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CONTACT Dr. Gregor Wasle | CEO
TEL +49 (0) 851 – 966 92 – 0
FAX +49 (0) 851 – 966 92 – 15
EMAIL investor.relations@intica-systems.com

PRESSRELEASE

InTiCa Systems AG publishes interim report for the first half of 2019 – Substantial growth despite weak industry environment

Sales increases in both segments

Significant increase in orders on hand to over EUR 119 million

Outlook for 2019 confirmed at upper end of range

Passau, August 22, 2019 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first half year of 2019.

„The first half of 2019 was very good from the vantage point of InTiCa Systems AG. Although the development of the international markets remained challenging, we were able to raise sales significantly, contrary to the general trend in the automotive industry, and orders on hand more than doubled. Sales rose nearly 10% in the Automotive Technology segment and by around 30% in the Industrial Electronics segment. The operating cash flow also developed positively and margins are in line with expectations. The continued shortage of both important raw materials and skilled staff is currently preventing us from reporting a better performance“, comments Dr. Gregor Wasle, CEO of InTiCa Systems AG on the business development in the first half year of 2019.

Earnings, asset and financial position

Compared with the first six months of 2018, Group sales rose 14.2% to EUR 29.6 million (H1 2018: EUR 25.9 million), with both segments contributing to this. Sales increased 9.5% to EUR 21.8 million (H1 2018: EUR 19.9 million) in the Automotive Technology segment and 29.4% to EUR 7.8 million (H1 2018: EUR 6.0 million) in the Industrial Electronics segment. Here it should be noted that revenue from EMC filter technology, which is used in both stationary installations (Industrial Electronics) and vehicles (Automotive Technology) is currently allocated entirely to the Industrial Electronics segment.

Total output increased disproportionately, from EUR 26.4 million to EUR 28.7 million, due to the considerably faster reduction of inventories of finished goods and work in progress. As a result, the ratio of material costs to total output increased to 56.5% in the reporting period (H1 2018: 53.0%). At the same time,

the personnel expense ratio (including agency staff) dropped from 26.0% to 23.8%.

EBITDA (earnings before interest, taxes, depreciation and amortization) improved in parallel with sales to EUR 3.3 million (H1 2018: EUR 2.9 million). The EBITDA margin was therefore 11.1%, as in the first half of 2018. EBIT (earnings before interest and taxes) was stable at EUR 0.74 million in the first six months (H1 2018: EUR 0.74 million), giving an EBIT margin of 2.5% (H1 2018: 2.8%). While the Automotive Technology segment reported EBIT of EUR 0.4 million (H1 2018: EUR 0.3 million), the Industrial Electronics segment posted EBIT of EUR 0.3 million (H1 2018: EUR 0.5 million).

The financial result was minus EUR 0.3 million in the reporting period (H1 2018: minus EUR 0.2 million). Tax expense was constant at EUR 0.1 million (H1 2018: EUR 0.1 million). Group net income was therefore EUR 0.3 million in the reporting period (H1 2018: EUR 0.4 million). Earnings per share were EUR 0.06 (H1 2018: EUR 0.09).

The operating cash flow was positive at EUR 2.2 million, which was around the same level as in the prior-year period (H1 2018: EUR 2.3 million). As a result of further investment to extend and modernize production facilities and scheduled loan repayments, there was a total cash outflow of EUR 1.1 million in the reporting period (H1 2018: outflow of EUR 1.9 million). The equity ratio decreased to 29.3% (December 31, 2018: 33.5%).

Outlook

The escalating trade dispute between the USA and China, the enormous uncertainty caused by the threat of Brexit, and the general economic downturn caused a reduction in international output in the automotive industry and a drop in new vehicle registrations in the first half of 2019. Despite this difficult environment, InTiCa Systems AG posted a positive development in the reporting period and fulfilled the Board of Directors' expectations.

„The principal factor driving our performance in 2019 is our early focus on future-oriented technologies, together with the associated repositioning of the company as a substantial technology provider for e-solutions and e-mobility. The automotive and industrial electronics sectors are both going through a period of major and in some cases disruptive change in which the boundaries are becoming increasingly blurred. Inductive components will play an increasingly important role in vehicles, in future charging stations, in energy storage, and in energy generation. The interaction of these aspects will drive forward the essential changes in the use of renewables and the use of energy generated using environmentally compatible technology“, explains Günther Kneidinger, Member of the Management Board, the outlook for InTiCa Systems AG.

Overall, the Board of Directors therefore expects sales to rise in both the Automotive Technology segment and the Industrial Electronics segment. This is supported by the order situation: at the end of the first half of 2019, orders on hand amounted to EUR 119.0, far higher than in the prior-year period (June 30, 2018: EUR 55.2 million). In view of this, the Board of Directors is confirming its

guidance for 2019 and still expects Group sales to be between EUR 54 million and EUR 58 million, with an EBIT margin of between 1.5% and 2.0%. At present, sales are expected to be at the upper end of this range.

As a result of international shortages and longer delivery times, the supply of raw materials remains a major challenge in 2019. Other challenges are customers' order call-off patterns and the availability of skilled staff.

The complete interim report for the first half of 2019 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 700 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.