

MOBOTIX AG

Annual Report

1 October 2012 to 30 September 2013

Complete HiRes Video Solutions
high-resolution, digital & cost-effective recording



The HiRes Video Company



design experts honor MOBOTIX Hemisphere Camera in the red dot award product design 2009

one of the most owned and hardest international design competitions, the red dot award, the Hemispheric Camera by MOBOTIX has just received an honourable mention from the top-class expert jury.



products submitted to the competition clearly stands out from the rest. The design experts awarded MOBOTIX with a red dot award, which saves costs, management and network resources for the end-user.

MOBOTIX Expands Range Of Training Courses In All Aspects Of CCTV Video Systems

For New Software And Hardware Seminars Plus A Beginners Workshop. MOBOTIX, manufacturer of high-resolution IP video systems, has extended its seminar program for 2011 and will conduct its seminars more closely to the needs of the participants.

How For Users And Students. MOBOTIX has organized a one-day 'Planning' workshop (VPI) intended for all those who are involved in the planning of security systems. Attendees learn how to properly select cameras in relation to both commercial and technical aspects. The workshop covers topics such as selecting the location of cameras based on the infrastructure.



MOBOTIX Group reports strong growth despite global economic crisis. MOBOTIX is a leading manufacturer of IP video systems, with a focus on high-quality, reliable, and easy-to-install solutions. The company's products are used in a wide range of applications, from small retail stores to large-scale industrial and commercial environments. MOBOTIX's commitment to innovation and customer service has enabled it to maintain a strong market position despite the challenges of the global economic crisis.

The Only IP Video Door Station In The World Featuring Allround View Without Any Blind Spots And With Worldwide Connection



MOBOTIX released the T24 IP Video Door Station on 20 December 2011. In addition to the video door intercom, MOBOTIX also released the RFID access module (Keypad), the Door Opener and the Door Lock module (Mx-Door).

New Camera Platform - M15

The M15 is naturally developed around the MOBOTIX decentralized system technology, which saves costs, management and network resources for the end-user.



The M15 product platform offers two exchangeable 5 Mega-pixel sensor modules, which are exactly the same modules as for the recently launched M15.

MOBOTIX Expands Its Product Platform Approach With Intelligent Ease Of Installation S14/S15 Mounts

As a result from market wishes, MOBOTIX now launches a series of several intelligent mounting options for their S14/S15 Product Platform. There is already an extensive mounting offering today but the four new mounts expand the amount of mounting possibilities enormously and into wished customer applications.



The S14/S15 SurroundMount is mounted in the ceiling of for instance corridors, buses, trains and other areas, which require an overall overview in long and narrow areas without any blind spots. The user simply attaches the mount at the desired location.

Donbass Arena (Ukraine) Security In A UEFA Certified Stadium

Donbass Arena in Ukraine was opened in August 29, 2009 with a sensation which was attended by the Ukrainian President himself. This arena was the venue for the first Eastern European football stadium to fulfill the UEFA criteria for an elite stadium.



The stadium will host an important venue for the European Football Championship 2012.

Panorama Towers, Las Vegas, Nevada, USA

The award-winning, high-rise complex houses 652 units in two towers on 8.5 acres. The complex features world-class, luxury amenities, including a resort-heated pool and two fitness centers, concierge service, parking, spa facilities, a yoga and pilates studio, two large-screen movie theaters, two racquetball courts and two conference rooms.



Approximately 409 full-time residents and approximately 400 vacationers are housed in the complex. Each MOBOTIX camera provides high-speed computer processing because images are processed in real-time. Systems integrated with MOBOTIX cameras can be installed in a decentralized approach, providing a solution including 100% uptime. The cost efficiency of the decentralized approach allows for the deployment of MxCameras in small retail buildings such as shops, restaurants, and offices.

MOBOTIX cameras are used in a wide range of applications, from small retail stores to large-scale industrial and commercial environments. The company's commitment to innovation and customer service has enabled it to maintain a strong market position despite the challenges of the global economic crisis.

MOBOTIX has presented its IP network cameras at the GDSF, the Global Digital Security Forum in Shanghai, at the end of 2010. The company also participated in the East, United States - MOBOTIX booth at the largest exhibitions around the world. For the first time, MOBOTIX has presented its IP network cameras at the GDSF, the Global Digital Security Forum in Shanghai, at the end of 2010.

... Letter To The Shareholders



Dear Shareholders,

MOBOTIX AG ended fiscal year 2012/13 successfully with revenue of EUR 86.4 million and an increase in revenue of 6% compared to the prior year. Exports into the countries outside of Europe contributed significantly to the growth in revenue. This demonstrates our progress in expanding our global distribution, which we will further develop with in the years to come.

The EBIT margin exceeding 20% is still very high and was a significant criterion for being designated two times as the best small and medium-sized business in Germany – once in January 2013 by the trade journal WirtschaftsWoche and later in October 2013 by the consulting firm Munich Strategy Group.

Particularly noteworthy are the product innovations that we have successfully launched on the market this year and which form the basis for our sustainable business growth:

The MOBOTIX Premium App is a mobile video management solution which offers our customers access to their MOBOTIX video security solutions at any time and from anywhere in the world using

mobile Internet access. With the MxActivitySensor, we invented a revolutionary new technology for video motion analysis and successfully launched it on the market. With minimal configuration complexity, the software reduces the number of false alarms and thus solves one of our customers' most significant challenges. The MxLEO software (Lowlight Exposure Optimization) is the newest technology for exposure optimization of our video security systems. High image quality is and will continue to be one of the most important criteria in product development for MOBOTIX.

As a continued development of the predecessor series, the camera models S15, D15 and V15 are equipped with new 5-megapixel sensors that provide higher frame rates, better light sensitivities and zoom functions. The completely newly developed M15 camera platform is also based on the new 5-megapixel technology and is the first to feature two interchangeable sensor modules. Additional accessories for the S15 platform product, such as the SurroundMount, the DualMount, the HaloMount, the SpeakerMount and the AudioMount open up entirely new applications in the field of video surveillance and door entry control.

I am confident that, based on the product innovations and the development of additional sales markets in the coming fiscal year, we will increase the Company's growth significantly.

Thank you for your trust.



Dr. Magnus Ekerot • CEO MOBOTIX AG

Revenue Growth
6%

Export Ratio
75%

MOBOTIX Close Up ...

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... Or At A Glance

Fiscal year (October 1, 2012 to September 30, 2013)	2012/13	2011/12	Delta%
Financial performance	EUR '000s	EUR '000s	
Total Output	91,425	84,006	+8.8
Revenue	86,366	81,620	+5.8
Thereof outside of Germany (in %)	75.2	74.2	
EBITDA	22,220	23,113	-3.9
EBITDA as % of total output	24.3	27.5	
EBIT	18,344	19,514	-6.0
EBIT as % of total output	20.1	23.2	
Profit before tax	17,910	19,033	-5.9
Return on revenue in % before tax	20.7	23.3	
Profit for the year	12,429	13,691	-9.2
Cash flow from operating activities	7,572	17,878	-57.6
Financial position	Sep 30, 2013	Sep 30, 2012	
Equity	50,945	45,066	+13.0
Equity-to-assets ratio in %	65.9	67.3	
Total assets	77,358	66,966	+15.5
Non-current assets	25,774	25,665	+0.4
Current assets	51,584	41,302	+24.9
Thereof cash and cash equivalents	7,770	11,648	-33.3
Employees			
Number of employees (Reporting date)	399 ⁽¹⁾	373 ⁽¹⁾	+7.0
Revenue per employee	262 ⁽²⁾	272 ⁽³⁾	
EBIT per employee	56 ⁽²⁾	65 ⁽³⁾	
Key figures per share (in EUR)			
Earnings per share (EPS)	0.95	1.04	-8.9
Dividend	0.50 ⁽⁵⁾	0.50	
Cash flow as per DVFA/SG ⁽⁴⁾	1.24	1.31	-5.0

1) Including trainees and temporary staff, 4 members of the Management Board; by headcount

2) Based on an average of 330 employees

3) Based on an average of 296 employees

4) Based on an average of 13.143 (prior year: 13,188) shares

5) Proposal

Highlights 2012/13 ...

- October 2012:** For the second time, MOBOTIX earns first place in the "Top 100 - Small and Medium-Sized Business Rankings 2011" of the Munich Strategy Group (MSG).
- November 2012:** More than 75,000 readers chose MOBOTIX the winner of the GIT Sicherheit Award 2013 in the category "CCTV".
- December 2012:** The Supervisory Board appointed Klaus Gesmann as new Chief Financial Officer and follower of Lutz Coelen at its meeting on December 13, 2012.
- January 2013:** The new Chief Financial Officer Klaus Gesmann takes up his new position at MOBOTIX on January 2 along with another four new colleagues.
- February 2013:** 2,500 training participants attended MOBOTIX seminars all over the world.
- March 2013:** The mobile video management solution for iPhone, iPad, iPod touch has been released: The MOBOTIX App is the Premium solution for MOBOTIX cameras and the IP Video Door Station T24.
- April 2013:** By the end of April, the MOBOTIX premium App had been downloaded over 10,000 times.
More than 450 guests from all over the world visit the partner conferences in Langmeil.
- May 2013:** Thanks to their extremely light-sensitive 5-megapixel technology, the newest camera models S15, D15 and V15 convince with more details and excellent image quality even in poor lighting conditions.
MxActivitySensor redefines motion detection: The revolutionary technology registers traveling movement and drastically reduces the number of false alarms.
- June 2013:** The product platform S14/S15 is expanded by the mounts SurroundMount, DualMount, HaloMount and SpeakerMount.
The S14 wins the Merlion Award and its successor, the S15, is declared the winner at the Retail Technology Days in Poland.
MOBOTIX CORP. moves into its new office premises on Broad Street.
- July 2013:** Sales launch of the M15 featuring 5-megapixel technology and exchangeable sensor modules as successor of the popular M12.
The Minister of Economics of Rhineland-Palatinate, Eveline Lemke, visits the headquarters and refers to MOBOTIX as employer with flat hierarchies and excellent social benefits.
- August 2013:** By the end of the month, the MOBOTIX App had been downloaded over 20,000 times.
- September 2013:** MOBOTIX launches the new exposure control MxLEO (Lowlight Exposure Optimization), the new products AudioMount as expansion of the S15M and the bell button module BellRFID for the MOBOTIX IP Video Door Station T24.

IPO (Entry Standard)
October 10, 2007

Prime Standard since
March 31, 2008

... Company Profile

As a publicly traded company, MOBOTIX AG is a software Company with in-house hardware development for digital, high-resolution and network-based video security solutions. Whether in embassies, airports, gas-stations, highways or private homes, MOBOTIX video systems are now found world-wide with over one hundred thousand units in operation on every continent. In addition to the actual IP video cameras with megapixel resolution, MOBOTIX also produces interface components and video management software for operating complete security solutions. The system concept – a distinctive software solution and decentralized camera systems – significantly distinguishes MOBOTIX from its competitors with MOBOTIX first having made high-resolution, hemispheric systems cost-efficient. With over 390 employees, and an export share of approx. 75%, MOBOTIX has achieved an 6% global market share.

MOBOTIX has designed a decentralized system architecture that allows images to be analyzed in the camera, instead of a central PC. Thus, the cameras detect movements in the image independently, store them in a database and report the results via eMail or VoIP phone calls. This decentralized structure relieves the network, allows the integrated video management to make higher image rates possible and reduces the number of storage systems for recording high-resolution video sequences many times over.

The hemispheric camera technology developed at MOBOTIX permits the recording of an entire room from the ceiling or a wall – independent of the selected live image detail – using a single camera, so that other room areas can be viewed later during a search-analysis phase. Details of the hemispheric live image, resembling a fish-eye, are already digitally transformed in the camera in such a way that the users believe they are using a panning camera.

The powerful innovative strength of MOBOTIX has enabled it to be the first to introduce nearly all significant innovations in the IP camera sector market in the last ten years. For this reason, MOBOTIX is seen as the industry's technology leader. With growth rates up to 50%, MOBOTIX has continued to rapidly gain global market share since 1999.

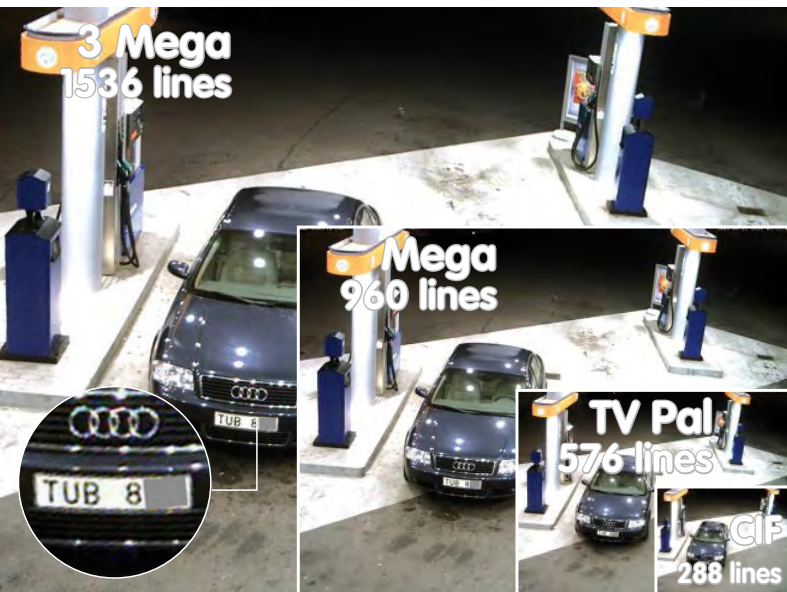
MOBOTIX uses hemispheric technology in its T24 IP video door station to achieve further growth in a new, closely related market for access control and door intercom units and to establish itself in the rapidly expanding home automation sector. When the doorbell rings, a connection is established with a VoIP phone or a standard computer via the network. This means that a homeowner can use the door station and open the door remotely from anywhere in the world. The integration of iPhone and iPad play an important role here.

HiRes Video Innovations

The German Company MOBOTIX AG is known as the leading pioneer in network camera technology and its decentralized concept has made high-resolution video systems cost efficient.

The MOBOTIX Concept

Was Somewhat Out Of Ordinary ...



HiRes Video Innovations And Technology Leader

The German Company MOBOTIX AG is known as the leading pioneer in network camera technology since its founding in 1999, and its decentralized concept has made high-resolution video systems cost efficient.

MOBOTIX has been producing megapixel cameras exclusively for many years now and is regarded as the global market leader for high-resolution video systems.

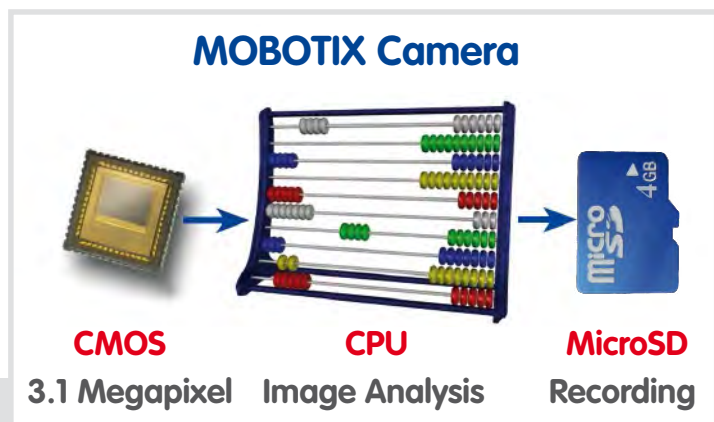
Why High-Resolution Systems?

The higher the resolution, the more accurate the detail in the image. With analog technology, a recorded image generally has no more than 0.1 megapixels (CIF). One single MOBOTIX camera with 3.1 megapixels records around 30

times more detail. As a result, larger image areas with up to 360° allround views are possible, thus reducing the number of cameras and therefore the costs. For example, four lanes of a gas station can be recorded with one MOBOTIX camera instead of four conventional cameras.

Disadvantages Of The Old Centralized Standard Solution

Usually, cameras only supply the images while the processing and recording is done later on a central PC using expensive video management software. This traditional centralized structure has many limitations, since it requires high network bandwidth and the PC processing power is not enough for several cameras. An HDTV MPEG4 film already puts considerable strain on a PC, so how can it be expected to process dozens of high-resolution live cameras? Traditional centralized systems are therefore less suitable and unprofitable when compared with high-resolution systems due to the high number of PCs needed.



Network Video

MOBOTIX has redefined video. Whether on the Internet, in traffic management, building surveillance or banking environment, the MOBOTIX camera is connected to the network like a printer and live and recorded images can then be retrieved from any PC without installing any software.

... Is The Benchmark Today

The Decentralized MOBOTIX Concept

Unlike other systems, with the decentralized MOBOTIX concept, a high-speed computer and if necessary, digital long-term memory (MicroSD Card) is built into every camera, providing several days of recording time. The PC and the video control center now serve only for viewing and controlling the cameras (PTZ), not for analysis or recording. This makes it unnecessary to purchase expensive video management software, as the most important and computer-intensive functions are already integrated in the MOBOTIX cameras.

- **fewer storage devices**, because in the decentralized system, 10 times the standard number of cameras can simultaneously store high-resolution HDTV video with sound on one PC/server,
- **lower network bandwidth**, because everything is processed in the camera itself and the high-resolution images therefore do not have to be constantly transferred for analysis.

Robust And Low-Maintenance

MOBOTIX cameras have neither mechanical motors for lenses nor for movement. Without



The Benefits

MOBOTIX video solutions therefore require significantly:

- **fewer cameras** due to the more accurate detail of panoramic images with megapixel technology,

any moving parts, they are therefore so robust that maintenance is reduced to a minimum. The unique temperature range from -30 to +60 °C is achieved without heating or a fan at only 3 watts. Since no PC hard disk is required for recording, there are no parts that wear out in the entire video system.

Software Included

With MOBOTIX, the software for controlling the camera and searching for events can be used at no charge. You can easily control the video system from any standard PC. This even works worldwide via a DSL Internet connection.

A Success Around The World ...

Tyger Valley Shopping Centre, Durbanville Winelands, Cape Town, South Africa

Close to the Durbanville Winelands, near Cape Town, we find the popular Tyger Valley Shopping Centre. At about 500,000 square meters it is the second largest shopping centre in Cape Town and has 275 shops, including restaurants and cafes, shops, leisure, art retail stores and a movie theater complex, turning a shopping center into a fun and feel-good oasis. For this to continue, the owners of the complex relies on

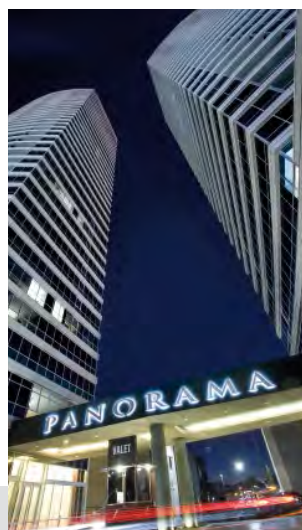


the latest IP video technology. The old analog surveillance system has been replaced by a modern network solution to enhance security for the Center and its visitors. To cope with these requirements, the Management of Tyger Valley Shopping Centre chose to use

JIST, as they were using MOBOTIX cameras. In the first phase, a total of 48 cameras were used. They offer a high image quality as a MOBOTIX camera takes 30 times sharper images than analogue security cameras. This produces larger image areas, with up to 360-degree panoramic view possible, reducing the number of cameras and thus both the acquisition and maintenance costs are reduced.

Panorama Towers, Las Vegas, Nevada, USA

The award-winning, high-rise complex houses 652 units in two towers on 8.5 acres. The complex features world-class, luxury amenities that include a resort-style heated pool and hot tub, two fitness centers, concierge service, valet parking, spa facilities, a yoga and pilates studio, two large-screen movie theaters, two indoor racquetball courts and two conference rooms. Approximately 409 full-time residents call the luxury condominium complex home and up to 652 residents are vacationers and second-home owners. Each MOBOTIX camera is equipped with a high-speed computer, which reduces bandwidth because images are processed on the camera. Systems integrator Rvnue designed and installed an end-to-end IP surveillance solution including 137 MOBOTIX cameras. The cost efficiencies of MOBOTIX's decentralized approach to surveillance and the deployment of MxControlCenter helped



Panorama Towers stay considerably under budget.

German Reference Projects

Commerzbank AG • Bahnbetriebswerk Gerolstein • EON Wasserkraft • Fraport AG • Le Méridien Parkhotel Frankfurt • MAN Logistics • BIBER + MARBURG Stahlhandel • Day Nursery Dreikäsehoch • Gas Station Group Roth • World Cultural Heritage Site Völklinger Hütte • Casino Mainz, Trier, Bad Ems GmbH & Co. KG • etc.

... Over 100,000 In Operation

Hellers Limited, Kaiapoi, New Zealand

Hellers Limited is New Zealand's largest producer of bacon, ham, and small goods. The Hellers production facility at Kaiapoi, outside Christchurch, operates 24 hours a day and produces 350 tonnes of sausages a week with 400 staff. Staff safety is a major concern for the company, and a recent series of theft and harassment prompted the requirement for a security system to ensure the safety of their people. Hellers has over 70 cameras installed on site, recording them to two 12TB network attached storage arrays for up to 8 weeks of archive footage. Thanks to the decentralised processing and buffering architecture of the MOBOTIX cameras, bandwidth requirements are minimal and short term network or storage issues do not result in lost footage.



Berufsgenossenschaftliche Unfallklinik, Frankfurt am Main, Germany

MOBOTIX IP cameras have been in use at the Berufsgenossenschaftlichen Unfallklinik (BGU) in Frankfurt am Main for some time now. BGU is a casualty hospital for members of institutions in Germany responsible for statutory accident insurance and prevention. The cameras ensure that damage in the parking garage as well as at the entrances and exits is reliably documented and that images are evaluated quickly and recognized as evidence in a court of law. BGU is one of the most state-of-the-art



casualty hospitals in Germany. The hospital's highly qualified doctors specialize in serious injuries. It is not without reason that the emergency rescue helicopter Christoph 2 is stationed on the roof. It takes off up to ten times a day, flying in a radius of around 60 kilometers and transporting the seriously ill and seriously injured to BGU or transferring them from other hospitals in the area to specialized clinics.

International Reference Projects

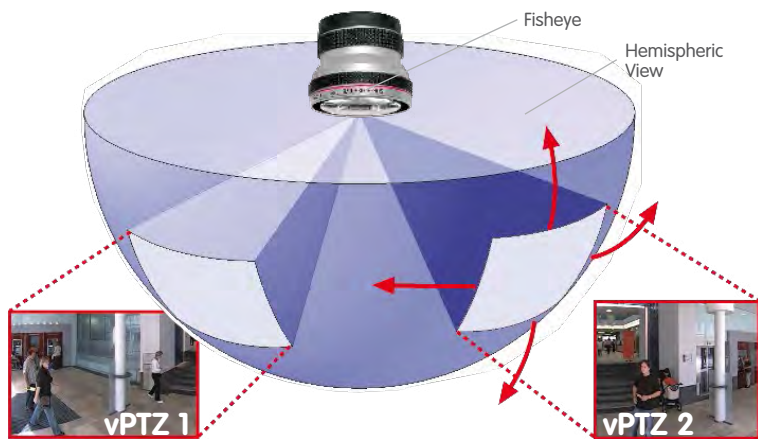
Iowa 80 Group (USA) • Donbass Arena UEFA EURO 2012 Football Stadium (Ukraine) • Central Bank of Philippines • Orange Mobile (Romania) • University of Salamanca (Spain) • Reykjavik Art Museum (Island) • Vatican Apostolic Library (Vatican City) • Olympic Games London 2012 (Great Britain) • etc.

The MOBOTIX Technology

Low System Costs ...

The Hemispheric Camera

The primary components of the hemispheric camera include a fisheye lens, a high-resolution image sensor and image correction software that is integrated into the camera. Using an ultra-wide angle fisheye lens, the camera captures a 180° hemispheric image of the room and projects it onto a high-resolution image sensor.



When ceiling-mounted, the image area of the hemispheric camera covers the entire room. The image in the hemisphere is convex, particularly near the image borders. These image sections are corrected

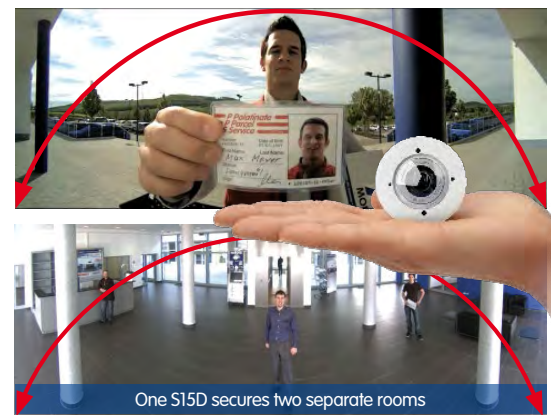


for the viewer by the integrated distortion correction

software, allowing a view of the scene from the usual perspective. The virtual PTZ feature allows you to enlarge or move image sections within the hemisphere, just like a PTZ camera yet, with MOBOTIX, this is achieved with no moving parts.

Double Hemispheric Camera S15D

The compact S15D FlexMount is a universally deployable, easy concealable video system with a highly detailed resolution of up to six megapixels. The fully weatherproof IP camera has two miniature sensor modules, which are each connected to the camera housing with a two-meter cable. Thanks to the hemispheric dual lens, two separate rooms can be secured simultaneously without any blind spots.



Technology Leader Of Network Cameras

MOBOTIX ranks as the global market leader in high-resolution video systems. Each camera includes a high-speed processor and digital memory (SD Card) for long-term recording (decentralized MOBOTIX concept).

... Thanks To Hemispheric Panorama View

Original Q24M image: Wall mounted at a height of 2.3 m

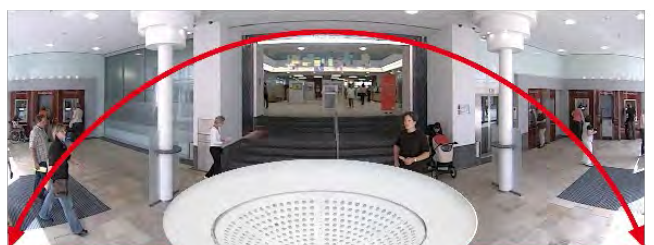
Fewer Cameras Thanks To Panoramic Views

The perspective of the hemispheric image can also be transformed into an ultra-wide angle panoramic view spanning 180° if



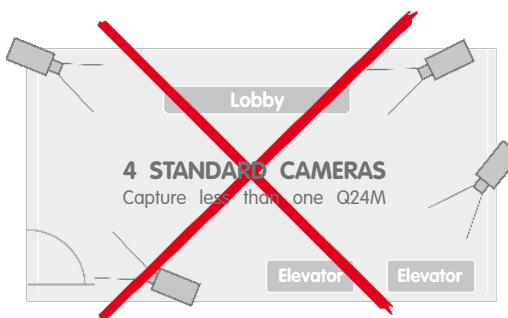
the camera is mounted on a wall, providing a wall-to-wall view of the room without

any blind spots. It offers a substantially better view of the scene, compared to other cameras, it also results in the need for fewer cameras overall. When ceiling mounted, one camera can also capture an entire room by two opposite panoramic views.



Keeping Objects In View At All Times

Using solutions featuring several individual cameras, moving objects will normally jump from one viewing area of a camera to another. This often produces a confusing situation for the viewer because objects may disappear from sight for a moment or even appear twice if the viewing areas overlap. This is not the case with hemispheric panoramic cameras. Objects remain in view at all times and the viewer can always keep good track of objects in the scene.



Everything Stored In The Recording

In contrast to a normal PTZ camera, which is always focused on one section of a room and only records that section, the virtual PTZ also allows you to pan to other areas at a later stage in the recording as the entire room can be recorded as a hemispheric image.

Q24 – The Perfect Overview

The Q24 enables a hemispheric 360° panorama view using only a single lens. One single camera can monitor all four corners of a room. The fisheye effect, which is typical for this lens, can be digitally compensated in the live image.

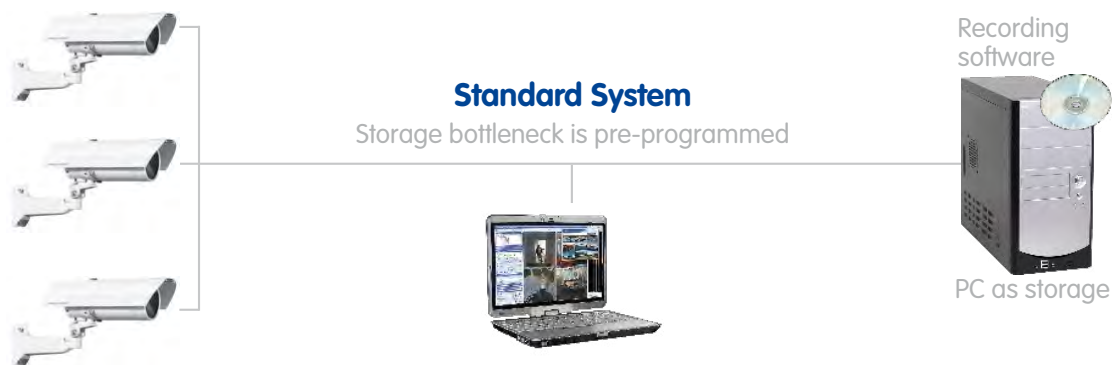
The MOBOTIX Storage Technology

The Superior MOBOTIX ...

MOBOTIX Storage Concept Without Bottlenecks

These days, video data is normally pre-processed and stored centrally on a PC or digital video recorder (DVR) using video management software. Video and audio streams from all installed cameras are directed

both of the network and of the recording device (PC, server). MOBOTIX cameras can of course also minimize the recording independent of the live video, and the sound channel is recorded even with video recordings of two frames per second.



Standard system requires an extra PC including software for analysis and storage

to this central device. In this case, using high-resolution cameras often results in data jam. Above all, storage is inefficient, because if the PC has limited computing power, the high-resolution video with a high frame rate must be sent directly to a storage device before it can be processed.

If, like with MOBOTIX cameras, the camera adjusts the image format and the frame rate to the correct values for the specific application (at a gas station, two frames per second are enough for the recording), it relieves the load

No Storage Limit

The decentralized MOBOTIX concept enables the user to save around 10 times the number of cameras on a single storage device because the camera manages the recording itself (on a PC, server, NAS), thus reducing load on the device. For this reason, practically speaking, there is no memory limit for the entire system because theoretically, each camera is able to manage its own terabyte-sized storage device via the network. Another benefit of this concept is the use of affordable, reliable NAS drives that do not require any special software.

Choose Your Storage Location

Every single MOBOTIX camera can be configured to record internally or externally via the network. If necessary, a USB stick can be connected by cable directly to the camera, but on the other side of the wall, where it cannot be stolen.

... Storage Solution

SD Card Memory Reduces Storage Costs

MOBOTIX cameras are also able to store up to 64 GB of video in their integrated memory. Thanks to this high storage capacity and the option of recording only the sequences in which an event occurs, external storage devices such as hard drives are rarely required. This saves on storage devices and network infrastructure and reduces the maintenance cost of mechanical components such as hard drives or fans. The internal SD cards (flash memory) are digital and since they do not have mechanical components, they are maintenance-free.

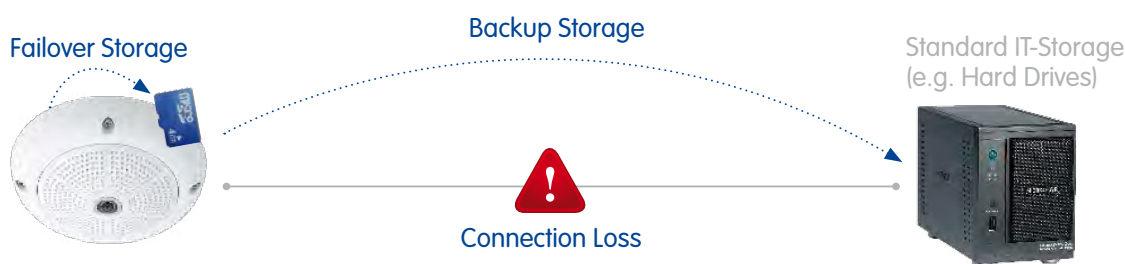
A Single 64 GB SD Card Has Space For:

- 2 weeks of continuous recording from four gas station lanes
- 4 days of video in TV quality
- 200,000 clips of 10 s each in high-resolution
- 2 million images

Ideal For Difficult Network Conditions Or WLAN

MOBOTIX cameras are ideal for difficult network conditions or WLAN connections because the internal flash storage bridges network failures or bandwidth fluctuations and synchronizes data when a connection is re-established with the external storage device.

The option of backing up the internal memory at preset times (for example, at night) reduces the load on the network and, in many cases, enables shared use of the existing network infrastructure.



MOBOTIX systems are decentralized and secure, even without a PC for storage

MOBOTIX Saves Only What Is Necessary

Only relevant image detail (fading out sky, ceiling etc.); only relevant events (e.g. movement in the image); long-term recording only with temporarily increased frame rate during event, but no storage limitations in the MOBOTIX system thanks to modern NAS storage technology.

MOBOTIX Shares ...

MOBOTIX Shares

MOBOTIX AG shares (ISIN: DE0005218309) have been listed on the German Stock Exchange since October 10, 2007 and on the Prime Standard segment of "Deutsche Börse AG" since March 31, 2008.

In its meeting on May 29, 2013, the Management Board of MOBOTIX AG decided to file an application for voluntarily switching the stock market segment from the Prime Standard of the EU Regulated Market to the Entry Standard of the Exchange Regulated Market of the Frankfurt Stock Exchange, thus returning to the stock market segment at the time of the stock exchange listing.

In a letter dated June 19, 2013, the management of the Frankfurt Stock Exchange provided information that based on the application of MOBOTIX AG, the listing of the bearer shares, ISIN DE0005218309, was being revoked in accordance with Sec. 39 (2) Stock Exchange Act (BörsG) in conjunction with Sec. 46 (1) sentence 2 No. 2 and Sec. 46 (2) sentence 3 Stock Exchange Regulations (BörsO). The revocation will take effect as of December 19, 2013. The revocation of admission to the regulated market (General Standard) also includes

termination of admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard).

Throughout the intended switch of the stock market segment, the share remains fully tradable. Inclusion in the Entry Standard of the Open Market is to take place at the time that the listing on the Prime Standard of the EU Regulated Market is effectively revoked, i.e., December 20, 2013.

Market Environment And Performance Of The MOBOTIX Share

The market environment in the international markets in fiscal year 2012/13 continued to be entirely dominated by the euro sovereign debt crisis.

In the first quarter of the fiscal year, the stock markets continued their upward trend from the previous quarter and closed on a clearly positive note. The measures taken by the EU Member States did lead to stability and calm in the markets, however, without a sustained market easing. In the USA, market performance was dominated by the presidential election and the controversy surrounding the national budget.

Free Float
38.73%

... Most Successful IPO Of 2007

In the second quarter of fiscal year 2012/13, performance in the global stock markets was initially positive, not least due to the provisional agreement for avoiding the fiscal cliff in the USA and positive signs of growth in China. Political uncertainty in Italy and the increasing uncertainty about the adoption of a rescue package for Cyprus, however, led to significant losses, so that the equity markets closed at the January level.

In the third quarter of the fiscal year, concerns about a further intensification of the euro debt crisis initially diminished, and as a consequence the DAX benchmark index reached a historic high in May 2013. In June, the Fed's potential departure from its expansive monetary policy led to a drop in prices.

In the last quarter of fiscal year 2012/13, the performance of the stock markets was altogether positive. The macroeconomic situation in Europe, the USA and China stabilized so that the DAX reached another record high on September 19, 2013.

Since the IPO in October 2007, the MOBOTIX share has consistently proven to be an exceptionally lucrative investment, despite

the quite volatile trend in the last months. It is one of the few IPOs in recent years to have generated positive returns for its initial subscribers.

For example, an initial investor achieved a gain of 262.3% (IPO date: October 10, 2007). The DAX, the German benchmark index, rose by only 7.6% over the same period, and the technology-oriented TecDAX rose by only 7.7%. The German Entrepreneurial Index (GEX), on which MOBOTIX shares have been represented since June 23, 2008, trended significantly worse since MOBOTIX AG's IPO, losing 52.1%. The GEX tracks owner-operated German companies within the Prime Standard segment of the Frankfurt Stock Exchange that have been listed for a maximum of ten years and are managed by their owners. To qualify as owner-operated, members of the management and supervisory boards or their families must hold between 25% and 75% of the voting shares.

In fiscal year 2012/13, the MOBOTIX share reached a high of EUR 20.60 on December 6, 2012 and a low of EUR 14.10 on May 30, 2013. The closing price on the reporting date of September 30, 2013 was EUR 16.88. Accordingly, MOBOTIX shares gained 20.5% in value

Dividend Per Share 2012/13 (Proposal)
€ 0.50

The Success Of MOBOTIX

in the reporting period (including dividends).

Performance of the MOBOTIX share since IPO*
and in the period under review (12 months)

	since IPO*	12 Months
MOBOTIX share	262.3 %	20.5 %
DAX	7.6 %	19.1 %
TecDAX	7.7 %	33.9 %
GEX	-52.1 %	16.8 %

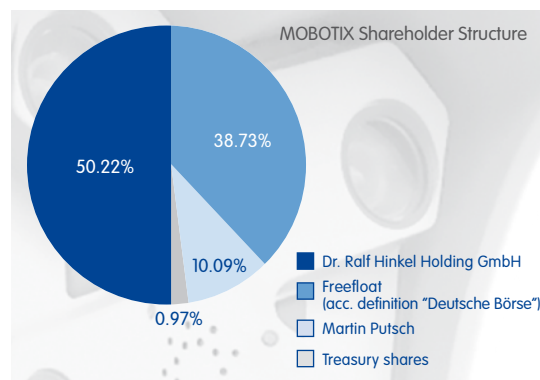
*Reporting Date October 10, 2007

Dividend

MOBOTIX AG pursues a growth-oriented dividend policy that corresponds to corporate growth and the respective business situation. In the Annual General Meeting held for the last full fiscal year 2011/12 on December 20, 2012, a dividend of EUR 0.50 per share was approved and subsequently paid to the shareholders. For the fiscal year 2011/12, the Management Board proposes a dividend of EUR 0.50 to the Annual General Meeting.

Shareholder Structure

At the end of the fiscal year 2012/13, MOBOTIX AG continues to have a very stable shareholder base that supports the long-term and sustained development of the Company. The shareholder structure of MOBOTIX AG is as follows:



Dr. Ralf Hinkel Holding GmbH holds 50.22% of the shares and according to the voting rights notification of March 4, 2013, Martin Putsch holds indirectly 10.09%. A share buyback program was started in July 2010. As of June 30, 2013 MOBOTIX AG had acquired 128,134 treasury shares as part of the share buyback program. In the fiscal year 2012/13 no further treasury shares were acquired. The free float as defined by the Deutsche Börse is 38.73%.

Hemispheric IP Video Door Station in white with BellRFID module. Additional colors (silver, dark gray, amber and black) are available.



The Success Of MOBOTIX

Investor Relations

Since MOBOTIX AG's IPO, the Management Board has regularly engaged in dialogue with investors, analysts and financial journalists. Special emphasis is placed on the continuous flow of information. The Company fulfills the follow-up obligations of the Prime Standard segment of the Deutsche Börse AG.

MOBOTIX AG made presentations to investors, analysts and financial journalists during the past fiscal year in numerous detailed discussions with experts, financial statements press conferences, individual press briefings and various analyst events in Frankfurt. In the trade press, MOBOTIX AG has won many awards for its innovation and strong growth. In fiscal year 2012/13, WirtschaftsWoche magazine reported extensively on MOBOTIX AG as the fastest growing company in Germany.

On December 20, 2012, MOBOTIX Annual General Meeting for the past fiscal year was held at the Company's headquarters. With approximately 180 shareholders, 71.40% of the authorized capital was represented. The constructive and interesting questions, and the extraordinarily high agreement of over 99% for all proposals on the agenda clearly reflected the shareholders' confidence in the Company.

Analyst Coverage

In the fiscal years 2011 and 2012, the Bank of America Merrill Lynch and the Berenberg Bank have taken up coverage of the MOBOTIX share. Besides both new banks, analysts of the DZ Bank, the Equinet AG, Hauck & Aufhäuser and GBC AG have also taken up continuous coverage of the share.

Prices (Xetra) in the fiscal year 2012/13:

High (December 6, 2012)	20.60 €
Low (February 20, 2013)	14.10 €
Closing price*	16.88 €
Market capitalization*	224.0 Mio. €

*as of reporting date September 30, 2013



Solid **MOBOTIX** Shares ...



Key data of the MOBOTIX share

WKN	521830
ISIN	DE0005218309
Ticker symbol	MBQ
Bloomberg	MBQ:GR
Reuters Instrument Code	MBQGn.DE
Stock exchange segment	Regulated Market (Prime Standard)
Prime segment	Technology
Industry group	Electronic Components & Hardware
Stock exchange	Frankfurt
Share capital	13,271,442 EUR
No. of shares outstanding	13,271,442
Indexes	GEX, CDAX, Technology All Share, Prime All Share
Analyst coverage	DZ Bank, Equinet AG, Hauck & Aufhäuser, GBC AG, Bank of America Merrill Lynch, Berenberg Bank

Market Capitalisation
€ 224.0m

Share Price Increase
€ 16.88 (+262.3%)

Report Of The Supervisory Board

Fiscal Year 2012/13 ...

Dear Shareholders,

MOBOTIX AG continued its growth trend again in fiscal year 2012/13, while maintaining its high level of profitability. Further significant milestones were achieved in the development of new products and in opening up international markets.

Technological milestones in the past fiscal year included the launch of the new software solutions MOBOTIX Premium App, MxActivitySensor and MxLEO, equipping the camera models S15, D15 and V15 with new 5-Megapixel sensors, the complete new development of the camera platform M15, expanding the product range to include the new installation mounts SurroundMount, DualMount, HaloMount, SpeakerMount and AudioMount as well as the introduction of the BellRFID keypad. In this context, the Supervisory Board continuously advised and monitored the activities of the Management Board during the last fiscal year. In fulfilling its duties pursuant to the statutory regulations and the Company's Articles of Incorporation, the Supervisory Board took the greatest care in monitoring and controlling the business activities. The working relationship with the Management Board was always close

and trusting with the goal of cooperative and constructive interaction. The Management Board appropriately included the Supervisory Board in all decisions of fundamental nature in good time.

Methods Of Advisory, Supervision And Control

The Management Board provided the Supervisory Board with regular, comprehensive information about the position of the Company at Supervisory Board meetings. This focused, in particular, on the Company's technology strategy, product development, business performance and financial position, HR matters, existing and new capital investment projects and issues relating to corporate strategy. Outside the meetings, the Management Board also provided the Supervisory Board with regular reports concerning key financial and internal developments. For transactions requiring approval, the Supervisory Board gave its consent to the measures proposed by the Management Board - after detailed examination and discussion. The Supervisory Board is convinced that the Company was being properly managed during the entire year. No conflicts of interest arose in the Supervisory Board in the fiscal year 2012/13.

Chairman Of The Supervisory Board, Prof. Dr. Rainer Gerten
Hochschule Mannheim

... Another Milestone

The interim reports of the Management Board conveyed a fair presentation of the business trend and corresponded with the situation described in the 2012/13 financial statements. The Management Board also briefed the Chairman of the Supervisory Board about important developments and scheduled decisions at regular meetings between board meetings.

The Supervisory Board made no use of its option to inspect the Company's books and records or to instruct special experts to carry out specific tasks (section 111 (2) German Stock Corporation Act, AktG) for the year under review. In collaboration with KPMG AG Wirtschaftsprüfungsgesellschaft, Saarbrücken, the Supervisory Board performed an efficiency review.

To date, the Supervisory Board has not established any committees because they would not have helped to make the Company more efficient due to its size and structure. In all aspects, the entire Supervisory Board was continuously concerned with pending matters and decisions.

Key Advisory Activities Of The Supervisory Board

In fiscal year 2012/13, the Supervisory Board convened a total of seven times, both in person and via teleconference. If required, the Supervisory Board met in the absence of the Management Board, at least for part of its meetings. All members attended all of the meetings.

The focus of the discussions of the Supervisory Board was primarily on the continued implementation of the growth strategy, strategic planning, the position and strategic alignment of the Group as well as current revenue and earnings performance.

The subject of the first two meetings in November 2012 was the audit and approval of the financial statements for fiscal year 2011/12 as well as of the consolidated financial statements for fiscal year 2011/12. Throughout the year, and in particular in the meetings held on March 4, 2013, May 13, 2013 and July 8, 2013, the current and strategic business development, the current state of product development and planning for the launch of product innovations were discussed at length. The Supervisory Board also considered the issue of personnel, funding and liquidity planning

Sabine Hinkel
MOBOTIX AG

Willi A. Fallot-Burghardt
FALLOT Vers.-Makler GmbH

A Rapid Growth Rate ...

in view of the Company's future growth plans and the capital expenditure they will require. The development of the U.S. subsidiary was discussed on an ongoing basis.

Additional meetings were held on December 13, 2012, and on June 10, 2013 (teleconference).

Audit of Separate And Consolidated Financial Statements For 2012/13

In accordance with the resolution adopted by the Annual General Meeting in December 2012, KPMG AG Wirtschaftsprüfungsgesellschaft, Saarbrücken, has been engaged by the Supervisory Board to audit the annual financial statements and consolidated financial statements for fiscal year 2012/13. A declaration of independence has been obtained in advance from the auditing firm, which gave no grounds for complaint. "Debt management for large customers" in particular was selected as the focus of the 2012/13 audit.

The auditors have audited the annual financial statements and the management report of MOBOTIX AG prepared in accordance with the German Commercial Code (HGB) and the consolidated financial statements and group management report prepared in accordance with IFRS for the period ended September 30, 2013 as well

as the related parties report pursuant to Sec. 313 AktG and issued an unqualified opinion for each of them.

The Management Board's documents relating to the financial statements and the auditor's report have been submitted to the Supervisory Board for review. The annual financial statements, the consolidated financial statements, the management reports for MOBOTIX AG and the Group, the related parties report pursuant to Sec. 313 AktG, the Management Board's proposed appropriation of profit, and the auditors' report have been examined and discussed in detail by the Supervisory Board. The auditor took part in these deliberations, was available to answer any questions and reported on key findings of the audit.

After completing its own audit, the Supervisory Board endorsed the auditors' findings and stated that they had no reservations. At its meeting on November 5, 2013, the Supervisory Board approved the annual financial statements and consolidated financial statements of MOBOTIX AG prepared by the Management Board. The annual financial statements were thus formally adopted in accordance with section 172 AktG.

... Deserves Recognition

Considering the result of fiscal year 2012/13, the Supervisory Board concurs with the proposal of the Management Board to distribute a dividend of EUR 0.50 per share, retain the remaining net profit from 2012/13, and submit a qualified proposal for the appropriation of profits to the Annual General Meeting.

Thanks To The MOBOTIX Team

The Supervisory Board would like to thank all employees and management for their outstanding work in 2012/13. The Company's technological potential and innovative strength are impressive. After achieving a great number of successful product launches, it is our belief that the team has produced an excellent starting point from which to exploit our market position in high-resolution digital surveillance equipment in order to continue setting trends in the market and, using this key technology, to continue to successfully expand the business segment Access Control & Communications. We are fully confident that the team will continue to open up potential opportunities and lead us to further economic success. We wish the management and employees of MOBOTIX AG every success with the challenges that we will share in the year ahead.

Many thanks to the Company's customers and partners.

Special thanks are due to the shareholders for their generous confidence in MOBOTIX AG.

Winnweiler-Langmeil, November 5, 2013

On behalf of the Supervisory Board

Yours sincerely



Prof. Dr. Rainer Gerten

Responsible ...

Introduction

The Management Board and Supervisory Board of MOBOTIX AG are committed to ensuring that the Company is managed competently and responsibly. The guidelines laid down in the German Corporate Governance Code (Deutscher Corporate Governance Kodex, DCGK) constitute key parameters of our policy on corporate governance. Our actions are therefore guided by the standards of competent and responsible corporate management, and we ensure that our corporate governance policies are based on the principles of transparency and value creation.

Because the Company joined the regulated market (Prime Standard) of the Frankfurt Stock Exchange on March 31, 2008, the Management Board and Supervisory Board of MOBOTIX AG are obliged to issue an annual Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz, AktG) in which they explain to what extent they have complied with, or intend to comply with, the recommendations made by the German Government Commission on the German Corporate Governance Code, which have been published by the German Federal Ministry of Justice in the official Section of the German Federal Gazette, and which recommendations

they have not applied or do not intend to apply.

The Management Board and Supervisory Board of MOBOTIX AG therefore issued their annual Declaration of Compliance pursuant to Section 161 AktG on October 9, 2013; this declaration has also been published and made permanently available in the "Investors/Corporate Governance" Section of MOBOTIX AG's website. The remuneration report to be compiled pursuant to item 4.2.5 DCGK is included in the Consolidated Management Report.

Furthermore, the Management Board and Supervisory Board have compiled a corporate governance report pursuant to item 3.10.

Relations With Shareholders; Annual General Meeting

The shareholders exercise their voting rights at the Annual General Meeting. Voting takes place on the basis of one share, one vote. The Annual General Meeting elects the members of the Supervisory Board and votes on whether to formally approve the actions of the Management Board and Supervisory Board. It votes on the appropriation of the Company's profits, on capital transactions, on the approval of inter-company agreements, on the choice of auditor, on the remuneration paid to the Supervisory Board, and on amendments to the Company's

Dr. Magnus Ekerot
CEO

... Management

Articles of Incorporation. The Company holds an Annual General Meeting, at which the Management Board and Supervisory Board report to shareholders on the previous financial year. The German Stock Corporation Act allows an extraordinary general meeting to be convened in exceptional cases.

In order to make it easier for shareholders to exercise their voting rights in accordance with the provisions of the Code, the Company offers shareholders that are either unable, or do not wish to exercise their voting rights in person, the option to have their vote cast at the Annual General Meeting by a proxy who votes in accordance with their instructions.

Management Board

During the fiscal year 2012/13, the Management Board of MOBOTIX AG consisted of four members (**Dr. Ralf Hinkel**, **Lutz Coelen** (until December 31, 2012), **Dr. Magnus Ekerot**, **Dr. Oliver Gabel**, and **Klaus Gesmann** (since January 1, 2013)). Dr. Ralf Hinkel retired from the

Management Board effective October 1, 2013. Dr. Magnus Ekerot became Chairman of the Management Board as of the same date.

The Management Board's main responsibility is principally to lead the company; this includes management of the MOBOTIX Group, the determination of the Company's strategy, and the implementation and monitoring of a risk management system. The Management Board is obligated to act in the Company's best interests, and to ensure that the value of the Company grows over time. The Management Board consults the Supervisory Board on the Company's strategy and provides it with regular updates on the implementation of this strategy as part of a continuous dialog. All members of the Management Board are involved in the Company's day-to-day business and bear operational responsibility.

In accordance with the DCGK, the Company's Articles of Incorporation stipulate certain specified types of material transactions conducted by the Management Board within the Company to be approved by the Supervisory Board.

The members of the Management Board have signed comprehensive non-competition agreements with MOBOTIX AG that apply for the



Dr. Oliver Gabel
CTO

Klaus Gesmann
CFO

Management Board And ...

duration of their employment at the Company. They are obligated to act on behalf of the Company in the Company's best interests. As a result, when making decisions, no member of the Management Board may pursue personal interests or exploit business opportunities for his or her personal gain that are due to the Company; members will immediately disclose any conflicts of interest to the Supervisory Board, and notify the other members of the Management Board to this fact. All transactions (business dealings and operations alike) between the Company - on the one hand, and the Management Board members and/or related parties or related-party transactions - on the other, must comply to the standards applicable practices in the sector.

Furthermore, any secondary employment taken on by members of the Management Board - especially as members of the board or directorships to other companies - must first be approved by the Supervisory Board.

The Company took out a directors' and officers' (D&O) insurance policy for the Management Board and Supervisory Board. The insurance policy was taken out for the Management Board with the legally required minimum-

deductible. For the Supervisory Board no deductible was taken out.

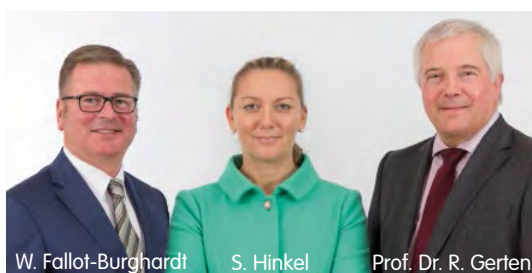
Contrary to the recommendations made by the Code, the Company's articles of incorporation do not impose an age limit on the members of the Management Board.

Supervisory Board

The Supervisory Board oversees the Management Board's leadership of the Company and provides Management with advice and support. The Supervisory Board is also responsible for amongst other things the appointment of members to the Management Board, the determination of remuneration paid to the Management Board, and the examination of the Company's annual financial statements. The Supervisory Board consists of three members (**Prof. Dr. Rainer Gerten, Sabine Hinkel**, and **Willi A. Fallot-Burghardt**). Dr. Thomas Hoch and Mr. Ulrich Putsch retired from the Supervisory Board of MOBOTIX AG in June 2013. Substitute members Ms. Sabine Hinkel, Höringen, and Mr. Willi A. Fallot-Burghardt, Kaiserslautern, both elected at the Annual General Meeting on October 21, 2011, have taken their places on the Supervisory Board. Professor Dr. Rainer Gerten was elected new

... Supervisory Board Cooperation

Chairman of the Supervisory Board on June 10, 2013. The Company is not subject to co-determination legislation.



The Company's Articles of Incorporation state that the Supervisory Board is allowed to form committees from its members. Yet, the Company currently deviates from the DCGK's recommendation for the Supervisory Board to form suitably qualified committees as well as an audit committee from amongst its members while the Supervisory Board currently consists of only three members and, in the opinion of the Supervisory Board, it would be inappropriate at this point of time to form committees given the specific circumstances and the size of the Company - because all members of the Supervisory Board are expected to be engaged and occupied with all Company issues.

Furthermore, the Articles of Incorporation state that the Dr. Ralf Hinkel Holding GmbH - provided that it itself and/or a company,

either controlled by it (Section 17 AktG), or under its management (Section 18 AktG) that in total holds more than 25% of the Company's shares - has the nontransferable right to appoint one individual as member of the Company's Supervisory Board. It can only exercise this right of appointment vis-à-vis the Company by issuing a personally signed declaration to both, the Management Board and the Chairman of the Supervisory Board that states the name of the person to be appointed to the Supervisory Board. The newly appointed member thus immediately replaces an already similarly appointed Supervisory Board member who therewith will step down from his/her post. If no new member is dispatched to the Supervisory Board at the time of the exertion of appointments, then the new appointee will first join the Supervisory Board when the previously selected member resigns from his/her post, or is relieved of office during the Annual General Meeting, or whose term of office as a member has expired. The term of appointment of the current Supervisory Board members ends at the end of the Annual General Meeting that votes on whether to formally approve their actions for the fourth financial year after the beginning of their term of appointment.

Shareholding ...

The work performed by the Supervisory Board is coordinated by its Chairman. The relevant responsibilities and procedures – including the powers vested in the Supervisory Board Chairman are laid down in the Articles of Incorporation. Rules governing conflicts of interest and efficiency checks are laid down in the Supervisory Board's rules of procedure. Rules governing conflicts of interest and efficiency checks are laid down in the Supervisory Board's rules of procedure.

In accordance with the Corporate Governance Code, the aim when appointing the Supervisory Board is to ensure a balanced representation in terms of experience, knowledge, age and gender. In the opinion of the Company's Management Board and Supervisory Board, this goal has been achieved, also when taking into account the size of the board.

The members of the Supervisory Board are independent of the Management Board and maintain no business relations with the Company that might influence their independent judgment. An insurance brokerage agreement has been concluded with FALLOT Versicherungsmakler GmbH, where Mr. Willi A. Fallot-Burghardt is shareholder and general manager. Sabine Hinkel has an employment contract with MOBOTIX AG. There have been

and continue to be no other consultancy agreements or other contracts for work and services between Supervisory Board members and the Company. If, in exceptional cases, a member of the Supervisory Board performs a function for the Company other than that of Supervisory Board member, this must be approved by the Supervisory Board. The Supervisory Board's report to the Annual General Meeting provides information on any conflicts of interest that have arisen during the financial year concerned.

Contrary to the recommendations made by the DCGK, the Company's Articles of Incorporation do not impose an age limit on the members of the Supervisory Board.

Cooperation Between Management Board And Supervisory Board

The Management Board and Supervisory Board of MOBOTIX AG work continuously and very closely with each other in the interests of a sound and responsible corporate governance policy. They regularly consult each other on a timely basis in those areas recommended by the Code as well as in other respects. The Management Board uses an established procedure to report to the Supervisory Board on the Company's general situation, including its risk position.

Founder's Share
50.22%

Management Board's Share 50.22%

... And Remuneration Report

Members of the Management Board usually attend the regular meetings of the Supervisory Board, which are held at least once every quarter. In certain cases, however, the Supervisory Board meets alone, as suggested by the Code. Extraordinary meetings and teleconferences are also held if required.

Directors' Dealings

During the period from October 1, 2012 to September 30, 2013, the following reportable purchases or sales of shares were effected by the members of the Management Board or Supervisory Board.

Shareholdings

The following members of the Management Board held more than 1% of the shares issued by the Company (as of September 30, 2013):

Management Board	Number of shares	(%)
Dr. Ralf Hinkel*	6,664,402	50.22

*Held indirectly via the Dr. Ralf Hinkel Holding GmbH

In total, the Management Board held 6,665,032 shares and thus 50.22% of the shares in

MOBOTIX AG. In total, the Supervisory Board held 142,736 shares and thus 1.1% of the shares in MOBOTIX AG as of September 30, 2013. Both executive bodies therefore held 6,807,138 shares, or 51.3% of the share capital, as of September 30, 2013.

Disclosures

MOBOTIX AG attaches considerable importance to the timely and transparent disclosure of information to its relevant target groups.

MOBOTIX AG regularly informs shareholders, financial analysts, shareholder associations, the media and interested members of the public about the Company's situation and material changes in its business. MOBOTIX AG notifies all shareholders and interested members of the public of all new facts at the same time that they are made available to financial analysts and institutional investors. MOBOTIX uses the Internet as well as other communication channels to ensure that it provides timely information.

Name	Function	Date of transaction	Type of transaction	Stock exchange	Number of shares	€ Price	€ Total volume
Prof. Dr. Gerten	Supervisory Board	Nov. 07, 2012	Donation	off-market	-2.400	0,00	0,00

Supervisory Board's Share 1.1%

Accounting ...

An overview of all material information published during the financial year concerned can be found on our website at www.mobotix.com.

- **Ad-hoc Announcements:** The Company complies with the legal requirements by publishing insider information directly affecting the Company itself without delay, including outside its regular reporting cycle. Ad-hoc disclosures published by MOBOTIX AG are made available to shareholders on the Company's website at "Investors/News/Ad-Hoc-Announcements".
- **Disclosure Of Voting Rights:** We also publish in a Europe-wide information system and on our website the fact that someone's shareholding in the Company has reached, exceeded or fallen below 3%, 5%, 10%, 15%, 25%, 30%, 50% or 75% of the Company's voting rights by buying or selling shares or in some other way as soon as we have been notified of such changes pursuant to Section 21 of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG).
- **Directors' Dealings:** Dealings in securities by members of the Management Board or Supervisory Board of MOBOTIX AG or by certain executives who have regular access to insider information and are authorized to

make key operational decisions (as well as by related parties as defined by the German Securities Trading Act) must be disclosed by these persons pursuant to Section 15a WpHG. As soon as the Company is notified of such dealings, they are published in a Europe-wide information system and on the Company's website.

- **Financial Calendar:** Our financial calendar, which is shown in our annual and quarterly reports and is permanently available on our website, provides our shareholders and the capital markets with advance notification of the dates of material publications (such as our annual and interim reports and the Annual General Meeting).

Accounting And Auditing

MOBOTIX AG prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Its annual and quarterly reports inform shareholders and other interested parties about the Company's general situation. All reports are simultaneously made available to all interested parties on our website.

The Company has agreed with its auditors that the Chairman of the Supervisory Board should be notified without delay of any grounds for

... And Declaration Of Compliance

exclusion or partiality arising during the audit unless they are immediately resolved.

Furthermore, the auditors must notify the Supervisory Board without delay of all findings and incidents of which they become aware in the course of the audit that are of significance for the remit of the Supervisory Board. The auditors must also notify the Supervisory Board or note accordingly in the audit report if, when conducting the audit, they become aware of facts that are incompatible with the Declaration of Compliance issued by the Management Board and Supervisory Board pursuant to Section 161 of the German Stock Corporation Act.

Explanation Of The Deviations From The Recommendations Of The German Corporate Governance Code

Please refer to the explanations included in the Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act for information on the deviations from the recommendations of the German Corporate Governance Code.

Declaration of compliance by the Management Board and Supervisory Board of MOBOTIX AG pursuant to Section 161 of the German Stock Corporation Act (AktG) on the German Corporate Governance Code

Section 161 of the German Stock Corporation Act (AktG) requires the Management Board and Supervisory Board to issue an annual declaration stating that the Company has complied with, or intends to comply with, the recommendations made by the German Government Commission on the German Corporate Governance Code (hereinafter referred to as DCGK), which have been published by the German Federal Ministry of Justice in the official section of the electronic version of the German Federal Gazette, and also stating which recommendations it has not applied or does not intend to apply. The following declaration refers to the Code version dated May 15, 2012 for the period from October 1, 2012 until May 12, 2013 and published in the German Federal Gazette on June 15, 2012 and to the Code version dated May 13, 2013 for the period from May 13, 2013 until September 30, 2013 and published in the German Federal Gazette on June 10, 2013.

Declaration Of Compliance ...

The Management Board and the Supervisory Board of MOBOTIX AG (hereinafter also referred to as the "Company") hereby declare that the Company has complied with the recommendations made by the Government Commission on the German Corporate Governance Code, with the following exceptions:

1. If the company takes out a Directors' and Officers' (D&O) liability insurance policy for the Management Board, a deductible of at least 10% of the loss up to at least the amount of one and a half times the fixed annual compensation of the Management Board member must be agreed upon. A similar deductible shall be agreed upon for the Supervisory Board. (Item 3.8 para. 2 and 3 of the German Corporate Governance Code).

In accordance with the legal provisions, the Company will comply with this recommendation with respect to the Management Board from the beginning of the fiscal year as of July 1, 2009. However, no deductible has been agreed for the D&O insurance cover for the Supervisory Board, as it is not required by law. We believe that the agreement of a deductible for D&O insurance policies in the event of claims for damages does not encourage responsible behavior on the part of the members of the Supervisory Board.

Moreover, the directors' legal responsibility for criminal acts involving gross negligence or breach of trust is not affected by the terms and conditions of any D&O insurance policy.

2. By-laws shall govern the work of the Management Board, in particular the allocation of duties among individual Management Board members, matters reserved for the Management Board as a whole, and the required majority for Management Board resolutions (unanimity or resolution by majority vote) (Item 4.2.1 para. 1 sentence 2 of the German Corporate Governance Code).

The Company does not comply with the recommendation. Although there is some form of allocation of duties between the Management Board, based on the relevant plan, there are, at the moment, no by-laws for the Management Board since the Company's articles of incorporation contain very comprehensive rules governing the work of the Management Board (including a catalogue of measures taken by the Management Board that require the consent of the Supervisory Board), and it has not yet been deemed necessary to introduce such by-laws. However, to comply with the recommendations of the Code, we intend to introduce corresponding by-laws in the near future.

3. The Supervisory Board shall consider the relationship between the compensation of the Management Board and that of senior management and the staff overall, particularly in terms of its development over time. The Supervisory Board shall determine how senior managers and the relevant staff are to be differentiated. (Item 4.2.2 para. 2 sentence 2 of the German Corporate Governance Code).

Item 4.2.2 para. 2 sentence 2 of the German Corporate Governance Code was newly added to the German Corporate Governance Code, as amended on May 13, 2013. The Supervisory Board had not re-determined the compensation for the Management Board by the date when this Declaration of Conformity was made. The Supervisory Board did not explicitly consider the relationship between the compensation of the Management Board and that of senior management and the staff overall, particularly in terms of its development over time.

4. The amount of compensation of the Management Board shall be capped, both overall and for individual compensation components (Item 4.2.3 para. 2 sentence 6 of the German Corporate Governance Code).

Item 4.2.3 para. 2 sentence 6 of the German Corporate Governance Code was newly added

to the German Corporate Governance Code, as amended on May 13, 2013. The Supervisory Board had not re-determined the compensation for the Management Board by the date when this Declaration of Conformity was made. The existing employment contracts do not provide for any compensation caps, neither overall nor for individual compensation components.

5. An age limit for members of the Management Board shall be specified (Item 5.1.2. para. 2 sentence 3 of the German Corporate Governance Code).

The Company does not comply with the recommendation. The Management Board and the Supervisory Board believe that a general age limit would unnecessarily restrict the search for suitably qualified and experienced candidates for the Management Board. Age is not a suitable criterion for excluding such candidates.

6. Depending on the specifics of the enterprise and the number of its members, the Supervisory Board shall form committees with sufficient expertise. The respective committee chairmen report regularly to the Supervisory Board on the work of the committees (Item 5.3.1 of the German Corporate Governance Code).

Declaration Of Compliance ...

The Company does not comply with the recommendation. Because the Supervisory Board of MOBOTIX AG consists of only three members, the Supervisory Board believes that the formation of suitably qualified committees would currently be inappropriate given the specific circumstances and the size of the Company because all members of the Supervisory Board are supposed to deal with all issues.

7. The Supervisory Board shall set up an Audit Committee which, in particular, handles the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the Annual Financial Statements, here in particular the independence of the auditor, the services rendered additionally by the auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement, and - unless another committee is entrusted therewith - compliance. The chairman of the Audit Committee shall have specialist knowledge and experience in the application of accounting principles and internal control processes. He shall be independent and not be a former member of the Management Board of the company whose appointment ended less than two years ago.

(Item 5.3.2 German Corporate Governance Code)

The Company does not comply with the recommendation. Because the Supervisory Board of MOBOTIX AG consists of only three members, the Supervisory Board believes that the formation of suitably qualified committees would currently be inappropriate given the specific circumstances and the size of the Company because all members of the Supervisory Board are supposed to deal with all issues.

8. The Supervisory Board shall form a nomination committee composed exclusively of shareholder representatives, which proposes suitable candidates to the Supervisory Board for recommendation to the General Meeting (Item 5.3.3 of the German Corporate Governance Code).

The Company does not comply with the recommendation. Because the Supervisory Board of MOBOTIX AG consists of only three members, the formation of suitably qualified committees would currently be inappropriate given the specific circumstances and the size of the Company.

9. The Supervisory Board shall specify concrete objectives regarding its composition which,

whilst considering the specifics of the enterprise, take into account the international activities of the enterprise, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of item 5.4.2, an age limit to be specified for the members of the Supervisory Board and diversity. (Item 5.4.1 para. 2 German Corporate Governance Code)

The Company does not comply with this recommendation with respect to the age limit. As with the issue of an age limit for members of the Management Board, we believe the most important criteria for Supervisory Board candidates to be qualifications and experience. Moreover, an age limit would, in our opinion, inappropriately restrict the Annual General Meeting's right to appoint the members of the Supervisory Board.

10. Any performance-related compensation shall be oriented toward sustainable growth of the Company (Item 5.4.6 para. 2 sentence 2 of the German Corporate Governance Code).

The Company does not comply with the recommendation as a result of the fact that the Government Commission applies the sustainability criterion using a multi-year measurement basis. The members of the Supervisory

Board of MOBOTIX AG receive a performance-related compensation in addition to a fixed basic remuneration. This basic remuneration is determined on the basis of the net profit for the year as reported in the IFRS consolidated financial statements and accordingly, does not refer to a multi-year measurement basis.

However, the Management Board and the Supervisory Board believe that the annual compensation component sufficiently reflects the significance of the consulting and monitoring function of the Supervisory Board.

MOBOTIX AG

Winnweiler-Langmeil, October 9, 2013

On behalf of the Management Board



Dr. Magnus Ekerot
(Chief Executive Officer)

On behalf of the Supervisory Board



Prof. Dr. Rainer Gerten
(Chairman of the Supervisory Board)

Consolidated Management Report

Positive Business Development ...

Business And Market

Technology And Products

MOBOTIX AG is a software Company with its own hardware development in the area of digital, high-resolution and network-based video security solutions. The Company focuses on the development of user-friendly, complete system solutions from a single provider.

The Company's product portfolio includes the product lines **M15** (DualNight Camera), **S15** (Flexmount as Mono and Dual Camera), **D15** (DualDome Camera), **V15** (Vandalism Camera), **Q24** (Hemispheric 360° Camera), **M24** (Allround Camera), **D24** (MonoDome Camera) and the product line **T24** (IP-based door station). For all its product lines, MOBOTIX

offers extensive accessories and powerful software solutions. The MxControlCenter is a complete video management solution in the form of control station software which can also incorporate cameras from competitors in the video surveillance system - with an unlimited number of cameras.

MxEasy allows the integration of up to 16 MOBOTIX cameras and therefore represents the ideal solution for video software applications in the areas of Small Office and Home Security.

The MOBOTIX Premium App is a mobile video management solution which offers MOBOTIX users access to their video security solutions at any time and from anywhere in the world using mobile Internet access via WLAN or UMTS/3G. The bandwidth-optimized remote access to live images and recordings, and an innovative operating concept characterize the MOBOTIX Premium App.

All MOBOTIX video management solutions are offered to customers free of charge.



... And Business Condition

In fiscal year 2012/13 MOBOTIX successfully launched numerous product innovations on the market: The MOBOTIX Premium App was released at the beginning of March 2013 and had been downloaded over 20,000 times from the MOBOTIX website by the end of the fiscal year.

As a continued development of the predecessor series, the camera models S15, D15 and V15 are equipped with new 5-Megapixel sensors that provide a higher frame rate, better light sensitivity and zoom functionality.

The camera platform M15 is a completely new development, which is also based on the new 5-megapixel technology and for the first time in this product line has two interchangeable sensor modules.

The sensor software MxActivity registers purposeful movements of people and objects, while ignoring irrelevant changes in the observation area. This drastically reduces the number of false alarms. By developing this technology, MOBOTIX has reinvented motion detection.



Positive Business Development ...

The MxLEO software (Lowlight Exposure Optimization) enables significantly improved image sharpness, significantly less image noise and easy-to-use exposure settings in the camera. These advantages are especially noticed in environments with poor lighting conditions.

The new installation mounts SurroundMount, DualMount, HaloMount and SpeakerMount open up entirely new application scenarios for the S15 product platform in the field of video surveillance.

In the product range Access Control & Communication, the AudioMount represents another solution for the S15 product platform that enables partners and customers to build their own solutions for door stations. The new door opener MxDoorMaster and the BellRFID keypad complement the MOBOTIX product portfolio in this area.

Furthermore, all preparations were made in fiscal year 2012/2013 for the October 2013 launch of camera models Q25, M25, D25 and T25 with new 5-megapixel technology, and significant, completely new software developments were initiated.

Group Organization And Control

The MOBOTIX Group consists of MOBOTIX AG, Winnweiler-Langmeil, MOBOTIX CORP., New York as well as MOBOTIX LIMITED, Nottingham, and MOBOTIX do Brasil, São Paulo. The MOBOTIX LIMITED, Nottingham has not been operating yet.

New products are manufactured and developed exclusively at the Winnweiler-Langmeil locations. Winnweiler-Langmeil controls global sales.

MOBOTIX CORP., a subsidiary of MOBOTIX AG, is a pure distribution company for the U.S. market. MOBOTIX CORP. is managed by Dr. Magnus Ekerot (CEO) and Mr. Klaus Gesmann (CFO). The MOBOTIX Group uses a number of operational key indicators to measure the Group's strategic growth and profitability objectives. These include sales figures for the individual sales regions and product groups as well as profitability indicators for the Company as a whole. The Company's performance is monitored and controlled through regular monitoring of trends in the individual sales regions. Other financial figures are also analyzed and evaluated. EBIT and EBITDA are

... And Business Condition

the primary control parameters for the profitability of the MOBOTIX Group. These financial indicators are presented to the Management Board on a monthly basis as part of the internal reporting process, so that any necessary changes can be initiated promptly.

Sales

In Germany, the products are currently sold via MOBOTIX-certified **Secure Partners, IT-retailers, electrical wholesalers** or **directly**, e.g. via the Company's webshop, to commercial and private customers.

Most of MOBOTIX' international sales are made via distributors and their qualified systems integrators and resellers. The distributors are supported in this process by a number of locally-based Business Development Managers, who are employed directly by MOBOTIX AG.

In the USA, the Company sells its products through its own sales subsidiary, MOBOTIX CORP.

MOBOTIX' growth is primarily occurring in the export markets with the export share at 75.2% in the fiscal year under review (prior

year: 74.2%). More than 100,000 MOBOTIX video security solutions are in use worldwide.

Market And Competition

MOBOTIX operates in the video security systems market. This market is generally referred to as the CCTV market (Closed Circuit Television market). Today's market for video security systems includes both analog video security systems and network camera systems, as well as video management software and accessories. The relevant market segment for MOBOTIX is network camera systems.

The competitive market is comparatively homogeneous worldwide – approximately 80% of the large major competitors are very similar in all global market segments. In a study made by the market research firm IHS Research in June 2013, the authors presume that global sales in the market for network camera systems will grow by an annual average of approximately 25.0% from 2012 to 2017. The growth potential is estimated to be comparatively high in all global market segments (Americas, Asia, EMEA) and is not limited to a few regional markets.

Positive Business Development ...

Currently, the market environment for network camera systems is developing slightly weaker than forecast by IHS Research. Particularly in some regional markets in Europe, temporarily lower growth rates are expected due to the debt crisis. Nevertheless, we believe that the global market for network camera systems will continue on a positive and stable course.

Results Of Operations, Net Assets And Financial Position

Results Of Operations

In fiscal year 2012/13, the sales revenue of the MOBOTIX Group rose by 5.8% from EUR 81.6 million in 2011/12 to EUR 86.4 million. The EBIT margin of more than 20% is evidence of the Management Board's continued strategy oriented to qualitative growth.

Revenues from sales of dome cameras grew by 20.4% from EUR 39.4 million in fiscal year 2011/12 to EUR 47.5 million in fiscal year 2012/13. Compared to fiscal year 2011/12, revenues from sales of fixed cameras decreased by 8.9% from EUR 38.3 million to EUR 34.9 million.

The export ratio totaled 75.2% in fiscal year 2012/13 (prior year: 74.2%). Sales revenues in Germany rose by 1.6% from EUR 21.0 million in

fiscal year 2011/12 to EUR 21.4 million. The rest of Europe (excluding Germany) accounted for EUR 29.3 million (prior year: EUR 28.8 million). Sales in the rest of the world rose by 12.2% from EUR 31.8 million in the prior year to EUR 35.7 million in the year under review. The prices of products were neither increased nor lowered. Accordingly, revenue growth is based on pure volume effects.

Total operating performance (sales revenue, increase/decrease in finished goods and work in progress and other own work capitalized) increased by 8.8% from EUR 84.0 million in the prior year to EUR 91.4 million in fiscal year 2012/13. This is besides the revenue growth due to the targeted increase in inventories of finished goods and work in progress, which was implemented in connection with the launch of many new products and also to increase the supply capacity for larger projects.

Due to the start of series production of the new camera models and the associated start-up costs, the material usage ratio (cost of materials in relation to the total output) increased from 26.1% in the prior year to 28.4% in fiscal year 2012/13.

... And Financial Position

The personnel usage ratio (staff costs to total operating performance) amounting to 26.9% in fiscal year 2012/13 was nearly unchanged from 26.7% in the prior year. With an overall increase in total operating performance, staff costs increased by EUR 2.2 million in fiscal year 2012/13 compared to the prior year. The increase can primarily be attributed to new hires in sales, production and development. The one-off expenses for a severance payment to the former Chief Financial Officer came to EUR 0.4 million and are also included in the staff costs.

The increase in amortization and depreciation by EUR 0.3 million to EUR 3.9 million compared to fiscal year 2011/12 resulted primarily from investments in property, plant and equipment in prior years.

Other operating expenses in fiscal year 2012/13 increased by 12.3% from EUR 17.2 million to EUR 19.3 million. The increase is due above all to the rise in legal and consulting expenses resulting from the costs incurred by MOBOTIX CORP., New York, for defending against the patent troll e-watch, Inc., San Antonio, (EUR +0.9 million). Expenses for

temporary staff in production (EUR +0.5 million) and expenses from exchange differences (EUR +0.4 million) have also increased. At EUR 6.3 million, advertising and marketing expenses represented the largest item among other operating expenses.

Earnings before interest, tax, depreciation and amortization (EBITDA) (24.3% of total operating performance) amounted to EUR 22.2 million (2011/2012: EUR 23.1 million). Earnings before interest and taxes (EBIT) (20.1% of total operating performance) amounted to EUR 18.3 million (2011/2012: EUR 19.5 million). Fiscal year 2012/13 ended with net income for the year of EUR 12.4 million (prior year: EUR 13.7 million) and return on sales of 14.4%.

The subsidiary MOBOTIX CORP. reported a net loss for the year of USD 1.8 million (2011/12: USD +1.0 million) despite a revenue increase of 2.5% compared to fiscal year 2011/12. Factors contributing to this included in particular the higher consulting expenses incurred as a result of the patent dispute against the company e-watch, Inc., San Antonio, currency translation losses of USD 0.4 million (2011/12 currency translation gains of USD 0.2 million)

Revenue Share (Germany)
24.8%

Export Share
75.2%

Positive Business Development ...

and the loss of sales in the first quarter of the fiscal year due to the impact of Hurricane Sandy on the northeast coast of the United States.

Net Assets

Development costs of EUR 0.9 million were capitalized in the year under review. Property, plant and equipment decreased by EUR 0.4 million, (-1.6%), to EUR 22.8 million. Capital expenditure on property, plant and equipment in the amount of EUR 2.4 million was offset by depreciation of EUR 2.6 million. The investments related primarily to investments in technical systems as well as operating and office equipment. Investments in technical systems consist largely of investments in injection molding tools and IT equipment.

The increase in inventories by EUR 9.6 million (+64.8%) from EUR 14.8 million at the beginning of the fiscal year to EUR 24.4 million was due to the higher business volume and due to the implemented and prepared for product launches as well as the associated increase in inventories of raw materials and supplies and finished goods during the fiscal year.

Trade receivables increased by EUR 3.7 million to EUR 13.5 million as of September 30, 2013 compared to the beginning of the fiscal year. This was due to the increased business volume.

Other assets amounted to EUR 5.3 million (September 30, 2012: EUR 4.5 million) and comprised gold reserves at a carrying amount of EUR 3.6 million, tax refunds at EUR 1.0 million and advance payments of EUR 0.3 million.

Compared to the beginning of the fiscal year, cash and cash equivalents as of September 30, 2013 had declined by EUR 3.9 million to EUR 7.8 million (September 30, 2012: EUR 11.6 million), due primarily to the increase in inventories and income tax payments.

Due to the net income achieved in fiscal year 2012/13 and considering the payment of the dividend for fiscal year 2011/12, equity increased by EUR 5.9 million to EUR 50.9 million. The equity-to-assets ratio decreased slightly from 67.3% to 65.9% due to the increase of EUR 10.4 million (+15.5%) in total assets. The number of treasury shares came to 128,134 shares as of September 30, 2013.

... And Financial Position

Due to tax payments for assessment periods 2011 and 2012, tax provisions decreased by EUR 1.9 million to EUR 2.6 million in fiscal year 2012/13.

The decrease in liabilities to banks resulted from the scheduled repayment of loans totaling EUR 1.2 million. Primarily due to the increase in inventories, as of the end of the fiscal year compared to September 30, 2012, trade payables increased by EUR 7.1 million to EUR 10.7 million (September 30, 2012: EUR 3.6 million).

Other liabilities increased by EUR 0.2 million to EUR 3.5 million compared to September 30, 2012, due to an increase in personnel liabilities.

The total assets of the MOBOTIX Group increased by EUR 10.4 million (+15.5%) to EUR 77.4 million as of September 30, 2013 compared to September 30, 2012.

Financial Position

Operating cash flow before changes in working capital was EUR 22.3 million (prior year: EUR 23.2 million) in fiscal year 2012/13. Cash flow from operating activities before income tax decreased by EUR 6.1 million from EUR 21.1 million to EUR 15.1 million, due in particular to the increase in inventory. Due to additionally increased income tax payments compared to the prior year (EUR +4.2 million), cash flow from operating activities decreased by a total of EUR 10.3 million from EUR 17.9 million in the prior year to EUR 7.6 million in fiscal year 2012/13.

At EUR 3.4 million (prior year: EUR 4.1 million), net cash used for investing activities is primarily due to investments in property, plant and equipment. Cash paid for capital expenditure on property, plant and equipment amounted to EUR 2.4 million. The negative cash flow from financing activities of EUR 8.0 million (prior year: EUR -9.1 million) resulted in particular from the payment of a dividend at EUR 6.6 million. In addition, EUR 1.2 million was expended for the scheduled repayment of the loan.

Solid Financial Position ...

The various cash flows generated during the reporting period resulted in cash and cash equivalents of EUR 7.8 million as of September 30, 2013 (prior year: EUR 11.6 million).

The Company's solvency was guaranteed at all times during fiscal year 2012/13. Due to the Company's creditworthiness, a number of financing options continue to be available.

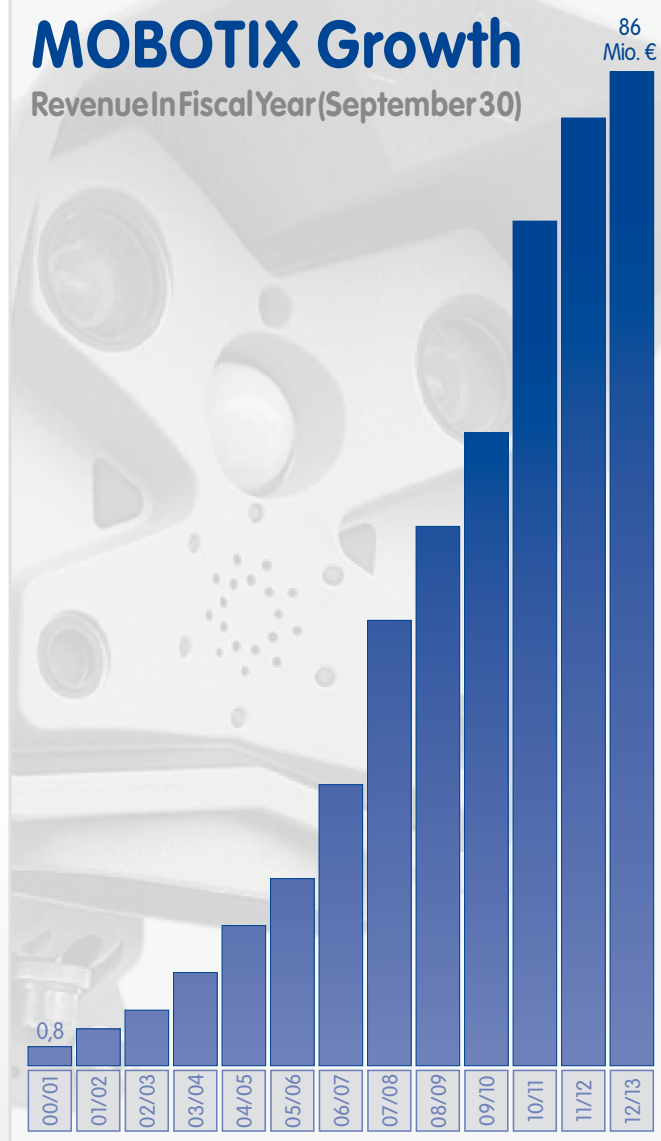
Non-current liabilities decreased by EUR 0.9 million to EUR 8.2 million compared to September 30, 2012. The ratio of non-current liabilities to total assets of the MOBOTIX Group decreased from 13.7% to 10.6%. As of the reporting date, current liabilities represented 23.6% of total assets, compared to 19.1% as of September 30, 2012.

The development of the Group's net assets, financial position and results of operations during the fiscal year reflects the expectations of the Management Board for the business development in this fiscal year.

Cash Flow From Operating Activities
€ 7.6m (-57.6%)

MOBOTIX Growth

Revenue In Fiscal Year (September 30)



Research And Development ...

Research And Development

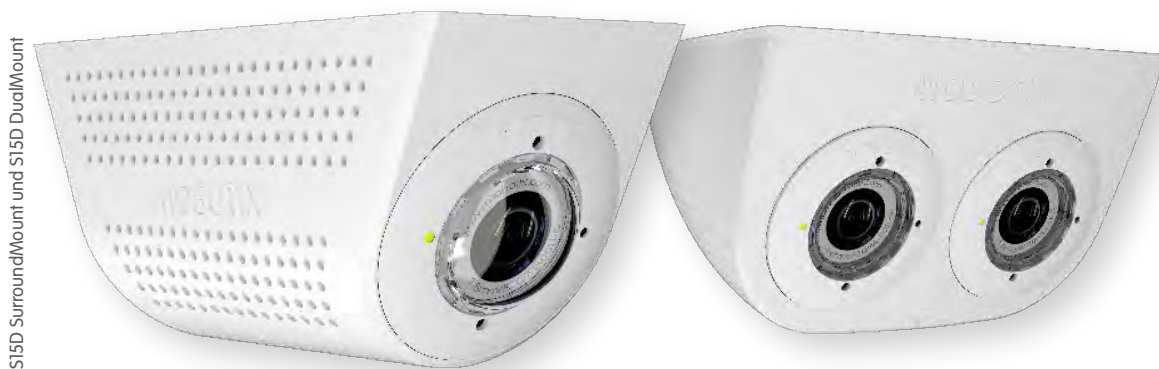
The highest priority was placed on the development activities also in fiscal year 2012/13. As of September 30, 2013, the MOBOTIX Group had 87 employees (by head-count) in its Development department. As in prior years, the primary development focus was on the creation of new hardware and software products as well as further optimization of the product functionality.

Expenditure for research and development totaled EUR 9.0 million (prior year: EUR 8.1 million). Most development activity is carried out in-house. Development activities are outsourced on a small scale only in the area of tool design and PC board layout.

Successful market launches in the field of hardware in fiscal year 2012/13 included the camera models M15, S15, D15 and V15 and the new installation mounts SurroundMount, DualMount, HaloMount, SpeakerMount and AudioMount as well as the BellRFID keypad. Moreover, the preparations were completed for the launch of the new camera models Q25, M25, D25 and T25 in this fiscal year.

In the field of software, the MOBOTIX Premium App, the MxActivitySensor and the MxLEO exposure control were introduced.

In addition, the foundation was laid in development for further product innovations that are planned for market launch in the next financial year.



Number Of Employees

399 (Incl. Members of the Management Board, trainees and temporary staff)

... Employees

Employees

38 employees were hired during fiscal year 2012/13. As of September 30, 2013, the MOBOTIX Group had 359 employees, compared to 336 employees (excluding trainees and temporary staff, including members of the Management Board; by head-count) at the beginning of the fiscal year.

Directors' Dealings

During the period from October 1, 2012 to September 30, 2013, the following reportable purchases or sales of shares were effected by members of the Management Board or Supervisory Board.

Name	Function	Date of transaction	Type of transaction	Stock exchange	Number of shares	€ Price	€ Total volume
Prof. Dr. Gerten	Supervisory Board	Nov. 07, 2012	Donation	off-market	-2.400	0,00	0,00

Remuneration Report ...

Remuneration Report

The Remuneration Report summarizes the principles applied for determining the remuneration of the Management Board of MOBOTIX AG, and explains both, the amount and the structure of the remuneration, paid to the Management Board. In addition, the Remuneration Report describes the principles applicable to, and the amount of, the remuneration of the Supervisory Board.

Management Board

The remuneration paid to the members of the Management Board of MOBOTIX AG is set at an appropriate level by the Supervisory Board on the basis of an assessment of their performance, taking account of any remuneration received from other group companies. The main criteria used to assess the appropriateness of this remuneration are the responsibilities of the respective Management Board member, his or her personal performance and the performance of the complete Management Board as well as the Company's financial position, its performance and its future prospects given its competitive environment.

The total remuneration paid to the members of the Management Board of MOBOTIX AG

comprises monetary compensation and further entitlements that are listed below. Otherwise, there were no pension entitlements or entitlements in particular in the event of employment being terminated or any third-party payments or benefits that were either promised for work performed on the Management Board or were granted during the financial year.

The remuneration paid to the Management Board is reviewed on a regular basis and was last adjusted by a Supervisory Board resolution from July 11, 2012 regarding a reduction of the remuneration paid to Dr. Hinkel in favor of Dr. Oliver Gabel.

This remuneration comprises fixed and variable components. The variable remuneration consists of a bonus of no more than 4% of the Company's net income for the year as defined by Section 275 of the German Commercial Code (HGB).

At present the Company does not offer monetary remuneration components of a speculative nature that provide long-term incentives, such as stock option plans, as recommended by the German Corporate Governance Code (DCGK). It is being considered whether to adapt this in the future.

... Management & Supervisory

In addition, the members of the Management Board are given a luxury-class car commensurate with their position, which they may use for business and private travel. Furthermore, the Company has taken out accident insurance cover for occupational and day-to-day accidents as well as death for each member of the Management Board for the duration of their employment with the Company. The Company has also provided the members of the Management Board with D&O Insurance that has a minimum deductible.

The Company has signed non-compete agreements with the members of the Management Board which apply for a period of one year after their employment contracts have expired. While this non-compete agreement is still in force, the Company is obliged to pay the respective Management Board member compensation amounting to 50% of the final remuneration paid under the terms of his or her employment contract.

The Company has agreed with one member of the Management Board that in case of an early termination of employment, the missing extension of contract by a further term or in case of change in control, he will be paid a

one-time payment amounting to one annual remuneration.

Based on the resolution of the Annual General Meeting on October 6, 2008, we elect not to disclose the individual remuneration and other benefits granted to or received by the members of the Management Board in the single-entity and consolidated financial statements for the financial years 2008/09 until 2012/13, but not after October 6, 2013.

The table below shows the remuneration paid to the members of the Management Board in the 2012/13 financial year:

EUR' 000s	Fixed*	Variable	Total
Management Board	945	1,441	2,386

* Including benefits in kind

The remuneration of the members of the Management Board amounted to EUR 2,386 thousand (prior year: EUR 2,190 thousand). The total remuneration in the 2012/13 financial year includes the severance payment for the former Chief Financial Officer Mr. Coelen in the amount of EUR 368 thousand.

Consolidated Management Report

Information Pursuant To ...

Supervisory Board

Each member of the Supervisory Board receives a fixed annual remuneration of EUR 10 thousand for his or her work, pursuant to Section 11 in the Articles of Incorporation. The chairman of the Supervisory Board receives twice this amount.

Additionally, each member of the Supervisory Board receives variable remuneration for his work amounting to EUR 75.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares outstanding, based on a share capital of EUR 13,271,442.00 divided into 13,271,442 no-par bearer shares, each representing EUR 1.00 of share capital. The Chairman of the Supervisory Board receives twice this amount.

The Company has also taken out Directors' and Officers' (D&O) Liability Insurance for the members of the Supervisory Board at its own expense.

The table below shows the remuneration paid to the members of the Supervisory Board in the 2012/13 financial year:

Supervisory Board	Fixed EUR '000s***	Variable EUR '000s***	Total EUR '000s
Dr. Thomas Hoch	15.0	10.5**	25.5
Prof. Dr. Rainer Gerten	12.5	8.7**	21.2
Ulrich Putsch	7.5	5.2*	12.7
Sabine Hinkel	2.5	1.8*	4.3
Willi A. Fallot-Burghardt	2.5	1.8*	4.3
Total	40.0	28.0	68.0

* EUR 75.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares 13,271,442

** receives twice this amount*

*** dependent on the number of attended meetings in the fiscal year

Significant Events After The End Of The Fiscal Year

No additional events of any significance occurred after the end of the fiscal year 2012/13.

Information Of The Management Board Pursuant To Section 289 (4) And 315 (4) Of The German Commercial Code

In response to the German Takeover Directive Implementation Act, Section 289 (4) and Section 315 (4) of the German Commercial Code (HGB) require publicly traded companies to provide takeover-relevant information on their capital structure, shareholders' rights and restrictions, shareholding ratios and governing bodies.

... Section 315 (4) HGB

MOBOTIX AG states the following with regard to the required information:

1. The subscribed capital of MOBOTIX AG amounts to EUR 13,271,442 and is divided into 13,271,442 no-par bearer shares, each representing EUR 1.00 of shares capital. Each share entitles the bearer to one vote. As far as the Management Board of the Company is aware, there are no restrictions relating to the voting rights of the shares.

2. There are no restrictions on voting rights or transfer of shares.

3. Dr. Ralf Hinkel, CEO of MOBOTIX AG until September 30, 2013, indirectly held 50.22% of the subscribed capital via Dr. Ralf Hinkel Holding GmbH, Winnweiler, Germany.

4. As long as Dr. Ralf Hinkel Holding GmbH itself and/or a Company controlled by it (Section 17 AktG) or under its direction (Section 18 AktG) holds a total of more than 25% of the Company's shares, it shall have the nontransferable right to appoint one member to the Supervisory Board of the Company.

5. The Management Board is not aware of employees holding an investment in the

Company's capital who do not directly exercise their control rights.

6. The regulations on the appointment and dismissal of Management Board members and amendments to the Articles of Incorporation are based upon the Stock Corporation Act and the Articles of Incorporation of MOBOTIX AG, which are published on the website in the Corporate Governance section.

Under Article 5 of MOBOTIX AG's Articles of Incorporation, the Management Board must comprise a minimum of two and a maximum of four persons. The exact number of Management Board members is determined by the Supervisory Board.

The resolutions of the Annual General Meeting are adopted by a simple majority of the votes cast unless a larger majority is required by law or these articles of incorporation. Where the German Stock Corporation Act requires that a majority of the share capital represented at the Annual General Meeting must be cast in order to adopt a resolution, a simple majority of the share capital represented shall suffice as long as that is legally permissible.

Information Pursuant To ...

Pursuant to Section 15 (1) of the Articles of Incorporation, an amendment to the Articles of Incorporation requires a simple majority of the votes cast unless a larger majority is required by the law or these articles of incorporation. Where the German Stock Corporation Act requires that a majority of the share capital represented at the Annual General Meeting must be cast in order to adopt a resolution, a simple majority of the share capital represented shall suffice as long as that is legally permissible. Pursuant to Section 15 (2) of MOBOTIX AG's Articles of Incorporation, the adoption of a resolution is permissible only, if in addition to the majority requirement pursuant to Section 15 (1) of the Articles of Incorporation, capital with voting rights present in the meeting of shareholders represents at least 60% of the share capital. If a proposed resolution for amendment of the Articles of Incorporation is not voted upon due to a lack of such presence, then the obligation for presence will not apply in a second meeting of shareholders.

7. (I) The Management Board is authorized, subject to maintaining the principle of equal treatment (Section 53a AktG), to acquire treasury shares up to a total of 10% of the

Company's existing capital stock in the period up to September 30, 2014. This authorization may be exercised in one transaction or in partial amounts on one or more occasions. The purchase of treasury shares may be carried out by other companies in the group or by third parties acting for the account of the Company or the group companies.

(II) At the discretion of the Management Board, treasury shares may be purchased (i) on a stock exchange or (ii) by way of a public purchase offer addressed to all shareholders or a public solicitation of offers for sale from shareholders.

(III) The Management Board is authorized, subject to maintaining the principle of equal treatment (Section 53a AktG), to resell on a stock exchange treasury shares acquired under the above mentioned authorization or to offer such shares for subscription by shareholders on the basis of an offer addressed to all shareholders, subject to the preservation of preemptive rights. Trading with treasury shares is not permitted.

The Management Board is also authorized to use treasury shares acquired under the above mentioned authorization:

... Section 315 (4) HGB

(a) subject to the consent of the Supervisory Board, to offer or transfer shares in the Company to third parties as consideration as part of business combinations or as part of the acquisition of companies, parts of companies, equity investments or other assets,

(b) subject to the consent of the Supervisory Board, to sell shares in the Company other than on a stock exchange or by means of an offer to all shareholders if these shares are sold for cash at a price that, at the time of the sale, is not significantly lower than the market price of the Company's shares of the same type and with the same rights determined in the opening auction on the trading day concerned; in this case, the number of shares to be sold must not exceed a total of 10% of the Company's registered capital stock at the time the shares are sold; this upper limit of 10% of the capital stock is subject to the deduction of the pro-rata amount of capital stock attributable to those shares in the Company that are issued during the term of this authorization as part of a capital increase with the disapplication of preemptive rights pursuant to section 186 (3) sentence 4 AktG or issued to service options

or convertible bonds, or profit-sharing rights with conversion rights or options, provided that these debt instruments are issued during the term of this authorization with the disapplication of preemptive rights in application of Section 186 (3) Sentence 4 AktG mutatis mutandis,

(c) to grant shares to employees of the company, members of the management, or to other employees of entities affiliated with the Company within the meaning of Section 15 AktG if these persons are entitled to receive the shares on the basis of stock options granted to them under any future stock option programs,

(d) to grant employee shares to persons holding an employment contract with the Company or with an entity affiliated with the Company within the meaning of Article 15 AktG,

(e) to recall shares in connection with a simultaneous reduction in subscribed capital without the recall or its implementation requiring the approval of a further resolution at an Annual General Meeting; the Management Board may alternatively specify that there be no reduction in capital stock, but instead that the propor-

Information Pursuant To ...

tion of the remaining shares to capital stock be increased pursuant to Section 8 (3) AktG. In this case, the Management Board is authorized to adjust the number of shares stated in the articles of incorporation.

(IV) The Supervisory Board is authorized to use the treasury shares acquired under the above mentioned authorization:

(a) to grant shares to the members of the Company's Management Board if the members of the Management Board are entitled to receive the shares on the basis of stock options granted to them under any future stock option programs,

(b) to grant shares to the members of the Company's Management Board as share-based payments subject to the same terms and conditions afforded to employees under character (d) of item (III). The Supervisory Board is responsible for specifying the details of share-based payment for the Management Board.

(V) The preemptive rights of existing shareholders to the treasury shares are disappplied insofar as these shares are used in accordance with the above mentioned authorizations in

(a) to (d) of item (III) and in item (IV). In addition, subject to the consent of the Supervisory Board, the Management Board may disapply preemptive rights for fractional amounts when treasury shares are sold as part of an offer to the Company's shareholders.

8. No agreements within the meaning of Section 289 (4) No. 8 and 9 and Section 315 (4) No. 8 and 9 HGB exist.

Related Party Disclosures

No significant changes in transactions with related parties occurred during the period under review.

Changes In The Management Board

Effective October 1, 2013, Dr. Ralf Hinkel, founder and majority shareholder of MOBOTIX AG, resigned from his position as Chairman of the Management Board for personal reasons. The current Chief Sales Officer (CSO), Dr. Magnus Ekerot was appointed to be the new Chairman of the Management Board. Dr. Ekerot will head the company as Chief Executive Officer (CEO) with responsibility for Sales and Marketing. Together with Dr. Oliver Gabel as Chief Technical

... Section 315 (4) HGB

Officer (CTO) and Mr. Klaus Gesmann as Chief Financial Officer (CFO), the Management Board will consist of three persons in the future.

Dr. Hinkel will continue to be involved in the company as the majority shareholder and therefore will have significant influence on the company strategy and product development.

In its meeting on December 13, 2012, the Supervisory Board of MOBOTIX AG appointed Mr. Klaus Gesmann as the Company's new Chief Financial Officer (CFO) effective January 1, 2013. Mr. Lutz Coelen resigned from the Company as of December 31, 2012.

Switch Of Stock Exchange Segment

In its meeting on May 29, 2013, the Management Board of MOBOTIX AG decided to file an application for voluntarily switching the stock market segment from the Prime Standard of the EU Regulated Market to the Entry Standard of the Exchange Regulated Market of the Frankfurt Stock Exchange, thus returning to the stock market segment at the time of the stock exchange listing.

In a letter dated June 19, 2013, the management of the Frankfurt Stock Exchange provided information that based on the application of MOBOTIX AG, the listing of the bearer shares, ISIN DE0005218309, was being revoked in accordance with Sec. 39 (2) Stock Exchange Act (BörsG) in conjunction with Sec. 46 (1) sentence 2 No. 2 and Sec. 46 (2) sentence 3 Stock Exchange Regulations (BörsO). The revocation will take effect as of December 19, 2013. The revocation of admission to the regulated market (General Standard) also includes termination of admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard).

Internal control system ...

Throughout the intended switch of the stock market segment, the share remains fully tradable. Inclusion in the Entry Standard of the Open Market is to take place at the time that the listing on the Prime Standard of the EU Regulated Market is effectively revoked, i.e., December 20, 2013.

Changes In The Supervisory Board

Dr. Thomas Hoch, Chairman of the Supervisory Board, and Mr. Ulrich Putsch, member of the Supervisory Board, resigned from the MOBOTIX AG Supervisory Board at the beginning of June 2013.

Substitute members Ms. Sabine Hinkel, Höringen, and Mr. Willi A. Fallot-Burghardt, Kaiserslautern, both elected at the Annual General Meeting on October 21 2011, have taken their places on the Supervisory Board.

In the meeting of the Supervisory Board on June 10, 2013, Professor Dr. Rainer Gerten, a member of the Supervisory Board of MOBOTIX AG since October 4, 2000, was elected as its new Chairman and Ms. Sabine Hinkel was elected as his Vice Chairman effective immediately.

Opportunities And Risks Of Future Development And Outlook

Internal Control System

MOBOTIX possesses an extensive process control system. The aim of the control system is to detect potential deficiencies on various process levels, to trigger corresponding countermeasures and to safeguard and continuously improve the effectiveness of identifying and analyzing risks by regularly reviewing methods. The tasks of the control system are performed by members of management and employees located centrally in the organization department, who assume the sub-tasks of an internal audit.



The internal control system is a significant part of the Group's risk management. In addition

to defined preventative and monitoring control mechanisms such as systematic and manual voting processes, the basis of the internal control system is predefined approval processes, the separation of functions, and compliance with guidelines. The four-eyes principle plays a central role in this process. By consistently applying risk management principles and instructions, the majority of risks are already avoided or their effects are at least diminished.

Significant regulatory components are contained in the regulations on data protection, IFRS accounting and the Corporate Governance principles for listed entities. Topics such as risk management and guidelines for the drafting of contracts are also taken into account. Significant contracts with financial or legal features and procedures with extraordinary technical risks are carefully reviewed. Requests to approve such transactions are coordinated by the manager responsible, who coordinates the evaluation and decision process and, if necessary, prepares the respective documentation required as a basis for the final approval of the Management Board.

The aim of the internal control and risk management system with regard to the Group accounting process is to ensure that accounting takes place in a uniform manner and in accordance with legal requirements, generally accepted accounting principles and International Financial Reporting Standards (IFRS), and Group guidelines, ultimately providing the recipients of the consolidated financial statements with truthful and reliable information.

Portions of MOBOTIX AG's financial accounting are outsourced to an external service provider. That service provider is monitored by the accounting department of MOBOTIX AG. The division of duties between the external service provider and the accounting department is clearly defined. In addition to its control function, the accounting department of MOBOTIX AG also performs all material closing entries in coordination with the CFO. The IFRS consolidated financial statements are also prepared exclusively by the accounting department of MOBOTIX AG. Uniform accounting procedures are safeguarded in particular by accounting guidelines applicable throughout

Risk Management ...

the Group, compliance with which is monitored by the accounting department of MOBOTIX AG. MOBOTIX CORP. prepares its financial statements on its own IT system, which is subject to clearly defined access regulations. Compliance with Group accounting guidelines and the orderly and timely performance of MOBOTIX CORP.'s accounting-related processes and systems is ensured by the accounting department of MOBOTIX AG or directly by the CFO of MOBOTIX AG.

Awareness of risks and the controls described above provide reasonable assurance that the consolidated financial statements are prepared in accordance with regulations and guidelines.

Compliance with guidelines is also monitored by the employees of the central organization department. The employees of this department report directly to the Management Board. They are available to provide advice to different department managers, enabling them to monitor the functionality of the internal control system as well. A significant part of such monitoring is the proper compliance and implementation of guidelines. Recommendations categorized by importance and possible adaptation requirements

are reported directly to the heads of the units being reviewed as well as to the Management Board.

Current issues are taken up and investigated promptly in ad-hoc audits. If necessary, such audits can result in immediate process changes with the aim of continuously improving process quality. Follow-up audits are then carried out, in which the implementation of the process changes is reviewed. Any discrepancies are reported immediately to the Management Board.

At least once annually, the Supervisory Board reviews the effectiveness of the internal control and risk management systems.

... And Material Risks

Risk Management

The MOBOTIX Group has implemented an adequate risk management system to ensure that risks are detected and mitigated at an early stage. The Group's risk management system is intended to identify, monitor, and control any risks that occur. In addition to risks that could jeopardize the Company's continued existence as a going concern, the system also records activities, events and developments that could significantly affect the future performance of the Company's business. As part of risk management, operational opportunities and risks are identified and managed over a period of one to three years. For strategic opportunities and risks, a correspondingly longer forecasting horizon is used.

Precautions are taken against typical business risks that could have a material influence on the Group's results of operations, net assets or financial position.

Based upon the information currently available, the MOBOTIX Group is not at present faced with any significant specific risks that, in and of themselves, would be likely to jeopardize the continued existence of the MOBOTIX Group.

The Company continues to refine its internal structures in line with its growth and to adapt them to the scale of its business. The Company plans additional measures to strengthen and improve quality management, the internal control systems and risk management.

Material Risks

Market Risk

MOBOTIX products are in use today in a large number of professional applications due to the products compact design and high temperature resistance, such as the public security market (railway stations, airports, urban security, prisons, harbors, highways) and the mobile security market segment (police, railways, buses, goods transportation, logistics). The Management Board expects the Company to continue growing strongly in the coming fiscal years as it **introduces new product families**. Product innovations will continue to play a central role in this growth.

External market studies confirm the expectation of high growth rates over the coming years in the area of digital IP video security systems. Accordingly, the **market environment** can continue to be considered very attractive.

Political, Legal ...

In the Company's view, the **competitive situation** has not changed to its disadvantage in recent months. It remains to be seen, however, to what extent the traditional providers of analog security systems will join the technological shift to digital systems, or whether they will withdraw from the market. MOBOTIX already has a market presence as a system provider offering not only a complete range of hardware and accessories, but also video software for control centers. MOBOTIX is differentiating itself from its competitors by acting as a onestop shop for complete projects while at the same time putting pressure on pure-play software providers by offering its own control center software free of charge, thereby reducing the overall project cost for customers.

In principle, the Management Board deems the **procurement market** risks to be within the customary range for the industry. Fluctuations in the market can generally lead to changes in the availability of components. The Company is controlling the threat of long supply times by increasing inventory management on components and finished goods. Although there

are not currently any procurement bottlenecks affecting product availability, they cannot be ruled out in principle.

A short-term failure of critical suppliers (e.g. for processors), which could lead to significant disruptions in production, is still considered unlikely.

Financial Risks

Thanks to the Company's comfortable liquidity position and excellent credit standing, the Company currently has no material **financial risks**. **Currency risks** exist primarily in connection with operations in the USA. The positive cash flow from the business in the USA covers MOBOTIX AG's purchasing requirements in the dollar zone. In addition, due to the euro crisis the Company has foreign currency holdings in Swiss francs that can be shifted onto the market at short notice. There is no material risk of **changes in interest rates** at the present time. Existing third-party financing was acquired at fixed interest rates. **Bad debt risks** are limited through an efficient credit management system, including dunning and collection, with restrictive terms of payment.

... And Other Risks

Political, Legal And Social Risks

Public perception of video monitoring has continued to develop in a very positive direction overall. The presence of video monitoring increases public perception of security and it is therefore finding increased public acceptance.

There have been a growing number of political initiatives aimed at improving the quality of monitoring systems in public areas. If standards change in favor of a high-resolution systems in the public security area, then MOBOTIX can also profit from this thanks to its position as an important manufacturer of such systems.

The Management Board therefore presumes that the Company's regulatory environment will have a significantly positive effect on its further growth.

The number of patent disputes in the video security industry has increased noticeably in the recent quarters. The lawsuit of the firm e-watch, San Antonio, USA, versus MOBOTIX CORP. is currently pending. The Management Board assumes that the plaintiff's patents are invalid and has filed applications with

the US Patent and Trademark Office (USPTO) for an examination of the patents which are the subject of the patent litigation. It cannot be ruled out that MOBOTIX will be drawn into additional patent infringement proceedings and this could have a significant financial impact.

Operational Performance Risks And Other Risks

In recent years, the MOBOTIX Group has grown fast. The high **growth momentum** has resulted in an ongoing need for organizational adaptation. The Company counters the entailing fundamental risks with an ongoing adaptation of human resources, control systems and infrastructure.

Production and sale of technical products are always associated with **warranty risks**. These risks are reflected in appropriate provisions on the statement of financial position. The Company has also purchased product liability insurance to protect against possible losses and risks.

Opportunities, Risks ...

Due to sustained growth, additional construction projects are anticipated in the coming periods. Initial planning activities for further construction phases in order to use the existing land at short notice if needed, occurred in fiscal year 2012/13.

Developing new market segments, for instance tapping the market for door stations, is associated with risk by nature. One challenge entails, for example, correctly identifying product requirements and taking them sufficiently into consideration in product design, due to the lack of a reference product (the systems available in the market are largely "non-digital" systems that do not allow global access to the system). These types of risks are taken into account by, for instance, using existing technology platforms, which allow for relatively cost-efficient product development. In addition to establishing further distribution channels, such as electronics wholesalers, it is also necessary to create global support structures. MOBOTIX AG began using new technologies to develop new distribution channels early on.

The Management Board presumes that along with the planned corporate growth, operating

results will also continue to increase in line with current profitability. In this regard, the significant market potential in the US market, as well as other growth-related losses of **MOBOTIX CORP.** commensurate with business development must be taken into account.

It is currently not possible to estimate conclusively how negatively the current debt crisis and the upheavals in the capital markets resulting from it will impact revenue and earnings growth. If these developments were to result in a more widespread global recession, they would naturally have a significant impact on the market environment that is relevant to MOBOTIX. It should be pointed out that, especially in some European markets, the effects are already being seen in the form of delays in realizing projects and a decline in demand.

The Company sees no risks at the present time or in the future that would endanger the Company's continued existence or would have a material influence on its development. Technological innovation and further expansion of the distribution network are extremely important for the Group's sustained success.

... And Outlook

Opportunities And Outlook

With forecasts of high growth rates in the medium to long term, the positive market trend has created a foundation for the Company's successful development. In addition to a rising awareness of security issues, market growth will be driven by the **switch from analog to digital technology**. If this change should happen sooner than expected, additional opportunities could be presented for the MOBOTIX Group. Factors that could lead to an acceleration include **political initiatives** that would improve the quality of security systems in the public sector.

The Management Board assumes that **technological market drivers** such as increasing image resolution in video systems and more complex security installations will favor the advantages of the **decentralized technology approach**. This has become particularly evident through the introduction of hemispheric technology. Although various companies offer hemispheric cameras, the generally centralized system architecture of our competitors results in their cameras being of poorer quality and/or less efficient. This would strengthen the

MOBOTIX Group's competitive position and put pressure on the competition.

The introduction of the hemispheric camera technology to the market has been extremely successful. The fact that the technology has established itself in the market, and major competitors still offer only few or no products of comparable quality demonstrates the innovative strength of MOBOTIX AG.

Another expression of innovative strength is the introduction of the camera line S14/S15 - a completely new type of camera, which has not been present in the market in this form until now. The new S14/S15 camera line with miniature installation modules was launched on the market at the end of June 2012 and has already contributed significantly to revenue growth.

Additional examples of the innovative strength of MOBOTIX are the software solutions launched on the market in fiscal year 2012/13, MOBOTIX Premium App, MxActivitySensor and MxLEO as well as the newly launched camera models S15, D15, V15 and M15.

Opportunities, Risks ...

MOBOTIX will strengthen its competitive position in the coming months through additional product innovations in the area of video security systems.

Considerable future potential continues to be seen for the new "Access Control & Communication" product segment, particularly the T24/T25 digital door station. The systems currently available in the market are based on analog or hybrid technology in combination with a 4/5-wire or 2-wire cabling as well as a centralized technology approach. Digital systems based on IP networks basically represent a forward-looking innovation and a market novelty. In contrast to the competition, MOBOTIX AG offers purely digital products in combination with the proven, decentralized technology approach. The products of the new Access Control & Communication product segment enable direct communication from the front door to the smart phone or tablet PC, regardless of where the user is currently located. This new IP-based technology is far ahead of today's systems and also allows the use of integrative door communications, video surveillance, alarm, access control and

home automation from a single source via smart phone or tablet PC. A significant innovation is efficient access even via mobile phone networks with low data bandwidth. The Company is accordingly aiming to be the technology leader in this market segment.

MOBOTIX is currently represented by partners throughout the world. A key factor for unleashing future growth potential involves pursuing a targeted expansion of the partner network. The successful expansion of the sales network holds the key to significant growth opportunities. The outstanding global market position – particularly in the niche markets of high-resolution network cameras – provides the conditions for ongoing and thriving growth. With the introduction of the digital video door station, the focus continues to be on the targeted global expansion of the distribution channels to include electrical wholesalers.

In terms of regions, key growth areas for the coming months will be in North America, South America and Asia.

The entry into the new product segment of "Access Control & Communication" and the

... And Outlook

associated lack of experience as to the speed of global market penetration on the one hand, as well as the rising uncertainty associated with the 'euro crisis' on the other hand, make it difficult to predict the outlook for the coming fiscal year 2013/14 and the following year. In light of the debt and financial crisis, a high degree of uncertainty and recessionary trends are likely to persist in the short term, particularly in Europe.

Considering the overall conditions mentioned above, we expect revenue growth of approximately 10% and an EBIT margin of approximately 21% for fiscal year 2013/14.

For the following fiscal year (2014/15), the further optimization of the sales structure, the availability of additional components of the product range "Access Control & Communication", the new camera models as well as other planned innovations, lead us to expect further growth in sales and EBIT.

The above forward-looking statements are of a purely predictive nature. The actual results may thus deviate substantially from these expectations.



Information Pursuant To ...

Corporate Governance Statement

Pursuant to Article 289a HGB, MOBOTIX AG must issue a corporate governance statement.

The statement must contain the statement pursuant to Article 161 AktG, relevant information concerning corporate governance practices that are employed in addition to the legal requirements, a description of the function of the Management Board and Supervisory Board, and the composition and function of their committees.

Declaration Pursuant to Section 161 of the German Stock Corporation Act (AktG) (Section 289a [2] No. 1 HGB)

The Declaration of Compliance with the German Corporate Governance Code can be found on our website (in German only) at http://www.mobotix.com/ger_DE/Investors/Corporate-Governance/Entsprechenserklärung

Corporate Governance Practices (Section 289a [2] No. 2 HGB)

We do not implement any corporate governance practices beyond those required by law.

Description of the Function of the Management Board and the Supervisory Board (Section 289a [2] No. 3 HGB)

a) Function of the Management Board

The Management Board executes the Company's transactions, whereby all Management Board members share joint responsibility. The Management Board defines the Company's business goals, its basic strategic focus, corporate policy and the Company's organizational structure. Decisions are made in the form of resolutions. The Management Board reports regularly to the Supervisory Board in writing and verbally, particularly on the performance of the Company, significant transactions and the earnings and liquidity situation. In the last quarter of each fiscal year, the Management Board submits an investment and finance plan for the new fiscal year to the Supervisory Board. The Supervisory Board remains in regular contact with the members of the Management Board outside of the Supervisory Board meetings as well, and is informed of all relevant transactions. All measures requiring the consent of the Supervisory Board are presented to the Supervisory Board in due time along with a detailed description of their future impact.

... Section 289a HGB

b) Function of the Supervisory Board

The Supervisory Board supervises and advises the Management Board on the conduct of business. The Supervisory Board holds regular meetings at which it consults on the performance and the situation of the Company with the help of comprehensive reports from the Management Board. The Supervisory Board is directly involved at an early stage in all decisions of fundamental significance for the Company. The Supervisory Board has approved the annual financial statements pursuant to Section 172 of the Stock Corporation Act based on the auditor's report. Supervisory Board resolutions are adopted by simple majority of the members participating in the resolution. In the event of a tie, the vote is decided by the Chairman of the Supervisory Board.

c) Composition and Function of Committees

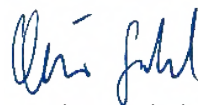
In the opinion of the Management Board and the Supervisory Board, it would not be expedient to form specialist committees at present in light of the specific circumstances and the size of the Company.

Winnweiler-Langmeil, October 25, 2013

The Management Board



Dr. Magnus Ekerot • CEO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG



Klaus Gesmann • CFO MOBOTIX AG



T24



MxDisplay



M15



D15



MOBOTIX

Consolidated Financial Statements

Income Statement ...

EUR '000s	see notes	Oct. 1, 2012- Sep. 30, 2013	Oct. 1, 2011- Sep. 30, 2012
Revenue	(1)	86,366	81,620
Increase in finished goods and work in progress	(2)	4,096	1,264
Other own work capitalized	(3)	963	1,122
Total output		91,425	84,006
Cost of materials	(4)	-25,975	-21,947
Gross profit		65,450	62,059
Staff costs	(5)	-24,566	-22,401
Depreciation and amortization	(6)	-3,875	-3,600
Other operating income	(7)	623	619
Other operating expenses	(8)	-19,287	-17,163
Operating profit		18,344	19,514
Other interest and similar income	(9)	26	33
Interest expense and similar charges	(9)	-460	-514
Profit before tax		17,910	19,033
Income taxes	(10)	-5,481	-5,342
Profit for the year		12,429	13,691
Profit attributable to shareholders of MOBOTIX AG		12,429	13,691
Earnings per share (diluted/basic) in EUR	(11)	0.95	1.04

Consolidated Statement of Comprehensive Income (Loss)	Oct. 1, 2012- Sep. 30, 2013	Oct. 1, 2011- Sep. 30, 2012
Profit for the year	12,429	13,691
Difference resulting from currency translation	21	-10
Accumulated other comprehensive income (after tax, to be reclassified into the income statement in future periods)	21	-10
Total comprehensive income for the fiscal year	12,450	13,681
Profit attributable to shareholders of MOBOTIX AG	12,450	13,681

Profit For The Year
€ 12.4m (-9.2%)

Earnings Per Share
€ 0.95

... Statement of Financial Position

EUR '000s	see notes	Sep. 30, 2013	Sep. 30, 2012
Intangible assets	(12)	2,536	2,233
Property, plant and equipment	(12)	22,781	23,158
Financial assets		4	0
Prepaid expenses and deferred charges	(17)	38	56
Deferred tax assets	(10)	415	218
Non-current assets		25,774	25,665
Inventories	(13)	24,400	14,810
Trade receivables	(14)	13,513	9,834
Other assets	(15)	5,322	4,543
Cash and cash equivalents	(16)	7,770	11,648
Prepaid expenses and deferred charges	(17)	579	466
Current assets		51,584	41,301
TOTAL ASSETS		77,358	66,966
Subscribed capital		13,271	13,271
Statutory reserve		77	77
Capital reserve		818	818
Treasury shares		-1,798	-1,798
Accumulated other comprehensive income		47	26
Profit or loss carried forward		26,101	18,981
Profit for the year		12,429	13,691
Equity	(18)	50,945	45,066
Liabilities to banks	(21)	7,461	8,468
Deferred tax liabilities	(10)	699	670
Non-current liabilities		8,160	9,138
Tax provisions	(19)	2,619	4,478
Other provisions	(20)	274	245
Liabilities to banks	(21)	1,164	1,164
Trade payables	(22)	10,693	3,602
Other liabilities	(23)	3,503	3,272
Current liabilities		18,253	12,762
TOTAL EQUITY AND LIABILITIES		77,358	66,966

Total Assets
€ 77.4m (+15.5%)

Consolidated Financial Statements

Statement Of Cash Flows ...

EUR '000s	see notes	Oct. 1, 2012- Sep. 30, 2013	Oct. 1, 2011- Sep. 30, 2012
Profit before tax for the year		17,910	19,033
+ Net interest income or expense	(9)	434	480
+ Depreciation and amortization of property, plant and equipment, and intangible assets	(6)	3,875	3,600
+ Interest received		26	32
-/+ Decrease/Increase in other provisions	(20)	29	-8
+ Loss on disposal of non-current assets		40	1
+ Other non-cash expenses		18	18
Operating profit before changes in working capital		22,332	23,156
- Increase in inventories, trade receivables and other assets not attributable to investing or financing activities		-14,130	-2,841
+ Increase trade payables and other liabilities not attributable to investing or financing activities		6,878	832
Cash flow from operating activities before tax		15,080	21,147
- Income tax paid		-7,508	-3,269
Cash flow from operating activities		7,572	17,878
- Cash paid for purchases of property, plant and equipment		-2,377	-3,411
- Cash paid for purchases of intangible assets		-1,041	-1,057
+ Cash received from subsidies	(12)	0	107
Cash paid for other financial assets		-4	0
+ Proceeds from sales of current available-for-sale financial assets		0	230
+ Cash received from disposals of property, plant and equipment		16	27
Cash flow from investing activities		-3,406	-4,104
- Dividends paid	(18)	-6,572	-6,601
- Purchase of treasury shares		0	-1,020
- Cash paid for the redemption of loans		-1,164	-1,164
- Interest paid		-303	-339
Cash flow from financing activities		-8,039	-9,124
Net change in cash and cash equivalents		-3,873	4,650
Effect of exchange rate on cash and cash equivalents		-5	3
Cash and cash equivalents at the beginning of the reporting period		11,648	6,994
Cash and cash equivalents at the end of the reporting period	(16)	7,770	11,648

Material non-cash transactions: No material non-cash transactions occurred in the current fiscal year.

Operating Cashflow
€ 7.6m (-57.6%)

Profit Before Tax
€ 17.9m (-5,9%)

... Changes In Equity

EUR '000s	Subscribed capital	Statutory. reserve	Capital reserves	Treasury shares	Accumulated other comprehensive income	Profit or loss carried forward	Result for the year	Total
Balance as of October 1, 2011	4,424		9,665	-778	36	25,659	0	39,006
Dividend payment						-6,601		-6,601
Capital increase from reserve	8,847		-8,847					0
Purchase of treasury shares				-1,020				-1,020
Currency translation					-10			-10
Profit for the year							13,691	13,691
Allocation to statutory reserve		77				-77		0
Balance as of Sep. 30, 2012	13,271	77	818	-1,798	26	18,981	13,691	45,066
Balance as of Oct. 1, 2012	13,271	77	818	-1,798	26	32,673	0	45,066
Dividend payment						-6,572		-6,572
Currency translation					21			21
Profit for the period							12,429	12,429
Balance as of Sep. 30, 2013	13,271	77	818	-1,798	47	26,101	12,429	50,945

Equity
€ 50.9m

Equity-To-Assets Ratio
65.9%

Notes ...

Notes To The Annual Consolidated Financial Statements For The Fiscal Year Ending On September 30, 2013

1. General Information

MOBOTIX AG was established on June 21, 1999. Since September 30, 2009 the Company's registered office is in Winnweiler-Langmeil (Kaiserstrasse, 67722 Winnweiler-Langmeil, Germany).

MOBOTIX AG is a German technology leader and system provider in the production of high-resolution digital, network-based video security systems, video management software and systems accessories. Its technology centers on its proprietary, internally manufactured, fully digital network cameras.

MOBOTIX products are sold worldwide primarily via distributors, qualified systems integrators and specialist retailers.

On October 10, 2007, MOBOTIX AG made an initial public offering with shares listed on the Entry Standard of the Frankfurt Stock Exchange (Deutsche Börse AG). Since March 31, 2008, the shares of MOBOTIX AG have been listed in the Prime Standard of the Frankfurt Stock Exchange.

In its meeting held on May 29, 2013, the Management Board of MOBOTIX AG decided to file an application for voluntarily switching the stock exchange market segment from the Prime Standard of the EU Regulated Market to the Entry Standard of the exchange regulated market of the Frankfurt Stock Exchange (Open Market), thus returning to the stock market segment at the time of the initial public offering.

In a letter dated June 19, 2013, the management of the Frankfurt Stock Exchange provided information that based on the application of MOBOTIX AG, the listing of the bearer shares, ISIN DE0005218309, was being revoked in accordance with Sec. 39 (2) Stock Exchange Act (BörsG) in conjunction with Sec. 46 (1) sentence 2 No. 2 and Sec. 46 (2) sentence 3 Stock Exchange Regulations (BörsO). The revocation will take effect as of December 19, 2013. The revocation of admission to the regulated market (General Standard) also includes termination of admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard).

Throughout the intended switch of the stock market segment, the share remains fully tradable. Inclusion in the Entry Standard of

the Open Market is to take place at the time that the listing on the Prime Standard of the EU Regulated Market is effectively revoked, i.e., December 20, 2013.

MOBOTIX AG maintains one subsidiary in the USA, one in the UK and one in Brazil.

The Management Board and the Supervisory Board have issued a Declaration of Compliance to the German Corporate Governance Code, as prescribed by Section 161 of the German Stock Corporation Act (Aktiengesetz, AktG), and have made this declaration available to the public on a permanent basis (in German only) on the Company's website under **www.mobotix.com**.

Pursuant to the resolution of the Annual General Meeting of MOBOTIX AG on October 28, 2010, the fiscal year of MOBOTIX AG will be encompassed the period from October 1 of one year to September 30 of the following year.

The consolidated financial statements are prepared in Euro (EUR). Unless otherwise indicated, all amounts are stated in EUR thousand (EUR '000s). The translation of EUR into EUR thousand may give rise to rounding differences of plus or minus one unit (Euro or percent).

2. Basis Of Presentation

The consolidated financial statements of MOBOTIX AG have been prepared pursuant to Section 315a of the German Commercial Code (Handelsgesetzbuch, HGB) in accordance with the International Financial Reporting Standards (IFRS) and the related interpretations of the International Accounting Standards Board (IASB), as mandated by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards.

All individual financial statements of the companies included in the consolidated financial statements have been prepared in accordance with applicable local law and have been adjusted to the IFRS as mandatory in the EU as well as to the accounting policies of the MOBOTIX Group. To this end, the financial statements prepared according to country-specific regulations are adjusted to the uniform accounting policies used throughout the Group if they do not comply with IFRS as mandatory in the EU. The same accounting policies as in the consolidated financial statements for the fiscal year 2011/12 were applied.

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The income statement has been prepared according to the nature of expense method.

The Management of MOBOTIX AG authorized the consolidated financial statements for issue on October 25, 2013.

3. Accounting Standards Applied

The following new standards and amendments to standards and interpretations have been taken into consideration:

- Amendments to IAS 1 Presentation of Items of Other Comprehensive Income (mandatory for fiscal years beginning on or after July 1, 2012).

The first-time application of these standards and interpretations did not have a material impact on the presentation of the results of operations, net assets and financial position of the MOBOTIX Group.

The following new or amended standards, which have already been adopted by the European Union but whose application is not yet mandatory, were not applied early:

- Amendments to IAS 19 Employee Benefits (mandatory for fiscal years beginning on or after January 1, 2013).

- Amendments to IFRS 1 Government Loans (mandatory for fiscal years beginning on or after January 1, 2013).
- Amendment to IFRS 7 – Disclosures – Offsetting Financial Assets and Financial Liabilities (mandatory for fiscal years beginning on or after January 1, 2013).
- IFRS 13 Fair Value Measurement (mandatory for fiscal years beginning on or after January 1, 2013).
- Amendment to IAS 12 – Deferred Tax: Recovery of Underlying Assets (mandatory for fiscal years beginning on or after January 1, 2013).
- IAS 19 (rev 2011) Employee Benefits (mandatory for fiscal years beginning on or after January 1, 2013).
- Annual Improvements to IFRS (2011) – IFRS 1, IAS 1, 16, 32, 34 (mandatory for fiscal years beginning on or after January 1, 2013)
- IFRS 10 Consolidated Financial Statements (mandatory for fiscal years beginning on or after January 1, 2014).
- IFRS 11 Joint Arrangements (mandatory for fiscal years beginning on or after January 1, 2014).

- IFRS 12 Disclosure of Interests in Other Entities (mandatory for fiscal years beginning on or after January 1, 2014).
- Amendments to IFRS 10, 11, 12 – Transition Guidance (mandatory for fiscal years beginning on or after January 1, 2014).
- IAS 27 (as amended in 2011) Separate Financial Statements (mandatory for fiscal years beginning on or after January 1, 2014).
- Amendment to IAS 32 – Disclosures – Offsetting Financial Assets and Financial Liabilities (mandatory for fiscal years beginning on or after January 1, 2014).

We do not anticipate that the first-time application of these standards and interpretations will have any material impact on the presentation of the results of operations, net assets and financial position.

4. Accounting Principles

Scope Of Consolidation

In the year 2003, the subsidiary MOBOTIX CORP., New York, USA (formerly MOBOTIX LLC, Columbia, South Carolina) was founded in order to penetrate the U.S. market. MOBOTIX CORP. was fully included in the consolidated financial statements of MOBOTIX AG as of the opening balance sheet date. MOBOTIX do Brasil SERVICOS EM SISTEMAS DE SEGURANCA Ltda. was founded on September 4, 2012 in São Paulo, Brazil as a service company for Brazil. MOBOTIX Ltd., Nottingham, UK, and MOBOTIX DO BRASIL Ltda., São Paulo, Brazil, have not been included in the consolidated financial statements as they are not material to the consolidated financial statements of MOBOTIX AG. MOBOTIX Ltd. is currently not operating.

Company	Registered office	Shareholding		Equity as of		
		Sep. 30, 2013	Sep. 30, 2012	Sep. 30, 2013*	Sep. 30, 2012*	
MOBOTIX CORP.	New York, USA	100.0%	100.0%	-1,320	-529	T-USD
MOBOTIX Ltd.	Nottingham, GB	100.0%	100.0%	1	1	GBP
MOBOTIX DO Brasil Ltda.	São Paulo, BR	100.0%	100.0%	0**	0	BRL

* Equity pursuant to local law

** Daten zum 30. September 2013

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Principles Of Consolidation

The financial statements of the companies included in the consolidated financial statements of MOBOTIX AG were prepared in accordance with uniform accounting policies in accordance with IFRS as of the balance sheet date of September 30, 2013.

MOBOTIX CORP. was included in the consolidated financial statements as of July 1, 2005, i.e. the date of the opening balance sheet, in accordance with IFRS 1. Accordingly, the subsidiary's equity as of the date of the opening balance sheet was offset against the carrying amount of the equity investment at the parent company.

Intra-group receivables and liabilities as well as any income and expenses from intra-group transactions are offset. Intra-group transactions are based both on market prices and also on arm's length transfer prices. Intra-group profits between the consolidated companies are also eliminated as part of the consolidation process. Deferred taxes are documented for consolidation adjustments recognized in income in accordance with IAS 12.

Currency Translation

Foreign currency transactions included in the separate financial statements, which were prepared in local currencies, are translated using the exchange rates applicable at the transaction date. Assets and liabilities denominated in foreign currencies are translated into the local currency at the closing rate, with any resulting gains or losses recognized in income.

The translation of financial statements prepared in a foreign currency is based on the functional currency concept in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates." The relevant functional currencies of the foreign companies are identical with the respective local currency. All items on the statement of financial position, except equity, are translated at the middle rate on the balance sheet date, while expense and income items are translated at average rates. Equity is translated at historical rates. Any resulting translation differences are recognized directly in equity. Foreign exchange differences arising in comparison to the prior year are also recognized directly in equity.

The currency translation differences of the material currencies of the MOBOTIX Group developed as follows:

Currency translation		Average rates		Closing rates	
1 EUR =	ISO-Code	2012/13	2011/12	Sep. 30, 2013	Sep. 30, 2012
US-Dollar	USD	1,31	1,30	1,35	1,29

Accounting Policies

Revenue

Revenue is generally recognized upon the delivery of goods to the customer, or when the goods are picked up by the courier. Revenue from the delivery of goods is recognized once the significant risks and rewards of ownership of the relevant goods have been transferred to the customer. Thereof, the Company retains neither the rights of control nor effective disposition over the goods sold. The amount of proceeds can be reliably determined and an inflow of economic benefits from the purchase is sufficiently probable.

Revenue from services (primarily training) is only generated at a very limited amount in the MOBOTIX Group. It is recognized when the services are rendered.

Other Own Work Capitalized

This item mainly includes own development work capitalized as intangible assets. Own development work exclusively relates to staff costs.

Earnings Per Share

Earnings per share are determined in accordance with IAS 33 "Earnings per Share." Basic earnings per share are calculated by dividing the Group's profit for the year by the average number of shares. There is no dilutive effect at MOBOTIX AG.

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Intangible Assets

Intangible assets acquired for a consideration are capitalized in accordance with IAS 38 "Intangible Assets" if it is probable that the use of the asset results in a future economic benefit, and the cost of the asset can be reliably measured. The purchased intangible assets have without exemption a limited useful life. They are evaluated as acquisition costs and depreciated as a scheduled write-down. Financing costs that can be directly attributed to acquisition or production of a qualifying asset are capitalized as part of the purchase or production costs. The financing costs for qualifying assets that have been capitalized before July 1, 2009 are not capitalized as part of the purchase or production costs. Intangible assets are generally amortized using the straight-line method in accordance with their useful economic lives. Received investment grants are stated as an abatement of acquisition costs so long that these subsidies can be directly allocated to line items of intangible assets.

Amortization is primarily based on the following useful lives:

Useful life	Years
Industrial property rights	1 to 5
IT software (operating and other systems)	3

In accordance with IAS 38 "Intangible Assets," research costs may not be capitalized. Development costs may only be capitalized if certain, clearly defined criteria are met. Accordingly, development costs must be capitalized when it is probable that development activities will result in a future inflow of cash, the amount of which will not only cover the costs of production but also the corresponding development costs. In addition, the development project or the product or process to be developed must fulfill all further criteria as defined in IAS 38. MOBOTIX AG fulfills these criteria for some of its development projects. Accordingly, the Company capitalizes development costs for product development in the area of camera housings, door stations, accessories, and software at cost if the relevant expenses can be clearly allocated and it is certain that

the products will be technically feasible and can be successfully marketed. The capitalized development costs comprise all costs directly attributable to the development process. Capitalized development costs are amortized over the expected product lifecycle of generally three years from the production start date.

Property, Plant And Equipment

All items of property, plant and equipment (except land and assets under construction) are subject to wear and tear and are measured at cost less depreciation. The cost includes purchase prices, transaction costs as well as subsequent expenditures less any purchase price deductions granted. The costs of production are determined on the basis of directly attributable individual unit costs as well as applicable proportionate overheads. Financing costs that can be directly attributed to the acquisition, construction or conversion of a qualifying asset are capitalized as part of total cost. For qualifying assets that were capitalized before July 1, 2009, financing costs are not capitalized as part of cost.

Investment grants received are recognized as reductions of cost if such grants can be directly allocated to individual items of property, plant and equipment.

Items of property, plant and equipment are generally depreciated using the straight-line method in accordance with their useful economic lives. Depreciable assets of property, plant and equipment are depreciated individually if they have different useful lives.

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Depreciation is based on the following useful lives:

Useful life	Years
Buildings, fixtures, outside facilities	10 to 33
Technical systems	10 to 20
Furniture	10
Electronic laboratory appliances	3 to 10
Injection molding tools	3 to 5
Testing equipment	3 to 7
IT equipment	3 to 5

A shorter useful life applies if the asset can only be used for a shorter period of time for legal reasons. Expenses for repairs and maintenance are recognized as an expense when incurred.

Impairment Of Property, Plant And Equipment And Intangible Assets

The carrying amounts of intangible assets that invariably have a limited useful life, and those of property, plant and equipment – are reviewed for impairment in accordance with IAS 36 “Impairment of Assets” – provided that there are indicators of impairment. Development costs capitalized are tested for impairment annually up to the start of production.

An impairment loss is recognized when the recoverable amount of the asset, which is the higher of its fair value less costs to sell and its value in use, is lower than its carrying amount. If the reasons for the recognition of an earlier impairment loss no longer exist, then the impairment loss is reversed and the carrying amount increased up to amortized cost.

Government Grants

Government grants are recognized only when there is reasonable assurance that the Group complies with the conditions attached to them and the grants have been authorized. Subsidies received from the government for the purchase of tangible and intangible assets result in a reduction of acquisition and production costs. Grants for development costs are recognized as income insofar as the corresponding development projects are not capitalized.

Leases

All of the MOBOTIX Group's current rental and lease agreements are **operating leases**. A lease is classified as an operating lease when the lessor retains substantially all the risks and rewards incidental to ownership of the leased assets. The leases refer mainly to the lease agreement for the production and administrative building in Kaiserslautern, the lease for office space in New York, USA, and lease agreements for operating and office equipment as well as for the vehicle fleet.

Deferred Taxes

In accordance with IAS 12 "Income Taxes," deferred taxes are recognized for all temporary differences between the tax base and the carrying amounts in the financial statements. Deferred tax assets based on claims for tax reductions resulting from the anticipated use of loss carryforwards in subsequent years are currently not recognized due to the uncertainty with regard to the realization of the tax advantages. Deferred tax assets and liabilities are not discounted and are reported in the consolidated financial statements in accordance with IAS 12.74.

Inventories

Inventories are measured at cost – with the costs of the purchase of raw materials and supplies being determined using average prices, and taking into account the net realizable value as of the balance sheet date. Work in progress and finished goods are measured at cost of conversion, also taking into account the net realizable value as of the balance sheet date. Costs of conversion include directly allocable individual unit costs and production overheads, assuming normal capacity utilization. Inventories are not qualifying assets, as no substantial period of time is necessary for their acquisition or conversion, so that no capitalization of financing costs is possible. The net realizable value represents the estimated selling price less the estimated costs necessary to make the sale. Write-downs are recognized for inventory risks in an appropriate and sufficient amount.

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Financial Assets And Liabilities

A financial instrument is any contract that simultaneously gives rise to a financial asset of one company and a financial liability or equity instrument of another company.

Financial assets include in particular cash and cash equivalents, trade receivables as well as other loans extended and receivables.

Receivables and other assets are recognized at their nominal amount or at amortized cost. Identifiable individual risks are provided for by appropriate valuation allowances. In accordance with IAS 39 "Financial Instruments: Recognition and Measurement," the Group regularly assesses whether there is objective evidence that a financial asset or group of financial assets may be impaired. Any impairment loss resulting from an impairment test is recognized in "Other operating expenses."

Cash and cash equivalents include cash accounts and short-term deposits at banks with a remaining term to maturity of not more than three months at the time of addition. They are measured at face value. Foreign currency balances are measured at the middle rate prevailing on the balance sheet date.

Ratable interest income generated from cash equivalents is recognized in income.

Financial liabilities such as trade payables or liabilities to banks are regularly associated with a claim to receive compensation in cash or other financial assets. Financial assets and financial liabilities are generally reported on a gross basis. They are only offset when there is currently a legally enforceable right to offset and there is an intention to settle on a net basis. Financial assets are measured initially at fair value.

Financial liabilities are measured initially at fair value. Financial liabilities are subsequently measured at amortized cost using the "effective interest method." The MOBOTIX Group does not have any liabilities held for trading.

Other assets

Gold reserves are reported in other assets and measured at the lower of cost and net realizable value.

Treasury Shares

Treasury shares are accounted for as a deduction from equity. The treasury shares of the MOBOTIX Group are measured at cost.

Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets," provisions are recognized in the statement of financial position for legal or constructive obligations as a result of past events when the outflow of resources required to settle the obligation is probable, and can be reliably estimated. The carrying amount of provisions is based on best estimates. Provisions are only recognized for legal or constructive obligations towards third parties and discounted where necessary.

Liabilities

Liabilities, including financial liabilities, are generally measured at amortized cost.

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Estimates

The preparation of the consolidated financial statements in accordance with IFRS requires the use of assumptions made by the management that have an influence on the measurement of assets and liabilities, the disclosure of contingent assets and liabilities as of the balance sheet date, and the reported income and expenses during the fiscal year. These estimates may differ from the actual development. The preparation of the current consolidated financial statements was subject in particular to the estimates with regard to the capitalization of intangible assets (in particular development costs), the useful lives of intangible assets (in particular for development costs) and property, plant and equipment, as well as the measurement of other provisions and the realizability of existing tax loss carryforwards. Further estimates were made for the calculation of valuation allowances on trade receivables as well as for the measurement of inventories. Actual values may vary in specific cases from the assumptions and estimates made. Changes in assumptions or estimates are recognized in profit or loss once new information becomes available.

Statement Of Cash Flows

The statement of cash flow shows the changes that have occurred in the balance of the Group's cash and cash equivalents during the reporting periods in the form of cash inflows and cash outflows. In accordance with IAS 7 "Statement of Cash Flow," a distinction is made between cash flows from operational, and investment activities, and finance activities. Cash and cash equivalents include balances, with banks and cash on hand. Cash and cash equivalents are not subject to any restrictions.

Cost Of Materials
€ 25.9m (+18.4%)

Staff Costs
€ 24.6m (+9.7%)

5. Notes To The Income Statement

(1) Revenue

Please see the segment information in Section 7 for a breakdown of revenue by region and product.

(2) Increase/Decrease In Finished Goods And Work In Progress

Changes in inventories comprise increases and decreases in the amount of finished goods and work in progress.

(3) Other Own Work Capitalized

Other own work capitalized reported in fiscal year 2012/13 comprises in particular development costs capitalized in the amount of EUR 923 thousand (2011/12: EUR 945 thousand). This item also includes internally generated testing equipment and product racks.

(4) Cost Of Materials

EUR '000s	Fiscal Year	Fiscal Year
	Oct. 1, 2012- Sep. 30, 2013	Oct. 1, 2011- Sep. 30, 2012
Cost of raw materials, supply and merchandise	25,678	21,653
Cost of purchased services	297	294
Total	25,975	21,947

Cost of materials comprises any materials used for the production of video security systems. This item also comprises, to a small extent, expenses for purchased services, which include expenses for outsourced manufacturing and development activities.

(5) Staff Costs

EUR '000s	Fiscal Year	Fiscal Year
	Oct. 1, 2012- Sep. 30, 2013	Oct. 1, 2011- Sep. 30, 2012
Wages and salaries	20,557	18,714
Other	1,030	943
Wages and salaries	21,587	19,657
Social security contributions	2,724	2,507
Pension expenses	67	50
Other	188	187
Social benefits and pension expenses	2,979	2,744
Total	24,566	22,401

In fiscal year 2012/13, the employer's contribution to social security included expenses for a defined contribution plan

Number Of Employees

399 (Incl. Members of the Management Board, trainees and temporary staff)

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(Deutsche Rentenversicherung) in the amount of EUR 1,266 thousand (2011/12: EUR 1,193 thousand), of which EUR 7 thousand (2011/12: EUR 7 thousand) refers to related parties.

In fiscal year 2012/13, the Company employed 330 persons (2011/12: 296) on average (excluding Management Board members, trainees and temporary staff).

The following groups of employees were employed by the Company in the short fiscal year under review:

Group of employees	Fiscal Year 2012/13	Fiscal Year 2011/12
Full-time employees	315	280
Part-time employees	15	16

(6) Depreciation, Amortization And Impairment

in TEUR	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Amortization of intangible assets	1,182	965
Depreciation of property, plant and equipment	2,693	2,635
Total	3,875	3,600

EUR 1,059 thousand (2011/12: EUR 865 thousand) was incurred for scheduled amortization of development costs in fiscal

year 2012/13. For an overview of amortization, depreciation and impairment, please refer to the notes.

(7) Other Operating Income

EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Income from car transfers	248	266
Income from exchange differences	110	266
Income from claims for damages	102	0
Other	163	87
Total	623	619

The income from car transfers resulted from the personal use of company vehicles.

(8) Other Operating Expenses

EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Advertising and marketing expenses	6,345	6,871
Shipping costs	2,780	2,451
Travel & entertainment expenses	1,746	1,649
Other administrative costs	1,626	1,339
Occupancy, operating and office equipment	1,507	1,336
Vehicle expenses	1,003	914
Expenses for temporary staff	1,272	774
Expenses for defending against patent trolls	908	0
Legal & consulting fees, expenses for trade mark rights as well as being public costs	536	559
Expenses from exchange differences	551	200
Other	1,013	1,070
Total	19,287	17,163

(9) Net Interest Income Or Expense

Interest and similar income primarily includes interest income from demand deposits and short-term time deposits at banks as well as income from a granted loan.

EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Interest on borrowings	-459	-513
Other	-1	-1
Interest expenses	-460	-514
Interest income from banks	26	29
Other interest income	0	4
Interest income	26	33
Total	-434	-481

Interest expenses arose primarily for the loans taken out for the production and administrative building at the Winnweiler-Langmeil location. Interest on loans and other interest items are allocated to the categories of 'financial liabilities measured at amortized cost' or 'loans and receivables' under financial assets and financial liabilities.

Profit For The Year
€ 12.4m (-9.2%)

Earnings Per Share
€ 0.95

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(10) Income Taxes

The income taxes paid or owed in Germany and the U.S. as well as the deferred taxes are recognized in income taxes. MOBOTIX AG is subject to trade tax of 12.4% of its income derived from commercial activity. The corporation tax rate comes to 15% plus a solidarity surcharge of 5.5% on the corporation tax. The corporate tax rate increased from 28.1% in fiscal year 2011/12 to 30.6%. As of September 30, 2013, the tax loss carryforward in the U.S. came to EUR 1.369 thousand (prior year: EUR 0 thousand).

The following table shows the reconciliation of the income taxes derived from profit before tax to income taxes reported in the financial statements:

EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Profit before tax	17,910	19,033
Income taxes derived from profit before tax	5,060	5,377
Loss carryforwards not capitalized/not utilized	652	-156
U.S. tax rate difference	-243	80
Other non deductible expenses	20	35
Taxes from previous years	-9	0
Other	1	6
Reported income taxes	5,481	5,342

Income taxes can be broken down as follows:

EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2011- Sep. 30, 2012
Current taxes	5,658	5,433
Deferred taxes	-168	-91
Taxes from previous years	-9	0
Total	5,481	5,342

In accordance with IAS 12 "Income Taxes," deferred taxes were recognized on temporary differences between the IFRS statement of financial position and the tax base.

The amount reported on deferred tax assets and liabilities according to items of the statement of financial position as of September 30, 2013 are as follows:

EUR '000s	Deferred tax assets		Deferred tax liabilities	
	Sep. 30, 2013	Sep. 30, 2012	Sep. 30, 2013	Sep. 30, 2012
Development costs	0	0	606	644
Property, plant and equipment	5	7	19	16
Inventories	415	218	132	40
Trade receivables	0	0	14	9
Liabilities to banks	112	91	42	56
Provisions	0	0	3	3
Total deferred taxes on temporary differences	532	316	816	768
Offset	-117	-98	-117	-98
Amount reported on the statement of financial position	415	218	699	670

(11) Earnings Per Share

Earnings per share are calculated by dividing the profit for the year attributable to shareholders of MOBOTIX AG by the weighted number of shares outstanding.

EUR '000s	Fiscal Year 2012/13	Fiscal Year 2011/12
Profit attributable to shareholders of MOBOTIX AG (in EUR '000s)	12.429	13.691
Number of shares outstanding as of beginning of period (in thousand)	13.143	13.201
Number of shares outstanding as of end of period (in thousand)	13.143	13.143
Weighted average of shares (in thousand)	13.143	13.188
Basic / diluted earnings per share (in EUR)	0,95	1,04

Dilutive effects on earnings at MOBOTIX AG do not exist.

As of September 30, 2013, MOBOTIX AG had acquired 128,134 treasury shares as part of the share buyback program that began in July 2010. No treasury shares were acquired during fiscal year 2012/13.

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6. Notes To The Statement Of Financial Position

(12) Intangible Assets And Property, Plant And Equipment

The following table shows the changes of the individual items of non-current assets based on total cost.

EUR '000s	Balance as of Oct. 1, 2012	Additions	Disposals	Reclassifi- cations	Exchange differences	Balance as of Sep. 30, 2013
Acquisition and production costs						
Intangible assets						
Development costs	4,287	923	0	0	0	5,210
Software and industrial property rights	1,064	563	0	0	0	1,627
Total intangible assets	5,351	1,486	0	0	0	6,837
Land and buildings including buildings on third-party land	18,351	142	0	0	0	18,493
Machinery	8,710	1,102	0	96	0	9,908
Other plant and equipment	6,415	774	67	0	-11	7,111
Advance payments and construction in progress	1,181	359	0	-96	0	1,444
Total property, plant and equipment	34,657	2,377	67	0	-11	36,956
Accumulated depreciation, amortization and impairment						
Development costs	2,171	1,059	0	0	0	3,230
Software and industrial property rights	948	123	0	0	0	1,071
Total intangible assets	3,119	1,182	0	0	0	4,301
Land and buildings including buildings on third-party land	1,995	600	0	0	0	2,595
Machinery	5,678	1,083	0	0	0	6,761
Other plant and equipment	3,722	1,010	10	0	-7	4,715
Advance payments and construction in progress	104	0	0	0	0	104
Total property, plant and equipment	11,499	2,693	10	0	-7	14,175
Net carrying amounts						
Development costs	2,116					1,980
Software and industrial property rights	117					556
Total intangible assets	2,233					2,536
Land and buildings including buildings on third-party land	16,356					15,898
Machinery	3,032					3,147
Other plant and equipment	2,693					2,396
Advance payments and construction in progress	1,077					1,340
Total property, plant and equipment	23,158					22,781

EUR '000s	Balance as of Oct. 1, 2011	Additions	Disposals	Reclassifi- cations	Exchange differences	Balance as of Sep. 30, 2012
Acquisition and production costs						
Intangible assets						
Development costs	3,342	945	0	0	0	4,287
Software and industrial property rights	951	111	0	0	-1	1,064
Total intangible assets	4,294	1,056	0	0	-1	5,351
Land and buildings including buildings on third-party land	17,193	1,133	0	25	0	18,351
Machinery	7,741	941	0	27	0	8,710
Other plant and equipment	5,650	909	151	0	8	6,415
Advance payments and construction in progress	814	421	0	-52	0	1,181
Total property, plant and equipment	31,398	3,404	151	0	8	34,657
Accumulated depreciation, amortization and impairment						
Development costs	1,305	865	0	0	0	2,171
Software and industrial property rights	847	100	0	0	0	948
Total intangible assets	2,152	965	0	0	0	3,118
Land and buildings including buildings on third-party land	1,415	580	0	0	0	1,995
Machinery	4,604	1,075	0	0	0	5,678
Other plant and equipment	2,794	980	57	0	5	3,722
Advance payments and construction in progress	104	0	0	0	0	104
Total property, plant and equipment	8,917	2,635	57	0	4	11,499
Net carrying amounts						
Development costs	2,037					2,116
Software and industrial property rights	104					117
Total intangible assets	2,141					2,233
Land and buildings including buildings on third-party land	15,778					16,356
Machinery	3,137					3,032
Other plant and equipment	2,856					2,693
Advance payments and construction in progress	710					1,077
Total property, plant and equipment	22,481					23,158

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Intangible Assets

In fiscal year 2012/13, expenses for research and development amounted to EUR 8,974 thousand (2011/12: EUR 8,090 thousand), of which development costs in the amount of EUR 923 thousand (2011/12: EUR 945 thousand) were capitalized for camera housings, electronics and software projects. The capitalized development costs comprise all costs directly attributable to the development process. In fiscal year 2012/13, amortization expenses amounted to EUR 1,059 thousand (2011/12: EUR 865 thousand). Development projects are amortized on a straight-line basis over a period of three years.

Property, Plant And Equipment

The item "Land and buildings including buildings on third-party land" relates primarily to the production and administrative buildings at the Company's location in Winnweiler-Langmeil.

The item "Machinery" mainly includes capitalized costs for tools. The tools are physically located at the Company's suppliers. In addition, the item comprises in particular IT equipment, electronic laboratory appliances, testing equipment and production facilities.

The item "Operating and office equipment" primarily consists of fittings for trade fairs, furniture and fixtures as well as operating equipment and production facilities.

Work in progress primarily relates to advance payments on tool costs.

(13) Inventories

Inventories are composed of the following:

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Raw materials and supplies	11,946	6,453
Work in progress	4,918	4,514
Finished goods	7,536	3,843
Total	24,400	14,810

The inventories of raw materials and supplies consist of products that were purchased from other companies and integrated into the Company's own products or further processed otherwise, i.e. in particular printed circuit boards, housings, and sensors.

Work in progress relates to the inventory of pre-fabricated components and cameras in production as of the balance sheet date.

Finished goods mainly relate to finished cameras and accessories.

In fiscal year 2012/13, the Company recognized write-downs to the lower net realizable value. The carrying amount of inventories shown at net realizable value amounted to EUR 153 thousand (September 30, 2012: EUR 265 thousand). Write-downs to net realizable value amounted to EUR 623 thousand (September 30, 2012: EUR 862 thousand), of which EUR 302 thousand (September 30, 2012: EUR 553 thousand) related to raw materials and supplies, EUR 107 thousand (September 30, 2012: EUR 106 thousand) to work in progress and EUR 214 thousand (September 30, 2012: EUR 203 thousand) to finished goods.

(14) Trade Receivables

The inherent default risk associated with trade receivables is monitored and limited by the Management Board based on clearly defined requirements. Impairment losses that are based on the individual default risk existed in the amount of EUR 65 thousand (September 30, 2012: EUR 95 thousand).

As in the previous years, all trade receivables had terms of less than one year. The market values of trade receivables largely correspond to their carrying amounts.

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Trade receivables, gross	13,578	9,929
Specific valuation allowances	-65	-95
Total	13,513	9,834

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The balance of the specific valuation allowances changed as follows in fiscal year 2012/13 and 2011/12:

EUR '000s	Specific valuation allowances
Balance as of October 1, 2011	175
Exchange differences	2
Reversals	-29
Utilization	-100
Additions	47
Balance as of Sep. 30, 2012 / Oct. 1, 2012	95
Exchange differences	-2
Reversals	-19
Utilization	-30
Additions	21
Balance as of Sep. 30, 2013	65

As of September 30, 2013, the maturity structure of trade receivables was as follows (in EUR thousand):

Trade receivables / receivables from associates		
EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Carrying amount	13,513	9,834
neither impaired nor past due	11,088	8,118
not impaired, past due in the following time bands		
< 31 days	1,600	1,443
31-90 days	735	266
91-180 days	87	0
> 181 days	0	0
Receivables subject to impairment (gross)	68	102

With respect to trade receivables that are neither impaired nor past due as well as those that are not impaired but past due, there are no indications to suggest that the debtors will not be able to meet their payment obligations. Specific valuation allowances are recognized after a detailed analysis of our customers' creditworthiness on a case-by-case basis.

(15) Other Assets

Other assets are composed of the following:

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Gold reserve	3,583	3,583
Receivables from pre-tax	1,032	543
Prepayments made	309	187
Loans granted	255	94
Rent deposits	51	108
Other items	92	28
Total	5,322	4,543

As in previous years, all other assets had terms of less than one year. With the exception of the gold reserve, the market value of the other assets largely corresponds to their carrying amount. The gold reserve's market value as of the balance sheet date amounts to EUR 4.236 thousand (prior year: EUR 5,354 thousand).

(16) Cash And Cash Equivalents

Cash includes cash on hand, checks, balances with banks and term deposits with a maturity of up to three months.

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Cash on hand/ checks	1,017	1,050
Bank balances	6,753	10,598
Total	7,770	11,648

(17) Prepaid Expenses And Deferred Charges

Prepaid expenses and deferred charges primarily include accrued expenses for prepaid rent and special lease payments.

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Trade fair costs	190	201
Vacation pay	125	120
Prepaid rent for production building Kaiserslautern	52	72
Other	250	129
Total	617	522

The prepaid rent for the production building in Kaiserslautern is reported on an accrual basis and is divided into a long-term and a short-term portion.

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(18) Equity

Subscribed capital corresponds to the share capital of MOBOTIX AG as of the relevant balance sheet date.

As of the balance sheet date, the Company had paid out 13,271,442 common shares (September 30, 2012: 13,271,442). The no-par value shares have a proportional interest in the share capital of EUR 1.00 per share. The share capital is fully paid up.

The Annual General Meeting of MOBOTIX AG, Winnweiler-Langmeil, held on December 20, 2012 resolved to pay out a dividend in the amount of EUR 0.50 per share for fiscal year 2011/12. This corresponds to a dividend of EUR 6,572 thousand. The treasury shares held by the Company do not carry dividend rights. The dividend was paid out on December 21, 2012.

By resolution of the Annual General Meeting held on September 30, 2009, the Management Board was authorized to acquire treasury shares of the Company until September 30, 2014. The shares to be acquired based on this authorization combined with the other shares of the Company which the Company has already acquired or still possesses, may

not exceed more than 10% of the Company's share capital at the time of the resolution or its exercise, accordingly 1,327,144 shares.

On July 15, 2010, the Management Board of MOBOTIX AG resolved to make use of the authorization granted by the Annual General Meeting of September 30, 2009 to purchase up to 45,000 treasury shares pursuant to Section 71 (1) (8) AktG. The share buyback program began on July 19, 2010.

The Management Board of MOBOTIX AG further resolved on October 5, 2010 to modify the terms of the current share buyback program to enable the purchase of up to 150,000 shares.

On May 4, 2012, the Management Board of MOBOTIX AG resolved to resume the repurchase of shares up to a price of EUR 24 as part of the share buyback program that was decided upon on July 15, 2010 and expanded on October 5, 2010.

The acquisition can be implemented as a purchase on the stock exchange, or through a public purchase offer to all shareholders. If the number of tendered shares in a public purchase offer exceeds the total number of shares envisaged for acquisition by the Company, the acquisition can be implemented under exclusion of the tender rights of the shareholders on a pro-rata basis related to the number of shares tendered, in order to simplify the purchase process.

This simplification – likewise under exclusion of the tender rights to the shareholders – also allows the possibility to accept small numbers of tendered shares up to 300 per shareholder on a preferential basis.

Furthermore, the Management Board is authorized, with the consent of the Supervisory Board, to use the treasury shares purchased in accordance with the authorization also for purposes for which the subscription right of the shareholders is ruled out.

As of September 30, 2013, the Company had purchased 128,134 shares. The treasury shares reduced equity in the amount of their cost.

The number of shares outstanding changed as follows in the fiscal year 2012/13 and in fiscal year 2011/12:

Number of shares	Number of shares outstanding
Balance as of October 1, 2011	13,201
Treasury shares purchased	-58
Balance as of Sep. 30, 2012/ Oct. 1, 2012	13,143
Treasury shares purchased	0
Balance as of Sep. 30, 2013	13,143

The **capital reserve** consists of share premiums of various capital increases.

Accumulated other comprehensive income includes the differences from currency translation recognized directly in equity.

The profit or loss carried forward comprises the accrued, retained profits. EUR 77 thousand was transferred to the legal reserve in fiscal year 2011/12.

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Capital Management

Capital management at the MOBOTIX Group focuses on long-term capital appreciation for the benefit of shareholders, employees, and customers. The main objective of this approach is to generate high profitability and high growth rates. Capital management also focuses on the participation of shareholders in the successful development of the Company by using an appropriate dividend policy.

MOBOTIX AG is not subject to statutory capital requirements.

The goal of MOBOTIX AG capital management is to maintain an appropriate long-term equity base. The equity-to-assets ratio is seen as an important indicator for investors, analysts, banks and rating agencies. The established growth targets should be achieved while preserving sound financing structures and an appropriate dividend policy. On the other hand, the rating figures should be further improved in the long term. The capital management instruments include active borrowing management.

As part of internal risk management, the equity-to-assets ratio, the interest coverage ratio, the dynamic debt/equity gearing ratio and business liquidity are monitored monthly. Additional indicators are calculated quarterly. If specific targets are not met, appropriate countermeasures are taken early. During fiscal year 2012/13, the figures were consistently met; as of September 30, 2013, the equity-to-assets ratio was 65.9% (prior year: 67.3%).

The procedures with regard to capital management were not changed during the fiscal year.

(19) Tax Provisions

The tax provisions of EUR 2,619 thousand (September 30, 2012: EUR 4,478 thousand) include provisions for municipal trade tax, corporation tax, and the solidarity surcharge for the assessment periods 2012 and 2013.

(20) Other Provisions

EUR '000s	Balance as of Oct. 1, 2012	Utilization	Additions	Balance as of Sep. 30, 2013
Warranties	214	150	169	233
Other	31	31	41	41
Other provisions	245	181	210	274

Provisions for warranties are recognized for warranty obligations specified by law in connection with the Company's products. Recognition of provisions for warranties is based on historical experience. We expect utilization of the provisions for warranties to occur within the next two years according to the legal warranty obligations.

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(21) Financial Liabilities

The liabilities to banks have the following terms to maturity:

EUR '000s	Balance as of Sep. 30, 2013	Up to 1 year	1 to 5 years	More than 5 years
Loan from Deutsche Bank	4,421	800	2,975	646
Loan from Commerzbank	3,581	320	2,630	631
Loan from Sparkasse Donnersberg	623	44	178	401
Total	8,625	1,164	5,783	1,678

EUR '000s	Balance as of Sep. 30, 2012	Up to 1 year	1 to 5 years	More than 5 years
Loan from Deutsche Bank	5,115	800	3,200	1,115
Loan from Commerzbank	3,850	320	2,030	1,500
Loan from Sparkasse Donnersberg	667	44	178	445
Total	9,632	1,164	5,408	3,060

The loan from Sparkasse Donnersberg in the original amount of EUR 845 thousand has a term of 20 years and was intended to be used for the purchase of land for the new Company site. The loan bears interest at the rate of 5.5% per annum.

The loans from Investitions- und Strukturbank (ISB) Rheinland-Pfalz GmbH in the original amount of EUR 2,000 thousand and from KfW Bankengruppe (KfW) in the original amount of EUR 2,500 thousand, both of which were extended by Deutsche Bank, have a term of ten years each and are intended to be used to finance the construction of the new production building. The loans are promotional loans and bear effective interest rates of 4.19% (ISB) and 4.55% (KfW), respectively. In order to determine the fair value of the loans, we used a reference interest rate of 5.5% for discounting purposes. The promotional contributions included in the loans in the amount of EUR 258 thousand were offset against property, plant and equipment.

The innovation loans from KfW Bankengruppe (KfW) originally totaling EUR 3,000 thousand and broken down into a debt capital tranche of EUR 1,200 thousand and an equity tranche of EUR 1,800 thousand, which were issued by Commerzbank, have terms of 10 years each and are intended to be used to finance development costs. The loans are subsidized and bear effective interest rates of

2.35% and 3.25% respectively. The loans were discounted using a reference interest rate of 3.6% and 5.6% respectively for the purpose of calculating fair value. Of the subsidized amount of EUR 430 thousand included in the loans, EUR 56 thousand was offset against capitalized development costs and EUR 374 thousand was recognized in profit and loss in fiscal year 2008/09.

MOBOTIX AG took out two KfW Bankengruppe (KfW) loans issued by Deutsche Bank and Commerzbank in the total amount of EUR 3,500 thousand in fiscal year 2010/11 for the purpose of financing the new production hall at the Winnweiler-Langmeil location. The loans have terms of 10 years and are subsidized. The loans were discounted using a reference interest rate of 3.7% and 4% respectively for the purpose of calculating fair value. The subsidized amount of EUR 165 thousand included in the loans was offset against property, plant and equipment. However, the discounts of 4% in each case caused an inflow of cash in the amount of EUR 3,360 thousand.

The innovation loan from KfW Bankengruppe (KfW) originally totaling EUR 2,000 thousand, which was issued by Deutsche Bank, has a term of 10 years and is used to finance development costs. The loan is subsidized and bears an interest rate of 2.85%. The loan was discounted using a reference interest rate of 3.9% for the purpose of calculating fair value. The subsidized amount of EUR 108 thousand included in the loan was offset against development costs capitalized in the short fiscal year 2011.

Except for a loan from Commerzbank (subordinated tranche), the bank loans are secured by way of registered land charges amounting to EUR 10,000 thousand on the production and administrative building in Winnweiler-Langmeil, Germany. The carrying amount of the collateral property amounted to EUR 16,126 thousand as of the balance sheet date.

The fair value of liabilities to banks essentially corresponds to the carrying amount. Fair value was determined using the current capital market interest rate while considering the

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time-to-maturity structure and the relevant credit margin (step 2 of the fair value hierarchy according to IFRS 7).

The following tables show the contractually agreed (undiscounted) interest and principal payments of nonderivative financial liabilities, which fall due by September 30 of each subsequent period:

	Carrying amount Sep. 30, 2013	2014		2015-2017		Cash flows 2018-2022		2023 ff.	
EUR '000s		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Non-current liabilities to banks	7,461	230	0	542	4,243	217	3,507	34	224
Current liabilities to banks	1,164	34	1,164						
Trade payables	10,693		10,693						
Other non-interest-bearing liabilities	3,187		3,187						

	Carrying amount Sep. 30, 2012	2013		2014-2016		2017-2021		2022 ff.	
EUR '000s		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Non-current liabilities to banks	8,468	264	0	676	3,643	351	5,227	48	268
Current liabilities to banks	1,164	34	1,164						
Trade payables	3,602		3,602						
Other non-interest-bearing liabilities	2,983		2,983						



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The following tables show the classification of individual assets and liabilities to measurement categories in accordance with IAS 39 and to classes in accordance with IFRS 7:

	Measurement category in accordance with IAS 39	Carrying amount as of Sep. 30, 2013	Class in accordance with IFRS 7
Asset			
Cash and cash equivalents	n.a.	7,770	Cash
Trade receivables	LaR	13,513	Trade receivables
Other financial assets			
Loans to shareholders	LaR	707	Other financial assets and liabilities
Miscellaneous financial assets	LaR		Other financial assets and liabilities
Liabilities		7,461	
Non-current liabilities to banks	FLAC	1,164	Liabilities to banks
Current liabilities to banks	FLAC	10,693	Liabilities to banks
Trade payables	FLAC		Trade payables
Other financial liabilities			
Liabilities from wages and salaries	FLAC	2,214	Other financial assets and liabilities
Miscellaneous other financial liabilities	FLAC	973	Other financial assets and liabilities

LaR: loans and receivables

FLAC: financial liabilities measured at amortised cost

	Measurement category in accordance with IAS 39	Carrying amount as of Sep. 30, 2012	Class in accordance with IFRS 7
Asset			
Cash and cash equivalents	n.a.	11,648	Cash
Trade receivables	LaR	9,834	Trade receivables
Other financial assets			
Loans to shareholders	LaR	417	Other financial assets and liabilities
Miscellaneous financial assets	LaR		Other financial assets and liabilities
Liabilities			
Non-current liabilities to banks	FLAC	8,468	Liabilities to banks
Current liabilities to banks	FLAC	1,164	Liabilities to banks
Trade payables	FLAC	3,602	Trade payables
Other financial liabilities			
Liabilities from wages and salaries	FLAC	2,301	Other financial assets and liabilities
Miscellaneous other financial liabilities	FLAC	682	Other financial assets and liabilities

LaR: loans and receivables

FLAC: financial liabilities measured at amortized cost

The carrying amounts of cash, trade receivables, trade payables as well as other financial assets and liabilities mainly correspond to their fair value.

The maximum exposure to credit risk corresponds to the carrying amounts. The products are sold under reservation of title. In case of non-payment, the Company has an

enforceable claim to the products. There are no further securities.

The measurement of trade receivables and other assets led to a net loss of EUR 10 thousand (2011/12: net loss of EUR 52 thousand) in the 'loans and receivables' category.

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Management Of Financial Risks

The MOBOTIX Group is subject to various financial risks as a result of its business model. The control and limitation of these risks is ensured through risk management, which pursues a central currency and liquidity management approach. The main financial decisions are directly made by the Management Board.

Financial risks mainly consist of liquidity risks, currency risks, gold price risks, interest rate risks, and default risks.

Liquidity management is based on short-term rolling liquidity forecasts as well as on medium and long-term integrated planning of results of operations, net assets, and financial position. In view of the large liquidity position and the high creditworthiness of the Group, there are currently no material liquidity risks. Excess liquidity is invested in risk-free, fixed-income financial instruments, especially overnight deposits. Financings directly connected with the financing of the new location are collateralized through land charges. There is no further collateral provided for existing financial liabilities.

Invoices are denominated in EUR, with the exception of product sales in the U.S. This means that the currency risk is directly borne by the customers of MOBOTIX AG and does not lead to exchange losses at MOBOTIX AG. Accordingly, currency risks exist primarily in connection with the U.S. operations. Currency risks are hedged, in some cases due to in essence closed positions, where values or cash flows from receivables from MOBOTIX CORP. and from the purchase of goods in the U.S. dollar zone match in terms of timing and amount. However, the cash flow from U.S. operations currently exceeds the purchase requirements of MOBOTIX AG in the U.S. dollar zone as a result of the positive business trend in the U.S. We have not yet decided to use derivatives for reasons of volume.

The interest rate risk to which MOBOTIX AG is exposed is currently insignificant. Existing third-party financing was acquired at fixed interest rates. The weighted average nominal interest rate of the loans is 3.0% (September 30, 2012: 3.1%).

The default risk of non-derivative financial instruments is managed through an active receivables management, including dunning and collection processes. Credit terms are granted according to uniform guidelines applicable throughout the Group on a very restrictive basis, taking into account appropriate assessments of the relevant customers' creditworthiness. New customers in foreign countries are generally required to make advance payments for their first orders.

(22) Trade Payables

As in the previous years, trade payables had terms of less than one year.

The market values of trade payables largely correspond to their carrying amounts.

(23) Other Liabilities

As in previous years, other liabilities have terms of less than one year. The market value of other liabilities largely corresponds to their carrying amount.

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Bonuses and commissions	1,439	1,616
Liabilities from wages and salaries	775	685
Customer bonuses	440	327
Liabilities from wage and church tax	231	218
Debtors with credit balances	245	175
Remuneration of the Supervisory Board	85	71
Liabilities for social security	71	12
Other	217	168
Total	3,503	3,272

7. Other Disclosures

Contingencies

As in the previous year, there were no contingencies in the short fiscal year under review.

Other Financial Obligations

In addition to the financial obligations relating to ordinary activities, the MOBOTIX Group had other financial obligations in the amount of EUR 2,825 thousand (September 30, 2012: EUR 2,357 thousand). They relate to obligations arising from rental and lease agreements.

Rental and lease agreements have terms of up to seven years and are partly subject to renewal options. The main portion

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(EUR 2,007 thousand; September 30, 2012: EUR 1,264 thousand) of the other financial obligations results from the lease in relation to the production building at Luxemburger Strasse 6 in Kaiserslautern and the rental agreement for the New York office. The minimum term of the lease agreement expires on May 1, 2016 and the rental agreement for the New York office expires on October 31, 2020. The vehicle leases include mileage-based contingent rents.

Within the framework of the rental and lease agreements, payments in the amount of EUR 1,224 thousand (2011/12: EUR 1,142 thousand) were recognized as an expense during fiscal year 2012/13. Contingent rents did not have to be paid during the fiscal year under review.

The sum of future minimum lease payments from non-cancelable rental agreements and operating leases by maturity is as follows:

EUR '000s	Sep. 30, 2013	Sep. 30, 2012
Maturity		
up to 1 year	819	907
from 1 year to 5 years	1,452	1,450
more than 5 years	554	0
Total	2,825	2,357

Contingencies

The contractual relationship with the general contractor for the production and administrative building in Winnweiler-Langmeil (Construction Phase I) was terminated early in 2009 by MOBOTIX AG prior to completion. In 2009, the general contractor submitted its final invoice in the amount of EUR 2,262 thousand (net). MOBOTIX disputes this invoice, as it has counterclaims from contractual penalties, defects and deficiencies in at least the same amount. Proceedings are currently pending in the court of first instance. This situation was taken into account in the financial statements in accordance with the Management Board's risk assessment by recognizing an item of property, plant and equipment under assets and the corresponding liability under equity and liabilities. Consequently, no cash outflow arose from the unrecognized final payment.

The patent litigation of a small US company versus MOBOTIX CORP. is currently pending. The Management Board assumes that the plaintiff's patents are invalid and has filed applications with the US Patent and Trademark Office (USPTO) for an examination of the patents which are the subject of the patent litigation.

Auditor's Fees

In the fiscal year 2012/13, the following expenses were incurred for the auditors of MOBOTIX AG, KPMG AG Wirtschaftsprüfungsgesellschaft, in accordance with Section 314 (1) No. 9 of HGB (German Commercial Code):

EUR '000s	Fiscal Year 2012/13	Fiscal Year 2011/12
Audit of financial statement		
From provisions	65	58
Other audit services		
Invoiced	26	26
Other services		
Invoiced	73	0
Total	164	84

The other services refer to support services provided by the German Financial Reporting Enforcement Panel (Deutsche Prüfstelle für Rechnungslegung) in connection with the audit of the consolidated financial statements as of September 30, 2012 as well as the related group management report of MOBOTIX AG pursuant to Section 342b (2) sentence 3 No. 3 of the German Commercial Code (HGB). In a letter dated August 14, 2013, the German Financial Reporting Enforcement Panel stated that no errors were identified in the reporting for fiscal year 2011/12. The other audit services

relate to the review of the quarterly and half-year financial statements.

Related Party Disclosures

In accordance with IAS 24 "Related party disclosures", relations with persons or companies that control MOBOTIX AG or are subject to control by MOBOTIX AG have to be disclosed unless such parties are already included in the consolidated financial statements as a consolidated company. Control is deemed to exist when a shareholder holds more than one half of the voting power of MOBOTIX AG or has the power to direct, by statute or agreement, the financial and operating policies of the management of MOBOTIX AG or its subsidiaries.

Disclosure is also required, in accordance with IAS 24 "Related party disclosures," of transactions with associates as well as transactions with persons who exercise significant influence over MOBOTIX AG or its subsidiaries in making financial and operating decisions, including close family members or intermediate companies. Significant influence over the financial and operating policies of MOBOTIX AG may result from a shareholding in MOBOTIX AG of 20% or more, or from the

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membership in the Management Board or Supervisory Board of MOBOTIX AG or in the executive boards of one of its subsidiaries.

MOBOTIX AG has not entered into any material transactions with persons or companies that exercise a significant influence over the Company in making financial and operating decisions, including their close family members.

All related party transactions, without exception, can be allocated to the Company's ordinary activities.

Shareholdings Of Members Of Executive Bodies

The following members of the Management Board held more than 1 percent of the shares issued by the Company (as of September 30, 2013):

Management Board	Number of shares	(%)
Dr. Ralf Hinkel*	6,664,402	50.22

*Held indirectly via the Dr. Ralf Hinkel Holding GmbH

In total, the members of the Management Board held 6,665,032 shares and thus 50.22% of the shares in MOBOTIX AG.

In total, the members of the Supervisory Board held 142,736 shares and thus 1.1% of the shares in MOBOTIX AG as of September 30, 2013.

Both boards together therefore held a total of 6,807,138 shares in MOBOTIX AG, or 51.3 percent of the Company's share capital, as of September 30, 2013.

Remuneration Of The Members Of The Supervisory Board

Each member of the Supervisory Board receives fixed annual remuneration of EUR 10 thousand for his or her work. In addition, each member of the Supervisory Board receives variable remuneration for or her activities amounting to EUR 75.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares outstanding, based on share capital of EUR 13,271,442.00 divided into 13,271,442 no-par bearer shares, each representing EUR 1.00 of share capital. The Chairman of the Supervisory Board receives twice the amount of the variable remuneration.

Furthermore, a D&O insurance policy was taken out for the members of the Supervisory Board at the Company's expense.

The table below shows the remuneration paid to the members of the Supervisory Board in the 2012/13 financial year:

Supervisory Board	Fixed EUR '000s***	Variable EUR '000s***	Total EUR '000s
Dr. Thomas Hoch	15.0	10.5**	25.5
Prof. Dr. Rainer Gerten	12.5	8.7**	21.2
Ulrich Putsch	7.5	5.2*	12.7
Sabine Hinkel	2.5	1.8*	4.3
Willi A. Fallot-Burghardt	2.5	1.8*	4.3
Total	40.0	28.0	68.0

* EUR 75.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares 13.271.442

** receives twice this amount*

***dependent on the number of attended meetings in the fiscal year

Remuneration Of The Members Of The Management Board

The remuneration of the members of the Management Board amounted to EUR 2,386 thousand (prior year: EUR 2,190 thousand) and consists entirely of short-term benefits to members of the Management Board.

Pursuant to the shareholders' resolution of October 6, 2008, no individualized disclosure of the remuneration and other promised or received benefits of the members of the Management Board will be made in the annual financial statements and the consolidated

financial statements for fiscal years 2008/09 through 2012/13 but no longer than until October 6, 2013.

The bonus for one fiscal year will be paid only in the following fiscal year upon the approval of the financial statements for the past fiscal year. The bonus for fiscal year 2012/13 is expected to amount to EUR 1,063 thousand. Bonuses paid for fiscal year 2011/12 amounted to EUR 1,186 thousand.

In the case of disability due to ill health or accident, the remuneration of the members of the Management Board will continue to be paid for a period of six months unless the employment contract ends earlier.

In addition, the members of the Management Board are given a luxury-class car commensurate with their position, which they may use for business and private travel. The Management Board members shall pay taxes incurred for the non-cash benefits from the private use of the Company car. The Company car has to be returned to the Company upon the end of the relevant employment contract.

Notes ...

In addition, the Company has taken out accident insurance policies for each member of the Management Board for the period of the employment contracts to cover occupational and private accidents. The amount covered for Dr. Magnus Ekerot, Dr. Oliver Gabel and Mr. Klaus Gesmann is EUR 250,000 each and for Dr. Ralf Hinkel EUR 2.5 million. The sum payable upon death amounts to EUR 500,000 each for Dr. Magnus Ekerot, Dr. Oliver Gabel and Mr. Klaus Gesmann, and EUR 2.5 million for Dr. Ralf Hinkel. Either the relevant member of the Management Board or the legal heirs are entitled to the insurance benefits. The Company has also provided the members of the Management Board with Directors' and Officers' (D&O) insurance. Any wage taxes payable for the insurance premiums are paid by the relevant members of the Management Board.

Corporate Governance Code

The Declaration of Compliance as required by section 161 of the Stock Corporation Act was issued by the Management Board and the Supervisory Board for most recently on October 9, 2013. A summary of the Company's corporate governance practices can be found in the annual report and on the website (www.mobotix.com). The Declaration of Compliance has been made permanently available on the Company's website (in German only).

Notes To The Statement Of Cash Flows

The statement of cash flows was prepared in accordance with IAS 7 "Statement of Cash Flows". The cash flows from operating activities, investing activities, and financing activities are stated separately. The cash flows from investing activities and financing activities are determined on the basis of payments, while the cash flows from operating activities are derived using the indirect method.

Cash and cash equivalents include balances with banks and cash on hand. Cash and cash equivalents are not subject to any restrictions.

Segment Information For The Period From October 1, 2012 To September 30, 2013

No definable business segments exist within MOBOTIX AG, the operating results of which are regularly reviewed by the Management Board with regard to decisions concerning the allocation of resources to those business segments or the measurement of their profitability. Due to internal structures and its size, resource allocation management within the MOBOTIX Group takes place based on sales revenues, primarily according to regions, but also according to product lines. Profitability ratios or earnings statements are only prepared on the level of the entire company. Thus, no separate financial information is calculated for definable business segments. In this respect, no reportable segments exist in terms of IFRS 8.

However, sales revenues are shown below according to product lines and geographical regions, in order to provide better insight into the sales activities of the Group.

The Company's product categories are broken down as detailed below:

Revenue in EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2010- Sep. 30, 2011
Fixed Cams	34,878	38,304
Dome Cams	47,543	39,433
Other	3,945	3,883
Total	86,366	81,620

Revenue by region is broken down as follows:

Revenue in EUR '000s	Fiscal Year Oct. 1, 2012- Sep. 30, 2013	Fiscal Year Oct. 1, 2010- Sep. 30, 2011
Germany	21,389	21,047
Rest of Europe	29,279	28,760
Other	35,698	31,813
Total	86,366	81,620

Internal reports are submitted to the Management Board. Only revenue is reported for each product category and region.

No single customer generates more than 10% of total revenue.

Notes ...

Executive Bodies

Management Board Of MOBOTIX AG

Dr. Ralf Hinkel, Graduate in Computer Sciences, Höringen (CEO until September 30, 2013)

Dr. Magnus Ekerot, Master of Science Inter. Econ., Heidelberg (CSO until September 30, 2013, CEO since October 1, 2013)

Dr. Oliver Gabel, Graduate in Engineering, Reichenbach-Steegen (CTO)

Klaus Gesmann, degree in Industrial Engineering, Höringen (CFO since January 1, 2013)

Lutz Coelen, Graduate in Business Administration, Herrsching am Ammersee (CFO until December 31, 2012)

Members Of The Supervisory Board Of MOBOTIX AG

Dr. Thomas Hoch, Graduate in Business Informatics, Executive, Dreieich-Buchschlag (Chairman of the Supervisory Board until June 2013)

Ulrich Putsch, Graduate Engineer, Independent Gentleman, Rockenhausen (until June 2013)

Prof. Dr. Rainer Gerten, Graduate in Computer Sciences, Professor, Neuhofen (Chairman of the Supervisory Board since June 2013)

Sabine Hinkel, Graduate in Business Management (BA), Human Resources, Höringen (since June 2013)

Willi A. Fallot Burghardt, bank and insurance clerk, General Manager, Kaiserslautern (since June 2013)

In the fiscal year 2012/13, the members of the Supervisory Board were additionally represented in the following supervisory boards and advisory boards:

Dr. Thomas Hoch

Sysgo AG, Mainz (Member of the Supervisory Board)

Ice Age Ice AG, Maintal (Chairman of the Supervisory Board)

iTAC Software AG, Montabaur (Member of the Supervisory Board)

Toplink GmbH, Darmstadt (Chairman of the Advisory Council)

W Travel AG, Wald, Switzerland (Chairman of the Management Board)

Ulrich Putsch

Igr AG, Rockenhausen (Chairman of the Supervisory Board)

Prof. Dr. Rainer Gerten

Ondeso GmbH (Member of the Advisory Council)

Empirius GmbH (Member of the Advisory Council)


Significant Events After The Balance Sheet

Date


No additional events of any significance occurred after the end of the fiscal year 2012/13.

Winnweiler-Langmeil, October 25, 2013

The Management Board



Dr. Magnus Ekerot • CSO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG



Klaus Gesmann • CFO MOBOTIX AG

Responsibility Statement

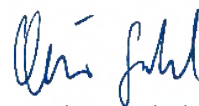
To the best of our knowledge, we hereby affirm that, pursuant to the generally accepted accounting principles for the annual reporting, the financial statements give a true and fair view of the net assets, financial position and the results of operations of the Group, that the Annual Report presents the development of the Group's business, including its performance and situation, in such a way that it is a true and fair reflection, and that it describes the major risks and opportunities inherent in the development of the Company during the next financial year.

Winnweiler-Langmeil, October 25, 2013

The Management Board



Dr. Magnus Ekerot • CSO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG



Klaus Gesmann • CFO MOBOTIX AG

Notes ...

Independent Auditors' Report (Consolidated Financial Statements)

We have audited the consolidated financial statements prepared by MOBOTIX AG – comprising a consolidated statement of financial position, a consolidated income statement, a statement of comprehensive income, a consolidated statement of cash flows, a statement of changes in equity and the notes, together with the group management report for the business year from October 1, 2012 to September 30, 2013.

The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB [Handelsgesetzbuch "German Commercial Code"] are the responsibility of the parent Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § [Article] 317 HGB [Handelsgesetzbuch "German Commercial Code"] and German generally accepted standards for the audit of financial

statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial state-

ments and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Saarbrücken, November 5, 2013

KPMG AG Wirtschaftsprüfungsgesellschaft

Geis-Sändig

Palm

Auditor

Auditor

Technical Glossary ...

CCD	Image sensor Charged Coupled Device; a light sensitive hardware component
CIF	Common Intermediate Format, an image compression format
CMOS image sensor	Complementary Metal Oxide Semiconductor – a light sensitive hardware component
CPU	Central Processing Unit
DVR	Digital Video Recorder
Fixdome	Camera without any mechanical moving parts, inside a dome housing
HDTV	High Definition TV
HiRes	High Resolution
IP network	Data network based on Internet protocols
IP standard	Standardized network protocol
JPEG format	A lossy image data format which reduces the file size by compressing the same or similar image content.
LAN	Local Area Network; local network
Control center computer	The computer at a central control center that enables the information supplied by the camera to be handled
Megapixel	Image size of more than 1 million pixels
MPEG format	Video format for creating data streams for streaming images, defined by the Motion Picture Experts Group
SD Card	SD Memory Card (short for Secure Digital Memory Card) is a digital memory device that works according to the principle of flash memory, such as a USB stick
TCP/IP protocol	Transmission Control Protocol/Internet Protocol
Video server	Central storage unit for video images or video streams
VoIP	Voice over IP; standard for voice transmission via IP networks

Financial Glossary ...

EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA margin	EBITDA divided by total output multiplied by 100 (the higher the percentage, the higher the financial performance)
EBIT	Earnings before interest and taxes
EBIT margin	EBIT divided by total output multiplied by 100 (the higher the percentage, the higher the financial performance)
Total output	Revenue plus/minus changes in inventories plus other own work capitalized
Gross profit	Total output less cost of materials
Dividend yield	Dividend divided by share price multiplied by 100
Equity-to-assets ratio	Equity as reported on the balance sheet divided by total assets multiplied by 100 (the higher the figure, the lower the debt-to-equity ratio)
Free float	Shares of a public listed Company that are freely available to the investing public
Market capitalization	Number of shares multiplied by share price

Disclaimer ...

Disclaimer

This financial report contains MOBOTIX AG statements and information which relate to future periods. Such future-oriented statements may be recognised from wording such as plan, expect, intend, endeavour, will, estimate, assume, aim at or similar such terms. Statements of this kind have been made on the basis of current circumstances and current expectations and may differ considerably from the actual development both to positive and negative effect. The following factors, amongst others, may give rise to uncertainties: changes to the overall economic situation both nationally and internationally, changes to the underlying political situation, the introduction of new products or technologies by other companies, changes to investment activities in the customer markets important to MOBOTIX AG, changes to exchange rates and interest rates, integration of acquired companies along with other factors. MOBOTIX AG does not accept any obligation over and above existing legal obligations to correct or update future-oriented statements.

This is an English translation of the German original. Only the German version is binding. The financial reports from MOBOTIX AG are available as pdf files on the homepage (www.mobotix.com).

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... Financial Calendar And Contact

Financial Calendar 2012/13

Annual General Meeting of the Shareholders 2012/13	December 20th, 2013
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Announcement of the Half-Year Report 2013/14	May 8th, 2014
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Contact Details

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MOBOTIX AG

Investor Relations

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E-mail: investor@mobotix.com

design experts honor
MOBOTIX Hemispheric
 Camera in the red dot award
 product design 2009

one of the most
 owned and hardest
 international design
 competitions, the red dot
 award, the



reddot design award
 honourable mention 2009

New MOBOTIX D14 DualDome Camera With 6.2 Megapixels

The new weatherproof and shock-resistant MOBOTIX D14 DualDome camera with 6.2 megapixels is a more powerful successor model of the D12 camera. With the two separately adjustable camera modules, each with 3.1 megapixels, the D14 offers a variety of ways to examine a scene since the

two modules can be combined to create one image. The D14 has a digital PTZ and no mechanical moving parts.



Donbass Arena (Ukraine) - Security In A UEFA Certified Stadium

The Donbass Arena in Ukraine was opened on August 29, 2009 with a sensational party which was attended by the Ukrainian president himself. This arena was the very



first Eastern European football stadium to fulfill the UEFA criteria for an elite venue. The arena will host the 2012 European Championship.

The Only IP Video Door Station In The World Featuring Allround View Without Any Blind Spots And With Worldwide Connectivity



MOBOTIX released the T... IP Video Door Station on December 2011. In addition to the video door intercom, MOBOTIX also released the access module Security two-wire 2wire info n telephony sta

user to establish a direct connection to any VoIP phone or smartphone running this means that with appropriate infrastructure, the user can establish connection, remotely open doors, record video messages and review them anywhere in the world.

High-resolution 3.1 megapixel video system hemispheric version asynchronous sound robust, fully weatherproof housing

MOBOTIX, manufacturer of complete, high-resolution IP video systems, presents the new M24M Allround camera. This successor to the very successful M22M has a new microprocessor and a modified system platform, which enables smooth video frame rates of up to 30 fps, even at a megapixel resolution.

MOBOTIX Launches S14 FlexMount - The World's First Flexible Double Hemispheric Camera



The S14 FlexMount, for from MOBOTIX, the world's first flexible double hemispheric camera, is now available. The camera, which is available in both mono (S14M) and dual (S14D) versions, features a wide range of mounting opportunities. For instance, it can be mounted with two hemispherical lenses on a single main housing.



This makes it an ideal tool for process optimization or marketing purposes and can be used in small retail stores as well as in public buildings such as museums or airports in order to receive important information.

Heat Map: Track And Evaluate Movements

Which shelves in the shop are attracting the most customers? Which products at the exhibition booth hold the attention of the visitors? Which waiting areas in the mall are preferred on Monday and Tuesday?

MOBOTIX Expands Its Range Of Training Courses In All Aspects Of Complete IP Video Systems

Dates For New Software And Hardware Seminars Plus A Beginners Workshop Winnweiler/Langmeil, Germany, 3 March 2011. MOBOTIX, manufacturer of complete high-resolution IP video systems, extended its seminar program for 2011 to cater to the different needs of the participants.



How For New And Students Around The Glob

East, United States - MOBOTIX is the largest exhibitions around the world simultaneously. For the first time, it has presented its IP network at the GDSF, the Global Digital Security Forum in Shanghai, at the end of the year and at GITEX in Dubai, the third largest exhibition worldwide at the beginning of the year. While not a newcomer at the ISC West in New York, MOBOTIX' participation in the exposition also proved to be successful.



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Security-Vision-Systems



... the HiRes Video Company



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