THOU.	€ THOU.
<b>Sales revenues</b>	<b>20,860</b>	<b>19,012</b>	<b>56,615</b>	<b>49,299</b>
Other operating income	345	157	5,824	218
Cost of materials	-5,522	-5,789	-17,384	-13,025
<b>Gross profit</b>	<b>15,683</b>	<b>13,380</b>	<b>45,055</b>	<b>36,492</b>
Personnel expenses	-10,903	-8,929	-32,724	-27,403
Depreciation and amortisation on non-current assets	-713	-504	-1,890	-1,507
Other operating expenses	-1,411	-2,191	-5,524	-5,893
<b>Operating results (EBIT)</b>	<b>2,656</b>	<b>1,756</b>	<b>4,917</b>	<b>1,689</b>
Financial income	1	0	41	1
Financial expenses	-77	-65	-240	-214
Result from investments accounted for using the equity method	0	0	-157	0
<b>Pre-tax profit (EBT)</b>	<b>2,580</b>	<b>1,691</b>	<b>4,561</b>	<b>1,476</b>
Income taxes	119	-48	-84	15
Deferred taxes	-108	-31	-356	-93
<b>CONSOLIDATED NET PROFIT</b>	<b>2,591</b>	<b>1,612</b>	<b>4,121</b>	<b>1,398</b>
Earnings per share (basis and diluted)			0.23	0.08
Average shares outstanding (in thousand shares)			17,577	17,719

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 1 JANUARY TO 30 SEPTEMBER 2020

	JAN-SEP 2020	JAN-SEP 2019
	€ THOU.	€ THOU.
<b>Consolidated net profit</b>	<b>4,121</b>	<b>1,398</b>
Currency translation	14	15
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>14</b>	<b>15</b>
<b>Other comprehensive income after taxes</b>	<b>14</b>	<b>15</b>
<b>CONSOLIDATED TOTAL COMPREHENSIVE INCOME AFTER TAXES</b>	<b>4,135</b>	<b>1,413</b>

# Balance sheet

## CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2020

ASSETS	30 SEP 2020	31 DEC 2019
	€ THOU.	€ THOU.
<b>A. Current assets</b>		
1. Cash and cash equivalents	35,462	29,254
2. Current trade receivables	9,904	30,111
3. Current receivables from joint ventures	0	295
4. Contract assets	17,921	14,756
5. Inventories	4,894	2,692
6. Other current assets	16,933	4,676
<b>Total current assets</b>	<b>85,114</b>	<b>81,784</b>
<b>B. Non-current assets</b>		
1. Tangible fixed assets	1,517	1,237
2. Intangible assets	11,542	11,480
3. Financial assets	498	0
4. Rights of use	6,883	7,198
5. Deferred taxes	3,227	3,553
<b>Total non-current assets</b>	<b>23,667</b>	<b>23,468</b>
<b>TOTAL ASSETS</b>	<b>108,781</b>	<b>105,252</b>

	30 SEP 2020	31 DEC 2019
LIABILITIES	€ THOU.	€ THOU.
<b>A. Current liabilities</b>		
1. Current trade payables	1,587	7,567
2. Contract liabilities	24,594	9,129
3. Current leasing liabilities	1,330	1,206
4. Provisions	5,644	6,044
5. Provisions for taxes	134	329
6. Other current liabilities	7,754	12,897
<b>Total current liabilities</b>	<b>41,043</b>	<b>37,172</b>
<b>B. Non-current liabilities</b>		
1. Leasing liabilities	5,738	6,102
2. Deferred taxes	0	15
3. Provisions for pensions	5,151	5,160
<b>Total non-current liabilities</b>	<b>10,889</b>	<b>11,277</b>
<b>C. Equity</b>		
1. Share capital	17,719	17,719
2. Additional paid-in capital	411	198
3. Revenue reserve	41,519	40,098
4. Other components of equity	-1,198	-1,212
5. Own shares	-1,602	0
<b>Total equity</b>	<b>56,849</b>	<b>56,803</b>
<b>TOTAL LIABILITIES</b>	<b>108,781</b>	<b>105,252</b>

# Equity

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 1 JANUARY 2019 TO 30 SEPTEMBER 2020

	SHARE CAPITAL € THOU.	CAPITAL RE- SERVE € THOU.	REVENUE RESERVE € THOU.	OTHER RE- SERVES € THOU.	FOREIGN EX- CHANGE RECONCIL- ING ITEM € THOU.	OWN SHARE AT ACQUI- TION COST € THOU.	TOTAL € THOU.
<b>As at 1 January 2019</b>	<b>17,719</b>	<b>0</b>	<b>31,644</b>	<b>-1,014</b>	<b>29</b>	<b>0</b>	<b>48,378</b>
Consolidated net result 2019	0	0	10,580	0	0	0	10,580
Addition to share-based Executive Board remuneration	0	198	0	0	0	0	198
Other comprehensive income, net of tax	0	0	0	-234	7	0	-227
<b>Consolidated recognised results after tax</b>	<b>0</b>	<b>198</b>	<b>10,580</b>	<b>-234</b>	<b>7</b>	<b>0</b>	<b>10,551</b>
Dividend distribution (€0.10 per share)	0	0	-2,126	0	0	0	-2,126
<b>AS AT 31 DECEMBER 2019</b>	<b>17,719</b>	<b>198</b>	<b>40,098</b>	<b>-1,248</b>	<b>36</b>	<b>0</b>	<b>56,803</b>
<b>As at 1 January 2020</b>	<b>17,719</b>	<b>198</b>	<b>40,098</b>	<b>-1,248</b>	<b>36</b>	<b>0</b>	<b>56,803</b>
Consolidated net result 1 Jan - 30 Sep 2020	0	0	4,121	0	0	0	4,121
Addition to share-based Executive Board remuneration	0	170	0	0	0	0	170
Other comprehensive income, net of tax	0	0	0	0	14	0	14
<b>Consolidated recognised results after tax</b>	<b>0</b>	<b>170</b>	<b>4,121</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>4,305</b>
Acquisition of own shares	0	0	0	0	0	-1,965	-1,965
Issue of own shares	0	43	0	0	0	363	406
Dividend distribution (€0.16 per share)	0	0	-2,812	0	0	0	-2,812
Changes in scope of consolidation	0	0	112	0	0	0	112
<b>AS AT 30 SEPTEMBER 2020</b>	<b>17,719</b>	<b>411</b>	<b>41,519</b>	<b>-1,248</b>	<b>50</b>	<b>-1,602</b>	<b>56,849</b>



# Cash flows

## CONSOLIDATED STATEMENT OF CASH FLOWS 1 JAN TO 30 SEP 2020

	JAN-SEP 2020	JAN-SEP 2019
	€ THOU.	€ THOU.
<b>1. Operating activities</b>		
Group earnings before tax of the period	4,561	1,476
Depreciation on non-current assets	1,890	1,507
Change in provisions	-247	-34
Net interest income	199	213
Equity-settled share-based payment	576	0
Non-cash recognition of leases (rights of use and leasing liabilities)	75	0
Other non-cash expenses/income	14	15
Share of profit of associates and joint ventures	157	0
Disposal of shares in consolidated subsidiaries	-2,598	0
<b>Change of items of working capital and borrowings</b>		
Inventories	-2,202	-95
Receivables and other assets	4,844	7,523
Liabilities (without provisions)	5,293	1,599
Interest paid / Guarantee commissions	-148	-214
Income taxes paid	-487	-2,407
<b>Cash flow from operating activities</b>	<b>11,927</b>	<b>9,583</b>
<b>2 Investing activities</b>		
Outflows for investments in non-current assets	-1,167	-639
Payments for the acquisition of shares in associated companies	-655	0
Remuneration for the sale of shares in consolidated subsidiaries less cash and cash equivalents sold	1,933	0
Interest received	41	1
<b>Cash flow from investing activities</b>	<b>152</b>	<b>-638</b>
<b>3 Financing activities</b>		
Acquisition of own shares	-1,965	0
Payments for the repayment of leasing liabilities	-1,094	-921
Payment of dividends	-2,812	-2,126
<b>Cash flow from financing activities</b>	<b>-5,871</b>	<b>-3,047</b>
<b>4 Cash and cash equivalents</b>		
Change in cash and cash equivalents	6,208	5,898
Cash and cash equivalents at beginning of period	29,254	21,298
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>35,462</b>	<b>27,196</b>

# Remarks

## ACCOUNTING AND VALUATION PRINCIPLES

This quarterly report is not an interim report as defined by IAS 34. The accounting and valuation principles applied for the quarterly report as of 30 September 2020 correspond to the methods applied in the preparation of the consolidated financial statements for 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 PURSUANT TO §115 PARA. 5 SENTENCE 6 WPHG

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 quarterly report gives 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, 19 November 2020

### THE EXECUTIVE BOARD



Martin Müller-Elschner



Matthias Rust



Leon Struijk

# Financial calendar

## FINANCIAL CALENDAR

### **THURSDAY, 19 NOVEMBER 2020**

Quarterly report Q3-2020

### **WEDNESDAY, 24 MARCH 2021**

Annual Report 2020

### **WEDNESDAY, 26 MAY 2021**

Quarterly Report Q1-2021

### **THURSDAY, 27 MAY 2021**

Annual General Meeting 2021

### **THURSDAY, 26 AUGUST 2021**

Half-year financial report 2021

### **THURSDAY, 18 NOVEMBER 2021**

Quarterly Report Q3-2021

## IMPRINT

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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.com](mailto:ir@ivu.com)

### **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)