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PRESSRELEASE

InTiCa Systems publishes Q1 report – Successful start with hybrid and electric mobility as increasing driver

Sales increased in both segments

Profitability improved

Orders on hand at record level

Outlook for FY 2017 confirmed

Passau, May 23, 2017 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first three months of 2017. The growth momentum in the automobile segment picked up again and sales in the industrial electronics segment increased compared to previous year. Accordingly, Dr. Gregor Wasle, Spokesman of the Board of Directors, is very pleased with the development in the first quarter of 2017:

“Influenced by the revolution under way in the automotive industry, with the three key technologies – electric vehicles, autonomous driving and connectivity, we have managed to position our company promisingly in the market. We were able to raise sales by around 9%, with both segments making a contribution to our growth. In the Industrial Electronics segment, sales rose by some 5%, driven by higher call-off figures in the solar business. In the Automotive Technology segment, growth dynamic increased again, so sales advanced by about 9%. At the same time, our earnings power improved considerably. The positive development was strengthened by orders on hand, which are at a record level.”

Earnings position

In the first three months of 2017, Group sales rose 8.5% to EUR 12.3 million (3M 2016: EUR 11.3 million). The Automotive Technology segment grew sales 9.3% to EUR 10.1 million (3M 2016: EUR 9.2 million) and the Industrial Electronics segment increased sales by 5.0% to EUR 2.2 million (3M 2016: EUR 2.1 million).

The ratio of material costs to total output was 55.2% in the reporting period, slightly below the prior-year level (3M 2016: 55.5%). At the same time, the personnel expense ratio increased from 21.3% to 22.4% due to the increase in headcount.

EBITDA (earnings before interest, taxes, depreciation and amortization) improved 9.5% year-on-year to EUR 1.4 million (3M 2016: EUR 1.3 million). The EBITDA margin therefore increased slightly from 11.4% to 11.5%. EBIT (earnings before interest and taxes) doubled year-on-year to EUR 0.4 million (3M 2016: EUR 0.2 million), increasing the EBIT margin from 1.6% to 2.9%. At segment level, the Automotive Technology segment reported EBIT of EUR 0.2 million in the first three months of 2017 (3M 2016: EUR 0.3 million) and the Industrial Electronics segment reported EBIT of EUR 0.1 million (3M 2016: minus EUR 0.1 million).

As in the prior-year period, the financial result was minus EUR 0.1 million (3M 2016: minus EUR 0.1 million), while tax expense was EUR 0.1 million (3M 2016: tax income of EUR 12 thousand). Group net income was therefore EUR 0.2 million at the end of the first three months (3M 2016: EUR 0.1 million). Earnings per share were EUR 0.04 (3M 2016: EUR 0.02).

The operating cash flow was minus EUR 1.1 million in the first three months of 2017 (3M 2016: EUR 0.4 million). The year-on-year decline was due to the situation on the reporting date and was principally attributable to an increase in inventories as a result of customer orders, and the rise in trade receivables. The operating cash flow is expected to be clearly positive again in the coming quarters. In view of further capital expenditures and scheduled repayment instalments, there was an overall cash outflow of EUR 2.6 million in the reporting period (3M 2016: inflow of EUR 0.4 million). The equity ratio declined slightly to 39% in the reporting period (December 31, 2016: 40%).

Outlook

„While our keyless products, transponders, actuator coils and various industrial applications still provide very fertile ground for our present and future business objectives, our developments and products for electric and hybrid vehicles are the driving forces for the future. It is pleasing that, unlike many companies, we have not just started to make electric vehicles part of our strategy: we have already have “booked business”, with several very tangible development orders and orders for serial production. We supply a variety of products to the relatively new market for electric and hybrid vehicles. Moreover, this business and its significance for the company are increasing“, comments Günther Kneidinger, Member of the Board of Directors, the perspective of InTiCa Systems AG.

At the end of the first quarter of 2017, orders on hand were well above the prior-year level at EUR 47.9 million (March 31, 2016: EUR 36.3 million). 83% of orders were for the Automotive Technology segment (March 31, 2016: 84%). Overall, the Board of Directors expects orders on hand to rise in the Automotive Technology segment and the Industrial Electronics segment.

Business performance in the first three months was in line with the Board of Directors' expectations so it is retaining its outlook for fiscal 2017. At present, the Board of Directors assumes that, given a stable economic environment, Group sales will rise to around EUR 47 million to EUR 50 million in 2017 and the EBIT margin will improve to around 3%. The material cost ratio should drop further and the equity ratio should be held stable.

The complete interim report for the first three months of 2017 is available for download from the Investor Relations section of InTiCa Systems' website at www.intica-systems.com.

InTiCa Systems AG

The Board of Directors

About InTiCa Systems:

InTiCa Systems is a European leader in the development, manufacture and commercialization of inductive components, passive analogue switching technology and mechatronic assemblies. It operates in the Automotive Technology and Industrial Technology segments and has more than 590 employees at its sites in Passau (Germany), Prachatice (Czech Republic) and Silao (Mexico).

The Automotive Technology segment focuses on innovative products that raise the comfort and safety of cars, improve the performance of electric and hybrid vehicles and reduce carbon emissions. InTiCa Systems' Industrial Electronics segment develops and manufactures mechatronic assemblies for the solar industry and other industrial applications.

Forward-looking statements and predictions

This press release contains statements and forecasts referring to the future development of InTiCa Systems AG which are based on current assumptions and estimates by the management that are made using information currently available to them. If the underlying assumptions do not materialize, the actual figures may differ substantially from such estimates. Future developments and results are in fact dependent on a large number of factors; they contain different risks and imponderables and are based on assumptions that may not be accurate. We neither intend nor assume any obligation to update forward-looking statements on an ongoing basis as these are based exclusively on the circumstances prevailing on the date of publication.