

Focus on E-Mobility

2019

INTERIM REPORT Q1



Technologies for growth markets!

InTiCa
Systems

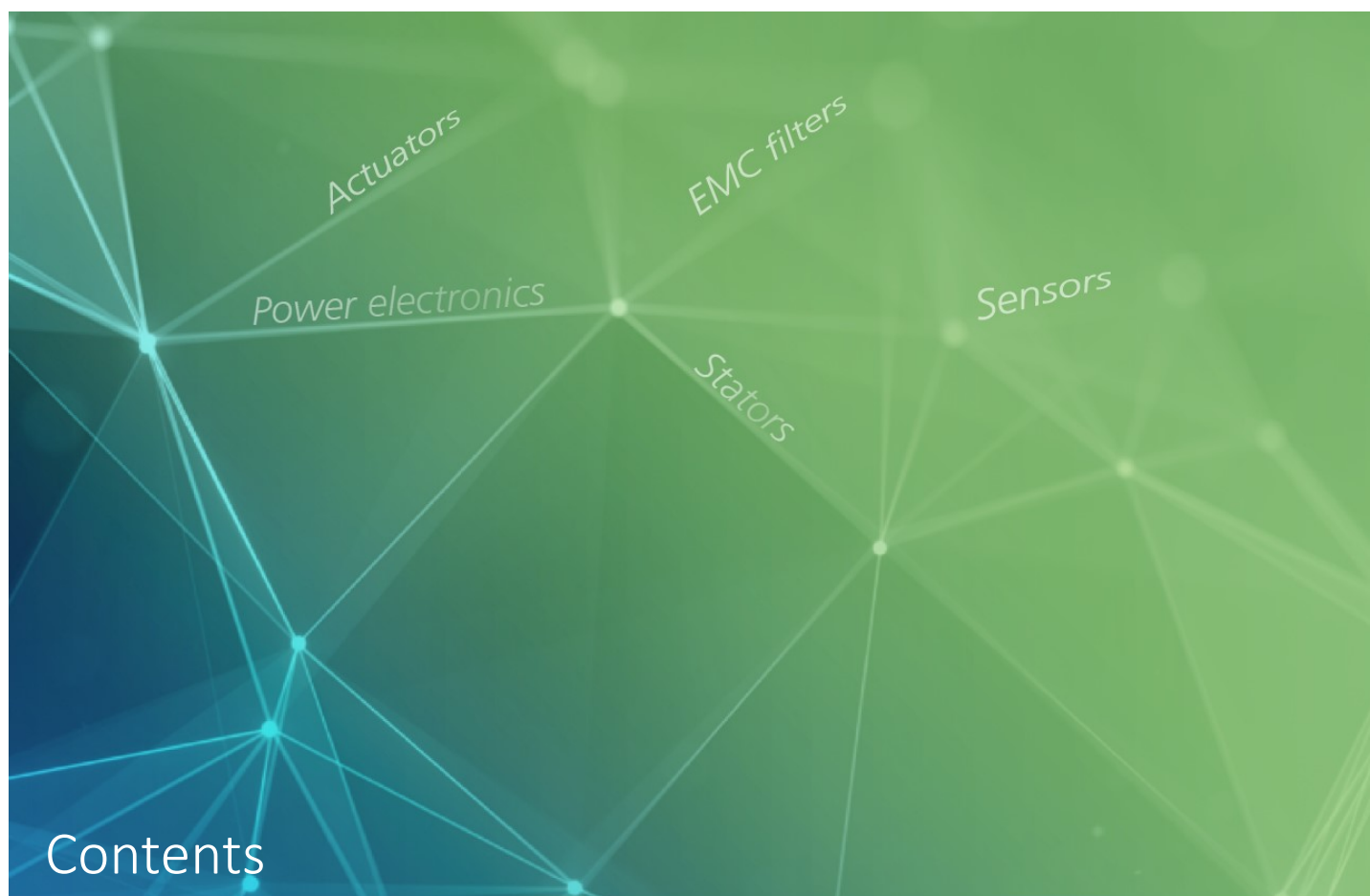
Q1 2019 in figures

The Group	Q1 2017 EUR '000	Q1 2018 EUR '000	Q1 2019 EUR '000	Change vs. Q1 2018
Sales	12,275	13,196	13,620	+3.2%
Net margin (net result for the period)	1.3%	1.2%	0.7%	-
EBITDA	1,411	1,450	1,512	+4.3%
EBIT	358	370	291	-21.4%
EBT	248	274	128	-53.3%
Net result for the period	158	156	93	-40.4%
Earnings per share (diluted/basic in EUR)	0.04	0.04	0.02	-40.4%
Total cash flow	-2,597	-1,183	-1,732	-
Net cash flow for operating activities	-1,126	1,222	-536	-
Capital expenditure	1,051	1,954	559	-71.4%

	Mar 31, 2018 EUR '000	Dec 31, 2018 EUR '000	Mar 31, 2019 EUR '000	Change vs. Dec 31, 2018
Total assets	46,162	50,065	56,148	+12.2%
Equity	18,404	16,760	16,855	+0.6%
Equity ratio	40%	33%	30%	-
Number of employees incl. agency staff	615	644	713	+10.7%

The Stock	Q1 2018	2018	Q1 2019
Closing price (in EUR)	6.95	6.20	5.60
Period high (in EUR)	8.45	8.45	6.30
Period low (in EUR)	6.50	5.70	5.35
Market capitalisation at end of period (in EUR million)	29.79	26.6	24.01
Number of shares	4,287,000	4,287,000	4,287,000

The stock prices are closing prices on XETRA.



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Dear shareholders, employees and business associates,

As expected, the market in the automotive sector has remained difficult in 2019. 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 and new registrations.

It is therefore particularly pleasing that we were able to escape this trend in the first quarter, thanks to our positioning and product portfolio. Overall, Group sales rose by around 3% to over EUR 13.6 million in the first quarter of 2019. The Automotive Technology segment actually grew by more than 5%. The news from Mexico is also good: serial production started and both output and the volumes called off will rise continuously during the year. In view of this, our headcount has already been increased. Despite a slight drop in demand for inverters, sales in the Industrial Electronics segment were almost level with the exceptionally good prior-period quarter. Demand for EMC filters developed especially well.

Net income was positive again in the past quarter. Following losses in the two previous quarters we have therefore achieved an important milestone. Although margins are not yet in line with our long-term expectations, the measures

introduced to raise efficiency and reduce costs should have an increasingly positive effect in the course of the year.

Since progress in many areas is on schedule and the order situation is very good, we are confirming our guidance for 2019 as a whole.

We would like to thank our employees for their commitment, our customers and business partners for their collaboration and our shareholders for their trust in us.

Passau, May 2019

Yours,

Dr. Gregor Wasle
Chairman of the Board of Directors

Günther Kneidinger
Member of the Board of Directors

Board of Directors



Gregor Wasle
 Chairman of the Board of Directors
 Engineering graduate
 Strategy, Investor Relations Finance, R&D,
 Production, Finance, Human Resources
 and IT



Günther Kneidinger
 Member of the Board of Directors
 Sales, Materials Management,
 Order Processing Center and
 Quality Management

Supervisory Board



Udo Zimmer
 Chairman
 Business administration graduate
 Munich
 - Chairman of the Board of Management
 of REMA TIP TOP AG



Werner Paletschek
 Deputy Chairman
 Business administration graduate
 Fürstzell
 - Managing director of
 OWP Brillen GmbH, Passau

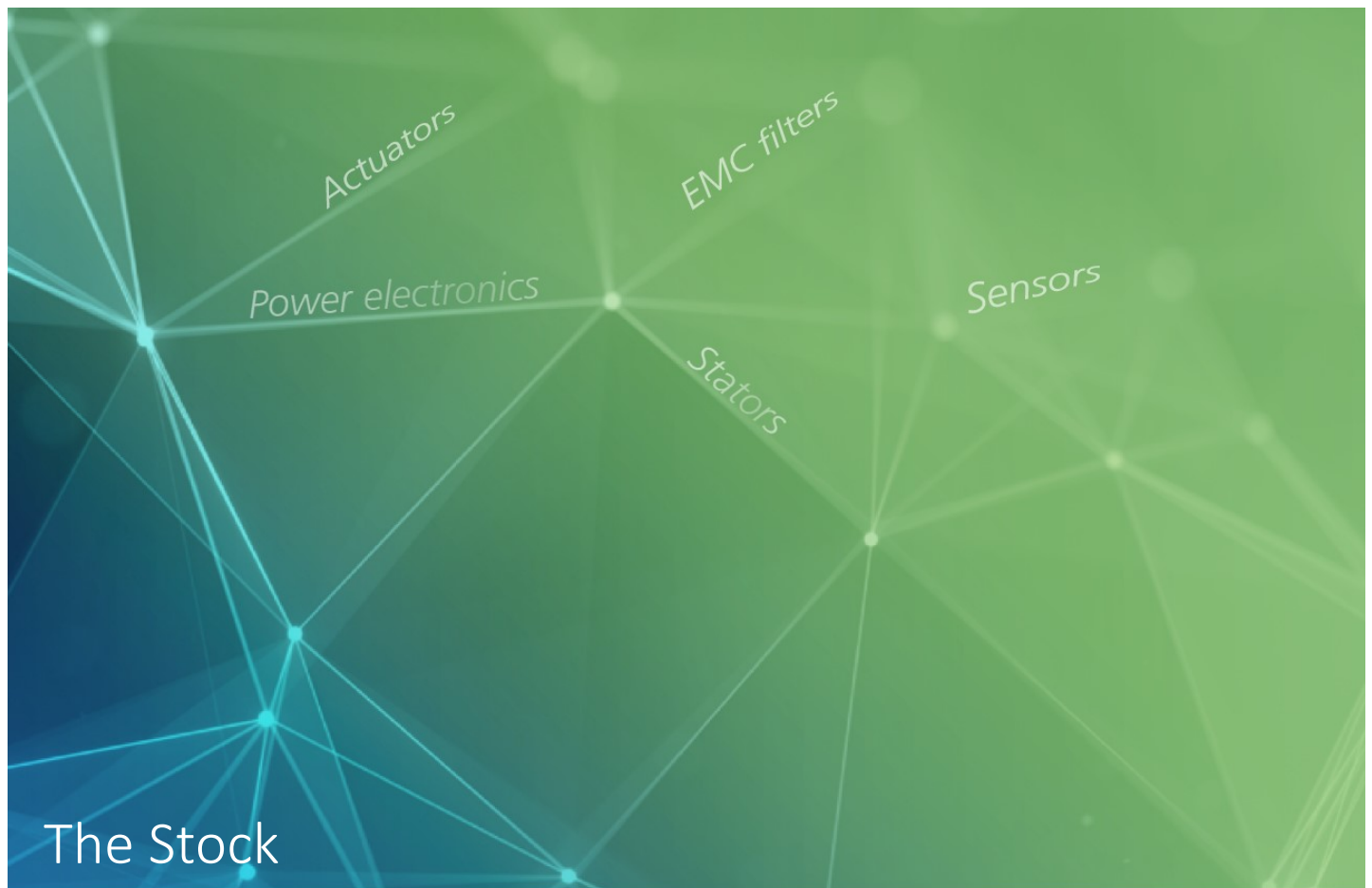


Christian Fürst
 Member of the Supervisory Board
 Business administration graduate
 Thymau
 - Managing partner of ziel management
 consulting gmbh
 - Chairman of the Supervisory Board of
 Electrovac Hacht & Huber GmbH
 - Advisory Board of Eberspächer Gruppe
 GmbH & Co. KG

Company

Boards





InTiCa Systems' share price performance¹⁾

Having dropped considerably in 2018, shares in InTiCa Systems AG started 2019 at EUR 6.20. The capital market remained very difficult and highly volatile in January, and the share initially traded at around EUR 6.20. The year-to-date high was EUR 6.30 on January 4, 2019. The share price dropped to a low for the year of EUR 5.35 on March 12, 2019. It subsequently rallied and ended the first quarter of 2019 at EUR 5.60 in Xetra trading. After that, the share traded sideways, closing at EUR 5.65 on May 9, 2019. That was a drop of 8.9% since the start of the year, bringing InTiCa Systems' market capitalization to EUR 23.8 million.

In the first three months of 2019, we provided timely information for our shareholders and the general public on current business trends, specific events and the company's prospects. As in the past, this year's press conference to mark the publication of the annual report for 2018 attracted considerable interest from analysts and investors. The presentation and speech given at the press conference can be accessed on the company's homepage at Investor Relations/Publications [available in German only].

This year's Annual General Meeting will be held in Passau on July 10, 2019. Shareholders will be given information on fiscal 2018 and the present situation at InTiCa Systems AG. In addition, InTiCa Systems AG plans to give a presentation for investors, analysts and financial journalists at this year's Munich Capital Markets Conference (MKK). MKK is the biggest capital market conference in southern Germany and will be held on December 11, 2019.

1) Price data based on Xetra, source: Bloomberg

Key data on the share

ISIN	DE0005874846	Designated Sponsor	BankM - flatex Bank AG
WKN	587484	Research Coverage	SMC Research
Stock market symbol	IS7	No. of shares	4,287,000
Trading segment	Regulated Market	Trading exchanges	XETRA [®] , Frankfurt, Hamburg, Berlin, München, Stuttgart, Düsseldorf
Transparency level	Prime Standard		

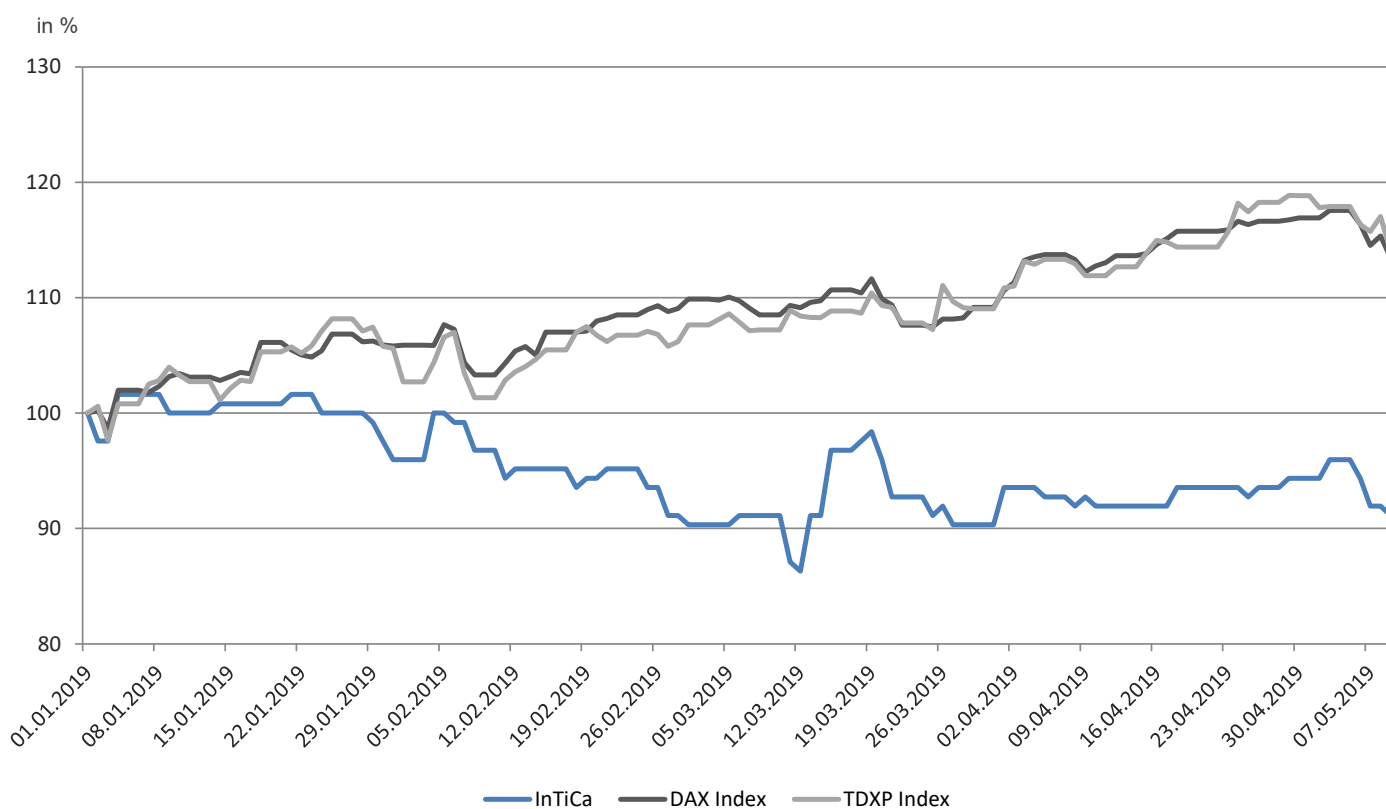
Shareholder structure

Thorsten Wagner	over 25%
Dr. Dr. Axel Diekmann	over 25%
Tom Hiss	over 5%
Jürgen and Elisabeth Donath	over 3%
InTiCa Systems AG	1.5%
Management	less than 1%

As of May 15, 2019



Share price performance





Economic report

General economic conditions

In their joint diagnosis for spring 2019, Germany's leading economic institutes come to the conclusion that the German economy has cooled considerably since the middle of 2018. They consider that this marks the end of the long-term upswing. The experts attribute the weaker momentum to a combination of international conditions and sector-specific factors. Global economic conditions have clouded, partly as a result of political risks. In addition, manufacturing industry is hampered by factors affecting output. The experts consider that the German economy is currently in a phase in which capacity overutilization will decline at the macroeconomic level. Consequently, they now only expect the economy to grow by 0.8% in 2019, a reduction of more than one percentage point compared with their forecast in autumn 2018. As long as there is no further escalation in the political risks, the experts see little danger of a pronounced recession with gross domestic product shrinking over several quarters.

The German Automotive Industry Association (VDA) estimates that the German car market developed favourably in the first quarter of 2019. It calculates that new car registrations totalled 880,200 in the first three months of the year, the highest level in a first quarter since 2000. Domestic order intake was 7% higher in the first quarter of 2019 than in the first quarter of 2018. The picture is different on the

international car market. Foreign order intake was down 8% year-on-year in the first quarter of 2019. Overall, German car producers' output contracted by around 11% to just under 1.3 million vehicles in the first quarter. This is also reflected in export business. So far this year, 974,300 vehicles have been exported, a year-on-year drop of around 10%. Analogously to this, new registrations were down year-on-year in the most important car markets. The EU registered a decline of 3.3% in the first quarter, while the registrations were down 2.0% in the USA, 2.1% in Japan and 13.8% in China.

According to the German Electrical and Electronic Manufacturers' Association (ZVEI), order intake remained around the prior-year level. While domestic orders rose by 2.4%, export orders dropped by 2.3%. Overall, German electrical and electronics manufacturers increased sales by 0.8% to EUR 47.2 billion in the first quarter of 2019, with domestic sales rising 1.3% to EUR 22.4 billion while foreign sales rose 0.4% to EUR 24.8 billion. However, capacity utilization fell by nearly two percentage points to 85.7% of total operational capacity at the start of the second quarter. At the same time, work on hand dropped from 3.8 to 3.4 months.

Significant events in the reporting period

There were no events of material significance for the company in the reporting period.

Earnings, asset and financial position

Sales were in line with the Board of Directors' expectations in the first quarter of 2019. Sales in the Automotive Technology segment increased year-on-year again and the Industrial Electronics segment almost matched the very high prior-year sales level. EBITDA was EUR 1.51 million, which was slightly over the previous year's level (3M 2018: EUR 1.45 million), while the EBITDA margin was 11.1% (3M 2018: 11.0%). While the ratio of material costs to total output was reduced slightly, the personnel expense ratio (including agency staff) was 25.5%, slightly higher than in the prior-year period (3M 2018: 25.3%). EBIT was EUR 0.3 million in the first quarter of 2019 (3M 2018: EUR 0.4 million) and the EBIT margin was 2.1% (3M 2018: 2.8%). Group net income was EUR 93 thousand in the reporting period (3M 2018: EUR 156 thousand).

Due to the high level of receivables on the reporting date, the operating cash flow was minus EUR 0.5 million in the first three months of 2019 (3M 2018: EUR 1.2 million). As a result of further investment to extend and modernize production and scheduled loan repayments, there was a total cash outflow of EUR 1.7 million in the reporting period (3M 2018: outflow of EUR 1.2 million). The equity ratio declined to 30.0% in the reporting period (December 31, 2018: 33.5%).

Earnings position

Overall, Group sales increased by 3.2% year-on-year to EUR 13.6 million (3M 2018: EUR 13.2 million). In the Automotive Technology segment, sales rose 5.7% year-on-year to EUR 10.3 million (3M 2018: EUR 9.7 million). Sales in the Industrial Electronics segment were slightly lower than in the prior-year period at EUR 3.4 million (3M 2018: EUR 3.5 million).

The ratio of material costs to total output was 53.9% in the reporting period, which was slightly below the prior-year level (3M 2018: 54.1%). By contrast, the personnel expense ratio (including agency staff) increased slightly from 25.3% to 25.5%. Other expenses increased from EUR 1.7 million in the prior-year period to EUR 1.9 million. The other operating expenses include expenses of EUR 0.6 million (3M 2018: EUR 0.3 million) for agency staff.

Depreciation of property, plant and equipment and amortization of intangible assets amounted to EUR 1.2 million (3M 2018: EUR 1.1 million), and spending on research and development was EUR 0.7 million, slightly below the prior-year figure (3M 2018: EUR 0.8 million). Development work focused principally on the Automotive Technology segment.

EBITDA (earnings before interest, taxes, depreciation and amortization) showed a slight improvement of 4.3% year-on-year to EUR 1.51 million (3M 2018: EUR 1.45 million). The EBITDA margin therefore increased slightly from 11.0% to 11.1%. EBIT (earnings before interest and taxes) was EUR 0.3 million (3M 2018: EUR 0.4 million), so the EBIT margin declined from 2.8% to 2.1%. At segment level,

Automotive Technology reported EBIT of EUR 0.3 million in the first three months of 2019 (3M 2018: EUR 0.1 million) and the Industrial Electronics segment reported EBIT of EUR 0.03 million (3M 2018: EUR 0.3 million).

The financial result was minus EUR 0.2 million in the reporting period (3M 2018: minus EUR 0.1 million), and tax expense was EUR 0.04 million (3M 2018: EUR 0.1 million). Group net income was EUR 0.1 million in the first three months (3M 2018: EUR 0.2 million). Earnings per share were EUR 0.02 (3M 2018: EUR 0.04).

As a result of currency translation gains of EUR 2 thousand (3M 2018: EUR 0.1 million) from the translation of foreign business operations, total comprehensive income was EUR 0.1 million in the first three months of 2019 (3M 2018: EUR 0.3 million).

Non-current assets

Non-current assets increased to EUR 31.0 million as of March 31, 2019 (December 31, 2018: EUR 28.1 million). This was principally due to initial application of the new standard on leases (IFRS 16), which resulted in recognition right-of-use assets for leases totalling EUR 3.5 million. Consequently, property, plant and equipment increased to EUR 24.8 million (December 31, 2018: EUR 22.0 million). At the same time, intangible assets rose to EUR 5.0 million (December 31, 2018: EUR 4.9 million) and deferred taxes were EUR 1.2 million (December 31, 2018: EUR 1.2 million).

Current assets

Current assets increased to EUR 25.1 million as of March 31, 2019 (December 31, 2018: EUR 22.0 million). Trade receivables rose from EUR 9.2 million to EUR 11.4 million in the reporting period, inventories increased from EUR 11.0 million to EUR 11.4 million and other financial assets increased from EUR 0.1 million to EUR 0.6 million. The other current receivables also increased slightly from EUR 1.6 million to EUR 1.7 million. Cash and cash equivalents totalled EUR 0.07 million on March 31, 2019 (December 31, 2018: EUR 0.08 million).

Liabilities

Current liabilities increased to EUR 23.1 million in the first quarter of 2019 (December 31, 2018: EUR 20.9 million). This was mainly due to an increase in current liabilities to banks from EUR 13.6 million to EUR 14.5 million and in trade payables from EUR 4.9 million to EUR 6.4 million.

Non-current liabilities also rose in the reporting period, from EUR 12.5 million to EUR 16.2 million. This was mainly attributable to the increase in non-current liabilities to banks from EUR 10.8 million to EUR 11.1 million and to first-time recognition of other non-current liabilities totalling EUR 3.4 million in accordance with IFRS 16. Deferred taxes were unchanged from December 31, 2018 at EUR 1.7 million.

Equity

Equity rose slightly to EUR 16.9 million as of March 31, 2019 (December 31, 2018: EUR 16.8 million). This increase was attributable to the profit for the period, which reduced the negative profit reserve to minus EUR 2.0 million. The capital stock of EUR 4.3 million, treasury stock of EUR 64 thousand, the currency translation reserve of minus EUR 0.8 million and the general capital reserve of EUR 15.4 million were constant in the reporting period. Total assets increased to EUR 56.1 million at the end of the first quarter of 2019 (December 31, 2018: EUR 50.1 million). The equity ratio therefore declined from 33.5% to 30.0%.

Liquidity and cash flow statement

The net cash outflow for operating activities was EUR 0.5 million in the first three months of 2019 (3M 2018: inflow of EUR 1.2 million). The year-on-year reduction was mainly due to an increase in trade receivables on the reporting date. Excluding tax expense and interest payments, the cash outflow for operating activities was EUR 0.2 million (3M 2018: inflow of EUR 1.3 million).

The net cash outflow for investing activities was EUR 0.6 million in the reporting period (3M 2018: outflow of EUR 2.0 million). Investment in intangible assets amounted to EUR 0.3 million (3M 2018: EUR 0.3 million) and investment in property, plant and equipment was EUR 0.3 million (3M 2018: EUR 1.6 million). Further capital expenditures for property, plant and equipment of around EUR 5.8 million are planned for 2019. They include EUR 3.3 million for two highly automated leased production lines, which will be used to produce stator coils for hybrid vehicles. Further investments mainly relate to the installation and extension of production plants for e-mobility (EMC filters and stators) at the site in the Czech Republic.

The net cash outflow for financing activities was EUR 0.6 million in the first quarter of 2019 (3M 2018: outflow of EUR 0.5 million). The cash outflow in the reporting period included EUR 0.5 million for loan repayments (3M 2018: EUR 0.5 million) and EUR 0.1 million for lease payments (3M 2018: EUR 0 thousand).

That resulted in a total cash outflow of EUR 1.7 million in the reporting period (3M 2018: outflow of EUR 1.2 million). Cash and cash equivalents (less overdrafts) were minus EUR 11.7 million (March 31, 2018: minus EUR 6.9 million). As of the reporting date, InTiCa Systems AG also had assured credit facilities which could be drawn at any time totalling EUR 12.4 million.

Employees

The headcount was 713 on March 31, 2019 (March 31, 2018: 615). 229 of these employees were agency staff (March 31, 2018: 88). The increase in the number of agency staff is still due to the current labour market situation in the Czech Republic, with a labour shortage and rising wage costs, and to the start-up and expansion of the facility in Mexico, where agency staff are generally employed at first,

until order call-off volume stabilizes as serial production increases. On average, the Group had 697 employees in the reporting period (3M 2018: 619), including agency staff in both cases.

Risks and opportunities

The management report in the annual report for 2018 provides full details of risk factors that could affect the business performance of InTiCa Systems in section 4 "Risk management and risk report", while business potential is discussed in section 5 "Opportunities and management of opportunities". There was no material change in the risk/opportunity profile of InTiCa Systems AG in the reporting period.

Outlook

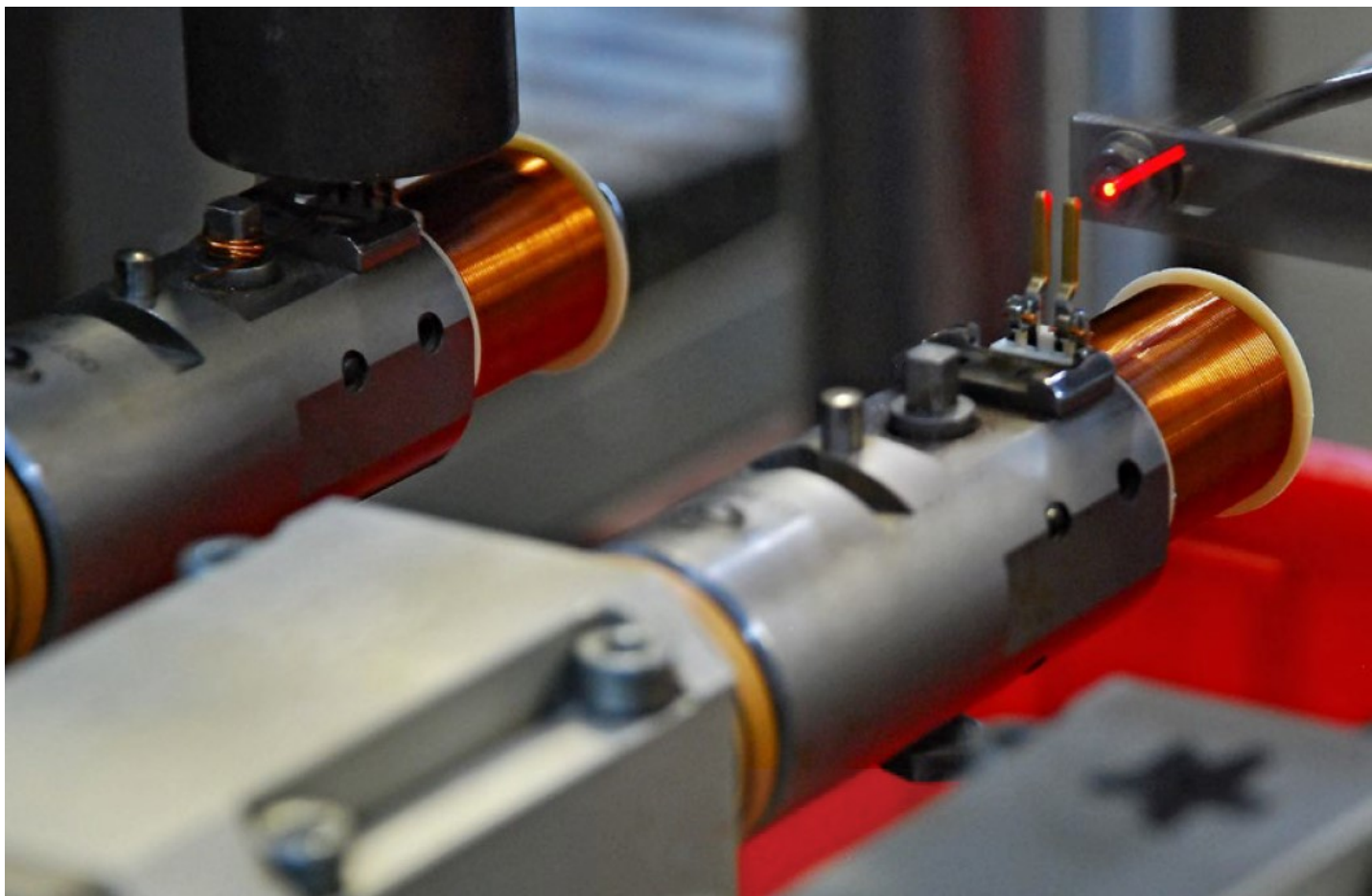
Business performance in the first three months was in line with the Board of Directors' expectations so it is retaining its outlook for fiscal 2019.

The Automotive Technology segment will remain the most important element in InTiCa Systems' business activities in 2019, as in previous years. Product innovations and further internationalization should open the door to new markets in both segments. As a result of international shortages and longer delivery times, the supply of raw materials will remain a challenge in 2019. Other challenges are customers' order call-off patterns and the availability of skilled staff. The Board of Directors expects to see an ongoing improvement in efficiency and an improvement in the cost situation in 2019 as a result of constant optimization of corporate processes and production workflows.

At the end of the first quarter of 2019, orders on hand were well above the prior-year level at EUR 88.0 million (March 31, 2018: EUR 59.8 million). 83% of orders were for the Automotive Technology segment (Q1 2018: 88%). Overall, the Board of Directors expects orders on hand to rise in the Automotive Technology segment and the Industrial Electronics segment.

At present, the Board of Directors assumes that, given a stable economic environment and taking into account the particular challenges of 2019, Group sales will rise to around EUR 54.0 million to EUR 58.0 million in 2019, while the EBIT margin will be between 1.5% and 2.0%. The material cost ratio should be optimized further in both segments and the equity ratio should remain stable.

Further information on the segments can be found in the annual report for 2018 in section 6 "Outlook".

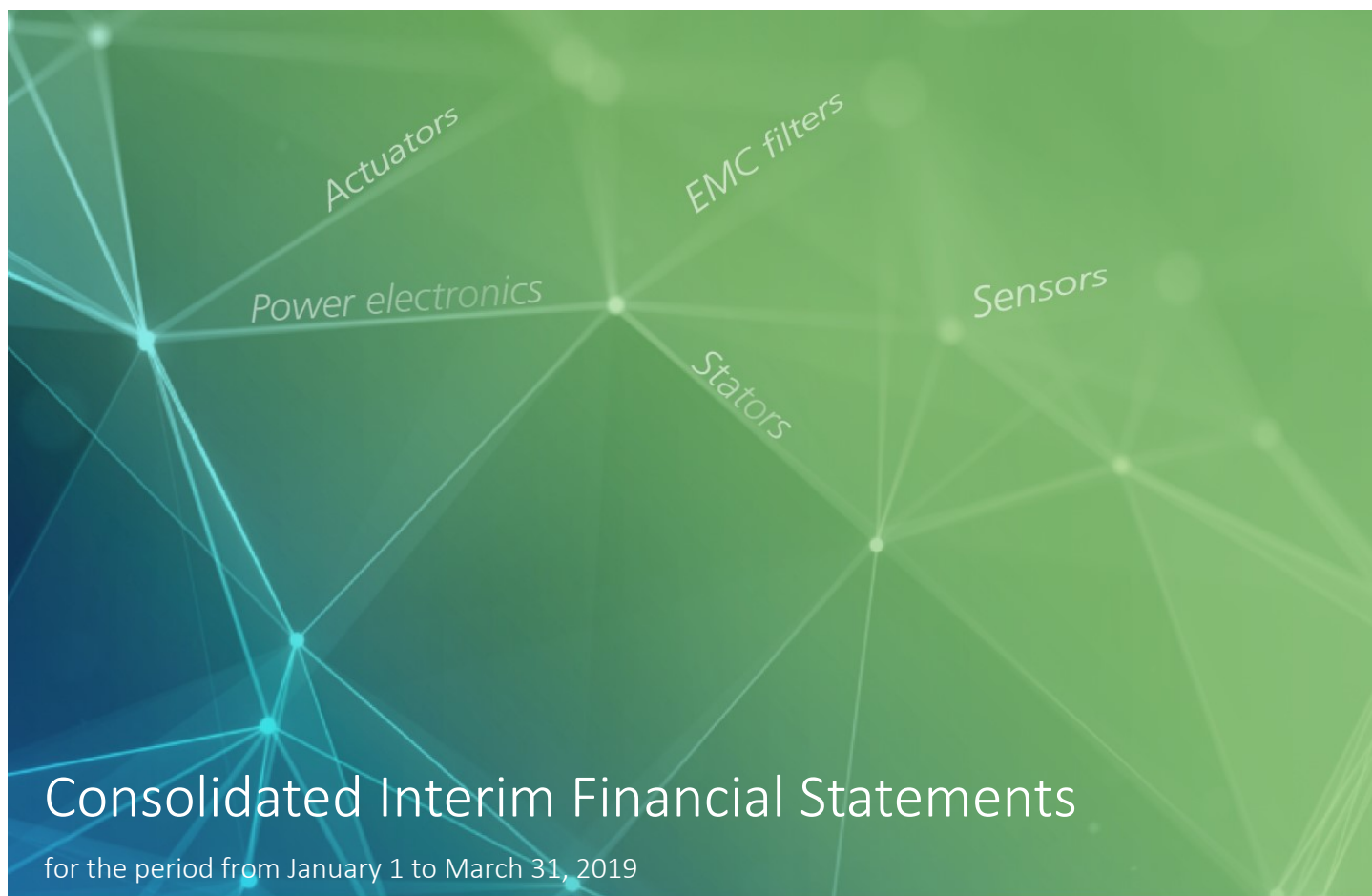


Consolidated interim financial statements in accordance with IFRS

The unaudited consolidated interim financial statements for InTiCa Systems AG and its subsidiaries as of March 31, 2019, have been drawn up in accordance with the International Financial Reporting Standards (IFRS), as applicable for use in the European Union, and the supplementary commercial law regulations set out in sec. 315a paragraph 1 of the German Commercial Code (HGB). No audit review has been conducted of the consolidated interim financial statements.

Forward-looking Statements and Predictions

This quarterly report 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 performance and developments depend on a wide variety of factors which contain a number of risks and unforeseeable factors and are based on assumptions that may prove incorrect. 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.



Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2019

Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS
as of March 31, 2019

Assets	Mar 31, 2019 EUR '000	Dec 31, 2018 EUR '000
Non-current assets		
Intangible assets	4,982	4,928
Property, plant and equipment	24,828	21,968
Deferred taxes	1,202	1,180
Total non-current assets	31,012	28,076
Current assets		
Inventories	11,385	11,029
Trade receivables	11,408	9,236
Tax assets	6	5
Other financial assets	600	75
Other current receivables	1,663	1,566
Cash and cash equivalents	74	78
Total current assets	25,136	21,989
Total assets	56,148	50,065

Equity and liabilities	Mar 31, 2019 EUR '000	Dec 31, 2018 EUR '000
Equity		
Capital stock	4,287	4,287
Treasury stock	-64	-64
General capital reserve	15,389	15,389
Profit reserve	-1,965	-2,058
Currency translation reserve	-792	-794
Total equity	16,855	16,760
Non-current liabilities		
Interest-bearing non-current liabilities	11,123	10,813
Other liabilities	3,372	0
Deferred taxes	1,656	1,640
Total non-current liabilities	16,151	12,453
Current liabilities		
Other current provisions	1,359	1,211
Tax payables	0	151
Interest-bearing current financial liabilities	14,543	13,564
Trade payables	6,412	4,936
Other financial liabilities	413	488
Other current liabilities	415	502
Total current liabilities	23,142	20,852
Total equity and liabilities	56,148	50,065
Equity ratio	30.0%	33.5%

Consolidated Statement of Profit and Loss and other Comprehensive Income

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2019

	Jan 1 - Mar 31, 2019 EUR '000	Jan 1 - Mar 31, 2018 EUR '000	Change 2019 vs. 2018
Sales	13,620	13,196	+3.2%
Other operating income	363	84	+332.1%
Changes in finished goods and work in process	-1,014	-304	+233.6%
Other own costs capitalized	272	301	-9.6%
Material expense	6,946	7,140	-2.7%
Personnel expense	2,846	3,003	-5.2%
Depreciation and amortization	1,221	1,080	+13.1%
Other expenses	1,937	1,684	+15.0%
Operating profit (EBIT)	291	370	-21.4%
Cost of financing	163	96	+69.8%
Other financial income	0	0	-
Profit before taxes	128	274	-53.3%
Income taxes	35	118	-70.3%
Net profit for the period	93	156	-40.4%
Other comprehensive income			
Exchange differences from translating foreign business operations	2	126	-98.4%
Other comprehensive income, after taxes	2	126	-98.4%
Total comprehensive income for the period	95	282	-66.3%
Earnings per share (diluted/basic in EUR)	0.02	0.04	-40.4%
EBITDA	1,512	1,450	+4.3%

Consolidated Cash Flow Statement

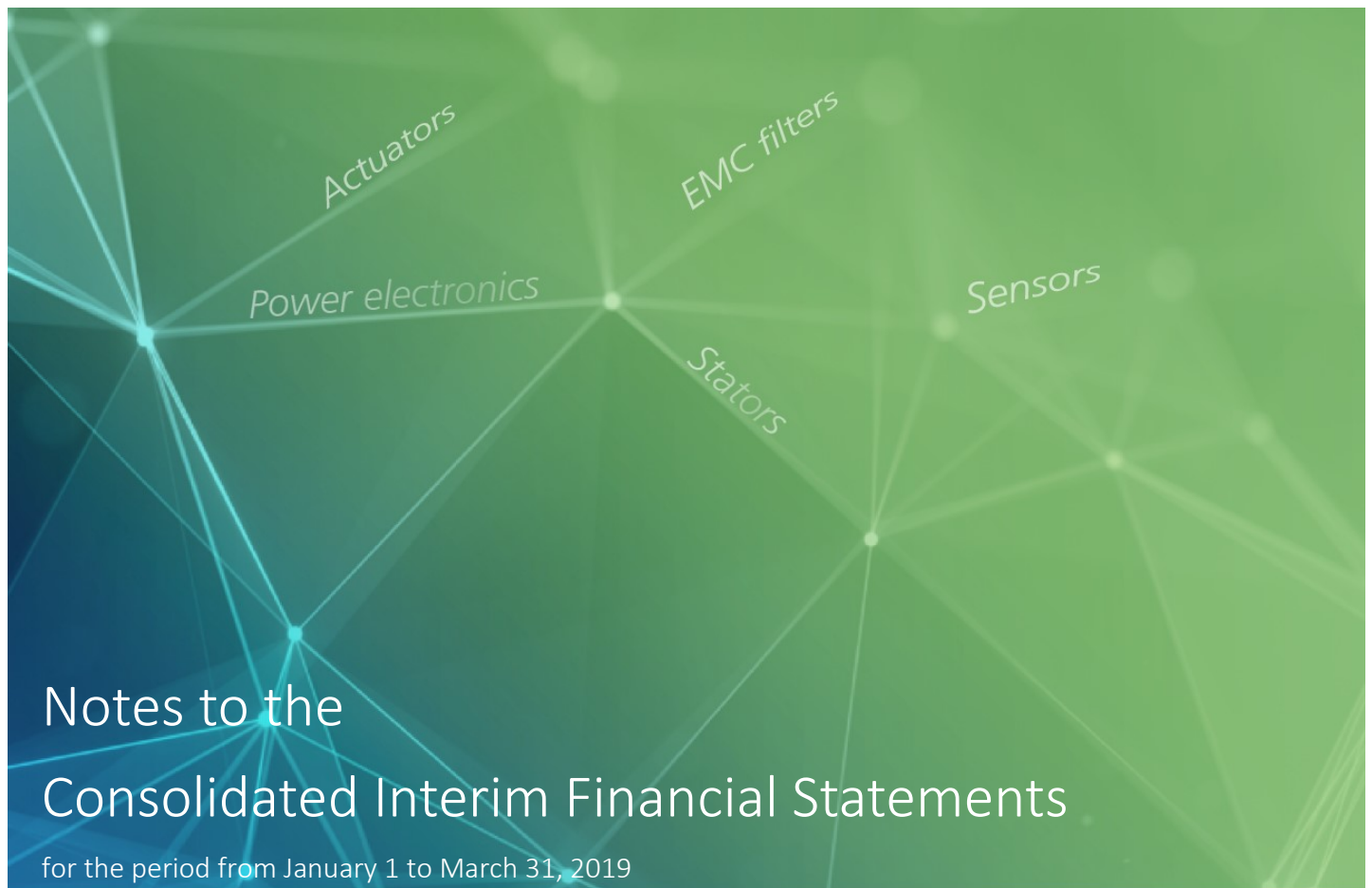
of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2019

	Jan 1 - Mar 31, 2019 EUR '000	Jan 1 - Mar 31, 2018 EUR '000
Cash flow from operating activities		
<i>Net profit for the period</i>	93	156
Income tax expenditures / receipts	35	118
Cash outflow for borrowing costs	163	96
Income from financial investments	0	0
Depreciation and amortization of non-current assets	1,221	1,081
<i>Other non-cash transactions</i>		
Net currency gains/losses	-4	33
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	-355	-148
Trade receivables	-2,172	-1,400
Other assets	-623	-297
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	149	192
Trade payables	1,475	1,403
Other liabilities	-209	41
Cash flow from operating activities	-227	1,275
Cash outflow for income taxes	-192	0
Cash outflow for interest payments	-117	-53
Net cash flow from operating activities	-536	1,222
Cash flow from investing activities		
Cash inflow from interest payments	0	0
Cash outflow for intangible assets	-287	-317
Cash outflow for property, plant and equipment	-272	-1,637
Net cash flow from investing activities	-559	-1,954
Cash flow from financing activities		
Cash inflow from loans	0	0
Cash outflow for loan repayment installments	-502	-451
Cash outflow for liabilities under finance leases	-135	0
Net cash flow from financing activities	-637	-451
Total cash flow	-1,732	-1,183
Cash and cash equivalents at start of period	-9,933	-5,721
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies	14	-12
Cash and cash equivalents at end of period	-11,651	-6,916

Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2019

	Capital stock EUR '000	Treasury stock EUR '000	Paid-in capital EUR '000	Retained earnings EUR '000	Currency trans- lation reserve EUR '000	Total equity EUR '000
As of January 1, 2018	4,287	-64	15,389	-744	-746	18,122
Net result for Q1 2018	0	0	0	156	0	156
Other comprehensive income, after taxes Q1 2018	0	0	0	0	126	126
Total comprehensive income for Q1 2018	0	0	0	156	126	282
As of March 31, 2018	4,287	-64	15,389	-588	-620	18,404
As of January 1, 2019	4,287	-64	15,389	-2,058	-794	16,760
Net result Q1 2019	0	0	0	93	0	93
Other comprehensive income, after taxes Q1 2019	0	0	0	0	2	2
Total comprehensive income for Q1 2019	0	0	0	93	2	95
As of March 31, 2019	4,287	-64	15,389	-1,965	-792	16,855



Notes to the Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2019

Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of March 31, 2019, prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”, use the same accounting policies and valuation methods as the consolidated financial statements for fiscal 2018, which were drawn up in accordance with the International Financial Reporting Standards valid as of the reporting date, as applicable for use in the European Union, and the relevant Interpretations. The consolidated interim financial statements have been prepared for the three-months period ending on March 31, 2019. Comparative data refer to the consolidated financial statements as of December 31, 2018, or the consolidated interim financial statements as of March 31, 2018. The consolidated interim financial statements do not contain all information that would be required for a full set of annual financial statements. A detailed overview of the accounting and valuation principles applied can be found in the notes to the consolidated financial statements in the annual report for 2018. This is available at Investor Relations/Publications on the company’s website at www.intica-systems.com/en.

The currency used to prepare the consolidated interim financial statements is the euro (EUR). Amounts are stated in thousands of euros (EUR '000), except where otherwise indicated.

With the exception of IFRS 16, the changes in the accounting policies and valuation methods applicable from the 2019 financial year have not had any material impact. The effects of IFRS 16 are outlined briefly below:

Impact of IFRS 16 – Leases

As a result of the change to IFRS 16 as of January 1, 2019 right-of-use assets for leases totalling EUR 3.5 million were capitalized and other non-current liabilities of the same amount were recognized on the liabilities side. The resulting increase in total assets and total equity and liabilities reduced the equity ratio. In the cash flow statement, lease and rental payments are no longer presented in the cash flow from operating activities. Instead they are split and presented separately in the line items “cash outflow for interest payments” and “repayments from the redemption of finance leases”.

The modified retrospective method was applied for the switch to IFRS 16. The comparative figures for the prior-year periods have not been restated.

Scope of consolidation

In addition to the parent company, InTiCa Systems AG, Passau, Germany, the InTiCa Systems s.r.o., Prachatice, Czech Republic, and the Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V., Silao, Mexico are included in the

Segment report as of March 31, 2019

Segment sales and segment earnings

Segment	Automotive Technology		Industrial Electronics		Total	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
In EUR '000						
Sales	10,253	9,704	3,367	3,492	13,620	13,196
EBIT	262	64	29	306	291	370

Key financial figures

	Q1 2019 EUR '000 or %	Q1 2018 EUR '000 or %	Change 2019 vs. 2018
EBITDA	1,512	1,450	+4.3%
Net margin	0.7%	1.2%	
Pre-tax margin	0.9%	2.1%	
Material cost ratio (in terms of total output)	53.9%	54.1%	
Personnel cost ratio	25.5%	25.3%	
EBIT margin	2.1%	2.8%	
Gross profit margin	43.6%	45.9%	

consolidated financial statements. The Czech subsidiary is a wholly owned company, while InTiCa Systems AG holds 99% of shares in the Mexican company and InTiCa Systems s.r.o. holds 1%. The annual financial statements and interim financial statements of the Group companies are drawn up as of the last day of the Group's fiscal year or the interim reporting period. Compared with Q1 2018, there has been no change in the scope of consolidation of InTiCa Systems AG.

Currency translation

When preparing the financial statements for each individual Group company, business transactions in currencies other than the functional currency of that company (foreign currencies) are translated at the exchange rates applicable on the transaction date.

When preparing the consolidated interim financial statements, the assets and liabilities of the Group's foreign business operations are translated into euros (EUR) at the exchange rate applicable on the reporting date. Income and expenses are translated using the weighted average exchange rate for the fiscal year.

The following exchange rates were used for the consolidated financial statements:

	Closing rates		
	31.03.2019	31.12.2018	31.03.2018
	EUR 1	EUR 1	EUR 1
Tschechien	25.800 CZK	CZK 25.725	CZK 25.430
USA	1.123 USD	USD 1.145	USD 1.232
Mexiko	21.756 MXN	MXN 22.505	MXN 22.655

	Average rates		
	31.03.2019	31.12.2018	31.03.2018
	EUR 1	EUR 1	EUR 1
Tschechien	25.682 CZK	CZK 25.643	CZK 25.402
USA	1.136 USD	USD 1.181	USD 1.229
Mexiko	21.966 MXN	MXN 22.743	MXN 22.921

Segment information

The notes to the consolidated financial statements in the annual report for 2018 contain a detailed overview of the assets allocated to each segment. There has not been any material change in the assets allocated to the segments since December 31, 2018.

Consolidated income statement

Group sales rose to EUR 13,620 thousand in the first three months of 2019, up from EUR 13,196 thousand in Q1 2018. Sales increased in the Automotive Technology segment but declined slightly in the Industrial Electronics segment. EBITDA rose from EUR 1,450 thousand to EUR 1,512 thousand. Group net income was EUR 93 thousand in the reporting period, compared with EUR 156 thousand in the first quarter of the previous.

Consolidated balance sheet and cash flow statement

The capital stock of InTiCa Systems AG is EUR 4,287,000 and is divided into 4,287,000 no-par bearer shares with a theoretical pro rata share of the capital stock of EUR 1.00 per share. The equity ratio of around 30% as of March 31, 2019 (December 31, 2018: 33.5%) shows that the company is still soundly financed.

The net cash outflow for operating activities was EUR 546 thousand in the first three months of 2019 (3M 2018: inflow of EUR 1,222 thousand). The total cash outflow in the reporting period was EUR 1,732 thousand (3M 2018: outflow of EUR 1,183 thousand). Cash and cash equivalents therefore declined from minus EUR 9,933 thousand as of December 31, 2018 to minus EUR 11,651 thousand as of March 31, 2019. Equity and liabilities changed as follows in the reporting period: equity increased to EUR 16,855 thousand (December 31, 2018: EUR 16,760 thousand), non-current liabilities increased to EUR 16,151 thousand (December 31, 2018: EUR 12,453 thousand) and current liabilities increased to EUR 23,142 thousand (December 31, 2018: EUR 20,852 thousand), mainly because of the increase in non-current liabilities to banks and trade payables. On the assets side of the balance sheet, non-current assets increased to EUR 31,012 thousand (December 31, 2018: EUR 28,076 thousand), while current assets increased to EUR 25,136 thousand (December 31, 2018: EUR 21,989 thousand) as a result of the increase in trade receivables.

Events after the reporting date

No reportable events have occurred since the reporting date, March 31, 2019.

German Corporate Governance Code and declaration of conformance

In compliance with sec. 161 of the German Companies Act (AktG), the Board of Directors and Supervisory Board have made their current declaration of conformity with the German Corporate Governance Code and the declaration on corporate management pursuant to sec. 289a of the German Commercial Code (HGB) available permanently to shareholders on the company's website at www.intica-systems.com/en, Investor Relations/Corporate Governance.

Related party transactions

No material transactions were conducted with related parties in the reporting period.

Other information

The capital stock of InTiCa Systems AG is EUR 4,287,000 and is divided into 4,287,000 no-par bearer shares, which constitute a theoretical pro rata share of the capital stock of EUR 1.00 per share. All shares have the same voting rights and dividend claims. The only exceptions are shares held by the company (treasury shares), which do not confer any rights on the company. The rights and obligations of the shareholders are set out in detail in the German Companies Act (AktG), in particular in sec. 12, sec. 53a et seq., sec. 118 et seq. and sec. 186.

Restrictions on the voting rights of shares could result from statutory provisions (sec. 71b and sec. 136 AktG). The Board of Directors is not aware of any other restrictions on the exercise of voting rights or the transfer of shares.

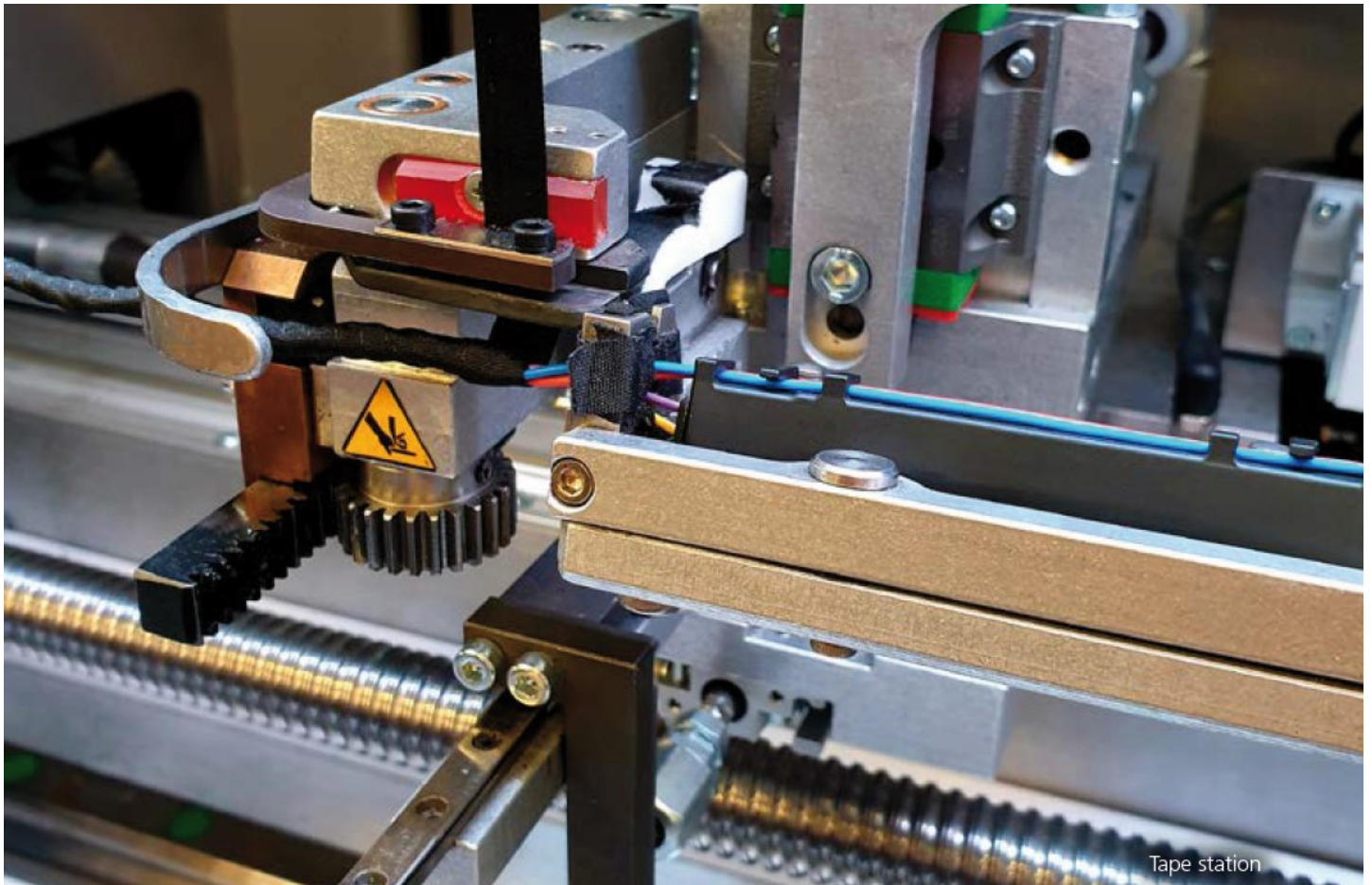
Under the provisions of German securities trading legislation, every investor whose proportion of the voting rights in the company reaches, exceeds or falls below certain thresholds as a result of the purchase or sale of shares or in any other way must notify the company and the Federal Financial Supervisory Authority (BaFin) thereof. The lowest threshold for such disclosures is 3%. Mr. Thorsten Wagner (Germany) and Mr. Dr. Dr. Axel Diekmann (Germany) have direct and indirect interests in the company's capital exceeding 10% of the voting rights.

There are no shares in InTiCa Systems AG with special rights according rights of control.

InTiCa Systems AG has not issued any shares that allow direct exercise of control rights.

The appointment and dismissal of members of the Board of Directors is governed by sec. 84 and sec. 85 of the German Companies Act (AktG) and sec. 5 of the articles of incorporation. Pursuant to the statutory provisions (sec. 179 paragraph 1 AktG) any amendment to the articles of incorporation requires a resolution of the General Meeting. Resolutions of the General Meeting are adopted on the basis of a simple majority vote except for amendments for which the German Companies Act stipulates a larger majority. Under sec. 8 paragraph 4 of the company's articles of incorporation, the Supervisory Board may make amendments to the articles of incorporation, providing these are merely editorial.

In addition, under sec. 3 paragraph 3 of the articles of incorporation, the Supervisory Board may alter the articles of incorporation in the event of a capital increase out of the authorized capital 2017/I to bring them into line with the extent of the capital increase and may make any other amendments associated with this provided that these are merely editorial.



The Board of Directors is authorized to increase the capital stock with the Supervisory Board's consent, up to July 20, 2022, by a total of up to EUR 2,143,500.00 in return for cash or contributions in kind under exclusion of shareholders' subscription rights (authorized capital 2017/I). Further details are given in sec. 3 paragraph 3 of the company's articles of incorporation, which can be downloaded from the company's website at [Company/Downloads](#) [available in German only].

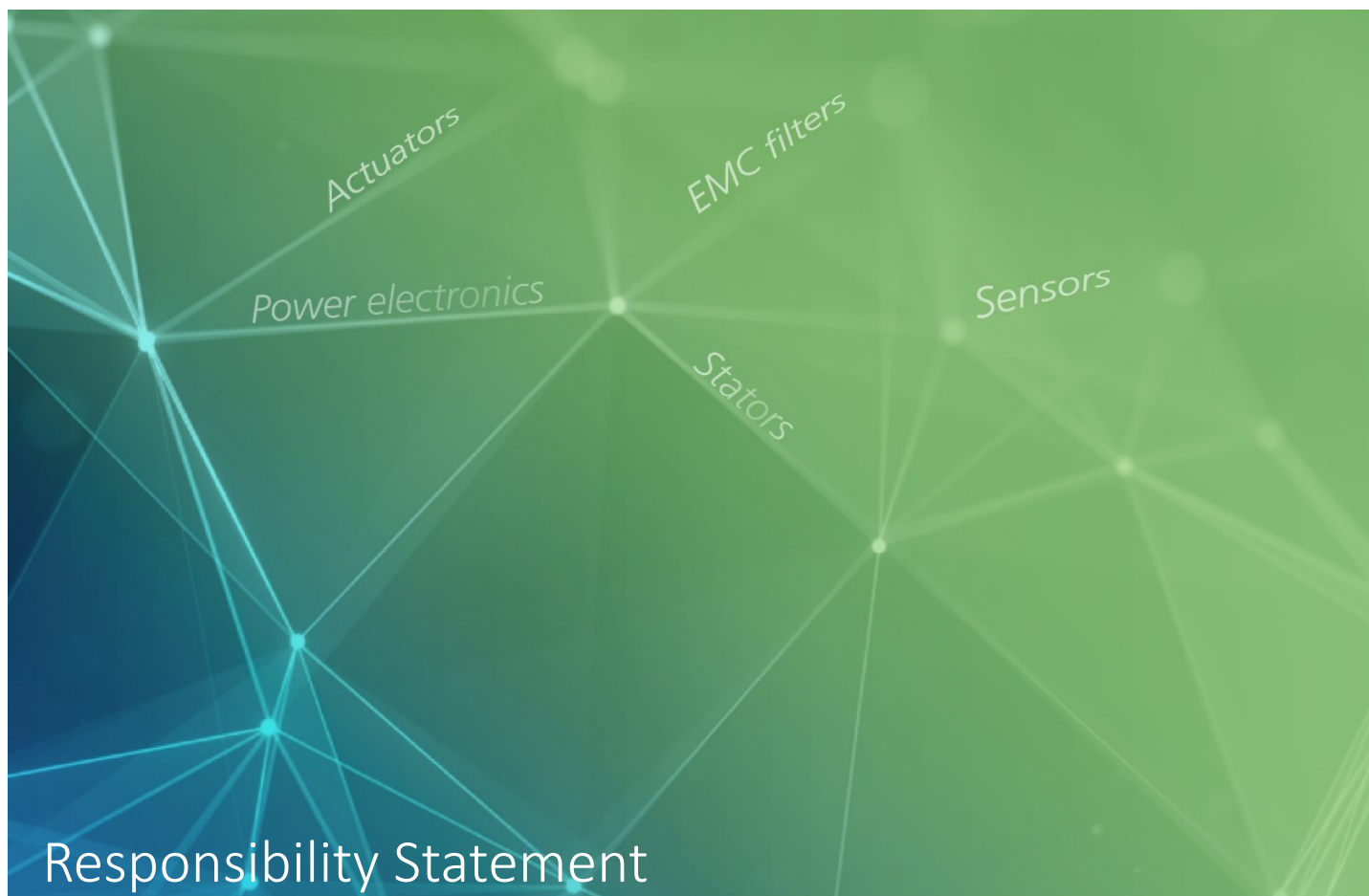
On the basis of the resolution of the Annual General Meeting of May 29, 2008, the company was authorized, until November 28, 2009, to repurchase up to 10% of the capital stock of 428,700 shares at the date of the resolution. This resolution was used to purchase 263,889 shares in the company. As of March 31, 2019, InTiCa Systems AG still had treasury stock amounting to 64,430 shares (March 31, 2018: 64,430).

On the basis of a resolution adopted by the Annual General Meeting on July 21, 2017, the company is authorized, up to July 20, 2022, to purchase its own shares, in one or more tranches, up to a total of 10% of the capital stock at the time of adoption of this resolution or, if the capital stock is lower when this authorization is utilized, of the capital stock at the time when it is utilized. The company has not yet used this authorization.

InTiCa Systems AG has loans amounting to EUR 3.8 million which give the lender a right of termination in the event of a change in the borrower's shareholder or ownership structure such that the shareholders or owners relinquish control over the borrower during the term of the loans or a person or group of persons acting jointly acquire more than 50% of the voting rights and/or more than 50% of the capital of the borrower, unless the prior consent of the lender is obtained.

In addition, the creditor of a EUR 2 million overdraft facility has an extraordinary right to terminate this facility. This right takes effect if one other person acquires at least 30% of the borrower's voting rights and the parties cannot reach agreement on new terms.

There are no compensation agreements with either members of the Board of Directors or employees relating to a takeover bid.



We hereby declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated interim financial statements are prepared in accordance with the principles of proper book-keeping, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim management report for the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Passau, May 22, 2019

The Board of Directors

Dr. Gregor Wasle
Chairman of the
Board of Directors

Günther Kneidinger
Member of the
Board of Directors



Financial Calendar 2019

May 23, 2019	Publication of Interim Financial Statements for Q1 2019
July 10, 2019	Annual General Meeting in Passau
August 22, 2019	Publication of Interim Financial Statements for H1 2019
November 21, 2019	Publication of Interim Financial Statements for Q3 2019
December 11, 2019	Presentation at the Munich Capital Market Conference 2019

Headquarter:

InTiCa Systems AG
Spitalhofstraße 94
94032 Passau
Germany

Phone +49 (0) 851 96692-0
Fax +49 (0) 851 96692-15

www.intica-systems.com
info@intica-systems.com

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