

A wide-angle photograph of a dense urban skyline, likely Hong Kong, featuring numerous skyscrapers and high-rise buildings. A prominent green, elevated highway or bridge structure curves through the middle ground, with small green cars visible on it. The sky is bright and slightly hazy. The bottom half of the image is overlaid with a solid green banner.

Equity Forum 2019

init SE

Together. Designing. Mobility.

init


Our market ... Our customers

DB Regio Bus, Region Bavaria, Germany



3,900 vehicles
37,000 stops
12 bus companies
140 ITCS work stations
500+ companies involved

Verkehrsbetriebe Karlsruhe (VBK), Germany Albtal-Verkehrs-Gesellschaft (AVG), Germany




70 buses
347 trams
190 million passengers/year

Nottingham City Transport (NCT), UK



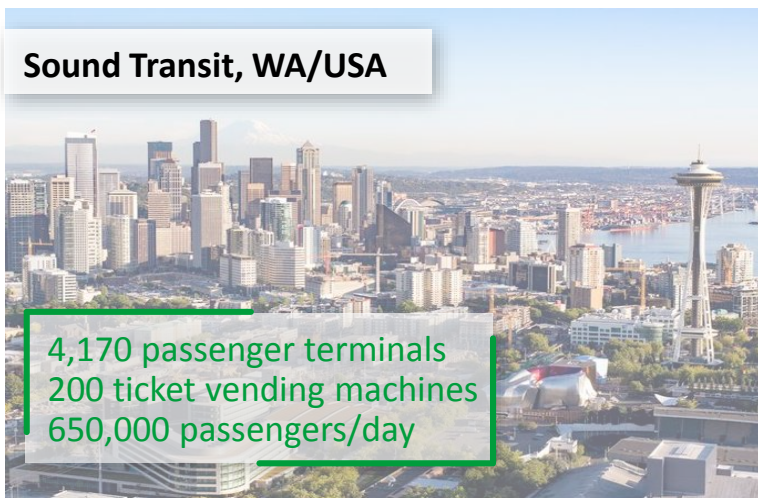
340 buses
800 drivers
50 million rides/year

TriMet Portland, OR/USA




500 retail stores
1,000,000+ smart cards
1,200 passenger terminals
95 million rides/year

Sound Transit, WA/USA



4,170 passenger terminals
200 ticket vending machines
650,000 passengers/day

Abu Dhabi, UAE



117 routes
849 buses
48 million rides/year

Our market ... Our customers and partners



Global Megatrends

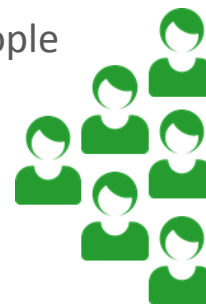
Smart Cities

Make cities more efficient, digital, sustainable and socially inclusive



Urbanisation

By 2050 6,2 billion people will be living in cities



Digitisation

Ubiquitous real-time information (smart apps)



Clean Air

Goal is the CO2 neutrality



Electromobility

The path to emission-free mobility



Autonomous Driving

Gradual implementation



Sharing Economy

CarSharing, BikeSharing, etc.

Megatrends Mobility

Urban mobility as expanding market

2010

26 trillions passenger kilometres



2030

43 trillions passenger kilometres

2050

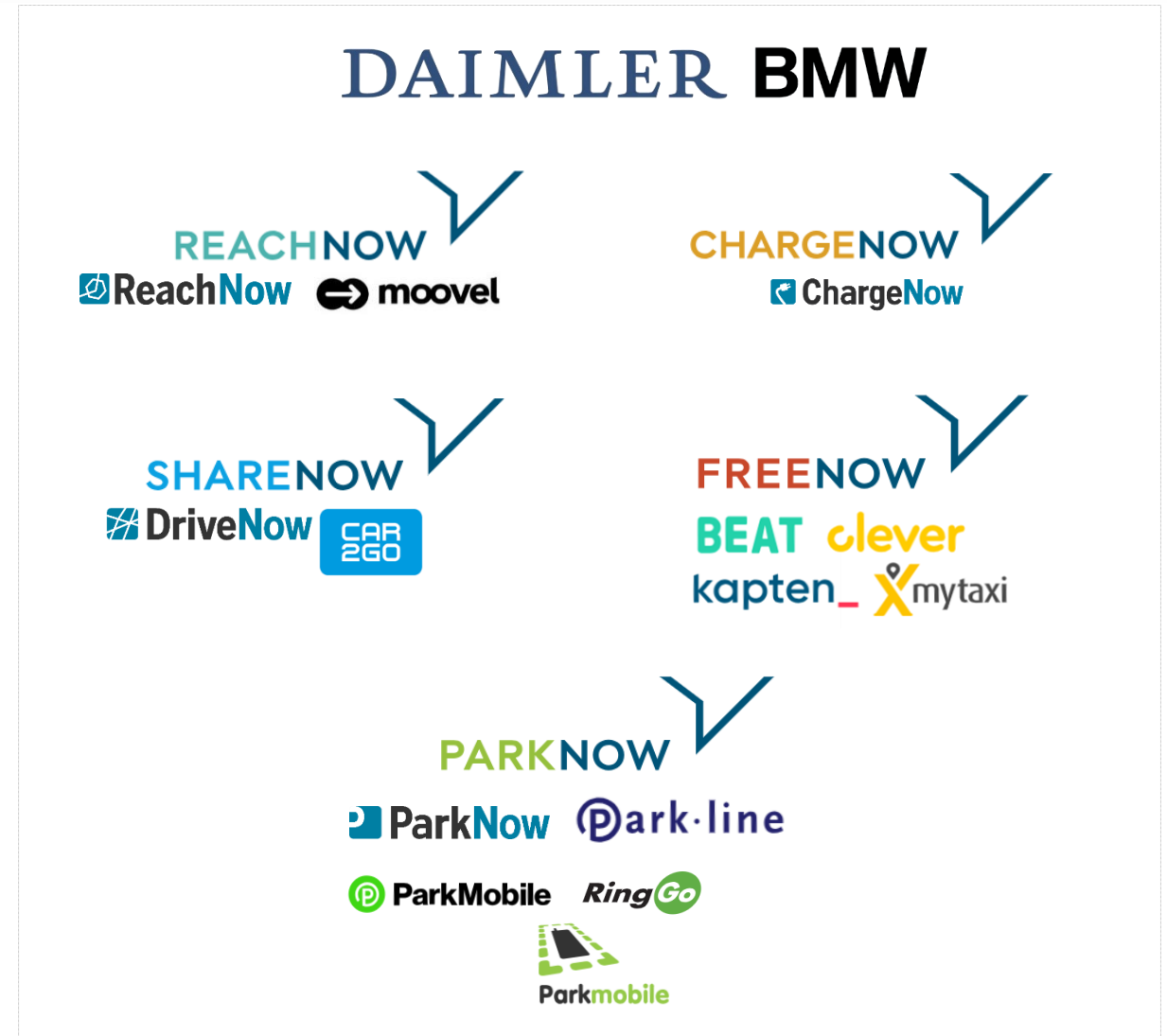
67 trillions passenger kilometres

"... the market for ITS in public transport is in a growth phase which will last for several years to come."
Berg Insight 2018

New Player – risk? But mainly a chance!



...and several more



init at a glance

+700

customers
worldwide



+150e

million EUR
revenues



+800

employees
worldwide



+20

locations
worldwide



+35

years of
experience



+120,000

vehicles
equipped



+130

ITCS/RTPI
systems

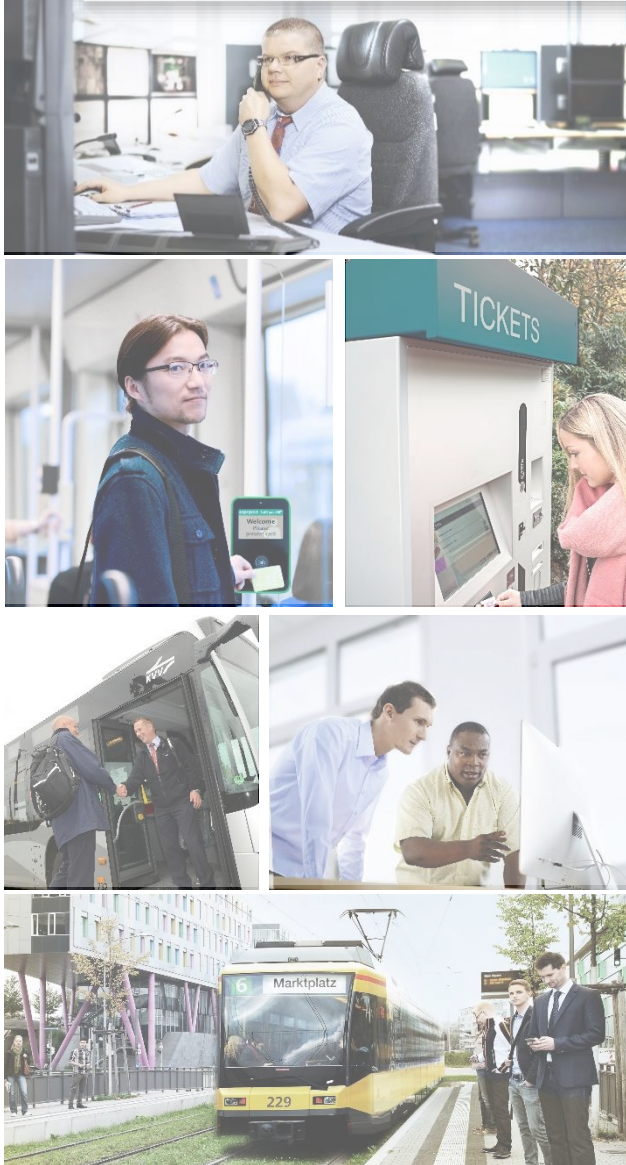


+130

ticketing
systems

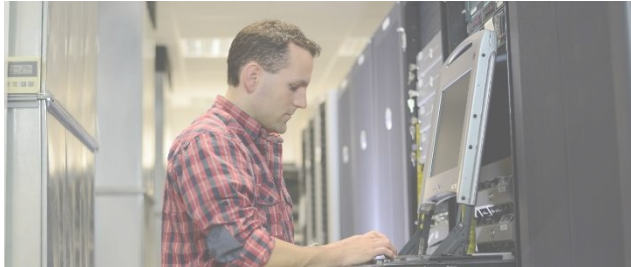


Technical business segments



- **Electronic Ticketing**
 - Vending Devices (stationary, mobile, smartphone)
 - Background system (account and fare data management, accounting systems, ...)
- **ITCS – Intermodales Transport Control System**
Real-time information and sub systems
- **Automatic Passenger Counting (APC)**
- **Timetable planning and dispatching** of drivers and vehicles
- **Further modules** e.g. traffic signal priority, announcement technology, display technology, diagnostic systems ...

Economic business segments



- **System Business**
(Products + Projects + Services)
- **Software & Hardware maintenance**, incl. hotline
- **Delivery business** (iris,...)
- **Follow-up orders for system business**, licenses and services
- New business segment: **operations**

Public transport provider

Planning & dispatching

- Schedule and block planning
- Personnel assignment
- Vehicle assignment
- Depot management

Ticketing & fare management

- ID-/Account based ticketing
- Electronic fare management

Operations control & real-time passenger information

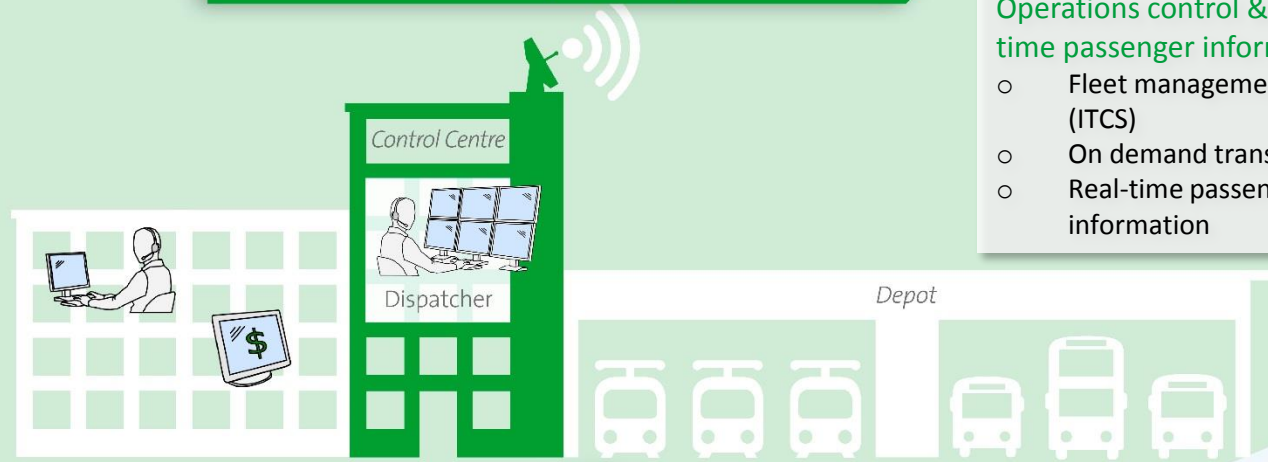
- Fleet management (ITCS)
- On demand transport
- Real-time passenger information

Analysing & optimising

- Analysis and statistics
- Quality assurance

Service & Maintenance

- Operation and Hosting support



init

Innovative soft- and hardware solutions for public transport

Inspector

Inspector app

Driver

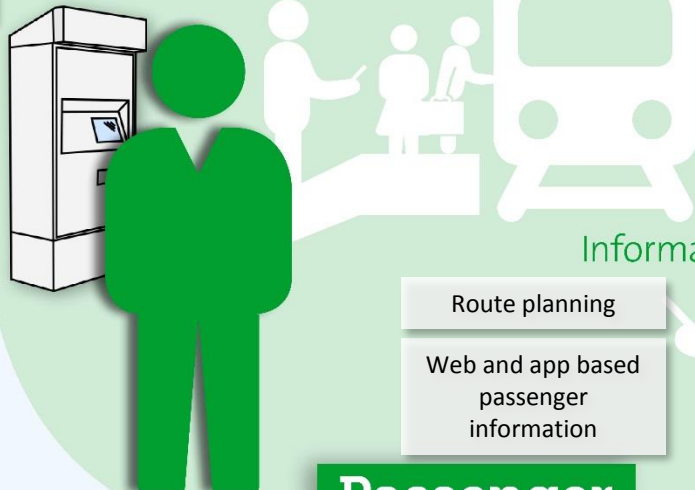
Route
Timetable situation
Detour
Economic driving

Mobile ticketing

„HandyTicket
Deutschland“ app

E-Ticketing (smart cards, credit cards, etc.)

Ticket vending machines



Passenger

Touch screen
data terminal

Ticket printer and
on-board computer

Passenger information displays

Passenger terminals

Automatic
passenger counting

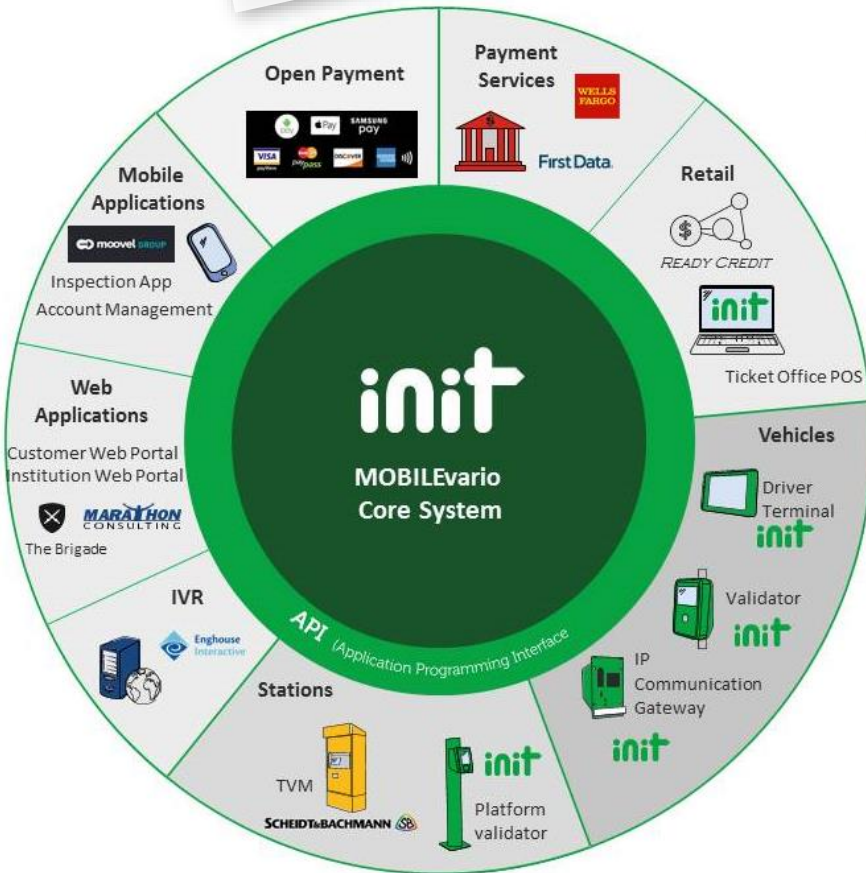
IT and communication
platform for vehicles

Vehicle

MOBILEvario – fare management & clearing system



Highlights
Id based ticketing
open API architecture



2017

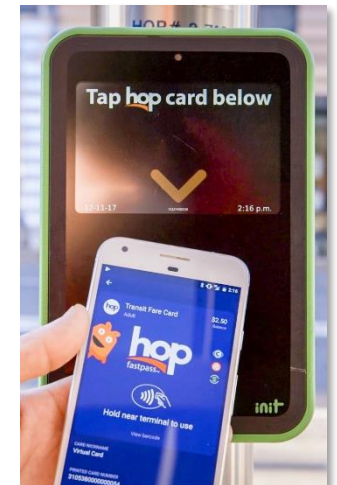
- » Contactless **EMV*** payments in Portland - VISA, Mastercard, AmEx, Discover
- » Physical Hop cards can be read by reader
- » Support also for the EMV cards in mobile wallets (**ApplePay, GooglePay, SamsungPay**)

2018**

- » Virtual Hop Card (Hop Fastpass®) in **Google Wallet** (TriMet)

2019**

- » Virtual Hop Card (Hop Fastpass®) in **Apple Wallet** (TriMet)



*EMV = Europay international, Master card, Visa card

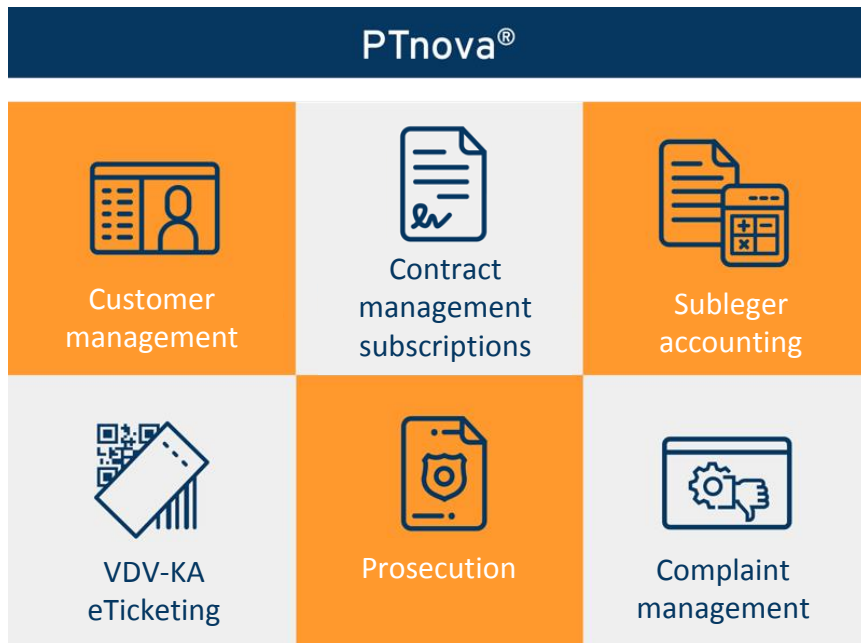
**First implementation world-wide

ID based ticketing references – worldwide success



Subscription management - PTnova®

SAP-based customer management system for efficient control of all sales processes in public transport.



Top 5 references



- **Vienna: Wiener Linien** - Basis for the mobility platform Wien Mobil with central administration of customer master data and process data; subscription management for > 800,000 customers
- **Hamburg: HHA** - Mapping of all sales processes incl. eTicketing according to VDV-KA; service-oriented process and master data platform for mobility platform "switchh.de"
- **Nuremberg: VAG** - Efficient control of all sales processes and basis for digitization, VDV-KA eTicketing
- **Bremen: BSAG** - Further development for the use of PTnova based on the latest technologies (SAP S/4Hana) as well as customer data self-administration with subscription online
- **Berlin: BVG** - Central customer relationship & contract management system for all sales transactions of all sales channel; order volume approx. 7.6 million Euro (3 years)

Milestones 2018/2019



Cooperation

Cooperation init und Bestmile regarding autonomous driving

Together, the companies develop mobility solutions for driverless fleets integrated in public transport systems



Awards

TriMet Portland/USA – Hop Fastpass Award “2018 Innovative Solutions”

for the delivery of the TriMet open payment Hop Fastpass® system

CUTA selected init for Climate Adaption Strategy Award

York Regional Transit (YRT): an average 50% reduction in unsafe and uneconomical vehicle use

MAVIS: an award-winning project with LTA Singapore

UITP Innovation Award in the „Diversity & Inclusion" category and the Asia Pacific Special Award



Milestones 2019

Orders

MTS, San Diego/USA

init supplies an account-based, open architecture electronic fare system

DoT, Abu Dhabi/UAE continues to place its trust in an init solution

Control of City Transport buses in the metropolitan region on the Gulf

HanseCom, Hamburg – BVG, Berlin/Germany decides in favour of PTnova

HanseCom's customer management and sales background system is to ensure the future viability of the sales processes at the Berliner transport company

TriMet, Portland/USA

Passengers in Portland-Vancouver metropolitan are use init's Electronic Fare Management Solution; first system in North America to support public transport customer cards in Apple Wallet

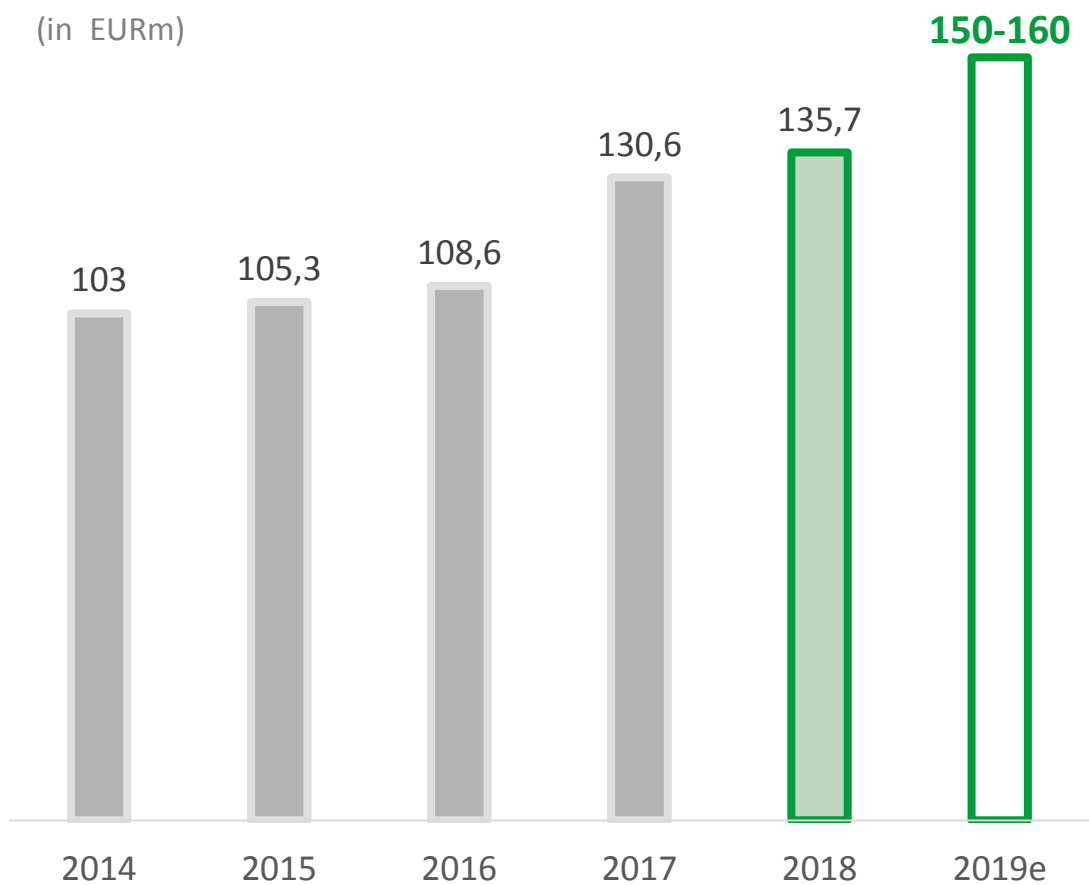
Rheinbahn, Düsseldorf and VHH, Hamburg/Germany implement changeover with init

Software from init makes electromobility safe and efficient

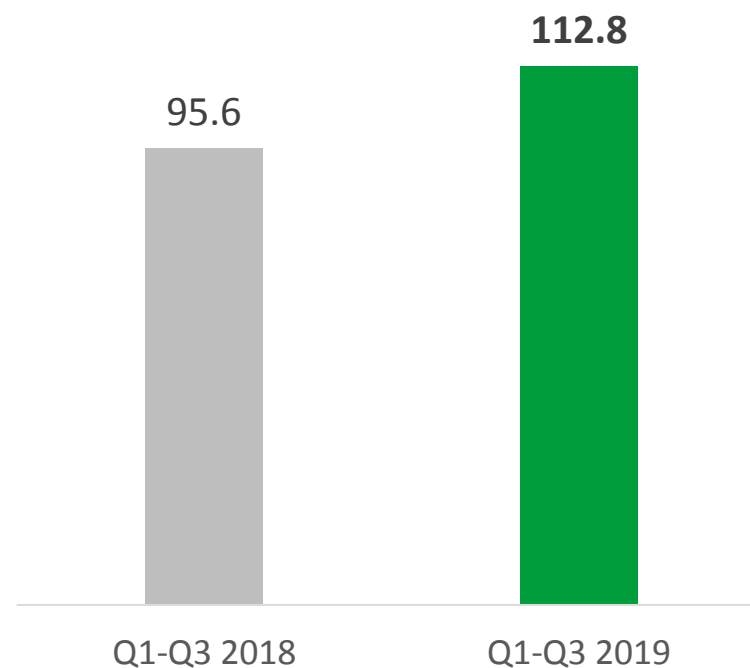
Revenues

Annual forecast raised (previously EUR 145m)

(in EURm)

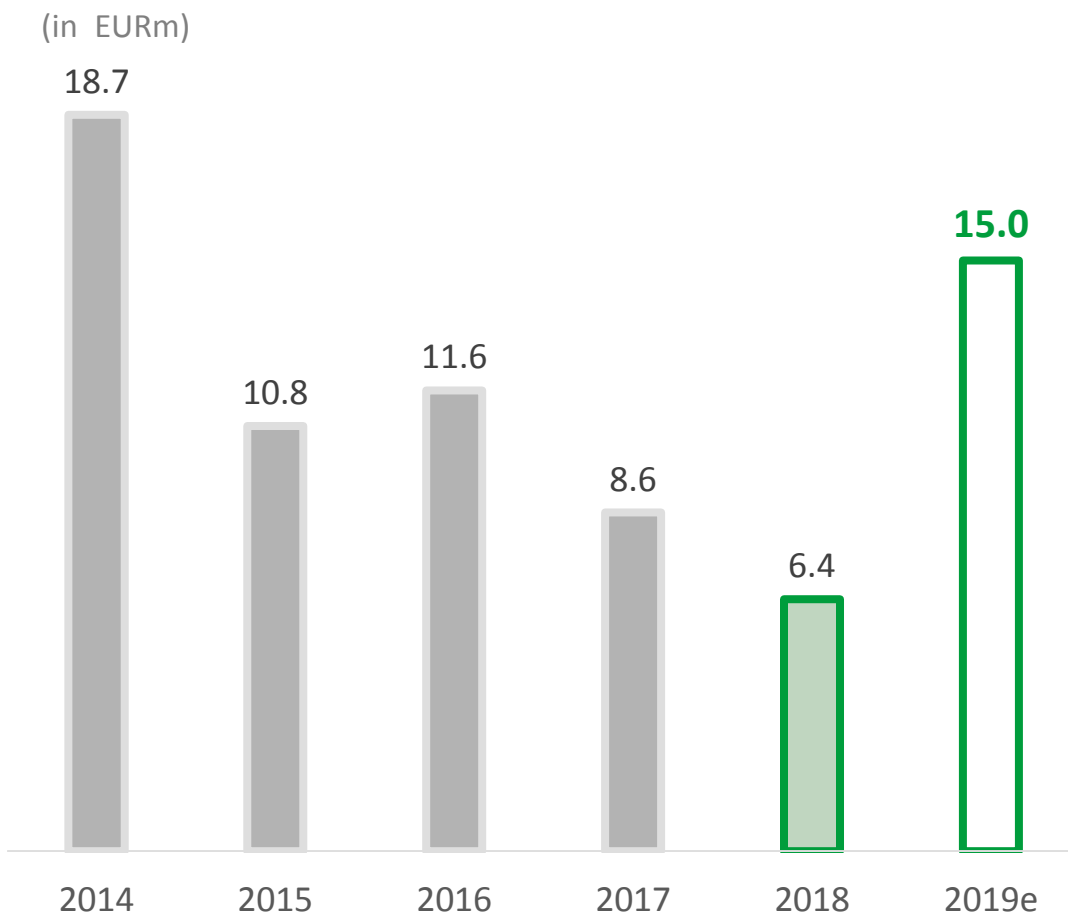


18% above previous year



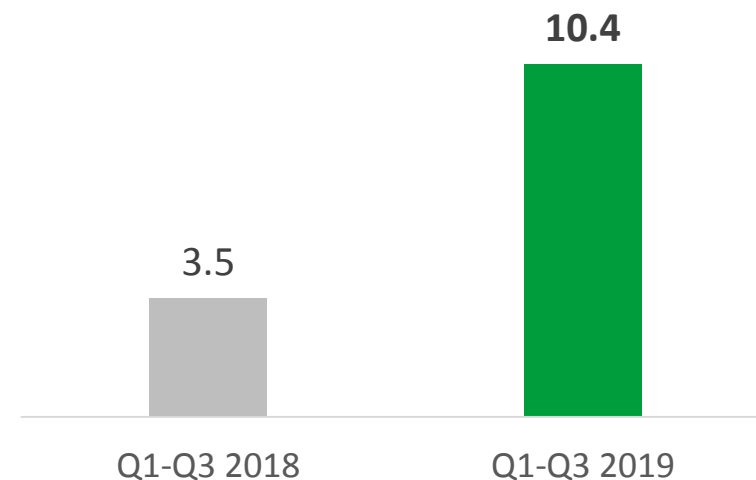
EBIT

Annual forecast raised (previously EUR 7.5m)



Significant year-on-year increase:

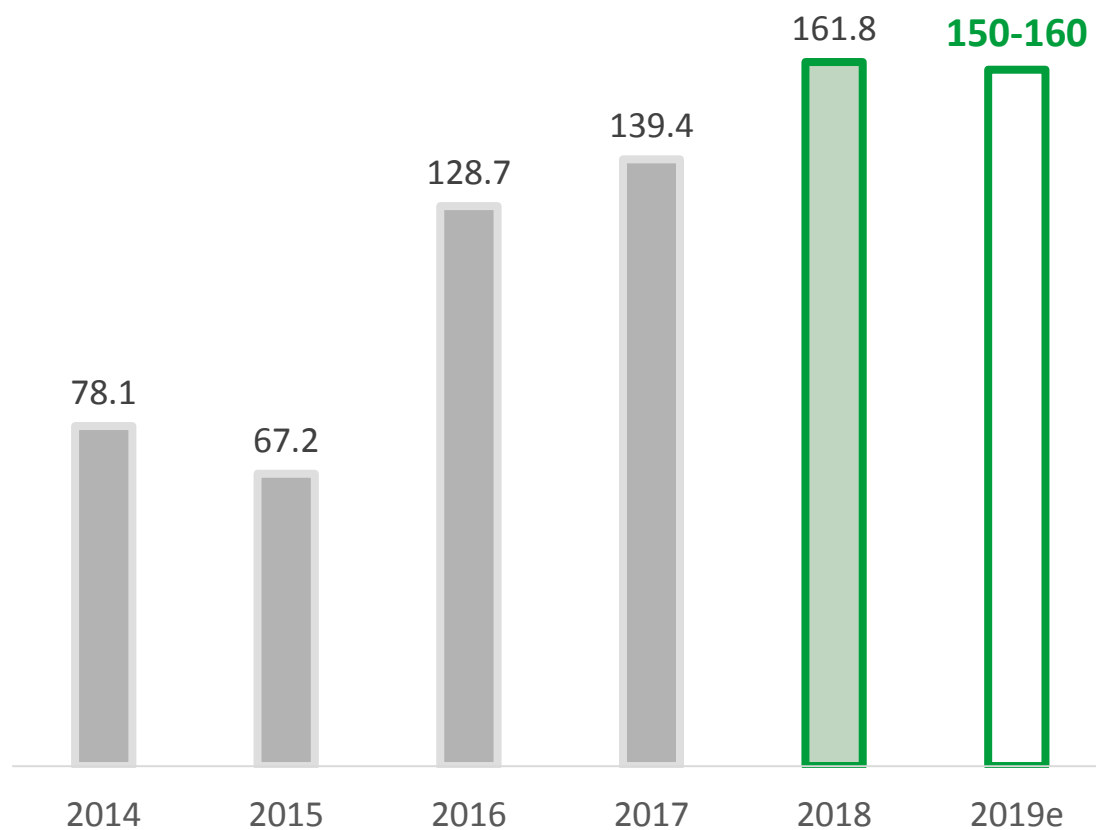
- Increased efficiency in the subsidiaries
- High growth rates in e-ticketing & in the APC sector
- Significant increase in follow-up orders



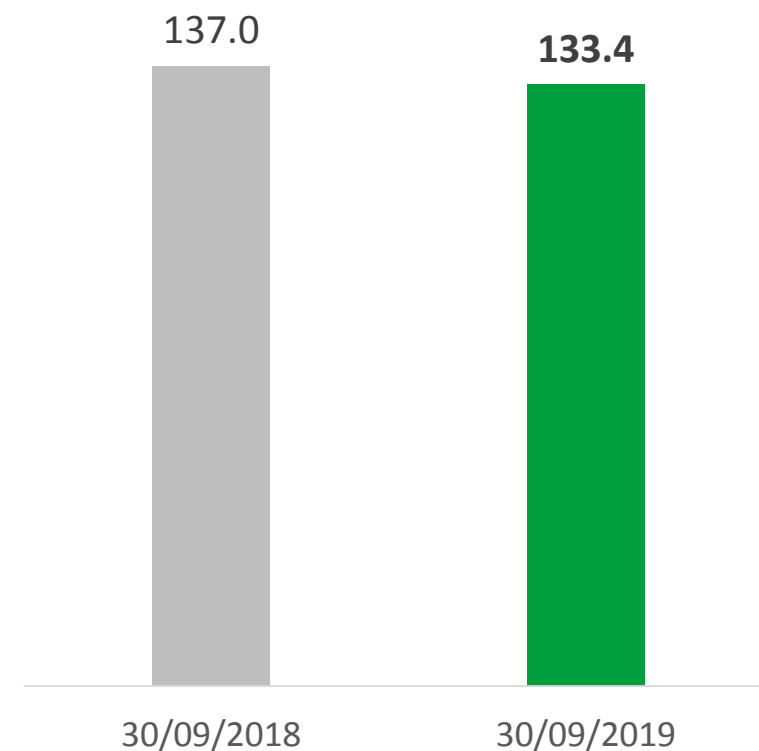
Incoming orders

2018: Highest level in company's history

(in EURm)

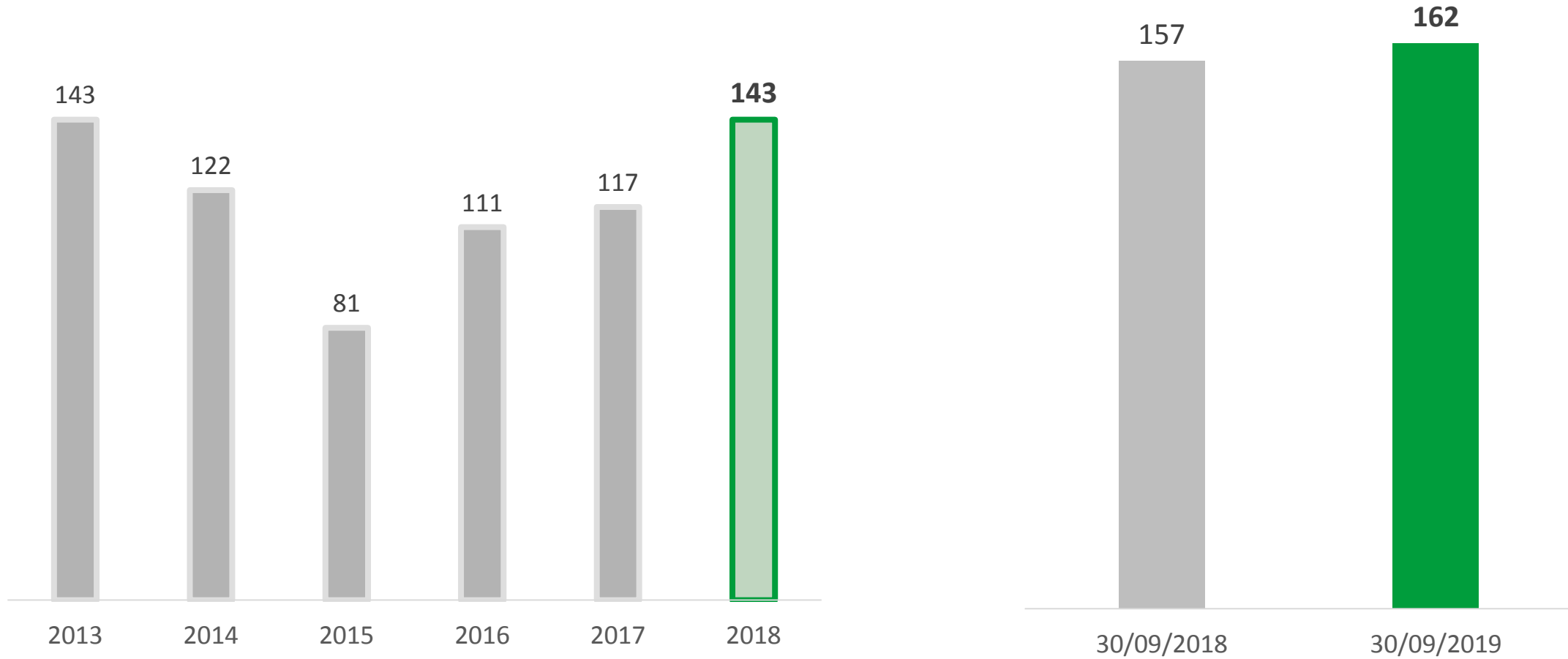


**Sound Transit contract in Q3 2018:
largest order in the group's history**



Order backlog

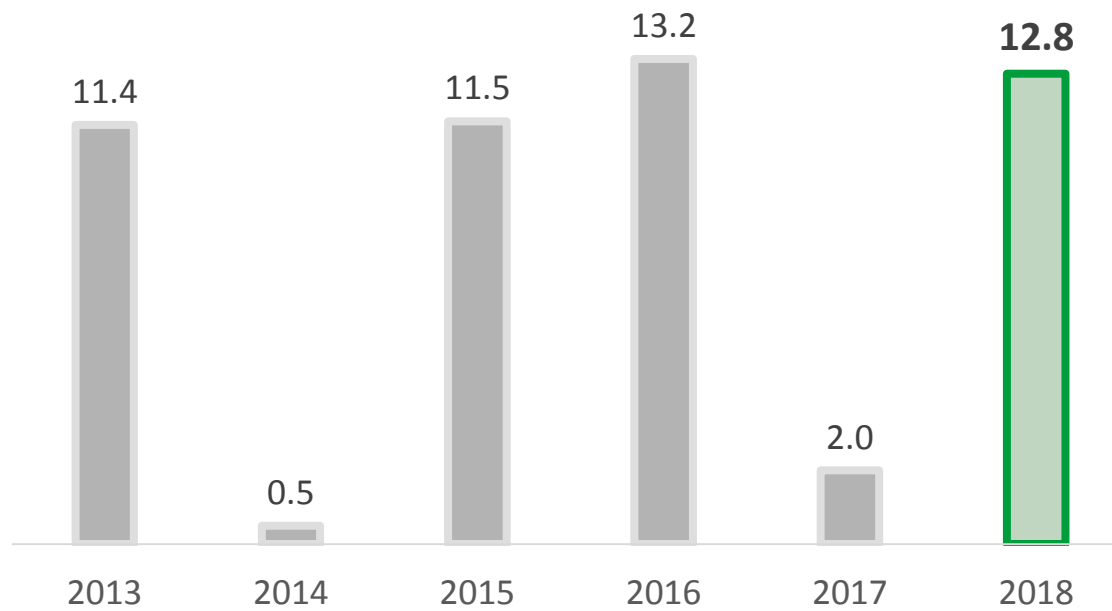
(in EURm)



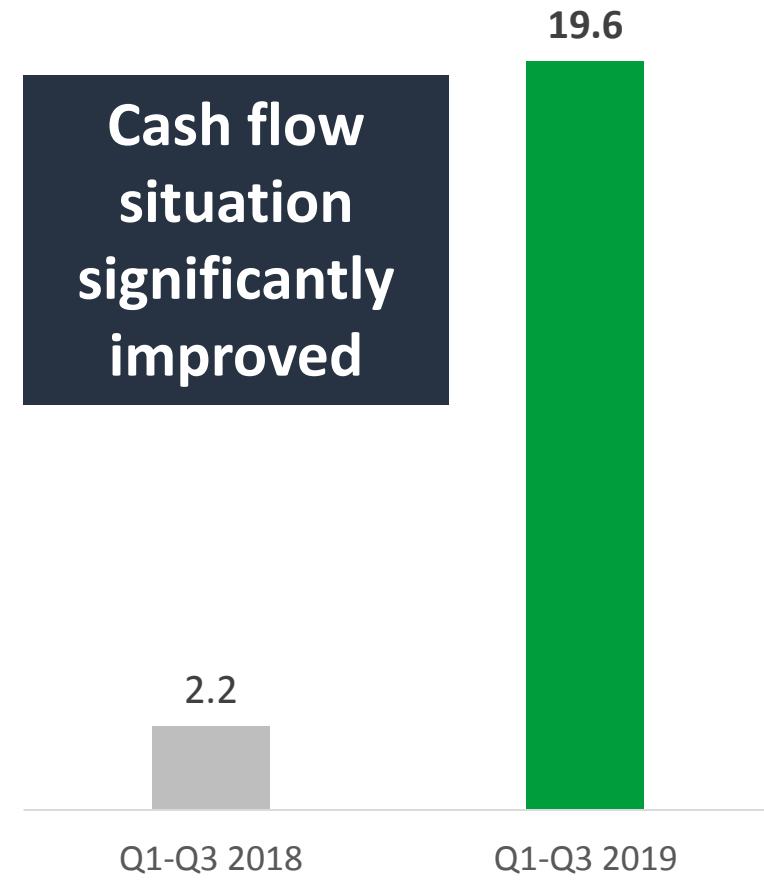
Operative cashflow

Cashflow significantly above
previous year's level

(in EURm)

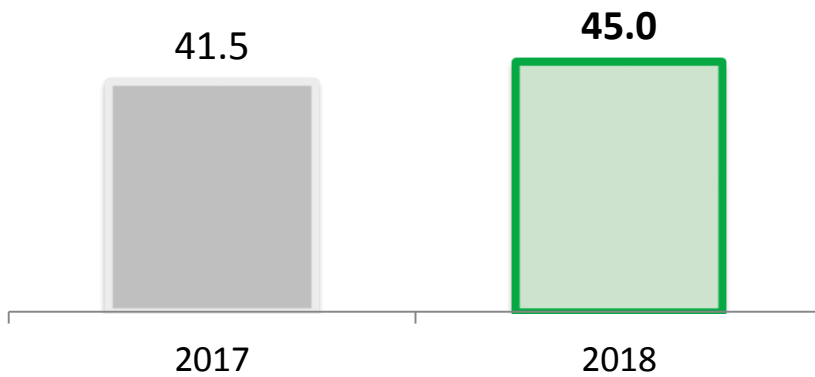


Cash flow
situation
significantly
improved

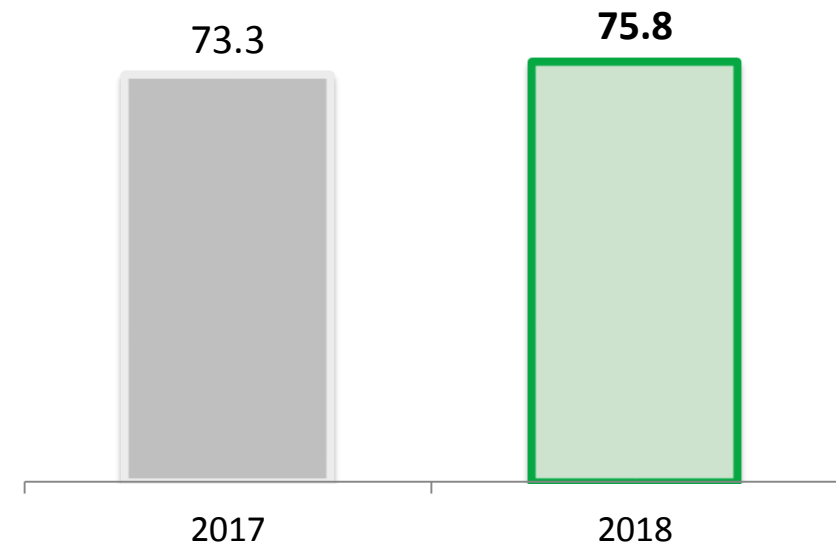


Equity

Equity ratio in %

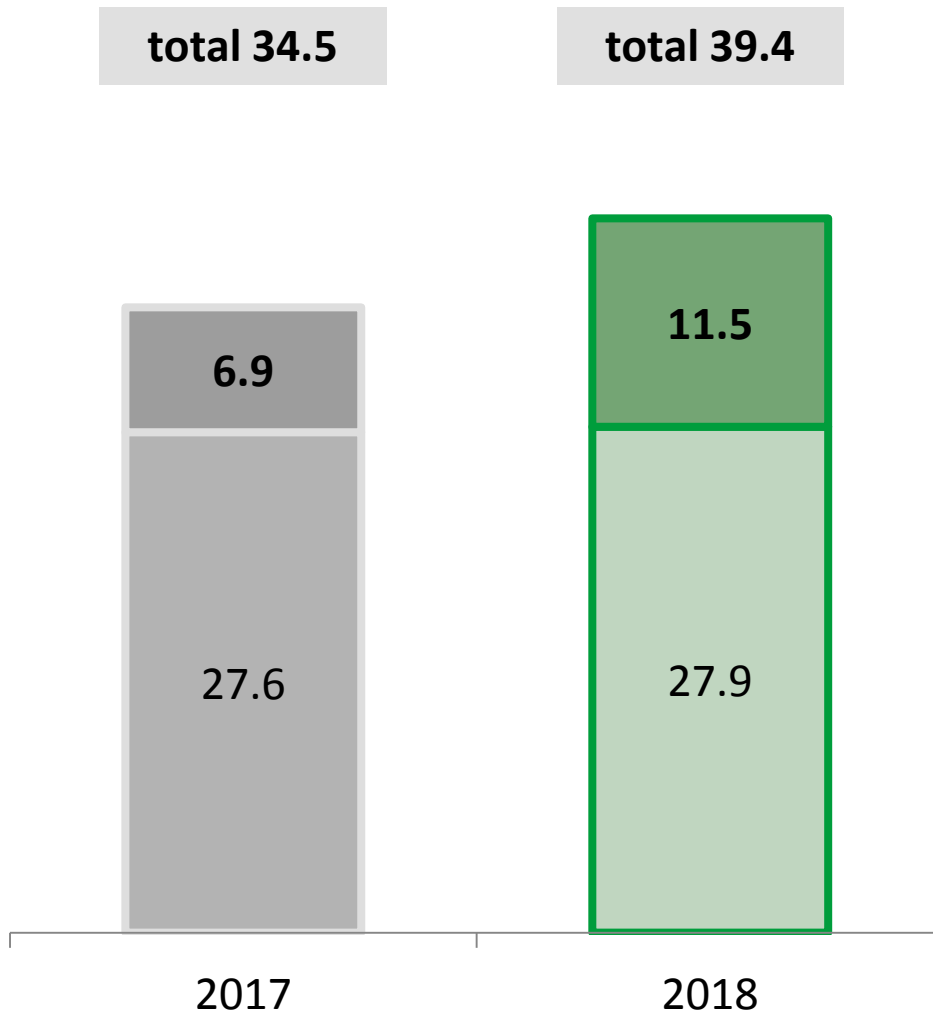


Equity in EURm



Expenditure R&D

(in EURm)



Basic development 2018:

8.5 % of revenues

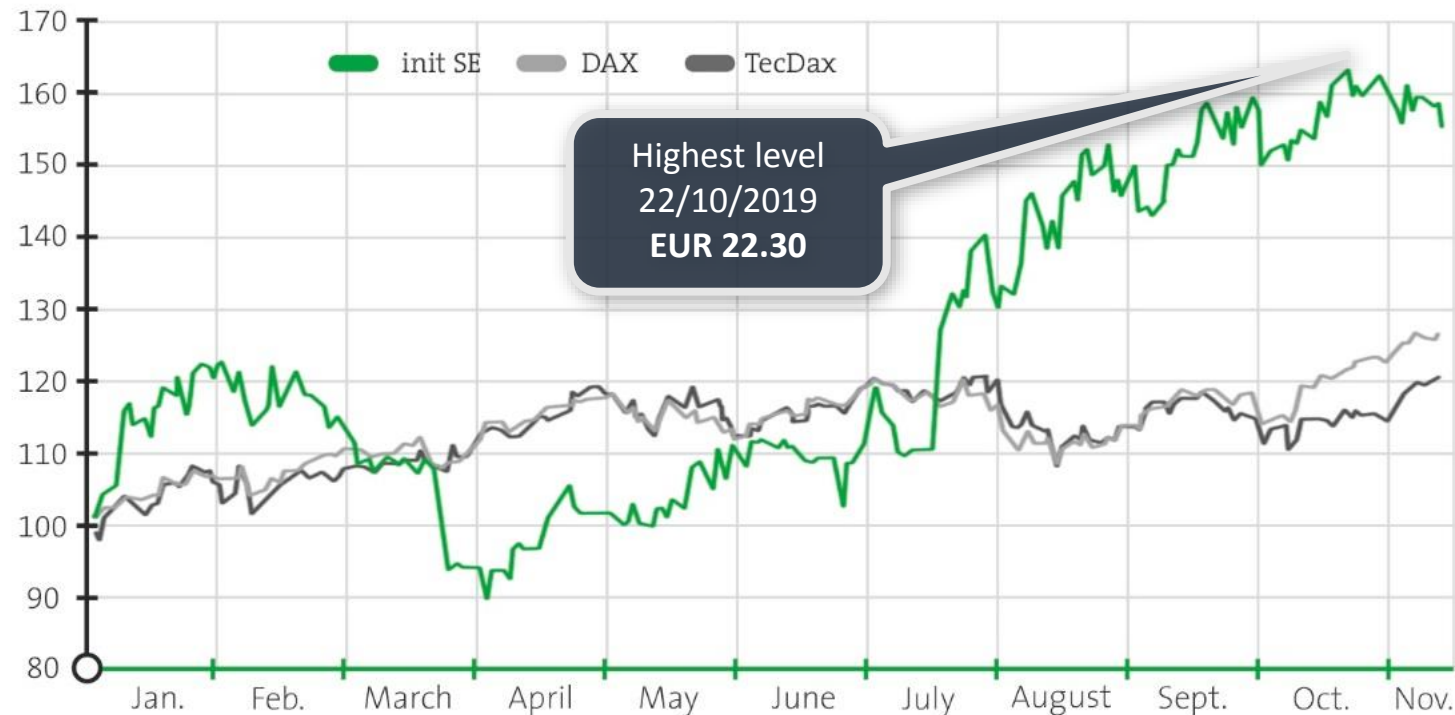
Project-based new and further developments 2018:

21.4 % of revenues

init SE share – IXX - performance

Performance of the init-share January – November

(indexed)



Shareholder structure (30/09/2019)

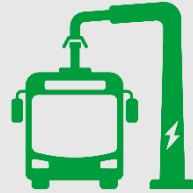
Dr Gottfried Greschner (directly and indirectly held, parties related to him)	42.58%
Corporate bodies	4.71%
Treasury shares init SE	0.37%
Employee shares (lock up shares)	0.53%
Free float	51.81%

Future growth

ID based ticketing



electromobility



rail



mobility as a service



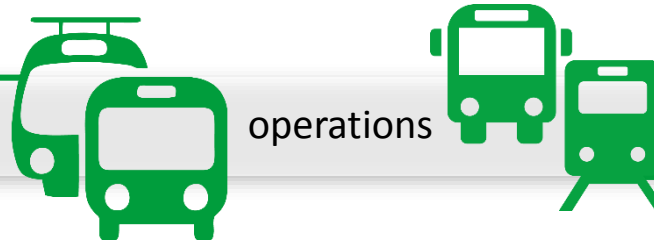
autonomous driving



APC



operations



Outlook

- **Order backlog as of 30 Sep 2019**
EUR 162m
- **Incoming Orders as of 30 Sep 2019**
EUR 133m
- **Revenues 2019e - forecast raised**
EUR 150-160m (previously EUR 145m)
- **EBIT 2019e - forecast raised**
EUR 15m (previously EUR 7.5m)
- **Roadmap strategy - Sustainable growth**
15 percent in average annually from 2020 onwards

Thank you for your attention



25 Mar 2020 Annual Report 2019 / press conference

14 May 2020 Quarterly Statement 1/2020

20 May 2020 Annual General Meeting

11 Aug 2020 Half-Year Report 2020

12 Nov 2020 Quarterly Statement 3/2020

IR contact:
init innovation in traffic systems SE
Kaeppelestr. 4-10
76131 Karlsruhe
ir@initse.com
www.initse.com