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## PRESSRELEASE

### **InTiCa Systems AG confirms preliminary figures – Further improvements continue at all levels in 2017**

Preliminary figures confirmed

Good business development in Q1 2017

Increase of group sales to the range of EUR 47 million to EUR 50 million and improvement of EBIT-margin to more than 3% expected for FY 2017

**Passau, April 24, 2017** – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the annual report and confirmed the provisional figures for fiscal 2016. The bottom line was sales growth of around 6% to approximately EUR 45 million. On the earnings side, InTiCa actually slightly exceeded expectations. Despite higher expenses for optimization of production workflows and internationalization, the operating result (EBIT) increased by more than 45% year-on-year to around EUR 1 million, giving an EBIT margin of 2.3%.

“2016 was definitely not an easy year for InTiCa but looking back at the intensive development of the company, especially at the establishment of the site in Mexico, there is reason to be satisfied. Ramp-up costs in Mexico prevented a better margin, but as a result of our investment in state-of-the-art production equipment and the systematic alignment of production to lean principles, we still achieved a clear net profit of EUR 0.3 million. There was also another significant improvement in the cash flow compared with the previous year”, comments Dr. Gregor Wasle, CEO of InTiCa Systems AG, the business development in FY 2016.

#### **Earnings, asset and financial position**

In 2016, the Group grew sales 5.9% year-on-year to EUR 44.9 million (2015: EUR 42.4 million). The Automotive Technology segment’s share of total sales was 80.8% (2015: 82.5%). The gross profit increased 13.0% to EUR 20.2 million in the reporting period (2015: EUR 17.8 million) and the gross profit margin improved from 42.0% to 44.9%. EBITDA (earnings before interest, taxes, depreciation and amortization) increased slightly year-on-year to EUR 5.4 million (2015: EUR 5.2 million). The EBITDA margin was 12.0% (2015: 12.2%). EBIT (earnings before interest and taxes) improved 47.3% year-on-year to EUR 1.0 million (2015: EUR 0.7 million), leading to a year-on-year increase in the EBIT margin from 1.7% to 2.3%. The Group more than doubled its pre-tax profit to EUR 0.6 million (2015:

EUR 0.3 million). After tax expense of EUR 0.3 million (2015: EUR 0.2 million), the Group made a far higher net profit of EUR 0.3 million (2015: EUR 0.1 million). Earnings per share were therefore EUR 0.08 (2015: EUR 0.02).

There was also a further considerable improvement in the operating cash flow compared with the previous year. As a result of lower investment and rescheduling of liabilities to banks from current to non-current, a positive overall cash flow was achieved in the reporting period. Cash and cash equivalents amounted to EUR 0.4 million as of December 31, 2016 (December 31, 2015: EUR 0.2 million). The equity ratio declined slightly from 41% to 40% as a result of the increase in total equity and liabilities, but equity increased in absolute terms.

“As expected, the dynamic growth reported by our Automotive Technology segment in recent years flattened somewhat in 2016. This was mainly because our products have now achieved a certain market penetration. Components made by InTiCa Systems are already used in more than 400 models manufactured by over 20 different automobile producers. Nevertheless, the segment still offers a wide range of opportunities to raise sales appreciably in the future. Promising factors here are the increased use of solutions such as our keyless entry systems in volume models, and the development and commercialization of new products and solutions for the upcoming megatrends in the automotive industry, i.e. digital networking and electric vehicles. Our innovative stator systems and EMC filters already offer ideal solutions for the challenges confronting automotive producers and their suppliers as a result of these new technologies“, comments Günther Kneidinger, Member of the Management Board, the development in the Automotive Technology segment.

## **Outlook**

The Automotive Technology segment will remain the most important element in InTiCa Systems' business activities in 2017, as in previous years. The investment in expanding production capacity and optimizing production workflows has reduced material costs and overcome capacity bottlenecks but the Board of Directors sees further scope for optimization. The Industrial Electronics segment should stabilize further, even though business conditions remain challenging. Product innovations and further internationalization should open the door to new markets.

The continued positive development of the Automotive Technology segment in the first three months of 2017 confirms this view and lifted Group sales by around 9% year-on-year to EUR 12.3 million in the first quarter of 2017 (Q1 2016: EUR 11.3 million). EBITDA is expected to be around EUR 1.4 million in the first quarter of 2017, while EBIT should be around EUR 0.3 million. At the end of the first quarter of 2017, orders on hand were well above the prior-year level at EUR 48 million (March 31, 2016: EUR 36.3 million). 83% of orders were for the Automotive Technology segment (March 31, 2016: 84%).

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 annual report 2016 is available for download from the Investor Relations section of InTiCa Systems' website at [www.intica-systems.com](http://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.