

MOBOTIX AG

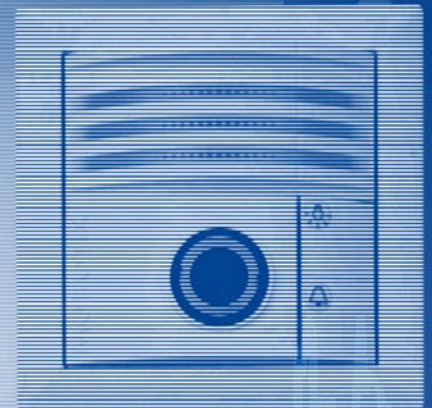
Annual Report

Of Short Fiscal Year

1 July 2011 to 30 September 2011

Complete HiRes Video Solutions

high-resolution, digital & cost-effective recording



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

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



reddot design award
 honourable mention 2009

New MOBOTIX Hemispheric IP Video Door Station



The new line of products with a hemispheric lens offers a solution that has never been available to the market until now.

The new IP Video Door Station, the T24, captures the entire entrance area without any blind spots from wall to wall, floor to ceiling. Traditional door cameras often only record visitors when they are standing directly in front of the lens. The fisheye lens displays the image without any distortion.

High-resolution 3.1 megapixel video system with hemispheric version, lip-synchronous sound and robust, fully weather-proof housing

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

New MOBOTIX D14 DualDome Camera With 6.2 Megapixels

The new weatherproof and shock-resistant MOBOTIX D14 DualDome camera with 6.2 megapixels is a more powerful successor model of the D12 camera. With the two separately adjustable camera modules, each with 3.1 megapixels, the D14 offers a variety of ways to examine a scene since the two modules can be combined to create one image. The D14 has a digital PTZ and no mechanical moving parts.



Impressive 6.2 Megapixels

Equipped with 90° wide angle and lenses, the camera can for example, monitor a scene entirely and, at the same time, the lens can record portrait photos in the entrance area. The two 90° lenses even allow a 180° recording, for example when monitoring an entire parking lot with one camera installed on the wall. And the digital sensor switching function,

MOBOTIX Grows Security In A UEFA-Certified Stadium

The Donbass Arena in Ukraine was opened on August 29, 2009 with a sensational party which was attended by the Ukrainian president himself. This arena was the very first Eastern European football stadium to fulfill the UEFA criteria for an elite stadium and will host an important venue for the 2012 European Football Championship. The most important factor is always to ensure maximum security for the guests. In an emergency, it would take 8 minutes to evacuate the entire stadium, which has 51,504 seats. "We want our visitors to feel safe here and to enjoy their stay. For this we rely on cutting-edge security technology," says stadium manager.



MOBOTIX AG achieves 37% sales growth in the first nine months of fiscal year 2010/11

MOBOTIX AG (ISIN DE0005218304) system provider of high-resolution and network-based video security systems announces the Group's financial results for the first nine months of fiscal year 2010/11 (July 1 to March 31, 2011). Both sales growth and EBIT margin significantly

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

Dates For New Software And Hardware Seminars Plus A Beginners Workshop

Winnweiler/Langmeil, Germany, 3 March 2011. MOBOTIX, manufacturer of complete high-resolution IP video systems, has extended its seminar program for 2011 and its seminars more closely to the needs of the participants.



MOBOTIX' workshop is intended for European football stadium projects with MOBOTIX cameras in relation to both commercial and technical aspects. The workshop is intended for an elite stadium in the East, United States - MOBOTIX will be at the largest exhibitions around the world almost simultaneously. For the first time, MOBOTIX has presented its IP network cameras at the GDSF, the Global Digital Surveillance Forum in Shanghai, at the end of August and at GITECH in Dubai, the third largest IT expo worldwide at the beginning of September. While not a newcomer at the ISC East in New York, MOBOTIX' participation at this exposition also proved to be a major

Around the Globe

... Letter To The Shareholders



Dear Shareholders,

Due to the change of the fiscal year beginning from July 1 to October 1, a one-time, short fiscal year of three months was formed this year resulting in a second set of annual financial statements and a second Annual General Meeting in 2011. The change was necessary since the now very extensive audit of the financial results and the preparation of the financial reports coincided with the vacation period in July and August. A variation to the calendar year was not an option for us since the auditors are very heavily burdened towards the end of the year. In the future, the Annual General Meetings will take place in December as in the short fiscal year.

Due to the production moving into a new manufacturing facility and the many resulting sales issues, the short fiscal year has hardly brought revenue growth. In addition, due to the conversion of the sales commission system

at the start of the new fiscal year, there was less pressure on sales in the short fiscal year.

With the move into the new production hall (at the beginning of the short fiscal year), we now have three to four times more production space available compared to before, and many work processes can now be simplified and made more efficient.

In October, MOBOTIX AG was selected as the most successful medium-sized company among 1,600 small and medium-sized enterprises (SMEs) (DIE WELT). I am convinced that the business development of MOBOTIX AG will be as usual very positive in the current fiscal year. Growth will be driven both by the already-initiated expansion into new sales regions, Latin America and Asia - especially India, Russia and China - as well as by the products developed in recent years that will be launched in the course of the year.

Thank you for your trust.



Dr. Ralf Hinkel • CEO MOBOTIX AG

Short Fiscal Year
Jul 1 to Sep 30, 2011

SMEs
Number 1 of 1,600

MOBOTIX Close Up ...

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... Or At A Glance

Short fiscal year (July 1 to September 30)	SFY 2011	First Quarter 2010/11	Delta%
Financial performance	EUR '000s	EUR '000s	
Total Output	16,686	16,400	+ 1.7
Revenue	15,176	15,064	+ 0.7
Thereof outside of Germany (in%)	68.1	74.2	
EBITDA	3,624	4,827	- 24.9
EBITDA as% of total output	21.7	29.4	
EBIT	2,641	4,168	- 36.6
EBIT as% of total output	15.8	25.4	
Profit before tax	2,533	4,053	- 37.5
Return on revenue in% before tax	16.7	26.9	
Profit for the year	1,767	2,910	- 39.3
Cash flow from operating activities	-897	2,158	- 141.6
Financial position	Sep 30, 2011	June 30, 2011	
Equity	39,006	37,260	+ 4.7
Equity-to-assets ratio in%	66.1	61.3	
Total assets	59,027	60,800	- 2.9
Non-current assets	24,876	24,679	+ 0.8
Current assets	34,151	36,121	- 5.5
Thereof cash and cash equivalents	6,994	7,409	- 5.6
Employees			
Number of employees (Reporting date)	323 ⁽¹⁾	268 ⁽¹⁾	+ 20.5
Revenue per employee	56 ⁽²⁾	64 ⁽³⁾	
EBIT per employee	10 ⁽²⁾	18 ⁽³⁾	
Key figures per share (in EUR)			
Earnings per share (EPS)	0.40	0.66	- 39.0
Dividend	1.50	1.01	+ 49.5
Cash flow as per DVFA/SG ⁽⁴⁾	0.60	0.82	- 26.5

1) Including trainees and temporary staff, 4 (prior year: 2) members of the Management Board; by headcount

2) Based on an average of 271 employees.

3) Based on an average of 235 employees

4) Based on an average of 4.400 shares.

Total Output
€ 16.7m (+1.7%)

Revenue
€ 15.2m (+0.7%)

Highlights 2010/11 ...

- July 2010:** MOBOTIX produces 10,000 cameras in one month for the first time.
Market launch of version 2.4 of the MxControlCenter professional video management software.
MOBOTIX Corp. moves into new offices in New York's Wall Street.
- August 2010:** Start of construction of the new 6,000 square meter production hall.
- September 2010:** The Supervisory Board decides to appoint two additional members to the Management Board and realign management responsibilities. Lutz Coelen will retain the position of Chief Financial Officer, Dr. Magnus Ekerot will be the new Chief Sales Officer, Dr. Oliver Gabel will be the Chief Technical Officer and Dr. Ralf Hinkel will continue as CEO.
- October 2010:** MOBOTIX reports an extremely successful start of the new 2010/2011 fiscal year with 42% revenue growth.
Successful trade show appearance at "Security" with the presentation of the T24 IP Video Door Station with access control and additional building automation components.
- November 2010:** Q24 camera lines expanded to include black as a color version for new areas of application in casinos, cinemas and bars, for example.
- December 2010:** At year-end 2010, MOBOTIX looks back on 21 partner conferences worldwide.
- January 2011:** Dr. Magnus Ekerot and Dr. Oliver Gabel take their positions as new members of the Management Board.
- February 2011:** In its half-year figures, MOBOTIX reports additional revenue growth of 47%.
- April 2011:** MOBOTIX opens showrooms in the renowned Swiss-Re-Tower "The Gherkin" which dominates London's skyline.
- May 2011:** In its nine month figures, MOBOTIX reports business growth totaling 37% and an export ratio of 75%.
The new showroom in the "Parque Empresarial La Finca de Pozuelo de Alarcón" is opened in Madrid.
- June 2011:** Change in series production of the DualDome product family to the new P3 processor platform and 6.2 megapixels. The D14 thus replaces the successful previous model D12.
MOBOTIX surpasses EUR 73 million in annual revenue.
- July 2011:** The production of MOBOTIX AG moves into the new production hall at the Langmeil site.

IPO (Entry Standard)
October 10, 2007

Prime Standard since
March 31, 2008

... Company Profile

As a publicly traded company, MOBOTIX AG is a software Company with in-house hardware development for digital, high-resolution and network-based video security solutions. Whether in embassies, airports, gas-stations, highways or private homes, MOBOTIX video systems are now found world-wide with over one hundred thousand units in operation on every continent. In addition to the actual IP video cameras with megapixel resolution, MOBOTIX also produces interface components and video management software for operating complete security solutions. The system concept – a distinctive software solution and decentralized camera systems – significantly distinguishes MOBOTIX from its competitors with MOBOTIX first having made high-resolution, hemispheric systems cost-efficient. With over 300 employees, and an export share of over 76%, MOBOTIX has achieved an 8% global market share.

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

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

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

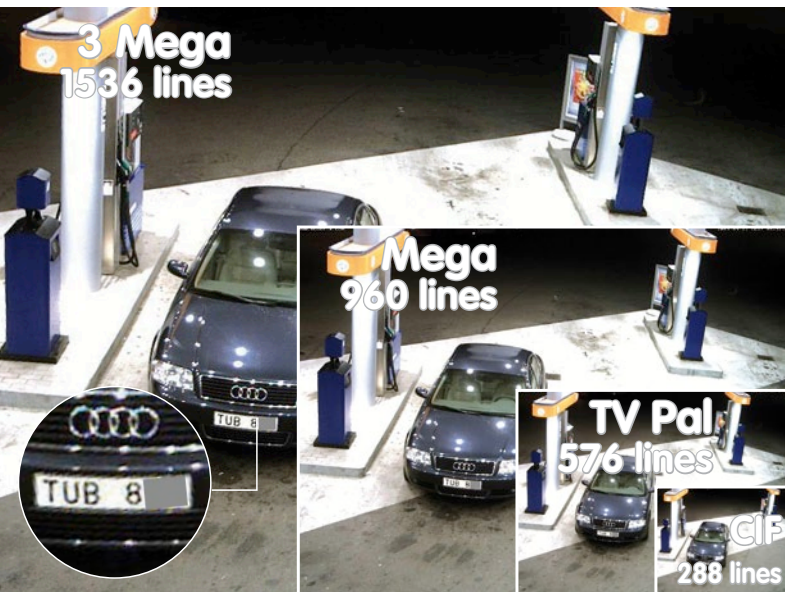
MOBOTIX uses hemispheric technology in its T24 IP video door station to achieve further growth in a new, closely related market for access control and door intercom units and to establish itself in the rapidly expanding home automation sector. When the doorbell rings, a connection is established with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

HiRes Video Innovations

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

The MOBOTIX Concept

Was Somewhat Out Of Ordinary ...



HiRes Video Innovations And Technology Leader

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

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

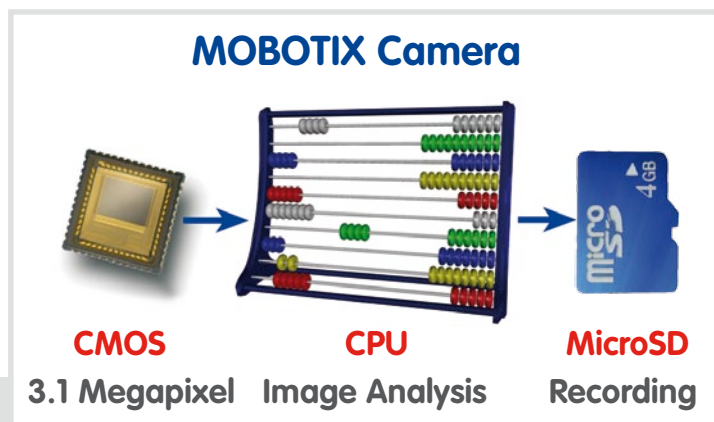
Why High-Resolution Systems?

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

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

Disadvantages Of The Old Centralized Standard Solution

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



Network Video

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

... Is The Benchmark Today

The Decentralized MOBOTIX Concept

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

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

Robust And Low-Maintenance

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



The Benefits

MOBOTIX video solutions therefore require significantly:

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

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

Software Included

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

A Success Around The World ...

World Cup Football Stadiums In Qatar

To guarantee security in the stadiums during the FIFA World Cup in Qatar in 2022, MOBOTIX has already equipped four of the completed or renovated World Cup arenas with IP video systems and managed to successfully compete against international rivals in the bidding process. The installations were completed already in late 2010 so the system could be tested in January 2011 during the Asian Cup of the Asian Football Confederation (AFC).

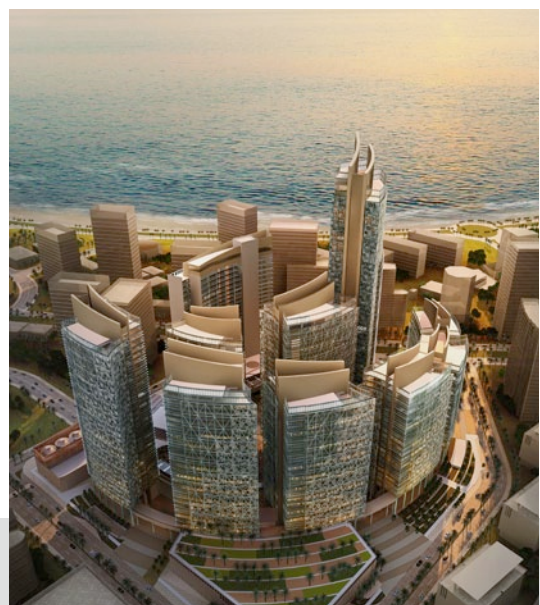


Altogether about 600 cameras were installed from the model series M12, DualDome Camera D12, both with day and night sensors, as well as the hemispheric camera

Q24 with a continuous 360 degree allround view. About 200 Mx2wire Media Converters were installed so that the existing cable structure could be used to save costs. The included MxControlCenter software, which MOBOTIX offers free of charge, was used in all four stadiums for professional video management. Thanks to the positive experiences, additional projects are already in the planning stage.

Barwa Financial District

The Barwa Financial District (BFD) is an office and retail complex currently under construction in Doha, Qatar. Nine skyscrapers with offices, a shopping mall, a 5-star hotel and a mosque will be located on the property measuring 670,000 square meters. The buildings will have an average height of between 21 and 36 floors. The 52-floor skyscraper tower will be the highlight of the BFD area and in the future will dominate Doha City's skyline. The investors of the project selected IP video systems from MOBOTIX to guarantee the security of the residents, employees and guests of the complex. For this purpose, 760 MOBOTIX cameras (700 D24 and 60 Q24 cameras) are currently being installed in the Barwa Financial District. In the bidding process, MOBOTIX successfully competed against numerous well-known rivals such as Axis and Honeywell.



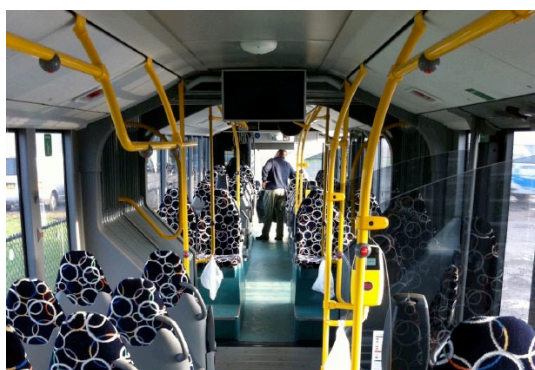
German Reference Projects

Commerzbank AG • Daimler AG • Deutsche Bahn Station & Service AG • EON Wasserkraft • Fraport AG • Le Méridien Parkhotel Frankfurt • MAN Logistics • Max Planck Institute for Chemical Ecology • Skoda Auto Deutschland GmbH • Casino Mainz, Trier, Bad Ems GmbH & Co. KG • World Cultural Heritage Site Völklinger Hütte • etc.

... Over 100,000 In Operation

Arriva Netherlands

Arriva offers train and bus transportation in various provinces in the Netherlands. Based



on innovative transport solutions that optimize comfort and safety for the travelers, the Company is continuously expanding. For this reason, Arriva has equipped all its buses and trains with surveillance cameras from the beginning on to ensure the safety of passengers and drivers. To increase the safety even more, the Company has replaced its analog cameras in the buses of the Achterhoek Riverland line with a new generation of IP cameras. The cameras must guarantee high-resolution video and high-quality audio recordings. After a testing phase of several months, Arriva selected the MOBOTIX Q24 360° camera to secure the interior areas of the buses, while M12 cameras provide security in the front area of the buses. Altogether 210 mobile MOBOTIX cameras are currently being used in the Arriva buses.

"Climate Summit" on Mount Everest

A MOBOTIX camera now makes it possible to view the peak of Mount Everest in real time in complete comfort from your home computer. The camera has already established a world record being the highest webcam in the world. The scientific team Ev-K2-CNR from Bergamo, Italy has installed a MOBOTIX M12 camera on nearby Kala Patthar (5,675 meters) which delivers impressive images of Mount Everest. The research project "SHARE Everest 2011" is part of the international climate and environmental monitoring system called "SHARE - Stations at High Altitude for Research on the Environment." The researchers hope to gain knowledge concerning climate change and global warming. Powered by a solar panel, the MOBOTIX camera delivers high-quality images despite frigid temperatures as low as minus 30° Celsius. The camera is robust and versatile, making it ideally suited for harsh environmental conditions.



International Reference Projects

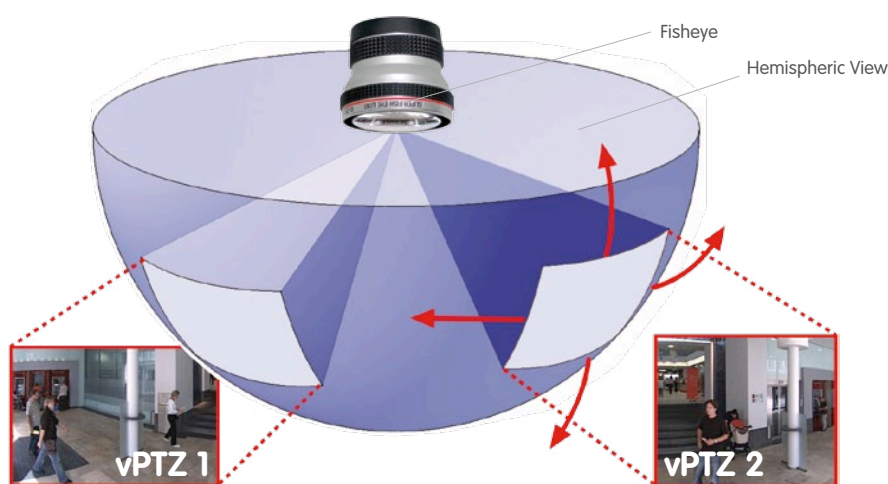
Bahrain Defense Hospital (Bahrain) • Donbass Arena UEFA EURO 2012 Football Stadium (Ukraine) • Hudson River Park (New York) • Central Bank of Philippines • Orange Mobile (Romania) • Police of Portofino (Italy) • Republic Polytechnic (Singapore) • Sderbank of Russia (Ukraine) • Vatican Apostolic Library (Vatican City) • etc.

The MOBOTIX Technology

Low System Costs ...

The Hemispheric Camera

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



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



software, allowing a view of the scene from the usual perspective.

The virtual PTZ feature allows you to enlarge or move image sections within the hemisphere, just like a PTZ camera yet, with MOBOTIX, this is achieved with no moving parts.

Handle Several Image Sections At Once

One or more image sections can be corrected for perspective in the hemispheric view, allowing you to monitor and record several different areas of a room at the same time, something that a mechanical PTZ camera is not capable of doing.

Discreet And Low Maintenance

Hemispheric cameras are extremely discreet because they manage their task with only one lens, which is generally focused on the entire room and not a specific object. MOBOTIX hemispheric cameras are without mechanical moving parts and require low maintenance. In addition, they are silent when panning and focusing on a specific image area.

Technology Leader Of Network Cameras

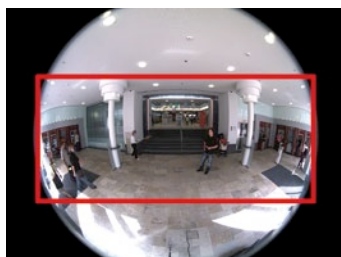
MOBOTIX ranks as the global market leader in high-resolution video systems. Each camera includes a high-speed processor and digital memory (SD Card) for long-term recording (decentralized MOBOTIX concept).

... Thanks To Hemispheric Panorama View

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

Less Cameras Thanks To Panoramic Views

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

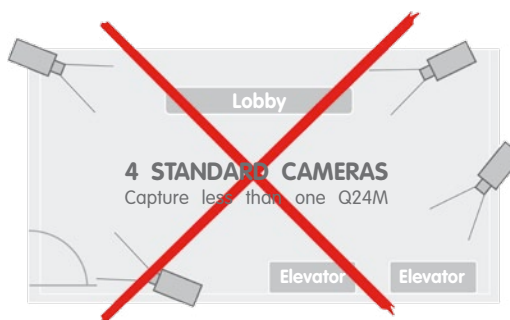


the camera is mounted on a wall, providing a wall-to-wall view of the room without

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

Keeping Objects In View At All Times

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



Everything Stored In The Recording

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



Hemispheric 180° Panorama

Overview of room using a single camera without any blind spots

Elevator

Elevator

Q24 – The Perfect Overview

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

The MOBOTIX Storage Technology

The Superior MOBOTIX ...

MOBOTIX Storage Concept Without Bottlenecks

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

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



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

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

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

No Storage Limit

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

Choose Your Storage Location

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

... Storage Solution

SD Card Memory Reduces Storage Costs

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

Ideal For Difficult Network Conditions Or WLAN

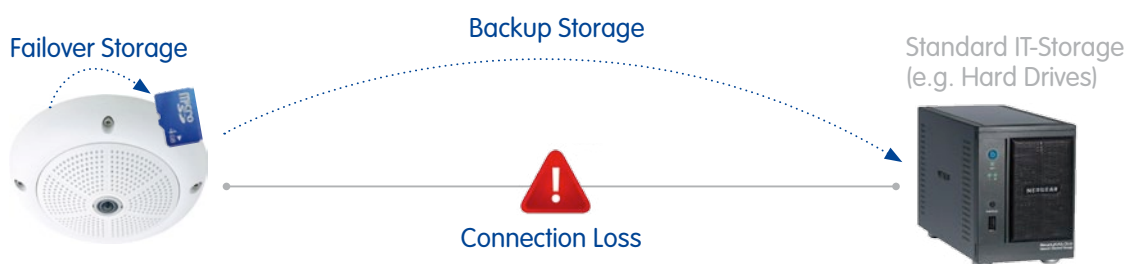
MOBOTIX cameras are ideal for difficult network conditions or WLAN connections because the internal flash storage bridges network failures or bandwidth fluctuations and synchronizes data when a connection is re-established with the external storage device.



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

A Single 64 GB SD Card Has Space For:

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



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

MOBOTIX Saves Only What Is Necessary

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

MOBOTIX Shares ...

MOBOTIX Shares

MOBOTIX AG shares have been listed on the stock exchange since October 10, 2007 and on the Prime Standard segment of "Deutsche Börse AG" since March 31, 2008.

Market Environment And Performance Of The MOBOTIX Share

The high volatility of the prior quarters on the international financial markets continued in the short fiscal year and was in fact more extreme than it had been before. The month of August was characterized by heavy losses. From the end of July to mid-August, the DAX dropped from more than 7,300 points to just under 5,200. The markets were less affected by the publication of economic data than by measures taken by various governments and central banks to stimulate the economy. The events surrounding the debt crisis in Greece and the country's inability to meet its savings targets had a particularly strong impact.

MOBOTIX's IPO in October 2007 was one of the few in recent years to have generated positive returns for its initial subscribers, and MOBOTIX shares have since proven exceptionally lucrative as an investment. As an example, initial subscribers realized capital gains of 306.5% (effective date of the IPO:

October 10, 2007) while all of the relevant indexes posted substantial losses in value in the same period. The German benchmark index DAX, for instance, lost 31.1% in the same period, and the technology-focused TecDAX lost 34.2%. The German Entrepreneurial Index (GEX), on which MOBOTIX shares have been represented since June 23, 2008, also trended much slower since MOBOTIX AG's IPO, losing 50.7%. The GEX tracks owner-operated German companies within the Prime Standard segment of the Frankfurt Stock Exchange that have been listed for a maximum of ten years and are managed by their owners. To qualify as owner-operated, members of the management and supervisory boards or their families must hold between 25 and 75% of the voting shares. In the past short fiscal year 2011, MOBOTIX shares also performed better than the DAX index and several other German stock indexes. In the past short fiscal year, MOBOTIX shares reached a high of EUR 68.35 on August 29, 2011, and a low of EUR 52.00 on August 9, 2011. The closing price as of the balance sheet date September 30, 2011, was EUR 60.50. Accordingly, MOBOTIX shares gained 5.2% in value in the reporting period (including dividends).

Free Float
34.05%

... Most Successful IPO Of 2007

Performance of the MOBOTIX share since IPO* and in the reporting period (3 months)

MOBOTIX share	306.5 %	5.2 %
DAX	-31.1 %	-25.4 %
TecDAX	-34.2 %	-25.9 %
GEX	-50.7 %	-34.4 %

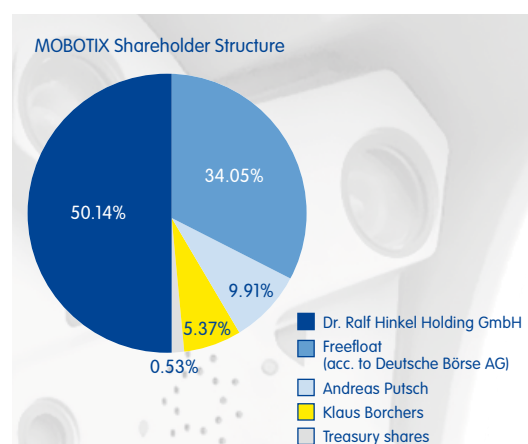
*Reporting Date 10/10/2007

Dividend

MOBOTIX AG pursues a growth-oriented dividend policy that corresponds to corporate growth and the respective business situation. At the regular Annual General Meeting for 2010/11 on October 21, 2011, a dividend of EUR 1.50 per share (prior year: EUR 1.01 per share) was approved and subsequently paid to the shareholders.

Shareholder Structure

At the end of the short fiscal year 2011, MOBOTIX AG continues to have a very stable shareholder base that supports the long-term and sustained development of the Company. The shareholder structure of MOBOTIX AG is as follows:



The Dr. Ralf Hinkel Holding GmbH holds 50.14% of the shares, Andreas Putsch holds 9.91% and Klaus Borchers 5.37%. A share buyback program was started in July 2010. As of September 30, 2011, MOBOTIX AG has acquired 23,349 treasury shares as part of the share buyback program. The free float as defined by the Deutsche Börse Group is 34.05%.

Dividend per share 2010/11
€ 1.50

The Success Of MOBOTIX

Investor Relations

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

In the past quarters, MOBOTIX AG increased its Investor Relations activities and presented itself to interested analysts and investors at various events such as German Equity Forum in Frankfurt, the European Small Mid Cap Conference of the Bank of America Merrill Lynch in June 2011 in London as well as further roadshows in Paris, Stockholm, Frankfurt and Zurich.

On October 21, 2011, MOBOTIX Annual General Meeting was held at the Company's headquarters. With approximately 151 shareholders, 77.38% of the authorized capital was represented. The constructive and interesting questions, and the extraordinarily high agreement of over 99% for all proposals on the agenda clearly reflected the shareholders confidence in the Company.

Analyst Coverage

In the fiscal year 2010/11 the Bank of America Merrill Lynch has taken up coverage of the MOBOTIX share. Besides the Bank of America Merrill Lynch, analysts of the DZ Bank and the Equinet AG as well as Hauck & Aufhäuser and GBC AG have also taken up coverage of MOBOTIX AG.

Prices (Xetra) in short fiscal year 2011 (3 months):

High (August 29, 2011)	68.35 EUR
Low (August 9, 2011)	52.00 EUR
Closing price*	60.50 EUR
Market capitalization*	267.7 Mio. EUR

*as of reporting date September 30, 2011



Solid **MOBOTIX** Shares ...



Key data of the MOBOTIX share

WKN	521830
ISIN	DE0005218309
Ticker symbol	MBQ
Bloomberg	MBQ:GR
Reuters Instrument Code	MBQGn.DE
Stock exchange segment	Regulated Market (Prime Standard)
Prime segment	Technology
Industry group	Electronic Components & Hardware
Stock exchange	Frankfurt
Share capital	4,423,814 EUR
No. of shares outstanding	4,423,814
Indexes	GEX, CDAX, Technology All Share, Prime All Share
Analyst coverage	DZ Bank, Equinet AG, Hauck & Aufhäuser, GBC AG, Bank of America Merrill Lynch

Market Capitalization
€ 267.7 m

Share Price Increase
€ 60.50 (+306.5%)

Report Of The Supervisory Board

Short Fiscal Year 2011 ...

Ladies And Gentlemen, Dear Shareholders,

The relocation of our entire production facilities to the Company's site in Winnweiler-Langmeil, Germany dominated the past very short fiscal year consisting of just one quarter. The move has been completed successfully. By concentrating corporate functions in one location, we have laid the foundations for further sustainable growth. The relocation has had a major impact on revenue and earnings performance.

MOBOTIX AG's revenue growth rate of 0.7% in the short fiscal year 2011 compared with the same quarter in 2010 was relatively weak. In view of the imminent location of production facilities, some revenue was brought forward at the end of the previous fiscal year, particularly revenue generated by international partners. In addition, the move and vacation close-downs temporarily resulted in limited availability of some products. The fact that growth in the equivalent quarter in 2010 was relatively strong at 42.1% was a further factor affecting the growth rate. Our earnings performance was largely a consequence of revenue growth, so comparisons of the results with previous quarters are of limited value.

In this context, the Supervisory Board was required to provide the Management Board with advice and assistance in the past fiscal year and to monitor and control them at all times with the greatest possible care in accordance with the tasks for which it is responsible as specified by law and the articles of incorporation. In the view of the Supervisory Board, it had a close and trusting working relationship with the Management Board. We were promptly and directly involved in all fundamental decisions.

Methods Of Advisory, Supervision And Control

The Management Board provided the Supervisory Board with regular, comprehensive information about the position of the Company at Supervisory Board meetings. This focused, in particular, on the Company's business performance and financial position, HR matters, existing and new capital investment projects and issues relating to corporate strategy. Furthermore, outside the meetings, the Management Board also provided the Supervisory Board with regular reports concerning key financial performance indicators. When necessary, and after detailed examination and discussion, the Supervisory Board also gave its consent by telephone or by written resolution to measures proposed by the

Chairman Of The Supervisory Board, Dr. Thomas Hoch
CEO EVP Capital Management AG

... Another Milestone

Management Board. The Supervisory Board satisfied itself that the Company was being properly managed during the entire short fiscal year. Transactions requiring consent were submitted in good time to enable sufficient information to be gathered to enable resolutions to be adopted at a later date. No conflicts of interest arose in the Supervisory Board in the short fiscal year 2011.

The Management Board's reports during the year conveyed a good impression of the Company's business performance and corresponded with the image given by the financial statements for the short fiscal year 2011. The Management Board also briefed the Chairman of the Supervisory Board about important developments and scheduled decisions at regular, face-to-face meetings between board meetings.

The Supervisory Board only made use of its option to inspect the Company's books and records or to instruct special experts to carry out specific tasks (section 111 (2) German Stock Corporation Act, AktG) when the Chairman of the Supervisory Board carried out an on-site risk-management review in Langmeil on August 10, 2011, which involved examining the internal control system, risk management

procedures and random samples from related parts of the accounts. As a result it can be stated that MOBOTIX AG's internal risk control system and risk management procedures are well established. It has responded appropriately to the risks identified by instigating measures to avert them. It was agreed that this type of review should be carried out on a regular basis of about once per fiscal year, even if there is no specific incident to trigger a review. To date, the Supervisory Board has not established any committees because they would not have helped to make the Company more efficient due to its size and structure.

Key Advisory Activities Of The Supervisory Board

In the short fiscal year 2011, the Supervisory Board attended two meetings in person and one teleconference. If required, the Supervisory Board met in the absence of the Management Board, at least for part of meetings. All members attended all the meetings. The focus of discussions was primarily on the continued implementation of the growth strategy, strategic planning, the position of the group and current revenue and earnings performance. The two meetings on August 22, 2011 focused on the audit and adoption of the 2010/11 annual financial statements

Prof. Dr. Rainer Gerten
Hochschule Mannheim

Ulrich Putsch
Founder of Keiper Recaro

A Rapid Growth Rate ...

and the 2010/11 consolidated financial statements. Other topics included the performance of the US subsidiary and the extension to the production facility in Langmeil. The Board also discussed at length the development status of product innovations and plans to introduce them. The Supervisory Board also considered the issue of funding and liquidity planning in view of the Company's future growth plans and the capital expenditure they will require. The focus of the teleconference on August 2, 2011 was the decision about whether to borrow €2 million to cover the financing needed for further capital expenditure.

Audit Of SFY 2011 Separate And Consolidated Financial Statements

In accordance with the resolution adopted by the Annual General Meeting in October 2011, KPMG AG Wirtschaftsprüfungsgesellschaft, Saarbrücken, has been instructed by the Supervisory Board to carry out the audit of the annual financial statements and consolidated financial statements for the short fiscal year 2011. A declaration of independence has been obtained in advance from the auditing firm, which gave no grounds for complaint.

The auditors have audited the annual financial statements and the management report of

MOBOTIX AG prepared in accordance with the German Commercial Code (HGB) and the consolidated financial statements and group management report prepared in accordance with IFRS for the period ended September 30, 2011 and issued an unqualified opinion for each of them.

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

After completing its own audit, the Supervisory Board endorsed the auditors' findings and stated that they had no reservations. At its meeting on November 2, 2011, the Supervisory Board approved the annual financial statements and consolidated financial statements of MOBOTIX AG prepared by the Management Board. The annual financial

... Deserves Recognition

statements were thus formally adopted in accordance with section 172 AktG.

Given the modest results achieved in the short fiscal year 2011 and the future capital expenditure projects, the Supervisory Board supported the Managing Board's proposal to refrain from paying a dividend for the short fiscal year, in derogation from usual practice, and thus to retain the entire distributable profit for 2011 and to submit a proposal for the appropriation of profit to that effect to the Annual General Meeting.

Thanks To The MOBOTIX Team

The Supervisory Board would like to thank all employees and management for their hard work in 2011. The fact that MOBOTIX AG was able to generate a healthy profit despite the relocation of production facilities and further investment in expanding its markets deserves our full recognition. We wish the management and employees of MOBOTIX AG every success with the challenges that we will share in the year ahead. It is our belief that our combined efforts and hard work have produced an excellent starting point from which to exploit our outstanding market position in high-resolution digital surveillance equipment in order to continue setting trends in the market and,

using this key technology, to successfully expand the business segment "Access Control & Communications" division. We are confident that the team will continue to exploit these opportunities to secure our financial success.

Many thanks to our customers, partners and shareholders for placing their trust in MOBOTIX AG.

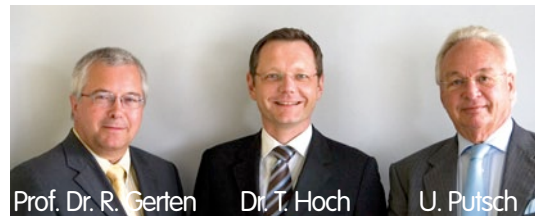
Winnweiler-Langmeil, November 2, 2011

On behalf of the Supervisory Board

Yours sincerely



Dr. Thomas Hoch



Prof. Dr. R. Gerten

Dr. T. Hoch

U. Putsch

Responsible ...

Introduction

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

Because the Company joined the regulated market (Prime Standard) of the Frankfurt Stock Exchange on March 31, 2008, the Management Board and Supervisory Board of MOBOTIX AG are obliged to issue an annual Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz, AktG) in which they explain to what extent they have complied with, or intend to comply with, the recommendations made by the German Government Commission on the German Corporate Governance Code, which have been published by the German Federal Ministry of Justice in the official Section of the electronic version of the German Federal Gazette, and which recommendations they have not applied or do not

intend to apply. The Management Board and Supervisory Board of MOBOTIX AG therefore issued their annual Declaration of Compliance pursuant to Section 161 AktG on October 13, 2011; this declaration has also been published and made permanently available in the "Investors" Section of MOBOTIX AG's website.

Furthermore, the Management Board and Supervisory Board have compiled a corporate governance report pursuant to item 3.10 DCGK, which includes the remuneration report pursuant to item 4.2.5 DCGK.

Relations With Shareholders; Annual General Meeting

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

Dr. Ralf Hinkel
CEO

Lutz Coelen
CFO

... Management

Supervisory Board report to shareholders on the previous financial year. The German Stock Corporation Act allows an extraordinary general meeting to be convened in exceptional cases.

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

Management Board

The Management Board of MOBOTIX AG currently consists of four members (**Dr. Ralf Hinkel, Lutz Coelen, Dr. Magnus Ekerot, Dr. Oliver Gabel**).

The Management Board's main responsibility is principally to lead the company; this

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

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



Dr. Ralf Hinkel



Lutz Coelen



Dr. Magnus Ekerot



Dr. Oliver Gabel

Dr. Magnus Ekerot
CSO

Dr. Oliver Gabel
CTO

Management Board And ...

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

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

The Company took out a directors' and officers' (D&O) insurance policy for the Management Board and Supervisory Board. The insur-

ance policy was taken out for the Management Board with the legally required minimum-deductible. For the Supervisory Board no deductible was taken out.

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

Supervisory Board

The Supervisory Board oversees the Management Board's leadership of the Company and provides Management with advice and support. The Supervisory Board is also responsible for amongst other things the appointment of members to the Management Board, the determination of remuneration paid to the Management Board, and the examination of the Company's annual financial statements. The Supervisory Board consists of three members (**Dr. Thomas Hoch, Professor Dr. Rainer Gerten** and **Ulrich Putsch**). The Company is not subject to co-determination legislation.

The Company's Articles of Incorporation state that the Supervisory Board is allowed to form committees from its members. Yet, the Company currently deviates from the DCGK's recommendation for the Supervisory Board to

... Supervisory Board Cooperation

form suitably qualified committees as well as an audit committee from amongst its members while the Supervisory Board currently consists of only three members and, in the opinion of the Supervisory Board, it would be inappropriate at this point of time to form committees given the specific circumstances and the size of the Company - because all members of the Supervisory Board are expected to be engaged and occupied with all Company issues.

Furthermore, the Articles of Incorporation state that the Dr. Ralf Hinkel Holding GmbH - provided that it itself and/or a company, either controlled by it (Section 17 AktG), or under its management (Section 18 AktG) that in total holds more than 25% of the Company's shares - has the nontransferable right to appoint one individual as member of the Company's Supervisory Board. It can only exercise this right of appointment vis-à-vis the Company by issuing a personally signed declaration to both, the Management Board and the Chairman of the Supervisory Board that states the name of the person to be appointed to the Supervisory Board. The newly appointed member thus immediately replaces an already similarly appointed Supervisory Board member who therewith will step down from his/her post. If no

new member is dispatched to the Supervisory Board at the time of the exertion of appointments, then the new appointee will first join the Supervisory Board when the previously selected member resigns from his/her post, or is relieved of office during the Annual General Meeting, or whose term of office as a member has expired. The term of appointment of the current Supervisory Board members ends at the end of the Annual General Meeting that votes on whether to formally approve their actions for the fourth financial year after the beginning of their term of appointment.

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

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

Shareholding ...

account the size of the board.

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

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

Cooperation Between Management Board And Supervisory Board

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

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

Directors' Dealings

During the period from July 1, 2011 to September 30, 2011, the following reportable purchases or sales of shares were effected by the members of the Management Board or Supervisory Board.

Name	Function	Date of transaction	Type of transaction	Stock exchange	Number of shares	€ Price	€ Total volume
Prof. Dr. Gerten	Supervisory Board	July 14, 2011	Donation	Off-market	-800	0.00	0.00

... And Remuneration Report

WpHG Announcements

Release according to Article 26, Section 1 of the WpHG from July 1, 2010

On June 29, 2010, Dr. Ralf Hinkel Holding GmbH, Am Stundenstein 2, 67722 Winnweiler, Deutschland has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on MOBOTIX AG, Winnweiler-Langmeil, Deutschland, ISIN: DE0005218309, WKN: 521830, have exceeded the 3%, 5%, 10%, 15%, 20%, 25%, 30% and 50% limit of the Voting Rights on June 29, 2010 and on that day amounted to 50.14% (this corresponds to 2,218,134 Voting Rights).

Release according to Article 26 Section 1 WpHG from July 12, 2010

Dr. Ralf Hinkel Holding GmbH, Winnweiler, Deutschland informed us on July 8, 2010 that pursuant to section 27a(1) WpHG on June 29, 2010 its shareholding in MOBOTIX AG, Winnweiler-Langmeil, Deutschland, ISIN: DE0005218309, WKN: 521830 had exceeded the threshold of 3%, 5%, 10%, 15%, 20%, 30% and 50%. The following strategies and objectives have been disclosed:

1. The investment in MOBOTIX AG is a long-term investment and serves to implement strategic objectives. The transfer of shares occurred in the course of an internal restructuring

by the majority shareholder Dr. Ralf Hinkel, which did not affect the long-term objectives.

2. The reporting person does currently not intend to obtain additional voting rights in MOBOTIX AG by acquisition or otherwise within the next 12 months.

3. The reporting person does not intend to influence the composition of MOBOTIX AG's administration, management or supervisory board. However, it is intended to change the statutory designation right currently existing in favor of Dr. Ralf Hinkel personally as well as companies controlled or managed by him to the favor of Dr. Ralf Hinkel Holding GmbH. This requires an amendment of the articles of association which requires approval by the Annual General Meeting of MOBOTIX AG.

4. The reporting person does not intend to significantly change the capital structure of MOBOTIX AG, especially with regards to the ratio of equity and debt financing and the dividend policy.

5. The voting rights have been acquired gratuitously. The rationale behind the transaction is an internal restructuring and the associated transfer of shares (at book value) in MOBOTIX AG from Dr. Ralf Hinkel to Dr. Ralf Hinkel Holding GmbH, which was newly formed by

Shareholding ...

way of formation in kind. Dr. Ralf Hinkel is the sole shareholder of Dr. Ralf Hinkel Holding GmbH.

Shareholdings

The following members of the Management Board and Supervisory Board held more than 3% of the shares issued by the Company (as of September 30, 2011):

Management Board	Number of shares	(%)
Dr. Ralf Hinkel*	2,218,134	50.14

*Held indirectly via the Dr. Ralf Hinkel Holding GmbH, Winnweiler-Langmeil.

Shares were also held by Lutz Coelen (16,200 shares, or 0.37%) and Dr. Oliver Gabel (210 shares, or 0.005%) of the Management Board. The Management Board held a total of 2,234,544 shares in MOBOTIX AG, which was 50.51% of the Company's share capital.

The members of the Supervisory Board who held shares in the Company were Dr. Thomas Hoch (1,000 shares, or 0.02%) and Professor Dr. Rainer Gerten (20,000 shares, or 0.45%). The Supervisory Board therefore held a total of 0.47% of the shares in MOBOTIX AG as at September 30, 2011. Both boards together therefore held a total of 2,255,544 shares in MOBOTIX AG, or 50.98% of the Company's share capital, as at September 30, 2011.

Remuneration Report

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

Management Board

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

The total remuneration paid to the members of the Management Board of MOBOTIX AG comprises monetary compensation and further

Founders's Share
50.14%

Management Board's
Share 50.51%

... And Remuneration Report

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

The remuneration paid to the Management Board is reviewed on a regular basis and was last adjusted by a Supervisory Board resolution from September 20, 2010 regarding the appointment of board members Dr. Magnus Ekerot and Dr. Oliver Gabel.

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

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

In addition, the members of the Management Board are given a luxury-class car commen-

surate with their position, which they may use for business and private travel. Furthermore, the Company has taken out accident insurance cover for occupational and day-to-day accidents as well as death for each member of the Management Board for the duration of their employment with the Company. The Company has also provided the members of the Management Board with directors' and officers' (D&O) insurance. A minimum deductible was introduced in accordance with statutory regulations.

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

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

Supervisory Board's Share

0.47%

Remuneration Report ...

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

The table below shows the remuneration paid to the members of the Management Board in the short fiscal year 2011:

EUR' 000s	Fixed*	Variable	Total
Management Board	216	197	413

* Including benefits in kind

The remuneration of the members of the Management Board amounted to EUR 413 thousand in the short fiscal year (2010/11: EUR 1,723 thousand).

Supervisory Board

Each member of the Supervisory Board receives a fixed annual remuneration of EUR 10,000 for his or her work, pursuant to Section 11 in the Articles of Incorporation. The Chairman of the Supervisory Board receives twice this amount.

Additionally, each member of the Supervisory Board receives for his work a variable remuneration amounting to EUR 25.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares outstanding, based on a share capital of EUR 4,423,814.00 divided into 4,423,814 no-par bearer shares, each representing EUR 1.00 of share capital. The Chairman of the Supervisory Board receives twice this amount.

The Company has also taken out directors' and officers' (D&O) insurance for the members of the Supervisory Board at its own expense.

The table below shows the remuneration paid to the members of the Supervisory Board in the short fiscal year 2011:

	Fixed EUR '000s	Variable EUR '000s	Total EUR '000s
Supervisory Board			
Dr. Thomas Hoch	5.0	2.0**	7.0
Prof. Dr. Rainer Gerten	2.5	1.0*	3.5
Ulrich Putsch	2.5	1.0*	3.5
Total	10.0	4.0	14.0

* EUR 25.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares 4.423.814

** receives twice this amount*

... And Disclosure

Disclosures

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

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

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

- **Ad-hoc Announcements:** The Company complies with the legal requirements by publishing insider information directly affecting the Company itself without delay, including outside its regular reporting cycle. Ad-hoc disclosures published by MOBOTIX AG are made available to shareholders

on the Company's website at ["Investors/News/Ad-Hoc-Announcements"].

- **Disclosure Of Voting Rights:** We also publish in a Europe-wide information system and on our website the fact that someone's shareholding in the Company has reached, exceeded or fallen below 3%, 5%, 10%, 15%, 25%, 30%, 50% or 75% of the Company's voting rights by buying or selling shares or in some other way as soon as we have been notified of such changes pursuant to Section 21 of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG).
- **Directors' Dealings:** Dealings in securities by members of the Management Board or Supervisory Board of MOBOTIX AG or by certain executives who have regular access to insider information and are authorized to make key operational decisions (as well as by related parties as defined by the German Securities Trading Act) must be disclosed by these persons pursuant to Section 15a WpHG. As soon as the Company is notified of such dealings, they are published in a Europe-wide information system and on the Company's website.

Accounting ...

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

Accounting And Auditing

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

The Company has agreed with its auditors that the Chairman of the Supervisory Board should be notified without delay of any grounds for exclusion or partiality arising during the audit unless they are immediately resolved.

Furthermore, the auditors must notify the Supervisory Board without delay of all findings and incidents of which they become aware in the course of the audit that are of significance for the remit of the Supervisory Board. The

auditors must also notify the Supervisory Board or note accordingly in the audit report if, when conducting the audit, they become aware of facts that are incompatible with the Declaration of Compliance issued by the Management Board and Supervisory Board pursuant to Section 161 of the German Stock Corporation Act.

Explanation of the deviations from the recommendations of the German Corporate Governance Code

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

Joint Declaration of Compliance By The Management Board And Supervisory Board On The German Corporate Governance Code

Section 161 of the German Stock Corporation Act (AktG) requires the Management Board and Supervisory Board to issue an annual declaration stating that the Company has complied with, or intends to comply with, the recommendations made by the German

... And Declaration Of Compliance

Government Commission on the German Corporate Governance Code, which have been published by the German Federal Ministry of Justice in the official section of the electronic version of the German Federal Gazette, and also stating which recommendations it has not applied or does not intend to apply. The following declaration refers to the Code version dated May 26, 2010 published in the electronic version of the German Federal Gazette on July 2, 2010 for the period since October 1, 2010.

The Management Board and Supervisory Board of MOBOTIX AG hereby declare that the Company has complied with the recommendations made by the German Government Commission on the German Corporate Governance Code, with the following exceptions:

1. If the Company takes out a Directors' and Officers' (D&O) Liability Insurance policy for the Management Board and Supervisory Board, a suitable deductible shall be agreed (Item 3.8 para. 2 of the German Corporate Governance Code).

In accordance with the legal provisions, the Company will comply with this recommendation with respect to the Management Board

from the beginning of the fiscal year as of July 1, 2009. However, no deductible has been agreed for the D&O insurance cover for the Supervisory Board, as it is not required by law. We believe that the agreement of a deductible for D&O insurance policies in the event of claims for damages does not encourage responsible behavior on the part of the members of the Supervisory Board. Moreover, the directors' legal responsibility for criminal acts involving gross negligence or breach of trust is not affected by the terms and conditions of any D&O insurance policy.

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

The Company does not comply with the recommendation. Although there is some form of allocation of duties between the Management Board, based on the relevant plan, there are, at the moment, no by-laws for the Management Board since the Company's articles

Declaration Of Compliance ...

of incorporation contain very comprehensive rules governing the work of the Management Board (including a catalogue of measures taken by the Management Board that require the consent of the Supervisory Board), and it has not yet been deemed necessary to introduce such by-laws. However, to comply with the recommendations of the Code, we intend to introduce corresponding by-laws in the near future.

3. The Supervisory Board must ensure that the variable compensation elements are in general based on a multi-year assessment. Both positive and negative developments shall be taken into account when determining variable compensation components (Item 4.2.3 para. 2 sentence 3 and 4 of the German Corporate Governance Code).

Item 4.2.3 para. 2 of the German Corporate Governance Code reflects the legal situation since the Act on the Appropriateness of Management Board Compensation of July 31, 2009 went into effect. Accordingly, the Supervisory Board must ensure that the variable compensation elements are, in general, based on a multi-year assessment, and recommends in the fourth sentence that both positive and negative developments shall be taken into account when determining

variable compensation components. As of the date of issue to this Declaration of Compliance, the existing employment contracts of the Management Board members Dr. Ralf Hinkel and Lutz Coelen neither prescribe a multi-year assessment nor (later) consideration of positive and negative developments for variable compensation components already granted. The present deviation from the Code is due to new legal precedents for the provisioning of variable compensation components, where only future changes to existing contracts of the variable Management Board compensation are relevant, and not previously existing contracts of the Management Board.

Of course, the Supervisory Board complied with the latest legal requirements for the determination of variable compensation components with the appointment of the new Management Board members Dr. Magnus Ekerot and Dr. Oliver Gabel on January 1, 2011.

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

The Company does not comply with the recommendation. The Management Board and the Supervisory Board believe that a general age

limit would unnecessarily restrict the search for suitably qualified and experienced candidates for the Management Board. Age is not a suitable criterion for excluding such candidates.

5. The Supervisory Board shall issue Terms of Reference (Item 5.1.3 of the German Corporate Governance Code).

The Company has complied with this recommendation since August 2011. Previously, it was not deemed necessary to prepare rules of procedure due to the very comprehensive rules governing the work of the Supervisory Board in the Company's articles of incorporation. However, to comply with the recommendations of the Code, this was changed by introducing the rules of procedure.

6. The Chairman of the Supervisory Board shall also chair the committees that handle contracts with members of the Management Board and prepare the Supervisory Board meetings (Item 5.2. para. 2 sentence 1 of the Corporate Governance Code).

The Company does not comply with the recommendation. Because the Supervisory Board of MOBOTIX AG consists of only three members, the Supervisory Board believes that the formation of suitably qualified commit-

tees would currently be inappropriate given the specific circumstances and the size of the Company.

7. Depending on the specifics of the enterprise and the number of its members, the Supervisory Board shall form committees with sufficient expertise. They serve to increase the efficiency of the Supervisory Board's work and the handling of complex issues. The respective committee chairmen report regularly to the Supervisory Board on the work of the committees (Item 5.3.1 of the German Corporate Governance Code).

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

8. The Supervisory Board shall set up an Audit Committee which, in particular, handles issues of accounting, risk management and compliance, the necessary independence required of the auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement. The Chairman

Declaration Of Compliance ...

of the Audit Committee shall have specialist knowledge and experience in the application of accounting principles and internal control processes (Item 5.3.2 of the German Corporate Governance Code).

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

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

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

10. An age limit to be specified for the

members of the Supervisory Board shall be taken into account (Item 5.4.1 sentence 2 of the German Corporate Governance Code).

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

MOBOTIX AG

Winnweiler-Langmeil, October 13, 2011

On behalf of the Management Board



Dr. Ralf Hinkel
(Chief Executive Officer)

On behalf of the Supervisory Board



Dr. Thomas Hoch
(Chairman of the Supervisory Board)



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Consolidated Management Report

Positive Business Development ...

Business And Market

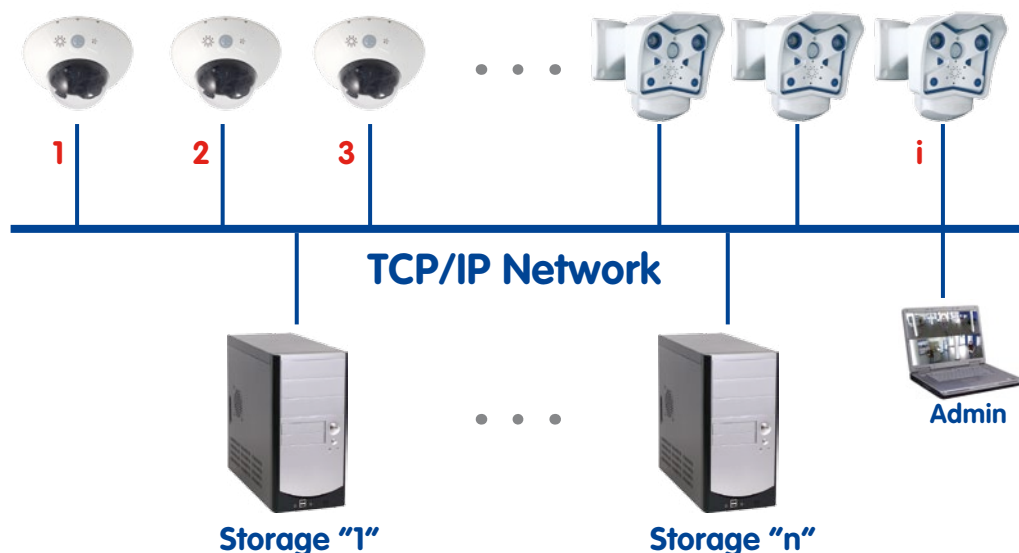
Technology And Products

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

The Company's product portfolio includes the product lines **M12** (DualNight Camera), **M24** (Allround Camera), **D14** (DualDome Camera), **D24** (MonoDome Camera), **V12** (Vandalism Camera) and **Q24** (Hemispheric 360° Camera). The introduction of the first hemispheric camera with a 360° panorama view represented the



most successful product launch in the history of MOBOTIX. In addition to its network cameras, MOBOTIX also offers the MxControlCenter, a complete video management solution as a primary control center software package that is able to integrate cameras from other manufacturers, as well as MxEasy – a video software solution for the consumer and semi-



World's No. 1 In Megapixel

... And Business Condition

professional segment. These MOBOTIX video management solutions are offered free of charge. In addition, various accessories are available in the Company's product range.

A key focus of fiscal year 2010/11 and of the short fiscal year 2011 has been in the development of the base technology for the new Access Control & Communication product range. A number of accessories were devel-

oped to supplement the camera module of the **T24** digital Door Station, some of which have already been launched on the market. These include frames and modules in a variety of colors, with plans to add more components in the coming months. In addition, the new P3 processor technology was introduced for the **D14** dual camera line (previously D12), which will double computing power. Plans for the current calendar year include converting the M12 dual camera line to the same circuit board. Once the camera is converted to the new circuit board, it will be offered on the market as the **M14**. This systematic implementation of the platform strategy will enable additional substantial savings potential in the years to come.



Consolidated Management Report

Positive Business Development ...

Group Organization And Control

The MOBOTIX Group consists of MOBOTIX AG, Winnweiler-Langmeil and MOBOTIX CORP, New York.

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

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

the Management Board on a monthly basis as part of the internal reporting process, so that any necessary changes can be initiated promptly.

Sales

In Germany, the products are currently sold via MOBOTIX-certified **Secure Partners, IT-retailers, electrical wholesalers** or **directly**, e.g. via the Company's webshop, to commercial and private customers. Most of MOBOTIX' international sales are made via distributors and their qualified systems integrators and resellers. The distributors are supported in this process by a number of locally-based Business Development Managers, who are employed directly by MOBOTIX AG.

MOBOTIX camera systems are in use at more than 100,000 locations worldwide thanks to their extensive features. In addition to numerous public and private security projects in Germany, MOBOTIX AG also succeeded in acquiring a large number of international reference projects during the fiscal year 2010/11. Examples of these are a project to secure the soccer stadium at which the 2011 Asia Cup

EBITDA
€ 3.6m (21.7%)

EBIT
€ 2.6m (15.8%)

... And Financial Position

was held in Qatar, city surveillance in Portofino (Italy), surveillance of the Barwa Financial District in Qatar and various bank projects involving, for example, Sberbank of Russia (Ukraine), the Central Bank of Philippines (Philippines) and the Korean Exchange Bank (South Korea). Additional projects involve airport security in Malta and Bahrain, securing the border between Romania and Moldavia and campus surveillance at Bourneville College in the UK and others.

In the USA, the Company sells its products through its own sales subsidiary, MOBOTIX CORP. MOBOTIX' growth is primarily occurring in the export markets with the export share at 68.1% in the short fiscal year under review.

Market And Competition

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

network camera systems are known as hybrid systems. The relevant market segment for MOBOTIX in this respect is network cameras.

In a study made by the market research firm IMS Research in July 2011, the authors presume that global sales in the market for network cameras will grow by an annual average of approximately 26.0% from 2010 to 2015. The growth potential is estimated to be comparatively high in all global market segments (Americas, Asia, EMEA) and is not limited to a few regional markets.

The competitive market is comparatively homogeneous worldwide – approximately 80% of the large major competitors are very similar in all global market segment.

We also expect the market to perform well in the short term with steady growth at a high level. It is important to note here that for the medium term, the dependence on the overall economic development will be lower than expected in the market segments.

Revenue Share (Germany)
31.9%

Export Share
68.1%

Results Of Operations, Net Assets ...

Results Of Operations, Net Assets and Financial Position

In the past, the fiscal year of MOBOTIX AG encompassed the period from July 1 of one year to June 30 of the following year. Pursuant to the resolution of the Annual General Meeting of MOBOTIX AG of October 28, 2010, the fiscal year of MOBOTIX AG will be changed effective October 1, 2011, and from this date will begin on October 1 of one year and end on September 30 of the following year. A short fiscal year (SFY) will be formed for the period from July 1, 2011 to September 30, 2011. The reporting period and accordingly the short fiscal year 2011 encompasses a period of three months; whereas fiscal year 2010/11 encompasses a period of 12 months as a comparison period. Due to the different time frames of the reporting and comparison period, the amounts shown are not completely comparable.

Results Of Operations

The comparatively weak revenue growth of 0.7% in the past short fiscal year compared to the corresponding prior-year quarter is in particular due to the relocation of the production to the Winnweiler site. In view of the pending relocation of the production, sales by international partners in particular were in part given preference at the end of the last fiscal year. Some products were

temporarily only available on a limited basis due to the relocation and the annual vacation close-down. Another impact on the growth rate results from the fact that the corresponding prior-year quarter was comparatively strong with growth of 42.1%. The earnings growth is primarily a consequence of the revenue growth. Therefore, the results can only be compared on a very limited basis.

In the short fiscal year, the MOBOTIX Group achieved revenue of EUR 15.2 million (prior year: EUR 73.2 million; prior-year quarter: EUR 15.1 million) and profit before tax of EUR 2.5 million (prior year: EUR 18.7 million; prior-year quarter: EUR 4.1 million). Total operating performance (sales revenue, increase/decrease in finished goods and work in progress and other own work capitalized) was EUR 16.7 million in the short fiscal year 2011 (prior year: EUR 76.7 million; prior-year quarter: EUR 16.4 million).

EBITDA (21.7% of total output; earnings before interest, tax, depreciation and amortization) came to EUR 3.6 million (prior year: EUR 22.0 million; prior-year quarter: EUR 4.8 million). EBIT (15.8% of total output; earnings before interest and tax) amounted to EUR 2.6 million (prior year: EUR 19.2 million; prior-year quarter:

... And Financial Position

EUR 4.2 million). The short fiscal year ended with net income for the year of EUR 1.8 million (prior year: EUR 13.2 million; prior-year quarter: EUR 2.9 million) (return on sales: 11.6%).

The sales revenue includes revenues from sales of dome cameras of EUR 7.3 million (prior year: EUR 36.9 million; prior-year quarter: EUR 7.2 million) and sales revenue from fixed cameras of EUR 7.1 million (prior year: EUR 32.7 million; prior-year quarter: EUR 7.1 million). The export ratio in the short fiscal year was comparatively low at 68.1%, down from 76.5% in the prior-year period. Germany accounted for EUR 4.8 million (prior year: EUR 17.2 million; prior-year quarter: EUR 3.9 million) of the revenues; the rest of Europe (excluding Germany) accounted for EUR 5.3 million (prior year: EUR 29.9 million; prior-year quarter: EUR 6.2 million) and the rest of the world accounted for EUR 5.0 million (prior year: EUR 26.1 million; prior-year quarter: EUR 5.0 million). The prices of products were neither increased nor lowered.

The material usage ratio (ratio of cost of materials to total operating performance) rose to 33.1% compared to the previous year (26.8%). The increase is explained primarily by the comparatively high percent age of changes in inventories in total output.

The personnel usage ratio (staff costs to total output) increased from 25.1% to 25.6% with a further build-up of the workforce. New hires were made in sales and development in particular. Compared to the prior-year quarter, the staff costs increased by EUR 0.4 million.

Other operating expenses (EUR 3.6 million; prior year EUR 15.4 million) include revenue-dependent distribution expenses (EUR 0.5 million) such as shipping and packaging costs, advertising and marketing expenses (EUR 1.3 million), travel and entertainment expenses (EUR 0.4 million) as well as expenses for temporary staff (EUR 0.2 million). At EUR 1.3 million, advertising and marketing expenses represented the largest item among other operating expenses.

The subsidiary MOBOTIX CORP reported a net loss for the period of USD 0.1 million (prior year: USD 0.8 million) despite a revenue increase of 31.4% (prior year: 42.7%). This figure includes currency translation gains of USD 0.3 million (prior year: currency translation losses of USD 0.4 million).

Net Assets

Development costs of EUR 0.1 million were capitalized in the short fiscal year 2011. Property, plant and equipment grew by EUR 0.4 million (+1.8%) to EUR 22.5 million, with new invest-

Consolidated Management Report

Results Of Operations, Net Assets ...

ments in property, plant and equipment totaling EUR 1.2 million in the period under review. The investments primarily related to the construction of a new production hall at the Langmeil site, completed at the end of July 2011 (EUR 1.1 million before reduction of the depreciation base of the subsidies) as well as investments in technical systems. In September 2010, a public grant was approved in the amount of EUR 1.1 million for construction of the new production hall. The grant extended was used to cover the construction costs incurred in the reporting period and deducted from assets on a pro-rata basis. Investments in technical systems consist largely of investments in injection molding tools and IT equipment.

Inventories grew by EUR 1.9 million, or +14.5%, to EUR 15.0 million due to the switching of production lines to a new processor technology, the expansion of the product range to include, for example, the T24 product line, increased inventories due to possible delivery bottlenecks and the increase in business activity. Furthermore, the comparatively weak revenue growth led to increased inventories.

Due to the lower business volume in September 2011, trade receivables decreased to EUR 6.1 million as of September 30, 2011, a

decrease of EUR 3.6 million compared to the balance sheet date as of June 30, 2011.

Other assets amounted to EUR 5.5 million (June 30, 2011: EUR 5.6 million) and comprised gold reserves at a carrying amount of EUR 3.6 million, tax refunds at EUR 0.6 million and advance payments of EUR 0.4 million.

Cash and cash equivalents declined by EUR 0.4 million to EUR 7.0 million (June 30, 2011, EUR 7.4 million).

On the equity and liabilities side, equity rose by EUR 1.7 million to EUR 39.0 million as a result of the net income for the year. The equity-to-assets ratio rose slightly from 61.3% to 66.1% due to the decrease of EUR 1.8 million (-2.9%) in total assets. Treasury shares were unchanged from June 30, 2011. Taking into account tax payments of EUR 4.4 million and tax expenses of EUR 0.8 million in the short fiscal year 2011, tax provisions declined by EUR 3.6 million to EUR 2.3 million. The increase in liabilities to banks resulted from a loan of EUR 2.0 million that was taken out to finance product innovations. The increase was offset by scheduled loan repayments amounting to EUR 0.3 million. At EUR 3.7 million, trade payables were nearly unchanged from June 30, 2011.

Cash Flow From Operating Activities

€ 3.5m (+39.7%)

... And Financial Position

Other liabilities were reduced by EUR 1.6 million to EUR 2.4 million in comparison with June 30, 2011, due to a decrease in personnel liabilities.

Based upon the developments described above, the total assets of the MOBOTIX Group decreased by EUR 1.8 million (-2.9%) to EUR 59.0 million as of September 30, 2011 compared to June 30, 2011.

Financial Position

Cash flows from operating activities of the MOBOTIX Group amounted to EUR -0.9 million in the short fiscal year 2011 (prior year: EUR 12.8 million). The negative cash flow from operating activities was caused in particular by tax payments amounting to EUR 4.4 million (prior year: EUR 2.5 million). The cash flow from operating activities before income taxes thus came to EUR 3.5 million (prior year: EUR 15.3 million). At EUR 1.2 million, cash outflows for investing activities (prior year: EUR 7.5 million) were primarily due to capital expenditure for the new production hall. Including the subsidies granted in the amount of EUR 0.3 million, cash paid for capital expenditure on property, plant and equipment amounted to EUR 1.4 million. The positive cash flow from financing activities of

EUR 1.7 million resulted in particular from a loan of EUR 2.0 million that was taken out to finance product innovations. In the previous year 2010/11, the negative cash flow from financing activities amounted to EUR 5.1 million and was due to the distribution of the dividend for fiscal year 2009/10.

The various cash flows generated during the reporting period resulted in cash and cash equivalents of EUR 7.0 million as of September 30, 2011. The Company's solvency was guaranteed at all times during the short fiscal year. Due to the Company's creditworthiness, a number of financing options are available.

Non-current liabilities increased by EUR 1.4 million to EUR 10.2 million compared to June 30, 2011. Non-current liabilities as a share of total assets of the MOBOTIX Group increased from 14.5% to 17.2%. As of the reporting date, current liabilities represented 16.7% of total assets, compared to 24.2% as of June 30, 2011.

In light of the special circumstances, the development of the Group's net assets, financial position and results of operations in the short fiscal year fully reflects the expectations of the Management Board for the business devel-

Consolidated Management Report

Research And Development ...

opment in this period. Due to the completion of the relocation of production, a clearly more positive business development is expected in the coming periods.

Research And Development

Development activities were also further expanded during the short fiscal year 2011. As of September 30, 2011, the MOBOTIX Group had 76 employees (by headcount) in its Development department. As in previous years, the primary development focus was on the creation of new hardware and software products as well as further optimization of the product functionality.

Expenditure for research and development totaled EUR 1.7 million (prior year: EUR 6.6 million). Most development activity is carried out in-house. Development activities are outsourced on a very small scale only in the area of tool design and PC board layout.

One focus in the last 3 months has been the development of the T24, an IP-based door station, as well as additional accessories for the new Access Control & Communication product range.

In fiscal year 2010/11 and in the short fiscal year 2011, we also laid the foundation for addi-

tional product development innovations, which are expected to be launched on the market in fiscal year 2011/12.

Employees

23 employees were hired during the past short fiscal year. Until September 30, 2011, the MOBOTIX Group had 292 employees, compared to 277 employees (excluding trainees and temporary staff, including 4 (prior year: 4) members of the Management Board; by headcount) at the beginning of the fiscal year. Fiscal year 2011/12 will see additional staff increases, particularly in marketing, sales and development.



D14D DualDome original image: Tele lens (left) and

Number Of Employees

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

... Employees

Directors' Dealings

During the period from July 1, 2011 to September 30, 2011, the following reportable purchases or sales of shares were effected by members of the Management Board or Supervisory Board.

Name	Function	Date of transaction	Type of transaction	Stock exchange	Number of shares	€ Price	€ Total volume
Prof. Dr. Gerten	Supervisory Board	July 14, 2011	Donation	Off-market	-800	0.00	0.00

Main Aspects Of The Compensation System

Information on compensation for the Management Board can be found in the remuneration report of the Corporate Governance Report, which forms an integral part of the Group Management Report.



wide angle lens (right) – at the same time in one image

Significant Events After The End Of The Short Fiscal Year

By resolution of the Annual General Meeting of October 21, 2011, the Company's share capital will be increased by EUR 8,847,628.00 from EUR 4,423,814.00 to EUR 13,271,442.00 pursuant to the provisions of the German Stock

Corporation Act concerning the capital increase from reserves (Sections 207 et seq. AktG) by conversion of an amount of EUR 8,847,628.00 from the capital reserve into share capital. Pursuant to Section 207 (2) sentence 2 AktG, the capital increase will be effected without the issue of new shares in such a way that the share capital (as explained above) will be increased, and as a result, the proportional amount of the share capital attributable to the individual share is increased to EUR 3.00.

The total share capital of the Company, which is increased in this manner, in the amount of EUR 13,271,442.00 divided into 4,423,814 bearer shares, will be redivided according to a ratio of 1:3 (stock split) and is now divided into 13,271,442 bearer shares. After the stock split, the one bearer share with a proportional

Thereof Development

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Information Pursuant To ...

amount of the Company's share capital of EUR 3.00 will be replaced by three bearer shares with a proportional amount of the share capital of EUR 1.00 attributed to each share.

The Annual General Meeting of MOBOTIX AG, Winnweiler-Langmeil, held on October 21, 2010 resolved to pay out a dividend in the amount of EUR 1.50 per share for fiscal year 2010/11. This corresponds to a dividend of EUR 6,601 thousand. The treasury shares held by the Company do not carry dividend rights. The dividend was paid out on October 24, 2011.

No additional events of any significance occurred after the end of the short fiscal year 2011.

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

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

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

- 1.** The subscribed capital of MOBOTIX AG is EUR 4,423,814 divided into 4,423,814 no-par bearer shares, each representing EUR 1.00 of share capital. Each share entitles the bearer to one vote. As far as the Management Board of the Company is aware, there are no restrictions relating to the voting rights of the shares.
- 2.** There are no restrictions on voting rights or transfer of shares.
- 3.** Dr. Ralf Hinkel, CEO of MOBOTIX AG, indirectly holds 50.14% of the subscribed capital via Dr. Ralf Hinkel Holding GmbH, Winnweiler, Germany.

... Section 315 (4) HGB

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

5. The Management Board is not aware of employees holding an investment in the Company's capital who do not directly exercise their control rights.

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

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

The resolutions of the Annual General Meeting are adopted by a simple majority of the votes

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

Pursuant to Section 15 (1) of the Articles of Incorporation, an amendment to the Articles of Incorporation requires a simple majority of the votes cast unless a larger majority is required by the law or these articles of incorporation. Where the German Stock Corporation Act requires that a majority of the share capital represented at the Annual General Meeting must be cast in order to adopt a resolution, a simple majority of the share capital represented shall suffice as long as that is legally permissible. Pursuant to Section 15 (2) of MOBOTIX AG's Articles of Incorporation, the adoption of a resolution is permissible only, if in addition to the majority requirement pursuant to Section 15 (1) of the Articles of Incorporation, capital with voting rights present in the meeting of shareholders represents at least 60% of the share capital. If a proposed resolution for amendment of the Articles of

Information Pursuant To ...

Incorporation is not voted upon due to a lack of such presence, then the obligation for presence will not apply in a second meeting of shareholders.

7.1 The Management Board is authorized, subject to the consent of the Supervisory Board, to increase the subscribed capital of the Company by way of an issue of up to 1,272,544 new no-par-value ordinary bearer shares for cash and/or non-cash contribution on one or more occasions in the period January 1, 2008 to November 30, 2011, subject to an overall total increase of EUR 1,272,544 (authorized capital). Existing shareholders must be given preemptive rights, which can be granted to the shareholders in the form of indirect preemptive rights (Section 186 (5) AktG). However, the Management Board is authorized, subject to the consent of the Supervisory Board, to disapply the preemptive rights of existing shareholders,

(I) if the capital increase is made in return for cash contributions, and the proportional amount of share capital assigned to the new shares issued under exclusion of the subscription right pursuant to Section 186 (3) Sentence 4 AktG does not exceed a total of 10% of the share capital, either at the time that this autho-

rization takes effect or at the time that it is exercised, and the issue price of the new shares is not materially lower, within the meaning of Sections 203 (1) and (2), 186 (3) Sentence 4 AktG, than the stock exchange price of the shares of the same class and features already being traded on the stock exchange at the time the issue price is finally determined. Shares to be counted against this maximum limit are those which were issued or are to be issued for the servicing of warrant-linked or convertible bonds or participation rights with conversion or option rights, so long as these bonds were issued in corresponding application of Section 186 (3) Sentence 4 AktG under exclusion of the subscription right. Furthermore, the Company's own shares to be counted against the maximum limit of 10% of the share capital are those that will be sold during the term of the subscribed capital under exclusion of the subscription right of shareholders pursuant to Sections 71 (1) No. 8 Sentence 5, 186 (3) Sentence 4 AktG;

(II) in the case of capital increases in return for contributions in kind, particularly the acquisition of companies, portions of companies, and shareholdings in companies;

... Section 315 (4) HGB

(III) in order to issue employee shares to employees and pensioners of the Company and its affiliated companies;

(IV) for fractional amounts.

The Management Board is authorized, with the consent of the Supervisory Board, to stipulate additional details for the performance of the capital increase.

7.2 (I) The Management Board is also authorized, subject to maintaining the principle of equal treatment (Section 53a AktG), to acquire treasury shares up to a total of 10% of the Company's existing capital stock in the period up to September 30, 2014. This authorization may be exercised in one transaction or in partial amounts on one or more occasions. The purchase of treasury shares may be carried out by other companies in the group or by third parties acting for the account of the Company or the group companies.

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

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

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

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

(b) subject to the consent of the Supervisory Board, to sell shares in the Company other than on a stock exchange or by means of an offer to all shareholders if these shares are sold for cash at a price that, at the time of the sale, is not significantly lower than the market price of the Company's shares of the same type and with the same rights determined in the opening

Information Pursuant To ...

auction on the trading day concerned; in this case, the number of shares to be sold must not exceed a total of 10% of the Company's registered capital stock at the time the shares are sold; this upper limit of 10% of the capital stock is subject to the deduction of the pro-rata amount of capital stock attributable to those shares in the Company that are issued during the term of this authorization as part of a capital increase with the disapplication of preemptive rights pursuant to section 186 (3) sentence 4 AktG or issued to service options or convertible bonds, or profit-sharing rights with conversion rights or options, provided that these debt instruments are issued during the term of this authorization with the disapplication of preemptive rights in application of Section 186 (3) Sentence 4 AktG *mutatis mutandis*,

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

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

(e) to recall shares in connection with a simultaneous reduction in subscribed capital without the recall or its implementation requiring the approval of a further resolution at an Annual General Meeting; the Management Board may alternatively specify that there be no reduction in capital stock, but instead that the proportion of the remaining shares to capital stock be increased pursuant to Section 8 (3) AktG. In this case, the Management Board is authorized to adjust the number of shares stated in the articles of incorporation.

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

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

... Section 315 (4) HGB

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

(V) The preemptive rights of existing shareholders to the treasury shares are disappplied insofar as these shares are used in accordance with the above mentioned authorizations in (a) to (d) of item (III) and in item (IV). In addition, subject to the consent of the Supervisory Board, the Management Board may disapply preemptive rights for fractional amounts when treasury shares are sold as part of an offer to the Company's shareholders.

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

Related Party Disclosures

The loan granted to Dr. Ralf Hinkel in the amount of EUR 230 thousand, which matured on June 29, 2011, was renewed until December 31, 2011. The loan bears interest at a rate of 3.5% per annum.

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



MOBOTIX AG new Headquarters

Internal control system ...

Opportunities And Risks Of Future Development And Outlook

Internal Control System

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



The internal control system is a significant part of the Group's risk management. In addition to defined preventative and monitoring control mechanisms such as system-

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

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

The aim of the internal control and risk management system with regard to the Group accounting process is to ensure that accounting

takes place in a uniform manner and in accordance with legal requirements, generally accepted accounting principles and International Financial Reporting Standards (IFRS), and Group guidelines, ultimately providing the recipients of the consolidated financial statements with truthful and reliable information.

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

tions. Compliance with Group accounting guidelines and the orderly and timely performance of MOBOTIX CORP's accounting-related processes and systems is ensured by the accounting department of MOBOTIX AG or directly by the CFO of MOBOTIX AG.

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

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

Current issues are taken up and investigated promptly in ad-hoc audits. If necessary,

Risk Management ...

such audits can result in immediate process changes with the aim of continuously improving process quality. Follow-up audits are then carried out, in which the implementation of the process changes is reviewed. Any discrepancies are reported immediately to the Management Board.

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

Risk Management

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

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

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

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

Material Risks

Market Risk

MOBOTIX products are in use today in a large number of professional applications due to the products compact design and high temperature resistance, such as the public security market (railway stations, airports, urban security, prisons, harbors, highways) and the mobile security market segment (police, railways, buses, goods transportation, logistics). The Management Board expects the Company to

... And Material Risks

continue growing strongly in the coming fiscal years as it **introduces new product families**. Product innovations will continue to play a central role in this growth.

External market studies confirm the expectation of high growth rates over the coming years in the area of digital IP video monitoring systems despite negative events like the financial and economic crisis. Accordingly, the **market environment** can continue to be considered very attractive.

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

software free of charge, thereby reducing the overall project cost for customers.

The Management Board deems the **procurement market risks** to be within the customary range for the industry in principle. In its view there is no material medium-term or long-term dependency on individual suppliers. The tension on the procurement market observable for the past several months is currently being exacerbated by the possibility of procurement bottlenecks related to the earthquake and the resulting nuclear disaster in Japan. A complicating factor in connection with the Japan catastrophe is the difficulty of identifying parts that could be subject to supply shortages. The Company is controlling the threat of long supply times by increasing inventory management on components and finished goods. At present, no specific impact on product availability is anticipated, although this possibility cannot be ruled out.

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

Political, Legal ...

Financial Risks

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

Over the past 12 months, the overall economy has picked up noticeably following the financial crisis. This applied to the entire German export economy and to MOBOTIX in particular. It is currently not yet possible to estimate how negatively the current debt crisis and the upheavals in the capital markets will impact earnings growth. This also applies to the question as to whether additional crisis-related setbacks may be expected in the short to medium term (for example, triggered by additional sovereign defaults), or if the global markets will experience a sustained recovery.

Political, Legal And Social Risks

Public perception of video monitoring has continued to develop in a very positive direction overall. The presence of video monitoring increases public perception of security and it is therefore finding increased public acceptance. There have been a growing number of political initiatives aimed at improving the quality of monitoring systems in public areas. A first example was the **French video law** of October 1, 2006. If standards continue to change in favor of high-resolution systems in the public security area, then MOBOTIX can also benefit from this thanks to its position as an important manufacturer of such systems.

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

... And Other Risks

Operational Performance Risks And Other Risks

In recent years, the MOBOTIX Group has seen significantly **faster growth** than the overall market with growth rates of up to 50%. The high growth momentum has resulted in an ongoing need for organizational adaptation. The Company counters the entailing fundamental risks with an ongoing adaptation of human resources, control systems and infrastructure.

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

Due to the sustained strong growth, additional construction projects are anticipated in the coming periods. Initial planning activities for further construction phases are expected to occur in the short term in fiscal year 2011/12.

Developing new market segments, for instance tapping the market for door stations, is associated with risk by nature. One

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

Other Risks ...

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

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

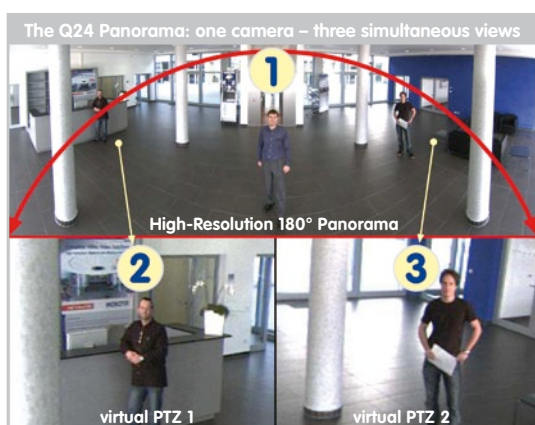
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Opportunities, Risks ...

Opportunities And Outlook

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



The Management Board assumes that **technological market drivers** such as increasing image resolution in video systems and more complex security installations will favor the

advantages of the **decentralized technology approach**. This has become particularly evident through the introduction of hemispheric technology (Q24). This would strengthen the MOBOTIX Group's competitive position and put pressure on the competition.

An accelerated macroeconomic recovery from experience, of course, can also lead to supply bottlenecks on the procurement market and cause production bottlenecks. Such risks are counteracted in particular by increased warehousing of critical components and finished products.

The Management Board is confident that through the **increased publicity** new opportunities will arise to acquire new employees, sales partners and customers.

MOBOTIX is currently represented by partners throughout the world. A key factor for unleashing future growth potential involves pursuing a **targeted expansion of the partner network**. The successful expansion of the sales network holds the key to significant growth opportunities. The outstanding global market position – particularly in the niche markets of high-resolution network cameras – provides the conditions for ongoing and thriving growth.

... And Outlook

In terms of regions, the Management Board sees **key growth areas** for the coming months in North America, South America and Asia.

The introduction of the first hemispheric camera to the market has so far been very successful. The fact that the Company's key competitors are still unable to offer any comparable products is an indication of MOBOTIX AG's **innovative strength** and will enable the Company to occupy a unique position in this product segment over the medium term. Moreover, MOBOTIX plans to use additional product innovations in the area of video surveillance systems in the coming months to reinforce its competitive position.

Considerable future potential is seen for the new Access Control & Communication product segment, particularly the T24 digital doorstation. The systems currently available on the market are based on a 4/5-wire or 2-wire cabling. Digital systems based on IP networks represent a forward-looking innovation and a market novelty. The Company is accordingly aiming to be the technology leader in the door station segment in the short term.

The entry into the new product segment Access Control & Communication and the associated lack of experience as to the speed of global market penetration and the current upheavals in the capital markets make it difficult to predict the outlook for the coming fiscal year 2011/12 as well as the following year. On the whole, the Management Board expects revenues to grow by 30% to 35% in the coming 12 months. The products from the new segment are expected to contribute EUR 8 million to EUR 10 million to total revenue. With regard to profitability an EBIT margin of 23% is considered realistic, assuming revenue grows as anticipated. Due to the high level of interest in the new product segment, the Management Board expects continuing high growth in sales and EBIT for the coming year as well.

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

Information Pursuant To ...

Corporate Governance Statement

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

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

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

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

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

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

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

a) Function of the Management Board

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

... Section 289a HGB

b) Function of the Supervisory Board

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

c) Composition and Function of Committees

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

Winnweiler-Langmeil, October 26, 2011

The Management Board



Dr. Ralf Hinkel • CEO MOBOTIX AG



Lutz Coelen • CFO MOBOTIX AG



Dr. Magnus Ekerot • CSO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG

Consolidated Financial Statements

Income Statement ...

EUR '000s	see notes	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Revenue	(1)	15,176	73,191
Increase in finished goods and work in progress	(2)	1,358	2,122
Other own work capitalized	(3)	152	1,432
Total output		16,686	76,745
Cost of materials	(4)	-5,520	-20,542
Gross profit		11,166	56,203
Staff costs	(5)	-4,264	-19,275
Depreciation and amortization	(6)	-983	-2,874
Other operating income	(7)	345	471
Other operating expenses	(8)	-3,623	-15,350
Operating profit		2,641	19,176
Other interest and similar income	(9)	13	67
Interest expense and similar charges	(9)	-120	-530
Profit before tax		2,533	18,713
Income taxes	(10)	-766	-5,515
Profit for the year		1,767	13,198
Profit attributable to shareholders of MOBOTIX AG		1,767	13,198
Earnings per share (diluted/basic) in EUR	(11)	0.40	3.00

Consolidated Statement of Comprehensive Income (Loss)	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Profit for the year	1,767	13,198
Difference resulting from currency translation	-21	-19
Accumulated other comprehensive income (after tax)	-21	-19
Total comprehensive income for the short fiscal year	1,746	13,179
Profit attributable to shareholders of MOBOTIX AG	1,746	13,179

Profit For The Year
€ 1.8m (-39.3%)

Earnings Per Share
€ 0.40

... Statement of Financial Position

EUR '000s	see notes	Sep. 30, 2011	June 30, 2011
Intangible assets	(12)	2,141	2,335
Property, plant and equipment	(12)	22,481	22,080
Prepaid expenses and deferred charges	(17)	74	79
Deferred tax assets	(10)	179	186
Non-current assets		24,876	24,679
Inventories	(13)	14,967	13,074
Trade receivables	(14)	6,136	9,750
Other assets	(15)	5,520	5,565
Cash and cash equivalents	(16)	6,994	7,409
Prepaid expenses and deferred charges	(17)	533	323
Current assets		34,151	36,121
TOTAL ASSETS		59,027	60,800
Subscribed capital		4,424	4,424
Capital reserves		9,665	9,665
Treasury shares		-778	-778
Accumulated other comprehensive income		36	57
Profit or loss carried forward		23,892	10,694
Profit for the year		1,767	13,198
Equity	(18)	39,006	37,260
Liabilities to banks	(21)	9,457	7,988
Deferred tax liabilities	(10)	722	823
Non-current liabilities		10,179	8,811
Tax provisions	(19)	2,314	5,873
Other provisions	(20)	253	238
Liabilities to banks	(21)	1,164	964
Trade payables	(22)	3,681	3,633
Other liabilities	(23)	2,429	4,019
Current liabilities		9,842	14,728
TOTAL EQUITY AND LIABILITIES		59,027	60,800

Total Assets
€ 59.0m (-2.9%)

Consolidated Financial Statements

Statement Of Cash Flows ...

EUR '000s	see notes	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Profit before tax for the year		2,533	18,713
+ Net interest income or expense	(9)	108	463
+ Depreciation and amortization of property, plant and equipment, and intangible assets	(6)	983	2,874
+ Interest received		9	67
+ Increase in other provisions	(20)	15	62
+ Loss on disposal of non-current assets		9	0
+ Other non-cash expenses		5	18
Operating profit before changes in working capital		3,661	22,197
+/- Decrease/Increase in inventories, trade receivables and other assets not attributable to investing or financing activities		1,441	-9,223
-/+ Decrease/Increase trade payables and other liabilities not attributable to investing or financing activities		-1,580	2,292
Cash flow from operating activities before tax		3,523	15,266
- Income tax paid		-4,420	-2,477
Cash flow from operating activities		-897	12,789
- Cash paid for purchases of property, plant and equipment		-1,351	-7,584
- Cash paid for purchases of intangible assets		-150	-1,367
+ Cash received from subsidies	(12)	274	930
+ Proceeds from sales of current available-for-sale financial assets		0	476
+ Cash received from disposals of property, plant and equipment		8	0
Cash flow from investing activities		-1,218	-7,545
- Dividends paid	(18)	0	-4,424
- Purchase of treasury shares		0	-778
- Cash paid for the redemption of loans		-265	-2,927
+ Cash received from borrowings		2,000	3,360
- Interest paid		-42	-366
Cash flow from financing activities		1,693	-5,134
Net change in cash and cash equivalents		-422	110
Effect of exchange rate and other changes on cash and cash equivalents		6	-13
Cash and cash equivalents at the beginning of the reporting period		7,409	7,312
Cash and cash equivalents at the end of the reporting period	(16)	6,994	7,409

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

**Operating Cashflow
Before Tax**
€ 3.5m (+39.7%)

Profit Before Tax
€ 2.5m (-37.5%)

... Changes In Equity

EUR '000s	see notes	Subscribed capital	Capital reserves	Treasury shares	Accumulated other comprehensive income	Profit or loss carried forward	Result for the year	Total
Balance as of July 1, 2010		4,424	9,665	0	76	15,117	0	29,283
Dividend payment	(18)					-4,424		-4,424
Purchase of treasury shares				-778				-778
Currency translation					-19			-19
Profit for the year							13,198	13,198
Balance as of June 30, 2011		4,424	9,665	-778	57	10,694	13,198	37,260
Balance as of July 1, 2011		4,424	9,665	-778	57	23,892	0	37,260
Currency translation					-21			-21
Profit for the year							1,767	1,767
Balance as of September 30, 2011		4,424	9,665	-778	36	23,892	1,767	39,006

Equity
€ 39.0m

Equity-To-Assets Ratio
66.1%

Notes ...

Notes To The Annual Consolidated Financial Statements For The short fiscal year Ending On September 30, 2011

1. General Information

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

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

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

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

MOBOTIX AG maintains one subsidiary in the USA and one associate in the UK.

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

In the past, the fiscal year of MOBOTIX AG encompassed the period from July 1 of one year to June 30 of the following year.

Pursuant to the resolution of the Annual General Meeting of MOBOTIX AG of October 28, 2010, the fiscal year of MOBOTIX AG was changed effective October 1, 2011, and from this date will begin on October 1 of one year and end on September 30 of the following year.

A short fiscal year (SFY) will be created for the period from July 1, 2011 to September 30, 2011. The reporting period and accordingly the short fiscal year 2011 encompasses a period of three months; whereas fiscal year 2010/11 encompasses a period of 12 months as a comparison period.

Due to the different time frames of the reporting and comparison period, the amounts shown are not completely comparable.

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

2. Basis Of Presentation

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

All individual financial statements of the companies included in the consolidated financial statements have been prepared in

accordance with applicable local law and have been adjusted to the IFRS as mandatory in the EU as well as to the accounting policies of the MOBOTIX Group. To this end, the financial statements prepared according to country-specific regulations are adjusted to the uniform accounting policies used throughout the Group if they do not comply with IFRS as mandatory in the EU. The same accounting policies as in the consolidated financial statements for the fiscal year 2010/11 were applied.

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

The Management of MOBOTIX AG authorized the consolidated financial statements for issue on October 26, 2011.

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3. Accounting Standards Applied

The following new standards, amendments of standards and interpretations to be applied for fiscal years beginning on or after January 1, 2011 were considered:

- Improvements to IFRSs 2010 (IFRS 1, IFRS 7, IAS 1, IAS 34, IFRIC 13) (mandatory for fiscal years beginning on or after January 1, 2011)
- IAS 24 (revised 2009) Related Party Disclosures (mandatory for fiscal years beginning on or after January 1, 2011)
- IFRIC 14 Amendments – Prepayments of a Minimum Funding Requirement (mandatory for fiscal years beginning on or after January 1, 2011)

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

There are presently no additional new or amended standards that were already recognized by the European Union and could be applied earlier.

4. Accounting Principles

Scope Of Consolidation

In the year 2003, the subsidiary MOBOTIX CORP, New York, USA (formerly MOBOTIX LLC, Columbia, South Carolina) was founded in order to penetrate the U.S. market. MOBOTIX CORP was fully included in the consolidated financial statements of MOBOTIX AG as of the opening balance sheet date. MOBOTIX AG Schweiz was no longer accounted for in the consolidated financial statements using the equity method after December 31, 2009. MOBOTIX Ltd., Nottingham, United Kingdom, has not been included in the consolidated financial statements as it is not material to the consolidated financial statements of MOBOTIX AG. MOBOTIX Ltd. was not operating in the year under review.

Principles Of Consolidation

The financial statements of the companies included in the consolidated financial statements of MOBOTIX AG were prepared in accordance with uniform accounting policies in accordance with IFRS as of the balance sheet date of September 30, 2011.

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

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

also eliminated as part of the consolidation process. Deferred taxes are documented for consolidation adjustments recognized in income in accordance with IAS 12.

Currency Translation

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

The translation of financial statements prepared in a foreign currency is based on the functional currency concept in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates." The relevant functional currencies of the foreign companies are identical with the respective local currency. All items on the statement of financial position, except

Company	Registered office	Shareholding		Equity as of		
		Sep. 30, 2011	June 30, 2011	Sep. 30, 2011*	June 30, 2011*	
MOBOTIX CORP	New York, USA	100.0%	100.0%	-450	-361	USD
MOBOTIX Ltd.	Nottingham, GB	100.0%	100.0%	1	1	GBP

* Equity pursuant to local law

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equity, are translated at the middle rate on the balance sheet date, while expense and income items are translated at average rates. Equity is translated at historical rates. Any resulting translation differences are recognized directly in equity. Foreign exchange differences arising in comparison to the prior year are also recognized directly in equity.

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

Accounting Policies

Revenue

Revenue is generally recognized upon the delivery of goods to the customer, or when the goods are picked up by the courier. Revenue from the delivery of goods is recognized once the significant risks and rewards of ownership of the relevant goods have been transferred to the customer. Thereof, the Company retains neither the rights of control nor effective disposition over the goods sold. The amount of proceeds can be reliably determined and an inflow of economic benefits from the purchase is sufficiently probable. Revenue from services (primarily training) is only generated at a very limited amount in the MOBOTIX Group. It is recognized when the services are rendered.

Currency translation		Average rates		Closing rates	
1 EUR =	ISO-Code	SFY 2011	2010/11	SFY 2011	2010/11
U.S. dollar	USD	1.41	1.36	1.35	1.45

Other Own Work Capitalized

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

Earnings Per Share

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

Intangible Assets

Intangible assets acquired for a consideration are capitalized in accordance with IAS 38 "Intangible Assets" if it is probable that the use of the asset results in a future economic benefit, and the cost of the asset can be reliably measured. The purchased intangible assets have without exemption a limited useful life. They are evaluated as acquisition costs and depreciated as a scheduled write-down. Financing costs that can be directly attributed

to acquisition or production of a qualifying asset are capitalized as part of the purchase or production costs. The financing costs for qualifying assets that have been capitalized before July 1, 2009 are not capitalized as part of the purchase or production costs. Intangible assets are generally amortized using the straight-line method in accordance with their useful economic lives. Received investment grants are stated as an abatement of acquisition costs so long that these subsidies can be directly allocated to line items of intangible assets.

Amortization is primarily based on the following useful lives:

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

In accordance with IAS 38 "Intangible Assets," research costs may not be capitalized. Development costs may only be capitalized if certain, clearly defined criteria are met. Accordingly,

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development costs must be capitalized when it is probable that development activities will result in a future inflow of cash, the amount of which will not only cover the costs of production but also the corresponding development costs. In addition, the development project or the product or process to be developed must fulfill all further criteria as defined in IAS 38. Since July 1, 2007, MOBOTIX AG has fulfilled these criteria for some of its development projects. Accordingly, the Company capitalizes development costs for product development in the area of camera housings, door stations, accessories, and software at cost if the relevant expenses can be clearly allocated and it is certain that the products will be technically feasible and can be successfully marketed. The capitalized development costs comprise all costs directly attributable to the development process. Capitalized development costs are amortized over the expected product life-cycle of generally three years from the production start date.

Property, Plant And Equipment

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

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

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

Depreciation is based on the following useful lives:

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

A shorter useful life applies if the asset can only be used for a shorter period of time for legal reasons.

Expenses for repairs and maintenance are recognized as an expense when incurred.

Impairment Of Property, Plant And Equipment And Intangible Assets

The carrying amounts of intangible assets that invariably have a limited useful life, and those of property, plant and equipment – are reviewed for impairment in accordance with IAS 36 “Impairment of Assets” – provided that there are indicators of impairment. Development costs capitalized are tested for impairment annually up to the start of production. An impairment loss is recognized when the recoverable amount of the asset – which is the higher of its fair value less costs to sell and its value in use – is lower than its carrying amount. If the reasons for the recognition of an earlier impairment loss no longer exist, then the impairment loss is reversed and the carrying amount increased up to amortized cost.

Government Grants

Government grants are recognized only when there is reasonable assurance that the Group complies with the conditions attached to them and the grants have been authorized. Subsidies received from the government for the purchase of tangible and intangible assets result in a reduction of cost. Grants for

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development costs are recognized as income insofar as the corresponding development projects are not capitalized.

Leases

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

Deferred Taxes

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

in the consolidated financial statements in accordance with IAS 12.74.

Inventories

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

Financial Assets And Liabilities

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

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

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

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

rate prevailing on the balance sheet date. Ratable interest income generated from cash equivalents is recognized in income.

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

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

Treasury Shares

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

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Provisions

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

Liabilities

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

Estimates

The preparation of the consolidated financial statements in accordance with IFRS requires the use of assumptions made by the management that have an influence on the measurement of assets and liabilities, the disclosure of contingent assets and liabilities as of the balance sheet date, and the reported income and expenses during the fiscal year. These estimates may differ from the actual development. The preparation of the current consolidated

financial statements was subject in particular to the estimates with regard to the capitalization of intangible assets (in particular development costs), the useful lives of intangible assets (in particular for development costs) and property, plant and equipment, as well as the measurement of other provisions and the realizability of existing tax loss carryforwards. Further estimates were made for the calculation of valuation allowances on trade receivables as well as for the measurement of inventories. Actual values may vary in specific cases from the assumptions and estimates made. Changes in assumptions or estimates are recognized in profit or loss once new information becomes available.

Statement Of Cash Flow

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

5. Notes To The Income Statement

(1) Revenue

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

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

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

(3) Other Own Work Capitalized

Other own work capitalized reported in the short fiscal year 2011 comprises in particular development costs capitalized in the amount of EUR 141 thousand (prior year: EUR 1,257 thousand). This item also includes internally generated testing equipment and product racks.

(4) Cost Of Materials

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Cost of raw materials, supply and merchandise	5,475	20,387
Cost of purchased services	45	155
Total	5,520	20,542

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

(5) Staff Costs

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Wages and salaries	3,505	16,023
Other	189	980
Wages and salaries	3,694	17,003
Social security contributions	524	2,059
Pension expenses	13	35
Other	33	178
Social benefits and pension expenses	570	2,272
Total	4,264	19,275

In the short fiscal year 2011, the employer's contributions to social security included expenses for a defined contribution plan (Deutsche Rentenversicherung) in the amount of EUR 250 thousand (prior year: EUR 988 thousand), of which EUR 2 thousand (prior year EUR 7 thousand) referred to related parties.

Cost Of Materials
€ 5.5m (+15.0%)

Staff Costs
€ 4.3m (+9.8%)

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In short fiscal year 2011, the Company employed 271 persons (2010/11: 247) on average (excluding Management Board members, trainees and temporary staff).

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

Group of employees	SFY 2011	2010/11
Full-time employees	257	234
Part-time employees	14	13

(6) Depreciation, Amortization And Impairment

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Amortization of intangible assets	235	758
Depreciation of property, plant and equipment	748	2,116
Total	983	2,874

Amortization of capitalized development costs amounted to EUR 213 thousand (prior-year: EUR 655 thousand) in the short fiscal year 2011. We refer to Note (12) for an overview of amortization, depreciation and impairment.

(7) Other Operating Income

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Income from employees	55	160
Income from exchange differences	262	117
Income from claims for damages	0	96
Other	28	98
Total	345	471

Income from employees results from amounts reimbursed by employees for their private use of Company cars.

Number Of Employees

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

(8) Other Operating Expenses

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Advertising and marketing expenses	1,278	5,501
Shipping costs	471	2,212
Travel & entertainment expenses	444	1,608
Other administrative costs	321	1,464
Occupancy, operating and office equipment	302	1,165
Expenses for temporary staff	232	759
Vehicle expenses	166	644
Legal & consulting fees, expenses for trade mark rights as well as being public costs	113	556
Expenses from exchange differences	48	500
Other	248	942
Total	3,623	15,350

(9) Net Interest Income Or Expense

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

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Interest on borrowings	-118	-519
Other	-2	-11
Interest expenses	-120	-530
Interest income from banks	11	53
Other interest income	1	14
Interest income	12	67
Total	-108	-463

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

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(10) Income Taxes

The income taxes on revenue and earnings in Germany and the USA are stated as current, deferred or paid. MOBOTIX AG is liable for an average municipal trade tax of 12.4% on its income from the business. The corporate tax rate comes to 15% plus a solidarity surcharge of 5.5% on the corporate tax. The Group's tax rate increased from 29.5% to 30.2%. As of September 30, 2011, the tax loss carryforward in the U.S. came to EUR 666 thousand (prior year: EUR 552 thousand).

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

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Profit before tax	2,533	18,713
Income taxes derived from profit before tax	716	5,291
Loss carryforwards not capitalized	21	165
Other non deductible expenses	17	38
Taxes from previous years	13	-13
Adjustments from tax rate changes	0	-6
Other	-1	40
Reported income taxes	766	5,515

Income taxes can be broken down as follows:

EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Current taxes	848	5,359
Deferred taxes	-95	169
Taxes from previous years	13	-13
Total	766	5,515

In accordance with IAS 12 "Income Taxes," deferred taxes were recognized on temporary differences between the IFRS statement of financial position and the tax base. The amount reported on deferred tax assets and liabilities according to items of the statement of financial position as of September 30, 2011 are as follows:

EUR '000s	Deferred tax assets		Deferred tax liabilities	
	Sep. 30, 2011	June 30, 2011	Sep. 30, 2011	June 30, 2011
Development costs	0	0	618	637
Property, plant and equipment	9	9	26	27
Inventories	179	186	65	126
Trade receivables	0	0	13	23
Liabilities to banks	65	59	71	75
Provisions	0	0	3	3
Total deferred taxes on temporary differences	253	254	796	891
Offset	-74	-68	-74	-68
Amount reported on the the statement of financial position	179	186	722	823

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(11) Earnings Per Share

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

EUR '000s	2010/11	2009/10
Profit attributable to shareholders of MOBOTIX AG (in EUR '000s)	1,767	13,198
Number of shares outstanding as of July 1 (in thousand)	4,400	4,424
Number of shares outstanding as of September 30 (prior year: June) (in thousand)	4,400	4,400
Weighted average of shares (in thousand)	4,400	4,405
Basic / diluted earnings per share (in EUR)	0.40	3.00

Dilutive effects on earnings at MOBOTIX AG do not exist.

As of September 30, 2011, MOBOTIX AG had acquired 23,349 treasury shares as part of the share buyback program that began in July 2010. During short fiscal year, no treasury shares were acquired.

Earning Per Share
€ 0.40

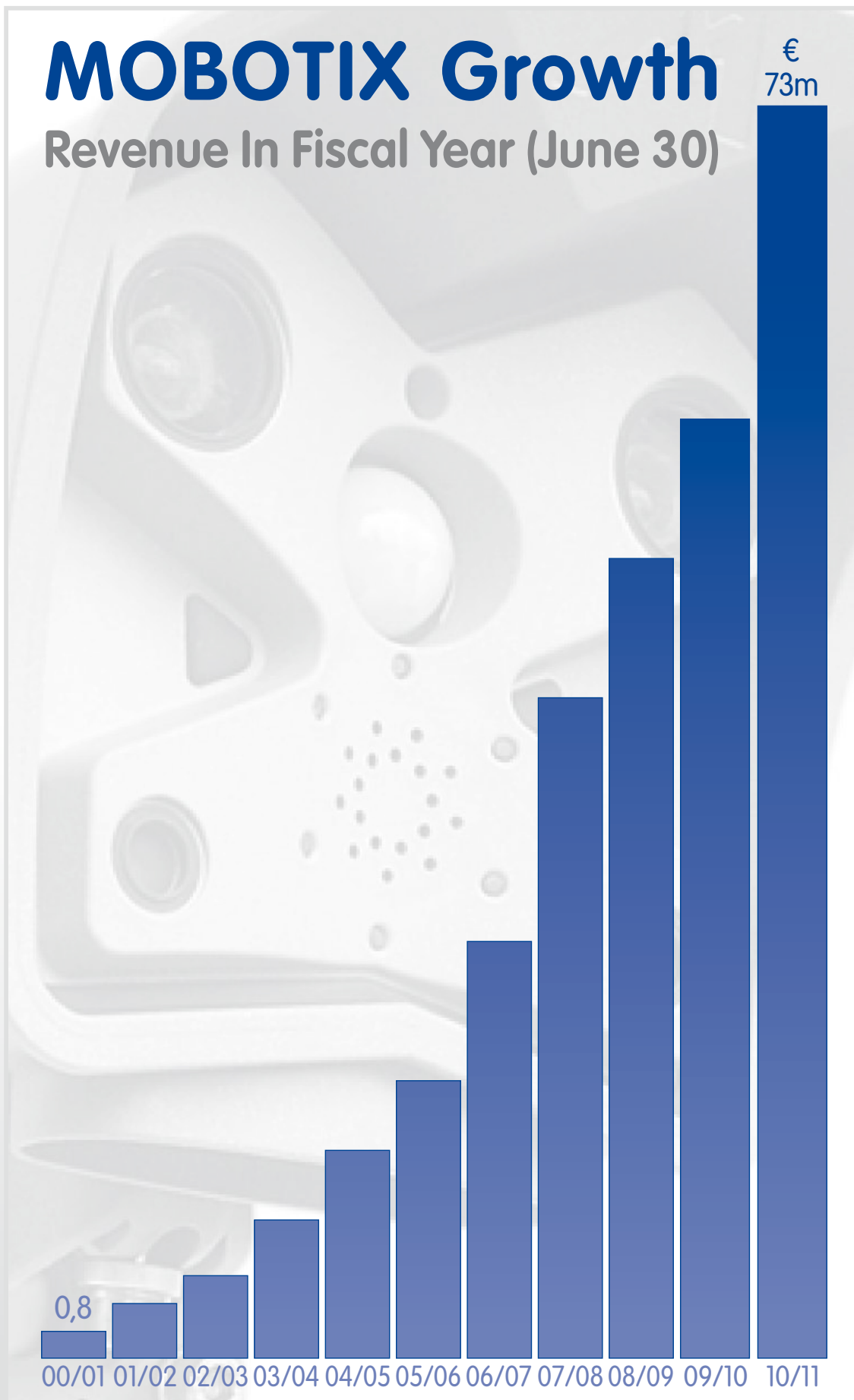
MOBOTIX Growth

Revenue In Fiscal Year (June 30)

€
73m

0,8

00/01 01/02 02/03 03/04 04/05 05/06 06/07 07/08 08/09 09/10 10/11



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6. Notes To The Statement Of Financial Position

(12) Intangible Assets And Property, Plant And Equipment

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

EUR '000s	Balance as of July 1, 2011	Additions	Disposals	Reclassifi- cations	Exchange differences	Balance as of Sep. 30, 2011
Acquisition and production costs						
Intangible assets						
Development costs	3,308	34	0	0	0	3,342
Software and industrial property rights	944	7	0	0	0	951
Total intangible assets	4,252	42	0	0	0	4,294
Land and buildings including buildings on thirdparty land	13,013	642	13	3,551	0	17,193
Machinery	7,328	83	0	330	0	7,741
Other plant and equipment	4,691	358	4	596	10	5,650
Advance payments and construction in progress	5,213	78	0	-4,477	0	814
Total property, plant and equipment	30,243	1,161	17	0	10	31,398
Accumulated depreciation, amortization and impairment						
Development costs	1,092	213	0	0	0	1,305
Software and industrial property rights	825	22	0	0	0	847
Total intangible assets	1,918	235	0	0	0	2,152
Land and buildings including buildings on thirdparty land	1,286	129	0	0	0	1,415
Machinery	4,322	282	0	0	0	4,604
Other plant and equipment	2,452	337	0	0	5	2,794
Advance payments and construction in progress	104	0	0	0	0	104
Total property, plant and equipment	8,162	748	0	0	5	8,917
Net carrying amounts						
Development costs	2,216					2,037
Software and industrial property rights	119					104
Total intangible assets	2,335					2,141
Land and buildings including buildings on thirdparty land	11,727					15,778
Machinery	3,004					3,137
Other plant and equipment	2,241					2,856
Advance payments and construction in progress	5,108					710
Total property, plant and equipment	22,080					22,481

EUR '000s	Balance as of July 1, 2010	Additions	Disposals	Reclassifi- cations	Exchange differences	Balance as of Sep. 30, 2011
Acquisition and production costs						
Intangible assets						
Development costs	2,051	1,257	0	0	0	3,308
Software and industrial property rights	835	110	0	0	-1	944
Total intangible assets	2,885	1,367	0	0	-1	4,252
Land and buildings including buildings on thirdparty land	12,962	35	0	16	0	13,013
Machinery	5,490	865	0	971	0	7,328
Other plant and equipment	4,044	627	0	36	-16	4,691
Advance payments and construction in progress	1,213	5,023	0	-1,023	0	5,213
Total property, plant and equipment	23,709	6,550	0	0	-16	30,243
Accumulated depreciation, amortization and impairment						
Development costs	437	655	0	0	0	1,092
Software and industrial property rights	721	104	0	0	0	825
Total intangible assets	1,159	759	0	0	0	1,918
Land and buildings including buildings on thirdparty land	848	438	0	0	0	1,286
Machinery	3,405	917	0	0	0	4,322
Other plant and equipment	1,702	761	0	0	-11	2,452
Advance payments and construction in progress	104	0	0	0	0	104
Total property, plant and equipment	6,059	2,116	0	0	-11	8,162
Net carrying amounts						
Development costs	1,614					2,216
Software and industrial property rights	112					119
Total intangible assets	1,727					2,335
Land and buildings including buildings on thirdparty land	12,113					11,727
Machinery	2,088					3,004
Other plant and equipment	2,342					2,241
Advance payments and construction in progress	1,109					5,108
Total property, plant and equipment	17,650					22,080

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Intangible Assets

In the short fiscal year 2011, expenses for research and development amounted to EUR 1,674 thousand (prior year: EUR 6,635 thousand), of which development costs in the amount of EUR 141 thousand (prior year: EUR 1,257 thousand) were capitalized for camera housings, electronics and software projects. Subsidies resulting from the newly assumed innovation loan in the amount of EUR 108 thousand were deducted from the capitalized development costs. The capitalized development costs comprise all costs directly attributable to the development process. In the short fiscal year 2011, amortization expenses amounted to EUR 213 thousand (prior year: EUR 655 thousand). Development projects are amortized on a straight-line basis over a period of three years.

Property, Plant And Equipment

The item "Land and buildings including buildings on third-party land" relates primarily to the production and administrative buildings at the Company's location in Winnweiler-Langmeil. The new production hall (Construction Phase II) was occupied in July 2011. Due to the short construction time, it is not a "qualified" asset as defined in IAS 23, and borrowing costs were therefore not capitalized.

The German Federal Ministry of Economics, Transport, Agriculture and Viniculture Rhineland-Palatinate approved an investment grant of EUR 1,067 thousand for MOBOTIX AG pursuant to a grant notice dated August 31, 2010.

As of September 30, 2011, a grant entitlement of EUR 102 thousand was capitalized for the new construction of the production hall. A total of EUR 959 thousand of the grant has already been paid out for the new production hall. The grant was deducted from non-current assets pursuant to IAS 20.27. Non-current assets declined by EUR 189 thousand in the short fiscal year.

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

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

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

(13) Inventories

Inventories are composed of the following:

EUR '000s	Sep. 30, 2011	June 30, 2011
Raw materials and supplies	7,872	7,337
Work in progress	3,847	3,111
Finished goods	3,248	2,626
Total	14,967	13,074

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

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

Finished goods mainly relate to finished cameras and accessories.

In the short fiscal year 2011, the Company recognized write-downs to the lower net realizable value. The carrying amount of inventories shown at net realizable value amounted to EUR 0 thousand (prior year: EUR 0 thousand). Write-downs to net realizable value amounted

to EUR 1,015 thousand (prior year: EUR 1,020 thousand), of which EUR 556 thousand (prior year: EUR 607 thousand) related to raw materials and supplies, EUR 207 thousand (prior year: EUR 143 thousand) to work in progress, and EUR 252 thousand (prior year: EUR 271 thousand) to finished goods.

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(14) Trade Receivables

The inherent default risk associated with trade receivables is monitored and limited by the Management Board based on clearly defined requirements. Impairment losses that are based on the individual default risk existed in the amount of EUR 175 thousand (June 30, 2011: EUR 187 thousand).

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

EUR '000s	Sep. 30, 2011	June 30, 2011
Trade receivables, gross	6,311	9,937
Specific valuation allowances	-175	-187
Total	6,136	9,750

The balance of the specific valuation allowances changed as follows in the short fiscal year 2011 and in fiscal year 2010/11:

EUR '000s	Specific valuation allowances
Balance as of July 1, 2010	260
Exchange differences	-6
Reversals	-22
Utilization	-94
Additions	48
Balance as of June 30, 2011 / July 1, 2011	187
Exchange differences	3
Reversals	-14
Balance as of Sep. 30, 2011	175

As of September 30, 2011 and June 30, 2011, the maturity structure of trade receivables and receivables from associates was as follows (all amounts in EUR thousand):

**Trade receivables /
receivables from associates**

EUR '000s	Sep. 30, 2011	June 30, 2011
Carrying amount	6,136	9,750
neither impaired nor past due	4,846	8,587
not impaired, past due in the following time bands		
< 31 days	854	1,012
31-90 days	422	130
91-180 days	0	3
> 181 days	0	4
Receivables subject to impairment (gross)	189	201

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

(15) Other Assets

Other assets are composed of the following:

EUR '000s	Sep. 30, 2011	June 30, 2011
Gold reserve	3,602	3,602
Receivables from pre-tax	638	966
Prepayments made	447	157
Loans granted	230	230
Claims for damages	155	155
Receivables from employees	110	39
Investment grants	102	184
Rent deposits	102	98
Other items	134	135
Total	5,520	5,565

As in previous years, all other assets had terms of less than one year. With the exception of the gold reserve the market value of the other assets largely corresponds to their carrying amount. The gold reserves market value as of the balance sheet date amounts to EUR 5,267 thousand (prior year: EUR 4,494 thousand).

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(16) Cash And Cash Equivalents

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

EUR '000s	Sep. 30, 2011	June 30, 2011
Cash on hand/checks	50	47
Bank balances	6,944	6,362
Term deposits	0	1,000
Total	6,994	7,409

(17) Prepaid expenses and deferred charges

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

EUR '000s	Sep. 30, 2011	June 30, 2011
Trade fair costs	204	87
Vacation pay	108	0
Prepaid rent for production building Kaiserslautern	92	97
Other	203	218
Total	607	402

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

(18) Equity

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

As of the balance sheet date, the Company had 4,423,814 common shares (June 30, 2011: 4,423,814). The no-par value shares have a proportional interest in the share capital of EUR 1.00 per share. The share capital is fully paid in.

The Management Board is authorized, subject to the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions between January 1, 2008 and November 30, 2011 by up to a total of EUR 1,273 thousand by issuing up to 1,272,544 new no-par value bearer shares against cash contributions or contributions in kind (authorized capital).

By resolution of the Annual General Meeting held on September 30, 2009, the Management Board is authorized to acquire treasury shares of the Company until September 30, 2014. The shares to be acquired based on this authorization combined with other shares of the Company, which the Company has already acquired or still possesses, may not exceed more than 10% of the Company's share capital

at the time of the resolution or its exercise accordingly 442,381 shares.

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

This simplification – likewise under exclusion of the tender rights to the shareholders – also allows the possibility to accept small numbers of tendered shares up to 100 per shareholder on a preferential basis.

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

On July 15, 2010, the Management Board of MOBOTIX AG resolved to make use of the authorization granted by the Annual General Meeting of September 30, 2009 to purchase up to 15,000 treasury shares pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act. The share buyback program began on July 19, 2010. The Management Board of MOBOTIX AG further resolved on October 5, 2010 to modify the terms of the current share buyback program to enable the purchase of up to 50,000 shares.

As of September 30, 2011, the Company had purchased 23,349 shares. The treasury shares reduced equity in the amount of their cost.

The number of shares outstanding changed as follows in the short fiscal year 2011 and in fiscal year 2010/11:

Number of shares	Number of shares outstanding
Balance as of July 1, 2011	4,424
Treasury shares purchased	-23
Balance as of June 30, 2011/ July 1, 2011	4,400
Treasury shares purchased	0
Balance as of Sep. 30, 2011	4,400

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

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

The profit or loss carried forward comprises the accrued, retained profits.

Capital Management

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

MOBOTIX AG is not subject to statutory capital requirements.

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

As part of internal risk management, the equity-to-assets ratio, the interest coverage ratio, the dynamic debt/equity gearing ratio and business liquidity are monitored monthly. Additional indicators are calculated quarterly. If specific targets are not met, appropriate countermeasures are taken early. During short fiscal year 2011, the figures were consistently met; as of September 30, 2011, the equity-to-assets ratio was 66.1% (previous year: 61.3%).

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

(19) Tax Provisions

The tax provisions of EUR 2,314 thousand (June 30, 2011: EUR 5,873 thousand) include provisions for municipal trade tax, corporation tax, and the solidarity surcharge for 2010 and 2011.

(20) Other Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized for legal and constructive obligations as a result of past events when the outflow of resources required to settle the obligation is probable and can be reliably estimated.

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

EUR '000s	Balance as of July 1, 2011	Utilization	Additions	Balance as of Sep. 30, 2011
Warranties	179	67	72	184
Other	59	0	10	69
Other provisions	238	67	82	253

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(21) Financial Liabilities

The liabilities to banks have the following terms to maturity:

EUR '000s	Balance as of Sep. 30, 2011	Up to 1 year	1 to 5 years	More than 5 years
Loan from Deutsche Bank	5,843	800	3,200	1,843
Loan from Commerzbank	4,067	320	1,280	2,467
Loan from Sparkasse Donnersberg	711	44	178	489
Total	10,621	1,164	4,658	4,799

EUR '000s	Balance as of June 30, 2011	Up to 1 year	1 to 5 years	More than 5 years
Loan from Deutsche Bank	4,098	600	2,400	1,098
Loan from Commerzbank	4,120	320	1,280	2,520
Loan from Sparkasse Donnersberg	734	44	178	512
Total	8,952	964	3,858	4,130

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

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

The innovation loans from KfW Bankengruppe (KfW) originally totaling EUR 3,000 thousand and broken down into a debt capital tranche

of EUR 1,200 thousand and an equity tranche of EUR 1,800 thousand, which were issued by Commerzbank, have terms of 10 years each and are intended to be used to finance development costs. The loans are subsidized and bear effective interest rates of 2.35% and 3.25% respectively. The loans were discounted using a reference interest rate of 3.6% and 5.6% respectively for the purpose of calculating fair value. Of the subsidized amount of EUR 430 thousand included in the loans, EUR 56 thousand was offset against capitalized development costs and EUR 374 thousand was recognized in profit and loss in fiscal year 2008/09.

Notes ...

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

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

against development costs capitalized in the short fiscal year.

Except for a loan from Commerzbank (subordinated tranche), the bank loans are secured by way of registered land charges amounting to EUR 10,000 thousand on the production and administrative building in Winnweiler-Langmeil, Germany. The carrying amount of the collateral property amounted to EUR 16,105 thousand as of the balance sheet date.

The fair value of liabilities to banks essentially corresponds to the carrying amount. Fair value was determined using the current capital market interest rate while considering the time-to-maturity structure and the relevant credit margin (step 2 of the fair value hierarchy according to IFRS 7).

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

	Carrying amount Sep. 30, 2011	Cashflows							
		2012		2013-2015		2016-2020		2021 ff.	
EUR '000s		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Non-current liabilities to banks	9,457	299	0	794	3,493	528	6,297	68	513
Current liabilities to banks	1,164	34	1,164						
Trade payables	3,681		3,681						
Other non-interest-bearing liabilities	2,131		2,131						

	Carrying amount June 30, 2011	Cashflows									
		Short fiscal year (3 months)		2012		2013-2015		2016-2020		2021 ff.	
EUR '000s		Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
Non-current liabilities to banks	7,988	67	0	257	265	663	2,893	425	5,297	65	313
Current liabilities to banks	964	7	265	21	699						
Trade payables	3,633		3,633								
Other non-interest-bearing liabilities	3,569		3,569								

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

	Measurement category in accordance with IAS 39	Carrying amount as of Sep. 30, 2011	Class in accordance with IFRS 7
Asset			
Cash and cash equivalents	n.a.	6,994	Cash
Trade receivables	LaR	6,136	Trade receivables
Other financial assets			
Loans to shareholders	LaR	230	Other financial assets and liabilities
Miscellaneous financial assets	LaR	1,050	Other financial assets and liabilities
Liabilities			
Non-current liabilities to banks	FLAC	9,457	Liabilities to banks
Current liabilities to banks	FLAC	1,164	Liabilities to banks
Trade payables	FLAC	3,681	Trade payables
Other financial liabilities			
Liabilities from wages and salaries	FLAC	1,707	Other financial assets and liabilities
Miscellaneous other financial liabilities	FLAC	425	Other financial assets and liabilities

LaR: loans and receivables

FLAC: financial liabilities measured at amortized cost

		Measurement category in accordance with IAS 39	Carrying amount as of June 30, 2011	Class in accordance with IFRS 7
Asset				
Cash and cash equivalents	n.a.		7,409	Cash
Trade receivables	LaR		9,750	Trade receivables
Other financial assets				
Loans to shareholders	LaR		230	Other financial assets and liabilities
Miscellaneous financial assets	LaR		767	Other financial assets and liabilities
Liabilities				
Non-current liabilities to banks	FLAC		7,988	Liabilities to banks
Current liabilities to banks	FLAC		964	Liabilities to banks
Trade payables	FLAC		3,633	Trade payables
Other financial liabilities				
Liabilities from wages and salaries	FLAC		2,585	Other financial assets and liabilities
Miscellaneous other financial liabilities	FLAC		984	Other financial assets and liabilities

LaR: loans and receivables

FLAC: financial liabilities measured at amortized cost

The carrying amounts of cash, trade receivables, trade payables as well as other financial assets and liabilities mainly correspond to their fair value. The maximum exposure to credit risk corresponds to the carrying amounts. The products are sold under reservation of title. In case of non-payment, the Company has an

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

The measurement of trade receivables led to a net profit of EUR 14 thousand (prior year: net loss of EUR 27 thousand) in the "loans and receivables" category.

Notes ...

Management Of Financial Risks

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

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

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

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

The interest rate risk to which MOBOTIX AG is exposed is currently insignificant. Existing third-party financing was acquired at fixed interest rates. The weighted average nominal interest rate of the loans is 3.1% (June 30, 2011: 3.1%).

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

(22) Trade Payables

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

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

(23) Other Liabilities

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

EUR '000s	Sep. 30, 2011	June 30, 2011
Liabilities from wages and salaries	632	860
Bonuses and commissions	1,075	1,725
Liabilities from wage and church tax	212	356
Debtors with credit balances	158	119
Remuneration of the Supervisory Board	85	70
Liabilities for social security	33	26
Customer bonuses	44	643
Other	190	220
Total	2,428	4,019

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7. Other Disclosures

Contingencies

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

Other Financial Obligations

In addition to the financial obligations relating to ordinary activities, the MOBOTIX Group had other financial obligations in the amount of EUR 3,240 thousand (prior year: EUR 3,121 thousand). Of these other financial obligations, EUR 940 thousand (prior year: EUR 980 thousand) relate to obligations arising from the general contract and from contracts to other service providers for the construction of the new production hall and warehouse at the Winnweiler-Langmeil location and EUR 2,300 thousand (prior year: EUR 2,141 thousand) relate to obligations from rental and lease obligations.

The rental and lease agreements have terms of up to eight years and are partly subject to renewal options. The main portion (EUR 1,485 thousand; prior year: EUR 1,481 thousand) of the other financial obligations results from the lease in relation to the production building at Luxemburger Strasse 6 in Kaiserslautern and the rental agreement for the New York office. The minimum term of the lease agreement expires on May 1, 2016 and the rental agree-

ment for the New York office expires on January 31, 2018. The vehicle leases include mileage-based contingent rents.

Within the framework of the rental and lease agreements, payments in the amount of EUR 267 thousand (2010/11: EUR 991 thousand) were recognized as an expense in this short fiscal year under review. Contingent rents did not have to be paid in the short fiscal year under review. The leasing payments shown for vehicles also comprise payments for components of the agreement that are not part of the leasing relationship.

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

EUR '000s	Sep. 30, 2011	June 30, 2011
Maturity		
up to 1 year	681	648
from 1 year to 5 years	1,398	1,255
more than 5 years	221	238
Total	2,300	2,141

Contingencies

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

Auditor's Fees

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

Fees	2011 EUR '000s	2010/11 EUR '000s
Audit of financial statement		
From provisions	30	52
Other audit services		
Invoiced	0	26
Total	30	78

Related Party Disclosures

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

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

The loan to Dr. Ralf Hinkel in the amount of EUR 230 thousand, which matured on June 29, 2011, was extended until December 31, 2011. Although the loan is due at maturity, it can be redeemed at any time in any amount. The loan bears an interest rate of 3.5% per annum.

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

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

Shareholdings Of Members Of Executive Bodies

	Number of shares Sep. 30, 2011	Share in subscribed capital in %
Management Board		
Dr. Ralf Hinkel (CEO)*	2,218,134	50.14
Lutz Coelen (CFO)	16,200	0.37
Dr. Oliver Gabel (CTO)	210	0.005
Supervisory Board		
Dr. Thomas Hoch (Chairman)	1,000	0.02
Prof. Dr. Rainer Gerten	20,000	0.45

*The shares are held indirectly via the Dr. Ralf Hinkel Holding GmbH, Winnweiler-Langmeil.

Ulrich Putsch is a family member related to the shareholder Andreas Putsch, who holds 9.91% of the share capital of MOBOTIX AG.

Remuneration Of The Members Of The Supervisory Board

Each member of the Supervisory Board receives fixed annual remuneration of EUR 10 thousand for his or her work. The Chairman of the Supervisory Board receives twice this amount. Additionally, each member of the Supervisory Board receives for his work a variable remuneration amounting to EUR 25.00 per EUR 0.01 of the profit for the year as shown in the consolidated financial statements, divided by the number of shares outstanding, based on a share capital of EUR 4,423,814.00 divided into 4,423,814 no-par bearer shares, each representing EUR 1.00 of share capital. The Chairman of the Supervisory Board receives twice the amount of the variable remuneration. The Supervisory Board will receive fixed remuneration of EUR 10 thousand (prior year: EUR 40 thousand) and variable remuneration of EUR 4 thousand (prior year: EUR 29 thousand) for the short fiscal year 2011.

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

Remuneration Of The Members Of The Management Board

The remuneration of the members of the Management Board amounted to EUR 413 thousand (2010/11: EUR 1,723 thousand). and consists entirely of short-term benefits to members of the Management Board.

Pursuant to the shareholders' resolution of October 6, 2008, no individualized disclosure of the remuneration and other promised or received benefits of the members of the Management Board will be made in the annual financial statements and the consolidated financial statements for fiscal years 2008/09 through 2012/13 but no longer than until October 6, 2013.

The bonus for one fiscal year will be paid only in the following fiscal year upon the approval of the financial statements for the past fiscal year. The bonus for the short fiscal year 2011 is expected to amount to EUR 197 thousand. Bonuses paid for the previous year amounted to EUR 964 thousand.

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

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

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

Corporate Governance Code

The Declaration of Compliance as required by section 161 of the Stock Corporation Act was issued by the Management Board and the Supervisory Board for most recently on October 13, 2011 for the previous 12-month period. A summary of the Company's corporate governance practices can be found in the annual report and on the website (www.mobotix.com). The Declaration of Compliance has been made permanently available on the Company's website (in German only).

Notes To The Statement Of Cash Flows

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

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

Segment Information For The Period From July 1, 2011 To September 30, 2011

Revenue by product line is broken down as follows:

Revenue in EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Fixed Cams	7,064	32,742
Dome Cams	7,331	36,894
Other	780	3,555
Total	15,176	73,191

Revenue by region is broken down as follows:

Revenue in EUR '000s	July 1, 2011- Sep. 30, 2011	July 1, 2010- June 30, 2011
Germany	4,840	17,208
Rest of Europe	5,315	29,859
Other	5,020	26,124
Total	15,176	73,191

No definable business segments exist within MOBOTIX AG, the operating results of which are regularly reviewed by the Management Board with regard to decisions concerning the allocation of resources to those business segments or the measurement of their profitability. Due to internal structures and its size, resource allocation management within the MOBOTIX Group takes place based on sales revenues, primarily according to regions, but also according to product lines. Profit-

ability ratios or earnings statements are only prepared on the level of the entire company. Thus, no separate financial information is calculated for definable business segments. In this respect, no reportable segments exist in terms of IFRS 8.

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

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

Fixed Cams

The fixed cams category includes the M12, M24 and V12 models.

The M12 is usually equipped with two image sensors and a passive infrared sensor. This camera series also comes with a microphone and a speaker for audio communication. If there is no DSL connection, the M12 can be easily connected to the Internet via its integrated ISDN connection that can be used to transmit data over the Internet and to forward voice messages and alarm alerts to telephones, for example. IP telephony based on the VoIP SIP standard is also available directly from the camera. Various camera modules can be used so that a Wide-Angle lens can be combined with a Telephoto lens. The M12 Day/Night model is equipped with a light-sensitive black-and-white sensor for use at night and a color sensor that provides sharp color images in daylight. Switching between lenses is purely electronic without mechanical parts.

The M24 is the mono version of the M12, which features all the functionality of the M12,

except for the passive infrared sensor and ISDN connection. Audio communication is available via the integrated microphone and speaker. All telephony functionality is based on the VoIP SIP standard.



MOBOTIX DualNight M12

The V12 vandalism-protected camera has been specially designed for use in locations with a high risk of vandalism, such as prisons. It is encased in a housing made from 3mm-thick stainless steel. It is also protected by a 6mm-thick cover and is triangular in shape so that it can be mounted in the corner of a room and fixed in place using heavy-duty dowels. To illuminate the room when it is dark the V12 is equipped with integrated, remote-controlled IR lighting with 20 infrared LEDs.

Dome Cams

The dome cams category includes the D14, D24, Q24 and T24 models.

The D14 is a dome camera that features two manually adjustable modules. Unlike the M12, the D14 camera modules can be individually positioned in any direction when mounted. This makes it possible, for example, to position a Wide-Angle lens in one direction and a Telephoto lens in another direction. Each Super-Wide-Angle lens covers a 90° horizontal viewing angle. When both are used in each camera module, the camera can monitor an area with a 180° Panorama view. The integrated software in the camera enables the two generated images to be shown either separately, or combined in a single image.

MOBOTIX DualDome D14D



The D24 is a dome camera that features a manually adjustable module and offers all the software functionality of the other camera series. Although it is not equipped with an infrared sensor, microphone or speaker, these can be externally retrofitted. In locations with a high risk of vandalism, the robust D24 models can be given extra protection in the form of the optional Vandalism Set, which includes a 3mm-thick polycarbonate dome and an additional stainless steel cover.



MOBOTIX Hemispheric Q24M

The Q24 model is an ultra-compact IP-Dome camera that features a 360° Allround view. The camera line allows a hemispherical allround view for complete room coverage, digital, continuous zooming and panning as well as event-driven, complete-room recording directly in the camera. In addition, the camera features all the software functionality of the other camera series. The speaker and microphone

Notes ...

are integrated into the camera. The range of accessories includes, for example, a vandalism housing and an in-ceiling set.

T24 is an IP video door station based on the international video telephony standard VoIP/SIP and H.264. The camera is based on the same technology platform as the Q24 product line. It is planned to deliver the camera module with additional components such as keypads and infomodules in the future. In addition to the hemispheric allround view of the entire door-step area, the T24 enables global video and voice access to the door station. The individual management of access authorization uses PIN code or RFID transponder with the ability to leave and retrieve voice messages, as well as recording either permanently or event-driven (including sound) on built-in memory.

Miscellaneous

MOBOTIX offers the appropriate accessories for all camera series to enable the cameras to be properly mounted and to protect their cables and leads. Various installation kits for mounting cameras on surfaces and walls or integrating them into suspended ceilings are supplied for each model. Housing technology accessories, and accessories for building alarm and security solutions are also offered. MOBOTIX AG also generates a small amount of revenue from training seminars.

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

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

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



Notes ...

Executive Bodies

Management Board Of MOBOTIX AG

Dr. Ralf Hinkel, Graduate in Computer Sciences, Höringen (CEO)

Lutz Coelen, Graduate in Business Administration, Herrsching am Ammersee (CFO)

Dr. Magnus Ekerot, Master of Science Inter. Econ., Heidelberg (CSO)

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

Members Of The Supervisory Board Of MOBOTIX AG

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

Ulrich Putsch, Graduate Engineer, Independent Gentleman, Rockenhausen

Prof. Dr. Rainer Gerten, Graduate in Computer Sciences, Professor, Neuhofen

In the short fiscal year 2011, the members of the Supervisory Board were additionally represented in the following supervisory boards and advisory boards:

Dr. Thomas Hoch

Sysgo AG, Mainz (Member of the Supervisory Board)

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

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

Toplink GmbH, Darmstadt
(Chairman of the Advisory Council)

Ulrich Putsch

BRAIN Biotechnology Research and Information Network AG, Zwingenberg
(Chairman of the Supervisory Board)

Igr AG, Rockenhausen
(Chairman of the Supervisory Board)

... And Responsibility Statement

Significant Events After The Balance Sheet

Date

By resolution of the Annual General Meeting of October 21, 2011, the Company's share capital will be increased by EUR 8,847,628.00 from EUR 4,423,814.00 to EUR 13,271,442.00 pursuant to the provisions of the German Stock Corporation Act concerning the capital increase from reserves (Sections 207 et seq. AktG) by conversion of an amount of EUR 8,847,628.00 from the capital reserve into share capital. Pursuant to Section 207 (2) sentence 2 AktG, the capital increase will be effected without the issue of new shares in such a way that the share capital (as explained above) will be increased, and as a result, the proportional amount of the share capital attributable to the individual share is increased to EUR 3.00.

The total share capital of the Company, which is increased in this manner, in the amount of EUR 13,271,442.00 divided into 4,423,814 bearer shares, will be redivided according to a ratio of 1:3 (stock split) and is now divided into 13,271,442 bearer shares. After the stock split, the one bearer share with a proportional amount of the Company's share capital of EUR 3.00 will be replaced by three bearer shares with a proportional amount of the share capital of EUR 1.00 attributed to each share.

The Annual General Meeting of MOBOTIX AG, Winnweiler-Langmeil, held on October 21, 2011 resolved to pay out a dividend in the amount of EUR 1.50 per share for fiscal year 2010/11. This corresponds to a dividend of EUR 6,601 thousand. The treasury shares held by the Company do not carry dividend rights. The dividend was paid out on October 24, 2011.

No additional events of any significance occurred after the end of the short fiscal year 2011.

Winnweiler-Langmeil, October 26, 2011

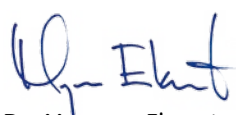
The Management Board



Dr. Ralf Hinkel • CEO MOBOTIX AG



Lutz Coelen • CFO MOBOTIX AG



Dr. Magnus Ekerot • CSO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG

... Independent Auditors' Report

Responsibility Statement

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

Winnweiler-Langmeil, October 26, 2011

The Management Board



Dr. Ralf Hinkel • CEO MOBOTIX AG



Lutz Coelen • CFO MOBOTIX AG



Dr. Magnus Ekerot • CSO MOBOTIX AG



Dr. Oliver Gabel • CTO MOBOTIX AG

Independent Auditors' Report (Consolidated Financial Statements)

We have audited the consolidated financial statements prepared by MOBOTIX AG – comprising a statement of financial position, an income statement, a statement of comprehensive income, a statement of cash flows, a statement of changes in equity and the notes, together with the group management report for the business year from 1 July to 30 September 2011.

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

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

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

our opinion.

Our audit has not led to any reservations.

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

Saarbrücken, October 26, 2011

KPMG AG Wirtschaftsprüfungsgesellschaft

Geis-Sändig

Palm

Auditor

Auditor

Technical Glossary ...

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

Financial Glossary ...

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

Disclaimer ...

Disclaimer

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

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

... Financial Calendar And Contact

Financial Calendar 2011/12

Announcement of the Annual Report 2011 - short fiscal year	November 9th, 2011
German Equity Forum, Frankfurt/Main	November 21st - 23rd, 2011
Annual General Meeting of short fiscal year 2011, Langmeil	December 20th, 2011
Announcement of the Three-Month Report 2011/12	February 9th, 2012
Announcement of the Half-Year Report 2011/12	May 15th, 2012
Announcement of the Nine-Month Report 2011/12	August 15th, 2012

Contact Details

Lutz Coelen

CFO

Phone: +49 6302 9816-111

Fax: +49 6302 9816-190

E-mail: Lutz.Coelen@mobotix.com

MOBOTIX AG

Investor Relations

Kaiserstrasse

67722 Langmeil

E-mail: investor@mobotix.com

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

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



reddot design award
 honourable mention 2009

New MOBOTIX Hemispheric IP Video Door Station



The new line of products with a hemispheric lens offers a solution that has never been available to the market until now.

The new IP Video Door Station, the T24, captures the entire entrance area without any blind spots from wall to wall, floor to ceiling. Traditional door cameras often only record visitors when they are standing directly in front of the lens. The fisheye lens displays the image without any distortion.

High-resolution 3.1 megapixel video system with hemispheric version, lip-synchronous sound and robust, fully weather-proof housing

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

New MOBOTIX D14 DualDome Camera With 6.2 Megapixels

The new weatherproof and shock-resistant MOBOTIX D14 DualDome camera with 6.2 megapixels is a more powerful successor model of the D12 camera. With the two separately adjustable camera modules, each with 3.1 megapixels, the D14 offers a variety of ways to examine a scene since the two modules can be combined to create one image. The D14 has a digital PTZ and no mechanical moving parts.



Impressive 6.2 Megapixels

Equipped with 90° wide angle and lenses, the camera can for example, monitor a scene entirely and, at the same time, the lens can record portrait photos in the entrance area. The two 90° lenses even allow a 180° recording, for example when monitoring an entire parking lot with one camera installed on the wall. And the digital sensor switching function,

MOBOTIX Grows Security In A UEFA-Certified Stadium

The Donbass Arena in Ukraine was opened on August 29, 2009 with a sensational party which was attended by the Ukrainian president himself. This arena was the very first Eastern European football stadium to fulfill the UEFA criteria for an elite stadium and will host an important venue for the 2012 European Football Championship. The most important factor is always to ensure maximum security for the guests. In an emergency, it would take 8 minutes to evacuate the entire stadium, which has 51,504 seats. "We want our visitors to feel safe here and to enjoy their stay. For this we rely on cutting-edge security technology," says stadium manager.



MOBOTIX AG achieves 37% sales growth in first nine months of fiscal year 2010/11

MOBOTIX AG (ISIN DE0005218301) system provider of high-resolution and network-based video security systems announces the Group's financial results for the first nine months of fiscal year 2010/11 (July 1 to March 31, 2011). Both sales growth and EBIT margin significantly

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

Dates For New Software And Hardware Seminars Plus A Beginners Workshop

Winnweiler/Langmeil, Germany, 3 March 2011. MOBOTIX, manufacturer of complete high-resolution IP video systems, has extended its seminar program for 2011 and its seminars more closely to the needs of the participants.



MOBOTIX (VPI)' workshop is intended for European football stadium projects with MOBOTIX cameras to fulfill the in relation to both commercial and UEFA criteria aspects. The workshop is for an elite into the East, United States - MOBOTIX at the largest exhibitions around the world.

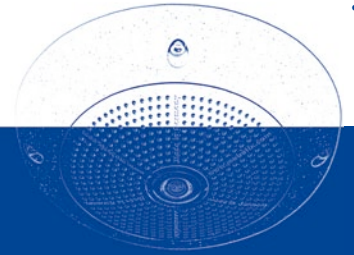
MOBOTIX has presented its IP network cameras at the GDSF, the Global Digital Surveillance Forum in Shanghai, at the end of August and at GITECH in Dubai, the third largest IT expo worldwide at the beginning of September. While not a newcomer at the ISC East in New York, MOBOTIX' participation at this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



MOBOTIX AG
Security-Vision-Systems
Kaiserstrasse
D-67722 Langmeil, Germany
Phone.: +49 6302 9816-0
Fax: +49 6302 9816-190
E-mail: investor@mobotix.com
www.mobotix.com



Security-Vision-Systems



... the HiRes Video Company

MOBOTIX AG
Security-Vision-Systems
Kaiserstrasse
D-67722 Langmeil, Germany
Phone: +49 6302 9816-0
Fax: +49 6302 9816-190
E-mail: info@mobotix.com
www.mobotix.com