

3M 2011

InVision Software AG

## Overview

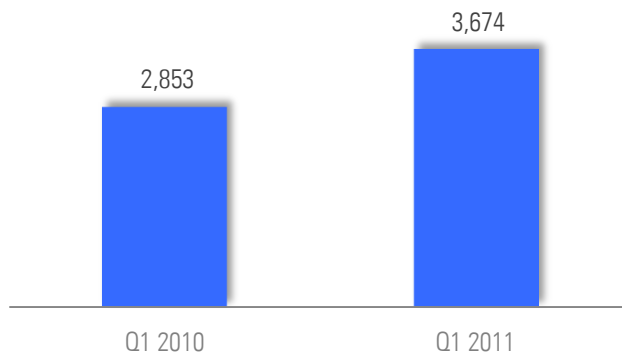
InVision Software was formed in 1995 with a mission to provide every company with the best possible solution to its workforce management issues. We have never lost sight of this goal and have since become one of the global leaders in workforce management solutions, frequently setting technological trends in this field.

By using our products and services, our international customers are able to optimise their staff deployment and increase productivity. At the same time, they reduce planning and administrative costs and significantly improve employee motivation. Thus, the use of our workforce-management solutions generally pays for itself within a short period of time.

Additional information: [www.invisionwfm.com](http://www.invisionwfm.com)

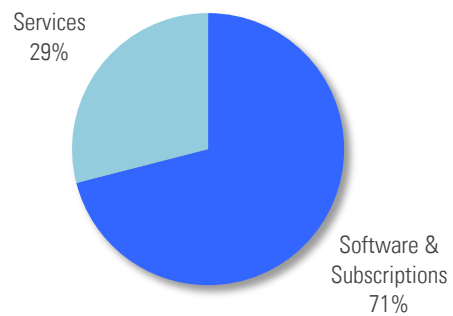
# Highlights Q1 2011

Revenues  
+29%

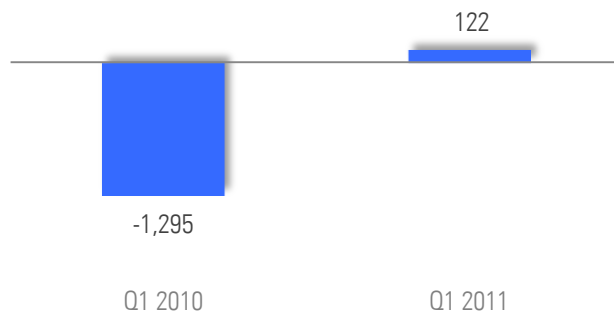


Software & Subscriptions  
+30%

Services  
+27%



EBIT  
Δabs. +1,4 Mio. €



Share price development  
12M  
+215%



## Financial Summary

Income (in TEUR)	Q1 2011	Q1 2010	Δ
<b>Revenues</b>	<b>3,674</b>	<b>2,853</b>	<b>+29%</b>
Software & Subscriptions	2,619	2,020	+30%
Services	1,055	833	+27%
<b>EBIT</b>	<b>122</b>	<b>-1,295</b>	<b>abs. +1,417</b>
as a % of revenues	3%	-45%	+ 48 PP
<b>Consolidated result</b>	<b>-222</b>	<b>-1,032</b>	<b>abs. +810</b>
as a % of revenues	-6%	-36%	+30 PP
<b>Earnings per share (in EUR)</b>	<b>-0.10</b>	<b>-0.46</b>	<b>abs. +0.36</b>

Balance sheet (in TEUR)	31 March 2011	31 Dec 2010	Δ
<b>Balance sheet total</b>	<b>16,774</b>	<b>16,305</b>	<b>+3%</b>
<b>Liquid funds</b>	<b>6,363</b>	<b>5,723</b>	<b>+11%</b>
<b>Equity</b>	<b>11,954</b>	<b>12,055</b>	<b>-1%</b>
as % of balance sheet total	71%	74%	-3 PP

Employees	31 March 2011	31 Dec 2010	Δ
<b>Number of employees</b>	<b>168</b>	<b>163</b>	<b>+3%</b>
Domestic	74	76	-3%
Foreign	94	87	+8%
R&D	80	77	+4%
Sales & Marketing	26	26	+/-0%
Services	37	38	-3%
Miscellaneous	25	22	+14%

InVision share	Q1 2011	2010	Δ
<b>Closing price per 31 March</b>	<b>€ 18.26</b>	<b>€ 14.83</b>	<b>+23%</b>
<b>Year high</b>	<b>€ 23.99</b>	<b>€ 17.00</b>	<b>+41%</b>
<b>Year low</b>	<b>€ 14.59</b>	<b>€ 3.91</b>	<b>+273%</b>
<b>Market capitalisation per 31 March</b>	<b>€ 40.81 m</b>	<b>€ 33.15 m</b>	<b>+23%</b>
<b>Number of shares</b>	<b>2,235,000</b>	<b>2,235,000</b>	<b>±0</b>

All information is XETRA price data

# Consolidated Interim Financial Statements

of InVision Software AG as of 31 March 2011 in accordance with IFRS and § 315a of the German Commercial Code as well as the Interim Group Management Report pursuant to §315 of the German Commercial Code (condensed/unaudited)

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## Consolidated Balance Sheet

Assets (in EUR)	31 March 2011	31 Dec 2010
<b>Short-term assets</b>		
Liquid funds	6,362,825	5,722,714
Trade receivables	4,604,735	4,660,093
Income tax claims	67,780	65,777
Prepaid expenses and other short-term assets	389,028	294,259
<b>Total short-term assets</b>	<b>11,424,368</b>	<b>10,742,843</b>
<b>Long-term assets</b>		
Intangible assets	115,536	119,348
Tangible assets	294,231	315,012
Financial assets	150,092	150,092
Deferred tax assets	4,744,264	4,933,936
Other long-term assets	45,708	44,190
<b>Total long-term assets</b>	<b>5,349,831</b>	<b>5,562,578</b>
<b>Total assets</b>	<b>16,774,199</b>	<b>16,305,421</b>
<b>Equity and liabilities (in EUR)</b>	<b>31 March 2011</b>	<b>31 Dec 2010</b>
<b>Short-term liabilities</b>		
Short-term liabilities owed to financial institutions	386,280	291,488
Trade payables	209,332	567,338
Provisions	717,830	1,233,322
Income tax liabilities	33,792	33,792
Short-term share of deferred income and other short-term liabilities	3,428,483	2,079,005
<b>Total short-term liabilities</b>	<b>4,775,717</b>	<b>4,204,945</b>
<b>Long-term liabilities</b>		
Deferred taxes	44,980	44,980
<b>Total long-term liabilities</b>	<b>44,980</b>	<b>44,980</b>
<b>Equity</b>		
Subscribed capital	2,235,000	2,235,000
Capital reserves	20,616,179	20,616,179
Earnings reserves	1,414,177	1,414,177
Equity capital difference from currency translation	-492,846	-612,768
Losses carried forward	-11,481,658	-12,536,503
Group/consolidated result	-242,966	1,054,846
Minority shares	-94,384	-115,435
<b>Total equity</b>	<b>11,953,502</b>	<b>12,055,496</b>
<b>Total equity and liabilities</b>	<b>16,774,199</b>	<b>16,305,421</b>

## Consolidated Statement of Comprehensive Income

in EUR	Q1 2011	Q1 2010
<b>Revenues</b>	<b>3,674,106</b>	<b>2,852,869</b>
Other operating income	747	13,503
Cost of materials/cost of goods and services purchased	-10,487	-7,185
Personnel expenses	-2,421,323	-2,714,900
Amortisation/depreciation of intangible and tangible assets	-39,229	-39,833
Other operating expenses	-1,081,692	-1,399,524
<b>Operating result (EBIT)</b>	<b>122,122</b>	<b>-1,295,070</b>
Financial result	9,023	-3,309
Currency losses/gains	-162,872	-40,538
<b>Result before taxes (EBT)</b>	<b>-31,728</b>	<b>-1,338,917</b>
Income tax	-190,188	300,617
<b>Consolidated net profit/loss</b>	<b>-221,916</b>	<b>-1,038,300</b>
Minority shares	-21,050	6,405
<b>Consolidated result</b>	<b>-242,966</b>	<b>-1,031,895</b>

## Consolidated Cash Flow Statement

in EUR	Q1 2011	Q1 2010
<b>Group/consolidated result incl. minority shares</b>	<b>-242,966</b>	<b>-1,031,895</b>
Depreciation and amortisation of fixed assets	39,229	39,833
Decrease/increase in provisions	-515,492	149,635
Decrease/increase in income tax liabilities	0	420
Decrease/increase in deferred taxes	189,673	-372,377
Other non-cash income	145,442	-137,352
Decrease/increase in trade receivables and contract manufacturing	55,358	310,985
Decrease/increase in other assets and prepaid expenses	-96,287	-337,089
Decrease/increase in income tax claims	-2,002	197,624
Decrease/increase in trade payables	-358,005	-479,336
Decrease/increase in other liabilities and deferred income	1,349,477	950,889
<b>Cash flow from operating activities</b>	<b>564,427</b>	<b>-708,663</b>
<b>Investing activities</b>		
Payments made for investments in tangible fixed assets	-19,108	-20,298
<b>Cash flow from investing activities</b>	<b>-19,108</b>	<b>-20,298</b>
<b>Change in cash and cash equivalents</b>	<b>545,319</b>	<b>-728,961</b>
Cash and cash equivalents at the beginning of the period	5,431,226	3,502,302
<b>Cash and cash equivalents at the end of the period</b>	<b>5,976,545</b>	<b>2,773,341</b>



## Consolidated Statement of Equity

in EUR	1 Jan 2010	Consolidated result 2010	31 Dec 2010	Consolidated result 2011	31 Mar 2011
Subscribed capital	2,235,000	0	2,235,000	0	2,235,000
Capital reserves	20,616,179	0	20,616,179	0	20,616,179
Statutory reserves	78,989	0	78,989	0	78,989
Other earnings reserves	1,335,188	0	1,335,188	0	1,335,188
Equity capital difference from currency translation	-578,599	-34,170	-612,768	119,922	-492,846
Losses carried forward	-12,536,503	1,054,846	-11,481,658	-242,966	-11,724,624
<b>Equity capital of the Company shareholders</b>	<b>11,150,254</b>	<b>1,020,677</b>	<b>12,170,931</b>	<b>-123,044</b>	<b>12,047,887</b>
Minority shares	-70,115	-45,320	-115,435	21,050	-94,384
<b>Equity</b>	<b>11,080,139</b>	<b>975,357</b>	<b>12,055,495</b>	<b>-101,994</b>	<b>11,953,502</b>

# Consolidated Notes

to the Consolidated Interim Financial Statements of InVision Software AG as of 31 March 2011 (condensed/unaudited)

## 1. General information about the Company

The business activities of InVision Software Aktiengesellschaft, Ratingen (hereinafter also referred to as "InVision AG" or the "Company"), together with its subsidiaries (hereinafter also referred to as the "InVision Group" or the "Group"), include the development and sale of software-based products and services relating to workforce management. The InVision Group does business primarily in Europe and the United States.

The Company's registered offices are located at Halskestrasse 38, 40880 Ratingen, Germany. It is recorded in the Commercial Register of the Local Court of Düsseldorf under registration number HRB 44338. InVision Software AG has been listed in the prime standard segment of the Frankfurt Stock Exchange under securities identification number 585969 since 18 June 2007.

## 2. Basis of the accounting

The condensed consolidated interim financial report for the reporting period was prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed consolidated interim financial report does not contain all explanations and information that are required for the financial statements of the full fiscal year and should be read in conjunction with the consolidated financial statements as of 31 December of the previous fiscal year.

## 3. Change in the group of consolidated companies

The group of consolidated companies has not changed since 31 December of the previous fiscal year.

## 4. Treasury shares

The Company holds no treasury shares.

## 5. Revenues

Revenues categorised according to business activities are as follows:

in TEUR	Q1 2011	Q1 2010
Software & Subscriptions	2,619	2,020
Services	1,055	833
<b>Total</b>	<b>3,674</b>	<b>2,853</b>

Revenues categorised according to regions are as follows:

in TEUR	Q1 2011	Q1 2010
Germany, Austria and Switzerland	2,093	1,480
Other foreign countries	1,581	1,373
<b>Total</b>	<b>3,674</b>	<b>2,853</b>

## 6. Transactions between related parties

Transactions involving goods and services between closely related enterprises and persons are generally executed at market prices. The following services were purchased from closely related enterprises and persons pursuant IAS 24:

in TEUR		Q1 2011	Q1 2010
eTimum Software GmbH	Consulting services	114	113
<b>Total</b>		<b>114</b>	<b>113</b>

## 7. Events after the balance sheet closing date

The Company's Executive Board formally decided on 25 March 2011 to convert the core of its business model to cloud computing within the next 18 months. On 25 March 2011, the Executive Board also resolved to make a voluntary share buy-back offer to the Company's shareholders. In the course of this share buy-back programme, the InVision Software AG repurchased 67,048 of its own shares, equalling 2.99% of its registered share capital, following expiry of the offer period on 14 April 2011.

After the end of the reporting period, there were no other specific events which were of significant importance for the interim financial report.

## 8. Earnings per share

Earnings per share were calculated by dividing the periodic result, which is attributable to InVision Software AG's shareholders, by the average weighted number of shares issued and outstanding during the reporting period. InVision Software AG has issued only ordinary shares. In the first three months of 2011, there was an average of 2,235,000 shares issued and outstanding. Earnings per share for this period were therefore EUR -0.10 compared to EUR -0.46 in the previous year (based on the same number of shares issued).

## 9. Responsibility statement by the Executive Board

To the best of our knowledge and in accordance with the applicable reporting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the Group's assets, liabilities, financial position and results of operation, and the interim Group's management report includes a fair review of the development and performance of the business, together with a description of the principal opportunities and risks related to the anticipated development of the Group for the remainder of the fiscal year.

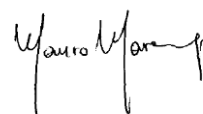
Ratingen, 16 May 2011



Peter Bollenbeck



Matthias Schroer



Mauro Marengo

# Interim Group Management Report

of InVision Software AG as of 31 March 2011 (condensed/unaudited)

## Specific events during the reporting period

The Company's Executive Board formally decided on 25 March 2011 to convert the core of its business model to cloud computing within the next 18 months. On 25 March 2011, the Executive Board also resolved to make a voluntary share buy-back offer to the Company's shareholders.

## Results of operation

Consolidated revenues during the reporting period equalled TEUR 3,674 (previous year: TEUR 2,853) and therefore rose by 29 percent. Software & subscriptions revenues jumped by 30 percent to TEUR 2,619 (previous year: TEUR 2,020). Service revenues increased by 27 percent to TEUR 1,055 (previous year: TEUR 833).

Revenues in the region of Germany, Austria and Switzerland rose by 42 percent to TEUR 2,093 (previous year: TEUR 1,480), which represents a share of 57 percent (previous year: 52 percent). Revenues generated in other foreign countries climbed to TEUR 1,581 (previous year: TEUR 1,373) and is therefore 15 percent higher than in Q1 2010. Revenues from other foreign countries as a percentage of total revenues therefore equal 43 percent (previous year: 48 percent).

The operating result (EBIT) improved in the reporting period to TEUR 122 (previous year: TEUR -1,295). The EBIT margin in the reporting period was +3 percent (previous year: -45 percent).

In the reporting period, consolidated net loss equalled TEUR -222 (previous year: net loss of EUR -1,032). Accordingly earnings per share totalled EUR -0.10 (previous year: EUR -0.46), in each case based on 2,235,000 shares.

## Net assets and financial position

Cash flow from operating activities reached TEUR 564 in the reporting period (31 Dec 2010: TEUR 1,184) and

corresponds to a share of 15 percent of the Group revenues (31 Dec 2010: 7 percent).

As of the end of the reporting period, the liquid funds (cash and cash equivalents) rose to TEUR 6,363 (31 Dec 2010: TEUR 5,723) due to positive operating cash flow. Financial liabilities climbed to TEUR 386 (31 Dec 2010: TEUR 291).

The balance sheet total as of 31 March 2011 equalled TEUR 16,774 (31 Dec 2010: TEUR 16,305). Equity capital is now at TEUR 11,954 (31 Dec 2010: TEUR 12,055), and the equity ratio equals 71 percent (31 Dec 2010: 74 percent).

## Opportunities & risks

The risks for the business development of the InVision Group are described in the Group management report for the previous fiscal year. Reasonable opportunities are described in the forecast report of this interim Group management report and in the Group management report of the previous fiscal year.

## Supplement Report

In the course of the share buy-back programme formally decided on 25 March 2011, the InVision Software AG repurchased 67,048 of its own shares, equalling 2.99% of its registered share capital, following expiry of the offer period on 14 April 2011.

After the end of the reporting period, there were no further specific events which would be of material importance to the interim financial statements.

## Forecast Report

For the period from 2011 through 2012, InVision is expecting overall revenue growth and profits in each of those years.

## Ratingen, 16 May 2011

The Executive Board of InVision Software AG

# Financial Calendar

Interim Report 3M 2011	16 May 2011
Annual Shareholders' Meeting 2011	15 June 2011
Preliminary results H1 2011	15 July 2011
Interim Report H1 2011	15 August 2011
Preliminary results 9M 2011	14 October 2011
Interim Report 9M 2011	15 November 2011
Analysts' Conference (German Equity Forum 2011, Frankfurt/Main)	21-23 November 2011

## Investor Relations

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