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PRESSRELEASE

InTiCa Systems AG publishes interim report for 3M 2020 - Positive development unaffected in the reporting period

34% rise in Group sales

EBIT margin improved to 3.1% (3M 2019: 2.1%)

High order backlog, but significant uncertainties due to corona pandemic

Reliable outlook for fiscal 2020 still not possible

Passau, May 20, 2020 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first three months of 2020. Despite the outbreak of the corona pandemic and its impact on the automotive and electrical industries, InTiCa was able to increase sales significantly in the first quarter and achieve a positive net income.

„Looming recession and production shutdowns in the automotive industry had very little impact on InTiCa Systems in the first quarter. On the contrary, we were able to continue the previous year's strong performance: sales grew by around 34%, the EBIT margin increased from 2.1% in the first quarter of 2019 to 3.1% in the first quarter of this year, the consolidated net profit improved considerably and orders on hand stood at EUR 112.5 million. That is evidence of the excellent market position we have achieved in recent years“, comments Dr. Gregor Wasle, CEO of InTiCa Systems AG the business development.

Earnings, asset and financial position

Overall, Group sales increased by 34.0% year-on-year to EUR 18.3 million in the first three months of 2020 (3M 2019: EUR 13.6 million). In the Automotive Technology segment, sales rose 38.0% year-on-year to EUR 14.1 million (3M 2019: EUR 10.3 million) while sales in the Industrial Electronics segment increased by 22.1% to EUR 4.1 million (3M 2019: EUR 3.4 million).

At 57.5%, the ratio of material costs to total output in the reporting period was well above the prior-year level (3M 2019: 53.9%). By contrast, the personnel expense ratio (including agency staff) decreased from 25.5% to 22.9%.

EBITDA (earnings before interest, taxes, depreciation and amortization) increased by 32.0% in line with sales growth to EUR 2.0 million (3M 2019: EUR 1.5 million) with an EBITDA margin of 10.9%, roughly the same as in the first three months of 2020 (3M 2019: 11.1%). EBIT (earnings before interest and taxes) rose by 91.1% to EUR 0.6 million (3M 2019: EUR 0.3 million), so the EBIT margin improved from 2.1% to 3.1%. At segment level, Automotive Technology reported EBIT of EUR 0.4 million in the first three months of 2020 (3M 2019: EUR 0.3 million) and the Industrial Electronics segment reported EBIT of EUR 0.2 million (3M 2019: EUR 0.03 million).

The financial result was minus EUR 0.2 million in the reporting period (3M 2019: minus EUR 0.2 million), and tax expense was EUR 0.07 million (3M 2019: EUR 0.04 million). Group net income therefore amounted to EUR 0.3 million in the first three months (3M 2019: EUR 0.1 million). Earnings per share were EUR 0.08 (3M 2019: EUR 0.02).

The net cash outflow for operating activities was EUR 22 thousand in the first three months of 2020 (3M 2019: outflow of EUR 0.5 million). The year-on-year improvement was mainly due to the higher net profit and the reduction in inventories. As a result of capital expenditures and scheduled repayment instalments, there was an overall cash outflow of EUR 1.6 million in the reporting period (3M 2019: outflow of EUR 1.7 million). The equity ratio declined to 30.5% in the reporting period (December 31, 2019: 32.5%).

Outlook

At the end of the first quarter of 2020 orders on hand were well above the prior-year level at EUR 112.5 million (March 31, 2019: EUR 88.0 million). 76% of orders were for the Automotive Technology segment (3M 2019: 83%). At the present state of the pandemic, it is not possible to estimate the extent of order uptake by customers in the course of the year. However, the Board of Directors expects it to decline considerably in the remainder of the year.

„While the first three months were hardly affected, sales and earnings will decline significantly in the second quarter compared to both planning and first quarter figures. In Germany, automotive companies gradually restarted their production lines in May. InTiCa can respond comparatively fast to this situation and has adequate inventories, especially of critical raw materials“, comments Günther Kneidinger, Member of the Management Board.

Despite the first signs of normalization, there is still enormous uncertainty about how the market will develop. Therefore, at present it is still not possible to give a stable and reasonably reliable forecast for the present fiscal year based on target ranges in line with past practice. Accordingly, at this time the Board of Directors is not able to issue specific guidance for the 2020 fiscal year. However, we have to assume that if the present extraordinary situation continues, sales and earnings will decline significantly, and possibly be below last year's level. As soon as the economic situation stabilizes and reliable planning for the 2020 fiscal year is possible, InTiCa Systems AG will publish a detailed forecast for the 2020 fiscal year.

The complete interim report for 3M 2020 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 750 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.