



# init

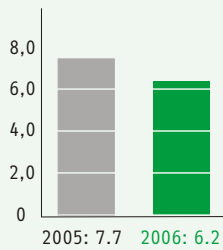
innovation  
in traffic systems AG



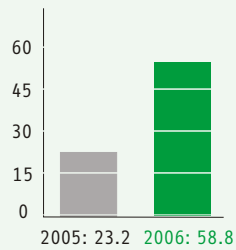
Q1 Report 2006



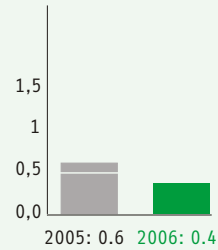
Sales Q1  
in million €



Orders on hand Q1  
in million €



EBIT Q1  
in million €



Earnings per share  
Q1 2005: 0.03 €  
Q1 2006: 0.03 €

## init at a Glance

Municipal and regional passenger transportation should be comfortable, fast, and attractive. The systems supplied by init innovation in traffic systems AG ensure that buses and trams are able to meet these requirements today, while at the same time increasing the efficiency of transportation companies. init is the leader in innovative telematics and fare management systems that offers a suite of integrated solutions for all type of needs related to public transportation. init products are operational in over 300 transportation companies worldwide.

### Director's Holdings

Management Board	Number of shares
Dr. Gottfried Greschner, CEO	3.601.400
Joachim Becker, COO	420.983
Wolfgang Degen, COO	81.000
Dr. Jürgen Greschner, CSO	107.364
Bernhard Smolka, CFO	9.600

Supervisory Board	Number of shares
Prof. Dr.-Ing. Dr.-Ing. E.h. Günter Girnau	-
Bernd Koch	-
Fariborz Khavand	-

### Company calendar 2006

July 13, 2006	General Meeting in Karlsruhe
Wk. 32/2006	Disclosure Q2 2006 Report
Wk. 46/2006	Disclosure Q3 2006 Report

## Statutory bodies of the Company

### Supervisory Board

> Prof. Dr.-Ing. Dr.-Ing. E.h. Günter Girnau  
(Chairman)

Honorary member and former Managing Director of the Association of German Transport Enterprises (VDV), Honorary Vice President of the International Association for Public Transport (UITP).

> Bernd Koch (Vice-Chairman)

Self-employed business consultant for strategy and organisation, Member of the Advisory Board of the IHK (German Chamber of Industry and Commerce) Training Centre in Karlsruhe.

> Fariborz Khavand

Self-employed business consultant, Managing Director, Member of the supervisory board of Rhön Residence GmbH & Co. Management KG.

### Management Board

> Dr. Gottfried Greschner (Chairman), M.Sc.  
*Business Development, Personnel, Purchasing and Supply Management*

> Joachim Becker, M.Sc. in Information Science  
*Business Division: Telematics Software and Services*

> Wolfgang Degen, M.Sc.  
*Business Division: Mobile Telematics and Fare Management Systems*

> Dr. Jürgen Greschner, B.A.M.  
*Sales*

> Bernhard Smolka, B.A.M.  
*Finance, Controlling and Investor Relations*



## Report of the Managing Board

*Ladies and Gentlemen,*

Having exceeded its projections for the first quarter of 2006, init innovation in traffic systems AG is well on its way to realizing the growth targets set for the whole year. Sales in the period under review totaled 6.2 mill. Euro and thus improved significantly on the average of the same three-month period in previous years. At 0.4 mill. Euro, the earnings before interest and taxes (EBIT) for the year also proved better than expected. With no financial liabilities, init now has liquid funds at its disposal aggregating well over 12 mill. Euro (incl. securities), in addition to treasury stock of more than 2 mill. Euro.

*First quarter of 2006 above plan – strongest revenue months still to come*

In the first quarter of 2006, the business trend was notably defined by engineering services for ongoing projects and, in contrast to the previous year, by only a marginal share of hardware deliveries. This also explains the fact that sales were lower than in the prior-year quarter. In the first quarter of 2005, init provided a substantial amount of hardware for the large-scale projects in Stockholm, Houston and Oslo, so that the figure of 7.7 mill. Euro in quarterly sales more or less doubled the usual result.

Traditionally, sales at init distribute unevenly throughout the fiscal year, with each of the first two quarters usually realizing a mere 10 % of annual sales, compared to 30 % in the third quarter and around 50 % in the last quarter.

Contrary to this pattern over the last few years, the second and the fourth quarter in 2006 are likely to generate the most significant sales, since the share of hardware deliveries for ongoing projects in these months is scheduled to increase drastically.

*High growth potential due to record level of orders*

The high growth potential for init in fiscal 2006 and 2007 is evident in the orders position. As at the end of March, the level of orders totaled 58.8 mill. Euro. This is the highest figure ever to be reported in company history, topping even the prior-year level of 23.2 mill. Euro by two and a half times.

The satisfactory trend of incoming business continued throughout the first quarter of 2006. On the whole, the volume of new orders booked amounted to 9.4 mill. Euro, corresponding to an increase by 22 % on the already extraordinary prior-year level (7.7 mill. Euro). As at the end of March, the book-to-bill ratio (ratio of business “booked” to business “billed”), a key indicator of the future growth of a company, thus reached a high of 1.5 (2005: 1.0).

In the period under review, init was able to book three major follow-up orders from Stockholm, Leicester and Oslo. All three cities are currently extending their already existing init systems. A further important strategic success in European business was achieved when init won the tender in The Hague, its first major contract from the Nether-

lands. Here, init will install a computer-aided dispatch and vehicle location system (ITCS - Intermodal Transport Control System) for the streetcar network and fit in excess of 50 two-way streetcars with the on-board computer, COPILOTpc, and the TOUCHit data terminal. The contract also includes the implementation of the MOBILE-PLAN planning and data management system and the personal dispatch system, perdis. The order volume totals around 2 mill. Euro.

In addition, init anticipates further significant orders to materialize in the next few months. Currently, a large number of tenders and offers are pending a decision.

*Germany business strong in run-up to World Cup*

In the first quarter of 2006, the sales trend of the init group was sustained predominantly by German business. As was already evident from the order placement in 2005, the demand for init systems in this country in the run-up to the Football World Cup was driven by investments in the local public transportation infrastructure. Thus, for example, the large-scale project of setting up a new computer-aided dispatch and vehicle location system for Münchner Verkehrsgesellschaft (MVG) could at this stage be put into operation as planned. At 3.1 mill. Euro as at the end of March, init realized sales that on the whole proved almost three times as high as in the previous year (1.2 mill. Euro). Thus for the first time in three years, the domestic market was the focal point again in terms of sales, registering over 50 %.

This, however, also reflects the decrease in the number of hardware deliveries on the previous year, which were made in the first quarter of 2006 for projects in the rest of Europe and in North America. Sales in these markets totaled around 3.1 mill. Euro (2005: 6.5 mill. Euro), the lion share of which was attributable to North America. In the first three months of 2005, foreign sales had increased many times over predominantly due to vehicle equipment for the large-scale projects in Oslo, Stockholm and Houston. A similar trend is to be expected in the second and, predominantly, in the fourth quarter of 2006.

*Gross margin rises to around 39 per cent – cash flow in first quarter already positive*

On the earnings side, init was able to improve its gross margin due to stringent project management and further cost savings in purchase and production. Despite the fact that the sales volume reduced on the previous year, the gross profit on sales rose by 41,6 % to 2.4 mill. Euro (2005: 1.7 mill. Euro). Thus, by the end of March, the gross margin had reached 38.6 % (2005: 21.8 %).

Contrary to the usual earnings spread over the year, where generally in the first quarter negative results are registered, init was able in the first quarter of 2006 to record a positive 0.4 mill. Euro for its earnings before interest and taxes (2005: 0.6 mill. Euro). The quarterly profit matched the prior-year level in Q1 2005 of 0.3 mill. Euro, while the earnings per share again stood at 0.03 Euro (2005: 0.03 Euro).

A further satisfactory trend in the first quarter of 2006 was registered in the cash flow from operating activities. Despite the operations and outlays usually required for the implementation of the projects in the further course of the year and specifically for the preparation of hardware deliveries from the second quarter, init recorded a notably positive figure of 1.8 mill. Euro for the first three months of 2006 (2005: 2.6 mill. Euro).

Investments during the period under review totaled 0.4 mill. Euro (2005: 0.2 mill. Euro). The research and development costs in the first quarter related in the main to the further development of the hardware and the MOBILE-PLAN software.

On the whole, init recorded a net inflow of funds in the first quarter of 2006 to the amount of around 1.3 mill. Euro, which matched the record quarter in the previous year. Consequently, the liquid funds (incl. securities) at group level reached a new high of 12.2 mill. Euro (2005: 4.8 mill. Euro).

### Prospects

Following the good start into the year 2006, init innovation in traffic systems AG is well on its way to exceeding the 2005 record levels for sales and earnings. Having outdone the projections as early as in the first quarter and noting a rising trend in incoming business, init anticipates a drastic increase in sales over the next few months. In the second and the fourth quarter in particular, the progressive implementation of the large-scale projects in The Hague, Copenhagen, New York City and Vancouver is set to boost both the revenues and the earnings of init. Furthermore, the gain in gross margin shows that init managed to further improve its profitability and has its cost side under control.

In fiscal 2006, init intends to increase its sales and EBIT by in excess of 10 %. One of the risk factors here is the current weakness of the US Dollar against the Euro. Although the majority of the existing orders is hedged by options and forward exchange dealings, future projects in the USA will likely see lower margins, since the unfavourable Euro exchange rate can be passed on only partially by way of price increases. There is no telling yet to what extent the announcement of the German government of drastic cuts in funding for the expansion of local public transportation will affect the investment confidence of the transportation companies and thus, the business of init in Germany.

The current cushion of existing orders of around 59 mill. Euro, however, already secures a basic level of work for init for 2007. This will be added in the next few months by anticipated contract awards and a multitude of business initiations. The rising demand from abroad for init systems and the increased promotion of investments in local public transportation in North America could enable init to grow at an above-average rate in the medium term.

### init share notes further gain

In the period under review, the share of init innovation in traffic systems AG (ISIN DE0005759807)

presented investors with a further substantial gain. By the end of March 2006, the price had risen steadily by over 44 % to 8.10 Euro. The price outperformed both the technology sector index of the German Stock Exchange and the TecDax benchmark index. Against the background of a record level of orders, a continuously positive incoming business trend, and sound medium-term growth prospects, the init share is well set for further price gains.

The ordinary shareholders' meeting of init innovation in traffic systems AG originally convened for May 18, 2006 had to be postponed due to an error of form on the invitations. The meeting will now be held on July 13, 2006. On the agenda, the invitation published had missed out the adoption of a resolution on the appropriation of the balance sheet profit. Consequently, in order to avoid the risk of contestation, the Managing Board and the Supervisory Board unanimously decided on a postponement of the shareholders' meeting.

Karlsruhe, May 10, 2006

On behalf of the Managing Board

Dr. Gottfried Greschner  
Chairman of the Managing Board

### Your investor relations contact

init  
innovation in traffic systems AG

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### Performance Q1 2006



— init innovation in traffic systems AG  
— Prime Technology Performance Index



## Notes to the Interim Financial Statement

The quarterly report as at March 31, 2006 and the benchmark figures were prepared in compliance with the International Financial Reporting Standards (IFRS) and are consistent with IAS 34. The accounting and valuation methods and the methods of calculation applied to the consolidated financial statements as at December 31, 2005 were retained.

init refrained from making use of its option under IAS 23 of capitalizing cost of debt. In conformity with IFRS 3, the report does not include scheduled amortizations of goodwill. Impairment tests are carried out once a year in accordance with IAS 36.

The group of consolidated companies of init AG comprises INIT GmbH, Karlsruhe, init telematik gmbh, Karlsruhe, and INIT Inc., USA, all of which are fully owned by init AG. Car Medialab GmbH, Bruchsal, is also fully consolidated.

The object of CarMedialab is the development, implementation, and production of software and hardware components in the telematics, teleservice, and mobile applications fields.

On January 20, 2006, init AG purchased a further 10 % of the shares in CarMedialab by means of a capital increase, resulting in a total investment currently of 55 %. The purchase cost of these additional shares totaled 150 TEuro and was fully attributable to the capital increase.

The fair value of the identifiable assets and liabilities of CarMedialab as at the date of acquisition were as follows:

	<i>Reported at acquisition</i>	<i>Book value</i>
	<i>T€</i>	<i>T€</i>
Cash	163	163
Receivables	143	143
Tangible fixed assets	8	8
Licences	339	339
	<b>653</b>	<b>653</b>
Liabilities	300	300
Provisions	30	30
	<b>330</b>	<b>330</b>
Fair value of net assets	323	
Minority shares at fair value of the net assets	-121	
Adjustment of the investment book value using the equity method until the date of acquisition	132	
Goodwill from company acquisition	166	
<b>Total purchase cost of the gradual company acquisition</b>	<b>500</b>	
Cash outflow due to company acquisition (additional 10%):		
Cash acquired with the subsidiary	163	
Cash outflow	-150	
<b>Actual cash inflow</b>	<b>13</b>	

From the date of acquisition in January 2006, CarMedialab contributed -92 TEuro to the consolidated earnings.

The above goodwill of 166 TEuro does not include intangible assets, which would have to be valued separately under IAS 38 "Intangible assets". The minority shares attributable to Car Medialab are shown separately in the balance sheet and the consolidated statement of operations.

INIT GmbH holds 43 % of the shares in iris GmbH, Berlin, and init AG 44 % of the shares in id systeme GmbH, Hamburg, both of which are included at equity in the consolidated financial statements.

The init group did not have any contingent liabilities as at December 31, 2005.

The replacement investment in tangible fixed assets totaled 132 TEuro. The sale of a vehicle generated 4 TEuro in revenue.

The legal dispute pending as at the end of 2005 was taken into account by way of a provision of 6 TEuro. init AG is not aware of any events that might have a serious adverse effect on the company's assets, liabilities, financial position, or results of operation.

A total of 161 TEuro for inventory impairment losses were recorded as expenses. The accounts receivable from related parties amounted to 9 TEuro and relate to trade accounts receivable from iris GmbH, Berlin.

The amounts due to associated companies totaled 30 TEuro and relate to trade accounts payable to iris GmbH, Berlin.

Based on the resolution passed at the annual shareholders' meeting on May 15, 2003, replaced by the resolutions of May 13, 2004 and May 11, 2005, the company is authorized to purchase treasury stock. On December 23, 2003, the Managing Board decided on a stock repurchase of up to 60,000 shares. Further stock repurchases were decided on August 26, 2004, to the amount of 60,000 shares, and on March 21, 2005, to the amount of 50,000 shares.

Within the scope of the employee profit sharing, a total of 6,043 shares were transferred to employees in January and February 2006. The shares are subject to a qualifying period of two years. Based on a bonus agreement without qualifying period, a further 2,500 shares were transferred to employees in April 2006.

The company's treasury stock was valued at cost at 985 TEuro (December 31, 2005: 1,003 TEuro) and openly deducted from the equity capital. Of the current treasury stock of 280,957 shares with an imputed share of 280,957 Euro (2.8 %) in the capital stock, 1,139 resulted from the capital increase in 2002 and 279,818 from the company's stock repurchasing program. The shares were repurchased at an average price of 3.47 Euro per share.

The treasury stock was repurchased for use as consideration within the scope of mergers and to acquire other companies or parts of companies or participations, or, where required, for the opening up of additional capital markets or to issue them to employees.

Consolidated Income Statement according to IFRS at January 1, 2006 to March 31, 2006

	01.01.2006- 31.03.2006	01.01.2005- 31.03.2005
	T€	T€
Revenues	6,171	7,712
Cost of revenues	-3,790	-6,031
<b>Gross Profit</b>	<b>2,381</b>	<b>1,681</b>
Sales and marketing expenses	-1,261	-1,020
General administrative expenses	-482	-349
Research and development expenses	-442	-214
Other operating income	213	160
Other operating expenses	-1	-19
Foreign currency gains/ losses	-61	365
<b>Operating profit</b>	<b>347</b>	<b>604</b>
Interest income	79	32
Interest expenses	-35	-79
Income from associated companies	49	6
Other income and expenses	41	-32
<b>Profit before income tax</b>	<b>481</b>	<b>531</b>
Income tax	-203	-220
<b>Net profit</b>	<b>278</b>	<b>311</b>
thereof attributable to equity holders of the parent	319	311
Minority interests	-41	0
Net profit and diluted net profit per share in Euro	0.03	0.03
Average number of floating shares (undiluted)	9,757,826	9,786,796
Average number of floating shares (diluted)	9,757,826	9,786,796



*Consolidated Balance Sheet according to IFRS at March 31, 2006*

<b>Assets</b>	31.03.2006 T€	31.12.2005 T€
<b>Current assets</b>		
Cash and cash equivalents	11,329	10,039
Marketable securities	895	812
Trade accounts receivable	8,396	10,032
Accounts receivable from related parties	9	126
Inventories	2,667	2,847
Income tax receivable	232	47
Other current assets	683	465
<b>Current assets, total</b>	<b>24,211</b>	<b>24,368</b>
<b>Non-current assets</b>		
Tangible fixed assets	814	823
Goodwill	2,042	1,877
Other intangible assets	3,927	3,816
Interest in associated companies	1,395	1,564
Accounts receivable from related parties	68	188
Deferred tax assets	703	702
Other assets	816	777
<b>Non-current assets, total</b>	<b>9,765</b>	<b>9,747</b>
<b>Assets, total</b>	<b>33,976</b>	<b>34,115</b>



<b>Liabilities and shareholders' equity</b>	31.03.2006 T€	31.12.2005 T€
<b>Current liabilities</b>		
Bank loans	27	57
Trade accounts payable	4,321	4,619
Accounts payable due to related parties	30	136
Advance payments received	969	1,081
Income tax payable	1,446	1,367
Provisions	2,196	1,981
Other current liabilities	2,381	2,892
<b>Current liabilities. total</b>	<b>11,370</b>	<b>12,133</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,844	1,677
Pensions accrued and similar obligations	2,109	1,966
Other non-current liabilities	29	30
<b>Non-current liabilities, total</b>	<b>3,982</b>	<b>3,673</b>
<b>Shareholders' equity</b>		
Attributable to the equity holders of the parent:		
Subscribed capital	10,040	10,040
Additional paid-in capital	3,141	3,159
Treasury stock	-985	-1,003
Consolidated unappropriated profit	6,924	6,605
Other reserves	-576	-492
	<b>18,544</b>	<b>18,309</b>
Minority interests	80	0
<b>Shareholders' equity, total</b>	<b>18,624</b>	<b>18,309</b>
<b>Liabilities and shareholders' equity, total</b>	<b>33,976</b>	<b>34,115</b>





*Consolidated Cash Flow Statement at January 1, 2006 to March 31, 2006 (IFRS)*

	01.01.2006- 31.03.2006	01.01.2005- 31.03.2005
<b>Cash flow from operating activities:</b>	T€	T€
Net income	278	311
Depreciation and amortization	437	490
Appreciation of marketable securities	0	-5
Profit from the disposal of fixed assets	-4	-4
Change in provisions and accruals	358	-93
Change in inventories	180	41
Change in trade accounts receivable	1,779	2,840
Change in other assets, not provided by/ used in investing or financing activities	-325	-223
Change in trade accounts payable	-598	-1,268
Change in advanced payments received	-112	267
Change in other liabilities, not provided by/ used in investing or financing activities	-622	-32
Amount of other non-cash income and expense	435	285
<b>Net cash from operating activities</b>	<b>1,806</b>	<b>2,609</b>
<b>Cash flow from investing activities:</b>		
Proceeds from sales of tangible fixed assets	4	5
Investments in tangible fixed assets and other intangible assets	-295	-84
Investments in software development	-84	-134
Investments in financial assets	13	0
Inflows from the sale of marketable securities as part of short-term cash management	0	250
Investments in marketable securities as part of short-term cash management	-129	-450
<b>Net cash used in investing activities</b>	<b>-491</b>	<b>-413</b>
<b>Cash flow from financing activities:</b>		
Cash payments for the purchase of treasury stock	0	-53
Issuance of employee stock	18	0
Redemption of bank loans	-30	-887
<b>Net cash flows used in financing activities</b>	<b>-12</b>	<b>-940</b>
Net effect of currency translation in cash and cash equivalents	-13	31
<b>Increase in cash and cash equivalents</b>	<b>1,290</b>	<b>1,287</b>
Cash and cash equivalents at the beginning of the period	10,039	1,894
<b>Cash and cash equivalents at the end of the period</b>	<b>11,329</b>	<b>3,181</b>

## Segment Reporting

The company has two divisions: Mobile Telematics and Fare Collection Systems, and Telematics Software and Services

	01.01.2006- 31.03.2006		01.01.2005- 31.03.2005	
	T€	%	T€	%
<b>Revenues</b>				
Mobile Telematics and Fare Collection Systems	3,667	59.4	5,025	65.2
Telematics Software and Services	2,504	40.6	2,687	34.8
<b>Group total</b>	<b>6,171</b>	<b>100.0</b>	<b>7,712</b>	<b>100.0</b>
<b>Operating profit</b>				
Mobile Telematics and Fare Collection Systems	181	52.2	435	72.0
Telematics Software and Services	166	47.8	169	28.0
<b>Group total</b>	<b>347</b>	<b>100.0</b>	<b>604</b>	<b>100.0</b>
<b>Amortization and Depreciation</b>				
Mobile Telematics and Fare Collection Systems	179	41.0	207	42.2
Telematics Software and Services	258	59.0	283	57.8
<b>Group total</b>	<b>437</b>	<b>100.0</b>	<b>490</b>	<b>100.0</b>
<b>Investments in tangible fixed assets and intangible assets</b>				
Mobile Telematics and Fare Collection Systems	215	56.7	156	71.6
Telematics Software and Services	164	43.3	62	28.4
<b>Group total</b>	<b>379</b>	<b>100.0</b>	<b>218</b>	<b>100.0</b>
<b>Impairment losses included in the net earnings for the period</b>				
Mobile Telematics and Fare Collection Systems	155	96.3	180	90.5
Telematics Software and Services	6	3.7	19	9.5
<b>Group total</b>	<b>161</b>	<b>100.0</b>	<b>199</b>	<b>100.0</b>
	31.03.2006		31.12.2005	
<b>Segment assets</b>	T€	%	T€	%
Mobile Telematics and Fare Collection Systems	17,376	51.1	18,124	53.1
Telematics Software and Services	16,600	48.9	15,991	46.9
<b>Group total</b>	<b>33,976</b>	<b>100.0</b>	<b>34,115</b>	<b>100.0</b>
<b>Segment liabilities</b>				
Mobile Telematics and Fare Collection Systems	7,846	51.1	8,397	53.1
Telematics Software and Services	7,506	48.9	7,409	46.9
<b>Group total</b>	<b>15,352</b>	<b>100.0</b>	<b>15,806</b>	<b>100.0</b>



## Geographical Arrangement

	01.01.2006- 31.03.2006		01.01.2005- 31.03.2005	
	T€	%	T€	%
<b>Revenues</b>				
Germany	3,108	50.4	1,167	15.1
Rest of Europe	1,347	21.8	2,660	34.5
North America	1,716	27.8	3,885	50.4
<b>Group total</b>	<b>6,171</b>	<b>100.0</b>	<b>7,712</b>	<b>100.0</b>
<b>Investments in tangible fixed assets and intangible assets</b>				
Germany	354	93.4	213	97.7
North America	25	6.6	5	2.3
<b>Group total</b>	<b>379</b>	<b>100.0</b>	<b>218</b>	<b>100.0</b>
	31.03.2006		31.12.2005	
	T€	%	T€	%
<b>Segment assets</b>				
Germany	29,532	86.9	29,812	87.4
North America	4,444	13.1	4,303	12.6
<b>Group total</b>	<b>33,976</b>	<b>100.0</b>	<b>34,115</b>	<b>100.0</b>

## Consolidated statement of recognized income and expenses in the group at January 1, 2006 to March 31, 2006 (IFRS)

	01.01.2006- 31.03.2006	01.01.2005- 31.03.2005
	T€	T€
Currency conversion	-49	354
Changes in current market values of available-for-sale securities, recognized in the shareholders' equity	-41	1
Gains (losses) on available-for-sale securities, recognized in the consolidated income statement	0	4
Deferred taxes on valuation adjustments, recognized directly in the shareholders' equity	6	-2
<b>Valuation adjustments recognized directly in the shareholders' equity</b>	<b>-84</b>	<b>357</b>
<b>Consolidated net profit</b>	<b>278</b>	<b>311</b>
<b>Total income and expenses and value adjustments not affecting the operating result, recognized in the financial statements</b>	<b>194</b>	<b>688</b>
thereof attributable to equity holders of the parent	235	688
thereof minority interests	-41	0

*Consolidated Statements of Changes in Equity  
at March 31, 2006 (IFRS)*

	Subscribed capital T€	Additional paid-in capital T€	Consolidated unappropriated profit T€
<b>Status at December 31, 2004</b>	<b>10,040</b>	<b>3,141</b>	<b>4,040</b>
1. Currency conversion			
2. Changes in current market values of available-for-sale securities, recognized in shareholders' equity			
3. Gains/ losses on available-for-sale securities, recognized in the consolidated statement of operations			
4. Deferred taxes on valuation adjustments, recognized directly in shareholders' equity			
<b>Valuation adjustments recognized directly in the shareholders' equity</b>			
5. Consolidated net profit at 31.03.05			311
<b>Total income and expenses and value adjustments not affecting to operating result, recognized in the financial statements</b>			<b>311</b>
6. Purchase of own shares in 2005			
<b>Status at March 31, 2005</b>	<b>10,040</b>	<b>3,141</b>	<b>4,351</b>
<b>Status at December 31, 2005</b>	<b>10,040</b>	<b>3,159</b>	<b>6,605</b>
1. Currency conversion			
2. Changes in current market values of available-for-sale securities, recognized in shareholders' equity			
3. Deferred taxes on valuation adjustments, recognized directly in shareholders' equity			
<b>Valuation adjustments recognized directly in the shareholders' equity</b>			
4. Consolidated net profit at 31.03.06			319
<b>Total income and expenses and value adjustments not affecting to operating result, recognized in the financial statements</b>			<b>319</b>
5. Employee stock		-18	
6. Changes in consolidated group			
<b>Status at March 31, 2006</b>	<b>10,040</b>	<b>3,141</b>	<b>6,924</b>

**Number of Employees**

*Thereof 70 % with an academical degree (Dipl.-Ing., Dipl.-Math., Dipl.-Inform., ...) without technical assistants, trainees, temporary workers and students at the end of period*

	31.03.2006	31.03.2005
Germany	158	149
USA	30	25
<b>Total</b>	<b>188</b>	<b>174</b>



Attributable to equity holders of the parent					Minority interest	Total Shareholders' equity
Treasury stock	Difference from pension valuation	Difference from currency translation	Stock market valuation of securities	Total		
T€	T€	T€				
-810	25	-562	-1	15,873	0	15,873
		354		354		354
			1	1		1
			4	4		4
	0		-2	-2		-2
	0	354	3	357		357
				311	0	311
	0	354	3	668	0	668
-53				-53		-53
-863	25	-208	2	16,488	0	16,488
-1,003	-256	-244	8	18,309	0	18,309
		-49		-49		-49
			-41	-41		-41
	0		6	6		6
	0	-49	-35	-84		-84
				319	-41	278
	0	-49	-35	235	-41	194
18				0		0
0					121	121
-985	-256	-293	-27	18,544	80	18,624

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