



## **Annual Report 2017**

### **Consolidated Financial Statements**

of InVision AG as of 31 December 2017 in accordance with IFRS and § 315e of the German Commercial Code as well as the Group management report pursuant to § 315 of the German Commercial Code

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### Financial Summary

(in TEUR)	2017	2016	Δ
<b>Revenues</b>	<b>13,163</b>	<b>12,426</b>	<b>+6%</b>
WFM Subscriptions	11,298	10,709	+5%
- thereof InVision WFM	8,025	7,961	+1%
- thereof injixo	3,273	2,748	+19%
The Call Center School	714	599	+19%
Other Revenues	1,151	1,118	+3%
- thereof WFM Licences	1,062	829	+28%
- thereof Project Services	89	289	-69%
<b>R&amp;D Expenses</b>	<b>7,486</b>	<b>5,459</b>	<b>+37%</b>
as a % of revenues	57%	44%	+13 PP
<b>EBIT</b>	<b>1,363</b>	<b>3,547</b>	<b>-62%</b>
as a % of revenues	10%	29%	-19 PP
<b>Consolidated result</b>	<b>800</b>	<b>2,321</b>	<b>-66%</b>
as a % of revenues	6%	19%	-13 PP
<b>Operating cash flow</b>	<b>672</b>	<b>4,742</b>	<b>-86%</b>
as a % of revenues	5%	38%	-33 PP
<b>Earnings per share (in EUR)</b>	<b>0.36</b>	<b>1.04</b>	<b>-65%</b>

(in TEUR)	31 Dec 2017	31 Dec 2016	Δ
<b>Balance sheet total</b>	<b>13,683</b>	<b>15,823</b>	<b>-14%</b>
<b>Liquid funds</b>	<b>2,210</b>	<b>4,009</b>	<b>-45%</b>
<b>Equity</b>	<b>10,380</b>	<b>10,697</b>	<b>-3%</b>
as a % of balance sheet total	76%	68%	+8 PP

## Consolidated Balance Sheet

InVision AG, 31 December 2017  
IFRS, in Euro

<b>Assets</b>	<b>Note</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
<b>A. Short-term assets</b>			
1. Liquid funds	(23)	2,209,999	4,008,898
2. Trade receivables	(24)	1,268,972	1,415,467
3. Income tax claims	(25)	45,536	7,101
4. Prepaid expenses and other short-term assets	(26)	196,242	318,338
<b>Total short-term assets</b>		<b>3,720,749</b>	<b>5,749,804</b>
<b>B. Long-term assets</b>			
1. Intangible assets	(27)	338,374	432,766
2. Tangible assets	(28)	9,568,754	9,465,530
3. Deferred taxes	(30)	39,312	153,902
4. Other long-term assets	(31)	16,043	21,289
<b>Total long-term assets</b>		<b>9,962,483</b>	<b>10,073,487</b>
<b>Total assets</b>		<b>13,683,232</b>	<b>15,823,291</b>
<b>Equity and liabilities</b>			
<b>A. Short-term liabilities</b>			
1. Trade payables	(33)	170,012	149,192
2. Provisions	(34)	256,266	169,003
3. Income tax liabilities	(34)	406,150	921,720
4. Short-term share of deferred income and other short-term liabilities	(35)	971,259	1,636,300
<b>Total short-term liabilities</b>		<b>1,803,687</b>	<b>2,876,215</b>
<b>B. Long-term liabilities</b>			
Liabilities to financial institutions	(36)	1,500,000	2,250,000
<b>Total long-term liabilities</b>		<b>1,500,000</b>	<b>2,250,000</b>
<b>C. Equity</b>			
1. Subscribed capital	(37)	2,235,000	2,235,000
2. Reserves	(38)	1,191,184	1,191,184
3. Equity capital difference from currency translation	(39)	-457,684	-373,208
4. Group/consolidated result		7,411,045	7,644,100
<b>Total equity</b>		<b>10,379,545</b>	<b>10,697,076</b>
<b>Total equity and liabilities</b>		<b>13,683,232</b>	<b>15,823,291</b>

## Consolidated Statement of Comprehensive Income

InVision AG, 31 December 2017

IFRS, in Euro

	Note	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2016
1. Revenues	(40)	13,163,035	12,425,865
2. Other operating income	(41)	90,983	407,636
3. Cost of materials/cost of services purchased	(42)	-149,682	-280,762
4. Personnel expenses	(43)	-8,084,598	-6,104,937
5. Amortisation/depreciation of intangible and tangible assets	(44)	-513,892	-626,824
6. Other operating expenses	(45)	-3,142,635	-2,273,756
<b>7. Operating result (EBIT)</b>		<b>1,363,211</b>	<b>3,547,222</b>
8. Financial result	(46)	-26,986	-40,373
9. Currency losses/gains		-14,585	-23,610
<b>10. Result before taxes (EBT)</b>		<b>1,321,640</b>	<b>3,483,239</b>
11. Income tax	(47)	-437,195	-1,155,385
<b>12. Consolidated net profit</b>		<b>884,445</b>	<b>2,327,854</b>
13. Exchange rate differences from converting foreign financial statements		-84,476	-6,553
<b>14. Consolidated result</b>		<b>799,969</b>	<b>2,321,301</b>
Earnings per share		0.36	1.04

## Consolidated Cash Flow Statement

InVision AG, 31 December 2017  
IFRS, in Euro

	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2016
<b>1. Cash flow from operating activities</b>		
<b>Consolidated net loss/profit</b>	<b>884,445</b>	<b>2,327,854</b>
+ Depreciation and amortisation of fixed assets	513,892	626,824
-/+ Profits/losses from the disposal of intangible and tangible assets	-5,725	5,534
-/+ Decrease/increase in provisions	87,263	-458,614
-/+ Increase/decrease in deferred taxes	114,590	232,653
-/+ Other non-cash income/expenses	2,095	-7,998
-/+ Increase/decrease in trade receivables	146,495	1,340,285
-/+ Increase/decrease in other assets and prepaid expenses	127,342	-132,937
+/- Decrease/increase in income tax claims/liabilities	-554,005	991,407
-/+ Decrease/increase in trade payables	20,820	32,961
+/- Increase/decrease in other liabilities and deferred income	-665,041	-215,996
<b>Cash flow from operating activities</b>	<b>672,171</b>	<b>4,741,973</b>
<b>2. Cash flow from investing activities</b>		
- Payments made for investments in tangible assets	-577,858	-1,138,480
- Payments made for investments in intangible assets	-765	-1,400
+ Payments received from the disposal of intangible and tangible assets	7,077	6,843
<b>Cash flow from investing activities</b>	<b>-571,546</b>	<b>-1,133,037</b>
<b>3. Cash flow from financing activities</b>		
- Payments made for redemption of long-term financing liabilities	-750,000	-1,000,000
- Payments made to shareholders of InVision AG	1,117,500	0
<b>Cash flow from financing activities</b>	<b>-1,867,500</b>	<b>-1,000,000</b>
Change in cash and cash equivalents	1,766,875	2,608,936
Effect of foreign exchange rate changes on cash and cash equivalents	-32,024	-4,589
<b>Cash and cash equivalents at the beginning of the period</b>	<b>4,008,898</b>	<b>1,404,551</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,209,999</b>	<b>4,008,898</b>

## Consolidated Statement of Equity

InVision AG, 31 December 2017

IFRS, in Euro

	Subscribed capital	Reserves	Equity capital difference from currency translation	Profit/Losses	Equity
<b>31 December 2015</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-366,655</b>	<b>5,316,246</b>	<b>8,375,775</b>
Consolidated net profit	0	0	0	2,327,854	2,327,854
Exchange rate difference from converting foreign financial statements	0	0	-6,553	0	-6,553
<b>Total of costs and income</b>	<b>0</b>	<b>0</b>	<b>-6,553</b>	<b>2,327,854</b>	<b>2,321,301</b>
<b>31 December 2016</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-373,208</b>	<b>7,644,100</b>	<b>10,697,076</b>
Dividend payment	0	0	0	1,117,500	1,117,500
	<b>2,235,000</b>	<b>1,191,184</b>	<b>-373,208</b>	<b>6,526,600</b>	<b>9,579,576</b>
Consolidated net profit	0	0	0	884,445	884,445
Exchange rate difference from converting foreign financial statements	0	0	-84,476	0	-84,476
<b>Total of costs and income</b>	<b>0</b>	<b>0</b>	<b>-84,476</b>	<b>884,445</b>	<b>799,969</b>
<b>31 December 2017</b>	<b>2,235,000</b>	<b>1,191,184</b>	<b>-457,684</b>	<b>7,411,045</b>	<b>10,379,545</b>

## Consolidated Notes

to the Consolidated Financial Statements of InVision AG as of 31 December 2017 in accordance with IFRS and § 315e of the German Commercial Code

### General Information

#### 1. General information about the Company

InVision Aktiengesellschaft, Düsseldorf (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"), develops and markets products and services for optimising workforce management, increasing the productivity, improving the quality of work, and reducing costs, and is mainly active in Europe and the United States.

The Company's registered offices are located at Speditionstraße 5, 40221 Düsseldorf, Germany. It is recorded in the Commercial Register of the Local Court of Düsseldorf under registration number HRB 44338. InVision AG has been listed in the prime standard segment of the Frankfurt Stock Exchange under securities identification number 585969 since 18 June 2007.

The IFRS consolidated financial statements are expected to be approved by the Supervisory Board of InVision AG on 21 March 2017 and then cleared for publication on 22 March 2018.

#### 2. Basis of the accounting

Because it is listed on a regulated market, InVision AG prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS). The consolidated financial statements as of 31 December 2017 were prepared in accordance with the IFRS, which were promulgated by the International Accounting Standards Board (IASB), in force on the balance sheet closing date, and applicable in the European Union. The designation "IFRS" also encompasses the still valid International Accounting Standards (IAS), as well as the interpretations of the Standing Interpretations Committee (SIC) and of the International Financial Reporting Interpretations Committee (IFRIC). The requirements prescribed under § 315e of the German Commercial Code (HGB) must also be observed.

All provisions of the IFRS, IAS, IFRIC and SIC, which are valid for fiscal year ending 31 December 2017, have been applied in the consolidated financial statements.

In fiscal year 2017, the following provisions under the IAS/IFRS/IFRIC were endorsed by the EU for adoption into EU law and/or must be applied for the first time. Most of them have little or no effect on the consolidated financial statements of InVision AG.

<b>IFRS</b>	<b>Material effect</b>
Amendments to IAS 12 Recognition of deferred tax assets for unrealised losses	None
Amendments to IAS 7 Statement of cash flows relating to liabilities arising from financing activities	None

The following amendments of the IASB were not adopted early in the existing consolidated financial statements. Where amendments affect InVision AG, the future effects on the consolidated financial statements are examined. In most of these cases, the EU has also not yet endorsed the amendments.

<b>IFRS</b>	<b>Material effect</b>
Amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures (sale or contribution of assets)	None
Amendments to IFRS 2 Classification and measurement of share based payment transactions	None
Amendments in line with Annual improvements, Cycle 2014-2016	None
Amendments to IAS 40 Transfers of investment property	None
IFRIC 22 Foreign currency transactions and advance consideration	None
IFRIC 23 Uncertainty over income tax treatments	None
Amendments to IFRS 4 Insurance contracts through IFRS 9	None
IFRS 17 Insurance contracts	None
Amendments to IAS 28 regarding Long-term investments in associates and joint ventures	None
Amendments in line with Annual improvements, Cycle 2015-2017	None
IFRS 9 Financial instruments: Recognition and measurement of financial assets incl. amendments regarding prepayment features with negative compensation	None
IFRS 15 Revenue from contracts with customers	None
IFRS 16 Leases	None

The effects on the consolidated financial statements from the newly issued or revised standards by the IASB, which were not yet mandatory in these financial statements, are currently being examined. However, apart from any extended disclosure requirements, no material impact is expected.

### 3. Group of consolidated companies

The consolidated financial statements cover InVision AG as well as the following subsidiaries:

- injixo AG, Zug (previously Cham), Switzerland
- InVision Software, Inc., Chicago, IL, USA (previously injixo Inc., Naperville, IL, USA)
- InVision Software Ltd., London, United Kingdom
- InVision Software SAS, Paris, France
- InVision Software Systems S.L., Madrid, Spain
- InVision Software, OÜ, Tallinn, Estonia

InVision AG holds a direct 100% ownership interest in each of the consolidated subsidiaries.

### 4. Consolidation principles

The consolidated financial statements comprise the annual financial statements of InVision AG and its subsidiaries as of 31 December of each fiscal year. The annual financial statements of the subsidiaries are prepared while applying the uniform accounting and valuation methods as of the same balance sheet closing date as the annual financial statements of the parent company.

The balance sheet closing date of all subsidiaries integrated into the consolidated financial statements is 31 December of the applicable fiscal year in question.

All account balances, transactions, income, expenses, profits and losses from intra-group transactions, which are included in the book value of assets, are eliminated in full.

Subsidiaries are fully consolidated as of the date of their formation or acquisition (i.e., as of the date on which the Group acquires control over them), provided that they are not of minor importance for the Group's net assets, financial position and results of operations. The inclusion of these subsidiaries in the consolidated accounts ends as soon as the parent company's control no longer exists.

Newly-formed subsidiaries are consolidated using the acquisition method pursuant to IFRS 3. Under that method, acquisition costs of the business combination are apportioned to the identifiable assets, which are acquired, and to the identifiable liabilities, which are assumed, based on their fair values as of the date of acquisition. The expenses and income, which have accrued since the acquisition, are included in consolidated accounts.



## Accounting and Valuation Principles

### 5. In general

The consolidated financial statements were prepared on the basis of historical acquisition or production costs (costs). Historical costs are based in general on the fair value of the consideration paid in exchange for the asset.

The consolidated balance sheet was structured according to short-term and long-term assets and liabilities. The consolidated statement of comprehensive income is prepared using the cost of production method.

### 6. Reporting currency

The consolidated financial statements are prepared in euro because the majority of the Group transactions are based on that currency. Unless otherwise indicated, all figures herein have been rounded up or down to the nearest thousand (TEUR, T€) in accordance with standard commercial practices. The figures are shown in euro (EUR, €), in thousand euro (TEUR, T€) or in million euro (MEUR, m€).

### 7. Currency translation

Each company within the Group stipulates its own functional currency. The items reported in the financial statements of each company are valued using that functional currency. Foreign currency transactions are initially converted into the functional currency at the currency spot rate applicable on the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency will be converted into the functional currency at the exchange rate applicable on each relevant reporting date and recognised in the income statement. This treatment does not apply to any exchange rate differences arising from foreign currency transactions, if they are used to hedge a net investment of a foreign operation. These differences are recognised directly in equity capital until the net investment is sold, and recognised in the period results only after such sale. Any deferred taxes resulting from the currency differences of such foreign currency credits will also be recognised directly in equity capital. Non-monetary items, which are valued at historical costs in a foreign currency, are converted at the exchange rate applicable on the date of the transaction. Non-monetary items, which are reported at fair value in a foreign currency, are converted at the exchange rate applicable on the date the fair value was calculated.

Assets and liabilities of foreign operations are converted into euro as of the balance sheet (reporting) date. The conversion of income and expenses shall be made at the average exchange rate for the fiscal year. Any differences resulting from these currency conversions will be booked as a separate component of the equity capital account.

Any goodwill acquired with the purchase of a foreign operation and any adjustments in the book value of the assets and liabilities, which resulted from that transaction in order to accord with fair value, will be converted at the exchange rate applicable on the reporting date.

The following exchange rates were used (per EUR 1.00):

Currency	Exchange rate on reporting date 2017	Exchange rate on reporting date 2016	Average annual exchange rate 2017	Average annual exchange rate 2016
USD	1.1979	1.0516	1,1299	1,1068
GBP	0.8877	0.8521	0.8764	0.8186
SEK	9.8333	9.5410	9.6325	9.4604
CHF	1.1693	1.0715	1.1116	1.0898

### 8. Intangible assets

Acquired intangible assets are valued at the time of their receipt according to their cost of acquisition or cost of production.

Internally produced intangible assets are recognised when they are identified and when it is likely that the group will receive a future economic benefit from the asset and the asset's acquisition and production costs can be reliably determined. For subsequent valuations, the value of the intangible assets is recognised at the acquisition or production costs of those assets, less the accumulated amortisation and less the accumulated impairment costs (shown under the amortisation item). Intangible assets are amortised on a straight-line basis over their estimated usable life (3 to 15 years). The amortisation period and amortisation method are reviewed at the end of each fiscal year.

When producing new software and further developing existing software, the InVision Group cannot clearly and unequivocally delineate the relevant software because the knowledge and improvements gained from producing new software and from the continued development of existing software are incorporated into other InVision Group products. Since not all criteria were met by 31 December of the fiscal year, no development costs were capitalised.

## 9. Tangible assets

Tangible assets (land and buildings as well as computer hardware, tenant installations, furnishings and equipment) are recognised at the cost of acquisition or production less the accumulated depreciation. These assets are depreciated on a straight-line basis over the estimated useful life of the individual asset. The useful life for buildings is 9 to 33 years, for computer hardware 3 to 5 years, and for furnishings and equipment, 5 to 13 years. Tenant installations are depreciated over the term of the lease or over their useful life, if that period is shorter.

Subsequent expenditures made for a tangible asset are recognised at the costs of acquisition, if it is likely that the Group will receive a future economic benefit from it, and the costs for the asset can be reliably determined. Costs for repairs and maintenance, which do not increase the estimated useful life of the tangible asset, are recognised in the period in which they are incurred and are reported on the income statement.

## 10. Accounting for leases

The determination of whether a contract is or contains a lease is made on the basis of the economic content of the contract, and requires an assessment about whether the fulfilment of the contract depends on the use of a specific asset or assets and whether the contract grants a right to use the asset.

The Group acts as lessee only.

Any asset under a finance lease, according to which virtually all property-related risks and opportunities relating to the transferred asset are transferred to the Group, is recognised as an asset at the commencement of the lease term and valued at the lower of the then-current fair market value of the asset or the present cash value of the minimum lease payments to be made thereunder. These assets are subject to scheduled depreciation over the shorter of the two aforementioned time periods: i.e., the term of the lease or the economic useful life of the leased property. Lease payments are separated into their components of either financing costs and amortisation of the lease obligation in such a manner that the remaining residual book value of the lease will incur a constant rate of interest. The remaining leasing obligations as of the balance sheet closing date are itemised in the balance sheet according to their remaining terms to maturity.

Lease payments under operating leases are booked in the income statement as expenses arising over the term of the lease.

## 11. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, unless the borrowing costs were incurred for the purchase, construction or production of qualified assets. In that case, the borrowing costs will be added to the production costs for such assets. During the fiscal year, the InVision Group had neither acquired nor produced qualified assets.

## 12. Impairment of non-financial assets

Non-financial assets are tested for impairment if facts or changes in circumstances suggest that the book value of an asset might no longer be recoverable. For the impairment test, the recoverable amount of the asset or the cash-generating unit must be determined. The recoverable amount is either the fair value less the costs to sell or the value in use, whichever value is higher. The fair value less the costs to sell is defined as the price which two informed, contractually-willing and independent business partners could achieve (less the cost to sell) when selling an asset or a cash-generating unit. The value in use of an asset or a cash-generating unit is calculated by determining the present cash value of the estimated future cash flow based on the current use of the asset or unit. If the recoverable value is less than the book value, then the difference will be immediately written off and entered in the income statement.

The impairment of a particular asset (except for goodwill), which had been previously recognised to profit and loss, will be reversed, if there is evidence that the impairment no longer exists or that the amount of the impairment has declined. The recoverable amount will be recognised as income in the income statement. The recoverable amount (or the reduction in the amount of the impairment) of an asset will be recognised, however, only to the extent that it does not exceed the book value, which would have resulted had no impairment been previously recognised (including the effects from amortisation or depreciation).

## 13. Financial investments and other financial assets

Financial assets within the meaning of IAS39 are either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. Financial assets will be measured at fair value the first time they are recognised.

The classification of the financial assets into the measurement categories depends on their nature and their purpose of use, and will be made upon their initial recognition. To the extent it is permissible and required, reclassifications are made at the end of the fiscal year.

All standard market purchases and sales of financial assets are recognised on the trade date; in other words, on the day on which the Group has entered into the obligation to purchase or sell the asset. Standard market purchases and sales are purchases and sales of financial assets, which prescribe the delivery of assets within a period of time that is set by market rules or market conventions.

Extended loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. These assets are measured at amortised costs using the effective interest method. Any gains or losses are recognised in the results for the period, if the loans and receivables have been derecognised or impaired or it has been done in connection with amortisation.

Financial assets are tested for impairment as of each balance sheet date. If it is likely that with respect to financial assets recognised at their amortised costs, the Company will be unable to collect all of the amounts, which are owed under loans, receivables or held-to-maturity investments pursuant to applicable contract terms and conditions, an impairment or write-down of the receivables will be recognised on the income statement. The impairment loss is defined as the difference between the asset's book value and the present cash value of the anticipated future cash flows calculated using the effective interest method. The book value of the asset is reduced using a value adjustment account. The impairment loss will be recognised on the income statement. An impairment previously recognised as a cost will be reversed into income on the income statement, if some of the value subsequently recovered (or a reduction in the impairment amount) can be objectively attributed to the set of facts that transpired following the original impairment. Any recovered value will be recognised, however, only to the extent that it does not exceed the amount of the amortised cost which would have resulted had the impairment not occurred. The financial asset will be derecognised, if it is classified as non-recoverable.

As in the previous year, the book values of the assets and liabilities for the most part match their fair values.

#### 14. Short-term financial assets

Short-term financial assets comprise accounts receivable and other receivables. A bad debt allowances for accounts receivable will be made if it is likely that the total amount of the original invoice cannot be collected. The amount of the bad debt allowances will be the face value of the account less the realisable amount that equals the present cash value of the anticipated cash flows.

#### 15. Other short-term assets

Assets are recognised at their face or nominal value, but will be separately discounted in value if they are subject to identifiable risks.

#### 16. Cash and cash equivalents

Cash and cash equivalents consist of credit balances held with financial institutions as well as securities which may be redeemed for cash on short notice. These credit balances held with financial institutions are measured at face or nominal value.

#### 17. Taxes

The actual tax refund claims and tax debts for the current period and for earlier periods must be valued at the amount at which a refund is expected from the tax authorities or a payment must be made to the tax authorities.

Deferred taxes are recognised under the liabilities method for all temporary differences between the tax basis of the assets / liabilities and their respective book values in the IFRS financial statements.

Deferred taxes are valued according to the tax rates (and tax regulations), which are effective as of the balance sheet closing date or which have for the most part been enacted into law, and which are expected to be valid and binding on the date the deferred tax receivable is realised and/or the deferred tax liability is settled.

Deferred tax receivables, including those on losses carried forward, are recognised in an amount at which it is likely that taxable income will be available for crediting against the temporary differences.

The valuation of deferred tax assets for loss carry-forwards and for deductible temporary differences depends on the future taxable earnings of the InVision Group companies. The estimate regarding such taxable earnings is made as of the balance sheet date taking into account the respective business perspectives. For purposes of capitalising deferred taxes based on the losses carried forward, only those tax loss carry-forwards will be recognised, which are very likely to be applied.

#### 18. Provisions

A provision is shown only if the Company has a present, statutory or de facto obligation (liability) based a past event, if it is likely that the fulfilment of the obligation will lead to an outflow of funds representing an economic benefit, and if a reliable estimate of the amount of the obligation can be made. If no provision could be created because one of the criteria mentioned was not fulfilled, then the liabilities in question will be reported as contingent liabilities.

Provisions are examined on each balance sheet closing date and adjusted to accord with the best estimate as of that date. If there is an expectation that the expenditures, which are required to satisfy a deferred liability, will be reimbursed either in whole or in part by another party, then the reimbursement will be recognised only when it is nearly certain that the Group will receive the reimbursement.

## 19. Liabilities

Liabilities comprise long-term liabilities to financial institutions, trade payables, tax liabilities, interest owed, liabilities owed to employees, and other liabilities. When such items are recognised for the first time, they are booked at their cost of acquisition, which corresponds to the fair value of the consideration received. All liabilities are measured in subsequent years at the adjusted cost of acquisition under the effective interest method. The liability is derecognised when it has been settled, cancelled or expired.

## 20. Revenue and cost recognition

The InVision Group's revenues are generated primarily by providing the following services:

- Temporary use of software-based services and content (subscriptions and single use)
- Projects comprising the perpetual (duration unrestricted) transfer of rights to use software products (licences) as well as related services

The revenues are reported less any early payment discounts, customer bonuses and rebates. Agreements with several components (e.g. subscriptions and services) are internally allocated to their individual components, and revenues are recognised on the basis of those individual components.

Revenues are generally recognised when the sales price is determined or determinable, no significant duties exist and the collection of the receivables is likely. Income from subscriptions is recognised on a straight-line basis pro rata temporis throughout the period of time for which they were calculated. Income from projects are recognised as soon as the service is provided. Income from single use is recognised at the time of the granting of the possibility of use. Income from the perpetual transfer of rights of use is generally recognised as soon as the relevant licence key is delivered.

Costs are recognised when the good or service is used or at the time they were generated. Interest is recognised as either an expense and/or income according to the period in which it arose under the effective interest method. Rental payment costs under operating leases are likewise recognised on a straight-line basis over the entire term of the lease, irrespective of the payment arrangements made under such leases.

## 21. Contingent liabilities and contingent receivables

Contingent liabilities are either potential obligations, which could result in an outflow of resources but the existence of which must be confirmed through the occurrence or non-occurrence of one or more future events, or current obligations, which do not satisfy the recognition criteria of the liability. These items are listed separately in the notes, unless the possibility that resources with economic benefits will be lost is unlikely. There were no contingent liabilities in the fiscal year.

In connection with business combinations, contingent liabilities are recorded as liabilities on the balance sheet pursuant to IFRS3.37, if the fair value can be reliably calculated.

Contingent receivables are not recognised in the financial statements. They are, however, listed in the notes, if the receipt of economic benefits is likely.

## 22. Management discretion and the main sources of forecasting uncertainty

When preparing the consolidated financial statements, some assumptions and estimates must be made, which have an effect on the amount and reporting of the recognised assets and liabilities, the income and expenses, and the contingent liabilities for the reporting period. These assumptions relate primarily to the assessment of the carrying value of assets, the assessment of deferred tax assets, uniform group determination of the economic useful lives of tangible assets, and the recognition and measurement of provisions. The assumptions and estimates are based on premises delivered from available information at the time in question. The basis for the anticipated future business development is the circumstances present at the time the consolidated financial statements are prepared in a realistic scenario of the future development of the overall environment. If these overall conditions deviate from the assumptions made and cannot be influenced by management, then the resulting figures could deviate from the originally anticipated estimates.

## Notes to the Consolidated Balance Sheet

### 23. Liquid funds (cash and cash equivalents)

Liquid funds contain only those payment instruments, which have a term to maturity of less than three months calculated from the date of purchase. As in the previous year, cash and cash equivalents consist solely of credit balances held with financial institutions.

#### 24. Trade receivables

Trade receivables (net) have a term to maturity of up to one year, they are adjusted when needed and consist of the following items:

	31 Dec 2017	31 Dec 2016
Trade receivables	1,292	1,455
Bad debt allowances	-23	-40
<b>Total</b>	<b>1,269</b>	<b>1,415</b>

#### 25. Income tax claims

The income tax claims include refund claims of InVision Software Ltd., London, United Kingdom.

#### 26. Prepaid expenses and other short-term assets

	31 Dec 2017	31 Dec 2016
Prepaid and deferred items	189	164
Other miscellaneous assets	7	154
<b>Total</b>	<b>196</b>	<b>318</b>

The deferred income mainly consists of prepayments for trade show participations and for annual insurance for the following financial year.

#### 27. Intangible assets

Intangible assets consist primarily of software and industrial property rights acquired in exchange for consideration. These assets are valued at their historical cost of acquisition, less the scheduled amortisation. With respect to scheduled amortisation, the software acquired in exchange for consideration and the industrial property rights were amortised over their expected useful lives (3 to 15 years).

#### 28. Tangible assets

The breakdown of tangible assets is as follows:

	31 Dec 2017	31 Dec 2016
Land and property / Buildings	7,698	7,881
Other miscellaneous assets	1,871	1,585
<b>Total</b>	<b>9,569</b>	<b>9,466</b>

Tangible assets are recognised at their historical costs of acquisition, less any scheduled depreciation if the assets are subject to wear and tear. Tangible assets are depreciated on a straight-line basis over their useful lives (3 to 33 years). The carrying value of the tangible assets is subject to impairment testing. None of the assets have been subject to non-scheduled depreciation.

## 29. Development of the long-term assets

<b>Fiscal year 2017</b>	<b>01 Jan 2017</b>	<b>Additions</b>	<b>Disposals</b>	<b>Currency differences</b>	<b>31 Dec 2017</b>
<b>Concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets</b>					
Gross	1,332	1	0	-86	1,247
Value adjustment	900	45	0	-36	909
Net	432	-44	0	-50	338
<b>Other equipment, furnishings and office equipment</b>					
Gross	10,560	578	86	-10	11,042
Value adjustment	1,094	469	84	-6	1,473
Net	9,466	109	2	-4	9,569
<b>Total long-term assets</b>					
Gross	11,892	579	86	-96	12,289
Value adjustment	1,994	514	84	-42	2,382
Net	9,898	65	2	-54	9,907
<b>Fiscal year 2016</b>					
	<b>01 Jan 2016</b>	<b>Additions</b>	<b>Disposals</b>	<b>Currency differences</b>	<b>31 Dec 2016</b>
<b>Concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets</b>					
Gross	1,309	1	0	22	1,332
Value adjustment	726	166	0	8	900
Net	583	-165	0	14	432
<b>Other equipment, furnishings and office equipment</b>					
Gross	9,534	1,138	96	-16	10,560
Value adjustment	725	461	83	-9	1,094
Net	8,809	677	13	-7	9,466
<b>Total long-term assets</b>					
Gross	10,843	1,139	96	6	11,892
Value adjustment	1,451	627	83	-1	1,994
Net	9,392	512	13	7	9,898

## 30. Deferred taxes

The following table sets forth the status of the deferred tax assets according to the balance sheet items:

	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Deferred taxes based on temporary differences from licence valuations	39	59
Deferred taxes based on losses carried forward	0	95
<b>Total</b>	<b>39</b>	<b>154</b>

The Group's tax losses carried forward totalled TEUR 8,466 (previous year: TEUR 9,080). Profits in the current financial year were used to offset existing losses carried forward and deferred taxes in the amount of TEUR 95 recognised in the previous year. For the above mentioned losses carried forward in the amount of TEUR 8,466 no deferred taxes were recognised. Valued at individual tax rates, deferred taxes of up to TEUR 2,016 could have been recognised.

## 31. Other long-term assets

Other long-term assets consist only of security deposits paid for leased office space.

### 32. Research and development

The expenses for research and development totalled TEUR 7,486 (previous year: TEUR 5,459) in the fiscal year.

### 33. Short-term Liabilities

The short-term liabilities are allocated as follows:

	<b>2017</b>	<b>2016</b>
Trade payables	170	149
Provisions	256	169
Income tax liabilities	406	922
Deferred income	779	1,400
Other liabilities	193	236
<b>Total</b>	<b>1,804</b>	<b>2,876</b>

The deferred income items involve previously recognised invoiced amounts for subscription services for the respective next year.

### 34. Income tax liabilities and provisions

Income tax liabilities and provisions developed as follows:

	<b>01 Jan 2017</b>	<b>Utilisation</b>	<b>Reversal</b>	<b>Allocation</b>	<b>Currency Difference</b>	<b>31 Dec 2017</b>
<b>Income tax liabilities</b>	<b>922</b>	<b>860</b>	<b>61</b>	<b>409</b>	<b>-4</b>	<b>406</b>
Provisions for:						
- Personnel expenses	40	40	0	104	0	104
- Annual accounts costs	82	80	2	79	0	79
- Outstanding invoices	16	14	2	14	0	14
- Trade associations	13	12	1	17	0	17
- Other	18	14	0	38	0	42
<b>Total provisions</b>	<b>169</b>	<b>160</b>	<b>5</b>	<b>252</b>	<b>0</b>	<b>256</b>
<b>Total</b>	<b>1,091</b>	<b>1,020</b>	<b>66</b>	<b>661</b>	<b>-4</b>	<b>662</b>

Provisions for personnel expenses primarily relate to outstanding holiday entitlements.

	<b>01 Jan 2016</b>	<b>Utilisation</b>	<b>Reversal</b>	<b>Allocation</b>	<b>Currency Difference</b>	<b>31 Dec 2016</b>
<b>Income tax liabilities</b>	<b>21</b>	<b>19</b>	<b>2</b>	<b>922</b>	<b>0</b>	<b>922</b>
Provisions for:						
- Personnel expenses	50	50	0	40	0	40
- Annual accounts costs	97	94	1	82	-2	82
- Outstanding invoices	48	45	0	16	-3	16
- Trade associations	14	12	2	13	0	13
- Other	418	36	379	18	-3	18
<b>Total provisions</b>	<b>627</b>	<b>237</b>	<b>382</b>	<b>169</b>	<b>-8</b>	<b>169</b>
<b>Total</b>	<b>648</b>	<b>256</b>	<b>384</b>	<b>1,091</b>	<b>-8</b>	<b>1,091</b>

### 35. Deferred income and other liabilities

Deferred income and other liabilities are short-term and are allocated as follows:

	<b>2017</b>	<b>2016</b>
Deferred income	779	1,400
Payroll tax	93	108
Value added tax	46	79
Social security charges	37	49
Other miscellaneous liabilities	16	0
<b>Total</b>	<b>971</b>	<b>1,636</b>

### 36. Long-term Liabilities

As of 31 December 2017, the bank loan in the amount of TEUR 4,000 that was raised in 2014 to finance a commercial property for own use was reduced by scheduled payments to TEUR 1,500. It is secured by mortgages. The scheduled fourth repayment installment of 2017 fiscal year in the amount of TEUR 250 was debited on 2 January 2018. In addition to this rate of TEUR 250 another amount of TEUR 1,000 of this long-term loan will be repaid in 2018 fiscal year.

### 37. Subscribed capital

The registered share capital of InVision AG is reported as the subscribed capital. The subscribed capital is divided into 2,235,000 no-par value shares (Stückaktie), each such share representing a notional amount of EUR 1.00 of the Company's registered share capital. At the end of the reporting period, the Company holds no treasury shares.

The Executive Board is authorised, with the consent of the Supervisory Board, to increase the registered share capital one or more times by up to EUR 1,117,500 (Authorised Capital Account 2015) on or before 17 May 2020.

Pursuant to the shareholder resolution adopted on 18 May 2015, the registered share capital was conditionally increased by up to EUR 1,117,500 (Conditional Capital Account 2015). Pursuant to a shareholder resolution also adopted on 18 May 2015, the Company was authorised to buy-back its own shares in a quantity representing up to 10 percent of the registered share capital as it existed at the time the resolution was adopted. The authorisation will remain in effect until 17 May 2020.

### 38. Reserves

The reserves include net proceeds, IPO costs (while factoring in tax effects), purchase and sale of the Company's own treasury shares and capital increases from company funds.

### 39. Equity capital difference based on currency conversion

The equity difference from currency conversion is a result of converting on the basis of the modified closing date method [modifizierte Stichtagsmethode]. The difference arises from conversion of the items on the income statement of those subsidiaries, which rendered their accounts in a foreign currency, at the average exchange rate and the conversion of the items of equity capital of those subsidiaries at the historical rate of the initial consolidation, on the one hand, and the exchange rate on the reporting date [Stichtagskurs] for the conversion of other assets and liabilities, on the other hand.

## Notes to the Consolidated Statement of Comprehensive Income

### 40. Revenues

Revenues are categorised as follows:

<b>By Business Activities</b>	<b>2017</b>	<b>2016</b>
WFM Subscriptions	11,298	10,709
- thereof InVision WFM	8,025	7,961
- thereof injixo	3,273	2,748
The Call Center School	714	599
Other Revenues	1,151	1,118
- thereof WFM Licences	1,062	829
- thereof Project Services	89	289
<b>Total</b>	<b>13,163</b>	<b>12,426</b>

There is an integrated sales and marketing organisation for all products and services of the Group. Thus, a categorisation of revenues by regions was not carried out.



#### 41. Other operating income

Other operating income is broken down as follows:

	<b>2017</b>	<b>2016</b>
Insurance compensation	0	275
Reduction of bad debt allowances	8	41
Income attributable to other periods	5	20
Income from property	3	4
Other miscellaneous income	75	68
<b>Total</b>	<b>91</b>	<b>408</b>

#### 42. Cost of materials

The costs of materials incurred are project-specific goods and services supplied by independent enterprises.

#### 43. Personnel expenses

Personnel expenses consisted of the following:

	<b>2017</b>	<b>2016</b>
Wages and salaries	6,857	5,183
Social charges and other pension provisions	1,228	922
<b>Total</b>	<b>8,085</b>	<b>6,105</b>
- of which for pensions (direct insurance)	65	55

The direct insurance policies are classified as a defined contribution plan.

#### 44. Depreciation and amortisation of tangible and intangible assets

No tangible or intangible assets were subject to impairment. Thus, only scheduled amortisation and depreciation is shown under this item.

#### 45. Other operating expenses

Other operating expenses are itemised as follows:

	<b>2017</b>	<b>2016</b>
Cloud services	816	613
Office space expenses	460	557
Travel expenses	370	202
Marketing and advertising costs	343	305
Other personnel expenses	268	180
Consulting costs	238	220
Recruitment costs	114	46
Communication expenses	113	96
Receivable write-offs and bad debt allowances	31	31
Other miscellaneous expenses	390	24
<b>Total</b>	<b>3,143</b>	<b>2,274</b>

#### 46. Financial result

The financial result is divided into the following:

	<b>2017</b>	<b>2016</b>
Interest and similar expenses	-27	-40

Debt capital costs are recognised as an expense in the period in which they are incurred.

## 47. Income taxes

Income taxes are divided as follows:

	2017	2016
Income tax	322	922
Deferred tax	115	233
<b>Total</b>	<b>437</b>	<b>1,155</b>

Detailed information about the deferred tax assets and liabilities, which must be set aside, can be found in note 30 above. The basis, upon which the deferred taxes were set aside, is an income tax rate of 30 percent for the domestic corporation and the future local tax rate for the foreign subsidiaries. It is also assumed that on the basis of the current tax legislation, any existing tax loss carry-forwards may continue to be used indefinitely into the future. The reduction of deferred tax assets from the recognised tax losses carried forward resulted in tax expenses of TEUR 95 compared to the end of the previous fiscal year.

The actual tax rate is computed as follows:

	2017	2016
Consolidated net income before taxes	1,322	3,483
Income tax	437	1,155
<b>Actual tax rate</b>	<b>33%</b>	<b>33%</b>

The difference between the theoretical income tax expense (when applying the tax rate applicable to the InVision Group) and the reported income tax expense may be attributed to the following causes:

	2017	2016
Result before income tax	1,322	3,483
Theoretical income tax expense based on the tax rate of the parent company	397	1,045
Effects of losses carried forward	-374	136
International tax rate differences	387	-582
Other tax effects	27	556
<b>Total</b>	<b>437</b>	<b>1,155</b>

The other tax effects include the charge against dividend distribution of TEUR 21 for InVision Software OÜ, Tallinn, Estonia. The previous year's reference value also included a charge against dividend distribution of TEUR 668 for InVision Software OÜ, Tallinn, Estonia. The effects of losses carried forward in 2017 fiscal year result from the utilisation of deferred tax assets that were not capitalised in previous years. The change in the position International tax rate differences primarily results from the changed earnings situation of the subsidiary injixo AG, Zug, Switzerland.

## Notes to the Consolidated Cash Flow Statement

The cash flow statement shows changes in the cash position of the InVision Group in the fiscal year due to incoming and outgoing cash payments. Under IAS7, cash flow is distinguished between cash flow from operating activities, cash flow from investing activities and cash flow from financing activities.

The net financial position, as reflected in the cash flow statement, consists of all liquid funds, which are reported on the balance sheet (i.e., cash on hand and credit balances at financial institutions) and which can be reduced to cash within three months (calculated from the date acquired) without causing any significant fluctuation in value, less any short-term financial liabilities. The cash flows from investing and financing activities are computed directly (i.e., on a cash basis). In contrast, cash flow from operating activities is derived indirectly from the results for the period. Cash flow from operating activities includes the following incoming and outgoing payments:

	2017	2016
Interest paid	-27	-40
Income taxes received	7	82
Income taxes paid	-880	-16

The net financial position shown in the cash flow statement represents total liquid funds as reported in the consolidated cash flow statement.

## Other Information

### 48. Miscellaneous financial obligations

As of the balance sheet closing date, rental obligations for office space arised for the following amounts:

	< 1 year	1 to 5 years	> 5 years	Total
Rental obligations	359	1,414	1,012	2,785

### 49. Financial assets and liabilities

The financial liabilities existing in the Group are a bank loan for financing a commercial property for own use and short-term liabilities arising from accounts payable. The significant financial assets of the Group consist of cash and cash equivalents and accounts receivable. The book value of these positions, represents the maximum default risk and totals TEUR 3,479 (previous year: TEUR 5,424). Business relationships are established with creditworthy contracting parties (counter-parties) only. In order to evaluate the creditworthiness of counter-parties (above all, large customers), the Group relies on available financial information and on its own internal trading records. The Group holds trade receivables against a number of customers from a wide range of industries and regions. Credit assessments regarding the financial strength of the receivables are constantly performed. The typical terms of payment granted (with no discounts or deductions) are 30 days. With respect to all trade receivables, which were overdue by more than 45 days as of the balance sheet date and involve a default risk, bad debt allowances were created.

Neither in 2017 nor in 2016 did the Company hold any assets for trading purposes and any financial liabilities, which were recognised in the income statement at their fair value. The Group also did not execute any derivatives or hedging transactions. Reclassifications were not made either in 2017 or in 2016.

There were no significant differences between the book value of the financial assets and liabilities reported and the fair values.

### 50. Capital risk management

The Group manages its capital (equity capital plus debt capital less cash and cash equivalents) with the goal of using financial flexibility to achieve its growth targets while at the same time optimising its financing costs. The overall capital management strategy has remained the same as in the previous year.

Management reviews the capital structure at least once each half-year. The review covers the costs of capital, the security and collateral provided, and the open credit lines and credit opportunities.

During the reporting year, the capital structure may be shown as follows:

	31 Dec 2017	31 Dec 2016
Equity capital	10,380	10,697
- as a percentage of total capital	76%	68%
Liabilities	3,303	5,126
- as a percentage of total capital	24%	32%
Short-term liabilities	1,804	2,876
- as a percentage of total capital	13%	18%
Net gearing*	11%	10%

(\*): calculated as the ratio of liabilities (less any cash and cash equivalents) to equity capital

The Group's equity ratio target is 50 percent.

### 51. Finance risk management

The monitoring of finance risk is handled by management on a centralised basis. Individual financial risks are generally reviewed at least once each quarter.

The Group's primary risks resulting from financial instruments involve liquidity and credit risks. As a rule, business transactions are executed only with creditworthy contracting parties. Moreover, the amounts of any receivables are constantly monitored in order to avoid exposing the InVision Group to any significant credit risk. The maximum default risk is limited to the book value of the asset as reported in the balance sheet.

The Group manages liquidity risks by holding adequate reserves, monitoring and maintaining credit agreements, and planning and coordinating incoming and outgoing payments.

## 52. Market risks

Market risks can arise from changes in exchange rates (currency risk) or interest rates (interest risk). Given the limited relevance these risks have for the Group, the Group has not heretofore hedged such risks using derivative financial instruments. These risks are managed through constant monitoring. Currency risks are largely avoided by virtue of the fact that the Group invoices primarily in euro or in the local currency. As of the balance sheet date, the receivables denominated in foreign currencies equalled TEUR 379 (previous year: TEUR 296) and the payables denominated in foreign currencies equalled TEUR 61 (previous year: TEUR 47). Had the euro appreciated by 10 percent compared to other currencies relevant to the Group as of 31 December 2017, then the pre-tax result would have been TEUR 25 (previous year: TEUR 25) lower.

## 53. Transactions between related parties

There were no transactions involving goods and services between closely related enterprises and persons, neither in the reporting period or the previous year.

## 54. Events after the balance sheet closing date

After the close of the fiscal year, no further specific transactions occurred, which would be of material importance for the consolidated financial statements.

## 55. Number of employees

In 2017 fiscal year, the Company employed on average 124 employees (previous year: 93), not including the Executive Board.

## 56. Information on the Company's governing bodies

The following persons were members of the Executive Board in the fiscal year:

- Peter Bollenbeck (Chairman), Düsseldorf
- Armand Zohari, Bochum

In the fiscal year, the Executive Board members received the following remuneration benefits:

In EUR	2017	2016
<b>Peter Bollenbeck</b>	<b>207,949</b>	<b>207,822</b>
of which fixed salary	180,000	180,000
of which other benefits	27,949	27,822
<b>Armand Zohari</b>	<b>174,025</b>	<b>207,926</b>
of which fixed salary	150,000	180,000
of which other benefits	24,025	27,926
<b>Total remuneration Executive Board</b>	<b>381,974</b>	<b>415,748</b>

On 1 October 2017, the remuneration of Armand Zohari was adjusted due to a change in his area of responsibility. At the balance sheet date, the Executive Board holds, either directly or indirectly, 40.0 percent of the Company's registered share capital (31 December 2016: 56.3 percent).

The Supervisory Board consists of:

- Dr. Thomas Hermes (Chairman), Attorney at Law and Notary, Essen
- Matthias Schroer (Deputy Chairman), Entrepreneur, Rosenheim
- Prof. Dr. Wilhelm Mülder, University Professor, Essen

Dr. Thomas Hermes is the supervisory board chairman of the registered housing association known as Wohnungsgenossenschaft Essen-Nord e.G., Essen, member of the supervisory board of Rot-Weiss Essen e.V., member of the respective board of trustees of Politisches Forum Ruhr e.V., Essen, and of Sankt-Clemens-Maria-Hofbauer-Stiftung, Essen. Matthias Schroer and Prof. Dr. Wilhelm Mülder do not sit on any other supervisory boards.

The remuneration benefits paid to the Supervisory Board in the fiscal year consist of the following:

In EUR	2017	2016
<b>Dr. Thomas Hermes</b>	<b>12,000</b>	<b>12,000</b>
of which fixed compensation	10,000	10,000
of which meeting fees and expenditures	2,000	2,000
<b>Matthias Schroer</b>	<b>9,500</b>	<b>9,500</b>
of which fixed compensation	7,500	7,500
of which meeting fees and expenditures	2,000	2,000
<b>Prof. Dr. Wilhelm Mülder</b>	<b>7,000</b>	<b>7,000</b>
of which fixed compensation	5,000	5,000
of which meeting fees and expenditures	2,000	2,000
<b>Total compensation Supervisory Board</b>	<b>28,500</b>	<b>28,500</b>

Otherwise in the fiscal year, the Supervisory Board members were not granted any loans or provided any advances for future payments, and no contingent liabilities were incurred for the benefit of such persons.

#### 57. Information on the fees of the Company auditors

The fee for the Company's annual accounts auditor, which was recognised for fiscal year 2017, consists of the following:

	2017	2016
Auditing service for the annual accounts	48	50
Tax advisory services	8	18
<b>Total</b>	<b>56</b>	<b>68</b>

#### 58. Information on segment reporting

Since the internal and external business processes for all products and services are to the largest extent identical, they collectively represent a single operating segment within the meaning of IFRS8.

#### 59. Proposal for the Appropriation of Profit

The Executive Board and the Supervisory Board propose to carry forward the net profit to new account.

#### 60. Statement under § 161 of the German Stock Corporation Act

On 26 January 2018, the Executive Board and Supervisory Board issued a statement under § 161 of the German Stock Corporation Act regarding the extent to which it has elected to comply with the recommendations of the "Government Commission of the German Corporate Governance Code" and published this statement on the Internet at [www.invision.de/investors](http://www.invision.de/investors).

#### 61. Responsibility statement by the Executive Board

To the best of our knowledge and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements give a true and fair view of the Group's assets, liabilities, financial position and results of operation, and the 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.

Düsseldorf, 16 March 2018

Peter Bollenbeck  
Armand Zohari

# Group Management Report

of InVision AG for the Financial Year 2017

The following management report was prepared in accordance with the requirements under § 315 of the German Commercial Code (HGB) and contains information about InVision AG, Düsseldorf (hereinafter also referred to as "AG" or "Company"), and its consolidated subsidiaries (hereinafter together with the Company also collectively referred to as "InVision", "InVision Group" or "the Group"). As the Group's parent company, InVision AG performs group management functions and, at the same time, is the key member of the InVision Group. The explanations below generally relate to the Group, unless there has been an express reference to the Company itself.

## The Company

### Business

The InVision Group develops and markets products and services for optimising workforce management and for employee training, and is mainly active in Europe and the United States.

### Employees

On 31 December 2017, InVision employed 130 employees worldwide (including the Executive Board members). Compared to the end of the previous year, the number of employees increased by 23 percent (31 December 2016: 106 employees). At the end of the year, 93 employees (31 December 2016: 79 employees) were employed in Germany, while 37 employees (31 December 2016: 27 employees) were employed in foreign subsidiaries.

### Research & Development

The research and development costs in the fiscal year increased by 37 percent and totalled TEUR 7,486 (previous year: TEUR 5,459). Research and development costs as a percentage of revenues are at 57 percent (31 December 2016: 44 percent).

### Information pursuant to § 315 a HGB

The Company's registered share capital equals EUR 2,235,000 and is divided into 2,235,000 no-par value bearer shares. Each such share represents a notional share of the registered share capital of EUR 1.00. Each share entitles the holder to a single vote. Shareholders may exercise their rights and cast their votes at the Annual Shareholders' Meeting in accordance with the Company's articles of association and the statutory rules.

Pursuant to a resolution adopted by the Company's Shareholders' Meeting on 18 May 2015, the Executive Board was authorised in accordance with § 4 (4) of the Company's articles of association but subject to the consent of the Company's Supervisory Board, to increase the Company's registered share capital one or more times by a total of up to EUR 1,117,500 on or before 17 May 2020 and to do so by issuing new, no-par bearer shares in exchange for cash and/or non-cash capital contributions (Authorised Capital Account 2015). The new shares can also be transferred to certain banks specified by the Executive Board, which assume the responsibility of offering them to shareholders (indirect subscription rights). Shareholders must generally be granted a pre-emptive right, which gives them an indirect option to subscribe shares (§ 186 (5) AktG). The Executive Board is authorised, however, with the consent of the Supervisory Board, to exclude the shareholders' pre-emptive right to subscribe shares in the following cases:

- for fractional amounts,
- if the capital increase is carried out against cash capital contributions and the pro rata amount of registered share capital attributable to the new shares, for which the pre-emptive right is excluded, does not exceed 10 percent of the registered share capital available on the date that the new shares are issued and, in accordance with §§ 203 (1) and (2), 186 (3) sentence 4 AktG, the issue price of the new shares is not significantly lower than the stock market price of the same class of existing publicly listed shares (with the same features) at the time that the Executive Board definitively sets the issue price. Included in this maximum threshold amount for a pre-emptive right's exclusion is the pro rata amount of the registered share capital that is attributable to

shares, which had already been issued since 18 May 2015 from the authorised capital account of 2015 or which could be subscribed on the basis of the option and conversion rights granted since 18 May 2015 or on the basis of conversion duties also established since that time, if - upon utilising the authorised capital account or upon the granting of the warrant-linked and/or convertible bonds, the shareholder's pre-emptive rights would be excluded pursuant to or consistently with § 186 (3) sentence 4 AktG. Also added to the maximum threshold is the pro rata amount of the registered share capital attributable to treasury (own) shares, which the Company has bought back since 18 May 2015 on the basis of the authorisation granted pursuant to § 71 (1) no.

- to the extent it would be necessary to grant to the holders of conversion or option rights under any convertible or warrant-linked bonds a subscription right, to which they would be entitled as shareholders after having exercised a conversion right or option right or after having discharged a conversion duty;
- for capital increases in exchange for the non-cash capital contributions, specifically for purposes of acquiring companies, divisions of companies and equity holdings.

Pursuant to a shareholder resolution adopted on 18 May 2015, the registered share capital was increased conditionally by up to EUR 1,117,500 (Conditional Capital Account 2015). The conditional capital increase must be carried out only to the extent that the creditors, to whom convertible or warrant-linked bonds were issued by the Company on the basis of the authorising resolution of the Shareholders' Meeting on 18 May 2015, exercise their conversion rights on or before 17 May 2020 and the Company has not satisfied the conversion claim in some other manner. The new shares will be entitled to draw dividends as of the beginning of the fiscal year in which they are issued. The Executive Board is authorised, with the consent of the Supervisory Board, to stipulate the details concerning the implementation of the respective conditional capital increase.

Pursuant to the shareholder resolution adopted on 18 May 2015, the Company was authorised to buy back its own shares in an amount representing a 10 percent pro rata amount of the registered share capital of EUR 223,500. The repurchased shares, together with the other treasury shares, which the Company has previously acquired and still holds or which must be attributed to the Company under § 71 a et seq. AktG, cannot exceed 10 percent of the Company's registered share capital. The authorisation is in effect until 17 May 2020. The shares purchased on the basis of the authorisation may be used for all legally permissible purposes.

The authorisation to buy back the Company's own shares was granted to the Company in order, inter alia, to flexibly adjust the equity capital to meet the changing business needs and to be able to react to favourable stock market conditions. In addition, the acquired shares may be used as consideration when acquiring companies or when making equity investments in companies.

On the reporting date, the Company did not hold any treasury shares.

To the Company's knowledge, as of 31 December 2017, the following shareholders held more than 10 percent of the Company's registered share capital:

- Peter Bollenbeck, Düsseldorf (17.0%)
- InVision Holding GmbH, Düsseldorf (13.0%)
- Matthias Schroer, Rosenheim (11.3%)

Executive Board members are appointed and dismissed in accordance with §§ 84 et seq. of the AktG. Pursuant to § 6 (1) of the articles of association, the Executive Board consists of at least two persons. Alternative members of the Executive Board may be appointed. Pursuant to § 6 (2) of the articles of association, the Supervisory Board is responsible for determining the number of, and appointing the regular Executive Board members and alternate Executive Board members and has the authority to revoke such appointments. The Supervisory Board is also responsible for selecting a member of the Executive Board to serve as that body's chairman and for selecting other Executive Board members to serve that body's deputy chairmen.

Amendments to the articles of association are adopted by the Shareholders' Meeting if, in accordance with § 179 AktG, a majority of at least three-quarters of the registered share capital represented at the meeting votes in favour of the amendment.

Pursuant to § 10 (2) of the articles of association, the Supervisory Board is authorised to amend the articles, provided the amendment involves only the wording. Pursuant to § 21 (1) of the articles of association, the shareholder resolutions require a simple majority of the votes cast, unless the laws prescribe another majority. In those cases in which the laws require a majority of the registered share capital represented at the time the resolution is adopted, a simple majority of the represented registered share capital will suffice, unless the laws prescribe a higher majority.

There are no significant agreements which are subject to a restriction relating to a change of control resulting from a takeover offer. Likewise, no agreements for indemnifying employees or members of the Executive Board in the event of a takeover offer have been reached.

## General Business Conditions

According to the International Monetary Fund, the economic output in the euro area increased by 2.4 percent in 2017 and 2.2 percent in the United States. The overall good economic situation led to partial bottlenecks on the labour market. According to Bitkom Research GmbH, the market for information technology grew by 3.9 percent during 2017.

## Business Development

The most significant financial performance indicators of the InVision Group are the Group revenues and the EBIT margin (ratio of consolidated earnings before interest and taxes as a percentage of revenues). Due to the Group's business model, a positive or negative development of these performance indicators has a correlating effect on the development of the net assets and financial position.

### Results of operation

During the reporting year, consolidated revenues increased by 6 percent to TEUR 13,163 (previous year: TEUR 12,426). InVision WFM subscription revenues increased by 5 percent to TEUR 11,298 (previous year: TEUR 10,709). The Call Center School revenues increased by 19 percent to TEUR 714 (previous year: TEUR 599). Other revenues increased by 3 percent to TEUR 1,151 (previous year: TEUR 1,118).

Other operating income decreased by 78 percent to TEUR 91 (previous year: TEUR 408). The value of the previous year was primarily caused by an one-off insurance compensation payment.

In the reporting year, personnel expenses rose by 32 percent to TEUR 8,085 (previous year: TEUR 6,105), mainly due to new hirings. Therefore, the personnel expenses ratio equalled 61 percent (previous year: 49 percent).

Other operating expenses increased by 38 percent to TEUR 3,143 (previous year: TEUR 2,274), which is 24 percent of the Group revenues (previous year: 18 percent). Expenses for cloud services increased by 33 percent to TEUR 816 (previous year: TEUR 613). This increase is mainly attributable to a higher demand of storage capacity for the InVision applications and an increasing use of cloud-based products in all areas of operation. Office space expenses decreased by 17 percent to TEUR 460 (previous year: TEUR 557). On the one hand, this decline is attributable to the completion of the reconstruction and renovation measures of the commercial property acquired in Düsseldorf in 2013, and on the other hand to the conversion of a rented commercial property in Leipzig, during the reporting period. As a result of new hiring, the staff-related expenses increased, in particular the travel expenses by 83 percent to TEUR 370 (previous year: TEUR 202), other personnel expenses by 49 percent to TEUR 268 (previous year: TEUR 180), recruitment expenses by 148 percent to TEUR 114 (previous year: TEUR 46). Consulting expenses increased by 8 percent to TEUR 238 (previous year: TEUR 220). Marketing expenses increased by 12 percent to TEUR 343 (previous year: TEUR 305). Communication expenses increased by 18 percent to TEUR 113 (previous year: TEUR 96).

In the reporting period, the operating result (EBIT) declined by 62 percent to TEUR 1,363 TEUR (previous year: TEUR 3,547). The EBIT margin decreased to 10 percent (previous year: 29 percent).

The interest expenses decreased to TEUR 27 (previous year: TEUR 41).

Income tax decreased to TEUR 437 (previous year: TEUR 1,155). This position includes taxes on distributed profits of InVision Software OÜ, Tallinn, Estonia, as well as income taxes on the annual profits of InVision Software Ltd., London, United Kingdom and InVision Software SAS, Paris, France.

In fiscal year 2017, consolidated net profit equalled 884 TEUR (previous year: TEUR 2,328). Earnings per share were EUR 0.36 (previous year: EUR 1.04), based on an average of 2,235,000 shares in 2017 (previous year: 2,235,000 shares).

Overall, business development was favourable and in line with expectations.

### Net assets and financial position

Liquid funds decreased by 45 percent to TEUR 2,210 (previous year: TEUR 4,009) as of the end of the fiscal year. The main reasons for this decrease is an inflow of cash from operating activities (TEUR 672), as well as a payment to shareholders of TEUR 1,118, payments for investments in fixed assets of TEUR 579 and payments for the redemption of long-term financing liabilities of TEUR 750.

Trade receivables decreased by 10 percent to TEUR 1,269 (previous year: TEUR 1,415). The income tax claims increased to TEUR 46 (previous year: TEUR 7). The prepaid expenses and other short-term assets equalled TEUR 196 (previous year: TEUR 318). Intangible assets decreased to TEUR 338 (previous year: TEUR 433) due to scheduled depreciations. Tangible assets equalled TEUR 9,569 (previous year: TEUR 9,466). Deferred tax assets decreased to TEUR 39 (previous year: TEUR 154).



Trade payables increased to TEUR 170 (previous year: TEUR 149). The provisions increased by 51 percent to TEUR 256 (previous year: TEUR 169), which is mainly due to the recognition of personnel-related liabilities and consists of accruals for employee severance indemnities and bonuses as well as of additions to holiday accruals likewise. Income tax liabilities decreased by 56 percent to TEUR 406 (previous year: 922 TEUR). The short-term share of deferred income and other short-term liabilities decreased by 41 percent to TEUR 971 (previous year: TEUR 1,636).

The long-term bank loan in the amount of TEUR 4,000, that was raised in 2014 to partly finance a commercial property for own use, was reduced by payments of TEUR 750 in the fiscal year 2017 and totalled TEUR 1,500 at the balance sheet date (previous year: TEUR 2,250). The scheduled fourth repayment installment of 2017 was debited on 2 January 2018.

The reserves amounted to TEUR 1,191 (previous year: EUR 1,191) and the Group profit totalled TEUR 7,411 (previous year: TEUR 7,644), at the end of the reporting period.

As of 31 December 2017, the balance sheet total equalled TEUR 13,683 (previous year: TEUR 15,823). Equity capital was at TEUR 10,380 (previous year: TEUR 10,697), and the equity ratio equalled 76 percent (previous year: 68 percent).

## Basic Principles of the Compensation System

In addition to the reimbursement of expenditures which they incurred in discharging their official duties, the members of the Company's Supervisory Board are paid a fixed fee of EUR 5,000. The Chairman of the Supervisory Board receives twice that amount, and the Deputy Chairman receives one and one-half times that amount. The fee is paid after the fiscal half-year has ended. Any value added tax charged on the costs for reimbursement and fees is reimbursed.

The Executive Board compensation consists of a fixed-base salary, which increases if contractually defined revenue thresholds are met. Executive Board members also have a right to use a car leased by the Company. Furthermore, the Executive Board members will be paid an allowance to cover their costs for health insurance and long-term care insurance. Moreover, the Company has executed a D&O insurance policy with a deductible.

## Risk Report

### Principles of risk management and of accounting-related internal control system

For the InVision Group, a comprehensive and self-contained risk management programme is a significant component of the Group's corporate strategy. A company-wide monitoring system ensures the systematic identification and assessment of risks regarding any likelihood of occurrence or the possible quantitative effects on corporate value.

Risk management is intended to identify, at an early stage, specifically any risks which threaten the Company's very existence in an effort to launch effective counter-measures for avoiding the risks. Another goal is to minimise the possible adverse effects, which all risks could have on the net assets, financial position and results of operation, while largely preserving the corresponding opportunities.

Potential counter-measures for dealing with risk include, for example, avoiding high-risk activities, reducing individual areas of potential risk by utilising commercial alternatives with a lower potential for risk, diversifying and limiting individual risks, and shifting risks onto insurance carriers or contracting parties.

The Executive Board is responsible for administering the risk management. A fundamental review of all risks is made once each year, at least. There are standardised accounting rules used in the Group's companies, the compliance with which is continuously monitored. This also guarantees that the accounts conform to the standard accounting rules applicable from time to time. An internal ad hoc report is prepared in the event that there are significant changes or newly emerged risks. All risk-relevant topics and the then-current economic situation over time are constantly monitored. If necessary, operational teams or external experts are called in to participate.

The risk management is described and stipulated in a group risk management policy and its suitability and functionality is reviewed each year in connection with the audit of the annual financial statements.

## Significant risks related to the business

Since 2011, InVision increasingly offers cloud-based services. If customers do not accept this offering, due to data security issues or any other considerations in principle, revenues of the InVision Group could permanently decrease accordingly.

InVision relies on seasoned and well-trained teams of employees. The future success of InVision will also depend on finding and retaining, on a long-term basis, highly qualified employees. The competition for employees with scientific, technical or industry-specific expertise is quite intense. It is therefore possible that the Company will be unable to promptly recruit new staff on the open labour market and that this may give rise to additional costs. The loss of qualified staff or long-term difficulties in hiring suitable employees could result in InVision's inability to successfully implement important decisions and courses of action, which in turn would impair its business operations. This particularly applies in the case of a zombie apocalypse.

The aforementioned risks, both individually and collectively, could have adverse effects on the net assets, financial position and results of operation of the Company and of the InVision Group as a whole.

## Compliance Statement

The current statement according to §161 AktG, the current statements on corporate governance practices, the operating principles followed by the Executive Board and the Supervisory Board as well as the composition and operations of their committees are available on the Company's website at [https://www.invision.de/investors/compliance\\_statement](https://www.invision.de/investors/compliance_statement).

## Forecast Report & Opportunities

### Anticipated global economic development

According to the forecasts made by the International Monetary Fund, the economic output in the euro area will increase by 2.2 percent in 2018, whereas the economic output in the United States will increase by 2.6 percent. According to the forecast made by Bitkom Research GmbH, the market for information technology will grow by 3.1 percent in 2018.

### Anticipated development of InVision

For the upcoming years, InVision expects a stable demand for the products of the InVision Group, thus offering opportunities for winning new customers and, subsequently, for a sustainable exploitation of the revenue potential as well as sustainable profitability. InVision expects an increase in total revenues for 2018 of 0-10 percent (2017: 6 percent) and an EBIT margin of 0-10 percent (2017: 10 percent).

Düsseldorf, 16 March 2018

Peter Bollenbeck  
Armand Zohari

## Independent Auditor's Report

The following Independent Auditor's Report is available in German only, as provided by the auditors of RSM Verhülsdonk GmbH, Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft.

An die InVision Aktiengesellschaft, Düsseldorf

### **Vermerk über die Prüfung des Konzernabschlusses und des Konzernlageberichts**

#### **Prüfungsurteile**

Wir haben den Konzernabschluss der InVision Aktiengesellschaft und ihrer Tochtergesellschaften (der Konzern) – bestehend aus der Konzernbilanz zum 31. Dezember 2017, der Konzerngesamtergebnisrechnung, der Konzerneigenkapitalveränderungsrechnung und der Konzernkapitalflussrechnung für das Geschäftsjahr vom 1. Januar 2017 bis zum 31. Dezember 2017 sowie dem Konzernanhang, einschließlich einer Zusammenfassung bedeutsamer Rechnungslegungsmethoden – geprüft. Darüber hinaus haben wir den Konzernlagebericht der InVision Aktiengesellschaft für das Geschäftsjahr vom 1. Januar 2017 bis zum 31. Dezember 2017 geprüft. Die Konzernerkklärung zur Unternehmensführung, auf die im Abschnitt „Erklärung zur Unternehmensführung“ des Konzernlageberichts verwiesen wird, haben wir in Einklang mit den deutschen gesetzlichen Vorschriften nicht inhaltlich geprüft.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- entspricht der beigefügte Konzernabschluss in allen wesentlichen Belangen den IFRS, wie sie in der EU anzuwenden sind, und den ergänzend nach § 315e Abs. 1 HGB anzuwendenden deutschen gesetzlichen Vorschriften und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage des Konzerns zum 31. Dezember 2017 sowie seiner Ertragslage für das Geschäftsjahr vom 1. Januar 2017 bis zum 31. Dezember 2017 und
- vermittelt der beigefügte Konzernlagebericht insgesamt ein zutreffendes Bild von der Lage des Konzerns. In allen wesentlichen Belangen steht dieser Konzernlagebericht in Einklang mit dem Konzernabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar. Unser Prüfungsurteil zum Konzernlagebericht erstreckt sich nicht auf den Inhalt der Konzernerkklärung zur Unternehmensführung, auf die im Abschnitt „Erklärung zur Unternehmensführung“ des Konzernlageberichts verwiesen wird.

Gemäß § 322 Abs. 3 Satz 1 HGB erklären wir, dass unsere Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Konzernabschlusses und des Konzernlageberichts geführt hat.

#### **Grundlage für die Prüfungsurteile**

Wir haben unsere Prüfung des Konzernabschlusses und des Konzernlageberichts in Übereinstimmung mit § 317 HGB und der EU-Abschlussprüferverordnung (Nr. 537/2014; im Folgenden „EU-APrVO“) unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Unsere Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt „Verantwortung des Abschlussprüfers für die Prüfung des Konzernabschlusses und des Konzernlageberichts“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von den Konzernunternehmen unabhängig in Übereinstimmung mit den europarechtlichen sowie den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und haben unsere sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Darüber hinaus erklären wir gemäß Artikel 10 Abs. 2 Buchst. f) EU-APrVO, dass wir keine verbotenen Nichtprüfungsleistungen nach Artikel 5 Abs. 1 EU-APrVO erbracht haben. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zum Konzernabschluss und zum Konzernlagebericht zu dienen.

#### **Besonders wichtige Prüfungssachverhalte in der Prüfung des Konzernabschlusses**

Besonders wichtige Prüfungssachverhalte sind solche Sachverhalte, die nach unserem pflichtgemäßen Ermessen am bedeutsamsten in unserer Prüfung des Konzernabschlusses für das Geschäftsjahr vom 1. Januar 2017 bis zum 31. Dezember 2017 waren. Diese Sachverhalte wurden im Zusammenhang mit unserer Prüfung des Konzernabschlusses als Ganzem und bei der Bildung unseres Prüfungsurteils hierzu berücksichtigt; wir geben kein gesondertes Prüfungsurteil zu diesen Sachverhalten ab.

## Umsatzrealisierung

Die Umsatzrealisierung wurde als besonders wichtiger Prüfungssachverhalt ausgewählt, da in ihr ein bedeutsames Risiko im Sinne des IDW PS 261 n.F. identifiziert wurde und dieses gleichzeitig am bedeutsamsten in der Prüfung für den aktuellen Berichtszeitraum war. Bedeutsame Risiken sind Fehlerrisiken, die aufgrund ihrer Art oder des mit ihnen verbundenen Umfangs möglicher falscher Darstellungen in der Rechnungslegung bei der Abschlussprüfung besondere Aufmerksamkeit erfordern. Das Fehlerrisiko liegt hierbei vorrangig in der nicht rechtzeitigen (insbesondere zu frühen) Erfassung von Umsatzerlösen und damit einem überhöhten Ausweis von Ergebnissen wie EBIT, EBT und Konzernüberschuss.

Im Konzernabschluss der InVision Aktiengesellschaft werden Umsatzerlöse in Höhe von 13.163 T€ in der IFRS-Gesamtergebnisrechnung ausgewiesen. Darüber hinaus erfolgen Erläuterungen im Konzernanhang unter Punkt 40 sowie darauf aufbauender Ergebnisse in den Folgepunkten und im Konzernlagebericht im Abschnitt „Ertragslage“.

Bei unserer Prüfung haben wir unter anderem ausgehend von den bei den in den Konzernabschluss einbezogenen Unternehmen erfassten Umsatzerlösen und für die unterschiedlichen Erlösarten in Stichproben Nachweise für die Erbringung der Leistungen bis zum Abschlussstichtag eingeholt. Bei der Auswahl der Stichproben sind wir im Sinne einer größtmöglichen Abdeckung der ausgewiesenen Umsatzerlöse durch unsere Prüfung auch von der Höhe der Einzelumsätze ausgegangen. Darüber hinaus haben wir uneingeschränkte Zufallsstichproben ausgewählt und die zutreffende Erfassung anhand von Nachweisen geprüft. Sofern im Fall stichtagsübergreifender Rechnungen an Kunden Abgrenzungen vorzunehmen waren, haben wir uns von der Richtigkeit der vorgenommenen Abgrenzungen und der Zuordnung der Erlöse zu der richtigen Rechnungslegungsperiode überzeugt.

Darüber hinaus haben wir die anhand von Vorsystemen (Kundenplattform) ermittelte Gesamtheit der im Geschäftsjahr an Kunden erbrachten Dienstleistungen in den Absatzbereichen, in denen dies aufgrund der Art der Dienstleistungen möglich war, auf Übereinstimmung mit den erfassten Umsätzen geprüft. Die hierbei berücksichtigten auftragsrelevanten Abrechnungsparameter haben wir anhand zugrundeliegender Verträge und Rahmenbedingungen ebenfalls in Stichproben geprüft.

## Latente Steuern auf Verlustvorträge

Aufgrund der für die Aktivierung bzw. Nichtaktivierung von latenten Steuern verbundenen erforderlichen Beurteilung durch die gesetzlichen Vertreter und wegen der Höhe der nicht bilanzierten Verlustvorträge, haben wir diesen Sachverhalt als besonders wichtigen Prüfungssachverhalt identifiziert.

Die InVision Aktiengesellschaft hat in ihrem IFRS-Konzernabschluss auf steuerliche Verlustvorträge in Höhe von insgesamt 8.466 T€ (bewertet mit dem jeweils anwendbaren Steuersatz 2.016 T€) – nach Verbrauch der im Vorjahr aktivierten Beträge – keine latenten Steuern gebildet. Im Konzernabschluss der InVision Aktiengesellschaft findet sich eine Erläuterung zu den bestehenden nicht aktivierten Verlustvorträgen unter Punkt 30 des Konzernanhangs.

Ein latenter Steueranspruch auf noch nicht genutzte steuerliche Verlustvorträge ist in dem Umfang zu bilanzieren, in dem es wahrscheinlich ist, dass zukünftig zu versteuerndes Einkommen zur Verfügung stehen wird, gegen das die noch nicht genutzten Verluste oder Steuergutschriften verrechnet werden können.

Zur Beurteilung der sachgerechten bilanziellen Behandlung haben wir im Rahmen der Prüfung die zugrundeliegenden Annahmen sowie die Herkunft der steuerlichen Verlustvorträge – getrennt nach Gesellschaften – geprüft. Dabei wurde beurteilt, ob auf Grundlage der Planung mit ihren impliziten Planungsunsicherheiten sowohl für den Gesamtkonzern als auch auf Ebene der einzelnen betroffenen Gesellschaften auf eine Aktivierung der steuerlichen Verlustvorträge verzichtet werden konnte.

## Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen:

- die Konzernklärung zur Unternehmensführung, auf die im Abschnitt „Erklärung zur Unternehmensführung“ des Konzernlageberichts verwiesen wird; diese stellt einen nicht inhaltlich geprüften Bestandteil des Konzernlageberichts dar,
- die übrigen Teile des Geschäftsberichts, mit Ausnahme des geprüften Konzernabschlusses und Konzernlageberichts sowie unseres Bestätigungsvermerks,
- den Corporate Governance Bericht nach Nr. 3.10 des Deutschen Corporate Governance Kodex und
- die Versicherung nach § 297 Abs. 2 Satz 4 HGB zum Konzernabschluss und die Versicherung nach § 315 Abs. 1 Satz 5 HGB zum Konzernlagebericht.

Unsere Prüfungsurteile zum Konzernabschluss und zum Konzernlagebericht erstrecken sich nicht auf die sonstigen Informationen, und dementsprechend geben wir weder ein Prüfungsurteil noch irgendeine andere Form von Prüfungsschlussfolgerung hierzu ab.

Im Zusammenhang mit unserer Prüfung haben wir die Verantwortung, die sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen

- wesentliche Unstimmigkeiten zum Konzernabschluss, zum Konzernlagebericht oder unseren bei der Prüfung erlangten Kenntnissen aufweisen oder
- anderweitig wesentlich falsch dargestellt erscheinen.

## **Verantwortung der gesetzlichen Vertreter und des Aufsichtsrats für den Konzernabschluss und den Konzernlagebericht**

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Konzernabschlusses, der den IFRS, wie sie in der EU anzuwenden sind, und den ergänzend nach § 315e Abs. 1 HGB anzuwendenden deutschen gesetzlichen Vorschriften in allen wesentlichen Belangen entspricht, und dafür, dass der Konzernabschluss unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie als notwendig bestimmt haben, um die Aufstellung eines Konzernabschlusses zu ermöglichen, der frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist.

Bei der Aufstellung des Konzernabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit des Konzerns zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, es sei denn, es besteht die Absicht den Konzern zu liquidieren oder der Einstellung des Geschäftsbetriebs oder es besteht keine realistische Alternative dazu.

Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Konzernlageberichts, der insgesamt ein zutreffendes Bild von der Lage des Konzerns vermittelt sowie in allen wesentlichen Belangen mit dem Konzernabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig erachtet haben, um die Aufstellung eines Konzernlageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Konzernlagebericht erbringen zu können.

Der Aufsichtsrat ist verantwortlich für die Überwachung des Rechnungslegungsprozesses des Konzerns zur Aufstellung des Konzernabschlusses und des Konzernlageberichts.

## **Verantwortung des Abschlussprüfers für die Prüfung des Konzernabschlusses und des Konzernlageberichts**

Unsere Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Konzernabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Konzernlagebericht insgesamt ein zutreffendes Bild von der Lage des Konzerns vermittelt sowie in allen wesentlichen Belangen mit dem Konzernabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der unsere Prüfungsurteile zum Konzernabschluss und zum Konzernlagebericht beinhaltet.

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB und der EU-APrVO unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Konzernabschlusses und Konzernlageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung üben wir pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus

- identifizieren und beurteilen wir die Risiken wesentlicher – beabsichtigter oder unbeabsichtigter – falscher Darstellungen im Konzernabschluss und im Konzernlagebericht, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- gewinnen wir ein Verständnis von dem für die Prüfung des Konzernabschlusses relevanten internen Kontrollsystem und den für die Prüfung des Konzernlageberichts relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit dieser Systeme abzugeben.
- beurteilen wir die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben.
- ziehen wir Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame Zweifel an der Fähigkeit des Konzerns zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir zu dem Schluss kommen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Konzernabschluss und im Konzernlagebericht aufmerksam zu machen oder, falls diese Angaben

unangemessen sind, unser jeweiliges Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass der Konzern seine Unternehmenstätigkeit nicht mehr fortführen kann.

- beurteilen wir die Gesamtdarstellung, den Aufbau und den Inhalt des Konzernabschlusses einschließlich der Angaben sowie ob der Konzernabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse so darstellt, dass der Konzernabschluss unter Beachtung der IFRS, wie sie in der EU anzuwenden sind, und der ergänzend nach § 315e Abs. 1 HGB anzuwendenden deutschen gesetzlichen Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt.
- holen wir ausreichende geeignete Prüfungsnachweise für die Rechnungslegungsinformationen der Unternehmen oder Geschäftstätigkeiten innerhalb des Konzerns ein, um Prüfungsurteile zum Konzernabschluss und zum Konzernlagebericht abzugeben. Wir sind verantwortlich für die Anleitung, Überwachung und Durchführung der Konzernabschlussprüfung. Wir tragen die alleinige Verantwortung für unsere Prüfungsurteile.
- beurteilen wir den Einklang des Konzernlageberichts mit dem Konzernabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage des Konzerns.
- führen wir Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Konzernlagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehen wir dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteilen die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrundeliegenden Annahmen geben wir nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen.

Wir erörtern mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die wir während unserer Prüfung feststellen.

Wir geben gegenüber den für die Überwachung Verantwortlichen eine Erklärung ab, dass wir die relevanten Unabhängigkeitsanforderungen eingehalten haben, und erörtern mit ihnen alle Beziehungen und sonstigen Sachverhalte, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit auswirken, und die hierzu getroffenen Schutzmaßnahmen.

Wir bestimmen von den Sachverhalten, die wir mit den für die Überwachung Verantwortlichen erörtert haben, diejenigen Sachverhalte, die in der Prüfung des Konzernabschlusses für den aktuellen Berichtszeitraum am bedeutsamsten waren und daher die besonders wichtigen Prüfungssachverhalte sind. Wir beschreiben diese Sachverhalte im Bestätigungsvermerk, es sei denn, Gesetze oder andere Rechtsvorschriften schließen die öffentliche Angabe des Sachverhalts aus.

#### **Sonstige gesetzliche und andere rechtliche Anforderungen**

Übrige Angaben gemäß Artikel 10 EU-APrVO

Wir wurden von der Hauptversammlung am 23. Mai 2017 zum Abschlussprüfer und damit zugleich zum Konzernabschlussprüfer gewählt. Wir wurden am 21. Dezember 2017 schriftlich vom Aufsichtsrat beauftragt. Wir sind ununterbrochen seit dem Geschäftsjahr 2007 als Konzernabschlussprüfer der InVision Aktiengesellschaft tätig.

Für die Leistungen im Rahmen der Abschlussprüfung hat der Aufsichtsrat in Einklang mit § 318 Abs. 1a HGB sowie Artikel 16 der Verordnung (EU) Nr. 537/2014 des Europäischen Parlaments und des Rates vom 16. April 2014 über spezifische Anforderungen an die Abschlussprüfung bei Unternehmen von öffentlichem Interesse ein öffentliches Auswahlverfahren durchgeführt. Unsere Wahl erfolgte in Übereinstimmung mit der Empfehlung des Aufsichtsrats als Ergebnis des Ausschreibungsverfahrens.

Wir erklären, dass die in diesem Bestätigungsvermerk enthaltenen Prüfungsurteile mit dem zusätzlichen Bericht an den Prüfungsausschuss nach Artikel 11 EU-APrVO (Prüfungsbericht) in Einklang stehen.

#### **Verantwortlicher Wirtschaftsprüfer**

Der für die Prüfung verantwortliche Wirtschaftsprüfer ist Oliver Schmitz.

Düsseldorf, den 16. März 2018

RSM Verhülsdonk GmbH  
Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft

Grote - Wirtschaftsprüfer  
Schmitz - Wirtschaftsprüfer