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PRESSRELEASE

InTiCa Systems AG publishes Annual Report 2017 - Preliminary figures confirmed, further growth in the first quarter

Targets for fiscal 2017 met

Large scale serial production in Mexico in preparation

Increase of group sales to the range of EUR 53 million to EUR 56 million and EBIT-margin of 3.0% to 3.5% expected for FY 2018

Passau, April 24, 2018 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the annual report and confirmed the provisional figures for fiscal 2017. InTiCa Systems AG posted a positive business performance in 2017. Consolidated sales rose 11.5% to EUR 50.1 million and the EBIT margin improved from 2.3% to 2.9% so the company met the targets it had set. Looking at the segments, the very good development of the Industrial Electronics division should be highlighted. This was due to strong demand for inverters. The high sales also enabled this segment to report a clearly positive EBIT again. The coming quarters will show whether this was a one-off effect. In any case, the company is working to continue the positive trend. Despite the delayed start-up of planned serial production at the new site in Silao, Mexico, the Automotive Technology segment once again made a contribution to sales and earnings growth in the reporting period.

“The establishment of the new production site can already be regarded as an important strategic success. However, before taking the next step in our strategy of internationalization, in 2018 we will be concentrating on ramping up production at the new facility in Mexico and utilizing the new capacity and opportunities. We are currently in the planning and start-up phase for serial production of a further product on a considerably larger scale. The customer intends to start sourcing this product in the third quarter of 2018. The aim is for the new site to be operating profitably shortly after production of this high-volume series starts. That gives us a solid basis for further expansion of production in Mexico“, comments Dr. Gregor Wasle, CEO of InTiCa Systems AG the business development in FY 2017.

Earnings, asset and financial position

Group sales grew 11.5% year-on-year to EUR 50.1 million in 2017 (2016: EUR 44.9 million). The Automotive Technology segment's share of total sales was 76.2% (2016: 80.8%). The gross profit increased 9.7% to EUR 22.1 million in the reporting period (2016: EUR 20.2 million), with the gross profit margin slipping from 44.9% to 44.1%.

EBITDA (earnings before interest, taxes, depreciation and amortization) increased by 8.0% year-on-year to EUR 5.8 million (2016: EUR 5.4 million), corresponding with an EBITDA margin of 11.6% (2016: 12.0%). EBIT (earnings before interest and taxes) improved 41.3% year-on-year to EUR 1.5 million (2016: EUR 1.0 million), accompanied by a rise in the EBIT margin from 2.3% to 2.9%. The Group's pre-tax profit grew 69.3% year-on-year to EUR 1.0 million (2016: EUR 0.6 million). Tax expense was EUR 311 thousand (2016: EUR 266 thousand), so the net profit more than doubled compared with the previous year to EUR 0.7 million (2016: EUR 0.3 million). Earnings per share were therefore EUR 0.17 (2016: EUR 0.08).

Regarding the financial position, InTiCa Systems was able to use the low-interest phase to take out low-interest loans to optimize its financing structure further and refinance long-term investment in further growth. Together with a clearly positive operating cash flow, borrowing helped raise the overall cash flow to EUR 1.2 million. At the same time, the equity ratio rose slightly from 40% to 42%.

Outlook

“The positive market trend will be driven by key technologies that are transforming the automotive sector: e-mobility, autonomous driving and connectivity. InTiCa is able to play a part in this through significant products and services. The rollout of alternative hybrid and electric drives and the investments that have already been undertaken or are planned by automotive manufacturers are of special interest to InTiCa Systems. These market developments are being reinforced by growing political pressure on car producers. The development and manufacture of alternative drives as a basis for serial production will result in a considerable rise in demand for InTiCa Systems' performance electronics and stator systems in the medium term. This is evidenced by substantial new orders received in 2017, for example for stators and filters for hybrid cars“, comments Günther Kneidinger, Member of the Management Board, the development in the automotive technology segment.

Products for the photovoltaic industry such as inductive components and mechatronic assemblies will remain the most important sales generator for InTiCa Systems' Industrial Electronics segment in 2018. Globally, the positive trend towards energy generation from alternative sources will continue. The company's aim remains to participate positively in line with the development of the market and its customers. Another area of business in the Industrial Electronics segment is the development of actuator coils and filter technology. There is scope to leverage synergies with the Automotive Technology segment in the development and process know-how for both of these fields. Development of filters, actuator coils and power electronics components will help this segment stabilize sales or even achieve further moderate sales growth.

Challenges in 2018 arise particularly in three areas: realization of the investment and industrialization projects to prepare for contracts that will generate sales revenues in subsequent years, access to raw materials in the light of specific international shortages, resulting in longer delivery times, and the availability of skilled personnel to meet order commitments. Thanks to permanent optimization of corporate processes and production workflows, InTiCa is well positioned in this respect. In addition to the ongoing proven progress, the Board of directors sees further scope for optimization.

At present, the Board of Directors assumes that, given a stable economic environment and taking into account the particular challenges of 2018, Group sales will rise to around EUR 53 million to EUR 56 million in 2018 and the EBIT will be 3.0% to 3.5%.

The continued positive development in the first three months of 2018 confirms this view and lifted Group sales 7% year-on-year to EUR 13.2 million in the first quarter of the year (Q1 2017: EUR 12.3 million). EBITDA is expected to be around EUR 1.4 million in the first quarter of 2018, while EBIT should be around EUR 0.4 million.

The complete annual report 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 600 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.