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PRESSRELEASE

InTiCa Systems well on track to achieve its goals for 2016

Sales amounted to EUR 33.7 million (9M 2015: EUR 33.5 million)

EBIT margin improved to 2.7% (9M 2015: 2.4%)

Net profit amounted to EUR 0.5 million (9M 2015: EUR 0.4 million)

Operating cash flow increased to EUR 3.8 million (9M 2015: EUR 1.5 million)

Work on the new facility in Mexico is proceeding on schedule

Passau, November 23, 2016 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first nine months of 2016. Based on year-end business supported by a good order situation, InTiCa Systems is still well on track to achieve its goals for 2016. To be highlighted is the success in implementing the strategic plans: “By optimizing production workflows at the facility in the Czech Republic, opening our new technology and training centre in Passau, Germany, and setting up a new production site in Mexico we have taken important steps for the future”, comments Dr. Gregor Wasle, Spokesman of the Board of Directors of InTiCa Systems AG, on the development in the first nine months of 2016.

Sales and earnings position

In the reporting period, InTiCa Systems AG increased sales slightly to EUR 33.7 million, up from EUR 33.5 million in the prior-year period. Sales were EUR 27.5 million in the Automotive Technology segment (9M 2015: EUR 27.3 million) and EUR 6.2 million in the Industrial Electronics segment (9M 2015: EUR 6.2 million).

While the ratio of material costs to total output dropped significantly year-on-year to 54.4% (9M 2015: 58.0%), the personnel expense ratio increased from 19.8% to 22.7% as a result of an increase in the number of employees.

The company lifted EBITDA slightly, by 1.4% to EUR 4.2 million in the first nine months of 2016 (9M 2015: EUR 4.1 million). The EBITDA margin therefore improved from 12.4% to 12.5%. Group EBIT increased 14.2% from EUR 0.8 million to EUR 0.9 million, which equates to a year-on-year increase in the EBIT margin from 2.4% to 2.7%. At segment level, the Automotive Technology segment reported EBIT of EUR 0.95 million in the first nine months of 2016 (9M 2015: EUR 1.6 million) and EBIT in the Industrial Electronics segment was minus EUR 0.03 million (9M 2015: minus EUR 0.8 million).

The financial result was minus EUR 0.3 million, as in the prior-year period, and tax expense was EUR 56 thousand (9M 2015: EUR 76 thousand). Net income thus was EUR 0.5 million in the first nine months of 2016 (9M 2015: EUR 0.4 million). Earnings per share were EUR 0.13 (9M 2015: EUR 0.09).

The operating cash flow improved considerably to EUR 3.8 million in the first nine months of 2016 (9M 2015: EUR 1.5 million). The total cash flow in the reporting period was also clearly positive at EUR 2.1 million as capital expenditure was lower than in the prior-year period and the company took out a long-term loan (9M 2015: cash outflow of EUR 8.1 million). The equity ratio remained constant at 41% in the reporting period (December 31, 2015: 41%).

Outlook and international expansion

Work on the new facility in Mexico is proceeding on schedule. Over the past months, the first production machines have been installed and started up. An initial customer audit has also been successfully completed. “A complete production line should be in place by the end of the year, with validation by the customer scheduled for the first quarter of 2017. An experienced team of senior executives and production and quality control managers has been hired, so we are well-positioned for the next steps“, reports Günther Kneidinger, Member of the Board of Directors, regarding the progress of the international expansion.

The development of sales and earnings in the first nine months of 2016 was in line with the Board of Directors' expectations. Orders on hand totalled around EUR 40 million on September 30, 2016, above the prior-year level of EUR 38 million. Around EUR 34 million of orders are attributable to the Automotive Technology segment (September 30, 2015: EUR 34 million). At present, the Board of Directors still assumes that, given a stable economic environment, Group sales will rise by around 10% to nearly EUR 47 million in 2016 and the EBIT margin will improve to around 2%.

The complete interim report for the first nine months of 2016 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

<u>About InTiCa Systems:</u>

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 550 employees at its sites in Passau (Germany) and Prachatice (Czech Republic).

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.