

MOBOTIX AG

Annual Report

October 1, 2013 to September 30, 2014



Security-Vision-Systems

MOBOTIX Corp. Continues To Prevail In Patent Dispute

MOBOTIX Corp.'s success story in the patent dispute against e-Watch Inc. continues. In August 2014, the USPTO had determined that U.S. Pat. No. 6,970,183 is not patentable. Shortly after this decision, a district court in Texas dismissed the patent infringement lawsuit filed by e-Watch Inc. against MOBOTIX Corp. Now three more patents owned by MOBOTIX have been successfully challenged.

Reliable Detection At Night: M15D-Thermal

At this year's Light+Building in Frankfurt, MOBOTIX presents its first thermographic camera M15D-Thermal, demonstrating its current camera platform with 5-megapixel technology and introducing new software developments as well as new products in the area of building technology.



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

Dates For New Software And Hardware Seminars Plus A Beginners Workshop. Winnweiler/Langmeil, Germany, 3 November 2011. MOBOTIX, manufacturer of computer high-resolution IP video systems, has extended its seminar program for 2011 and tailored its seminars more closely to the different needs of the participants.

How-how For Beginners And Advanced Students. Planning one-day seminars, MOBOTIX offers a variety of training courses for its customers.



Panorama Towers, Las Vegas, USA

The Panorama Towers in Las Vegas, a premiere luxury condominium complex in Las Vegas, Nevada. The new high-rise complex houses 8.5 acres. The luxury amenities include a pool, fitness center, and two floors of racquet courts. All the luxury amenities are up to the top of the building.



MOBOTIX Re-invents Motion Detection

MOBOTIX AG has unveiled the MxActivitySensor – a revolutionary technology that registers traveling movement of people and objects, while dismissing redundant changes and movement in the scene. This drastically reduces the number of false alarms. Through the development of the MxActivitySensor, MOBOTIX has re-invented a method for intelligent video analysis.



MOBOTIX Expands Its Thermal Camera Range



The flexible video cabling, weatherproof design and tiny footprint allows the two S15D thermal sensor modules to be installed into any location up to two meters away from a single S15D core unit. The advantage of using thermal sensor modules is that they can visualize heat radiating from vehicles and persons, for the purpose of accurate movement detection up to 400 meters away from the camera, even under the most challenging lighting and environmental conditions.

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 platform offers exchangeable pixel sensor which are the same module.

Product Platform Approach Vastly Simplifies Intelligent Ease Of Installation S14/S15 Mounts

As a result from market wishes, MOBOTIX now launches a series of intelligent mounting brackets for S14/S15 cameras.



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MOBOTIX AG today launches Lowlight Exposure Optimization – MxLEO. The MxLEO software and hardware for its building automation offering. The MxLEO also includes support for Hemispherical sensor modules.

MOBOTIX Launches Lowlight Exposure Optimization – MxLEO

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MxLEO is the latest in MOBOTIX's enhancing technology," says Dr. Ralf Hübner and CEO of MOBOTIX AG. The MxLEO also includes support for Hemispherical sensor modules.

Around the Globe

MOBOTIX AG has presented its IP network cameras at the GDSF, the Global Digital Surveillance Forum in Shanghai, at the end of August and at GITEX in Dubai, the third largest IT expo worldwide at the beginning of September. While not a newcomer at the ISC East in New York, MOBOTIX' participation at this exposition also proved to be successful.

... Letter To The Shareholders



Dear Shareholders,

The MOBOTIX Group's operating performance in the 2013/14 financial year did not match the Management Board's expectations, nor did it reflect conditions in the sector or in the economy as a whole. Revenue fell by roughly 9% from €86.4 million to €78.5 million, while earnings before interest and tax (EBIT) came to €2.3 million (prior year: €18.2 million). Nevertheless, the MOBOTIX Group remains in a very healthy financial position with a strong asset base and is well-equipped for the future.

The sharp decline in revenue was largely attributable to poor sales decisions made in the prior year. Our delayed reaction to the recent shift away from 3-megapixel sensor technology and towards 5-megapixel technology, combined with the build-up of inventories at distributors' warehouses, created an overhang that hampered us in our efforts to achieve the necessary technology transition. Products therefore had to be recalled from distributors and/or exchanged for new models. The fall in earnings was mainly attributable to the decline in revenue explained above as well as one-off items arising from impairment charges of €4.3 million recognized on inventories of 3-megapixel sensor technology and from expenses of €0.7 million incurred by a patent dispute in the United States, which MOBOTIX won.

Bank balances, cash on hand, gold reserves and trade receivables totalled €21.4 million at the end of the financial year, while non-current liabilities to banks in connection with the funding of administrative and production buildings plus trade payables amounted to €9.4 million. The equity ratio on September 30, 2014 was roughly 71% (prior year: 65%).

In recent months the Management Board has driven forward a large number of initiatives around sales, distribution and development to ensure that the MOBOTIX Group returns to a path of strong revenue growth in the coming financial year. Major product innovations during the reporting year were the new M15 and S15 dual thermographic camera models and the MxDisplay. The Company also pressed ahead with the development of key new products that will shortly be launched in the market: new HD Premium Lenses, new 6-megapixel sensors that are even more light sensitive, the new i25 low-cost indoor camera line and the totally newly developed gesture-controlled and universally compatible MxMultiViewer video management system. These measures are aimed at enabling the MOBOTIX Group to focus on its strengths as a manufacturer of complete camera hardware and video management software systems and to improve its competitiveness in its core business.

Given the extremely positive feedback we received while presenting our new products around the world, we expect to increase our revenue by 12% in the coming financial year.

Thank you for the confidence and trust you have placed in us.

Klaus Gesmann • CEO of MOBOTIX AG

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... Or At A Glance

Financial year (October 1, 2013 to September 30, 2014)	2013/14	2012/13	Delta (%)
Financial performance	€'000	€'000	
Total operating output	70,138	90,502	-22.5
Revenue	78,491	86,366	-9.1
Of which outside Germany (%)	71.0	75.2	
Earnings before interest, tax, depreciation and amortization (EBITDA)	5,197	21,067	-75.3
EBITDA margin (EBITDA as a percentage of total operating output)	7.4	23.3	
Earnings before interest and tax (EBIT)	2,295	18,231	-87.4
EBIT margin (EBIT as a percentage of total operating output)	3.3	20.1	
Profit before tax	1,954	17,888	-89.1
Return on revenue (%) before tax	2.5	20.7	
Profit for the year	1,102	12,436	-91.1
Cash flow from operating activities	12,179	6,622	+83.9
Financial position	Sep 30, 2014	Sep 30, 2013	
Equity	40,402	49,264	-18.0
Equity ratio (equity as a percentage of total assets)	70.9	65.3	
Total assets	56,945	75,430	-24.5
Non-current assets	21,907	23,735	-7.7
Current assets	34,075	50,489	-32.5
Of which cash and cash equivalents	7,609	7,770	-2.1
Employees			
Number of employees (reporting date)	409 ⁽¹⁾	399 ⁽¹⁾	+2.5
Revenue per employee	222 ⁽²⁾	262 ⁽³⁾	-15.3
EBIT per employee	7 ⁽²⁾	55 ⁽³⁾	-87.3
Key per-share figures (€)			
Dividend	0.30 ⁽⁴⁾	0.75	-60.0
DVFA/SG cash flow ⁽⁵⁾	0.30	1.16	-74.1

1) Including trainees, apprentices, temporary staff and two (prior year: four) members of the Management Board; headcount

2) Based on an average of 353 employees

3) Based on an average of 330 employees

4) Proposed

5) Based on an average of 13.143 million shares

Total Operating Output **Revenue**
€ 70.1m (-22.5%) **€ 78.5m (-9.1%)**

Highlights 2013/14 ...

- October 2013:** For the third time, MOBOTIX earns first place in the top 100 league tables compiled by the Munich Strategy Group (MSG). 75,000 GIT readers once again picked the M15 as the winner of the GIT Security Award in the CCTV category.
- November 2013:** MOBOTIX launches the D25, M25, Q25 and T25 featuring its new, much more light-sensitive 5-megapixel technology. Equipped with MxLEO exposure control, these new camera models take high-contrast images without motion blur.
- December 2013:** MOBOTIX CORP files applications with the United States Patent and Trademark Office to have four patents of US-based company e-Watch Inc. cancelled.
- January 2014:** Dr Ralf Hinkel becomes chairman of the Supervisory Board of MOBOTIX AG with effect from 17 January.
- February 2014:** Leading accountancy firm Deloitte presents MOBOTIX with the Axia Award for 2013.
- March 2014:** Exhibiting at the Light+Building trade fair in Frankfurt, MOBOTIX presents the M15D-Thermal – its first thermographic camera – and showcases newly developed software such as the MxActivitySensor.
- April 2014:** MOBOTIX exhibits its latest innovations at international trade fairs such as MIPS in Moscow, Expo Seguridad in Mexico and SICUR in Madrid.
- May 2014:** MOBOTIX's management visits the Company's key distribution partners around the world and, attending the local MX Distributor Days, presented its most recently developed products and provided an exclusive preview of future sales and product strategies.
- June 2014:** Benchmark Magazine awards its innovation prize to the MxActivitySensor, the Company's ground-breaking motion analysis software.
- July 2014:** The MOBOTIX S15D-Thermal becomes the world's first dual camera to be equipped with two thermal sensor modules in addition to the combination of thermal module plus optical sensor module.
- August 2014:** 2,500 guests attended one of 21 partner conferences being held worldwide during the course of this financial year. 2,700 participants in the MOBOTIX Campus seminars were trained as specialists in the Company's technology.
- September 2014:** Exhibiting at the Security Essen trade fair, MOBOTIX presents highly innovative video security products such as the MxDisplay and the new i25 low-cost indoor camera line. The announced launch of its revolutionary MxMultiViewer video management software draws an enthusiastic response within the Company's sector.

... 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 its core product, megapixel IP video cameras, MOBOTIX manufactures interface components and develops the video management software for operating holistic security solutions. This system-based approach using decentralized camera systems sets MOBOTIX apart from its competitors and makes it cost-effective for companies to use high-resolution, hemispheric technology. MOBOTIX employs around 400 people and exports 71% of its products.

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.

Thanks to MOBOTIX's hemispheric camera technology, it is possible to record what is going on in an entire room using a single camera attached to the ceiling or wall. This allows the user to play back images from any part of the room, and not just the area selected for the live feed. Within the camera itself, the hemispheric 'fish eye' picture is digitally converted into flat images of the different areas covered, giving an authentic 'panning' impression.

MOBOTIX uses this hemispheric camera technology in its T25 IP Video Door Station. When somebody rings the bell, the network establishes a link to the MxDisplay, to a standard VoIP telephone or to a PC. This means that in principle the intercom and door opener can be operated from anywhere in the world. An app for iPhone and iPad has been developed especially for this purpose.

MOBOTIX is a technology leader in its industry. Over the past 15 years, it has been responsible for introducing to the market virtually all major innovations in the IP camera sector. Since it was founded in 1999 the company has rapidly gained market share around the world on the back of consistently strong growth rates.

Innovations – Made in Germany

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

Decentralized System

A World-First Technology

The first MOBOTIX product released was an IP camera with recording and DVR management technology built-in. It was a world-first. This decentralized approach was so revolutionary, it changed the video surveillance industry forever. Because the camera was completely selfmanaging, expensive central recording systems were, for the first time, no longer required.

The MOBOTIX decentralized system platform uses comparatively little computing power, even in megapixel resolutions, so it is far more cost-effective and easier to scale in size than traditional centralized systems.

MOBOTIX cameras are 'decentralized' because they are VMS-enabled with in-camera video recording, alarm and storage management.

As more cameras are added to the system, you only need to add more storage. No dedicated servers or recording software licenses needed. This low-cost, low-maintenance solution saves customers both upfront and over the life of the system.

MOBOTIX System decentralized



Software not required

Standard System not decentralized



Software required



Recording



MOBOTIX cameras do not require licensed recording software to record, store and manage the video, as the management software is already in the cameras.

Decentralized IP Cameras Are More Intelligent Than Standard IP Cameras



Intelligent Processing



Video Management Software



Recording Management



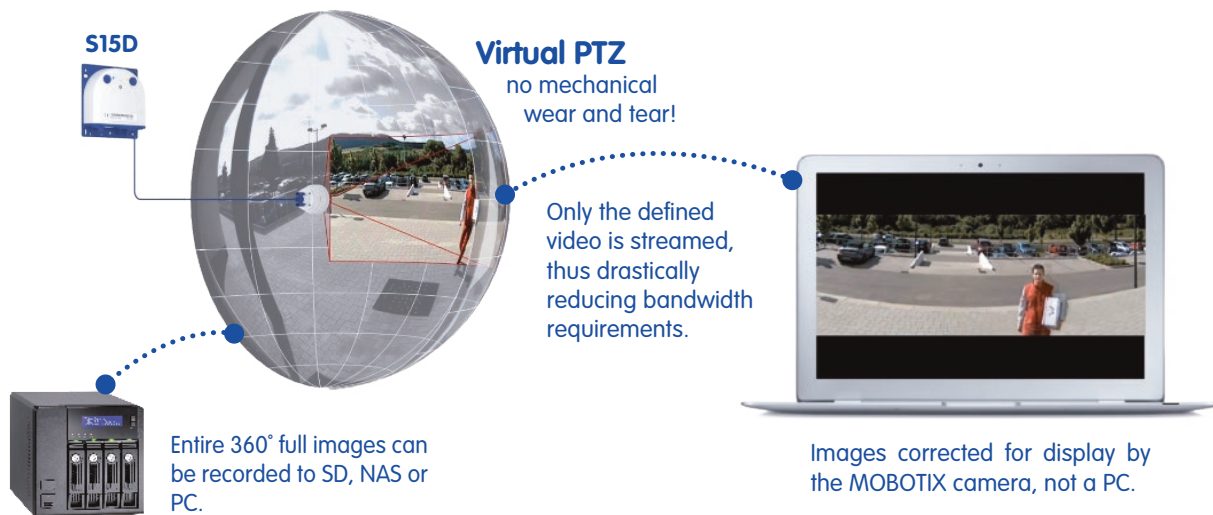
Integrated Image Analysis and Sensors

Hemispheric Technology

Another Revolutionary World-First

The MOBOTIX decentralized platform paved the way for the world's first successful development of Hemispheric video technology. By combining a high-resolution image sensor with a Hemispheric lens, large areas can be captured, replacing 2 to 4 standard CCTV cameras. The Hemispheric camera

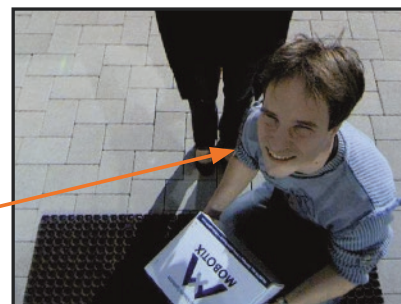
processes and corrects the images internally, thus reducing bandwidth and server load. The camera also manages the virtual pan, tilt, zoom (vPTZ) within the live and recorded video.



Pan and zoom within the live and recorded 360° image.



No blind spots! Everything captured.



The vPTZ and image correction is processed by the camera, not by an external PC with software.

What The Experts Say

"A camera from MOBOTIX contains a total video surveillance system within itself, including built-in DVR software, microphone, speaker, motion detection sensor, temperature sensor. Such product innovations have provided MOBOTIX with a significant competitive advantage, positioning it to grow strongly in the future."

Archana Rao, Video Market Research Analyst, Frost & Sullivan

Superior Image Quality

Highest Quality – Made In Germany

Great imaging starts with great technology. For many security specialists, our innovative history is legendary and the reason they continue to choose MOBOTIX. Each and every product is carefully constructed using the most advanced optical, electronic and manufacturing technologies. We use only the highest-quality CMOS sensors and develop image processing software, which enables our cameras to produce exceptionally sharp, clean images. The MOBOTIX devices are continually perfected in our laboratories in Germany.



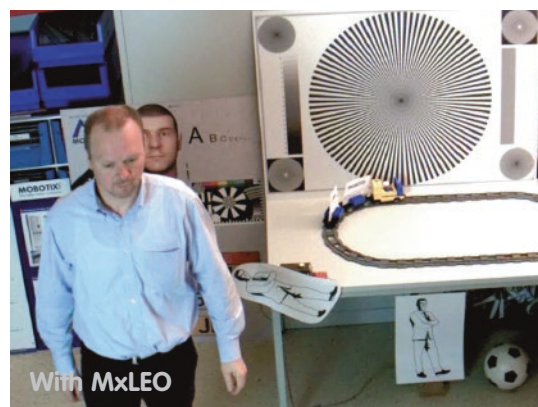
Each camera is tested at extreme temperatures before shipping

MxLEO – Advanced Lowlight Optimization

The MOBOTIX Lowlight Exposure Optimization (MxLEO) technology brings greater light amplification to the new 5-megapixel platform. MxLEO allows shorter exposure times without blurring and image noise. This is especially advantageous for capturing video in challenging lighting conditions below 25 lux.



Light level approximately 20 lux, 3MP sensor

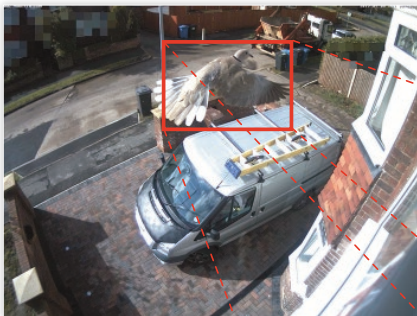


Light level approximately 20 lux, 5MP sensor

"At MOBOTIX we strive to develop IP cameras that produce the highest possible image quality, as this is more important than 'highest resolution'. By combining a 5-megapixel image sensor with MxLEO, our new image enhancing technology, the new MOBOTIX hardware platform is now unrivaled for highresolution lowlight image capture and zooming." **Dr Ralf Hinkel, founder of MOBOTIX**

MxPEG – A Codec Designed For Security

MOBOTIX developed MxPEG as existing MPEG codecs were deemed unsuitable for video surveillance. MxPEG is the only video codec that has been designed for IP video surveillance applications, ensuring high-quality capture of movement occurs in every still frame.



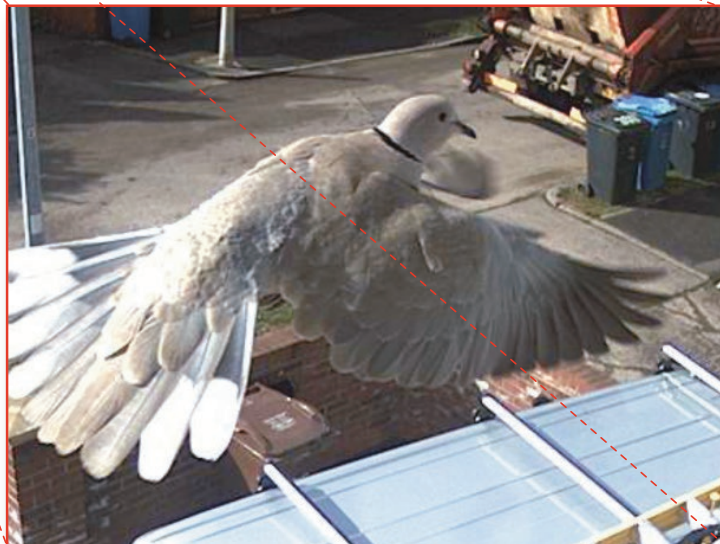
A MOBOTIX camera captures a bird in flight. No blurring.

5MP Image Sensor Included

In addition to the codec, the image sensor is one of the most important components in an IP camera. MOBOTIX 5-megapixel sensors are large in size (1/2.5 in), for improved sensitivity (low noise), and a wider dynamic range, ensuring best possible visibility in all conditions. No software or mechanical IR-cut filtering is used in MOBOTIX cameras, this process reduces the image quality capture, especially in low light.



5-megapixel sensor, 1/2.5"
(Figure shows original size)



The 5-megapixel sensor combined with MxPEG delivers highquality movement capture, allowing still image zooming in detail.

Better-Quality Movement Capture Than Full HD

The MOBOTIX 5-megapixel hardware platform corresponds to 2592x1944 pixels, which is 2.5 times larger than full HD. The MOBOTIX camera uses the H.264 codec for video telephony and the more robust MxPEG codec for recording, to ensure highly quality capture of movement without blurring in all lighting conditions. Still images within the MxPEG stream can be magnified to reveal greater detail.

MxMultiViewer

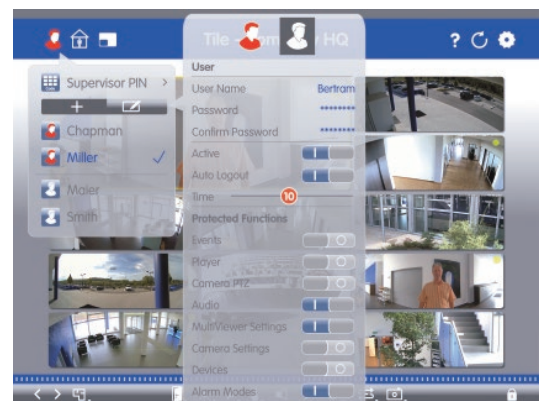


Easier And More Intuitive Than Ever Before

The new MxMultiViewer video management software is a brand-new development for PC/Mac/Linux systems with the focus on simple, intuitive operation. Gesture-oriented interfaces are also supported. One of the major advantages of the comprehensive MxMultiViewer is the automatic configuration. This means that all MOBOTIX components in one network are automatically located and preinstalled. This way, it is possible to bring a complete network of cameras and door intercoms into use in just a couple of minutes – without a browser and without other software.

The MxMultiViewer simply combines cameras into groups and enables display in a traditional grid or on a graphical background. Each group can be assigned an image for simple identification. Of course, each group can also have its own grid format and its own background graphic in the various different formats. Full-screen

display via mouse click and support for multiple monitors are just as self-evident as simple operation and the clear presentation of events and alarm messages. The grid display can be adjusted to the image format – from 4:3, 8:3 and Full HD with 16:9. In addition to the cameras in the grid, it is possible to add a focus frame in different sizes. The user can drag a camera with a mouse into the focus frame for more accurate analysis. The toolbar in this focus frame features the control for two-way communication, opening of doors or switching of lights. It is possible to freely define which camera of a group is responsible for opening the door or which one will be used to record a message when the corresponding button is activated in the focus frame.



Automatic Configuration

MxMultiViewer will automatically find and pre-initialise all MOBOTIX components in a network. This makes it possible to bring a complete network of cameras and door intercoms into use in just a couple of minutes – without a browser and without additional software.

Dual Thermographic Cameras

Twice As Secure In Absolute Darkness.

The new MOBOTIX M15D and S15D dual thermographic camera models sense thermal radiation to detect moving objects in absolute darkness, in bad weather conditions and over long distances. The thermal cameras also have an advantage during the day since they can detect moving objects in shadows, semi-darkness or behind bushes.

The MOBOTIX thermal modules are designed for around-the-clock operation (80,000 hours MTBF – Mean Time Before Failure) in industrial conditions and are certified as weatherproof according to IP66. Just like for the daylight modules, there are different focal lengths available.

The new PT-Thermal modules integrate thermal image sensors of the S15D, thus turning them into weatherproof (IP66) IP dome thermal cameras that are easily mounted to walls or ceilings. The stylish dome features three axes that allow it to compensate for sideways tilt and to re-align the image horizon horizontally when mounted to a wall.

The advantages of a MOBOTIX dual thermographic camera with a thermal module and simultaneous daylight sensor lie in the combination of both images: brilliant 5-megapixel images during the day and in twilight hours and reliable motion detection at night.

Reliable Motion Detection And Identification

While the thermal sensor detects movement with superior precision, the added optical 5-MP image sensor in the camera facilitates accurate identification of objects. All MOBOTIX thermographic cameras are also equipped with the new MxActivitySensor as a standard feature. When enabled in a thermographic camera, this modern, intelligent motion analysis software makes it possible to reliably detect movements in the image at any time as only changes in location trigger a signal. Objects moving on the spot, such as trees, do not trigger a signal.



Suitable for industrial applications



Power consumption < 5 watts



Integrated MxActivitySensor motion analysis



Weatherproof -30 to +60 °C (-22 to 140 °F)



Certified for continuous operation



Energy-efficient Environmentally-friendly



Detection You Can Rely On

MOBOTIX thermal sensors detect objects in complete darkness and/or in fog and smoke. The unique MxActivitySensor technology automatically reports relevant objects and ignores interference and irrelevant movements.

Worldwide Success ...

Lexington School District One, USA

The 3,550-plus employees at Lexington School District One are responsible for over 24,000 children, from pre-schoolers to late teens. Over the past ten years the number of Lexington School District One pupils has risen by an average of 513 every year. Since 2003 ten new school buildings have been built to accommodate them. To ensure high security standards, the old surveillance system was replaced by a comprehensive IP video solution from MOBOTIX. This comprises a total of 1,200 cameras of the types Q25, D15 and M25. Thanks to their 5-megapixel hemispheric technology, the district only needs half as many cameras as before. Due to the decentralized MOBOTIX concept,



recordings are able to be stored either within the camera itself (on SD cards), or externally on USB sticks and NAS hard drives (via an IP network). Having the

cameras store the recordings means you can use up to ten times as many cameras per server and eliminates the need for a PC or additional software. This decentralized solution minimizes the storage space needed, particularly when you have a large number of cameras. It also eliminates the need for an expensive video management system.

Parallel Filling Stations, Ukraine

Parallel-M LTD, founded in 1995, is one of the leading filling station chains in Ukraine. It operates a network of 117 Parallel and Gefest-branded filling stations – of which 116 have mini-marts and 22 have car washes. Parallel-M is also a B2B supplier, delivering natural gas and petrol to other firms' filling stations. When the time came to set up a modern security system, the company opted for MOBOTIX's video solutions. Fifty-five Parallel-M sites were fitted with a MOBOTIX security system. A total of 390 cameras were installed in the shops, the car washes, the cafés and the outdoor areas. Outstanding service is being provided by the AllroundMono models, the 360-degree hemispheric cameras and the MonoDome models with their interchangeable lenses and vandalism sets. The system is currently being rolled out across all other Parallel-M locations.



German Reference Projects

BGU casualty hospital, Frankfurt • BIEBER + MARBURG Stahlhandel • Commerzbank AG • EON Wasserkraft • Fraport AG • Importhaus Wilms • Lohfeldener Rüssel motorway services, Kassel • MAN Logistics • Gas Station Group Roth • World Cultural Heritage Site Völklinger Hütte • Casino Mainz, Trier, Bad Ems GmbH & Co. KG • Mount Zugspitze Environmental Research Station, etc.

... 100,000 Units In Operation

Bricoking, Spain

Founded in 1996, Bricoking is one of Spain's leading DIY retail chains, with 28 branches. Security cameras perform a wide variety of functions at a DIY store, including video surveillance, theft prevention (as a means of deterrent), analysis of recorded events and dealing with customer complaints. They can even provide useful information on light conditions and temperatures in sales areas. Factoring in all these aspects, 18 cameras were installed in four Bricoking DIY centres



to cover the tills, the sales floors, the warehouses and the outdoor areas. Two models were used: the 360-degree hemispheric camera and the AllroundMono camera, both of which have a focal length of 6mm. MOBOTIX implemented a remote system so that all live images and recorded footage could be accessed and analyzed centrally at Bricoking's headquarters in A Coruña.

DEPOT, Germany

DEPOT, the trading name of the Gries Deco Company (GDC), offers a high-end range of furnishings, decorative items and giftware in around 400 shops and concessions in Germany, Austria and Switzerland. The company's branches are supplied by its logistics centre in Niedernberg, Bavaria. A total of 66 MOBOTIX IP security cameras were installed in and around this building. They are there not only to protect the company's goods but also to monitor its processes to identify potential efficiency gains. GDC had hemispheric cameras installed because it wanted to keep an eye on everything that was happening in its logistics centre at any time. It also had three IP Video Door Stations installed in the entrance and exit



areas to ensure that only authorised people are able to gain access to the site. The outdoor areas are monitored by exterior-mounted DualDome day/night cameras and MonoDome cameras on poles.

International Reference Projects

Donbass Arena UEFA 2012 (Ukraine) • Ministry of Finance (Italy) • Iowa 80 Group (USA) • 2012 Olympic Games London (Great Britain) & 2014 Winter Olympics Sochi (Russia) • Pacific Place Mall Jakarta (Indonesia) • Panorama Tower, Las Vegas (USA) • Reykjavik Art Museum (Iceland) • University of Salamanca (Spain) • Vatican Apostolic Library (Vatican City), etc.

Report Of The Supervisory Board

The 2013/14 Financial Year ...

Dear Shareholders,

Contrary to the MOBOTIX Group's budgets and forecasts, the revenue earned in the 2013/2014 financial year fell by roughly 9% from €86.4 million to €78.5 million. Earnings before interest and tax (EBIT) came to only €2.3 million (prior year: €18.2 million), which was 3.3% of revenue (prior year: 20.1%). Consequently, operating performance did not match the Management Board's and Supervisory Board's expectations, nor did it reflect conditions in the sector or in the economy as a whole.

The EBIT generated by the MOBOTIX Group (€2.3 million) was essentially impaired by one-off items totalling €5.0 million, which consisted of impairment charges of €4.3 million recognized on obsolete products and components held in inventories as well as expenses of €0.7 million incurred by a patent dispute in the United States, which MOBOTIX won.

The year-on-year reduction of inventories from €23.9 million to €11.6 million was one of the main factors contributing to the Company's strong liquidity of around €12.2 million (including gold reserves) at the end of the reporting year. This amount plus MOBOTIX's trade receivables of €10.1 million were only partly offset by non-current liabilities to banks of €7.9 million for administrative and

production buildings plus trade receivables of €1.3 million. With an equity ratio in the region of 71%, MOBOTIX AG remains in a very strong financial position.

The sharp decline in revenue arose largely from poor sales decisions made in the prior year and from a delayed reaction to the recent technology shift, and this is explained in more detail below.

The agreements drafted as part of the distribution partner program introduced in 2012 and its framework terms and conditions were not accepted worldwide and caused considerable concern within our distribution network. We lost some distribution partners as a result. At the same time, the build-up of inventories at distributors' warehouses created an overhang that hampered us in our efforts to achieve the necessary technology transition. Products therefore had to be recalled and/or exchanged for new models during the reporting year. In order to handle ongoing large-scale projects the Company placed production orders which were then not promptly aligned with the new technology while the project was still running. This situation – and the change of head of purchasing department in the middle of the prior year – caused an inventory build-up of old-technology components and finished goods on which impairment charges

Dr. Ralf Hinkel

Chairman Of The Supervisory Board And Founder

... Below Our Expectations

of €4.3 million have been recognized as a precaution. The Company may be able to sell these products for some projects or in certain countries, so it might be possible to remarket part of these inventories.

Until February 2014 the Supervisory Board had been unaware of the poor sales decisions that had been made, and it would not have approved such decisions. The Chief Sales Officer responsible, who had been in post since January 2011 and had also been Chief Executive Officer since October 1, 2013, was dismissed with immediate effect in February 2014 after his poor sales decisions had become evident. Our view of the legal position is that he was rightly dismissed without notice, which means that he is not entitled to receive any severance pay or other compensation. The court case is still pending. Since then the new CEO Klaus Gesmann has been acting as Chief Sales Officer until the ongoing process of finding a new CSO has been completed.

Many product innovations whose development had been launched by a new technology programme back in 2012 were brought to market during the reporting year. A case in point is the M15, the Company's new dual thermographic camera, which is also equipped with a high-resolution color camera. This enables objects moving in total darkness

at night to be accurately detected because of their thermal radiation and, in addition, high-resolution color images to be generated in bright conditions. This dual thermographic camera is superior to its competitors in terms of its price and functionality. Consequently, this highly innovative technology has been chosen for many promising large-scale projects, where it is currently being piloted.

In addition to its new and much more light-sensitive camera systems, the Company started to develop the software for a new and universally compatible video management system (MxMultiViewer). Because of limited development resources available and the focus on this new technology, existing products began to lose some of their competitiveness. The new products launched during the reporting year met with an unreservedly enthusiastic response. The preliminary version of the video management software exhibited around the world has been described by market observers and distribution partners as a 'game changer'. The full version of this software is due to be brought to market in the first quarter of 2015. At the same time – in January of that year – the Company will unveil its new, even more light-sensitive 6-megapixel cameras which, when combined with new lenses, will offer 100 times more light sensitivity than the

Sabine Hinkel
Supervisory Board
Member

Willi A. Fallot-Burghardt
Supervisory Board
Member

New Technology ...

3-megapixel systems launched only a year ago. MOBOTIX AG camera technology has therefore reclaimed its leading position and, through its i25 low-cost indoor camera line, which is about to be introduced, is extremely competitive.

Capital spending on home automation technology products over the past three years has tied up a large proportion of the Company's development resources and has therefore delayed product development in its core camera business. The share of total revenue generated by these endeavours is more than unsatisfactory. This has led to the realisation that MOBOTIX AG needs to focus on developing and producing cameras and video management software because this is where its strengths lie. Moreover, being a manufacturer of complete camera hardware and video management software systems is what makes MOBOTIX stand out from all its competitors. Given the hardware pricing pressures expected to emerge over the next five years, MOBOTIX has no choice but to focus on video management software, which will form part of its core business in future. The enthusiastic response to the preliminary version of the MxMultiViewer underlines the fact that the Company is heading in the right direction here and that this software must be expanded

further to create a universal management system. Because, among other things, this will enable other manufacturers' camera systems and components to be integrated, the market acceptance of this software will be substantially enhanced.

The Supervisory Board advised and monitored the Management Board during the reporting year by meeting in person on nine occasions and holding two conference calls, focusing especially on the Company's sales and product development activities. In discharging its responsibilities as defined by law and in the Articles of Incorporation, the Supervisory Board always exercised the greatest possible care and diligence when monitoring and overseeing the Company's business operations and took immediate action once it had become aware that poor sales decisions had been made. The close and trusting working relationship that it maintained with the current Management Board at all times took the form of a collaborative and constructive partnership. The Management Board always involved the Supervisory Board promptly in all decision-making of fundamental importance.

The Supervisory Board is totally confident that MOBOTIX AG's new technology and restructuring mean the Company is well positioned for the future and that its projected revenue

... And Restructuring

growth of around 12% is realistic. Given its new technologies, its growth forecast and the costly restructuring that it has completed, its share price should return to a positive performance trajectory.

The Supervisory Board therefore concurs with the Management Board's proposal to pay a dividend of €0.30 per share, to retain the remaining distributable profit as of September 30, 2014 and to propose to the Annual General Meeting that the Company's profit be appropriated accordingly.

Deliberation, Audit And Control Methods

The Management Board regularly informed the Supervisory Board at its meetings about the Company's situation, focusing in particular on its technology strategy, product development, its operating performance, its financial position, HR matters, and existing and new capital investment projects.

Outside these meetings the Management Board also provided the Supervisory Board with regular reports on key financial trends as well as developments within the Company. Having examined and discussed the relevant matters in detail, the Supervisory Board also gave its consent to measures proposed by the Management Board for transactions requiring Supervisory Board approval.

The Supervisory Board satisfied itself that the Company was being properly managed throughout the reporting year. No conflicts of interest arose on the Supervisory Board during the 2013/14 financial year.

The reports provided by the Management Board during the year conveyed a good impression of the Company's operating performance and were consistent with the picture presented by the financial statements for 2013/14. The Management Board also briefed the chairman of the Supervisory Board about all major developments and forthcoming decisions in regular discussions held between board meetings.

The Supervisory Board did not exercise its right to inspect the Company's books and records or to instruct special experts to perform specific tasks (section 111 (2) of the German Stock Corporation Act [AktG]) in respect of the reporting year. The Supervisory Board has not set up any committees to date because, given the Company's size and structure, they would not have helped to enhance its efficiency. The entire Supervisory Board was always involved in all matters to be discussed and all decisions to be made.

Report Of The Supervisory Board

Main Subject Matters Discussed By The Supervisory Board

During the 2013/14 financial year the Supervisory Board met in person on a total of nine occasions and held two conference calls. If required, the Supervisory Board met in the absence of the Management Board, at least for part of meetings. All members of the Supervisory Board attended all the meetings.

The subject matter discussed at the first two meetings in November 2013 was the audit and adoption of the separate and consolidated financial statements for the 2012/13 financial year. The Company's current performance, product development progress, and product launch plans were discussed throughout the year. The Supervisory Board also examined the issue of planning and budgeting for HR, funding and liquidity purposes. The performance of the US subsidiary was discussed on an ongoing basis.

Dr Ralf Hinkel was elected as the new Supervisory Board chairman at the meeting held by telephone on January 17, 2014 after Professor Dr Rainer Gerten had resigned his post on the Supervisory Board.

The Supervisory Board convened an extraordinary meeting on February 13, 2014 to discuss poor sales decisions that had been

made as well as other irregularities in order to clarify the matter and ascertain what had gone wrong. The CEO at the time was dismissed with immediate effect on February 17, 2014.

The main subject matters subsequently discussed by the Supervisory Board were current revenue and earnings performance, the progress made on optimizing sales processes and structures, the future direction of strategy, and how to return to a healthy growth trajectory in the Company's core business.

Audit Of Separate And Consolidated Financial Statements For 2013/14

In accordance with the resolution adopted by the Annual General Meeting in December 2013, KPMG AG Wirtschaftsprüfungsgesellschaft, Saarbrücken, was engaged by the Supervisory Board to audit the Company's separate and consolidated financial statements for the 2013/14 financial year. A declaration of independence obtained in advance from the independent auditors gave no grounds for complaint.

The independent auditors audited the separate 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 HGB for the financial year ended September 30, 2014 as well as the dependency report prepared in accordance with section 313 AktG and issued an unqualified opinion for each of them.

The Management Board's financial statements documentation and the independent auditors' reports were submitted to the Supervisory Board for review. The Supervisory Board examined and discussed at length the separate financial statements, the consolidated financial statements, the management reports for MOBOTIX AG and the MOBOTIX Group, the dependency report prepared in accordance with section 313 AktG, the Management Board's proposal for the appropriation of profit, and the independent auditors' report. The independent auditors took part in these discussions, were available to answer any questions, and reported on material findings of the audit.

Having completed its own review, the Supervisory Board endorsed the independent auditors' findings and stated that it had no reservations. At its meeting on November 6, 2014 the Supervisory Board adopted the separate financial statements prepared by the Management Board and approved

the consolidated financial statements of MOBOTIX AG.

The measures taken to devise a promising long-term sales strategy for the Company have managed to regain the confidence and trust of its distribution partners. The large number of successfully introduced products and the development of new technologies that are about to be launched in the market have provided the Company with an excellent starting point from which it can return to sustainable growth.

The Supervisory Board would like to thank all employees and the reconstituted Management Board for their hard work in 2013/14. We wish the management and staff of MOBOTIX AG every success in meeting the challenges facing us all over the coming year. We would like to express our heartfelt thanks to the Company's customers, partners and shareholders for the goodwill and trust they have shown.

Winnweiler-Langmeil, November 6, 2014

On behalf of the Supervisory Board

Kind regards,



Dr Ralf Hinkel

Business Activities ...

General Information

This group management report has been prepared for the first time in accordance with new German accounting standard 20 (GAS 20), which deals with group management reports. This has brought about a few changes, especially with respect to the structure of this group management report.

Basic Information on The Group

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** (allround dual camera), **S15** (FlexMount as a mono or dual camera), **D15** (DualDome camera), **V15** (anti-vandalism camera), **Q25** (Hemispheric camera), **M25** (allround camera) and **D25** (MonoDome camera) and the **T25** product line (IP-based door station). During the 2013/14 financial year the Company expanded its product portfolio by adding the **M15D-Thermal** and **S15D-Thermal** product lines as well as the **MxDisplay** (remote station for the T25 Door Station and MOBOTIX camera lines). MOBOTIX offers a wide range of accessories and high-performance software solutions for all its product lines.



... And Market Conditions

The MxControlCenter is a complete video management solution in the form of control centre software which can also incorporate competitors' cameras into its video surveillance system, and it can do so for an unlimited number of cameras.

The MxEasy allows up to 16 MOBOTIX cameras to be integrated and is therefore the ideal video software solution for use in small offices and home security applications.

The MOBOTIX Premium App is a mobile video management solution that enables MOBOTIX users to access their video security solutions at any time and from anywhere in the world via a mobile wireless or 3G internet connection. The stand-out features of the MOBOTIX Premium App are its bandwidth-optimized remote access to live images and recordings and its innovative operating concept.

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

MOBOTIX successfully launched a number of product innovations in the market during the 2013/14 financial year. The Q25, M25, D25 and T25 were equipped with the latest 5-megapixel technology and were brought to market in December 2013. These new

camera models, which feature the new MOBOTIX Lowlight Exposure Optimization Technology (MxLEO), capture high-contrast images without motion blur, even in poor lighting conditions. They are therefore far more light sensitive than their predecessors and have more than twice as many pixels as the Full HD image standard.

MOBOTIX exhibited the M15D-Thermal, its first thermographic camera, at the Light+Building trade fair in Frankfurt in March 2014. The modules of this thermographic camera measure the heat given off by people and objects, which is why they work even in complete darkness. When combined with the MxActivitySensor – MOBOTIX's motion analysis software – they enable movements in the image to be detected accurately even at night. Only changes in position trigger a signal. Objects moving on the spot do not trigger a signal. The key advantage of the M15D-Thermal, with its thermal module and simultaneous daylight sensor, lies in the combination of its functions: high-resolution 5-megapixel images are captured during the day and in twilight, while movements at night are accurately detected.

Business Activities ...

MOBOTIX presented the new thermal sensor modules for its S15D in July 2014. These are the first thermographic devices to use dual FlexMount video cable technology. The flexible video cabling, weatherproof design and tiny footprint allow the two S15D thermal sensor modules to be installed into any location up to two metres away from a single S15D core unit.

MOBOTIX exhibited the MxDisplay and its new i25 camera line – as well as several other innovations – at the Security Essen trade fair in September 2014. The MxDisplay serves as a fixed remote station for the IP Video Door Station and can be operated using swipe-and-zoom gesture control. With just a few swipes, the user can see an overview of all the cameras in a building, retrieve the latest video messages from the MOBOTIX T25 IP Video Door Station or create a new access transponder card for a visitor. The i25 low-cost camera line has been specially developed for indoor use and, as an entry-level product, will further enhance MOBOTIX's competitiveness.

In addition to launching the products described above, the Company also widened its range of accessories during the 2013/14 financial year. The weatherproof

PTMount, for example, is compatible with all optical modules of the S15 camera line and is certified to IP65 (type of protection offered). This new installation mount enables the S15 product platform to be used for additional applications.

During the reporting year the Company also made preparations to launch new, light-sensitive premium HD lenses and a camera firmware update in the market in November 2014. These innovations will enable even higher frame rates, greater resolution and, consequently, a better level of detail and excellent image quality even in poor light and weather conditions.

Furthermore, in the 2013/14 financial year the Company laid the groundwork for the introduction of new video management software. The MxMultiViewer video management software is a totally newly developed product that focuses on being simple and intuitive to operate. Full-screen display at the click of a mouse, support for multiple monitors, and clear presentation of events and alarm messages are just a few of the many benefits offered by this new software.

In addition, the Company prepared the foundations for new, even more light-sensitive 6-megapixel sensors which, when

... And Market Conditions

combined with the new HD Premium Lenses, will offer 100 times more light sensitivity than the 3-megapixel systems launched only a year ago.

Structure Of The MOBOTIX Group

The MOBOTIX Group consists of MOBOTIX AG, Winnweiler-Langmeil; MOBOTIX CORP, New York; MOBOTIX LTD., Nottingham; MOBOTIX DO BRASIL, São Paulo; and MOBOTIX SINGAPORE PTE. LTD., Singapore. MOBOTIX LTD., Nottingham, is not yet operational. MOBOTIX LTD., Nottingham; MOBOTIX DO BRASIL, São Paulo; and MOBOTIX SINGAPORE PTE. LTD., Singapore, have not been included in the Company's consolidated financial statements.

All manufacturing and development of new products as well as the coordination of worldwide sales and distribution take place in Winnweiler-Langmeil.

The subsidiary MOBOTIX CORP is purely a distribution company for the American market. The executive directors of MOBOTIX CORP until February 19, 2014 were Dr Magnus Ekerot (CEO) and Klaus Gesmann (CFO). Klaus Gesmann (CEO) became the sole executive director of this company with effect from February 19, 2014.

Sales And Distribution

In Germany the Company's products are sold through MOBOTIX-certified **secure partners, IT retailers, electrical wholesalers** or directly – e.g. via the Company's web shop – to commercial and private customers.

Most of MOBOTIX's international product sales are made via **distributors** and their qualified **systems integrators** and **resellers**. These distributors are assisted in this process by a number of locally based business development managers who are employed directly by MOBOTIX AG.

In the United States the Company sells its products through its own distribution subsidiary MOBOTIX CORP

The MOBOTIX Group's export ratio in the 2013/14 financial year was 71.0% (prior year: 75.2%). More than 100,000 MOBOTIX video security solutions are being used around the world.

Research And Development

The MOBOTIX Group employed 87 people (by headcount) in its Development department as of September 30, 2014. As in previous years, its development activities focused on the creation of new hardware and software products and on further optimizing product functionality.

Business Activities ...

Most development work is performed inhouse. Development activities are outsourced on a small scale only in the areas of tool engineering, lens design and PC board layout.

The hardware successfully launched in the market during the 2013/14 financial year included the Q25, D25, M25, T25, M15D-Thermal and S15D-Thermal camera models, the MxDisplay, the new PTMount installation mount and further accessories. During the reporting year the Company also completed preparations for the market launch of new premium HD lenses, pressed ahead with development of the new i25 low-cost camera line and laid the groundwork for the introduction of new, even more light-sensitive 6-megapixel cameras.

In its software business MOBOTIX significantly optimized its camera platform firmware in order to improve its frame rates and resolution. It was also successful in driving forward its development work on the MxMultiViewer, an intuitive video management system.

Financial Report

Macroeconomic And Sector-Specific Conditions

MOBOTIX operates in the market for video security systems. This is usually described as the closed circuit television (CCTV) market. Today's market for video security systems comprises analog video security systems, network camera systems, video management software and accessories. The market segment of relevance to MOBOTIX is the network camera systems segment.

The competitive environment is relatively homogeneous throughout the world, with roughly 80% of the major rivals showing similarities in all global sub-markets. Market research company IHS Research published a market survey in June 2013 in which it concludes that the total revenue generated by the network camera systems market worldwide is set to grow by an annual average of around 25% between 2012 and 2017. The growth potential in all sub-markets around the globe (Americas, Asia, EMEA) is reckoned to be fairly high and is not limited to just a few regional markets.

Current conditions in the market for network camera systems are slightly weaker than those forecast by IHS Research.

Number Of Employees

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

... And Market Conditions

Nonetheless, we expect the global network camera systems market to remain buoyant and stable.

Business Activities

The MOBOTIX Group's operating performance in the 2013/14 financial year did not reflect conditions in the sector or in the economy as a whole, nor did it match the Management Board's expectations. The revenue generated by the MOBOTIX Group in 2013/14 declined by 9.1% from €86.4 million in the prior year to €78.5 million. Earnings before interest and tax (EBIT) came to €2.3 million (prior year: €18.2 million), while the EBIT margin (EBIT as a percentage of total operating output) fell from 20.1% to 3.3%.

The sharp decline in revenue was largely attributable to poor sales decisions that had been made.

The distribution partner programme introduced in 2012 was not accepted worldwide and caused considerable concern within our distribution network. We lost some distribution partners as a result. Our delayed reaction to the recent shift away from 3-megapixel sensor technology and towards 5-megapixel technology meant that the Company placed production orders

for large-scale projects still based on old technology which were not promptly aligned with the new technology. At the same time, the build-up of inventories at distributors' warehouses created an overhang that hampered us in our efforts to achieve the necessary technology transition. Products therefore had to be recalled and/or exchanged for new models.

The fall in earnings was mainly attributable to the decline in revenue explained in more detail above as well as the one-off items described immediately below.

The necessary shift away from 3-megapixel sensor technology and towards 5-megapixel technology required the Company to recognize impairment charges of €4.3 million on obsolete components and finished goods held in inventories.

The Company also had to recognize expenses of €0.7 million in connection with a patent dispute – which MOBOTIX won – with e-watch Inc., a US company based in San Antonio, Texas.

Net Assets, Financial Position ...

Net Assets, Financial Position And Results Of Operations

Results of operations

The revenue generated by the MOBOTIX Group in the 2013/14 financial year declined by 9.1% from €86.4 million in the prior year to €78.5 million. This decrease was largely attributable to the reduction in inventories of MOBOTIX products held by our global distributors.

Revenue earned from the sale of dome cameras was down by 9.4% from €47.5 million in the 2012/13 financial year to €43.1 million in the reporting year. Revenue from the sale of fixed cameras fell by 11.2% year on year from €34.9 million to €31.0 million.

The MOBOTIX Group's overall export ratio in the 2013/14 financial year was 71.0% (prior year: 75.2%). Revenue generated in Germany rose by 6.6% year on year from €21.4 million to €22.8 million. The revenue earned in the rest of Europe (excluding Germany) came to €26.2 million (prior year: €29.3 million). The revenue attributable to the rest of the world fell by 17.3% from €35.7 million in 2012/13 to €29.5 million in the reporting year. The sharpest revenue decreases in this sales

region stemmed from the reduction in inventories held by distributors. No product prices were raised or lowered. The fall in revenue was therefore essentially due to the lower volumes achieved.

Total operating output (revenue, increase/decrease in inventories of finished goods and work in progress, and other own work capitalized) fell by 22.5% year on year from €90.5 million to €70.1 million in the 2013/14 financial year. This was attributable to the contraction in revenue, the deliberate reduction in inventories of finished goods and work in progress, and the impairment charges recognized on finished goods and work in progress as part of the exchange of products held by distributors.

The material usage ratio (material costs as a percentage of total operating output) rose from a total of 29.1% in 2012/13 to 31.2% in the reporting year owing to the start-up of production of new camera models, the associated start-up costs incurred and the impairment charges recognized on components and finished goods.

The rise in the staff costs ratio (staff costs as a percentage of total operating output) to 34.3% in the reporting year

EBITDA
€ 5.2m (7.4%)

EBIT
€ 2.3m (3.3%)

... And Results Of Operations

(prior year: 27.1%) was primarily attributable to the decline in total operating output. The staff costs for 2013/14 decreased by €0.5 million year on year. This was mainly due to the decline in profit-related remuneration despite the fact that the average number of MOBOTIX employees rose by 16.

Depreciation, amortization expense and impairment losses totalling €2.9 million (prior year: €2.8 million) include an impairment charge of €0.4 million for a non-compete agreement.

Other operating expenses incurred in 2013/14 advanced by 4.3% year on year from €19.2 million to €20.0 million. The main reason for this increase was MOBOTIX's trade fair attendance at Light+Building in Frankfurt in March 2014 and Security Essen in September of that year. Other operating expenses included legal and consultancy costs incurred in connection with fending off patent trolls and for patent cancellation proceedings in the United States.

EBITDA (7.4% of total operating output; earnings before interest, tax, depreciation and amortization) amounted to €5.2 million (prior year: €21.1 million). EBIT (3.3% of total

operating output; earnings before interest and tax) stood at €2.3 million (prior year: €18.2 million). Profit for the 2013/14 financial year came to €1.1 million (prior year: €12.4 million), and the return on revenue was 1.4%.

Net assets

Non-current assets decreased by €1.8 million, or 7.7%, to €21.9 million. The capital expenditure of €1.1 million on non-current assets was more than offset by depreciation and amortization of €2.9 million. Most of this spending related to investment in plant and machinery and in office furniture and equipment. The capital expenditure on plant and machinery mainly comprised investment in injection moulding tools and IT equipment.

Export Ratio
71.0%

Net Assets, Financial Position ...

Inventories were reduced by €12.3 million, or 51.4%, from €23.9 million to €11.6 million, which included impairment charges of €4.3 million recognized on materials and supplies, finished goods and work in progress.

Trade receivables as of September 30, 2014 had declined by €3.3 million compared with the beginning of the financial year to €10.2 million. This was because the volume of business in September 2014 was lower than it had been a year earlier.

Other assets totalling €4.6 million (September 30, 2013: €5.3 million) included gold reserves with a carrying amount of €3.6 million and advance payments of €0.7 million.

Cash and cash equivalents as of September 30, 2014 had decreased by a modest €0.2 million compared with the beginning of the financial year to €7.6 million (September 30, 2013: €7.8 million).

Equity contracted by €8.9 million to €40.4 million owing to the distribution in 2013/14 of a total dividend payout of €9.9 million for the 2012/13 financial year. With total assets down by €18.5 million or 24.5%, the equity ratio rose from 65.3% to 70.9%.

MOBOTIX held a total of 128,134 treasury shares as of September 30, 2014.

Provisions for taxes fell by €0.6 million to €2.0 million in the 2013/14 financial year as a result of tax payments for the 2013 assessment period.

The decrease in liabilities to banks was attributable to scheduled loan repayments of €1.2 million.

Trade payables declined by €6.5 million from €7.9 million as of September 30, 2013 to €1.4 million as of the reporting date. This decrease stemmed mainly from the reduction of inventories in 2013/14.

The MOBOTIX Group's total assets as of September 30, 2014 had contracted by €18.5 million, or 24.5%, compared with September 30, 2013 to €56.9 million.

Cash Flow From Operating Activities

€ 12.2m (+83.9%)

... And Results Of Operations

Financial position

Operating cash flow before changes in working capital came to €3.9 million in the 2013/14 financial year (prior year: €21.7 million). Cash flow from operating activities before tax amounted to €13.5 million (prior year: €14.1 million) largely because inventories were reduced by €12.3 million and trade payables fell by €6.5 million. Consequently, cash flow declined only slightly year on year. Cash flow from operating activities grew by an aggregate €5.5 million from €6.6 million in 2012/13 to €12.2 million in the reporting year because income tax payments decreased by €6.2 million year on year.

The net cash used by investing activities came to €1.1 million (prior year: €2.5 million) and was largely accounted for by capital expenditure on property, plant and equipment. The cash paid for purchases of property, plant and equipment amounted to €1.0 million.

The negative cash flow from financing activities of €11.3 million (prior year: minus €8.0 million) was due, above all, to the dividend distribution of €9.9 million. A further €1.2 million was used for scheduled loan repayments.

The changes in these individual cash flows resulted in total cash and cash equivalents of €7.6 million as of September 30, 2014 (prior year: €7.8 million).

The Company's solvency was secure at all times during the 2013/14 financial year. A number of financing options continue to be available to the Company as a result of its credit standing. Unutilized credit lines totalling €2.0 million are currently at its disposal.

Non-current liabilities decreased by €1.2 million year on year to €6.8 million as of September 30, 2014. As a proportion of the MOBOTIX Group's total assets, non-current liabilities rose from 10.6% to 12.0%. Current liabilities accounted for 17.1% of total assets as of the reporting date compared with 24.1% as of September 30, 2013.

Net Assets, Financial Position ...

Overall Assessment Of The MOBOTIX Group's Net Assets, Financial Position And Results Of Operations

The MOBOTIX Group's net assets, financial position and results of operations in 2013/14 financial year in no way reflected the Management Board's expectations for the performance of business during this financial year. The Company fell well short of its forecast revenue growth of around 10% and its projected EBIT margin of roughly 21%.

In particular, the effects of the need to exchange products held by MOBOTIX distributors in conjunction with the impairment charges that this necessitated had a significantly adverse impact on the Group's net assets, financial position and results of operations during this financial year.

Nonetheless, the MOBOTIX Group's financial position as of September 30, 2014 was satisfactory given its equity ratio of just under 71%, its equity of €40.4 million, and its cash, cash equivalents and gold reserves of €11.2 million.

In recent months the Management Board has driven forward a large number of initiatives around sales, distribution and development to ensure that the MOBOTIX Group returns to a path of strong revenue

growth in the coming financial year. Capital spending on home automation technology products over the last few years has tied up a large proportion of the Company's development resources and has therefore delayed product development in its core camera business. Because the share of total revenue generated by these endeavours is unsatisfactory, MOBOTIX AG's development activities will in future focus on its core competence as a manufacturer of complete IP cameras and video management software systems.

Events After The Reporting Period

After the end of the 2013/14 financial year the United States Patent and Trademark Office (USPTO) upheld three further patent examination proceedings in October 2014 and declared the content of these patents to be unpatentable.

No further events of particular significance occurred after the end of the 2013/14 financial year.

Related Party Disclosures

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

... And Results Of Operations

Changes To The Management Board

In February 2014, Dr Magnus Ekerot was dismissed and removed from the Management Board of MOBOTIX AG with immediate effect. For the time being, Klaus Gesmann has taken on the roles of Chief Executive Officer (CEO) and Chief Sales Officer (CSO) in addition to his existing role of Chief Financial Officer (CFO). Dr Oliver Gabel remains the Chief Technology Officer (CTO).

Switch Of Stock Exchange Segment

At its meeting on May 29, 2013, the Management Board of MOBOTIX AG decided to apply to voluntarily switch from the Prime Standard segment of the EU-Regulated Market to the Entry Standard segment of the Exchange-Regulated Market of the Frankfurt Stock Exchange (Open Market), thus returning to the stock market segment that it was in at the time of the initial public offering.

In a letter dated June 19, 2013, the management of the Frankfurt Stock Exchange announced that, following an application by MOBOTIX AG, the ordinary bearer shares, ISIN DE0005218309, would be delisted pursuant to section 39 (2) German Stock Exchange Act (BörsG) in conjunction with section 46 (1) sentence 2 no. 2 and

section 46 (2) sentence 3 Exchange Rules for the Frankfurter Wertpapierbörse (BörsO). The delisting came into effect from midnight on December 19, 2013. Delisting from the Regulated Market (General Standard) simultaneously removes the shares from the section of the Regulated Market with further post-admission obligations (Prime Standard).

Listing in the Entry Standard of the Open Market took place simultaneously with the delisting from the Prime Standard of the EU-Regulated Market, i.e. as of December 20, 2013. The shares can still be traded.

Changes To The Supervisory Board

On January 17, 2014, Dr. Ralf Hinkel Holding GmbH exercised its right, enshrined in the Articles of Incorporation of MOBOTIX AG, to appoint one member of the Supervisory Board by appointing Dr Ralf Hinkel to the Supervisory Board.

The previous chairman of the Supervisory Board, Professor Dr Rainer Gerten, resigned from his position on January 17, 2014 for personal reasons. Dr Ralf Hinkel was elected as chairman of the Supervisory Board on January 17, 2014.

Risk Management ...

Risk Report

Risk Management In The Group

The MOBOTIX Group has implemented a risk management system as part of corporate management to ensure that risk is identified and dealt with at an early stage. The system comprises early identification of risks, control and planning processes, reporting and an internal control system. The principles and decisions relating to the risk management system have been documented in a risk management handbook. The system is enhanced and optimized on an ongoing basis.

The purpose of the Group's risk management system is to identify, monitor and manage any risks assumed. In addition to risks to the Company's survival as a going concern, the system records activities, events and developments that could have a significant impact on future business performance. The risk management process involves identifying and managing operational opportunities and risks over a period of between one and three years. A longer forecasting period is used for strategic opportunities and risks.

The risk to earnings is analyzed using a risk matrix that indicates the probability of occurrence and the potential level of losses. If risks are not quantifiable, their impact is estimated in qualitative terms.

Probability of occurrence

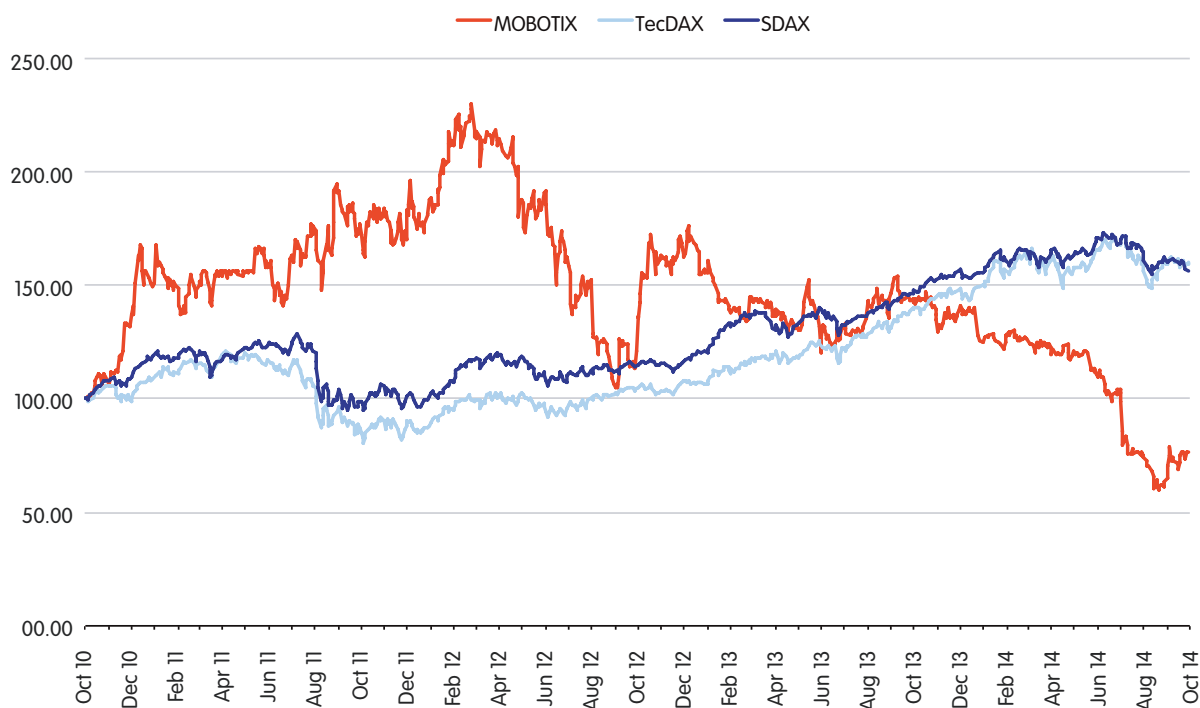
Low	Less than 25%
Medium	25% to 50%
High	50% to 75%
Very high	More than 75%

Possible impact (€)

Low	Less than €1.2 million
Medium	€1.2 million to €3.6 million
High	€3.6 million to €12.0 million
Very high	More than €12.0 million

We have set up an internal control system (described on page 34 onwards) to manage the business risks that are typical for the Group and that could have a material impact on the Group's net assets, financial position and results of operations.

Based on the information currently available, the MOBOTIX Group currently does not face any dominant individual risks that, by themselves, could jeopardize the MOBOTIX Group's survival as a going concern.



Master data for MOBOTIX shares

Securities identification number (WKN)	521830
ISIN	DE0005218309
Ticker symbol	MBQ
Bloomberg	MBQ:GR
Reuters instrument code	MBQGn.DE
Market segment	Open Market (Entry Standard)
Prime sector	Technology
Industry group	Electronic components & hardware
Stock exchange	Frankfurt
Share capital	€13,271,442
Shares outstanding	13,271,442

Risk Management ...

Internal Control System

The MOBOTIX Group has an extensive system of process controls. The control system's aim is to detect possible deficiencies in the Company's processes at different process levels, to initiate appropriate countermeasures and to ensure and continuously improve the effectiveness of the risk identification and analysis methods by conducting regular reviews. The tasks in the control system are carried out by members of the management team and by employees working centrally in the organization department who assume some of the duties of an internal audit function. The employees in the organization department report directly to the Management Board. Their role as advisors to the various departmental managers enables them to monitor the internal control system's integrity and other aspects. A major element of this task is monitoring the proper compliance with, and implementation of, guidelines. Recommendations (categorized according to their importance) and any need for changes are reported directly to those in charge of the units under review and to the Management Board.

Ad-hoc audits are carried out in order to identify and investigate current issues promptly. If required, these result in immediate process changes aimed at continuously improving the quality of processes. Afterwards, follow-up audits are conducted so that progress on implementing the process changes can be reviewed. The Management Board is notified of any discrepancies without delay.

The internal control system is an integral element of risk monitoring in the Group. It is based not only on defined control mechanisms for prevention and monitoring – such as automated and manual reconciliation processes – but also on predefined approval processes, separation of functions and compliance with guidelines. Another important measure is ensuring that the actions of individuals are verified by a second person. By rigorously applying the principles and instructions laid down in the risk policy, the majority of risks can be avoided or their impact can at least be mitigated.

... And Material Risks

Material Risks

	Probability of occurrence	Possible impact
Market risks		
Sales risks/ competitive situation	Medium	Medium
Procurement risks	Low	Medium
Financial risks		
Default risks	Low	Low
Currency risks	Medium	Low
Legal and social risks		
Statutory and regulatory risks	Medium	Medium
Risk from patent disputes	Medium	Medium
Operational risks		
Human resources risks	Low	Low
Warranty risks	Low	Medium

Market risks

MOBOTIX products are now used in a wide variety of professional contexts, e.g. public security (train stations, airports, urban security, prisons, ports, motorways) and, due to their compactness and ability to cope with a wide range of temperatures, mobile security (police, trains, buses, transport of valuable loads, logistics). The Management Board expects the Company to grow further over the coming years as it introduces additional product families. Product innovation will continue to play a key role in future.

External market studies confirm the expectation that the market for digital IP video surveillance systems will continue to enjoy high growth rates in future years. The market environment therefore remains highly attractive.

In recent months, the attractiveness of the market environment has led to increasingly fierce competition in the segment for IP video security solutions. Other suppliers of IP video security solutions, IP video cameras and IP video management systems have become established besides MOBOTIX. Moreover, some suppliers of analog security systems have switched to digital technology.

MOBOTIX differentiates itself from its competitors with its range of system solutions. It has a complete portfolio of IP video hardware (including accessories) and video management software solutions. The IP video security solutions offer the benefits of a decentralized concept. This sets the Company apart from some of its competitors and it is able to offer complete projects from a single source. Furthermore, the range of software offered free of charge by MOBOTIX restricts the market for pure-play vendors of IP video management software.

Political, Legal ...

The Management Board views the **procurement market risks** as typical for the industry. Market volatility can lead to changes in the availability of components. This results in the risk of longer delivery periods, which the Company mitigates by maintaining increased inventories of components and finished goods. There are currently no procurement bottlenecks impacting on product availability, but they cannot be ruled out entirely.

The sudden unavailability of critical suppliers, e.g. processor suppliers, which would lead to considerable disruptions to production, continues to be regarded as unlikely.

Financial risks

Due to the Company's comfortable liquidity position and excellent credit standing, there are currently no material **funding risks**. **Currency risk** largely arises in connection with operations in the United States. As a rule, the inflows of cash from US business are sufficient to cover MOBOTIX AG's purchasing requirements in the dollar area. There is currently no material **interest-rate risk**. The existing borrowing was taken out with a fixed interest rate. **Default risk** is contained by means of efficient receivables management (including payment reminders and collections), combined with a restrictive policy on payment terms for customers.

Political/legal and social risks

Public attitudes towards video surveillance have continued to become far more favourable. The presence of video surveillance boosts people's feeling of security, which is why it is enjoying increasing public acceptance. A growing number of political initiatives are emerging that are aimed at improving the quality of surveillance systems in public areas. If high-resolution systems increasingly become the norm in the public security segment, MOBOTIX will benefit as a major manufacturer of such systems.

... And Other Risks

The number of patent disputes in the video security industry is rising considerably. The action brought by e-watch, Inc., San Antonio, USA, against MOBOTIX CORP was rejected by the chief judge at the district court in San Antonio, Texas. There is also an action pending that was brought by ComCam International, Inc., Exon, USA, against MOBOTIX CORP. In this case too, the Management Board assumes that the claimant's patent is invalid and has applied to the United States Patent and Trademark Office (USPTO) for the patent in dispute to be examined.

It cannot be ruled out that the MOBOTIX Group will become involved in other patent infringement proceedings or that these could have a substantial financial impact.

Operational performance risk and other risks

The MOBOTIX Group has grown significantly since it was founded. Organizational changes have to be made constantly owing to the rapid pace of this growth. This presents fundamental risks, which the Company tackles by adjusting the level of personnel resources available and adapting the management systems and infrastructure on an ongoing basis.

The production and sale of technical products entails warranty risks. These are reflected in the financial statements by recognizing appropriate provisions. The Company has also taken out product liability insurance to safeguard against possible losses and risks.

In view of the considerable potential offered by the US market, economic developments could lead to growth-related losses at MOBOTIX CORP.

If trends in the global financial markets and the real economy result in a widespread, global recession, this would naturally have a marked effect on the markets relevant to the MOBOTIX Group.

The Company has not identified any current or future risks to its survival as a going concern or that would have a material impact on its development. Technological innovation and the continued expansion of sales are highly important to the sustained success of the Group.

Opportunities And Outlook

Opportunity Report

The benign market environment – with strong growth rates over the medium and long terms – provides the basis for the Company's continued success. This growth will be driven both by the increasing need for security and by the shift from analog to digital technologies. If the shift to the new technologies takes place faster than expected, additional opportunities may arise for the MOBOTIX Group. The factors that could accelerate this shift include political initiatives aimed at improving the quality of surveillance systems in public areas.

The Management Board anticipates that the technological driving forces in the market, such as higher resolution video systems or more complex security installations, will reinforce the advantages of a decentralized technology concept. The introduction of hemispheric technology has made this particularly clear. There are now various companies selling hemispheric cameras. However, their products are of poorer quality or perform worse because these competitors generally have a centralized system architecture. This strengthens the MOBOTIX Group's competitive position and puts pressure on competitors to act.



Klaus Gesmann
Chief Executive Officer



Dr. Oliver Gabel
Chief Technology Officer

Klaus Gesmann
CEO

In the coming months, MOBOTIX will boost its competitiveness with further product innovations in the field of IP-based video security solutions. To this end, it will focus on developing cameras and video management software because this is where its strengths lie. Moreover, being a manufacturer of complete IP camera and video management software systems is what makes MOBOTIX stand out from the competition.

MOBOTIX is already represented by partners worldwide. The targeted widening of the partner network will continue to be of key importance to the Company in future. Successful expansion of the sales structures will provide considerable growth opportunities. MOBOTIX's very strong global market position, particularly in the high-resolution network cameras sub-segment, provides a sound foundation for this expansion.

The regions of North America, South America and Asia will be the main focus of growth in the coming months.

Outlook

Provided market conditions in the sector remain positive and the economy as a whole does not deteriorate significantly, the Management Board anticipates revenue growth of approximately 12% in 2014/15 on the back of the measures initiated in 2013/14 to improve the sales structures and the product innovations that have been launched so far. As long as this revenue growth of approximately 12% materializes, EBIT will rise at a far faster rate than revenue. The forward-looking statements made above are predictions.

Winnweiler-Langmeil, October 24, 2014

The Management Board



Klaus Gesmann • CEO of MOBOTIX AG



Dr Oliver Gabel • CTO of MOBOTIX AG

Dr Oliver Gabel
CTO





Consolidated Financial Statements

Balance Sheet ...

€'000	Note	Sep. 30, 2014	Sep. 30, 2013
NON-CURRENT ASSETS			
Intangible assets	(1)		
Purchased industrial property rights and similar rights and assets as well as licences for such rights and assets		98	557
Property, plant and equipment	(1)		
Land and buildings, including buildings on third-party land		15,661	16,292
Plant and machinery		2,779	3,147
Office furniture and equipment		2,120	2,394
Advances paid and assets under construction		1,245	1,341
		21,805	23,174
Financial assets	(2)		
Investments in affiliated companies		4	4
		21,907	23,735
CURRENT ASSETS			
Inventories			
Materials and supplies		7,543	11,481
Work in progress		767	4,917
Finished goods		3,333	7,536
		11,643	23,934
Receivables and other assets	(3)		
Trade receivables		10,183	13,463
Other assets		4,640	5,322
		14,823	18,785
Cash on hand and bank balances		7,609	7,770
		34,075	50,489
PREPAID EXPENSES	(4)	700	791
DEFERRED TAX ASSETS	(5)	263	415
ASSETS		56,945	75,430

Profit For The Year
€ 1.1m (-91.1%)

€'000	Note	Sep. 30, 2014	Sep. 30, 2013
EQUITY	(6)		
Subscribed capital		13,271	13,271
minus notional value of treasury shares		-128	-128
Issued capital		13,143	13,143
Capital reserves		1,250	1,250
Statutory reserve		77	77
Currency translation adjustment		-61	45
Retained earnings		25,993	34,748
		40,402	49,264
PROVISIONS			
Provisions for taxes		2,021	2,619
Other provisions	(7)	4,637	5,915
		6,658	8,533
LIABILITIES	(8)		
Liabilities to banks		7,973	9,138
Advances received for orders		2	10
Trade payables		1,384	7,930
Other liabilities		521	549
		9,880	17,627
DEFERRED TAX LIABILITIES	(9)	5	6
EQUITY AND LIABILITIES		56,945	75,430

Total Assets
€ 56.9m (-24.5%)

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Income Statement ...

€'000	Note	Oct. 1, 2013- Sep. 30, 2014	Oct. 1, 2012- Sep. 30, 2013
Revenue	(10)	78,491	86,366
Decrease/increase in inventories of finished goods and work in progress		-8,353	4,096
Other own work capitalized		0	40
Other operating income	(11, 13)	1,034	605
Cost of materials		21,913	26,300
a) cost of materials and supplies and of goods purchased and held for resale		21,381	26,002
b) cost of purchased services		532	298
Staff costs		24,054	24,566
a) wages and salaries		20,915	21,588
b) social security contributions and pension expenses of which: for pensions €67 thousand (prior year: €67 thousand)		3,139	2,978
Depreciation, amortization expense and impairment losses		2,902	2,836
Other operating expenses	(11, 13)	20,008	19,175
Other interest and similar income		9	25
Interest expense and similar charges		316	335
Profit from ordinary activities		1,988	17,921
Income taxes	(14)	852	5,452
a) current taxes		701	5,649
b) deferred taxes	(5, 9)	151	-197
Other taxes		34	33
Profit for the year		1,102	12,436
Profit carried forward		24,891	22,312
Retained earnings		25,993	34,748

Profit Before Tax
€ 1.9m (-89.1%)

... Cash Flow Statement

€'000	Note	Oct. 1, 2013- Sep. 30, 2014	Oct. 1, 2012- Sep. 30, 2013
Profit before tax		1,954	17,888
+ Net interest income/expense		307	310
+ Depreciation, amortization expense and impairment losses		2,902	2,836
-/+ Decrease/increase in other provisions		-1,277	606
+ Loss on disposal of non-current assets		40	40
+ Other non-cash expenses		0	18
Operating profit before changes in working capital		3,926	21,698
+/- Decrease/increase in inventories, trade receivables and other assets not attributable to investing or financing activities		16,111	-13,792
+/- Decrease/increase in trade payables and other liabilities not attributable to investing or financing activities		-6,583	6,224
Cash flow from operating activities before tax		13,454	14,130
- Income tax paid		-1,275	-7,508
Cash flow from operating activities		12,179	6,622
- Cash paid for purchases of property, plant and equipment		-1,017	-2,377
- Cash paid for purchases of intangible assets		-97	-119
- Cash paid for purchases of financial assets		0	-4
+ Cash received from disposals of property, plant and equipment		7	16
+ Interest received		9	26
Cash flow from investing activities		-1,098	-2,458
- Dividends paid	(18)	-9,857	-6,572
- Cash paid for the redemption of loans		-1,164	-1,164
- Interest paid		-282	-301
Cash flow from financing activities		-11,304	-8,037
Net change in cash and cash equivalents		-223	-3,873
Effect of exchange rate on cash and cash equivalents		62	-5
Cash and cash equivalents at the beginning of the reporting period		7,770	11,648
Cash and cash equivalents at the end of the reporting period	(16)	7,609	7,770

Cash and cash equivalents correspond to the balance sheet line item 'Cash on hand and bank balances'.

Cash Flow From Operating Activities
€ 12.2m (+83.9%)

Statement Of Changes In Equity

€'000	Subscribed capital	Treasury shares	Capital reserves	Statutory reserve	Currency translation adjustment	Retained earnings	Group equity
Balance as of Oct. 1, 2012	13,271	-128	1,250	77	26	28,884	43,380
Dividends paid						-6,572	-6,572
Profit for the year						12,436	12,436
Currency translation gains/losses					19		19
Total comprehensive income/loss					19	12,436	12,455
Balance as of Sep. 30, 2013	13,271	-128	1,250	77	45	34,748	49,263
Balance as of Oct. 1, 2013	13,271	-128	1,250	77	45	34,748	49,263
Dividends paid						-9,857	-9,857
Profit for the year						1,102	1,102
Currency translation gains/losses					-105		-105
Total comprehensive income/loss					-105	1,102	997
Balance as of Sep. 30, 2014	13,271	-128	1,250	77	-60	25,993	40,402

Equity
€ 40.4m

Equity Ratio
70.9%

Notes To The Consolidated Financial Statements For The Financial Year Ended September 30, 2014

1. General Information

The financial year used by MOBOTIX AG covers the period from October 1 of each year to September 30 of the following year.

The consolidated financial statements of MOBOTIX AG have been prepared in accordance with the stipulations of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG).

Assets and liabilities have been recognized and measured on the assumption that the Company will continue as a going concern.

As in the prior year, we have used the nature-of-expense method to prepare the income statement.

The presentation of figures in thousands of euros (€ thousand) and the associated rounding of such figures may give rise to discrepancies of plus or minus one unit (euros or per cent).

These consolidated financial statements have been prepared in accordance with German generally accepted accounting principles (HGB), whereas International Financial

Reporting Standards (IFRS) were applied for the 2012/13 financial year. Development costs have not been capitalized in these HGB consolidated financial statements, whereas they were in the IFRS consolidated accounts for the financial year ended September 30, 2013. In addition, the subsidy included in the interest rate on development loans granted is no longer shown separately. Consequently, the MOBOTIX Group's equity reported under HGB as of September 30, 2013 is €1.7 million lower (development costs €1.4 million, liabilities to banks €0.4 million, miscellaneous minus €0.1 million) than in the corresponding IFRS consolidated financial statements.

Basis Of Consolidation

MOBOTIX CORP, New York, United States (formerly MOBOTIX Ltd. Liability Company, Columbia, South Carolina), was established as a subsidiary in 2003 with the aim of entering the American market. MOBOTIX CORP was fully consolidated as part of the MOBOTIX Group as of the opening balance sheet date. MOBOTIX DO BRASIL SERVICOS EM SISTEMAS DE SEGURANCA LTDA. was founded in São Paulo, Brazil, on September 4, 2012 as a service company for

Consolidated Financial Statements

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Brazil. MOBOTIX SINGAPORE PTE. LTD. was established in Singapore on December 30, 2013 as a service company for Singapore. MOBOTIX Ltd., Nottingham, United Kingdom, MOBOTIX DO BRASIL Ltda., São Paulo, Brazil, and MOBOTIX SINGAPORE PTE. LTD., Singapore, have not been included in these consolidated financial statements because they are not material to the presentation of a true and fair view of the MOBOTIX Group's net assets, financial position and results of operations. MOBOTIX Ltd. is currently not operating.

2. Principles Of Consolidation

The separate financial statements of the companies included in the consolidated financial statements of MOBOTIX AG have been prepared in accordance with uniform groupwide accounting policies as of the balance sheet date of September 30, 2014.

Consolidation Of Subsidiaries

MOBOTIX CORP was first consolidated as of July 1, 2005 (the opening balance sheet date).

It has been consolidated in accordance with section 301 HGB. To this end, the subsidiary's equity as of the opening balance sheet date has been offset against the carrying amount of the parent company's long-term equity investment in the subsidiary.

Consolidation Of Receivables And

Liabilities; Intra-Group Profits And Losses;

Consolidation Of Income And Expenses

Intra-group receivables and liabilities between consolidated companies as well as any income and expenses arising from intra-group transactions are offset. Intra-group transactions are based both on market prices and on arm's-length transfer prices. Intra-group profits and losses between consolidated companies are also eliminated as part of the consolidation process.

Company	Registered office	Shareholding	
		Sep. 30, 2013	Sep. 30, 2012
MOBOTIX CORP	New York, United States	100.0%	100.0%
MOBOTIX Ltd.	Nottingham, United Kingdom	100.0%	100.0%
MOBOTIX SINGAPORE PTE. LTD.	Singapore, Singapore	100.0%	100.0%
MOBOTIX DO BRASIL SERVICOS EM SISTEMAS DE SEGURANCA Ltda.	São Paulo, Brazil	100.0%	100.0%

Currency Translation

Assets and liabilities denominated in foreign currency are translated at the middle spot exchange rate as of the balance sheet date.

The balance sheet line items in financial statements prepared in foreign currency are translated into euros at the relevant middle spot exchange rate as of the balance sheet date; the exception here is equity, which is translated into euros at historical rates. The line items on the income statement are translated into euros at average rates. Any resultant exchange differences are recognized directly in equity as a currency translation adjustment.

Deferred Taxes

Deferred tax assets and liabilities are recognized in respect of differences between the carrying amounts of assets, liabilities, prepaid expenses and deferred income reported in HGB financial statements and the corresponding carrying amounts reported in the tax accounts, provided that these differences are likely to be reversed in future financial years. The resultant tax expenses and tax benefits are not netted.

3. Information On Accounting Policies

Accounting Principles

Intangible Assets, Property, Plant And Equipment, And Financial Assets

Purchased intangible assets are measured at cost less straight-line amortization based on an estimated useful life of between one and five years.

Property, plant and equipment are measured at cost less straight-line depreciation based on an estimated useful life of between three and 33 years. Grants and subsidies received are deducted from the carrying amounts of these assets.

The manufacturing cost of internally generated property, plant and equipment includes the direct cost of materials and production as well as an appropriate proportion of the necessary materials and production overheads incurred, including production-related depreciation.

Notes ...

Investments in affiliated companies are measured at cost. If the value of such investments is permanently impaired, their carrying amount is written down to their fair value. If the reasons for such write-downs cease to apply, the impairment losses are reversed in accordance with section 253 (5) HGB.

Inventories

The materials and supplies reported under inventories are recognized at their average price, taking account of their realisable value on the balance sheet date and the lower-of-cost-and-market principle. Work in progress and finished goods are measured at their manufacturing cost in accordance with the lower-of-cost-and-market principle. Manufacturing costs include the direct cost of materials and production as well as an appropriate proportion of the materials and production overheads incurred and production-related depreciation of non-current assets.

Receivables And Other Assets

Receivables and other assets are carried at their principal amounts and adjusted to take account of all identifiable risks.

Discounts

Discounts are released on a straight-line basis over the fixed-interest period of the loans concerned.

Provisions

Other provisions take appropriate account of all identifiable risks and contingent liabilities; they are recognized at the settlement amount dictated by prudent business practice. Future price and cost increases are factored in if there is sufficiently objective evidence to suggest that they will materialise. Provisions with a residual maturity of more than one year are discounted using the maturity-matched average market interest rate for the previous seven financial years.

Liabilities

Liabilities are carried at their settlement amount.



4. Individual Balance Sheet And Income Statement Disclosures

(1) Intangible Assets And Property, Plant And Equipment

The changes in the non-current intangible assets and property, plant and equipment reported on the balance sheet are presented in the statement of changes in non-current assets (annex to the notes to the consolidated financial statements).

(2) Financial Assets Shareholdings

Name and registered office of the company	Percentage of capital	Equity	Profit/loss in 2013/14
MOBOTIX LIMITED, Nottingham, United Kingdom*	100.0%	1 pound sterling	0 pounds sterling
MOBOTIX DO BRASIL SERVICOS EM SISTEMAS DE SEGURANCA Ltda., São Paulo, Brazil**	100.0%	-48 thousand Braz. reais	-61 thousand Braz. reais
MOBOTIX SINGAPORE PTE. LTD.	100.0%	0 thousand Sing. dollars	0 thousand Sing. dollars

* Not operationally active

** As of 31 December 2013

(3) Trade Receivables And Other Assets

As in the prior year, trade receivables and other assets have a residual maturity of less than one year. The Company's gold reserves are measured at their weighted average acquisition cost. If the market price of this gold falls, its carrying amount is written down to its fair value.

(4) Prepaid Expenses

Prepaid expenses include discounts of €165 thousand on five loans (prior year: €199 thousand).

(5) Deferred Tax Assets

Deferred tax assets have been recognized in respect of the elimination of intra-group profits and losses arising from transactions between MOBOTIX AG and MOBOTIX CORP. The recognition of deferred tax assets on inventories is based on a tax rate of 28.6%.

Notes ...

Deferred tax assets on tax relief entitlements in the United States, which are expected to arise from the anticipated use of existing loss carryforwards (€2.047 million) in future years, are not being recognized at present owing to the uncertainty surrounding the recovery of tax benefits.

(6) Equity

The 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 issued 13,271,442 ordinary shares, of which 13,143,308 were in circulation. It held 128,134 shares as treasury shares as of September 30, 2014. These no-par-value shares each represent €1.00 of the Company's share capital, which is fully paid-up.

The Annual General Meeting of MOBOTIX AG, Winnweiler-Langmeil, held on December 20, 2013 adopted a resolution to pay a dividend of €0.75 per share for the 2012/13 financial year. This constituted a total dividend payout of €9.857 million. The treasury shares held by the Company

do not carry dividend rights. The dividend was distributed on December 23, 2013 and March 31, 2014.

The Annual General Meeting held on December 30, 2013 adopted a resolution to authorise the Management Board once again – subject to compliance with the principle of equal treatment (section 53a AktG) – to acquire treasury shares up to a total of 10% of the Company's existing share capital on or before December 19, 2018. The shares acquired under this authorisation – in conjunction with other of the Company's shares which the Company has already acquired or still possesses or which are attributable to it pursuant to sections 71d and 71e AktG – must at no time account for more than 10% of the Company's share capital.

On July 15, 2010 the Management Board of MOBOTIX AG adopted a resolution to utilise the authorisation granted by the Annual General Meeting on September 30, 2009 to acquire treasury shares pursuant to section 71 (1) no. 8 AktG by purchasing up to 45,000 shares. The buy-back programme commenced on July 19, 2010.

Furthermore, the Management Board of MOBOTIX AG adopted a resolution on October 5, 2010 to amend the terms and conditions of the current share buy-back programme so that up to 150,000 shares can be acquired.

On May 4, 2012 the Management Board of MOBOTIX AG adopted a resolution to resume the repurchase of shares at up to a price of €24 under the share buy-back programme which had been approved on July 15, 2010 and then expanded on October 5, 2010.

The shares may be purchased through the stock exchange or by means of a public purchase offer made to all shareholders. If the number of shares offered for sale in a public purchase offer exceeds the total number of shares that the Company intends to purchase, the shareholders' tender rights may – in order to simplify the purchase procedure – be disapplied in proportion to the number of shares offered for sale in each case.

This procedure is further simplified by the option – which also disapplies shareholders' tender rights – to preferentially purchase small numbers of up to 300 shares offered for sale by each shareholder.

Furthermore, the Management Board is also authorised to use the treasury shares acquired under this authorisation – subject to the consent of the Supervisory Board – for purposes for which the shareholders' pre-emption rights are disapplied.

The Company did not purchase any treasury shares in the 2013/14 financial year. Its treasury shares account for €128 thousand of its share capital.

The capital reserves consist of share premiums received from various capital increases in the past.

The statutory reserve required by section 150 (1) AktG totals €77 thousand; this amount has been allocated in previous years in accordance with section 150 (2) AktG.

The distributable profit comprises accrued retained profits.

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(7) Provisions

Other provisions essentially comprise the following types of provision:

	€'000
Provisions for outstanding invoices	2,498
Provisions for annual bonuses, severance payments and sales commissions	809
Provisions for Christmas bonuses	412
Provisions for annual leave	219

(8) Liabilities

The table below shows the residual maturities and security interests of the liabilities reported on the balance sheet (€ thousand; prior-year figures in brackets).

	Total	Maturity period			Secured Amount
		Up to 1 year	1 to 5 years	Over 5 years	
Liabilities to banks	7,973 (9,138)	1,164 (1,164)	5,753 (5,783)	1,056 (2,191)	6,173* (7,338)
Liabilities relating to advances received for orders	2 (10)	2 (10)	0 (0)	0 (0)	0 (0)
Trade payables	1,384 (7,930)	1,384 (7,930)	0 (0)	0 (0)	0 (0)
Other liabilities	521 (549)	521 (549)	0 (0)	0 (0)	0 (0)
Total	9,880 (17,627)	3,071 (9,653)	5,753 (5,783)	1,056 (2,191)	6,173 (7,338)

* Land charges

Other liabilities include social security payments of €48 thousand (prior year: €71 thousand) and taxes of €255 thousand (prior year: €231 thousand).

(9) Deferred Tax Liabilities

The deferred tax liabilities of €5 thousand (prior year: €6 thousand) represent the difference between the useful lives recognized for non-current assets in the tax accounts and those recognized in the financial statements. The recognition of deferred tax liabilities is based on a tax rate of 28.6%.

(10) Revenue

Of the total revenue reported, €22.799 million (prior year: €21.389 million) was generated in Germany, €26.182 million (prior year: €29.279 million) relates to the rest of Europe and €29.510 million (prior year: €35.698 million) is accounted for by the rest of the world.

(11) Income And Expenses From Other Reporting Periods

Other operating income includes income of €29 thousand (prior year: €29 thousand) from other reporting periods, while other operating expenses include expenses of €367 thousand (prior year: €161 thousand) from other periods.

(12) Other Financial Obligations

Other financial obligations relate solely to payments for rents, leases and materials within the scope of the Company's ordinary business activities.

(13) Currency Translation Income And Expenses

Other operating income includes income of €611 thousand (prior year: €110 thousand) from currency translation, while other operating expenses include expenses of €137 thousand (prior year: €551 thousand) arising from currency translation.

(14) Income Taxes

The table below reconciles the income taxes derived from profit before tax with the income taxes actually reported in the financial statements:

Reconciliation of taxes	Financial year
	Oct. 1, 2013- Sep. 30, 2014
Profit before tax	1,954
Income taxes derived from profit before tax	558
Loss carryforwards not capitalized/utilized	243
US tax rate differential	-61
Other non-deductible expenses	35
Taxes from previous years	55
Other	22
Income taxes reported	852

(15) Miscellaneous

The contractual relationship with the general contractor working on the new building (construction phase I) in Langmeil was summarily terminated in 2009 prior to completion. The general contractor submitted its final invoice for the sum of €2.262 million (net) in 2009. MOBOTIX is contesting this invoice because it has counterclaims arising from penalties, defects and deficiencies of at least the same amount. Legal proceedings are currently pending in the court of first instance. As in 2012/13, this situation was reflected in the financial statements – in line with the Management Board's risk assessment – by the recognition of an item of property, plant and equipment on the assets side of the balance sheet and the reporting of a corresponding provision on the liabilities side. Consequently, the unrecognized final payment did not give rise to any outflow of cash.

Notes ...

5. Other Mandatory Disclosures

(1) Average Number of People Employed By The Company During The Reporting Year (Full-Time Equivalents)

The following groups of employees (excluding the Management Board, trainees, apprentices and temporary staff) worked for the Company during the 2013/14 financial year:

Full-time employees	338.4
Part-time employees	14.2

The total average number of employees during the reporting year was therefore 352.6 (prior year: 330.0).

(2) Independent Auditors' Fees

MOBOTIX AG incurred the following expenses for its independent auditors, KPMG AG Wirtschaftsprüfungsgesellschaft, in 2013/14 in accordance with section 314 (1) no. 9 HGB:

€'000	financial year 2013/14	financial year 2012/13
Audit of annual financial statements		
From provisions	64	65
Other attestation services		
Invoiced	19	26
From provisions	3	0
Other services		
Invoiced	0	73
Total	86	164

The other attestation services include reviewing the Company's quarterly and half-yearly financial statements.

(3) Management Board Of MOBOTIX AG

Members Of The Management Board

- Klaus Gesmann, Diplom-Wirtschaftsingenieur, Höringen (Chief Financial Officer until February 17, 2014; Chief Executive Officer since February 17, 2014)
- Dr Magnus Ekerot, Master of Science International Economics, Heidelberg (Chief Executive Officer until February 17, 2014)
- Dr Oliver Gabel, Diplom-Ingenieur, Reichenbach-Steegen (Chief Technology Officer).

Management Board members'

Remuneration

The total remuneration paid to the members of the Management Board amounted to €606 thousand (prior year: €2.386 million) and consisted entirely of short-term remuneration. The amount paid to a former member of the Management Board as compensation under a non-compete agreement came to €444 thousand.

(4) Supervisory Board Of MOBOTIX AG

Members Of The Supervisory Board

- Dr Ralf Hinkel, Diplom-Informatiker, Höringen
(chairman since January 17, 2014)
- Professor Dr Rainer Gerten, Diplom-Informatiker, Neuhofen
(chairman until January 17, 2014)
- Sabine Hinkel, Diplom-Betriebswirtin (BA), Höringen
- Willi A. Fallot-Burghardt, Bank- und Versicherungskaufmann, company director, Kaiserslautern.

Supervisory Board Members' Remuneration

Each member of the Supervisory Board receives fixed annual remuneration of €10 thousand for his or her work. The chairman of the Supervisory Board receives twice the amount of this fixed annual remuneration.

In addition, each member of the Supervisory Board receives for his or her work a variable remuneration amounting to €75.00 for each €0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of the Company's shares outstanding, based on

a share capital of €13,271,442.00 divided into 13,271,442 no-par-value shares, each representing €1.00 of share capital. The chairman of the Supervisory Board receives twice the amount of this variable remuneration.

The total remuneration paid to the members of the Supervisory Board in the 2013/14 financial year amounted to €43 thousand (prior year: €68 thousand).

(5) Official Notifications Pursuant To Section 20 (1) And (6) AktG

Dr Ralf Hinkel, Germany, notified us in a letter dated April 1, 2008 in accordance with section 21 (1a) of the German Securities Trading Act (WpHG) that he held 50.14% of all voting rights (representing 2,218,134 voting rights) in MOBOTIX AG on March 28, 2008.

Dr. Ralf Hinkel Holding GmbH, Am Stundenstein 2, 67722 Winnweiler, Germany, notified us on June 29, 2010 in accordance with section 21 (1) WpHG that its share of the voting rights in MOBOTIX AG, Winnweiler-Langmeil, Germany, ISIN DE0005218309, WKN 521830, exceeded the thresholds of 3, 5, 10, 15, 20, 25, 30 and 50% of the voting rights on June 29, 2010 and amounted to 50.14% (representing 2,218,134 voting rights)

Notes ...

on this date.

Dr. Ralf Hinkel Holding GmbH, Winnweiler, Germany, notified us on 8 July 2010 in accordance with section 27a (1) WpHG that its share of the voting rights in MOBOTIX AG, Winnweiler-Langmeil, Germany, ISIN DE0005218309, WKN 521830, exceeded the thresholds of 3, 5, 10, 15, 20, 30 and 50% of the voting rights on 29 June 2010 and amounted to 50.14% (representing 2,218,134 voting rights) on this date.

Dr. Ralf Hinkel Holding GmbH issued the following notifications in respect of the objectives being pursued through the reported acquisition of voting rights as well as the origin of the funds used to acquire these voting rights:

"1. We aim to maintain a long-term strategic investment in MOBOTIX AG. Our acquisition of shares constituted an internal restructuring by the majority shareholder Dr Ralf Hinkel which did not alter this investment's long-term strategic focus.

2. As things stand, we do not intend to obtain any further voting rights in MOBOTIX AG – either through acquisition or by any other means – within the next twelve months.

3. At present we are not seeking to exert any influence over the composition of the Supervisory Board of MOBOTIX AG. We do, however, intend to transfer to Dr. Ralf Hinkel Holding GmbH the right enshrined in the Company's Articles of Incorporation for Dr Hinkel himself or for companies either controlled by him or under his management to appoint one member of MOBOTIX AG's Supervisory Board. This will require the Company's Articles of Incorporation to be amended, and the Annual General Meeting of MOBOTIX AG will then have to approve this amendment.

4. We are not seeking to materially alter MOBOTIX AG's capital structure – especially with regard to its leverage – or its dividend policy.

5. These voting rights were acquired without payment of any consideration. The background to the transaction was an internal restructuring by the majority shareholder Dr Hinkel and the associated transfer of MOBOTIX AG shares held

personally by Dr Hinkel to Dr. Ralf Hinkel Holding GmbH at their carrying amount by way of a formation by non-cash capital contribution. Dr Hinkel is the sole shareholder in Dr. Ralf Hinkel Holding GmbH.”

The amendment of the right enshrined in the Company’s Articles of Incorporation for Dr Hinkel himself or for companies either controlled by him or under his management to appoint a Supervisory Board member – as mentioned in no. 3 of the above notifications – was adopted at the Annual General Meeting held on October 28, 2010.

Dr. Ralf Hinkel Holding GmbH notified the Company on December 23, 2013 that it is currently disposing of some of its shares, its shareholding has fallen below the reporting threshold of 50%, and it plans to sell further shares.

Winnweiler-Langmeil, October 24, 2014

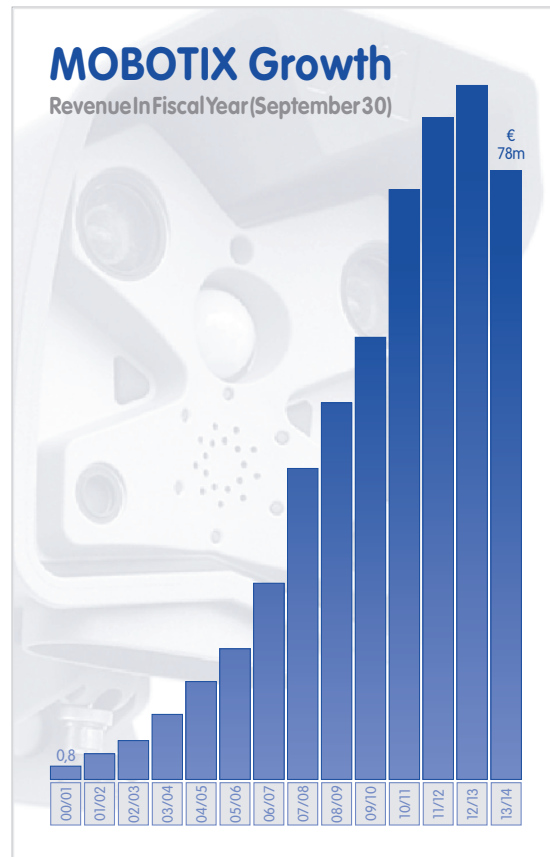
The Management Board



Klaus Gesmann • CEO of MOBOTIX AG



Dr Oliver Gabel • CTO of MOBOTIX AG



Consolidated Financial Statements

Notes ...

€'000	Balance as of Oct. 1, 2013	Additions	Disposals	Reclassified	Exchange differences	Balance as of Sep. 30, 2014
Cost						
Intangible assets						
Purchased industrial property rights and similar rights and assets as well as licences for such rights and assets	1,627	97	444	0	1	1,281
Total intangible assets	1,627	97	444	0	1	1,281
Property, plant and equipment						
Land and buildings, including buildings on third-party land	18,916	33	485	0	0	18,464
Plant and machinery	9,908	459	7	182	0	10,542
Office furniture and equipment	7,109	425	10	13	18	7,555
Advances paid and assets under construction	1,445	100	0	-195	0	1,350
Total property, plant and equipment	37,378	1,017	502	0	18	37,911
Financial assets						
Investments in affiliated companies	4	0	0	0		4
Total financial assets	4	0	0	0		4
Accumulated depreciation, amortization and impairment						
Intangible assets						
Purchased industrial property rights and similar rights and assets as well as licences for such rights and assets	1,070	557	444	0	1	1,184
Total intangible assets	1,070	557	444	0	1	1,184
Property, plant and equipment						
Land and buildings, including buildings on third-party land	2,623	618	438	0	0	2,803
Plant and machinery	6,761	1,009	7	0	0	7,763
Office furniture and equipment	4,716	718	10	0	11	5,435
Advances paid and assets under construction	104	0	0	0	0	104

€'000	Balance as of Oct. 1, 2013	Additions	Disposals	Reclassified	Exchange differences	Balance as of Sep. 30, 2014
Total property, plant and equipment	14,204	2,345	455	0	11	16,105
Financial assets						
Investments in affiliated companies	0	0	0	0	0	0
Total financial assets	0	0	0	0	0	0
Net carrying amount						
Intangible assets						
Purchased industrial property rights and similar rights and assets as well as licences for such rights and assets	557					97
Total intangible assets	557					97
Property, plant and equipment						
Land and buildings, including buildings on third-party land	16,293					15,661
Plant and machinery	3,147					2,779
Office furniture and equipment	2,393					2,120
Advances paid and assets under construction	1,341					1,245
Total property, plant and equipment	23,174					21,806
Financial assets						
Investments in affiliated companies	4					4
Total financial assets	4					4

Notes ...

Independent Auditors' Report

We have audited the consolidated financial statements – comprising the balance sheet, the income statement, the notes to the consolidated financial statements, the cash flow statement and the statement of changes in equity – and the group management report prepared by MOBOTIX AG for the financial year from October 1, 2013 to September 30, 2014.

The preparation of the consolidated financial statements and the group management report in accordance with German generally accepted accounting principles is the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 of the German Commercial Code (HGB) and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW – Institute of Public Auditors in Germany). 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 German generally accepted accounting principles 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 the 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 statements and the 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 the statutory provisions and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with German generally accepted accounting principles. 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, 2014

KPMG AG

Wirtschaftsprüfungsgesellschaft

Geis-Sändig

Palm

Wirtschaftsprüfer

Wirtschaftsprüfer

(German Public Auditor) (German Public Auditor)

Technical Glossary ...

CCD image sensor	Charged-coupled device image sensor; a light-sensitive hardware component
CIF	Common intermediate format; an image compression format
CMOS image sensor	Complementary metal-oxide semiconductor image sensor; a light-sensitive hardware component
Control centre computer	The computer at a central control centre that enables the information supplied by the camera to be processed
CPU	Central processing unit
DVR	Digital video recorder
Fixdome	Camera without any mechanical moving parts inside a dome housing
HDTV	High-definition television
HiRes	High resolution
IP network	Data network based on the Internet Protocol
IP standard	Standard network protocol
JPEG format	A lossy image data format that reduces the file size by compressing the same or similar image content
LAN	Local area network
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	A secure digital (SD) memory card is a digital memory device – such as a USB stick – that works according to the principle of flash memory
TCP/IP	Transmission Control Protocol / Internet Protocol
Video server	Central storage unit for video images or video streams
VoIP	Voice over internet protocol; standard for transmitting voice over IP networks

Financial Glossary ...

EBITDA	Earnings before interest, tax, depreciation and amortization
EBITDA margin	EBITDA divided by total operating output multiplied by 100 (the higher the percentage, the greater the profitability)
EBIT	Earnings before interest and tax
EBIT margin	EBIT divided by total operating output multiplied by 100 (the higher the percentage, the greater the profitability)
Equity ratio	Total equity as of the reporting date divided by total assets multiplied by 100 (the higher the ratio, the lower the leverage)
Gross profit	Total operating output minus cost of materials
Total operating output	Revenue plus/minus changes in inventories plus other own work capitalized

Disclaimer ...

Disclaimer

This financial report contains MOBOTIX AG statements and information that relate to future periods. These forward-looking statements use formulations such as 'plan', 'expect', 'intend', 'endeavour', 'will', 'estimate', 'believe', 'aim to' and similar expressions. Such statements are made based on the current situation and latest expectations and may occasionally differ significantly – either on the upside or downside – from actual developments. Some of the factors that may give rise to uncertainties are changes in domestic or international macroeconomic conditions, changes in the underlying political situation, the introduction of new products or technologies by other companies, changes in investment behaviour in MOBOTIX AG's key markets, movements in exchange rates or interest rates, and the integration of acquired companies. MOBOTIX AG undertakes no obligation – over and above the existing legal requirements – to revise or update forward-looking 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 2014/15

Annual General Meeting for the 2013/14 financial year	Thursday, 18 December 2014
Publication of the 2014/15 half-year report	Thursday, 11 June 2015

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Email: investor@mobotix.com

MOBOTIX Corp. Continues To Prevail In Patent Dispute

MOBOTIX Corp.'s success story in the patent dispute against e-Watch Inc. continues. In August 2014, the USPTO had determined that U.S. Pat. No. 6,970,183 is not patentable. Shortly after this decision, a district court in Texas dismissed the patent infringement lawsuit filed by e-Watch Inc. against MOBOTIX Corp. Now three more patents owned by MOBOTIX have been successfully challenged.

Reliable Detection At Night: M15D-Thermal

At this year's Light+Building in Frankfurt, MOBOTIX presents its first thermographic camera M15D-Thermal, demonstrating its current camera platform with 5-megapixel technology and introducing new software developments as well as new products in the area of building technology.



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

Dates For New Software And Hardware Seminars Plus A Beginners Workshop. Winnweiler/Langmeil, Germany, 3 November 2011. MOBOTIX, manufacturer of computer high-resolution IP video systems, has extended its seminar program for 2011 and tailored its seminars more closely to the different needs of the participants.

How-how For Beginners And Advanced Students. Planning one-day seminars, MOBOTIX offers a variety of training courses for its customers. The seminars are held in a modern, well-equipped training center in Winnweiler/Langmeil, Germany.



Panorama Towers, Las Vegas, USA

The Panorama Towers in Las Vegas, a premiere luxury condominium complex in Las Vegas, Nevada. The new high-rise complex houses 3.5 acres. The luxury amenities include a pool, fitness center, and two floors of racquet courts. All the luxury amenities are up to the standards of the MxActivitySensor.



MOBOTIX Re-invents Motion Detection

MOBOTIX AG has unveiled the MxActivitySensor – a revolutionary technology that registers traveling movement of people and objects, while dismissing redundant changes and movement in the scene. This drastically reduces the number of false alarms. Through the development of the MxActivitySensor, MOBOTIX has re-invented a method for intelligent video motion detection.



MOBOTIX Expands Its Thermal Camera Range



The flexible video cabling, weatherproof design and tiny footprint allows the two S15D thermal sensor modules to be installed into any location up to two meters away from a single S15D core unit. The advantage of using thermal sensor modules is that they can visualize heat radiating from vehicles and persons, for the purpose of accurate movement detection up to 400 meters away from the camera, even under the most challenging lighting and environmental conditions.

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 platform offers exchangeable pixel sensor which are exposed in the same module.

Product Platform Approach Vintelligent Ease Of Installation 14/S15 Mounts

As a result from market wishes, MOBOTIX now launches a series of general intelligent mounts. The four new mounts offer a wide range of mounting possibilities for the customer application.



MOBOTIX AG today launches Lowlight Exposure Optimization – MxLEO. The MxLEO software and hardware for its building automation offering. The MxLEO also includes support for Hemispherical sensor modules.

MxLEO is the latest in MOBOTIX enhancing technology," says Dr. Ralf Hübner and CEO of MOBOTIX AG. The MxLEO offers enhanced sharpness of images, even in low light settings in the camera.

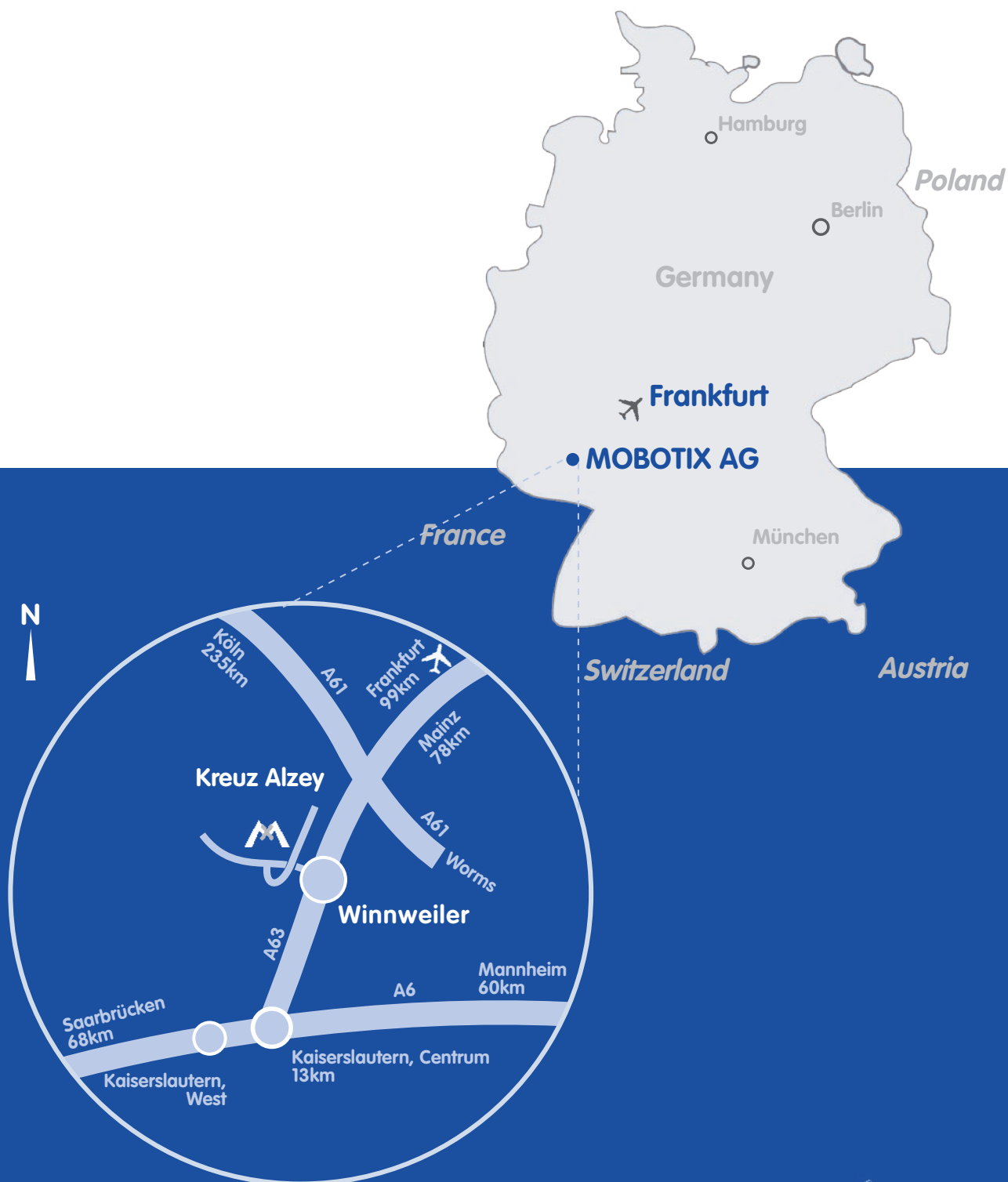
MOBOTIX Launches Lowlight Exposure Optimization – MxLEO

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Around the Globe

MOBOTIX AG is present at the largest exhibitions around the world. For the first time, MOBOTIX has presented its IP network cameras at the GDSF, the Global Digital Surveillance Forum in Shanghai, at the end of August and at GITEX in Dubai, the third largest IT expo worldwide at the beginning of September. While not a newcomer at the ISC East in New York, MOBOTIX' participation at this exposition also proved to be successful.

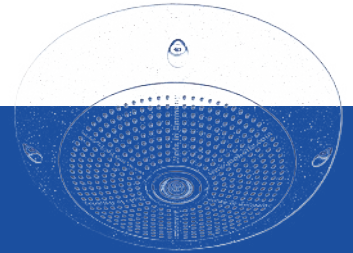


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