

**Consolidated Financial Statements
Of MOBOTIX AG,
Winnweiler/Langmeil, Germany
Financial Year 2017/18**

1 October 2017 To 30 September 2018

Consolidated Balance Sheet As Of 30 September 2018

		30.09.2018	30.09.2017
		€'000S	€'000S
	See Notes		
A.	Non-current Assets		
I.	Intangible Assets (1)		
1.	Purchased industrial property rights and similar rights and assets as well as licenses to such rights and assets	532	112
2.	Advance payments	725	88
		<u>1,257</u>	<u>200</u>
II.	Property, Plants And Equipment (1)		
1.	Land and buildings, including buildings on third-party land	13,017	13,611
2.	Technical equipment and machinery	2,440	2,992
3.	Other equipment, factory and office equipment	742	1,045
4.	Advance payments and assets under construction	10	16
		<u>16,209</u>	<u>17,664</u>
III.	Financial Assets (2)		
	Shares in affiliated companies	0	0
		<u>0</u>	<u>0</u>
		<u>17,466</u>	<u>17,864</u>
B.	Current Assets		
I.	Inventories		
1.	Raw materials and supplies	5,264	4,794
2.	Work in progress	5,594	3,400
3.	Finished goods	5,337	7,170
		<u>16,195</u>	<u>15,364</u>
II.	Receivables And Other Assets (3)		
1.	Trade receivables	11,220	9,981
2.	Receivables due from affiliated companies	1,145	201
3.	Other assets	252	499
		<u>12,617</u>	<u>10,681</u>
III.	Cash In Hand And Bank Balances	<u>2,747</u>	<u>7,493</u>
		<u>31,559</u>	<u>33,538</u>
C.	Prepaid Expenses And Deferred Charges	608	518
D.	Deferred Tax Assets (4)	1,224	1,648
ASSETS		<u>50,857</u>	<u>53,568</u>

		30.09.2018	30.09.2017
		€'000S	€'000S
	See Notes		
	(5)		
A. Equity			
I. Subscribed capital		13,271	
	./. Treasury shares	-128	
	(Corrected) subscribed capital	13,143	13,143
II. Capital Reserves		1,250	1,250
III. Retained Earnings			
1.	Statutory reserve	77	77
2.	Other retained earnings	17,678	0
		17,755	77
IV. Equity Capital Difference From Currency Conversion		150	165
V. Loss carried forward (Previous Year: Profit carried forward)		-6,582	17,926
VI. Consolidated Annual Net Profit (Loss)		419	-6,299
		26,135	26,262
B. Provisions			
	Other provisions	4,281	5,936
		4,281	5,936
C. Liabilities	(7)		
1.	Bank loans and overdrafts	16,990	18,410
2.	Advance payments received for orders	13	16
3.	Trade payables	2,651	2,007
4.	Liabilities to affiliated companies	149	136
5.	Other liabilities	638	801
		20,441	21,370
LIABILITIES		50,857	53,568

Consolidated Income Statement

From 1 October 2017 To 30 September 2018

		Financial Year	
		01.10.2017	01.10.2016
		-	-
		30.09.2018	30.09.2017
		€'000S	€'000S
1.	Revenue from sales (8)	66,376	65,487
2.	Increase in finished and unfinished goods and work in progress	361	942
3.	Other own work capitalized	166	0
4.	Other operating income (9,11)	1,093	735
5.	Material costs	30,659	30,567
	a) Expenses for raw, auxiliary and operating materials as well as for purchased goods	30,201	29,811
	b) Expenses for purchased services	458	756
6.	Personnel expenses	22,374	24,529
	a) Wages and salaries	19,198	21,231
	b) Social security and pensions of which relating to pensions €53,000 (previous year: €60,000)	3,176	3,298
7.	Amortization of intangible assets and depreciation of property, plants and equipment	2,190	2,237
8.	Other operating expenses (9,11)	11,708	17,367
9.	Depreciation of financial assets	0	4
10.	Interest and similar expenses	172	335
11.	Taxes from income and profit (expenses, previous year: profit) (12)	438	-1,611
	a) Current Taxes	14	-136
	b) Deferred Taxes (4)	424	-1,475
12.	After-tax profit	455	-6,264
13.	Other Taxes	36	35
14.	Consolidated Annual Net Profit (Loss)	419	-6,299

Cash Flow Statement

From 1 October 2017 To 30 September 2018

	Financial Year	
	01.10.2017	01.10.2016
	-	-
	30.09.2018	30.09.2017
	€'000S	€'000S
Annual result before taxes on income	857	-7,910
+ Income from interest	171	335
+ Amortization of intangible assets and depreciation of property, plants and equipment	2,190	2,237
-/+ Increase/decrease of other provisions	-1,656	1,367
+/- Profit/loss due to disposal of property, plants and equipment	2	-6
+ Other non-cash expenses	0	4
Operating cash flow before changes in working capital	1,564	-3,973
-/+ Increase/decrease of inventories, trade receivables as well as other assets that do not fall under investment or financing activities	-2,933	4,544
+/- Increase/decrease of trade payables as well as other liabilities that do not fall under investment or financing activities	463	-1,023
Cash flow from operating activities before taxes on income	-906	-452
-/+ Income tax payments/refunds	-14	68
Cash flow from operating activities	-920	-384
Cash flow from investing activities		
- Cash outflows for purchases of property, plants and equipment	-589	-634
- Cash outflows for purchases of intangible assets	-1,203	-256
+ Cash inflows from disposals of property, plants and equipment	0	11
Cash flow from investing activities	-1,792	-879
Cash flow from financing activities		
- Dividend payments	-531	0
- Cash outflows for redemption of loans	-1,420	-4,584
+ Cash inflows from the take-up of loans	0	14,500
- Interest paid	-154	-224
Cash flow from financing activities	-2,105	9,692
Net change in cash and cash equivalents	-4,817	8,429
Net change in financial facilities due to exchange rate	71	-15
Cash and cash equivalents at the beginning of the reporting period	7,493	-921
Cash and cash equivalents at the end of the reporting period	2,747	7,493

Statement Of Changes In Equity

	Subscribed capital	Treasury shares	(Corrected) Subscribed capital	Capital Reserves	Statutory Reserves	Other Retained Earnings
	€'000S	€'000S	€'000S	€'000S	€'000S	€'000S
As of 1 October 2016	13,271	-128	13,143	1,250	77	0
Currency conversion						
Consolidated annual net loss						
As of 30 September 2017	13,271	-128	13,143	1,250	77	0
As of 1 October 2017	13,271	-128	13,143	1,250	77	0
Allocation to reserves						17,678
Distribution						
Currency conversion						
Consolidated annual net profit						
As of 30 September 2018	13,271	-128	13,143	1,250	77	17,678

	Reserves	Equity capital difference from currency conversion	Profit carried forward (Loss carried forward)	Consolidated annual net profit (loss)	Group equity
	€'000S	€'000S	€'000S	€'000S	€'000S
As of 1 October 2016	77	-264	17,926		32,132
Currency conversion		429			429
Consolidated annual net loss				-6,299	-6,299
As of 30 September 2017	77	165	17,926	-6,299	26,262
As of 1 October 2017	77	165	11,627		26,262
Allocation to reserves	17,678		-17,678		0
Distribution			-531		-531
Currency conversion		-15			-15
Consolidated annual net profit				419	419
As of 30 September 2018	17,755	150	-6,582	419	26,135

Notes To The Consolidated Financial Statements For The Financial Year 2017/18

A. General Information

The MOBOTIX AG financial year begins on 1 October and ends on 30 September of the following year.

The consolidated financial statement of MOBOTIX AG has been prepared in line with the stipulations of the German Commercial Code and German Stock Corporation Act.

The Company is entered in the Commercial Register in Kaiserslautern as MOBOTIX AG, Commercial Register No. 3724.

The assets and liabilities were recognized and valued under the assumption that the Company will continue as a going concern.

We have used the total cost method for the income statement as we did in the previous year.

There may be minor discrepancies in the figures provided in euros or as a percentage, since the figures have been rounded to the nearest thousand euros.

Scope Of Consolidation

MOBOTIX CORP, New York, USA (previously MOBOTIX Ltd. Liability Company, Columbia, South Carolina) was founded as a subsidiary in 2003. for the purpose of entering the American market. MOBOTIX CORP was fully consolidated as part of MOBOTIX AG as of the opening balance sheet date. MOBOTIX SINGAPORE PTE. LTD. was founded in Singapore on 30 December 2013 as a service company for Singapore. MOBOTIX AUSTRALIA PTY LTD. was founded in Sydney, Australia, on 23 December 2014 as a service company for Australia. MOBOTIX LIMITED, Nottingham, U.K., MOBOTIX Singapore PTE. LTD., Singapore, and MOBOTIX AUSTRALIA PTY LTD., Sydney, Australia, are not included in the consolidated financial statements, as 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 DO BRASIL SERVICOS EM SISTEMAS DE SEGURANCA LTDA., São Paulo, Brazil, was liquidated in the financial year 2017/18.

Company	Registered office	Shareholding	
		30 September 2018	30 September 2017
MOBOTIX CORP	New York, USA	100,00 %	100,00 %
MOBOTIX LIMITED	Nottingham, UK	100,00 %	100,00 %
MOBOTIX SINGAPORE PTE. LTD.	Singapore, SG	100,00 %	100,00 %
MOBOTIX AUSTRALIA PTY LTD	Sydney, AU	100,00 %	100,00 %

B. Principles Of Consolidation

The annual financial statements of the companies included in the consolidated financial statements of MOBOTIX AG are prepared in line with Group-wide accounting policies as per the reporting date of 30 September 2018.

Consolidation Of Investments

MOBOTIX CORP was consolidated as of 1 July 2005 (the opening balance sheet date). It has been consolidated in accordance with Section 301 of the German Commercial Code (HGB). The equity of the subsidiary was offset against the carrying amount of the parent company's investment as of the opening balance sheet date.

Liability Consolidation/Interim Results/Consolidation Of Expenditures And Incomes

Intra-group receivables and liabilities between the companies included in the consolidated financial statements and the total expenditures and income from intra-Group deliveries and services are offset. Intra-Group deliveries and services are provided both at market prices and at transfer prices that are determined according to the arm's length principle. Profits and losses between the consolidated companies ("interim results") are also eliminated as part of the consolidation process.

Currency Conversion

Assets and liabilities denominated in foreign currencies are converted using the mean spot exchange rate on the reporting date.

The assets and liabilities listed in the annual financial statements prepared in foreign currency are translated into euros using the mean spot exchange rate as of the reporting date, with the exception of equity which is to be translated into euros at historical rates. Items on the income statement in the annual financial statements prepared in foreign currency are translated into euros at average monthly exchange rates. The difference due to currency translation is listed under the "Adjustment for foreign currency translation" item as part of the consolidated equity.

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 and the corresponding carrying amounts reported in the tax accounts, provided these differences are expected to lessen in subsequent financial years. The resulting tax expenses and benefits are recognized in full.

C. Information On Accounting Policies

Accounting Principles

Intangible Assets, Property, Plants And Equipment And Financial Assets

Purchased intangible assets are valued at acquisition cost less scheduled straight-line amortization in accordance with the expected useful life of one to five years.

Property, plants and equipment are valued at acquisition or manufacturing cost less scheduled straight-line depreciation in accordance with the expected useful life of three to 33 years. Grants and subsidies received are offset on the asset side.

The manufacturing cost of internally generated property, plants 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.

Shares in affiliated companies are valued at cost. If the value of such shares 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) of the German Commercial Code (HGB).

Inventories

Raw, auxiliary and operating materials reported under inventories are recognized at their average price, taking into account their realizable value on the balance sheet date and the lower-of-cost-or-market principle. Work in progress and finished goods are valued at their manufacturing cost in accordance with the lower-of-cost-or-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. Interest on borrowed capital is not included in the manufacturing costs.

Receivables And Other Assets

Receivables and other assets are valued at their nominal value, taking into account all identifiable risks.

Deferred Tax Assets

Deferred tax assets are recognized for differences between the financial statements and tax accounts/accumulated tax losses incurred, provided this will result in tax relief in subsequent financial years.

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 materialize. 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.

D. Information And Explanations Regarding Individual Items On The Balance Sheet And Income Statement

(1) Intangible Assets And Property, Plants And Equipment

The changes in intangible assets and property, plants and equipment reported on the balance sheet are presented in the statement of changes in assets (annex to the notes).

(2) Financial Assets

Shareholdings

Name and registered office of company	Percentage of capital	Equity	Result in 2017/18
MOBOTIX LIMITED, Nottingham, UK*)	100,0	1 British pound	0 British pounds
MOBOTIX SINGAPORE PTE. LTD., Singapore	100,0	SGD 95,000	SGD 19,000
MOBOTIX AUSTRALIA PTY LTD, Sydney, Australia	100,0	AUD 66,000	AUD 6,000

*) not operational

(3) Trade Receivables And Other Assets

Trade receivables and other assets have a residual term of less than one year, as in the previous year.

(4) Deferred Tax Assets

Deferred tax assets in the amount of €1,224,000 (previous year: €1,648,000) comprise accumulated tax losses of €1,087,000 (previous year: €1,444,000) incurred in the financial year 2016/17 and €157,000 (previous year: €204,000) resulting from the elimination of intra-Group profits and losses arising from transactions between MOBOTIX AG and MOBOTIX CORP. The recognition of deferred tax assets is based on a tax rate of 28.6%.

Deferred tax assets on tax relief entitlements in the United States, which are expected to arise from the anticipated use of existing loss carryforwards (€6,331,000) in future years, are not being recognized at present owing to the uncertainty surrounding the recovery of tax benefits.

(5) Equity

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

The Company issued 13,271,442 ordinary shares as of the balance sheet date, of which 13,143,308 are in circulation. It held 128,134 shares as treasury shares as of 30 September 2018. 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 28 May 2018, adopted a resolution to pay a dividend of €0.04 per share for the 2016/17 financial year. This constituted a total dividend payout of €531,000. The treasury shares held by the Company do not carry dividend rights. The dividend was distributed on 31 May 2018.

The Annual General Meeting held on 28 May 2018 adopted a resolution to authorize the Management Board once again – subject to compliance with the principle of equal treatment (Section 53a of the German Stock Corporation Act (AktG)) – to acquire treasury shares up to a total of 10% of the Company's existing share capital on or before 30 April 2023. The shares acquired under this authorization – in conjunction with other of the Company's shares that the Company has already acquired or still possesses or that 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.

At the Management Board's discretion, shares can be acquired on the open market or via a public purchase offer to all Company stockholders or by means of a public call to stockholders to submit offers to sell.

The Company did not purchase any of its own shares in the financial year 2017/18. Its treasury shares account for €128,000 of its share capital.

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

A statutory reserve required under Section 150(1) of the German Stock Corporation Act (AktG) totals €77,000; this amount has been allocated in previous years in accordance with Section 150 (2) AktG.

€17,678,000 was allocated to other retained earnings pursuant to the resolution adopted by the Annual General Meeting held on 28 May 2018.

The loss carried forward includes the accumulated losses of MOBOTIX CORP, the undistributed annual results of MOBOTIX AG that were not transferred to other retained earnings.

The Management Board of MOBOTIX AG proposes to distribute TEUR 531 to the shareholders from the distributable profit of MOBOTIX AG in the amount of TEUR 1,350 and to carry forward TEUR 819 to new account.

(6) Other Provisions

Other provisions primarily include the following types of provisions.

- Provisions for outstanding invoices	€1,740,000
- Provisions for annual bonuses and sales commissions	€761,000
- Provisions for Christmas bonuses	€323,000
- Provisions for vacation	€320,000

(7) Liabilities

The table below shows the residual maturities and security interests of the liabilities reported on the balance sheet (€'000s; previous years' figures in brackets).

Liabilities	Total	Maturity period			Of which secured	
		Up to one year	One to five years	Over five years	Amount	Note
to banks	16,990 (18,410)	4,240 (1,420)	12,750 (16,990)	0 (0)	3,090 (3,210)	1
arising from advance payments received for orders	13 (16)	13 (16)	0 (0)	0 (0)	0 (0)	
trade receivables	2,651 (2,007)	2,651 (2,007)	0 (0)	0 (0)	0 (0)	
liabilities to affiliated companies	149 (136)	149 (136)	0 (0)	0 (0)	0 (0)	
other liabilities	638 (801)	638 (801)	0 (0)	0 (0)	0 (0)	
Total	20,441 (21,370)	7,691 (4,380)	12,750 (16,990)	0 (0)	3,090 (3,210)	

1 = Land charges

Other liabilities include social security payments of €143,000 (previous year: €99,000) and taxes of €210,000 (previous year: €329,000).

Liabilities to affiliated companies relate exclusively to trade receivables.

(8) Revenue from sales

Revenue from sales comprises revenue from component sales to external manufacturers amounting to €2,520,000 (previous year: €2,448,000) and revenue from order development and the services for Konica Minolta, Inc., Tokyo, Japan, amounting to €1,791,000 (previous year: €0) Revenue excluding revenue from component sales and the order development is €20,611,000 (previous year: €22,220,000) in Germany, €21,110,000 (previous year: €20,211,000) in the rest of Europe and €20,344,000 (previous year: €20,608,000) in the rest of the world.

(9) Income And Expenses From Other Reporting Periods

Other operating income includes income of €227,000 (previous year: €114,000) from other reporting periods, while other operating expenses include expenses of €161,000 (previous year: €164,000) from other periods.

(10) 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. The commissioning of a system house to introduce an ERP system is expected to result in financial obligations of €250,000.

(11) Currency Conversion Income And Expenses

Other operating income includes income of €269,000 (previous year: €164,000), from currency conversion, while other operating expenses include expenses of €131,000 (previous year: €747,000) arising from currency conversion.

(12) Taxes From Income And Profit

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

Tax Reconciliation	Financial Year	
	1 Oct. 2017	30 Sep. 2018
	-	€'000S
Earnings before tax	857	
Income taxes derived from earnings before tax (income)	245	
Loss carryforwards not capitalized/utilized	209	
U.S. tax rate difference	-38	
Other non-deductible expenses	20	
Other	2	
Reported income taxes	438	

(13) Miscellaneous

The contractual relationship with the general contractor for the new construction (construction phase I) in Langmeil, Germany, was terminated for good cause in 2009 before the construction was completed. The general contractor submitted their final invoice amounting to €2,262,000 (net) in 2009. MOBOTIX is contesting this invoice, since counterclaims for contractual penalties, defects and underperformance amount to at least the same amount. Proceedings at the court of first instance are pending. As in the previous year, 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, plants 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.

E. Other Mandatory Disclosures

(1) Average Number Of People Employed In The Financial Year (Full-time Equivalent)

The following groups of employees (excluding the Management Board, trainees and temporary employees) were employed by the Group during the financial year 2017/18:

Full-time employees	293.4
Part-time employees	16.8

The total number of people employed on average was 310.2 (previous year: 339.1).

(2) Auditor's Fees

MOBOTIX AG incurred the following expenses for its independent auditors, Ernst & Young GmbH (previous years: KPMG AG Wirtschaftsprüfungsgesellschaft), in the financial year in accordance with Section 314 (9) of the German Commercial Code (HGB):

Services	Fees	
	2017/18 €'000S	2016/17 €'000S
Statutory audit services		
invoiced	45	48
From provisions	25	72
Tax advisory services		
invoiced	0	49
Other services		
invoiced	0	9
Total	70	178

(3) MOBOTIX AG Management Board

Members Of The MOBOTIX AG Management Board

- Thomas Lausten, Master of Business Administration, Kaiserslautern
(Chief Executive Officer)
- Dr. Oliver Gabel, Diplom-Ingenieur, Weilerbach
(Chief Technology Officer until 30 November 2017)
- Dr. Tristan Haage, Diplom-Physiker, Bolanden
(Chief Sales Officer until 31 October 2017)
- Klaus Kiener, Diplom-Betriebswirt, Wiesbaden
(Chief Financial Officer)
- Hartmut Sprave, Diplom-Physiker, Lorsch
(Chief Technology Officer; since 2 March 2018; role taken up 1 June 2018)

Management Board Member Remuneration

The total remuneration paid to the members of the Management Board amounted to €641,000 (previous year: €951,000). This consisted entirely of short-term remuneration. Remuneration in fiscal year 2016/17 included additions to the provision for severance payments in the amount of €315,000.

(4) MOBOTIX AG Supervisory Board

Members Of The Supervisory Board

- Yuji Ichimura, Executive Officer and Executive General Manager of Business Development der Konica Minolta, Inc., Tokyo, Japan, (Chairman)
- Sabine Hinkel, MBA, Höringen
- Kunihiro Koshizuka, Director and Senior Executive Officer der Konica Minolta, Inc., Tokyo, Japan

Supervisory Board Member Remuneration

Each member of the Supervisory Board receives a fixed annual remuneration of €10,000 for their services. In addition, each member of the Supervisory Board receives for his or her work variable remuneration amounting to €75.00 for each €0.01 of the Company's earnings per share as shown in the HGB consolidated financial statements and calculated in accordance with the principles of the Society of Investment Professionals in Germany (DVFA) (based on share capital of €13,271,442.00 divided into 13,271,442 no-par-value shares, each representing €1.00 of the share capital). The Chairman of the Supervisory Board receives twice the fixed and variable remuneration.

The total remuneration paid to the members of the Supervisory Board amounted to €41,000 in the financial year 2017/18 (previous year: €40,000).

(5) Group Affiliation

MOBOTIX AG is a subsidiary of Konica Minolta, Inc., Tokyo, Japan, which in turn is a subsidiary of Konica Minolta Holdings, Inc., Tokyo, Japan.

Konica Minolta Holdings, Inc., Tokyo, Japan, prepares the consolidated financial statement for the largest group of companies. This consolidated financial statement is translated into the German language and published in the Federal Gazette and can be obtained from the company. MOBOTIX AG, Langmeil, Germany, prepares the consolidated financial statement for the smallest group of companies, which is published in the Federal Gazette and can be obtained from the company.

(6) Notifications Pursuant To Section 20(1), (5) And (6) Of The German Stock Corporation Act (AktG)

Dr. Ralf Hinkel Holding GmbH, Kaiserslautern, Germany, notified us, in accordance with Section 20 (5) of the German Stock Corporation Act (AktG), in a letter dated 13 May 2016, that it no longer holds the majority of shares and voting rights (majority interest) of MOBOTIX AG as of 10 May 2016, in accordance with Section 20 (4) AktG.

Dr. Ralf Hinkel Holding GmbH, Kaiserslautern, Germany, informed us in the same letter that it no longer holds more than a quarter of the shares in MOBOTIX AG as of 10 May 2016, in accordance with Section 20 (1) AktG, even with the addition of shares (Section 20 (2) AktG).

Konica Minolta, Inc., Tokyo, Japan, informed us in a letter dated 10 May 2016, in accordance with Section 20 (1) and (3) AktG, that it holds more than a quarter of the shares in MOBOTIX AG, even without the addition of shares (Section 20 (2) AktG).

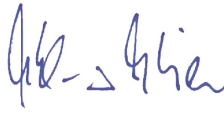
Konica Minolta, Inc., Tokyo, Japan, informed us in the same letter, in accordance with Section 20 (4) AktG, that it holds the majority of shares and voting rights (majority interest) in MOBOTIX AG.

Winnweiler/Langmeil, Germany, 31 October 2018

The Management Board



Thomas Lausten • CEO



Klaus Kiener • CFO



Hartmut Sprave • CTO

Annex To The Notes

	As of 1 October 2017	Additions	Disposals	Reclassificat ions	Currency translation differences	As of 30 September 2018
	€'000S	€'000S	€'000S	€'000S	€'000S	€'000S
Initial investment costs/manufacturing costs						
Intangible Assets						
Purchased industrial property rights and similar rights and assets as well as licenses to such rights and assets	646	509	-31	88	1	1,213
Advance payments	88	725	0	-88	0	725
Total intangible assets	734	1,234	-31	0	1	1,938
Property, Plants And Equipment						
Land and buildings, including buildings on third-party land	18,188	0	0	0	0	18,188
Technical equipment and machinery	12,223	534	-1	16	0	12,772
Other equipment, factory and office equipment	6,325	46	-3	0	6	6,374
Advance payments and assets under construction	139	10	0	-16	0	133
Total property, plants and equipment	36,875	590	-4	0	6	37,467
Financial Assets						
Shares in affiliated companies	4	0	-4	0	0	0
Total financial assets	4	0	-4	0	0	0
Aggregated amortization and depreciation						
Intangible Assets						
Purchased industrial property rights and similar rights and assets as well as licenses to such rights and assets	534	147	0	0	0	681
Advance payments	0	0	0	0	0	0
Total intangible assets	534	147	0	0	1	682
Property, Plants And Equipment						
Land and buildings, including buildings on third-party land	4,577	594	0	0	0	5,171
Technical equipment and machinery	9,231	1,101	0	0	0	10,332
Other equipment, factory and office equipment	5,280	348	-3	0	7	5,632
Advance payments and assets under construction	123	0	0	0	0	123
Total property, plants and equipment	19,211	2,043	-3	0	5	21,257
Financial Assets						
Shares in affiliated companies	4	0	-4	0	0	0
Total financial assets	4	0	-4	0	0	0
Net carrying amount						
Intangible Assets						
Purchased industrial property rights and similar rights and assets as well as licenses to such rights and assets	112					532
Advance payments	88					725
Total intangible assets	200					1,257
Property, Plants And Equipment						
Land and buildings, including buildings on third-party land	13,611					13,017
Technical equipment and machinery	2,992					2,440
Other equipment, factory and office equipment	1,045					742
Advance payments and assets under construction	16					10
Total property, plants and equipment	17,664					16,209
Financial Assets						
Shares in affiliated companies	0					0
Total financial assets	0					0