init SE

Half-year financial figures

Integrated. Innovative. International.

init

Jennifer Bodenseh – CFO

Managing Board & Supervisory Board

Managing Board

Dr. Gottfried Greschner
CEO

Dr. Jürgen Greschner
CSO and Deputy CEO

Jennifer Bodenseh
CFO

Dipl.Ing. (FH) Matthias Kühn
COO

Supervisory Board

Chairman
Dipl.-Kaufm.
Hans-Joachim Rühlig
Former CFO
Ed. Züblin AG

Deputy Chairman
Dipl.-Ing.
Ulrich Sieg
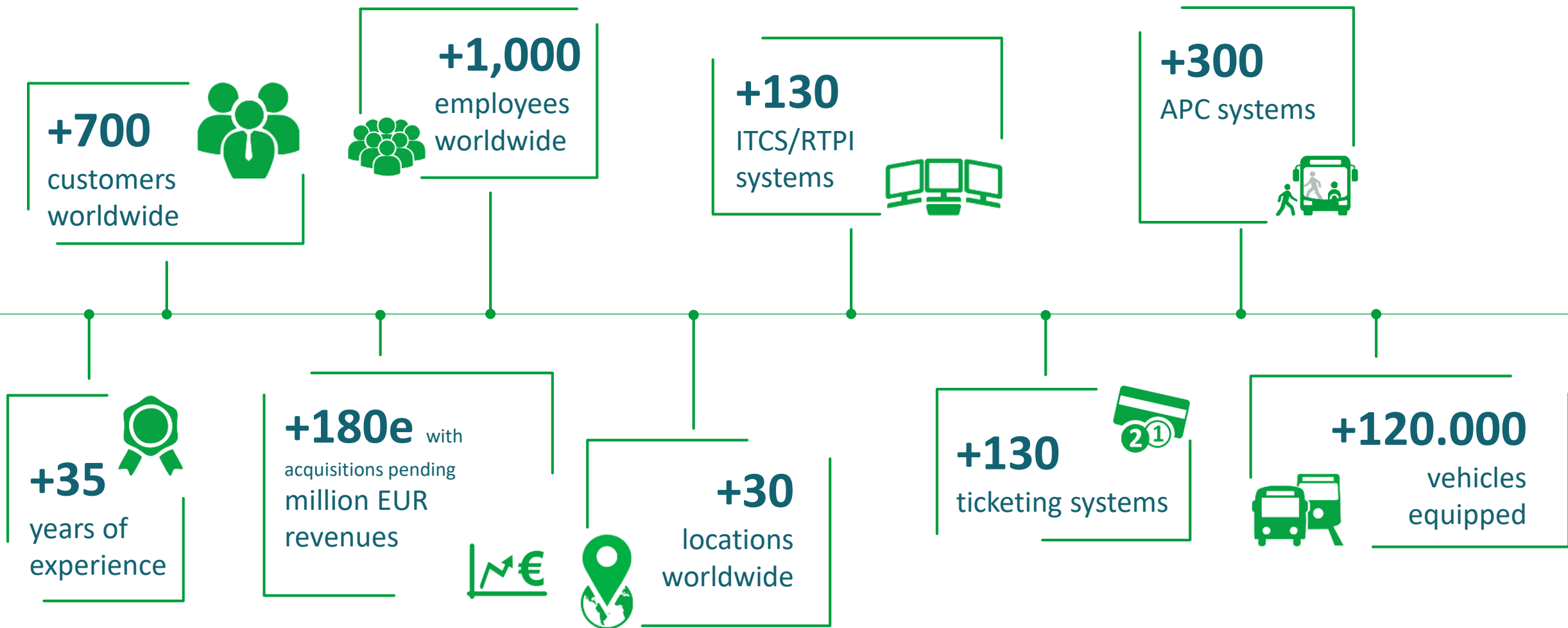Former Managing Board Member
Hamburger Hochbahn AG

Member
Dipl.-Ing. (FH)
Christina Greschner
M.A. Family Entrepreneurship,
various management positions
within the init group

Member
Drs.
Hans Rat
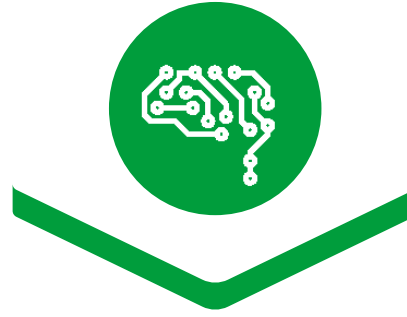Honorary Secretary General
of UITP

init at a glance

+700 customers worldwide

+1,000 employees worldwide

+130 ITCS/RTPI systems

+300 APC systems

+35 years of experience

+180e with acquisitions pending million EUR revenues

+30 locations worldwide

+130 ticketing systems

+120.000 vehicles equipped

Integrated
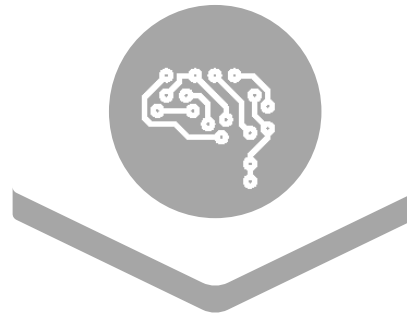
Innovative

International

The Future of Mobility

init strategy

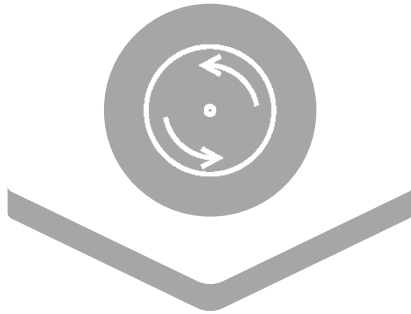**Integrated**   Innovative   International

- We are currently the only provider to cover the entire range of tasks in a **fully integrated planning**, **dispatching**, **telematics** and **ticketing system**

- Our **core competence** is the knowledge of all tasks and processes within a public transport company

- **Our knowledge and many years of experience** enable us to develop intelligent concepts and IT solutions that do not map processes in isolation, but allow the best possible integration

init

init strategy
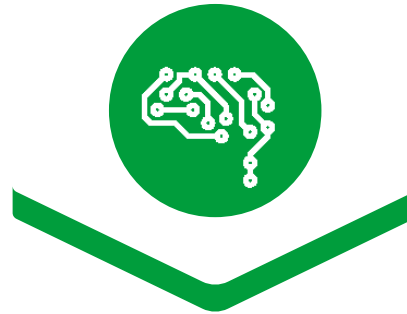
Integrated   **Innovative**   International

- **Innovative solutions** are key to modern mobility
- Our goal is to make the **latest technologies** quickly available to public transport companies
- We are part of national and **international research networks**,
- Together with customers and partners we design groundbreaking solutions
- This is how **new products and future-oriented migrations** are continuously created
- **init makes mobility** (buses, trains, on-call buses, car sharing, bikes, etc.) **more attractive and efficient**

init

init strategy

Integrated
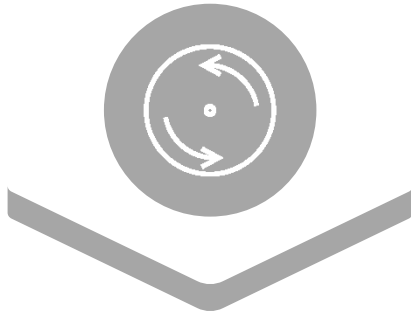
Innovative
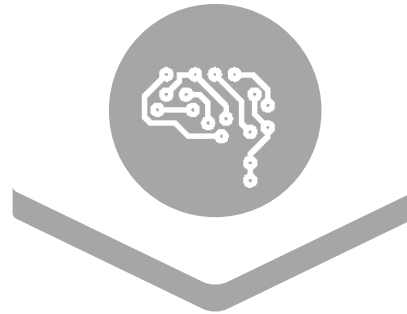
International

- From our more than **30 locations on 4 continents**, our solutions help transport companies to travel faster, more comfortably and more efficiently

- Based on our broad technological base we always find the **appropriate solution** – for 20 vehicles or for 2,000 for mega cities or regional transport

- The requirements in the **international environment** strengthen our regional offerings

- **Modern mobility:** buses, trains, demand-controlled buses, autonomous vehicles, car sharing, bike sharing,...

init

Global references

Montreal/CA
2,400 vehicles

Dublin/IE
1,000 vehicles

Birmingham/GB
1,600 vehicles

Oslo/NO
1,400 vehicles

Stockholm/SE
2,300 vehicles

Vancouver/BC
1,600 vehicles

Dresden/DE
1,000 vehicles

Dusseldorf, Duisburg, Essen & Mülheim/DE
1,600 vehicles

Bavaria/DE
3,800 vehicles

Seattle/WA
1,400 vehicles

Luxembourg/LU
1,500 vehicles

Portland/OR
1,100 vehicles

Dubai/AE
1,900 vehicles

Denver/CO
1,500 vehicles

Houston/TX
1,300 vehicles

New York City/NY
2,200 vehicles

Projects with more than 1,000 vehicles

init

Associated Companies and Subsidiaries

iris – infrared & intelligent sensores NA, Inc.
Atlanta, Georgia/USA

IRIS ASIA-PACIFIC PTY LTD
Melbourne, Australia

DResearch Fahrzeug-elektronik GmbH
Berlin, Germany

Derovis GmbH
Berlin, Germany

Hansecom BY
Minsk, Belarus

initperdis GmbH
Hamburg, Germany

initplan GmbH
Karlsruhe, Germany

100%

100% 51%

100%

99%

HanseCom Public Transport Ticketing Solutions GmbH
Hamburg, Germany

inola GmbH
Pasching, Austria

1%

maBinso software GmbH
Hamburg, Germany

iris-GmbH infrared & intelligent sensors
Berlin, Germany

INIT Innovative Informatikanwendungen in Transport- Verkehrs- und Leitsystemen **GmbH**
Karlsruhe, Germany

48%

100%

INIT Innovations in Transportation Ltd.
Nottingham, Great Britain

INIT Innovations in Transportation Ltd.
Maynooth, Ireland

CarMedialab Corp.
Santa Monica, California/USA

CarMedialab GmbH Telematik für Automotive
Bruchsal, Germany

100%

init innovation in traffic systems SE

100%

58.1%

100%

INIT Swiss AG
Neuhausen, Switzerland

INIT Innovation in Traffic Systems FZE
Dubai, UAE

Further Sales and Service Points

Germany: Braunschweig, Leipzig, Oldenburg

France: Saint-Cloud, Valence

USA: New York, Seattle

UAE: Abu Dhabi

SQM Superior Quality Manufacturing LLC.
Chesapeake, Virginia/USA

75%

INIT Innovations in Transportation Inc.
Chesapeake, Virginia/USA

100%

INIT Innovations in Transportation (Eastern Canada) Inc.
Montréal, Canada

INIT Innovations in Transportation (Western Canada) Inc.
Toronto, Canada

INIT PTY LTD
Brisbane, Australia

INIT Innovation in Transportation NZ Ltd
Dunedin, New Zealand

60%

5,1%

TQA Total Quality Assembly LLC.
Chesapeake, Virginia/USA

Bytemark Inc.
New York City, New York/USA

INIT Asia-Pacific Pte. Ltd.
Singapore

GO-1 LLC.
Chesapeake, Virginia/USA

Mattersoft Oy
Tampere, Finland

■ Subsidiaries with own products

□ Subsidiaries with focus on sales and production projects

Growth: new members of the init Group

DResearch Fahrzeugelektronik GmbH Berlin, Germany

With effect from 1 January 2020

Derovis GmbH
100% subsidiary of DResearch Fahrzeugelektronik GmbH

Hansecom BY

Minsk, Belarus

Founded on 26 December 2019

Shareholdings:
99% HanseCom
1% INIT GmbH

INIT Inc.

Seattle, WA, USA

Opening on 10 December 2019

Current: Team of 15 employees
Further expansion planned

IRIS ASIA-PACIFIC PTY LTD Melbourne, Australien

Gegründet am 16. Juli 2019

Vertriebsrepräsentanz Asia-Pacific

INIT Ltd.

Maynooth, Irland

Eröffnung am 28. November 2018

Current: Team of 15 software developers
Further expansion planned

Number of Employees
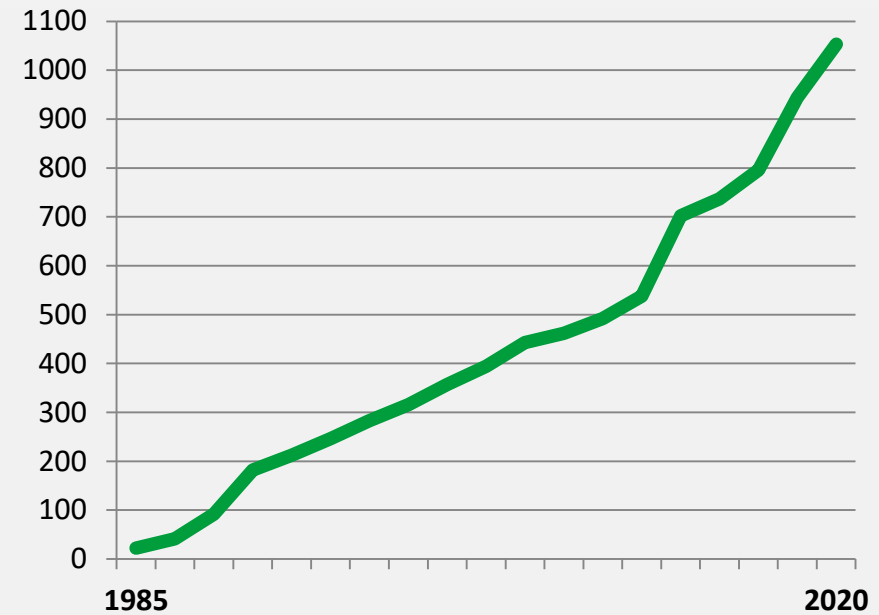
2020
1,053 employees*

* As of May 31, 2020, incl. student assistants, diploma students, temporary staff, trainees and managing directors

Chart axis values: 0, 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000, 1100; x-axis range 1985 to 2020

Growth: innovation & technology leadership

1997
Object-oriented ITCS design

1999
VoIP for radio system

2002
New on-board computer windows XP Embedded

2007
Driver console navigation

Multi-client capable control system

2010
On-board transfer information

2011
Hosting solutions for software systems

2012
Android on-board computer app for on-demand transportation

2013
iPhone Web App

Social Media in passenger information

2015
ID-/ Account based Ticketing

2017
World`s first virtual smartcard

Autonomous driving

2018
Google Pay

MaaS

Electromobility

Open Mobility Platforms

2019 | 2020
Apple Pay

Assistive travel

Auromated contingency plans

Data warehouse

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Growth: MOBILE-ITCS NextGen

- **State-of-the-art**, user-oriented user interface thanks to UX design

- **Extremely stable system** / Increased robustness through use of the latest technologies

- **Most accurate forecasts of arrival times through the use of AI (machine learning)**

- **…and much more…**

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Grwoth: ITCS goes rail

MOBILE-ITCSrail

- Display of the special features of railway systems (traction, coupling/uncoupling, track change, single track, etc.)

- Train configuration management

- Extended rail-specific passenger information

- Numerous railway-specific interfaces

- Integration of MOBILE-PLAN and MOBILE-PERDIS for the advance planning of trains and train crew

init
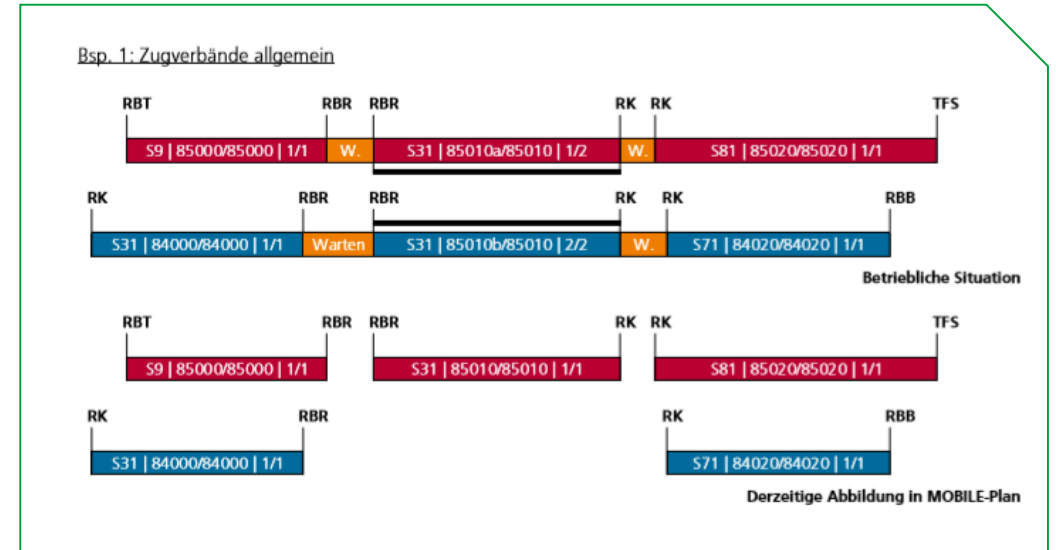
Future: passenger guidance systems

- More comfortably travel

- Cost-saving

- Keeping a distance

- Displaying the free places

- Signaling at the platform edge

init

Future: Patent for passenger guidance system
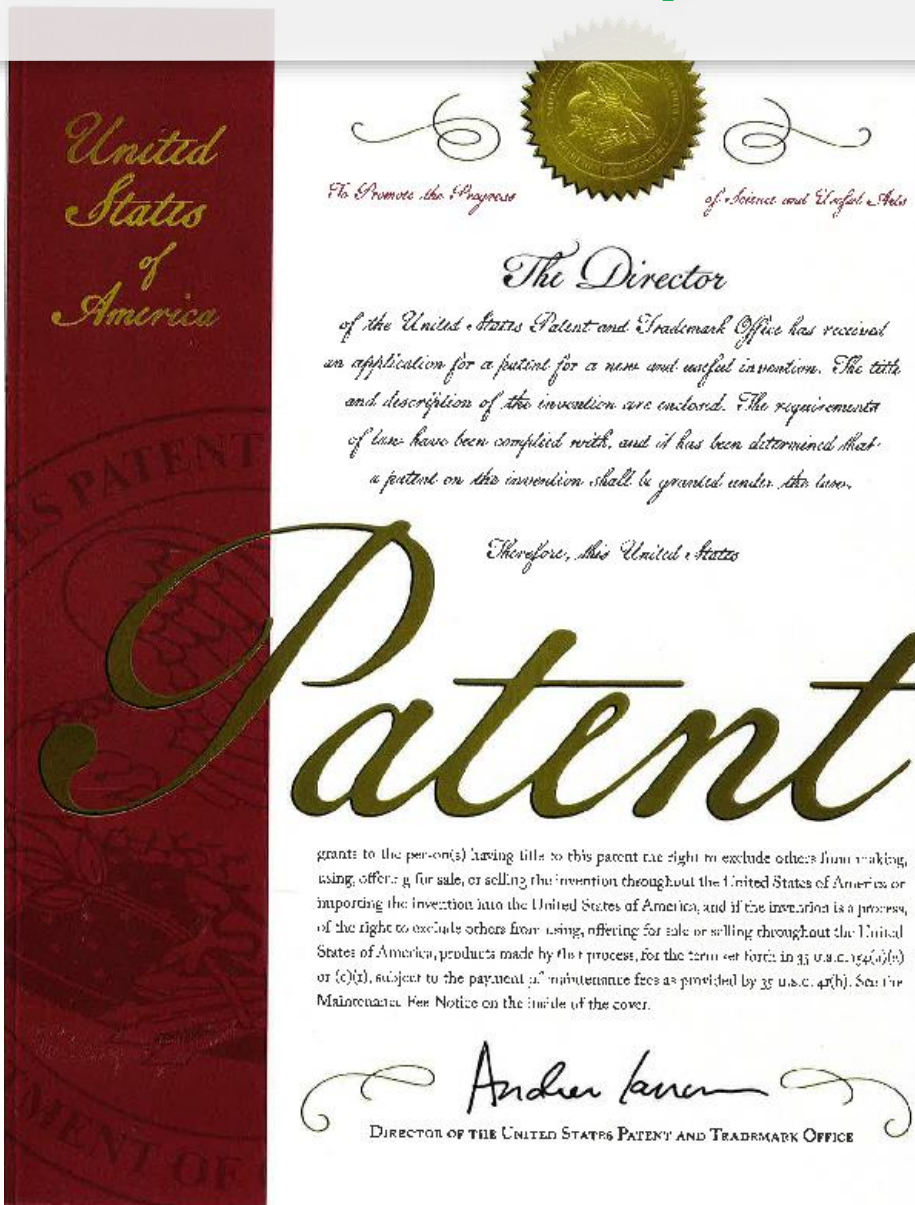
init

Managing COVID-19 with init products

COVID-19

Electronic payments and smart ticketing help to keep the distance

COVID-19

Inform passengers about the actual carload of the next train

COVID-19

Serve reduced numbers of passengers efficiently

init

Managing COVID-19 with init products

Contactless payment & smart ticketing

Our goal

- **Avoidance of cash handling**

Our solution| PROXmobil3, EVENDpc3 & VENDmobil

Diverse offers for ticket purchase

- Smart ticketing

- ID-based ticketing

- Payment with bank and credit cards according to the EMV standard

Make cashless payments on buses and trains with ***PROXmobil3, EVENDpc3*** *and* ***VENDmobil***
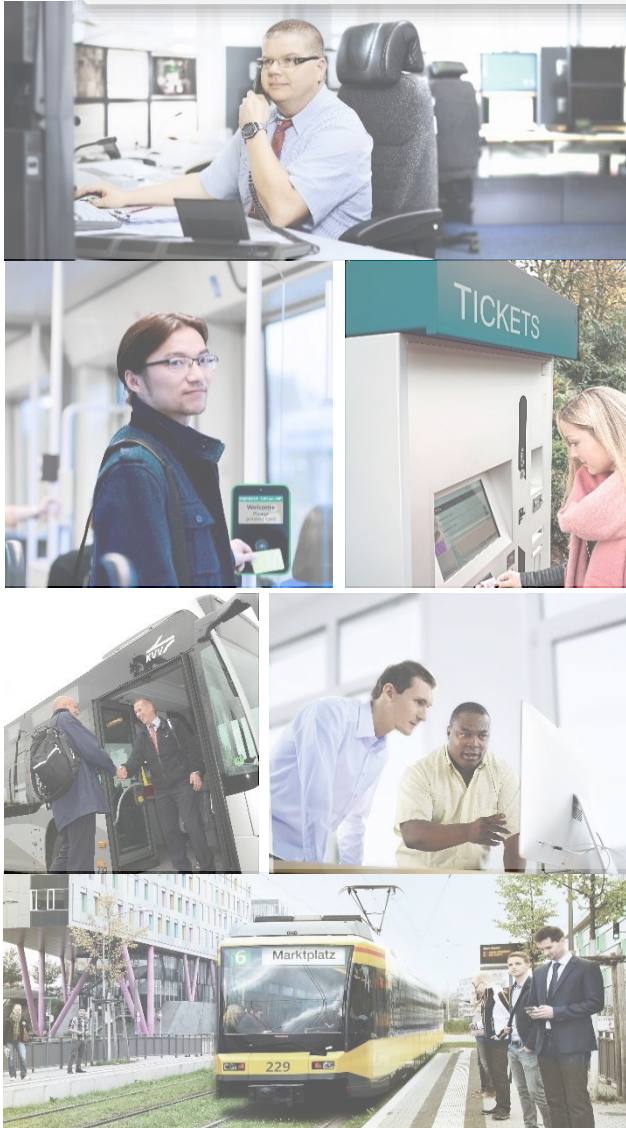
Managing COVID-19 with init products

Use of passenger numbers

- Real-time information on vehicle occupancy

- Patented method for the determination of free places

- Information for passengers at the stop, via apps, Internet

- Seat reservation be possible

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Milestones projects

May 2019
BVG, Berlin, Germany
Operational process management system
PTnova | HanseCom

February 2020
Metro Houston, Texas
Letter of intent for contracting an
ID/account-based
fare management system

October 2018
Sound Transit, Seattle
Next generation
ORCA Ticketing system

June 2019
MAVIS | ASSISTIVEtravel, Singapore
Travel assistance app
UITP Award Diversity & Inclusion
UITP Asia-Pacific Award Special Recognition

March 2020
regiomove, Karlsruhe, Germany
Regional mobility platform with
intermodal booking platform
from INIT

init

Technical business segments

~45%   **Electronic Ticketing – high software share**

> ➤ Vending Devices (stationary, mobile, smartphone)

> ➤ Background system (account and fare data management, accounting systems, …)

~25%   **ITCS – Intermodales Transport Control System – high software share**
Real-time information and sub systems

~20%   **Automatic Passenger Counting** (APC) **– high software share**

~5%   **Timetable planning** and **dispatching** of drivers and vehicles **– 100% software share**

~5%   **Further modules** e.g. traffic signal priority, announcement technology, display technology, diagnostic systems …

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Economic business segments
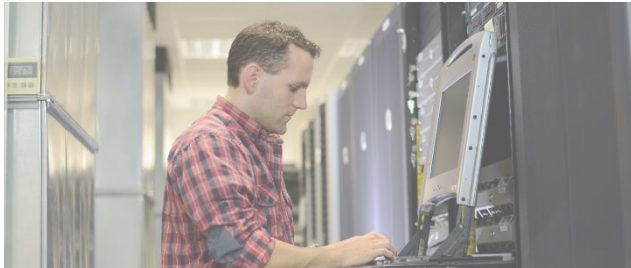
~35% **Hardware & software products** in project business

~20% **Software & hardware maintenance,** incl. hotline

~20% **Delivery business** (iris,...)

~20% **Follow-up orders from projects,** licenses and services

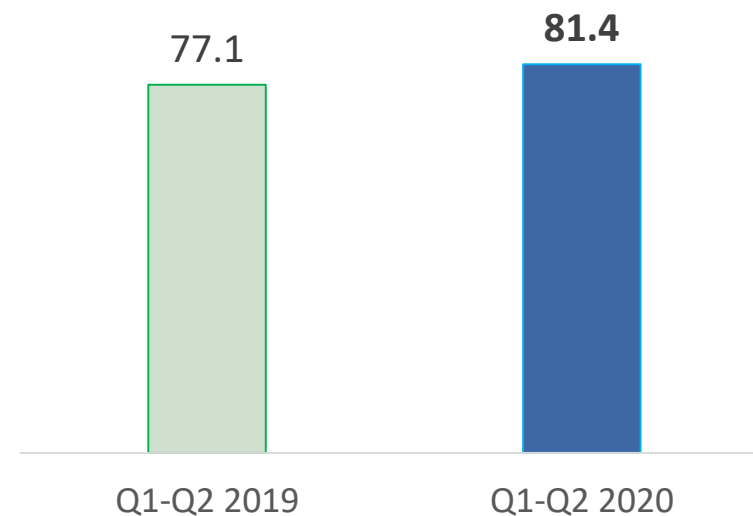~5% New business segment: **operations**

45 % Recurring Revenues

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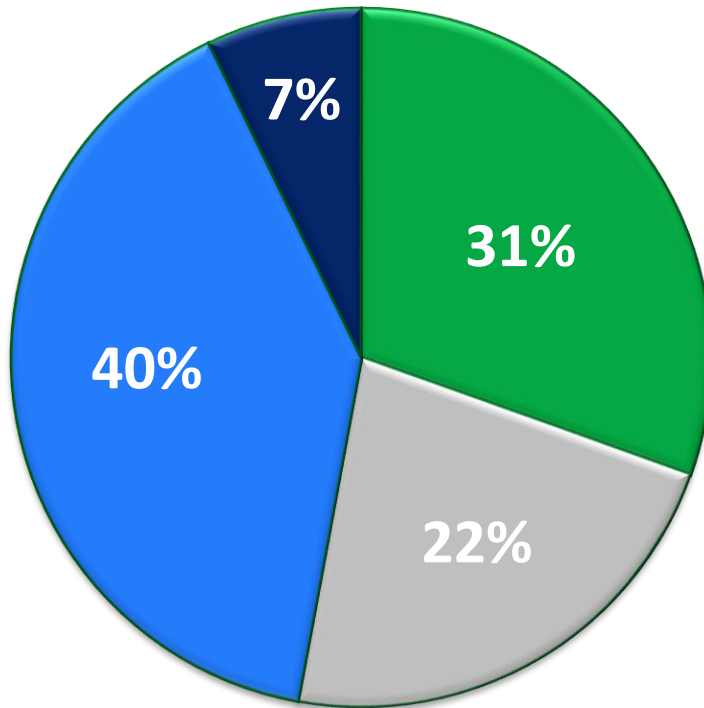# Revenues

Set target growth for FY 2019 achieved: + 15 %

(in EURm)

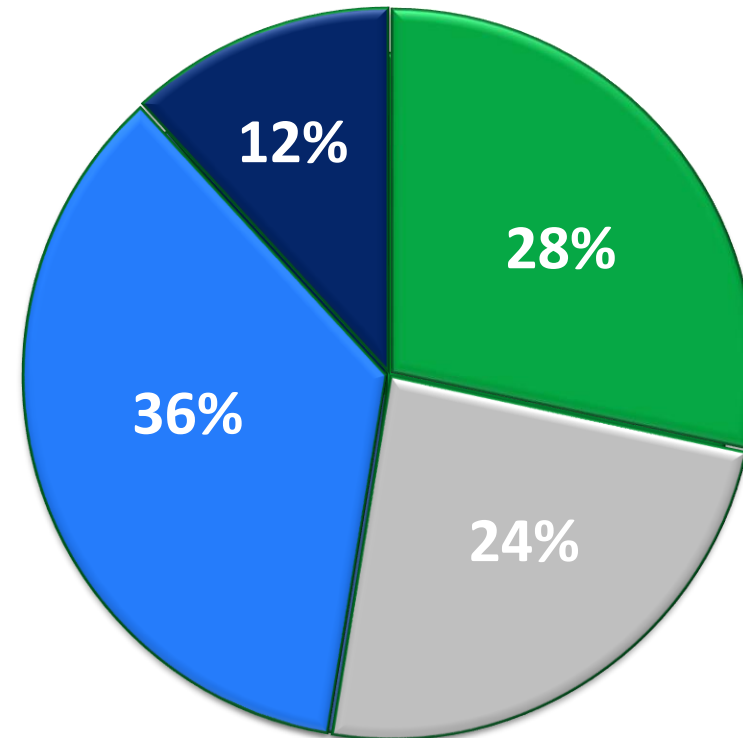105.3 — 2015
108.6 — 2016
130.6 — 2017
135.7 — 2018
156.5 — 2019
180 incl. acquisitions — 2020e

6% above previous year

77.1 — Q1-Q2 2019
81.4 — Q1-Q2 2020

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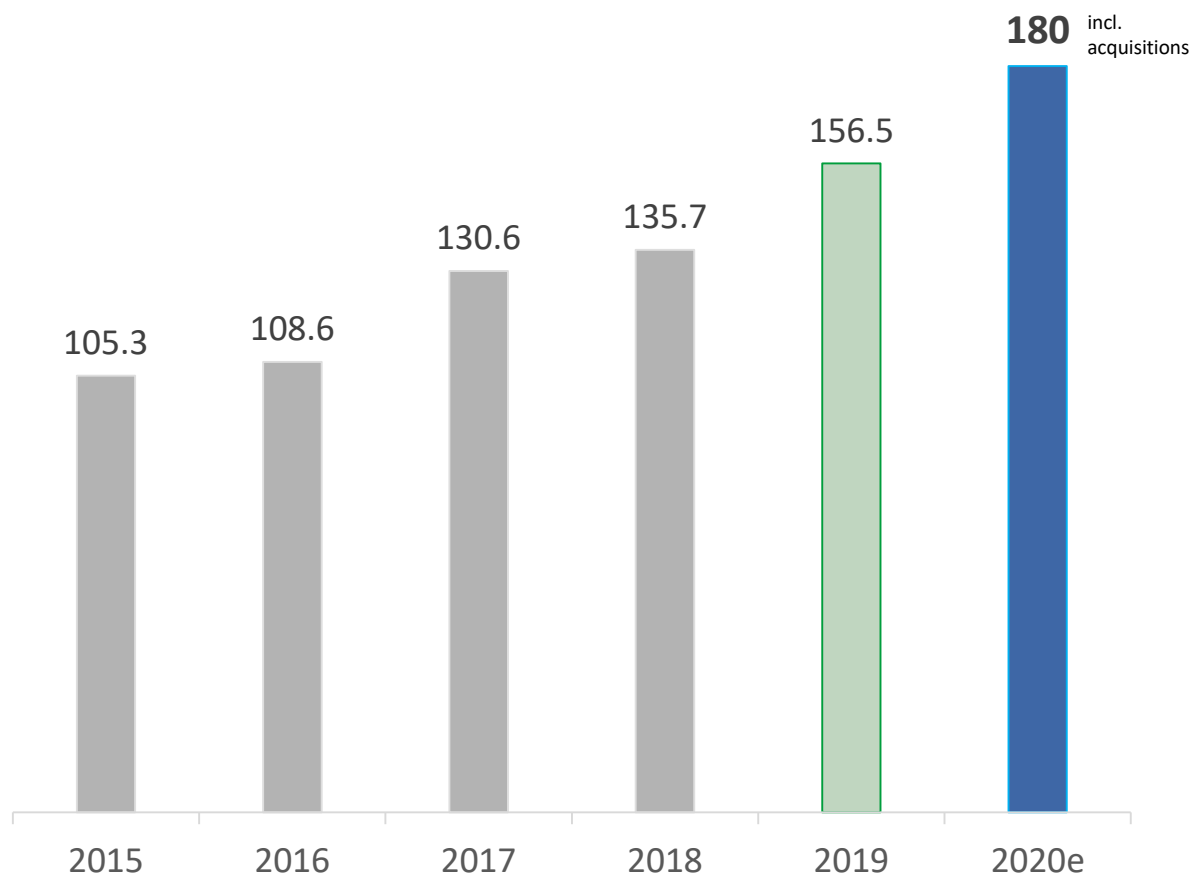
Revenues per region

Legend:
- ■ Germany
- ■ Rest of Europe
- ■ North America
- ■ Other countries

Average 2015-2018
- 7% (Other countries)
- 31% (Germany)
- 40% (North America)
- 22% (Rest of Europe)

2019
- 12% (Other countries)
- 28% (Germany)
- 36% (North America)
- 24% (Rest of Europe)

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EBIT

EBIT margin increased to 10.4%

18-20 incl. acquisitions

16.2

10.8

11.6

8.6

6.4

2015 2016 2017 2018 2019 2020e
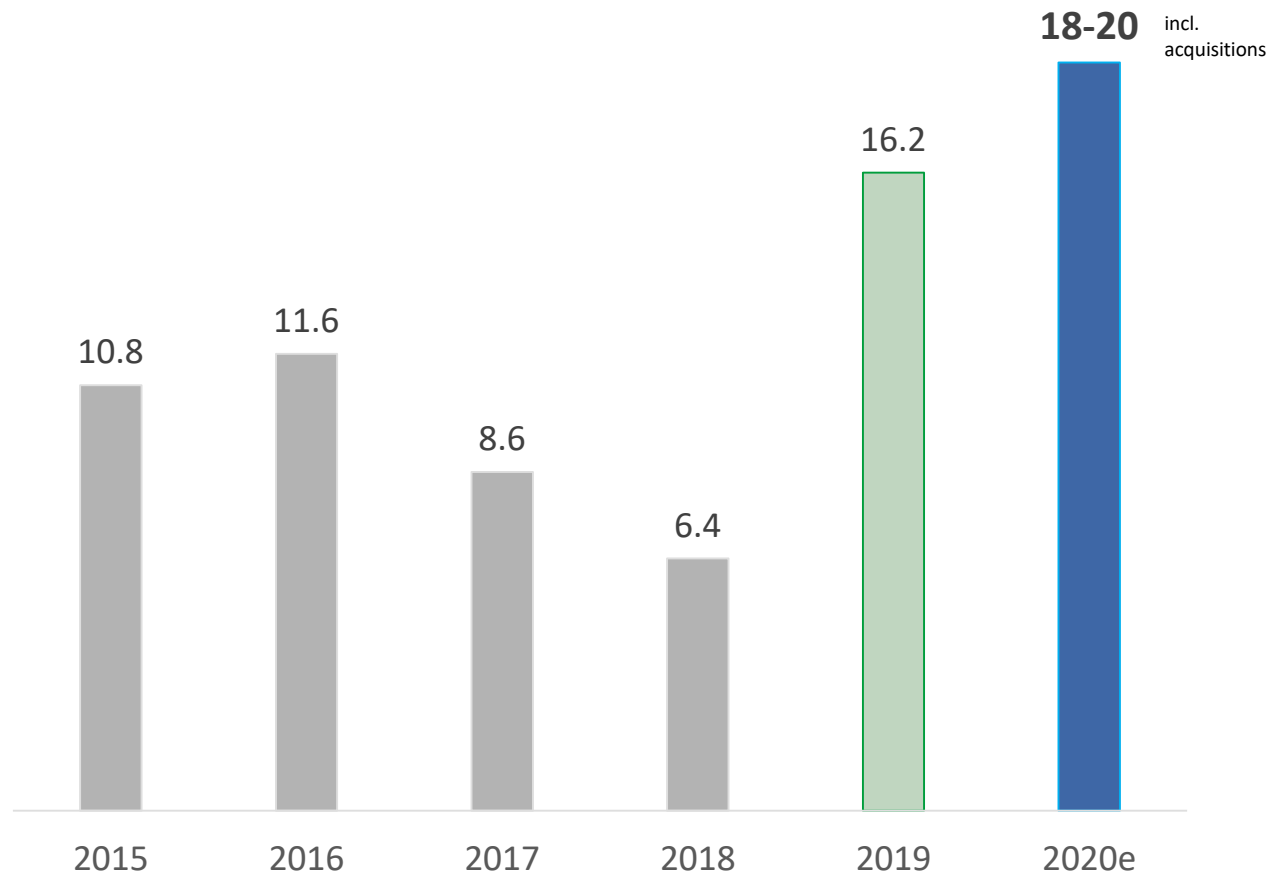
previous year:

increased following orders and higher project progress than planned

8.1

6.2

Q1-Q2 2019 Q1-Q2 2020

init
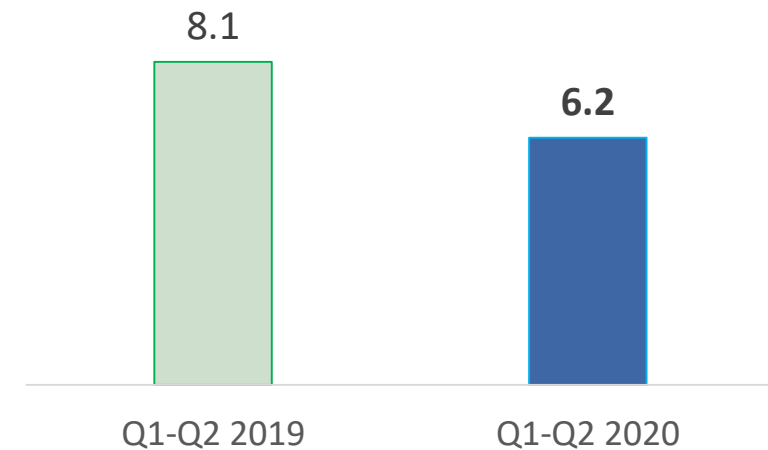
Consolidated net profit

12.1
11.3
8.6
7.6
3.6
2.4

2014 2015 2016 2017 2018 2019

earnings per share EUR 0.40

5.3
3.9

Q1-Q2 2019 Q1-Q2 2020

init
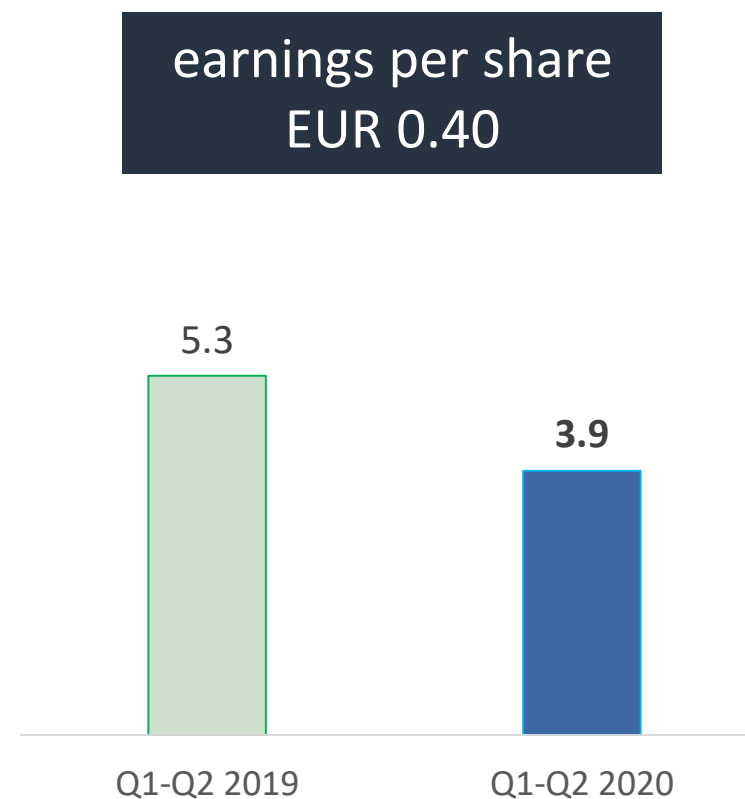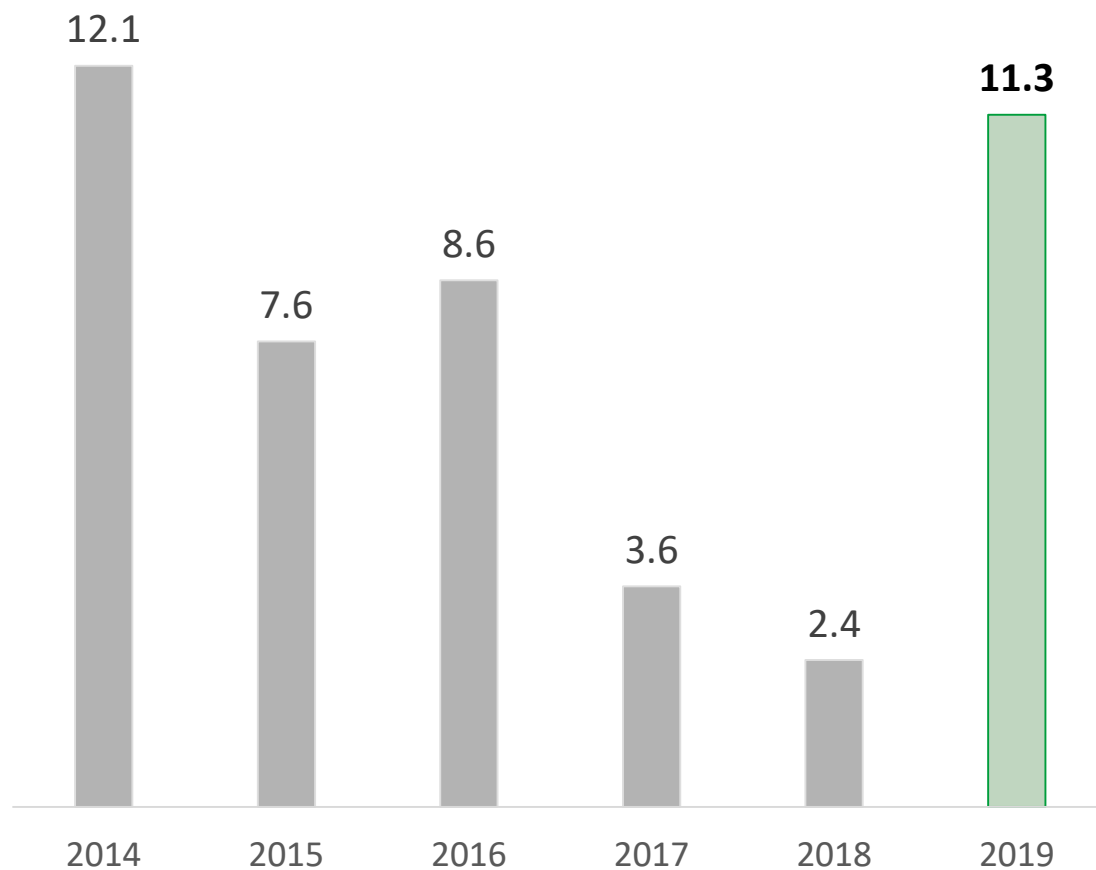
Gross profit

(in EURm)

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Incoming orders

(in EURm)

180-190 incl. acquisitions

161.8

160.2

139.4

128.7

67.2

2015   2016   2017   2018   2019   2020e
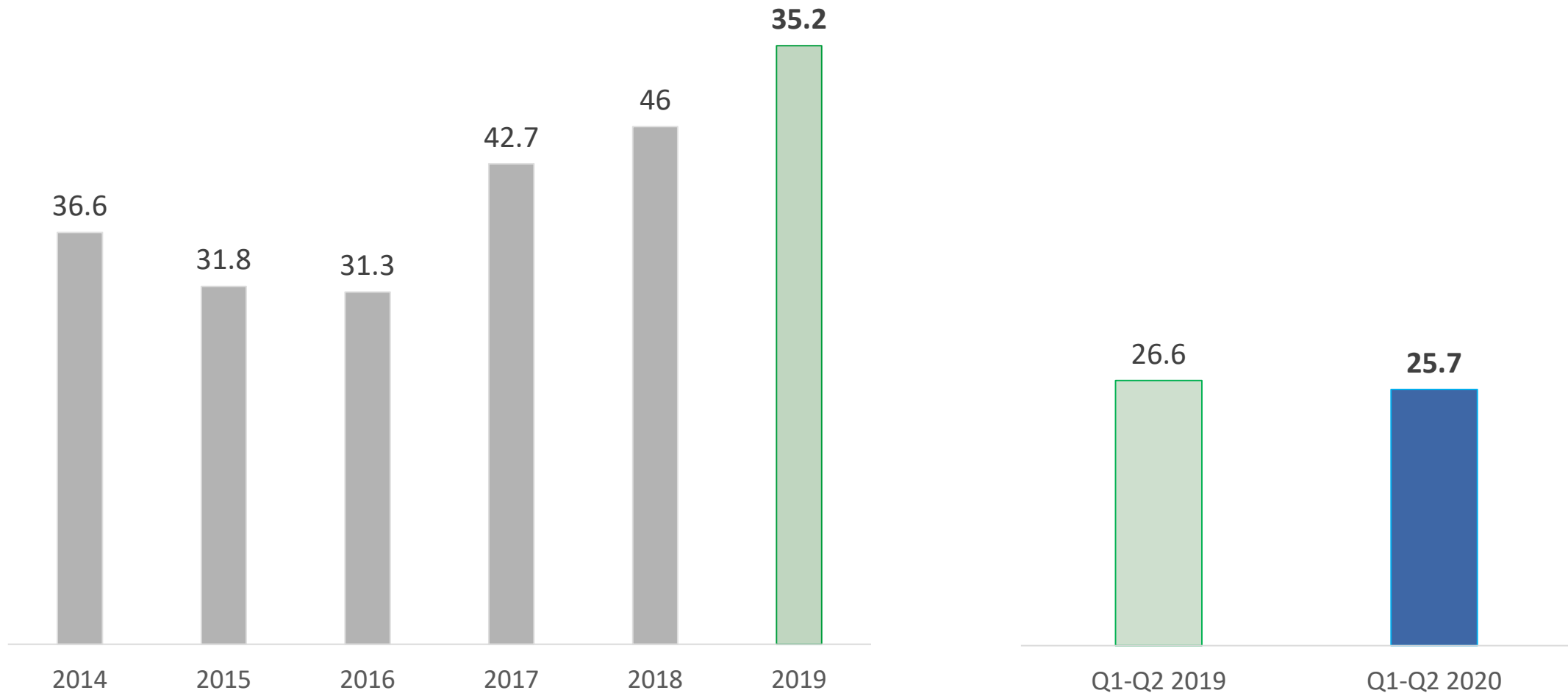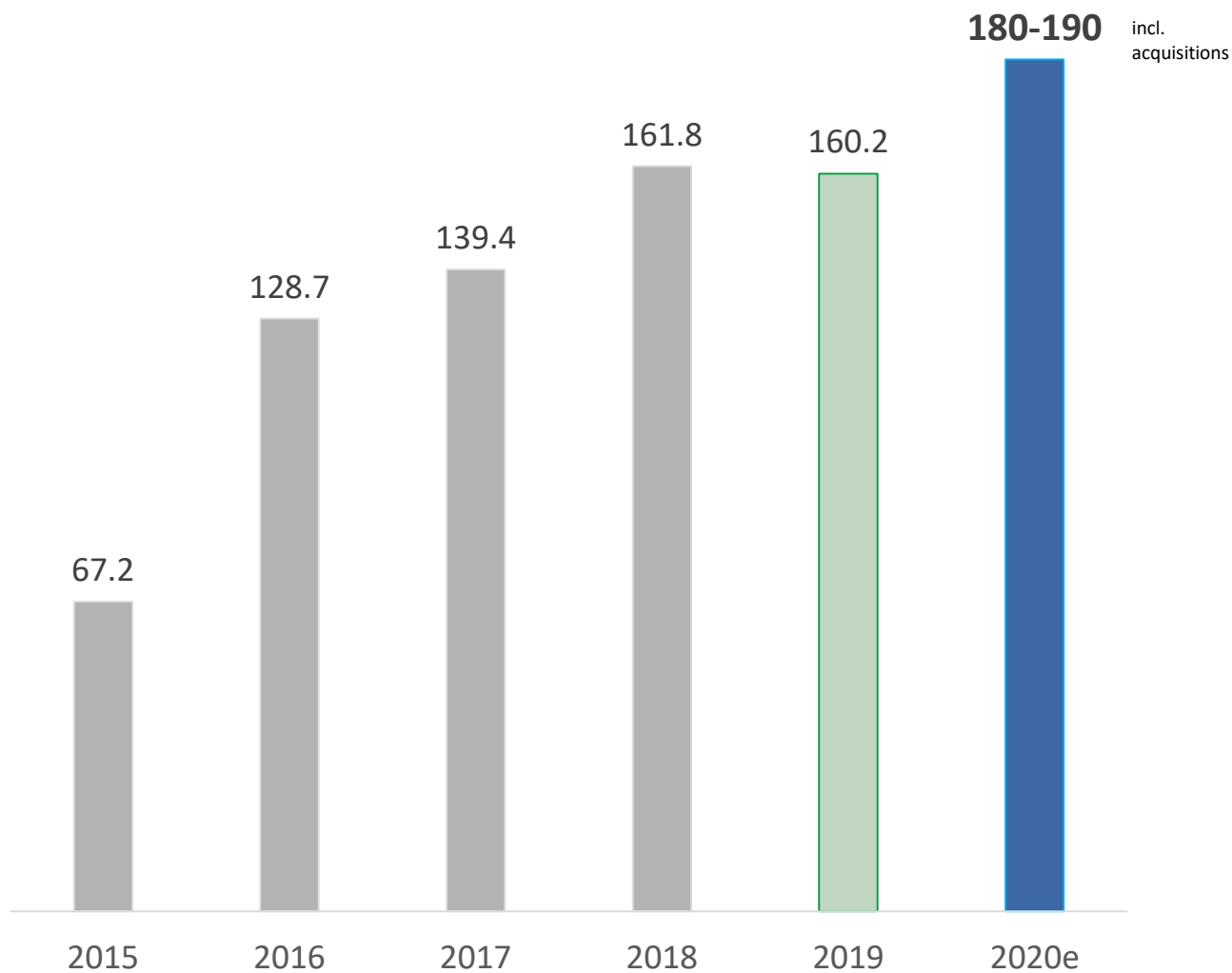
postponement of tendering and bidding procedures due to the Corona crisis

114

87.5

30/06/2019   30/06/2020

init
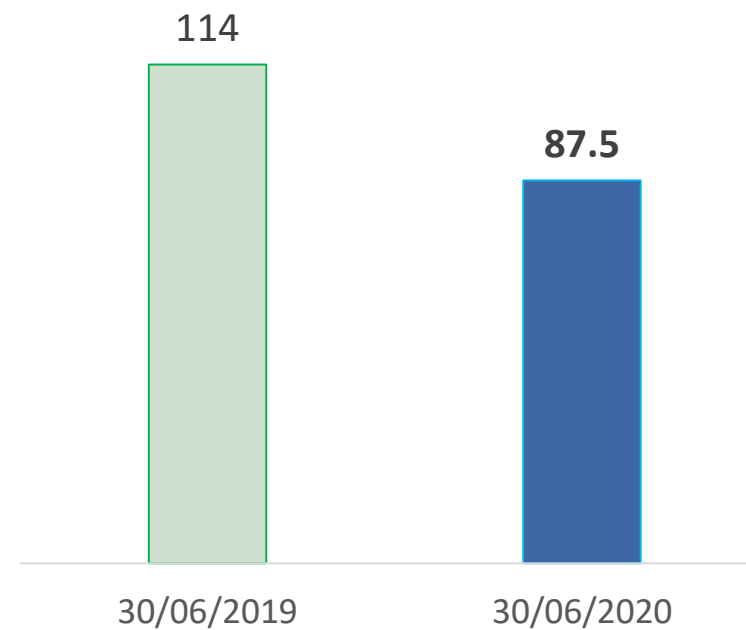
Order backlog

around 60% of the order backlog in 2020 will affect sales

2014	2015	2016	2017	2018	2019
122	81	111	117	143	**152**

30/06/2019	30/06/2020
175	**160**
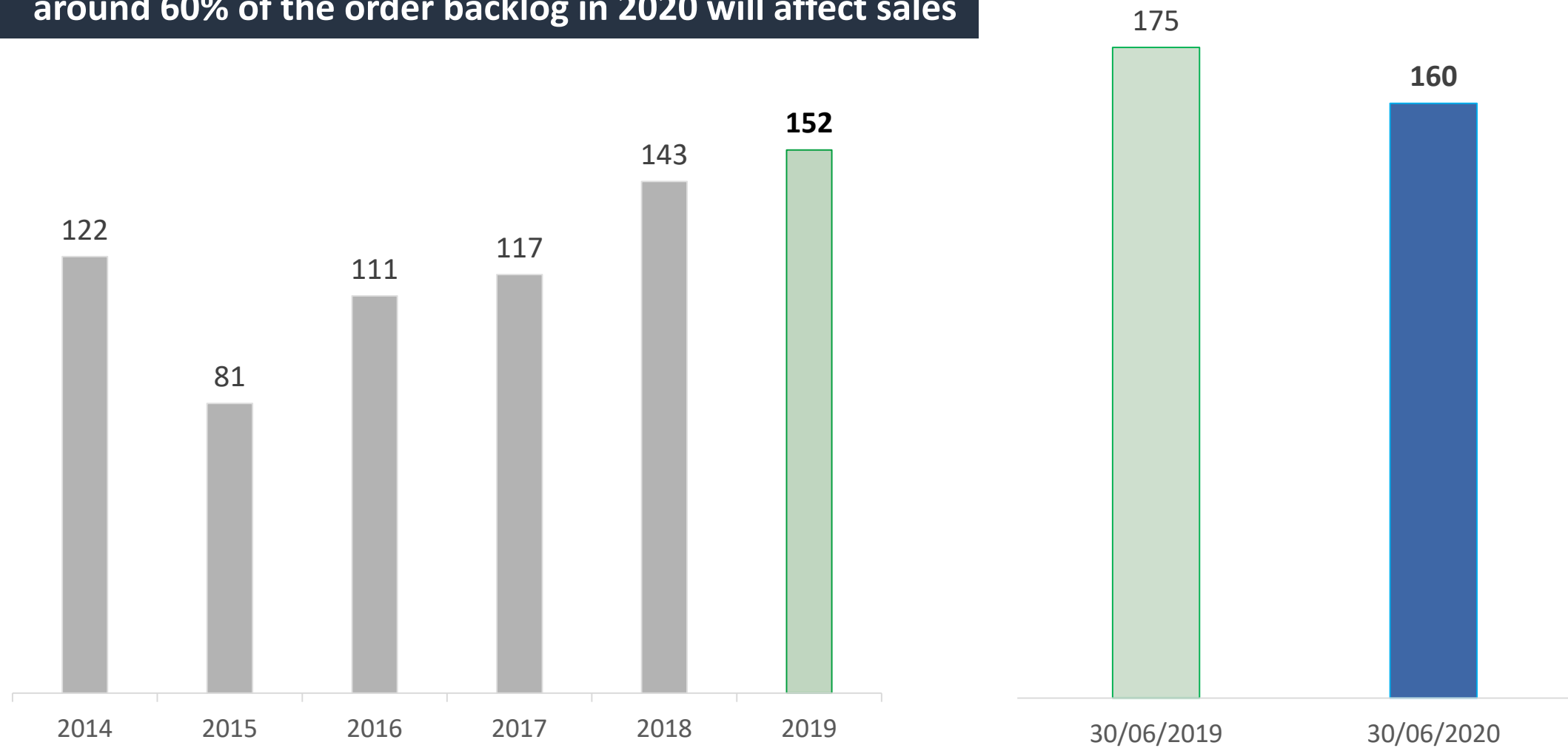
Operative cash flow

(in EURm)
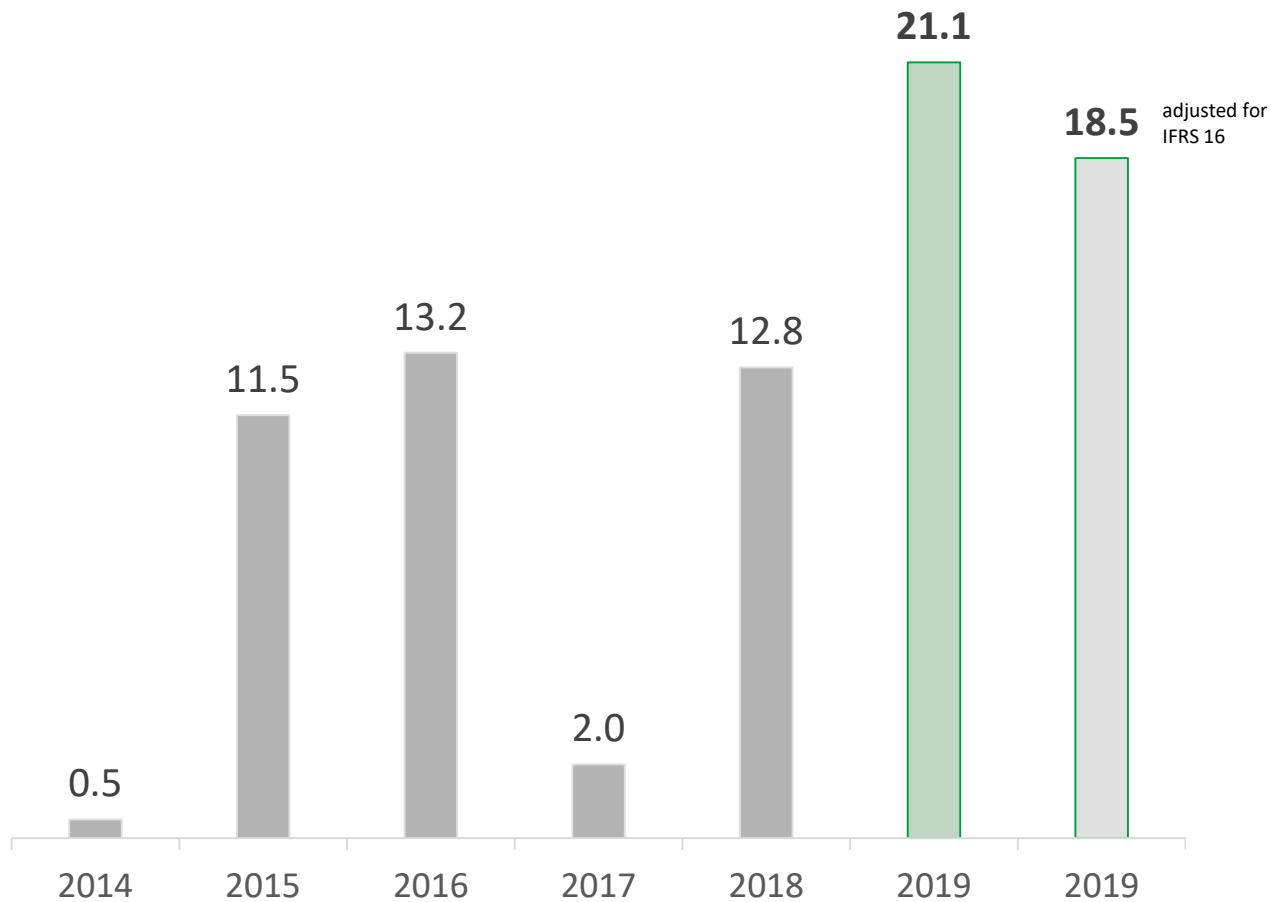
Cash flow nearly doubled compared to previous year

21.1

18.5 adjusted for IFRS 16

13.2

11.5

12.8

2.0

0.5

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2019 |

13.8

7.3

Q1-Q2 2019   Q1-Q2 2020

init

Equity

Equity ratio in %

45.0   2018
42.7   2019
45.5   2019   adjusted for IFRS 16

Equity in EURm

75.8   2018
85.5   2019

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Expenditure R&D

(in EURm)

total 39.4   total 42.5

Basic development not capitalised:
6.7 % of revenues

New & further developments within the scope of projects:
20.5 % of revenues

	2018	2019
Basic development	11.5	10.4
New & further developments	27.9	32.1

2018   2019
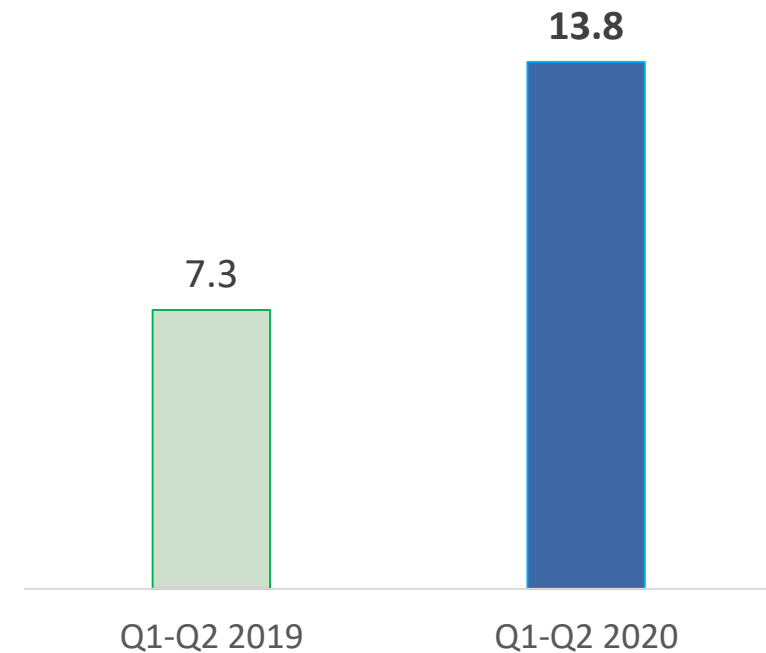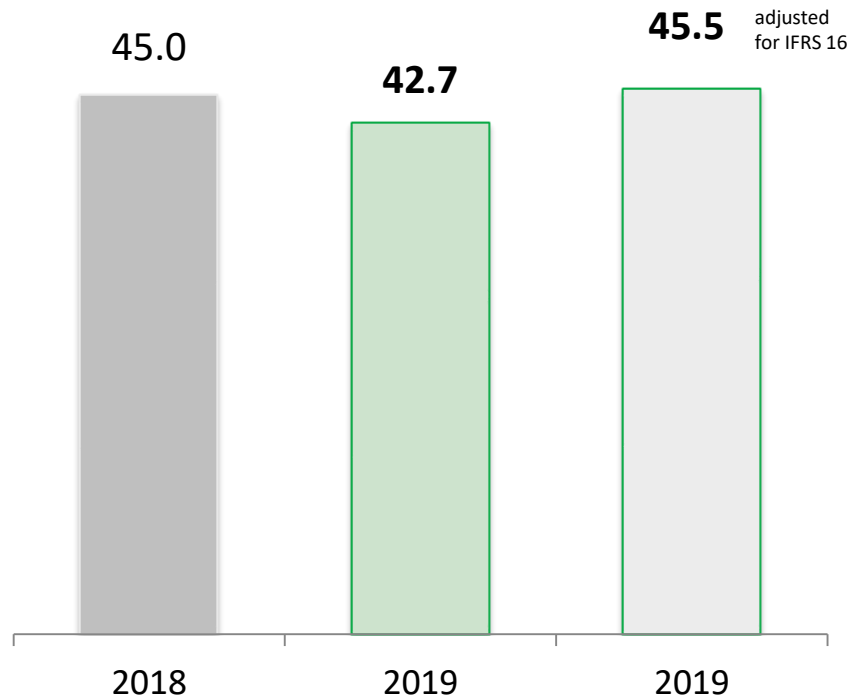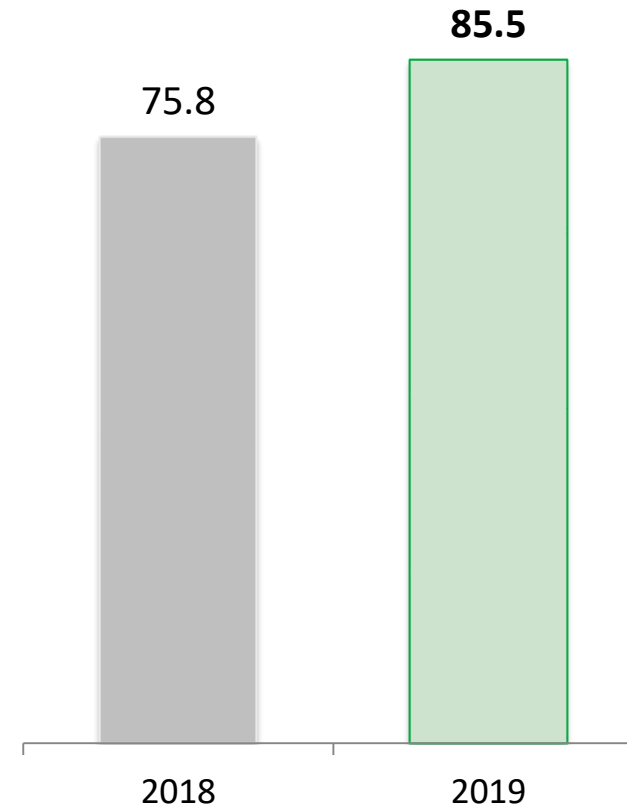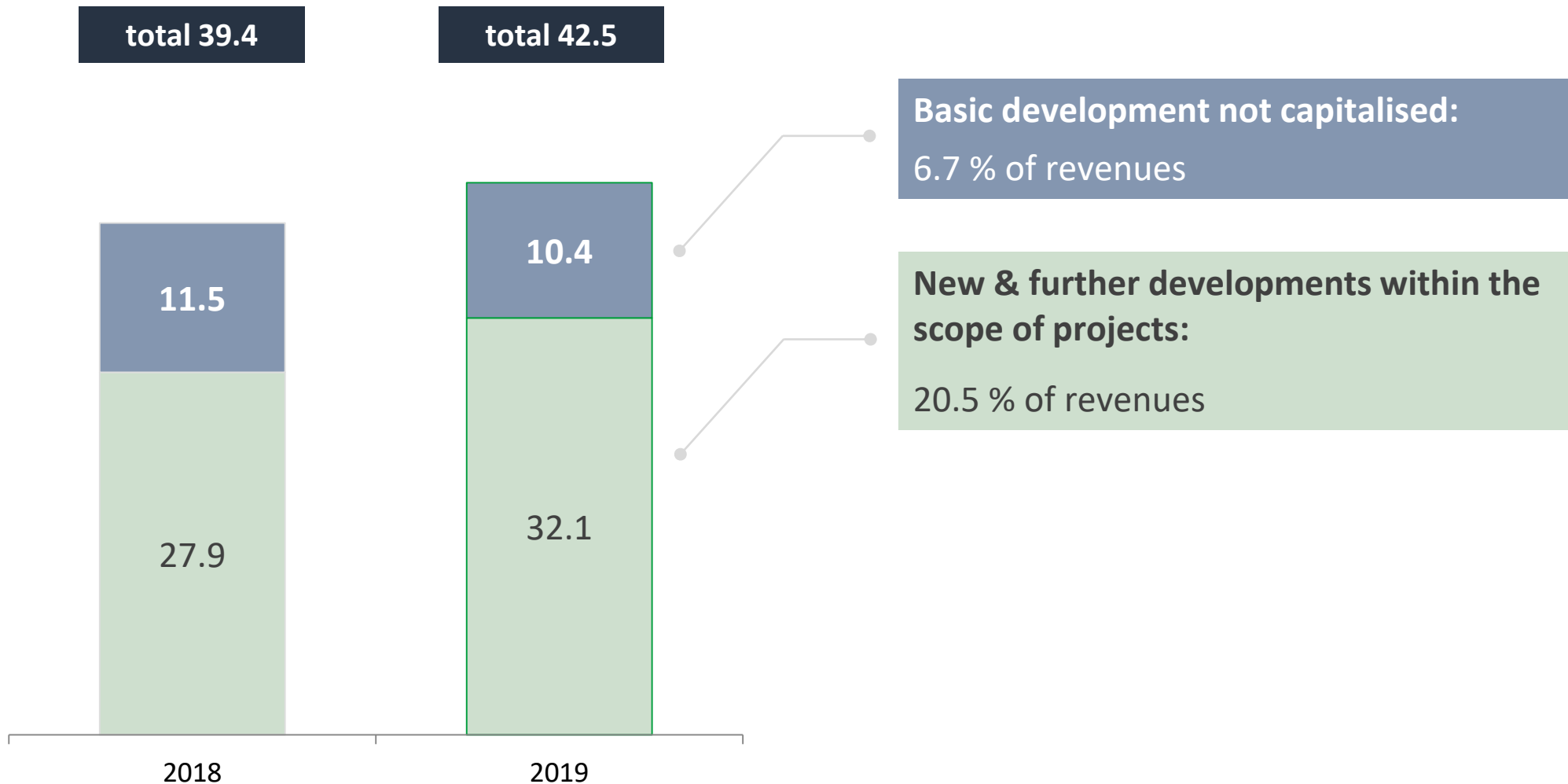
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R&D Roadmap – research projects

2016
InREAKT
Automatic detection of
safety relevant situations

2018
INK2016
Participation of
blind people in
PT

2018
DiMo-FuH
Broker architecture for
OTA interface, MQTT

2019
MAVIS
Mobility
assistance for
disabled people

2020
U-THREAT
Automation of
planning
processes

2021
MOBILEDataFusion
Passenger
flow detection
with IoT

2018
EBSF 2
Interoperability
using standards

2018
DiMo-OMP
Reference
architecture for
mobility platform

2019
MENDEL
INIT suite prepared
for e-mobility

2020
iQMobility
Autonomously
driven BRT

2020
regiomove
Regional MaaS
solution

2023
U-hoch-3
Occupancy prognoses
Object recognition

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init SE share – IXX – dividend

(in EUR)
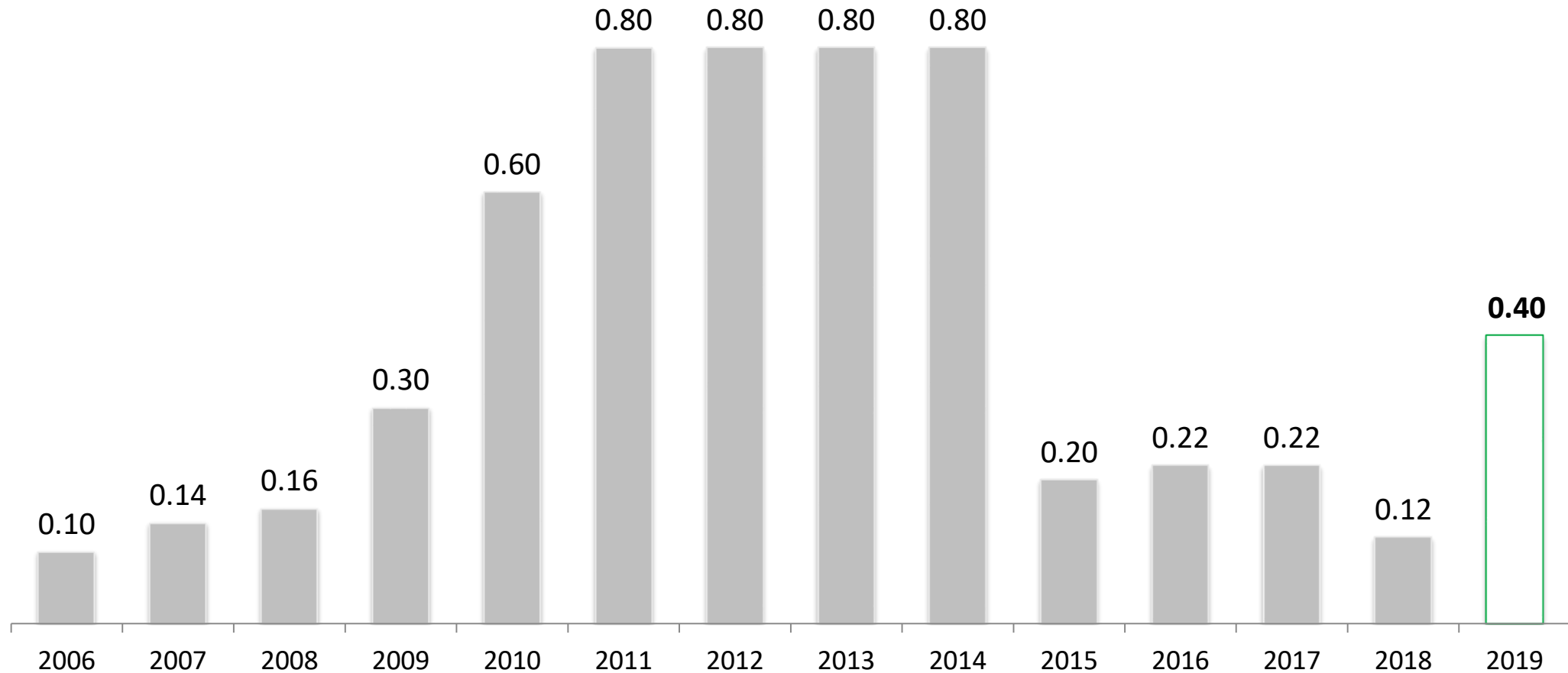
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init SE share — IXX

Shareholder structure (30/06/2020)

January 2020 – July 2020 (indexed)

Highest level **37.60 EUR** ▼

Legend: init SE — DAX — TecDax

Lowest level **15.25 EUR** ▲

Dr. Gottfried Greschner (directly and indirectly held, parties related to him)	42.13%
Corporate bodies	4.69%
Treasury shares init SE	0.85%
Employee Shares (lock up)	0.49%
Freefloat	51.84%

Roadmap strategy

continued sustainable annual growth of 15 percent on average

➡ **already achieved for 2019**

EUR 156m
Order backlog 30/06/2020

EUR 180-190m
Incoming orders 2020e

EUR 180m
Revenues 2020e

EUR 18-20m
EBIT 2020e

init

Thank you for your attention!

Jennifer Bodenseh
CFO

This presentation can be downloaded from our website under the register Investor Relations / Financial Reports

Financial calendar

12 November 2020
Quarterly statement 3/2020

16 November 2020
1:30 pm – room Milano
Equity Forum / Presentation

16/17 November 2020
Equity Forum / One-on-one meetings

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www.initse.com