2010
ANNUAL REPORT



Technologies for the environment!

InTiCa Systems

Key figures of InTiCa Systems

The Group

	2008 EUR ´000	2009 EUR ´000	2010 EUR ´000	Change
Sales	27,325	23,283	31,245	34.2%
Net margin	-	-	-	-
EBITDA	-91	3,024	2,913	-3.7%
EBIT	-3,773	-494	-1,350	-
EBT	-3,925	-829	-1,834	-
Net loss (profit)	-3,333	-870	-2,174	-
Earnings per share (diluted/basic in EUR)	-0,78	-0,22	-0,53	-
Cash flow total	8,542	-5,315	-5,158	-
Net cash flow for operating activities	-2,044	-1,350	861	-
Capital expenditure	4,844	4,264	5,628	32.0%

	31.12.2008 EUR ´000	31.12.2009 EUR ´000	31.12.2010 EUR ´000	Change
Total assets	40,189	36,652	39,674	8%
Equity	21,478	20,906	18,943	-9%
Equity ratio	53 %	57 %	48%	-
Employees (number)	241	267	447	67.4%

The stock

	2008	2009	2010	(end 3-31-2011) 2011
Closing price (in EUR)	1.7	3.95	4.2	4.2
Period high (in EUR)	9.04	4.37	5.25	5.1
Period low (in EUR)	1.4	1.34	3.75	4.01
Marketcapitalisation at end of period (million EUR)	7.3	16.9	18.0	18.0
Number of shares	4,287,000	4,287,000	4,287,000	4,287,000

The stock prices are closing prices on XETRA

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The InTiCa Systems Group
Preface

Dear shareholders, employees and business associates,

"Innovation for the future" is the motto of InTiCa Systems. It reflects our conviction that lasting growth can only be achieved through innovative products and is therefore vital to secure the future of our company. It means creating benefits for our customers through innovative products that enhance their competitiveness.

Today we can justifiably say that over the past few years InTiCa Systems has been successfully repositioned from a single-product company to an innovation leader with a broad product range grouped in four independent segments. Dynamic growth has been generated by the new Automotive Technology and Industrial Electronics segments, which together contributed more than 60% of Group sales last year. 2010 was therefore clearly dominated by the motto „Innovation for the future".

Building on our broadly based product portfolio, which we are continuing to develop, and our focus on growing markets, our developers are focusing their attention on enhanced inductive components, mechatronic assemblies and analogue switching technology to optimize the performance and energy efficiency of low-emissions automotive technologies, regenerative energy resources and cable networks for broadband transmission.

McKinsey predicts that the market potential for automotive products for more efficient, lower emissions vehicles will amount to EUR 325 billion in the period up to 2020.

The Industrial Electronics segment, which was only established three years ago, has now become the fastest-growing segment and highest earnings generator at InTiCa Systems. Last year, it accounted for over 30% of Group sales and it is continuing to post very strong growth. We are convinced that in the mid-term this segment will account for around 50% of sales. The new Cable Assemblies segment increases our vertical integration and should enable us to leverage additional sales potential in new markets.

Sadly, in the present financial statements the successes achieved in recent months and years are only visible in volume sales. Although the cash flow from operating activities shows a significant rise to around EUR 1.3 million as a result of the good business situation and is back in positive territory, our earnings were below expectations. This was due to higher costs resulting from production start-up for various new products and an increase in raw material costs in the third and fourth quarters. EBITDA was EUR 2.9 million and thus still around the previous year's level of EUR 3.0 million, but EBIT and EBT deteriorated year-on-year owing to the investments made in expansion of our business activities in 2010. However, since order intake reached the

highest level in the company's history at the end of 2010 and InTiCa Systems' product portfolio is now more diversified than ever before, we have positioned the company well for future growth. Together with our high innovative strength, this makes us confident that we will be able to report a positive performance in 2011.

We would like to thank our shareholders, employees and business associates for the confidence they placed in us in the past year. Whatever the new challenges that 2011 brings, we are sure that we will find innovative solutions and appeal to you for your continued support.

Passau, April 2011

Yours,

Walter Brückl
Chairman of the Board of Directors

Günther Kneidinger
Member of the Board of Directors

Report of the Supervisory Board on fiscal 2010

Dear shareholders,

The Supervisory Board closely monitored the company's strategic and operational development in 2010. The planning generated in the previous year was compared with the actual situation and major discrepancies were discussed with the Board of Directors. The main issues at the meetings of the Supervisory Board, which were regularly attended by members of the Board of Directors, were the financing of the company's business operations, the current production and volume sales situation, and expectations regarding the future development of production costs. The Supervisory Board discussed the company's operating situation at every meeting, and also considered a range of supervisory issues.

The members of the Supervisory Board in the year under review were Dr. Walter Hasselkus (Chairman), Dr. Horst Hollstein (Deputy Chairman) and Dr. Wulfdieter Braun, all of whom were members until August 4, 2010, and – from August 5, 2010 – Mr. Werner Paletschek, Christian Fürst and Detlef Hölzel. Dr. Hasselkus, Dr. Hollstein and Dr. Braun resigned from the Supervisory Board in the reporting period. Mr. Paletschek, Mr. Fürst and Mr. Hölzel were appointed to the Supervisory Board as of August 5, 2010 by Passau District Court. At the constitutive meeting on August 25, Mr. Paletschek was appointed Chairman of the Supervisory Board and Mr. Fürst was elected as his deputy. The Supervisory Board thanks Dr. Hasselkus, Dr. Hollstein and Dr. Braun for their constructive work over many years.

Since the Supervisory Board only has three members, it has not established any committees. The full Supervisory Board discusses all relevant issues.

In performance of the advisory and supervisory functions imposed on it by law, the articles of incorporation and the rules of procedure, in 2010 the Supervisory Board continuously monitored the work of the Board of Directors in the interests of the company and its shareholders and provided advice. The yardsticks for oversight were the lawfulness, correctness, cost-effectiveness and expediency used in the management of the company and the Group. The Board of Directors gave the Supervisory Board detailed information and explanations with regard to all business transactions and other matters requiring the approval of the Supervisory Board in compliance with the law, articles of incorporation or rules of procedure, and obtained the necessary consent. The Board of Directors provided continuous, comprehensive and timely information to the Supervisory Board either verbally or in writing.

Discrepancies between planned and actual business performance and the budgets presented were discussed with the Board of Directors on a case-by-case basis and examined on the basis of the documents provided. The Board of Directors and Chairman of the Supervisory Board maintained close contact outside the regular meetings of the Supervisory Board. The Board of Directors ensured timely and full reporting on the business development and financial condition of the company and discussed corporate planning with the Supervisory Board.

The Supervisory Board held eight ordinary meetings in 2010. All members of the Supervisory Board were present at all meetings.

The dates of the meetings and the main issues discussed were as follows:
March 18, 2010: The annual financial statements and management report for fiscal 2009 and the declaration of conformity were discussed. Other items discussed were the current business trend and agreeing a new contract of service with Mr. Brückl.

The new contract with Mr. Brückl was signed in April 2010.

April 19, 2010: The annual financial statements and management report for 2009 were discussed and approved. Other items discussed were the current business trend, resolutions to be adopted and adoption of the declaration of conformity.

June 24, 2010: The business trend was discussed. The presentation for the Annual General Meeting also formed a central focus of the meeting.

July 27, 2010: The meeting focused on the current business trend.

August 25, 2010: Constitutive meeting of the new Supervisory Board following the appointment of Mr. Paletschek, Mr. Fürst and Mr. Hölzel. At this meeting Mr. Paletschek was elected Chairman of the Supervisory Board and Mr. Fürst was elected Deputy Chairman. In addition, the Supervisory Board received extensive information on the company, its strategy and its business performance.

September 29, 2010: At this meeting the earnings trend in the past months was discussed. Other topics were the outline planning for fiscal 2011. Similarly, the financing of the company was discussed and related resolutions were adopted. Alongside other personnel issues, this meeting also discussed the planned changes to the remuneration of the Supervisory Board.

October 26, 2010: The current business situation and various measures such as optimization of the supply chain, inventory management and the ERP system were discussed in detail with external consultants.

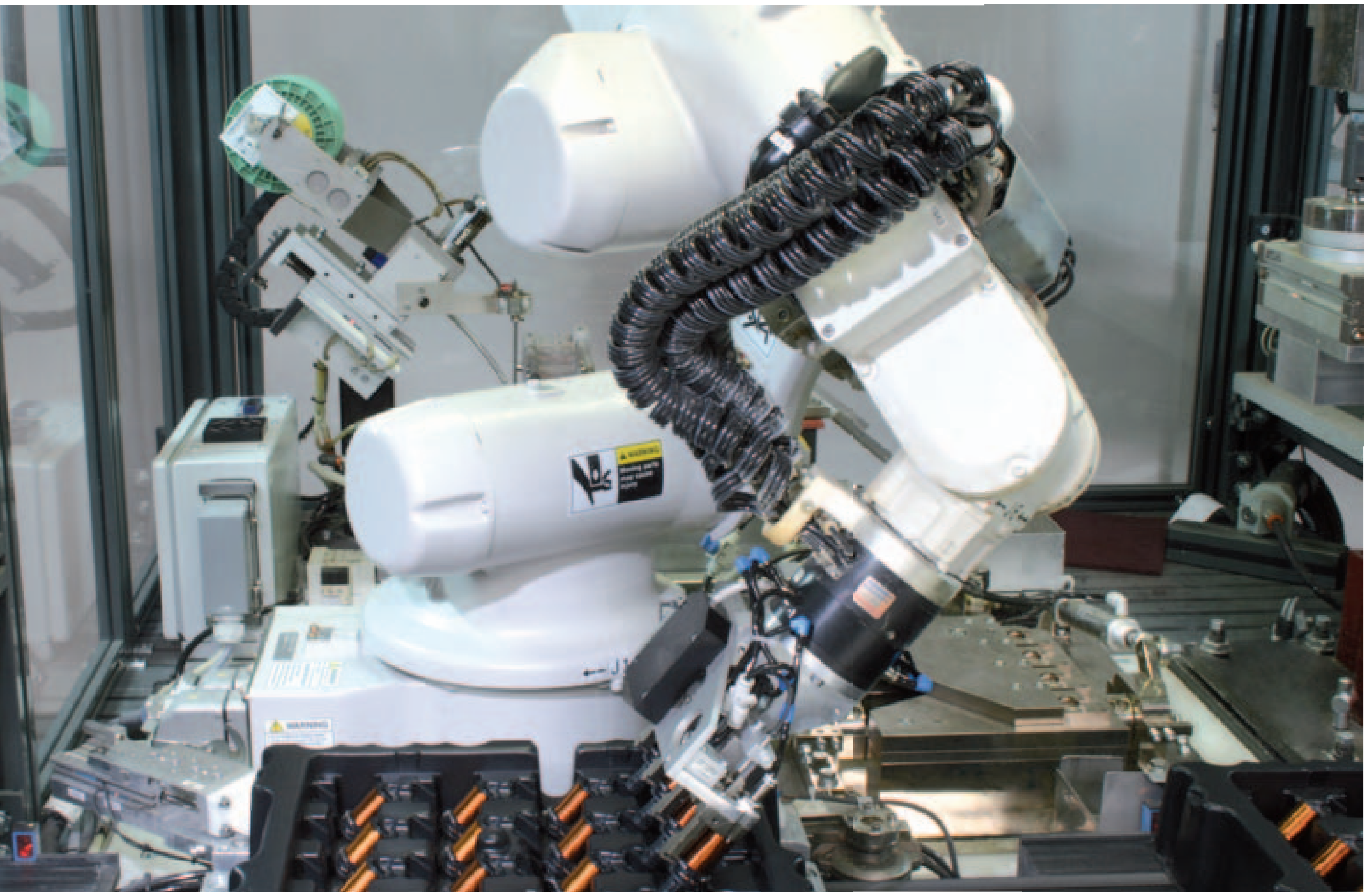
December 1, 2010: The Supervisory Board was informed of the present business situation. An action plan and various measures to foster the positive development of the business in the future and secure planned sales and earnings growth in 2011 were presented and discussed. In conjunction with the company's focus for the coming years, the responsibilities of the members of the Board of Directors were discussed and changes were made. Further, the corporate planning for 2011 was discussed in detail and received the support of the Supervisory Board.

In December 2010 the Supervisory Board discussed the continuation of Mr. Kneidinger's term of office and negotiated a new contract of service with him. The new contract with Mr. Kneidinger was signed in January.

The auditors Nirschl, Grössl & Koll GmbH, Eging am See, Germany, were selected by the Annual General Meeting to audit the annual financial statements and consolidated financial statements for the fiscal year from January 1, 2010 to December 31, 2010 and the Supervisory Board granted the audit contract in accordance with this.

The auditors have audited the present management report and annual financial statements of InTiCa Systems Aktiengesellschaft as of December 31, 2010, prepared in accordance with the German Commercial Code (HGB), the consolidated financial statements as of December 31, 2010 prepared in accordance with the IFRS/IAS, and the Group management report, together with the book-keeping, and have awarded them an unqualified opinion. Testing of revenue recognition and trade receivables and trade payables were agreed with the auditors as the focal areas for the audit. In compliance with the statutory provisions, the Group's early warning system for risks was included in the audit.

The Supervisory Board received regular progress reports from the auditors on the audit and acknowledged and approved the audit reports. The Supervisory Board has conducted a detailed examination of the management report, annual financial statements, consolidated financial statements and Group management report for 2010 prepared by the Board of Directors and submitted to it by the Supervisory Board and has no objections to raise on the basis of this examination. The auditor presented and explained the annual financial statements to the Supervisory Board on April 8 and at its meeting on April 12 and answered the Supervisory Board's questions on the audit. The annual financial statements, consolidated financial statements and report on the situation of InTiCa Systems AG and the Group were approved by the Supervisory Board on April 19, 2011. The annual financial statements of InTiCa Systems AG and the consolidated financial statements are therefore adopted.



The Supervisory Board also discussed issues relating to corporate governance and its further development, taking into account changes in German legislation and amendments made to the German Corporate Governance Code in May 2010. The current declaration of conformity by the Board of Directors and Supervisory Board pursuant to sec. 161 of the German Stock Corporation Act (AktG) was adopted on April 12, 2011 and published on the company's website. The Supervisory Board is not aware of any conflicts of interest within the Supervisory Board.

Further details of corporate governance can be found in the joint report on corporate governance by the Board of Directors and Supervisory Board.

The Supervisory Board would like to thank the Board of Directors and employees of the Group for their outstanding commitment and hard work in 2010.

Passau, April 19, 2011

Werner Paletschek
Chairman of the Supervisory Board

Members of the Board of Directors and Supervisory Board

Board of Directors

Walter Brückl
Chairman
Strategy, Finance, Human Resources, Production, Manufacturing Technology, IT, Investor Relations and Public Relations

Günther Kneidinger
Sales, R & D, Materials Management and Quality Management

Supervisory Board

(Member of the Supervisory Board until August 4, 2010)

Dr. Walter Hasselkus
Chairman
Lawyer
Gräfelfing
Member of the Supervisory Board of DAF Trucks NV, Eindhoven
Chairman of the Supervisory Board of Ehlebracht AG, Enger
Non-Executive Director of Wincanton plc, Chippenham, UK
Chairman of the Supervisory Board of Wincanton GmbH, Mannheim
Member of the Supervisory Board of W.E.T Automotive Systems AG, Odelzhausen

Dr. Horst Rüdiger Hollstein
Deputy Chairman
Business studies graduate
Jesteburg
Member of the Supervisory Board of Otto M. Schröder Bank AG, Hamburg
Member of the Advisory Board of MAINKA Bauunternehmung August Mainka GmbH & Co., Lingen

Dr. Wulfdieter Braun
Physicist
Passau

(Member of the Supervisory Board since August 5, 2010)

Werner Paletschek
Chairman
Business administration graduate
Fürstenzell
Managing director of OWP Brillen GmbH, Passau

Christian Fürst
Deputy Chairman
Business administration graduate
Thyrnau
Chairman of the Supervisory Board of Electrovac Hacht & Huber GmbH
Managing partner of Ziel Management Consulting GmbH

Detlef Hölzel
Engineer
Ingolstadt
Managing partner of PCE-GmbH, Ingolstadt

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 Communication Technology, Automotive Technology and Industrial Technology segments and has more than 450 employees at its sites in Passau (Germany), Prachatice (Czech Republic) and Neufelden (Austria).

Satisfied customers, long-term business relations and trend setting products that are in line with market requirements are the highest aims of InTiCa Systems. All our employees focus on quality by their thoughts and actions.

Our aims and strategies

- Development of innovative products and manufacturing technologies – leadership in technology
- Production to the highest quality level – zero defects
- Internationalisation of production and sales

Manufacturing expertise that meets the highest standards

At the beginning the idea…

To develop an "idea" to a product that can be manufactured is doubtless one of the biggest challenges for a production company. A key to this is the manufacturing technology we use to realise the characteristics and attributes of our clients' products.

We appreciate this fact using our team of experts, who deal exclusively with new and innovative manufacturing technologies and manufacturing processes.

Here production processes are planned and custom-made concepts for the clients' product are developed and implemented. We design our production equipment ourselves, so we can ensure that we meet the demands of our clients for small as well as for large numbers.

…in the end a satisfied client!

Core competence of the manufacturing technology

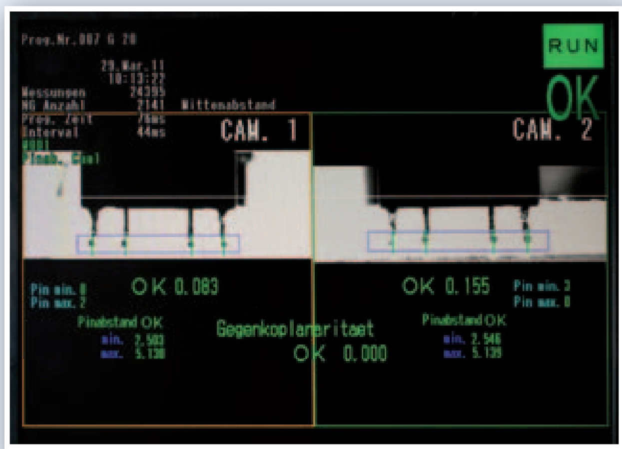
- Moulding technology
  - vertical and horizontal moulding technology, with rotating tables option
  - insert moulding and over moulding technologies

- Winding technology
  - state-of-the-art winding technologies: single and mulit-spindle, autocyclic winding, toroid winding technology

- Construction- and combination technology
  - soldering and welding methods
  - ultrasonic welding, hot staking
  - vacuum potting and gluing technology
  - various interconnect technologies crimp, press fit etc.

- PCB Assembly
  - in SMD and THT

- Measuring and test systems
  - automatic tests of critical product characteristics, as
    - Electrical parameters
    - Dimensional conformance
    - Environmental requirement conformance
    - Optical and mechanical tests



Communication technology

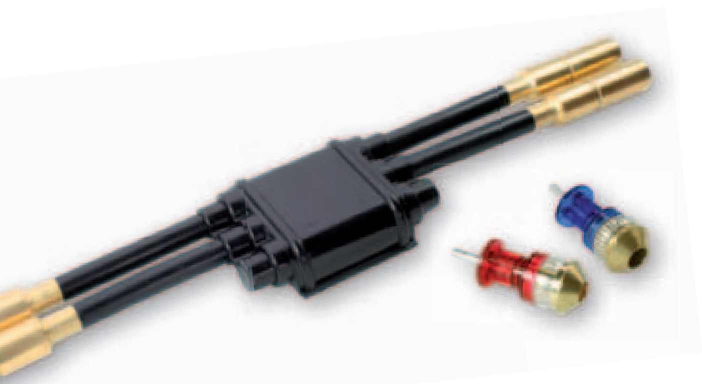
System components for the next generation

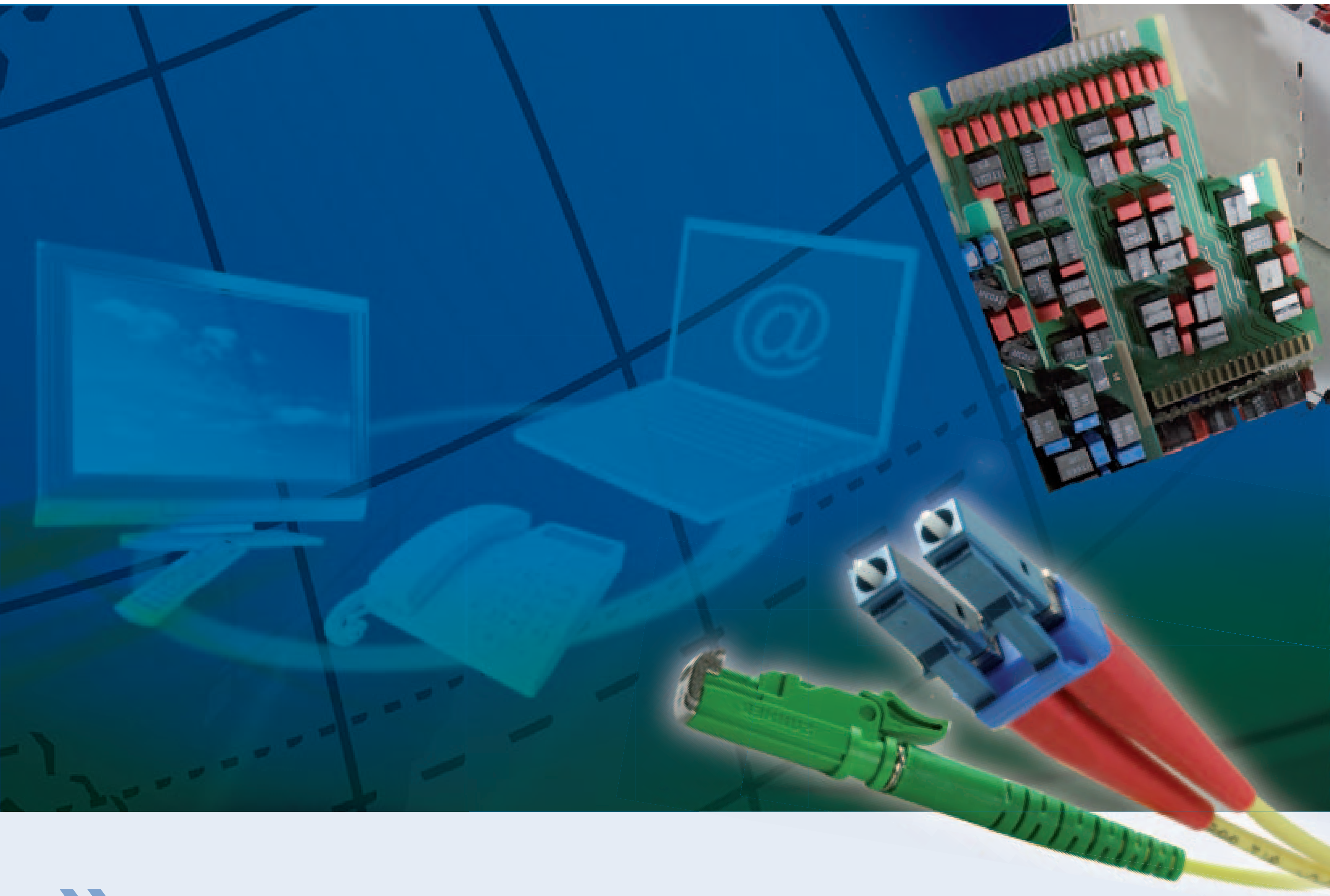
Communication and data networks via cable, radio or satellite necessitate ultimate requirements in quality and safety.

Our team of experts has in-depth experience in development, construction and production of products and manufacturing technologies for advanced broadband components.

We use our skills to realise innovative projects in a short space of time, working together with our clients in an efficient way.

For many years InTiCa Systems have effectively developed and produced applications for ultimate data rates and maximum packing density.





We manufacture electronic filters and modules

for rapid data transfer, for example, for telecommunications equipment

CPE SPLITTER
(CUSTOMER PREMISES EQUIPMENT)

CO SPLITTER
(CENTRAL OFFICE)

MDF SPLITTER
(MAIN DISTRIBUTION FRAME)

Automotive technology

Tomorrow's automotive technology

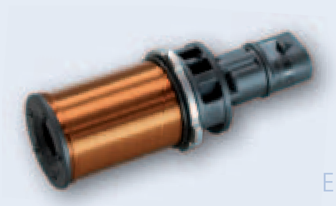
The Automotive Technology segment develops, designs and produces systems and solutions for sensor technology, electronic controls and network topologies.

All manufacturing steps are carried out by the InTiCa Group, from plastics conversion to winding, soldering, welding, casting, assembly and testing. Our products are used in all well-known makes of car.

Inductive components and mechatronic modules increase the comfort and safety of cars, improve the performance of electric and hybrid vehicles and reduce CO_2 emissions.

Our inductive components and mechatronic modules

increase comfort and safety and reduce CO_2 emissions



KEYLESS ENTRY SYSTEMS

ENERGY AND MOTOR MANAGEMENT CONTROL

DRIVE SYSTEMS

POWER AND CONTROL UNITS FOR HYBRID VEHICLES

TYRE PRESSURE MONITOR SYSTEM

Industrial electronics

Competence in innovative industrial products

InTica Systems' Industrial Electronics segment specializes in developing and manufacturing high-quality, custom-tailored inductive components, mechatronic modules and system solutions for regenerative energy sources (solar power) and automation and drive technology.

Extensive know-how in the development of inductive components combined with in-depth expert knowledge ensures that our clients receive a rapid, efficient performance, together with cost-optimised solutions to the highest quality level.

Our inductive components and mechatronic modules

ensure that the solar energy collected by solar modules can be converted into electricity

PERFORMANCE COMPONENTS

PFC- AND STORAGE CHOKE

FILTER AND NOISE SUPPRESSION

TRANSDUCERS AND TRANSFORMERS

COMPONENTS FOR RFID (NON-CONTACT TRANSMISSION)

MECHATRONIC MODULES AND SYSTEMS

Automation maximizes efficiency

for example, in winding technology

The InTiCa Systems Stock 2010

Economy and equity markets continued to rise despite the euro crisis

The economic recovery was reflected on the capital markets to a varying degree, depending on sector and market. Looking back over 2010 as a whole, general sentiment on the international capital markets improved steadily throughout the year. The euro crisis, which gained momentum until mid-year, and was caused by high debt in some euro-zone member states, heightened market uncertainty and jitteriness in the first few months of the year. Sentiment on the international financial markets did not relax significantly until the euro-zone member states, the ECB and the IMF had established a rescue package. The world's central banks helped calm and stabilize the markets by continuing their low-interest policy and through further quantitative easing. Together with a further upturn in the global economy, this led to clear price gains on the global capital markets. In the countries affected by the debt crisis, both the economic trend and market price trends were held back significantly.

At year end, the DAX was around 16% higher than at the end of 2009. However, the TecDAX index, which has a strong bias towards the solar industry, gained just under 4%, whereas the more broadly based DAXsector Technology Index calculated by Deutsche Börse AG, which contains all technology companies listed in the Prime Standard, advanced by roughly 59% year-on-year.

InTiCa Systems stock[1]

Following a brief rally in April and May, when InTiCa Systems' rose significantly, the price dropped again and by mid-year it was back at the same level as at the beginning of the year. Apart from this brief uptick, the share price essentially moved in parallel with the DAX index until the start of the autumn. The DAX index then rose significantly. By contrast, from April onwards, the TecDAX performed far worse than shares in InTiCa Systems, although it did recover towards year end. InTiCa Systems' shares ended the year at EUR 4.20, up roughly 6% over the year. Market capitalization was therefore EUR 18.0 million at year-end 2010. The most important trading exchange for shares in InTiCa Systems was the electronic trading platform XETRA, which accounted for nearly 71% of trading in the share, followed by the Frankfurt Stock Exchange, which accounted for around 25%. Average trading volume in 2010 was around 116,000 shares in InTiCa Systems per month (XETRA). Market-making to support the liquidity and tradability of shares in InTiCa Systems in the fully electronic Xetra trading system operated by Deutsche Börse AG was provided by Bank M.

Following an exceptionally good performance in 2009, when it significantly outperformed the reference index, in 2010 the share price underperformed the DAX but outperformed the TecDAX.

[1] Price data based on Xetra, source: Bloomberg

Shares in InTiCa Systems	2010	2009
Year high (XETRA® closing price)	5.25	4.37
Year low (XETRA® closing price)	3.75	1.34
Market capitalization at year end in EUR million	18.0	16.9

Closing prices	2010	2009	Change
Shares in InTiCa Systems (XETRA®)	4.20	3.95	6.3%
DAX	6,914.19	5,957.43	16.1%
TecDAX	850.67	817.58	4.0%
DAXsector Technology	503.83	316.46	59.2%
DAXsubsector Communi-cations Technology	116.04	72.99	59.0%

Investor relations activities

In 2010, as in the past, the Board of Directors of InTiCa Systems AG provided shareholders and members of the public with timely information on the business development of the company through regular reporting. The Board of Directors took advantage of various investor events such as capital market conferences and roadshows, and conducted intensive discussions with investors and analysts. This enabled it to improve the expectations held by the various target groups. In addition, background reports on InTiCa Systems and interviews with members of the Board of Directors were published in various high-circulation specialist stock-market and investment journals.

Investors and the general public still have regular opportunities to obtain timely information on corporate news and the company's business performance from the viewpoint of experienced capital market analysts and to keep abreast of their assessment of the company's future business development. Research reports are also available on the Investor Relations pages on InTiCa Systems' website. Moreover, the estimates for key financial data are included in the websites operated by major financial portals and online brokers, thus ensuring widespread access.

InTiCa Systems intends to hold roadshows in 2011 on the same scale as in 2010 to present the company to new capital market multipliers and professional investors. It will also be reporting in detail on the company's business development at one-on-one meetings with present and potential investors. The Board of Directors of InTiCa Systems retains its view that active, open and transparent communication with the capital markets, general public and the media is imperative.

Key data on the share

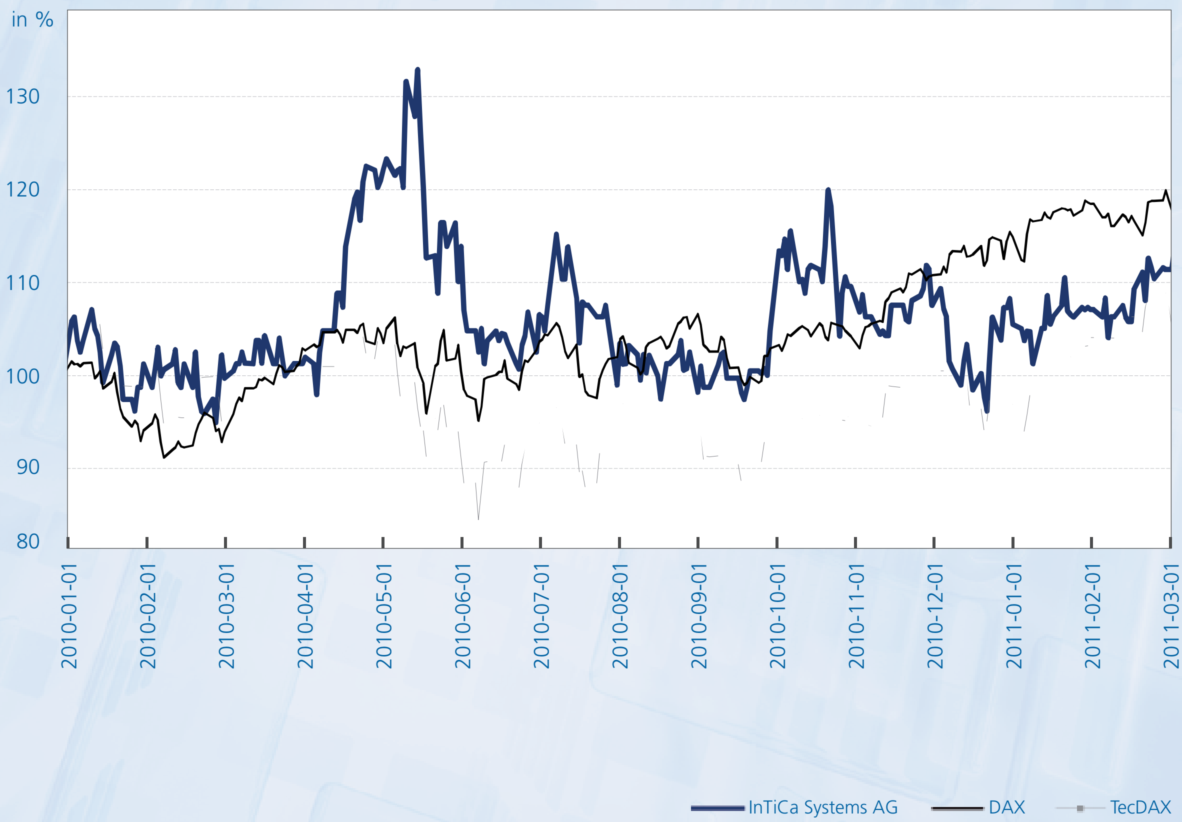
ISIN	DE0005874846
WKN	587 484
Stock exchange symbol	IS7
Bloomberg ticker symbol	IS7:GR
Reuters ticker symbol	IS7G.DE
No. of shares	4,287,000

Trading segment	Regulierter Markt, Prime Standard
Trading exchanges	XETRA®, Frankfurt, Hamburg, Berlin, München, Stuttgart, Düsseldorf
Designated sponsor	BankM
Research coverage	BankM

Shareholder structure

The principal shareholders on April 15, 2011 were as follows:

	Shareholding:
Thorsten Wagner	more than 15 %
Dr. Dr. Axel Diekmann	more than 10 %
UBS Global Asset Management (Germany) GmbH	more than 5 %
KST Beteiligung AG	more than 5 %
UBS Fund Management (Switzerland) AG	more than 3 %
Dr. Paul and Maria Grohs	more than 3 %
Karl Kindl	more than 3 %
Treasury stock	1.5 %



Corporate governance report

Corporate governance report and declaration on corporate management pursuant to sec. 289a of the German Commercial Code (HGB)

The declaration on corporate management pursuant to sec. 289a of the German Commercial Code (HGB) comprises the declaration of conformity pursuant to sec. 161 of the German Companies Act (AktG), relevant information on corporate management practices, and descriptions of how the Board of Directors and Supervisory Board work, and of the composition and method of working of their committees. In accordance with section 3.10 of the German Corporate Governance Code, the declaration on corporate management of InTiCa Systems AG also reports on the company's corporate governance (Corporate Governance Report).

Declaration of Conformity

The Board of Directors and Supervisory Board of public companies issue an annual declaration that they have complied with and will comply with the recommendations of the Government Commission on the German Corporate Governance Code, together with details of any recommendations that were not and will not be applied. This declaration must be permanently available to the public and is posted on the company's website at www.intica-systems.de (Investor Relations / Corporate Governance).

The Board of Directors and Supervisory Board of InTiCa Systems AG issued the following declaration pursuant to sec. 161 of the German Companies Act (AktG):

In previous years the company complied with the recommendations of the valid version of the German Corporate Governance Code, apart from the exceptions stated in the Declaration of Conformity pursuant to sec. 161 of the German Companies Act (AktG) for the relevant year. From fiscal 2011 the company will comply with the recommendations of the Corporate Governance Code in the version dated May 26, 2010, as published in the electronic Federal Gazette on July 2, 2010, with the following exceptions:

Convening the General Meeting

The company does not notify financial services providers, shareholders and shareholders' associations of General Meetings or make the associated documents available by electronic means (Corporate Governance Code 2.3.2). The company publishes the invitation to its General Meetings in the electronic Federal Gazette and also provides its shareholders with invitations to General Meetings and annual reports in printed form via their custodian banks. The invitations to General Meetings and the related documents are also available on the company's website as downloads from the date on which the General Meeting is convened. The Board of Directors and Supervisory Board are convinced that in this way they provide financial services providers, shareholders and shareholders' associations with sufficient opportunity to obtain the information and that sending out invitations to General Meetings and the related documents by electronic means is neither necessary nor expedient.

Cap on premature termination benefits

When concluding contracts with members of the Board of Directors, the Supervisory Board will ensure that an appropriate cap is agreed for benefits paid in the event of premature termination of their contract, except with cause. The Supervisory Board does not accept the recommendation that the cap should be set at two years' compensation (Corporate Governance Code 4.2.3) as if believes it is more expedient to limit such payments to the fixed salary for the remaining term of the contract and thus to exclude variable remuneration components.

Appointment of the Board of Directors and Supervisory Board

Decisions on suitable candidates for appointment as members of the Supervisory Board or Board of Directors are taken on a purely objective basis in accordance with German legislation on diversity. No age limits are set for members of the Board of Directors and Supervisory Board (Corporate Governance Code 5.1.2, 5.4.1). In compliance with the law and articles of incorporation, members of the Board of Directors and Supervisory Board may be appointed for a maximum term of office of five years. The Board of Directors and Supervisory Board believe it makes sense for the bodies responsible for appointments to examine each candidate's age at the time of initial appointment or renewed appointment and that they should be free to appoint older candidates with relevant professional or other experience without being tied to rigid age limits.

Rules of procedure, objectives of the composition and committees of the Supervisory Board

The Supervisory Board has not adopted terms of reference (Corporate Governance Code 5.1.3), nor set up any committees (5.3.1, 5.3.2 and 5.3.3). The company's Supervisory Board has three members. Since it is a legal requirement that any committee that takes decisions must also have at least three members, the establishment of committees is neither necessary nor expedient. The Supervisory Board has so far refrained from adopting terms of reference since the rulings contained in legal statutes and the articles of incorporation have proven sufficient. Similarly, the Supervisory Board has refrained from setting any specific targets for its composition. Accordingly, the objectives of the Supervisory Board and progress with their implementation are not published in the Corporate Governance Report (Corporate Governance Code 5.4.1).

Performance-based remuneration of the Supervisory Board

The members of the Supervisory Board do not necessarily receive performance-based remuneration (Corporate Governance Code 5.4.6). The company's articles of incorporation provide for the General Meeting to decide on whether the members of the Supervisory Board should receive remuneration based on the company's net income in addition to their fixed remuneration. The articles of incorporation thus do not exclude performance-based remuneration for the members of the Supervisory Board but delegates the decision to the General Meeting. The Board of Directors and Supervisory Board regard this flexible arrangement as preferable to the rigid ruling recommended by the Corporate Governance Code.

Publication of interim reports and consolidated financial statements

The consolidated financial statements will probably not be made available publicly within 90 days from the end of the financial year and the interim reports will probably not be available within 45 days from the end of the reporting period (Corporate Governance Code 7.1.2). The company cannot guarantee that it can meet the deadlines recommended by the Corporate Governance Code in view of the need to include foreign companies in the consolidated financial statements and interim reports. The consolidated financial statements will, however, be available within four months from the end of the financial year, while interim reports will be published within the statutory deadlines, which the Board of Directors and Supervisory Board consider to be adequate.

Corporate practice extending beyond statutory requirements

InTiCa Systems regards compliance with the corporate governance guidelines as a key basis for responsible, value-driven corporate management, and as the basis for efficient collaboration between the Board of Directors and Supervisory Board, and for ensuring transparent reporting and implementing a functioning risk management system.

Through direct contact with customers, InTiCa Systems always keeps an eye on new markets and changing requirements. By linking its core competencies across all business segments, the company is able to constantly develop new products for a wide variety of business areas and market requirements. Satisfied customers, long-term business relationships and market-driven future-oriented products are the company's priorities. Quality is implemented by all employees through the way in which they think and act in their day-to-day work.

Ensuring a sustained rise in the value of the company is the guiding principle for the members of the Board of Directors and Supervisory Board of InTiCa Systems AG. Securing the confidence of investors and other stakeholders in effective and transparent management is a matter of prime significance. The aim of InTiCa Systems' investor relations activities is to achieve the level of transparency expected by the capital markets and give shareholders a true and fair view of the company. In keeping with the principle of fair disclosure, all shareholders and major target groups are treated equally in terms of the provision of information. The underlying rule is providing the company's owners with timely and reliable information on major events at their company. Transparency also constitutes an opportunity to gain new investors from Germany and other countries. The Board of Directors and Supervisory Board therefore constantly strive to optimize communication to ensure a sustained and appropriate valuation of the company's stock.

Description of how the Board of Directors and Supervisory Board work

The Supervisory Board and Board of Directors work together closely and trustfully for the benefit of the company.
The company's Board of Directors is responsible for its strategic focus, budget planning, and defining and overseeing the operating segments. The Board of Directors also ensures that there is an appropriate risk management and control system. Systematic risk management as part of value-driven corporate management ensures timely identification, analysis and evaluation of risks and optimization of risk positions.

The Board of Directors and Supervisory Board maintain regular contact. The Board of Directors provides the Supervisory Board with full and timely information on the development of the company, its current position, current risks and how they progress. It discusses and agrees the strategy with the Board of Directors. Progress in implementing strategic planning and possible deviations from the plans are reported to the Supervisory Board. Major decisions require the approval of the Supervisory Board. The Board of Director also informs the Supervisory Board of the management of risks and opportunities in the group.

The Supervisory Board oversees the work of the Board of Directors and is directly integrated into decisions of fundamental importance for the company. The Supervisory Board receives written monthly reports on the company's financial position, assets and results of operations. It also receives a detailed explanation of any discrepancy between the planned and actual business development. Further, the Chairman of the Supervisory Board is informed directly and regularly of the current situation, important business events and significant upcoming decisions.

The company's three-member Supervisory Board has not established any committees as this is not deemed necessary or practical; all relevant issues are handled by the full Supervisory Board. This applies in particular to examination of the quarterly and annual financial statements and topics directly relating to the members of the Board of Directors. The Board of Directors regularly attends meetings of the Supervisory Board, provide written and oral reports on individual items on the agenda and preparatory papers and answers the Supervisory Board's questions.

In conformance with the German Companies Act (AktG), the Supervisory Board appoints the members of the Board of Directors. In accordance with sec. 5 of the company's articles of incorporation, the Supervisory Board determines the number of members of the Board of Directors (according to the articles of incorporation, the Board of Directors comprises one or more persons) and can appoint one member of the Board of Directors as Chairman of Board of Directors. The Supervisory Board drafts rules of procedure and a business allocation plan for the Board of Directors. The rules of procedure comprise a list of business activities requiring approval. The Supervisory Board decides whether the members of the Board of Directors should attend meetings of the Supervisory Board. The Supervisory Board sets terms of reference for its own activities. The Chairman of the Supervisory Board outlines the work of the Supervisory Board in its annual report to the shareholders and at the Annual General Meeting.

A D&O insurance policy with a deductible has been taken out for the Board of Directors and Supervisory Board.

Remuneration

Agreements on variable remuneration for the members of the Board of Directors of InTiCa Systems linked to corporate performance (EBIT adjusted for special items) were introduced in 2008. The company refrained from variable remuneration components for the former members of the Board of Directors – contrary to the recommendations of the German Corporate Governance Code – due to their shareholdings in the company. The Supervisory Board of InTiCa Systems receives fixed basic remuneration. However, under the company's articles of incorporation the General Meeting is empowered to grant the Supervisory Board a share in the profit shown on the balance sheet.

Further details of the remuneration system for members of the governance bodies can be found in Section 7 of the management report (Remuneration of members of governance bodies).

Final testing station

Shareholdings

Members of the Board of Directors and Supervisory Board hold a small amount of the company's stock. The combined shareholdings of members of both governance bodies is well below 3%. As of April 12, 2011, Mr. Walter Brückl holds 18,000 shares in InTiCa Systems AG (0.4%), Mr. Werner Paletschek holds 1,000 shares (0.02%) and Mr. Christian Fuchs also holds 1,000 shares (0.02%). During his term of office on the Supervisory board (until August 4, 2010), Dr. Wulfdieter Braun held 26,015 shares in InTiCa Systems AG (0.61%). The company itself holds 64,180 shares (treasury stock) as of April 12, 2011 (1.5%).

Directors' Dealings

In 2010 the following securities transactions that have to be disclosed pursuant to sec. 15a of the German Securities Trading Act (WpHG) were undertaken by members of the Board of Directors and Supervisory Board of InTiCa Systems AG:

Date	Person	Governance body	Purchase/sale	Units	Price in EUR	Transaction value in EUR	Stock exchange
Dec. 2, 2010	Christian Fürst	Supervisory Board	Purchase	1,000	4.01	4,010	Xetra
Nov. 19, 2010	Werner Paletschek	Supervisory Board	Purchase	1,000	3.99	3,990	Munich
July 14, 2010	Walter Brückl	BD	Purchase	500	4.09	2,045	Frankfurt
June 1, 2010	Walter Brückl	BD	Purchase	1,000	4,136	4,136	Frankfurt
Jan. 29, 2010	Walter Brückl	BD	Purchase	1,000	3.85	3,850	Xetra
Jan. 22, 2010	Walter Brückl	BD	Purchase	1,000	3.85	3,850	Xetra

Group Management Report

for the period from January 1 to December 31, 2010

Group Management Report

The Group management report should be read in conjunction with the audited consolidated financial statements and the Notes to the consolidated financial statements. The following comments are based on various assumptions, which are set out in detail in the Notes. In addition, the management report contains forward-looking statements, i.e. statements based on specific assumptions and the current plans, estimates and forecasts derived from those assumptions. Forward-looking statements are only valid at the time at which they are made. The management of InTiCa Systems AG has no obligation to revise and/or publish a revision of the forward-looking statements underlying this document in the event of new information. Forward-looking statements are always exposed to risks and uncertainties. The management of InTiCa Systems AG hereby points out that a large number of factors could lead to substantial differences in attainment of these objectives. The principal factors are outlined in detail in the section headed "Risk report".

1. Business activity

InTiCa Systems ranks among the German and European market and technology leaders in products and solutions based on high-tech inductivity.

The ability of a coil to produce voltage in its own windings by means of a magnetic field or, conversely, to generate a magnetic field in a coil if voltage is applied, is utilized by the company in the following fields of activity:

- Non-contact data transmission/RFID
- Shielding and interference suppression
- Modification of currents (voltage conversion, modulation, filtering)
- Power generation by producing a magnetic field (electric motors)
- Generation of energy or electric power by movement in a magnetic field

InTiCa Systems thus has a basic technology that can be used for a wide variety of industrial applications. The chief advantage of these passive inductive components is that they do not require any additional energy source such as mains current or a battery. Moreover, these components are reliable and have little exposure to wear and tear.

This technology is used in products for high-speed data transmission in the telecommunications sector (ADSL+, VDSL+, referred to jointly as xDSL). InTiCa Systems' Communication Technology segment serves this sector. The Automotive Technology segment develops and manufactures products, solutions and complete systems for sensor technology, electronic control and network topologies in the automotive sector.

The Industrial Electronics segment established in 2007 supplies powerful chokes and transformers for investors in solar systems and to increase energy and cost-efficiency. Further, the company develops components and systems for industrial automation. Since 2010 InTiCa Systems has also been involved in the development and commercialization of high-quality cable assemblies for the automotive industry and its suppliers. Marketing high-quality cable assemblies complements InTiCa Systems' portfolio as new developments necessarily have to take account of other connection technologies. These operations thus create clear and immediate added value for InTiCa Systems' customers. InTiCa Systems actively commercializes its products and developments on the international market through three segments, subdivided on the basis the underlying technologies:

1.1 Communication Technology

InTiCa Systems develops and manufactures optimized solutions for ADSL and VDSL as a basis for broadband internet access via the present and future telephone network. VDSL, which represents an improvement on ADSL, was developed to offer customers "triple-play" services. This term refers to the convergence of conventional telephony services, in other words, analogue, ISDN and IP telephony, broadband internet access and IPTV. Since 2008, network operators have increasingly been installing VDSL2 splitters on the provider's side in both copper wire and fibre optic technology. VDSL offers theoretical data transfer rates of up to 50 Mbit/s.

In addition to technological upgrading of the provider side, since 2006 InTiCa Systems has been supplying telecommunications companies with the VDSL splitters required by end-users to support downward compatibility for ADSL2+ (up to 16 Mbits/s) and VDSL data transfer rates (up to 50 Mbit/s).

The products normally have to meet widely differing specifications for both present and potential future customers. These comprise telecommunications companies, which require splitters for subscribers, and system suppliers to the telecommunications companies who order splitters from InTiCa Systems for the provider side. The product range is rounded out by DSLAM splitters and main distribution frame (MDF) splitters, which InTiCa Systems delivers for multifunctional curb-side boxes to bring VDSL closer to end-users' homes.

In 2010 the Communication Technology segment achieved sales of EUR 12.1 million (2009: EUR 13.5 million). Its proportion of total sales thus declined by around 13 percentage points year-on-year to 39% (2009: 58%; 2008: 76%). InTiCa Systems estimates that despite declining volume sales its splitters business still has a market share of around 50% in Germany. In recent years, an increasing number of Asian suppliers have been operating on the European market. Owing to the sharp drop in prices, especially as a result of rising competition from these low-wage countries, a decline in sales could not be prevented. Moreover, overall growth potential in the market for splitters has been declining in recent years, and expansion of the VDSL network by Deutsche Telekom AG has so far fallen short of the level originally anticipated. This is partly attributable to the continuing debate about alternative future transmission technologies, which has further reduced willingness to invest in a nationwide VDSL network.

The drop in sales could not be fully offset by successful action to raise efficiency, nor by foreign sales of splitters, so the segment reported negative EBIT (earnings before interest and taxes) of minus EUR 1.7 million in 2010 (2009: minus EUR 1.1 million).

1.2 Automotive Technology

InTiCa Sytems' Automotive Technology segment develops and manufactures products, solutions and complete systems for keyless go/entry systems, safety systems, engine and energy management systems (for example, for electric and hybrid vehicles) for a wide range of vehicle classes from luxury limousines and high-end sports cars to less expensive compact models. Its immobilizers, keyless entry systems, tire pressure sensors and engine controls for electric and hybrid vehicles (i.e. mechatronic modules that reduce CO_2 emissions) are supplied to well-known European, American and Asian producers and their system suppliers. Thanks to orders running for several years placed by well-known new clients in 2010 and early 2011, InTiCa Systems has access to additional sales potential in further automotive applications and product areas. In fiscal 2010 the Automotive Technology segment contributed sales of around EUR 10.0 million, a rise of 23% compared with the previous year (2009: EUR 8.1 million). The Automotive Technology segment accounted for 32% of Group sales (2009: 35%) and has therefore become stable pillar of the company's business. However, this segment's EBIT (earnings before interest and taxes) was negative at minus EUR 0.1 million (2009: EUR 0.4 million) due to higher raw material costs and unplanned transport costs.

1.3 Industrial Electronics

Inverters and converters, which are used to transform solar power into electricity for the grid and for automation technology, are key applications for the solutions developed and delivered by InTiCa Systems' Industrial Electronics segment. This segment makes use of the company's expertise and technological edge in power transmission and interference suppression components, coils and filters and systematically utilizes synergies. Thanks to its very broad range of potential applications and widely diversified customer base, the customer and technology risks in this segment are lower than in the other segments. For example, the components produced by InTiCa Systems for inverters for regenerative energies convert renewable energy sources into power with high efficiency, i.e. low losses. The improvement in efficiency is accompanied by a reduction in the dimension of installations, thus delivering enormous benefits for customers. In fiscal 2010 InTiCa Systems' Industrial Electronics segment increased sales from EUR 1.7 million in 2009 to around EUR 9.2 million. That is a rise of 441%. Industrial Electronics has therefore become the Group's main sales driver. It now accounts for around 29% of total sales (2009: 7%). EBIT (earnings before interest and taxes) was EUR 0.4 million (2009: EUR 0.1 million).

2. General economic conditions

In 2010, the global economy recovered significantly from the international financial and economic crisis. According to the International Monetary Fund (IMF) global economic growth was around 5%. The economic downtrend in the previous year was the deepest recession since the end of the Second World War. The rapid recovery was due to a large extent to government stimulus packages and an extremely expansionary monetary policy by the world's most important central banks, coupled with strong economic growth in Asian and Latin American emerging markets such as China, India and Brazil. One of the main growth drivers in the emerging markets was consumer spending.

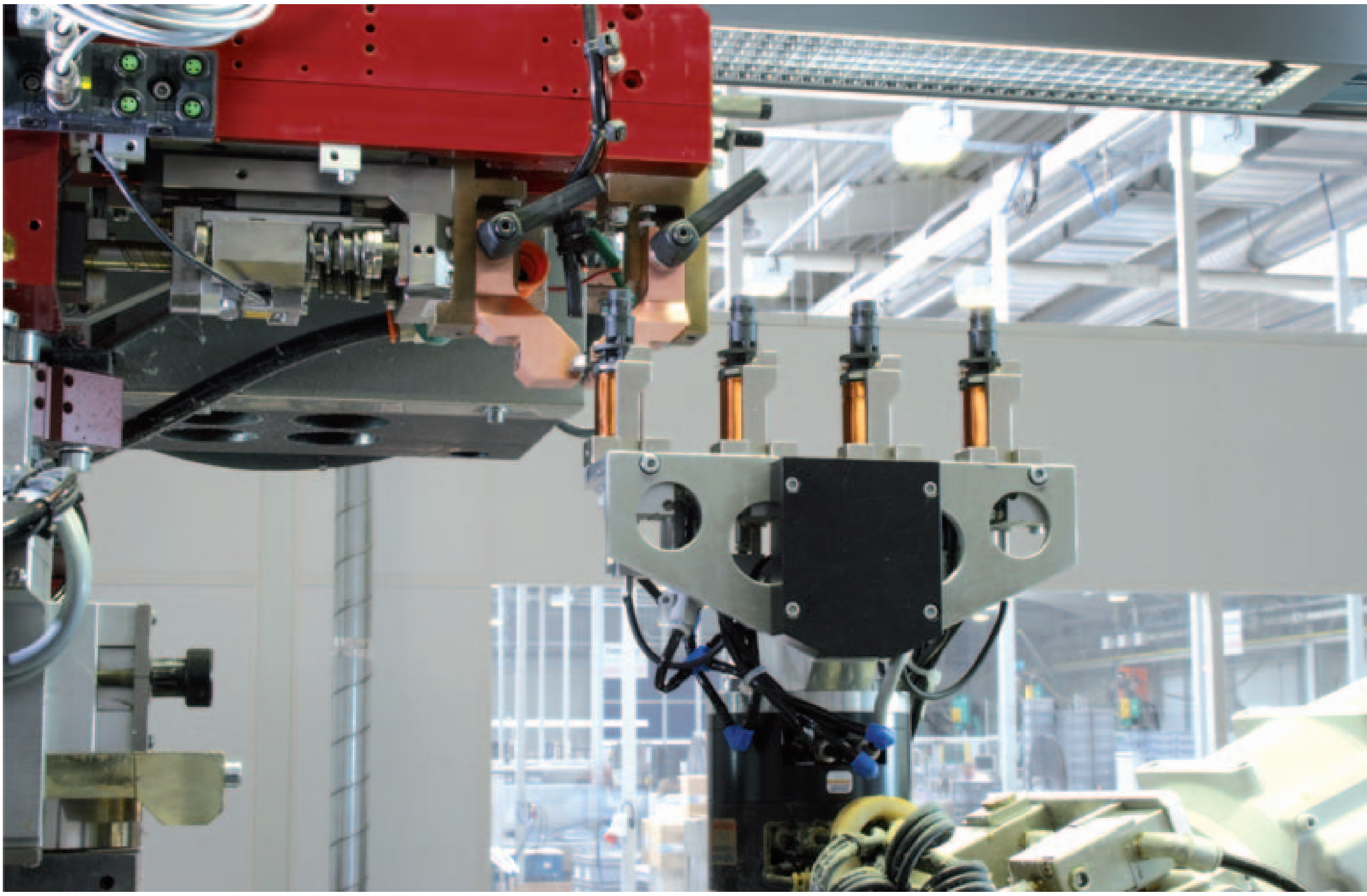
Overall, the economic and financial crisis led to a shift in economic power towards Asia. The region's emerging markets, which were far less severely impacted by the previous year's economic crisis than the western industrialized countries, continued to grow at a high pace in 2010. For example, according to the IMF's calculations, the Chinese economy grew by 10.3% in 2010 (2009: 9.2%), while in India growth was 9.7%, up from 5.7% in 2009. By comparison, growth in the USA was a very moderate 2.9% due to high unemployment, high levels of private debt and the resultant lack of consumer confidence. The average economic growth rate in the euro zone was also relatively low at 1.8% according to the IMF. Spain (-0.3%), Ireland (-0.5%) and Greece (-4.2%) reported negative economic growth as a result of highly public sector debt and the necessary savings.

By contrast, Germany reported growth of 3.6%, the highest since reunification. The positive trend in Germany was driven by a recovery of export business, supported by the upward trend in the global economy, pent-up demand resulting from investment put on ice during the economic crisis, the continuation of low-interest policies and the German government's expansionary fiscal policy. Short-time working and worktime accounts proved effective ways of countering the impact of the crisis. According to the International Labour Organisation (ILO) the average unemployment rate in Germany dropped to 6.8% in 2010. Despite the financial and economic crisis, the unemployment rate has therefore declined by 1.6 percentage points between 2007, when it stood at 8.4% and 2010. By comparison, the unemployment rate in the USA rose from 4.6% to 9.6% in the same period. Consumer inflation was a modest 1.1% in Germany in 2010 according to the Federal Statistical Office. Nevertheless, consumer spending lagged economic growth in Germany as it grew by just 0.5% year-on-year.

3. Market and market conditions

3.1 Communication Technology

According to the Federal Association for Information Technology, Telecommunications and New Media (BITKOM), overall demand for telecommunications services in Germany slipped slightly to around EUR 63.6 billion in 2010 (2009: EUR 63.7 billion). Deutsche Telekom AG reports that high competitive pressure reduced prices for fixed-line and internet services by around 1.8% compared with 2009, while prices for mobile voice and data connections dropped 2.8%. While the number of conventional fixed-line connections stagnated, the Association of Telecommunications and Value-Added Service Providers (VATM) reports that broadband connections increased 7.2% to around 27 million in Germany. However, the main beneficiaries were cable network providers who are able to offer end-customers transmission rates of up to 128 megabitis per second (Mbit/s) and triple-play products (telephony, Internet and TV). Telecommunications companies such as Deutsche Telekom, Vodafone and 1&1 are currently offering data rates of up to 50 Mbit/s. The telecommunications companies intend to narrow this gap by investing in a nationwide fibre-optic network right through to the end-customer. Such high data rates are needed to broadcast video or television smoothly in high-definition quality via the internet. In future, mobile broadband connections ("mobile internet") will increasingly compete with stationary broadband connections.



In the splitter market InTiCa Systems has one serious competitor in Germany and currently has a market share of around 50%. Internationally there are four relevant competitors, but a high proportion of their products are supplied to other European countries. The Communication Technology segment is still exposed to high price pressure, mainly due to Asian competitors which are expanding in the European market of relevance for InTiCa Systems.

3.2 Automotive Technology

According to the German Automobile Industry Association (VDA), despite the expiry of many subsidized programs, the economic recovery led to a rise in global unit sales of cars and light trucks in 2010. Volume sales increased by around 9.2% year-on-year from 63.8 million to 69.6 million vehicles. This was mainly due to high demand from emerging markets in Asia, especially China. China increased the position it obtained in 2009 as the world's largest car market: car sales increased 32.4% to 18.1 million vehicles. The former leader, the USA, also reported robust growth. The number of cars sold in this market rose 11.1% from 10.4 million to 11.6 million. In the European Union, demand for cars declined by 5.5% to 13.4 million as state programs to subsidize purchases expired. The number of new car registrations in Germany declined by around a quarter to 2.9 million in 2010.

Demand for affordable, comfortable and safety-relevant fittings for cars is set to rise in the future, even in the mid and small-vehicle classes. InTiCa Systems expects rising volume sales of cars to increase sales of components introduced in new models being launched by the world's leading car producers. Within the automotive sector, Asia will most likely be the real growth market. InTiCa Systems is therefore currently examining various options of positioning itself in this regional growth market. In addition, it could benefit particularly from the future market for electric and hybrid vehicles, where it has a promising position with European producers. InTiCa Systems develops and manufactures inductive components that are used by a variety of European vehicle producers for CO_2-reducing technology for a range of low-emissions vehicles (including electric and hybrid vehicles). The Board of Directors believes that gaining these customers, which are systems suppliers to world-leading automotive suppliers, opens up further sales potential for InTiCa Systems with other products and areas of application.

3.3 Industrial Electronics

A view to potential sales growth, InTiCa Systems is giving priority to applications in the fields of renewable energies (especially solar power) and automation technology. Photovoltaic systems are being installed around the world to utilize solar energy in regions with high levels of sunshine. The efficiency of energy generation from such systems can be increased considerably by using InTiCa's inductive components and mechatronic assemblies for inverters. The German solar industry association (BSW-Solar) estimates that by the end of 2010 there were around 840,000 photovoltaic installations in Germany, with total capacity of around 17,000 megawatts peak (MWp). They accounted for around 2% of the country's gross power consumption. That is expected to rise to around 10% by 2020. According to BSW-Solar, German production of inverters should double in this time.

InTiCa Systems is increasingly receiving orders from customers in the solar sector for the development and production of inductive components and mechatronic modules because its products improve efficiency and reduce the space required for solar installations.

In addition, the company develops and manufactures products for transmission technologies in collaboration with customers such as Kathrein, and for other industrial automation technology applications.

Thanks to a large number of new customers and massive sales growth in the reporting period, especially in the solar technology field, this segment now plays a significant role in InTiCa Systems' business.

4. InTiCa Systems' market position and non-financial performance indicators

Despite its technological edge, InTiCa Systems has to align its costs to market conditions. Stringent cost management, optimized vertical integration and a reduction in fixed overheads are key factors in this.

At the same time, the constant innovation, rapid technological progress and rising performance requirements in all product segments in which InTiCa Systems operates can only be met with the newest and most advanced manufacturing technologies and state-of-the-art production machinery.

Steps taken in recent years have increased vertical integration further and thus reduced dependence on individual customers and products. Even so, InTiCa Systems already has impressive strengths (for example, extensive expertise in the field of inductive components, filtration and mechatronic systems) and is positioned to benefit from a cyclically driven market consolidation by gaining market share. Through its central production site in Prachatice in the Czech Republic, InTiCa Systems also has an ultra-modern, integrated production facility that is available to all business segments and has scope for expansion. The success of this strategy started to bear fruit last year.

Cornerstones of the company's mid-term strategy are developing innovative products, and ongoing development of the production of key technologies at competitive prices. Even stronger internationalization is planned for both sales and production.

Despite strong sales growth, InTiCa Systems was unable to move back into profitability in 2010. In particular, the strong economic growth led to a considerable increase in raw material prices, coupled with supply bottlenecks for a starting product. That led to a perceptible increase in unit costs, especially in the second half of the year, which could not be passed on to customers immediately, and to high unplanned transport costs in order to meet obligations to customers. Moreover, the Communication Technology segment had to accept a further significant reduction in the price of splitters, which also had a net negative impact on earnings. Nevertheless, there is a realistic chance of achieving an earnings turnaround in 2011 given the large number of new orders obtained, especially in the Industrial Electronics segment, which has greatly increased the customer base and product portfolio, the continued good trend in the Automotive Technology segment and the record level of orders on hand.

The Board of Directors is of the opinion that in terms of both costs and products InTiCa Systems is well-positioned to benefit from the overall economic framework in 2011, which is characterized by an economic upswing. Orders secured by the Automotive Technology and Industrial Electronics segments from leading technology suppliers in recent months highlight the competitiveness of our products. For example, inductive components and mechatronic assemblies developed by InTiCa System greatly improve efficiency for customers from the solar industry, while reducing the space required for installations.

Clients in the automotive industry commission InTiCa Systems to develop and manufacture inductive components, principally because its design meets their high technological and quality requirements. The record level of orders on hand makes it easier for InTiCa Systems to plan ahead for the coming years. Moreover, following the high investment to expand production capacity it should allow almost full capacity utilization at the production site in the Czech Republic.

These achievements make the Board of Directors confident that InTiCa Systems can continue to offer customers innovative products that give them a competitive edge in the future. The management's aim is to continue to develop and manufacture innovative products and applications while maintaining competitive cost structures and strengthening the technological leadership of the operating segments.

5. Earnings, asset and financial position

5.1 Overall position

The general economic recovery influenced InTiCa Systems' business. The Group's earnings, asset and financial position in 2010 was dominated by the strong growth in the Industrial Electronics and Automotive Technology segments. However, significant downside factors were higher material costs and unplanned transport costs. The effect led to negative earnings, especially in the second half of the year. As the result, the company made a loss over the year. While non-current assets increased as a result of capital expenditures, current assets remained stable. In view of the continued pre-financing of customer orders, inventories and trade receivables rose at the expense of cash and cash equivalents. The net loss resulted in a reduction in equity, while both current and non-current liabilities increased substantially. Accordingly, the equity ratio declined by around nine percentage points year-on-year to 48%.

5.2 Earnings

» Sales

The Group's sales increased by about 34% to EUR 31.2 million in 2010, up from EUR 23.3 million in 2009. In the Communication Technology segment sales contracted from EUR 13.5 million in 2009 to EUR 12.2 million in 2010, but this was more than offset by the Automotive Technology and Industrial Electronics segments. The Industrial Electronics segment posted the highest growth, with sales rising by more than 440% from EUR 1.7 million in 2009 to EUR 9.2 million in 2010, principally due to massive demand for inductive components and modules for inverters for the solar industry. The positive trend in the Automotive Technology segment also continued in 2010 and sales increased by around 22% to EUR 10.0 million (2009: EUR 8.2 million).

» Expenses

In view of the sharp global rise in demand for raw materials and supplies, in the second half of the year, InTiCa Systems' suppliers – especially those producing components for the automotive and solar industry – were affected by supply bottlenecks. The resultant increase in procurement costs, production interruptions and the need to deliver end-products to customers on time increased the material cost ratio, especially in the second half of the year, and caused unplanned transport expenses. The average material cost ratio in 2010 was 71.1% (2009: 64.1%). The average number of employees rose by around 44% to 351 (including 44 agency staff), up from 244 in 2009. However, the personnel expense ratio declined from 21.0% to 18.6%. In this context, it should be noted that the expenses of EUR 0.4 million for agency staff in the Czech Republic are recognized in other expenses. Even after adjustment for this, the personnel expense ratio decreased slightly to around 20.0%. Despite capital expenditures for property, plant and equipment and intangible assets, depreciation and amortization amounted to EUR 4.3 million, around 21% below the year-back figure of EUR 3.5 million. Other operating expenses increased by a perceptible 23% to EUR 3.7 million in the reporting period (2009: EUR 3.0 million). Unplanned transport costs accounted for EUR 0.3 million of the total, while EUR 0.4 million was for agency staff at the Czech production site.

» Research and development

Spending on research and development amounted to EUR 2.6 million in 2010 (2009: EUR 2.4 million). Development work focused principally on the Automotive Technology and Industrial Electronics segments. EUR 0.6 million was expensed in the income statement (2009: EUR 0.4 million).

» Earnings

EBITDA (earnings before interest, taxes, depreciation and amortization) came to EUR 2.9 million in 2009, slightly down on the previous year, when EBITDA was EUR 3.0 million. The almost unchanged EBITDA level despite an approx. 34% rise in sales was attributable to the higher material cost ratio and unplanned transport costs. Positive factors were the net income from currency translation of EUR 0.7 million (2009: EUR 0.1 million).

EBIT (earnings before interest and taxes) was negative at minus EUR 1.4 million and thus well below the previous year's level of minus EUR 0.5 million. This was attributable to the increase in material costs and unplanned transport expenses.

The Industrial Electronics segment grew sales and earnings substantially year-on-year. This segment's EBIT was clearly positive at EUR 0.4 million (2009: EUR 0.1 million).

The financial result was minus EUR 0.48 million in 2010 (2009: minus EUR 0.34 million). Financial income was EUR 0.05 million (2009: EUR 0.2 million) while financial expense was EUR 0.53 million (2009: EUR 0.53 million). Financial expense thus remained constant but financial income decreased as a consequence of the unfavourable intrest rate trend and a reduction in financial investments.

The Group made a pre-tax loss of EUR 1.8 million in 2010 (2009: pre-tax loss of EUR 0.8 million). Including deferred taxes of EUR 0.4 million, the net loss for the year was EUR 2.2 million (2009: net loss of EUR 0.9 million). Earnings per share were minus EUR 0.53 (2009: minus EUR 0.22).

5.3 Asset position

» Capital structure

The change in the company's capital structure in the reporting period was due to the following factors: Investment in expansion of the business increased non-current assets. Current assets were virtually unchanged from the previous year but prefinancing of customer orders for which payment has not yet been received increased inventories and trade receivables and reduced cash and cash equivalents. Equity declined as a result of the net loss and current and non-current liabilities.

As of December 31, 2010 the Group's equity amounted to EUR 18.9 million (2009: EUR 20.1 million). With total assets of EUR 39.7 million (2009: EUR 36.7 million), the equity ratio was still sound at around 48% (2009: 57%).

Debt rose 32% from EUR 15.7 million in 2009 to around EUR 20.7 million as of December 31, 2010.

» Non-current assets

Non-current assets increased to EUR 26.3 million as of December 31, 2010 (2009: EUR 23.1 million) as a consequence of capital expenditures for property, plant and equipment, the capitalization of development costs and other investments in intangible assets and an increase in non-current receivables. The expansion of production capacity increased property, plant and equipment to EUR 17.9 million (2009: EUR 16.5 million).

» Current assets

Current assets totalled EUR 13.4 million as of December 31, 2010, almost unchanged from the year-back level of EUR 13.6 million. While inventories increased from EUR 4.0 million to EUR 5.8 million in 2010, and trade receivables rose from EUR 4.3 million to EUR 6.1 million, cash and cash equivalents declined from EUR 5.0 million to EUR 1.1 million. This was due to the ongoing pre-financing of customer orders in the Automotive Technology and Industrial Electronics segments, for which payment has not yet been received..

» Liabilities

As of December 31, 2010, non-current liabilities amounted to EUR 12.2 million (2009: EUR 11.5 million). They principally comprise liabilities to banks of EUR 10.1 million (2009: EUR 9.5 million) and deferred taxes of EUR 2.1 million (2009: EUR 2.0 million). The liabilities to banks comprise fixed-interest loans with a remaining term of up to six years. With the exception of the EUR 5 million bonded loan, which is due on the maturity date, repayment is in equal half-yearly instalments. In addition, a EUR 1.3 million annuity loan with a term of three years has been taken out. Interest rates are between 3.8% and 5.27% and are fixed until the end of the loans.

Current liabilities increased significantly from EUR 4.3 million to EUR 8.5 million in 2010, principally because trade liabilities increased from EUR 2.1 million to EUR 4.3 million and current liabilities to banks rose from EUR 1.1 million to EUR 2.9 million.

» Equity

As a result of the net loss of EUR 2.2 million, the Group's equity contracted to EUR 18.9 million (2009: EUR 21.0 million). Currency translation gains from the Cech subsidiary were EUR 0.4 million as of December 31, 2010 (2009: EUR 0.2 million). The equity ratio declined from 57% on December 31, 2009 to 48% on December 31, 2010.

5.4 Financial position

» Liquidity and cash flow statement

The net cash flow from operating activities improved significantly to EUR 0.9 million in 2010 (2009: cash outflow of EUR 1.4 million). The cash inflow was achieved despite the net loss and the increase in inventories and trade receivables.

The net cash outflow for investing activities was EUR 7.1 million in the reporting period (2009: net outflow of EUR 4.0 million). Substantial investments were made in property, plant and equipment and intangible assets in 2010, mainly to expand business operations.

The net cash inflow from financing activities was EUR 1.04 million due to a new loan, compared with a net outflow of EUR 0.04 million in the previous year. Cash inflows were EUR 1.3 million, while cash outflows for regular repayment of loans were EUR 0.25 million.

Cash and cash equivalents were around EUR 1.1 million on December 31, 2010 (2009: EUR 5.0 million). Cash and cash equivalents less utilized overdraft facilities amounted to minus EUR 1.1 million as of December 31, 2010 (2009: EUR 4.1 million). In addition, other non-current receivables include a fixed-interest investment of EUR 1.5 million.

» Capital expenditures

InTICa Systems invested EUR 5.6 million in non-current assets in 2010 (2009: EUR 4.3 million). The main focus was on self-created intangible assets, the planned expansion of production space by around 2,700 m^2 and machinery and equipment to raise production capacity.

» Employees

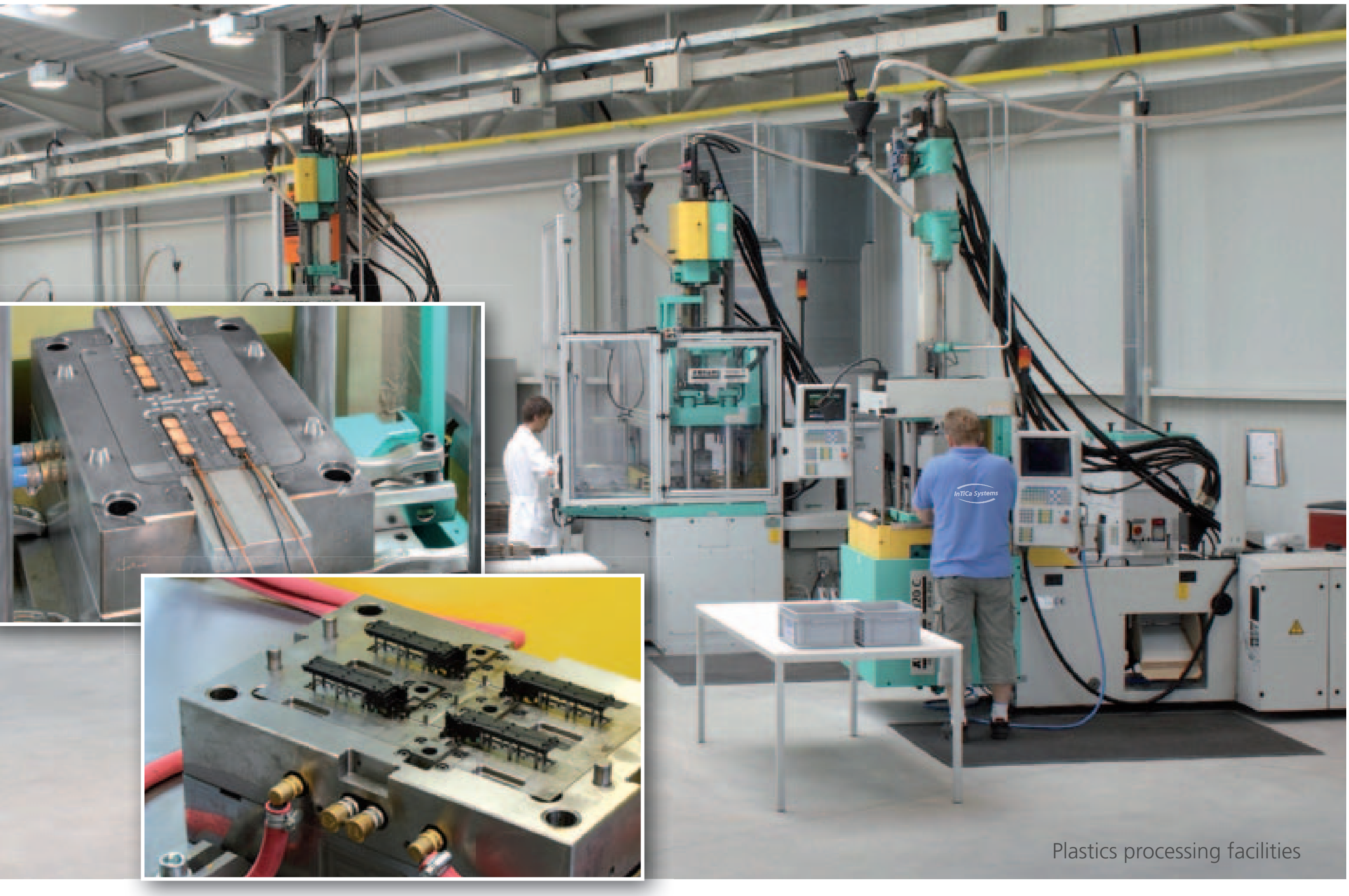
New employees were taken on to handle the increase in output, raising the headcount from 267 full-time employees as of December 31, 2009 to 447 as of December 31, 2010 (including 123 agency staff; expenses of EUR 432 thousand for these workers are recognized in other operating expenses). The personnel expense ratio, including the other operating expenses relating to agency staff in the Czech Republic, declined slightly to around 20% (2009: 21%).

6. Segment report

Segment	Communication Technology		Automotive Technology		Industrial Electronics		Total	
In EUR '000	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Sales	12,124	13,467	9,970	8,128	9,151	1,688	31,245	23,283
Profit before tax	-1,708	-1,050	-51	445	409	111	-1,350	-494

The Group draws a geographical distinction between Germany and other countries (secondary segment).

	Germany		Other countries		Total	
In EUR '000	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Sales	18,934	18,100	12,311	5,183	31,245	23,283
Segment assets	9,088	10,279	26,182	19,382	35,270	29,661
Average no. of employees	56	50	295	194	351	244



Plastics processing facilities

7. Remuneration system of the Board of Directors and Supervisory Board

7.1 Remuneration of the Board of Directors

The members of the Board of Directors receive a fixed monthly salary and a variable component based on the company's performance, which is payable after the end of the fiscal year. Remuneration is based on the customary remuneration in the sector and the size of the company. In addition, contributions are made to retirement pensions and each member of the Board of Directors has the use of a company car. The pension contributions are paid into a benevolent fund. The contracts with the members of the Board of Directors do not include any specific commitments in the event of termination of the contract. Nor do they contain any change of control clause. There are no commitments for future pension or annuity payments to members of the Board of Directors. A breakdown of the individual remuneration of members of the Board of Directors can be found in Note 28.3 to the financial statements.

7.2 Remuneration of the Supervisory Board

Sec. 11 of the Articles of Incorporation of InTiCa Systems sets out the remuneration of the Supervisory Board. In addition to reimbursement of expenses and value-added tax payable on income relating to payments for their duties on the Supervisory Board, after the end of the fiscal year each member of the Supervisory Board receives a fixed fee and remuneration for attending meetings. The Annual General Meeting is responsible for deciding whether to pay the Supervisory Board members a bonus based on the profit shown on the balance sheet. So far, this possibility has not been used. The Chairman of the Supervisory Board receives fixed annual remuneration of EUR 30,000, the Deputy Chairman receives EUR 25,000 and other members EUR 15,000. The fee for attending meetings is EUR 1,500. The company includes the members of the Supervisory Board in a Directors' and Officers' (D&O) insurance policy with an insured sum of up to EUR 3 million and pays the associated insurance premiums. A breakdown of the individual remuneration of members of the Supervisory Board in the reporting period can be found in Note 27.3 to the financial statements.

Total expenses for both governance bodies amounted to EUR 470 thousand in fiscal 2010 (2009: EUR 421 thousand).

8. Declaration of conformity on corporate management pursuant to sec. 289a HGB

The Board of Directors and Supervisory Board of public companies issue an annual declaration that they have complied with and will comply with the recommendations of the Government Commission on the German Corporate Governance Code, together with details of any recommendations that were not and will not be applied.

This declaration must be made available permanently to the public.

The Board of Directors and Supervisory Board of InTiCa Systems AG issued its declaration in conformance with sec. 161 of the German Companies Act (AktG) on April 12, 2011. This states that they have and will comply with the recommendations and suggestions of the Government Commission on the Corporate Governance Code in the version dated May 26, 2010 as published by the German Justice Ministry in the official section of the electronic Federal Gazette. The Board of Directors and Supervisory Board of InTiCa Systems also intend to comply with these recommendations in the future.

The Corporate Governance report on pages 22 ff. of this annual report and the Declaration of Conformity with the German Corporate Governance Code on page 22 ff. form an integral part of the declaration on corporate governance. The management declaration required in compliance with sec. 289a of the German Corporate Code (HGB) can be found on the company's website at www.intica-systems.de under Investor Relations/Corporate Governance.

9. Other information

Composition of the capital stock

The capital stock of InTiCa Systems AG comprises 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 stock), which do not confer any rights on the company. The rights and obligations of the shareholders are out in detail in the German Stock Corporation Act (AktG), in particular in sec. 12, sec. 53a et seq., sec. 118 et seq. and sec. 186.

Restrictions on voting rights and the transfer of shares

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.

Shareholdings exceeding 10% of the voting rights

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 Office (BaFin) thereof. The lowest threshold for such disclosures is 3%. After the end of the reporting period, Dr. Diekmann and Mr. Thorsten Wagner notified the company that their direct or indirect stakes in the company's capital exceed 10% and 15% of the voting rights respectively.

Shares with special rights according rights of control

There are no shares in the company with special rights according rights of control.

Methods of controlling voting rights where employees hold shares in the company and do not directly exercise their right of control

InTiCa Systems AG does not currently have any employee stock programmes.

Statutory provisions and regulations in the articles of incorporation on the appointment and dismissal of members of the Board of Directors and changes to the articles of incorporation

The appointment and dismissal of members of the Board of Directors is governed by sec. 84 and sec. 85 of the German Stock Corporation Act (AktG). Pursuant to the statutory provisions (sec. 179 paragraph 1 AktG) any amendment to the articles of association requires a resolution of the General Meeting. 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, resolutions adopted by the Annual General Meeting on May 24, 2007 authorized the Supervisory Board to amend sec. 3 of the Articles of Incorporation to reflect the utilization of the authorized capital 2007 and after expiry of the deadline for utilization of this right.

Authorization of the Board of Directors to issue or buy back shares

Under sec. 3 paragraph 3 of the articles of incorporation, the Board of Directors is also authorized, until May 24, 2012, to increase the company's capital stock, with the consent of the Supervisory Board, by up to EUR 1,672,500.00 by issuing new shares for cash or contributions in kind in one or more tranches. Further details are given in sec. 3 paragraphs 3 of the company's articles of incorporation, which can be downloaded from the company's website at Company/Downloads.

On the basis of the 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 December 31, 2010, InTiCa Systems still had treasury stock amounting to 210,489 shares.

Principal agreements entered into by the company that are governed by provisions on a change of control resulting from a takeover bid

InTiCa Systems has a EUR 5 million bonded loan which gives 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 loan 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 percent of the creditor's voting rights and the parties cannot reach agreement on new terms.

Compensation agreements entered into by the company with members of the Board of Directors or employees in the event of a takeover bid

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

10. Risk management and risk report

The monitoring, analysis and control of risks are essential elements in the management and oversight regulations set out in sec. 91 paragraph 2 of the German Stock Corporation Act (AktG). Further, the German Commercial Code (HGB) requires a report on the company's future development and the related risks and opportunities.

InTiCa Systems has established a risk management system to identify, analyze and evaluate potential risks. Business activities are examined for opportunities and risks at planning meetings and, on the basis of the findings, targets are derived. The attainment of these targets is monitored by a controlling and a reporting system. These systems provide a variety of indicators on, for example, the following key aspects: sales and earnings trends, orders on hand and inventories, gross margins, consumption of materials, production defects, personnel, liquidity and investments. The Board of Directors can access each report via the IT system and initiate appropriate counteraction.

Risk potential is updated regularly by senior managers. A monthly overview of risk potential is derived from the wide range of individual data entered. The risks are derived from the present business activities of the segments and sub-segments and corporate targets. The Board of Directors discusses the facts presented at its next meeting.

The efficiency of the risk management system as a whole is regularly monitored and assessed. If potential for improvement is identified, the Board of Directors is notified and modifications are implemented without delay. The systematization and monitoring of risks in this way includes regular documentation of the entire risk management and early warning system and checking that it is effective and fit for purpose.

The accounting process is controlled by the parent company through the Group-wide Finance and Accounting, Controlling and Investor Relations departments. Functions and responsibilities in these areas are clearly separated / assigned and there are mutual control processes to ensure a continuous exchange of information. The internal control system for financial accounting is based on defined preventive and supervisory control mechanisms such as systematic and manual checking, predefined approval procedures, the separation of functions and compliance with guidelines. Appropriate IT precautions are in place to protect the financial systems used from unauthorized access. Financial accounting systems only use standard software. Uniform accounting is ensured by applying corporate accounting guidelines and standardized reporting formats. The guidelines and reporting formats are determined by the Board of Directors of the parent company and compliance is monitored continuously by employees in the finance department. Alongside technical checks by the system, manual and analytical checks are performed. External consultants such as auditors and lawyers are consulted on changes and complex accounting issues. The internal control and risk management system for financial accounting is fully integrated into the Group's quality assurance process and documented separately.

The central objective of financial management at InTiCa Systems is to ensure sufficient liquidity reserves at all times, avoid financial risks and secure financial flexibility. The basis for safeguarding liquidity is integrated financial and liquidity planning spanning a number of years. InTiCa Systems includes all consolidated subsidiaries in this planning process. The segments' operating business and the resulting cash flows are the Group's main source of liquidity. Operational planning is based on a long-term liquidity forecast. The short and medium-term forecasts are updated monthly. Surplus funding within the Group is distributed to those areas that require it via cash pooling in order to reduce external funding requirements and optimize net interest expense. To secure its liquidity position, InTiCa systems also uses various internal and external financing instruments such as credit agreements, which form the basis for short and medium-term financing, finance leasing and vendor loans. As a result of the company's capital base and financing arrangements, the Board of Directors is of the opinion that the main preconditions for future financing have been met.

10.1 Market and price risks

Through its Communication Technology, Automotive Technology and Industrial Electronics segments, InTiCa Systems operates in areas exposed to general economic fluctuations. In the Communication Technology segment in particular, the company is dependent on political and/or strategic decisions by a few key customers relating to DSL and other broadband technologies. Even though the customer base has now been expanded considerably and placed on a more international basis, dependence on political and strategic decisions still constitutes a significant risk The factor. Further, competition is continuing to increase, especially from Asian companies. This would be exacerbated, in particular, if the US dollar were to depreciate against the euro.

In principle, the Communication Technology segment, which is still the main sales generator, is exposed to higher sector-specific fluctuations than the Automotive Technology and Industrial Electronics segments. The Automotive Technology and Industrial Electronics segments are exposed to the customary economic risks in this sector, which could hold back expected growth considerably. That would be particularly true if customers of InTiCa Systems were to postpone the start of production of new models containing new components from InTiCa Systems due to a poor economic situation or a reduction in subsidies.

10.2 Customer dependence

In 2010, around 36% of sales in the Communication Technology segment were generated with a single customer and around 51% of sales in this segment were generated with five further customers. With the exception of one customer in the Industrial Electronics segment (9.4% of tlotal sales), the other two segment's sales are more broadly diversified among various customer groups.

10.3 Technological risks

Substitution of splitter technology as a result of full digitization of landline technology is possible in the medium to long term. Solutions that could endanger the operational success of InTiCa Systems AG – at least in the Communication Technology segment – are based on the cable television network, satellite and radio transmission, powerline technology and fibre optic cables. The cost of a technical upgrade of the cable television network is considerably higher than upgrading the existing copper wire telephone network for VDSL. Moreover, powerline technology has not yet achieved a breakthrough. Similarly, in Germany, installation of a nationwide network based on fibre optic technology, which currently has the highest transmission capacity, would require enormous investment. Moreover, interconnection with the copper-wire networks in homes requires the use of converters and splitters where InTiCa Systems has so far been the market leader.

10.4 Personnel risks

In view of the economic upswing, there is a risk that key employees, especially sales and research and development personnel, could leave the company. InTiCa System uses its remuneration system, social benefits and a wide range of vocational and further training offers to counter this risk. These reduce staff fluctuation and position the company as a employer offering long-term security and career opportunities.

10.5 Financial risks

The financial risks mainly result from orders in foreign currencies and the parent company's financing activities. In particular, the company could sustain considerable damage if the euro were very strong, as production is mainly in the euro zone.

10.6 Liquidity risk

InTiCa Systems currently has a bonded loan from a leading German bank. Security for this is divided 50:50 between a land charge in the Czech Republic and a EUR 1.0 million fixed-term deposit. The company also has a loan from the German Reconstruction and Development Bank (KfW). It also had a three-year annuity loan of for EUR 1.3 million as of the balance sheet date. All three loans are used to safeguard long-term liquidity. In addition, InTiCa Systems has credit lines of EUR 3.1 million. EUR 2.1 million of this amount was drawn on the reporting date. The Group also has liquid assets totalling EUR 1.1 million and other non-current receivables amounting to EUR 1.5 million.

10.7 Currency risk

The main currency risk for InTiCa Systems comprises the operating costs of its Czech production facilities and some customer contracts in US dollars. In view of the low volume of sales in US dollars, following on from the practice in previous years the company did not undertake currency hedging in 2010. The exchange rate for the euro versus the US dollar increased from 1.4329 euros/US dollar on December 31, 2009 to 1.3384 euros/US dollar on December 31, 2010. In the first half of 2010 the euro depreciated against the US dollar. It reached a low of 1.1953 euros/US dollar on June 7, 2010, before picking up to over 1.40 euros/US dollar. Following a correction to 1.30 euros/US dollar in November, the exchange rate rose again by year end. Having weakened briefly at the start of 2011, the euro exchange rate versus the US dollar has continued to rise this year. By mid-March it was back above 1.40 euros/US dollar. On a euro basis, this resulted in lower margins on orders placed at the start of 2011 and future orders, based on the weaker dollar. Price pressure from companies that produce in the US dollar zone and can export cheaply to the euro zone could increase further if the euro were strong. Due to the exchange rate, this effect could be fully offset by favourable procurement terms for materials and raw materials in the dollar zone or goods invoiced predominantly in dollars.

InTiCa Systems' production facility in the Czech Republic sources goods from the euro zone. All deliveries are made on a euro basis, either to InTiCa Systems AG or to external manufacturers who undertake further processing steps. The currency risk with regard to the Czech koruna is therefore limited to local wages and overheads and the liabilities of the Czech subsidiary to the Group. No currency hedging was undertaken here, either. The risk comprises a further rise in the Czech koruna – unless this can be absorbed by raising efficiency, a reduction in the cost of materials or price increases.

Currency gains and expenses arising from the payment of or cross-charging for intragroup transactions with independent subsidiaries whose functional currency is not the euro have to be regarded separately. Since intragroup payments in euros exceed intragroup payments in other currencies, the rise in the Czech koruna in the reporting period resulted in currency gains.

10.8 Interest rate risk

The company's exposure to the risk of short-term changes in interest rates is limited as the loan from the KfW runs for another 6 six years and the loan from a German commercial bank runs for 4 four years. Moreover, InTiCa Systems AG has agreed fixed interest rates for these loans. However, interest income is dependent on short-term money market trends and there is thus a risk that only low interest income will be earned if rates fall. A capital investment guideline has been issued to document this conservative investment strategy.

10.9 Equity market risk

The company does not currently hold any shares in third party companies and does not plan to acquire any such shares. Equity market risk is thus confined to the treasury stock purchased in 2010 under the share buy-back programme adopted by the Board of Directors on July 2, 2008. Following the sale of some of these shares after the end of the reporting period, treasury stock now comprises 64,430 shares. These shares are subject to normal fluctuations in market price.

10.10 Default risk

Despite the emerging upturn, the Board of Directors considers the default risk to be not inconsiderable as many companies do not have a sound liquidity base at present. This risk is countered by extensive creditworthiness checks and intensive receivables management. Nevertheless, it cannot be ruled out that customers of InTiCa systems could face unexpected insolvency. In view of the highly diversified customer base, the risk associated with individual customers is becoming less significant.

Moreover, it should be noted that an economic downturn and declining volume sales entail a significant sector risk, especially in the cyclical automotive sector, which is a key future market for InTiCa Systems.

So far the company has not taken out credit insurance. InTiCa Systems does not currently grant loans to employees or to external parties.

11. Established branches and subsidiaries

InTiCa Systems AG holds 100% of the shares in the following companies:

- InTiCa Systems s.r.o. in Prachatice, Czech Republic
- InTiCa Systems Ges.m.b.H. in Neufelden, Austria

The site in the Czech Republic is a production facility. The Austrian branch develops products for the Industrial Electronics segment. Serial production of most of these products takes place at the Czech site.

12. Opportunities

In the light of market-driven developments in the Communication Technology segment, InTiCa Systems is stepping up investment in the newer Automotive Technology and Industrial Electronics segments with a view to positioning them as key sales generators.

Alongside RFID solutions for remote keyless entry systems in the automotive sector and safety and control systems (tyre pressure control and power steering), the company supplies systems and components for engine and energy management systems (for example, for electric and hybrid vehicles) and traditional assembly services. Products manufactured by InTiCa Systems are used in various classes of vehicle from luxury limousines and high-end sports cars to compact models. Within just under three years, the company has managed to gain well-known German, French, US and Asian system suppliers to the automotive industry (or OEMs) as customers. Many long-term orders have been secured. Serial production has already started for some while for others its is scheduled to start in 2011. These orders generally run for between five and eight years. However, the price pressure exerted by automotive producers on component suppliers could reduce InTiCa Systems' margins and thus its corporate performance. An unchallenged technological edge is therefore extremely important as the company has only limited capability to withstand pure price competition.

In addition, the Industrial Electronics segment, which acquired a large number of orders and developed many new products, enabling it to become one of the keystones of the InTiCa Systems Group, will be expanded steadily in 2011. The Industrial Electronics segment develops and manufactures inductive components and modules for converters and inverters to transform solar energy into electric power for the grid and components and products for automation technology. It systematically utilizes InTiCa Systems' outstanding development and manufacturing expertise in inductive components (coils, interference suppression, power transfer, etc.), passive analogue switches (electronic filters) and mechatronic modules (combining various inductive components in an assembly). Available synergies are also being leveraged, for example, for energy conversion and storage in electric and hybrid vehicles. There is constant knowledge transfer and utilization of synergies between organizational units and technologies to ensure that the current products and solutions can trigger new applications.

13. Events after the end of the reporting period

After the end of the reporting period, the company sold 146,059 of its shares so its treasury stock now comprises 64,430 shares.

The Group plans to cease operating its site in Austria as an independent legal entity and to increase the long-term capital of its Czech subsidiary by EUR 10 million.

14. Outlook

Opportunities and success factors

Opportunities for growth are based mainly on steadily rising demand for our innovative products for the automotive and solar industries.

Another key success factor is customer focus, combined with the ability to drive forward the development of products and manufacturing technologies rapidly and with a clear focus.

Expanding the regional presence also plays a key role in future development. The aim is to secure a successful long-term market presence through international distribution and production sites.

Segment trends

» Communication Technology

Tougher competition among suppliers and between transmission technologies, accompanied by strong price pressure and a reluctance to invest in expansion of the broadband network have led to an above-average drop in sales and margins on our splitters in recent years. In the past three years this situation has meant the company has seen sales decline by around EUR 21 million and prices drop by more than 27%. In 2010 alone, prices declined by 12.3%.

To counter this situation, in recent years we have concentrated on developing various innovative new products for this market.

These new developments are used for copper and fibre optic DSL broadband networks and to suppress interference in powerline networks. The Board of Directors anticipates that these new products could stabilize sales trends and generate new growth impetus in the medium term. It expect sales to be around EUR 9 million in 2011.

Action taken to reduce unit costs and the development of new products should bring a perceptible improvement in the earnings situation of the Communication Technology segment in 2011.

» Automotive Technology

Demand for affordable, comfortable and safety-relevant fittings for cars is set to rise in the future, even in the mid and small-vehicle classes. InTiCa Systems expects rising volume sales of cars to increase sales of components introduced in new models being launched by leading international car producers. Within the automotive sector, Asia will most likely be the real growth market. In addition, InTiCa Systems could benefit particularly from the future market for electric and hybrid vehicles, where it has a promising position with European producers.

Today, InTiCa Systems innovative products for e.g. keyless go/entry systems and power electronics are used in more than 130 different models. On the basis of current orders, a large number of enquiries about new projects, especially in the areas of performance/engine electronics for low-emissions vehicles, we remain confident that we can achieve our ambitious mid-term growth target of 30% p.a. Our sales guidance for this segment in 2011 is around EUR 13.5 million, which would be a year-on-year rise of around 35%.

» Industrial Electronics

The German solar industry association (BSW-Solar) estimates that by the end of 2010 there were around 840,000 photovoltaic installations in Germany, with total capacity of around 17,000 megawatts peak (MWp). They accounted for around 2% of the country's gross power consumption. That is expected to rise to around 10% by 2020. According to BSW-Solar, German inverter production should double in this time.

Last year this segment grew by around 440%, mainly through inductive components and mechatronic assemblies for inverters for the solar industry, and already makes a positive contribution to the company's performance. On the basis of this success, the Board of Directors expects sales to double to around EUR 20 million in 2011. Following the disaster in Japan, legislators are likely to step up the development of regenerative energies, and the Board of Directors expects this to bring further above-average growth impetus.

Earnings, asset and financial position and outlook

In the first quarter of 2011 Group sales increased by roughly 70% year-on-year to around EUR 10.9 million (Q1 2010: around EUR 6.4 million). First quarter EBIT should therefore be positive. Our liquidity position has been strengthened by selling some of our treasury stock and by a EUR 1.0 million increase in our overdraft facility. At the same time, there was an outflow of around EUR 1.5 million into non-current assets and net working capital.

Assuming that the economic situation remains favourable, the Board of Directors expects to grow sales by more than 35% year-on-year to over EUR 40 million in 2011. In addition, it expects to achieve an earnings turnaround in 2011 and to report a positive EBIT margin of around 3%. For 2012 the Board of Directors is forecasting further sales and earnings growth, providing the economic trend remains positive.

Since orders on hand in the InTiCa Systems Group currently amount to some EUR 43 million (2009: EUR 17 million), the Board of Directors considers the expected sales growth and anticipated earnings trend to be realistic.

Passau, April 20, 2011

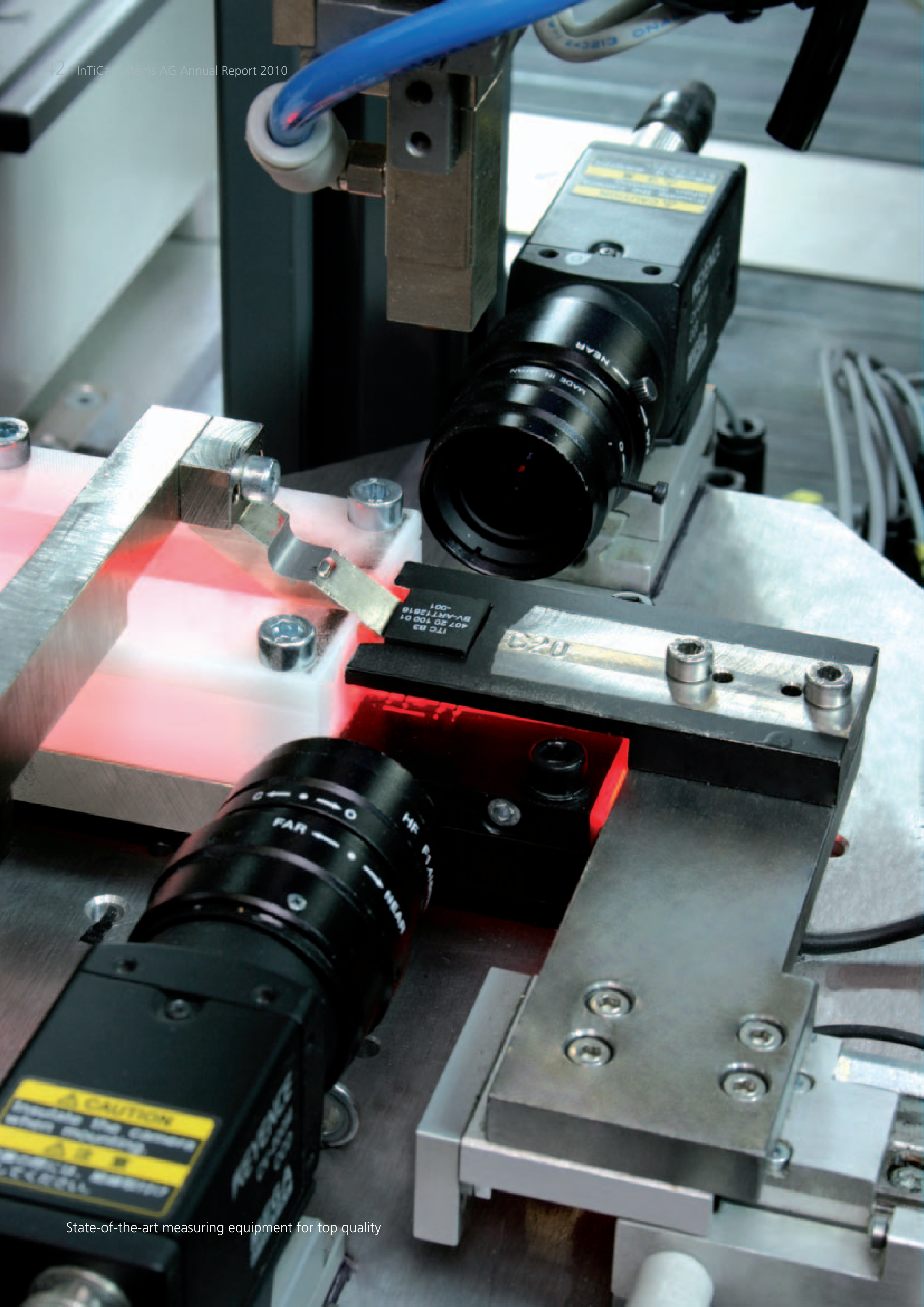
The Board of Directors

Walter Brückl
Chairman of the Board of Directors

Günther Kneidinger
Member of the Board of Directors

Consolidated financial statements

Consolidated financial statements



State-of-the-art measuring equipment for top quality

Consolidated Balance Sheet

of InTiCa Systems in accordance with IFRS/IAS
as of December 31, 2010

Assets

	Note	31.12.2010 EUR ´000	31.12.2009 EUR ´000
Non-current assets			
Intangible assets	14	5,386	4,852
Property, plant and equipment	13	17,921	16,503
Other non-current receivables	16	1,500	0
Deferred taxes	10.3	1,513	1,719
Total non-current assets		26,320	23,074
Current Assets			
Inventories	17	5,835	3,975
Trade receivables	18	6,128	4,331
Tax assets	10.2	9	91
Other current receivables	16	283	233
Cash and cash equivalents	29	1,099	4,948
Total current assets		13,354	13,578
Total assets		39,674	36,652

Equity and liabilities

		31.12.2010 EUR ´000	31.12.2009 EUR ´000
Equity			
Capital Stock	19	4,287	4,287
Treasury Stock	19	-210	-210
General capital reserve	20	14,426	14,808
Profit reserve	21	0	1,792
Currency translation reserve	21	440	229
Total equity		18,943	20,906
Non-current liabilities			
Non-current financial liabilities	22	10,088	9,500
Deferred taxes		2,124	1,991
Total non-current liabilities		12,212	11,491
Current liabilities			
Other current liabilities	23	683	466
Current financial liabilities	22	2,893	1,133
Trade payables	24; 27.2	4,252	2,095
Finance lease	26	0	290
Other current liabilities	25	691	271
Total current liabilities		8,519	4,255
Total equity and liabilities		39,674	36,652
Equity ratio		47.7%	57.0%

Consolidated Income Statement

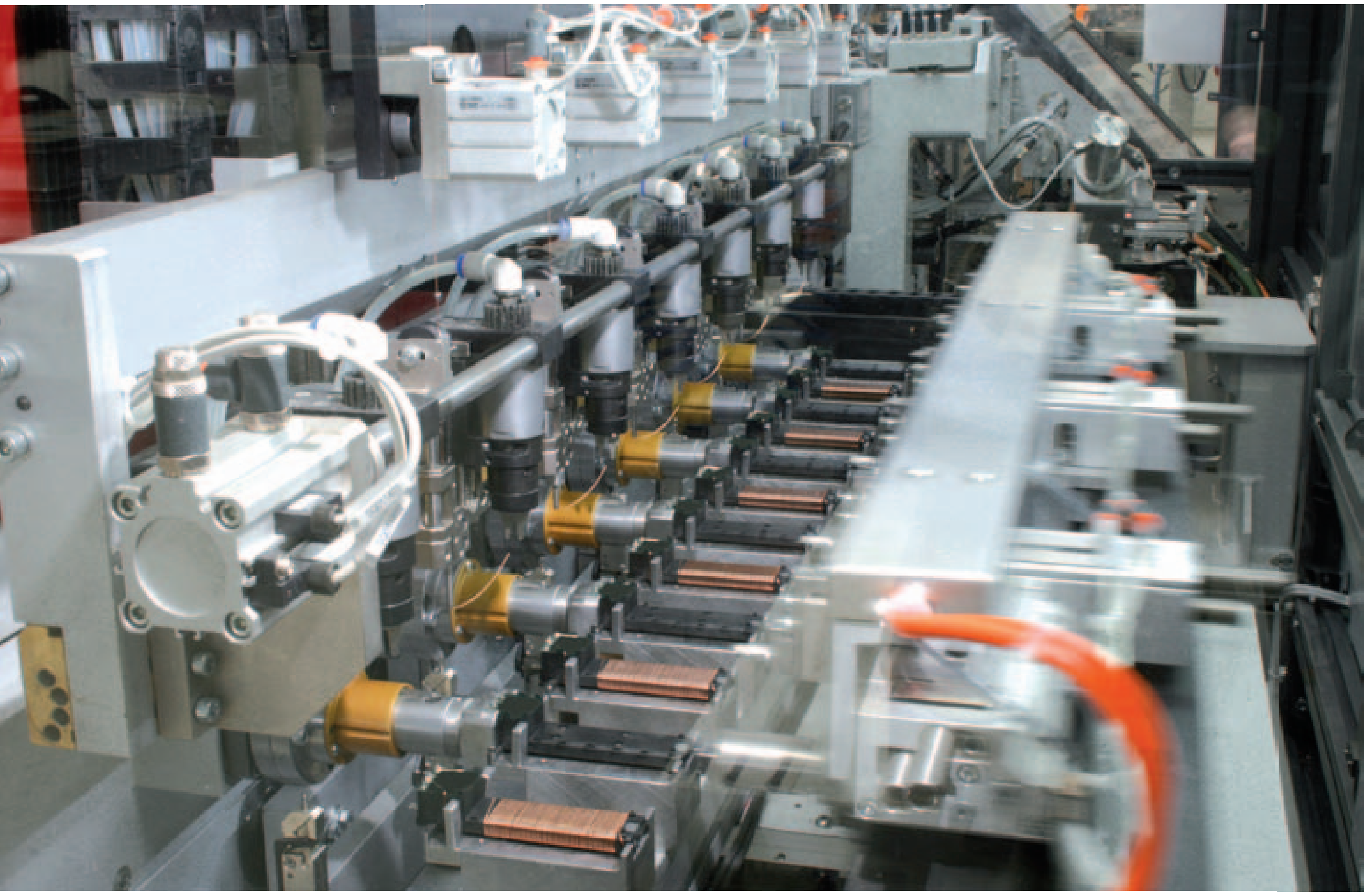
of InTiCa Systems in accordance with IFRS/IAS for the period from January 1 to December 31, 2010

	Note	Fiscal year EUR ´000	Previous year EUR ´000
Sales	5; 6.2	**31,245**	23,283
Other operating Income	7	**1,100**	618
Change in finished goods and work in process	17	**569**	217
Other own costs capitalized		**1,769**	1,838
Material expense		**22,215**	14,925
Personnel expense	11.4	**5,822**	4,880
Depreciation and amortization	11.2	**4,263**	3,518
Other expenses	7	**3,733**	3,127
Operating profit (loss) / EBIT		-1,350	-494
Cost of financing	9	**534**	529
Other financial income	8	**50**	194
Profit (loss) before taxes		-1,834	-829
Income taxes	10.1	340	41
Net loss		**-2,174**	**-870**
Other comprehensive income			
Exchange differences from translating foreign business operations		**211**	87
Other comprehensive income, after taxes		**211**	87
Total comprehensive income		**-1,963**	**-783**
Earnings per share (diluted/basic in EUR)		-0,53	-0,22

Consolidated Cash Flow Statement

of InTiCa Systems in accordance with IFRS/IAS
for the period from January 1 to December 31, 2010

	Note	Fiscal year EUR ´000	Previous Year EUR ´000
Cash flow from operating activities			
Net loss for the period		-2,174	-870
Income tax expenditures / receipts	10.1	340	41
Cash outflow for borrowing costs	9	534	529
Income from financial investments	8	-50	-194
Depreciation and amortization of non-current assets	11.2	4,263	3,518
Other non-cash transactions		-427	-13
Increase/decrease in assets not attributable to financing or investing activities			
Inventories	17	-1,860	-1,389
Trade receivables	18	-1,797	549
Other assets		-17	-145
Increase/decrease in liabilities not attributable to financing or investing activities			
Other current provisions	23	217	-139
Trade payables	27.2	2,157	-1,956
Other liabilities		127	-830
Cash flow from operating activities		1,313	-899
Cash inflow for income taxes		80	31
Cash outflow for interest payments		-532	-482
Net cash flow for operating activities		861	-1,350
Cash flow for investing activities			
Cash inflow from interest payments		18	329
Cash inflow from the disposal of property, plant and equipment		51	9
Cash outflow for intangible assets	14	-2,060	-2,033
Cash outflow for property, plant and equipment	13	-3,568	-2,231
Cash outflow for non-current receivables	16	-1,500	0
Net cash flow for investing activities		-7,059	-3,926
Cash flow from financing activities			
Cash inflow from the sale of treasury stock		0	211
Cash inflow from loans		1,290	0
Cash outflow for loan repayment installments		-250	-250
Net cash flow from financing activities		1,040	-39
Total cash flow		-5,158	-5,315
Cash and cash equivalents at start of period		4,065	9,379
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies		0	1
Cash and cash equivalents at end of period	29	-1,093	4,065



Consolidated statement of changes in equity

for InTiCa Systems according with IFRS/IAS
for the period from January 1 to December 31, 2010

	Capital stock EUR ´000	Treasury stock EUR ´000	Paid-in capital EUR ´000	Retained earnings EUR ´000	Currency translation reserve EUR ´000	Total equity EUR ´000
As of January 1, 2009	4,287	-264	14,650	2,663	142	21,478
Net loss	0	0	0	-870	0	-870
Other comprehensive income, after taxes	0	0	0	0	87	87
Total comprehensive income	0	0	0	-870	87	-783
Sale of treasury stock	0	54	158	0	0	212
As of December 31, 2009	4,287	-210	14,808	1,793	229	20,907
Net loss	0	0	-381	-1,793	0	-2,174
Other comprehensive income, after taxes	0	0	0	0	211	211
Total comprehensive income	0	0	-381	-1,793	211	-1,963
Sale of treasury stock	0	0	0	0	0	0
As of December 31, 2010	4,287	-210	14,427	0	440	18,944

(Rounding difference -1)

Inverters for solar power

help reduce CO_2 emissions

Notes to the consolidated financial statements of InTiCa Systems for fiscal 2010

1. General information

InTiCa Systems AG was established on August 16, 2000 and is registered in the Commercial Register at the District Court of Passau (HR B 3759). The company has been listed in the Prime Standard on the Frankfurt stock exchange since November 8, 2004 (ISIN DE0005874846, ticker symbol IS7).

The company's registered office is in Passau, Germany. Its address is InTiCa Systems AG, Spitalhofstrasse 94, 94032 Passau, Germany. The company holds stakes in companies in Austria and the Czech Republic. The principal activities of the company and its subsidiaries are described in Note 6 Segment information and Note 15 Subsidiaries.

2. New standards and interpretations

2.1. Standards and interpretations whose application was mandatory for fiscal 2010

The following new and revised standards and interpretations, including changes under the IFRS Improvements Project 2009 have been applied in the present consolidated financial statements. Application had little or no impact on the consolidated financial statements for fiscal 2010 and preceding years, but could affect reporting of future transactions or agreements.

Amendment to IAS 1 Presentation of financial statements

The amendment states that if a liability is not unconditional and the terms could, at the option of the counterparty, result in its settlement by the issue of equity instruments, this does not affect its classification as current or non-current.

Amendment to IAS 7 Statement of Cash Flows

As a result of this amendment, only expenditures that result in recognition of an asset may be classified as cash flows for investing activities in the cash flow statement.

Amendment to IAS 27 Consolidated and Separate Financial Statements

This amendment results in changes in the method of recognizing changes in shareholdings in subsidiaries.

Amendment to IAS 39 Financial Instruments: Recognition and Measurement

The amendment clarifies two aspects of hedge accounting: firstly, inflation is specified as a (partial) risk that may be hedged and secondly, hedging via options.

Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards
First-time adoption of the International Financial Reporting Standards including additional exemptions for first-time adopters.

Amendment to IFRS 2 Share-based Payment
This amendment relates to the measurement of share-based compensation paid in cash.

Amendment to IFRS 3 Business Combinations
This amendment permits a transaction-related option for the measurement of shares held by a non-controlling shareholder at the acquisition date.

Amendment to IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations
This amendment states that all assets and liabilities of the subsidiary shall be classified as held for sale if the parent company has established a divestment plan involving a loss of control over the subsidiary, irrespective of whether the parent company will retain a non-controlling interest in the subsidiary after the transaction.

IFRIC 12 Service Concession Arrangements
The interpretation IFRIC 12 was published in November 2006 and normally had to be applied for the first time in fiscal years beginning on or after January 1, 2008. This interpretation was adopted into EU law in March 2009 with the provision that it should be applied in the EU at the latest for the first fiscal year beginning after March 28, 2009. This interpretation addresses accounting for the obligations assumed under service arrangements and the associated rights in the operator's financial statements.

IFRIC 15 Agreements for the Construction of Real Estate
IFRIC 15 was published in July 2008 and normally had to be applied for the first time in fiscal years beginning on or after January 1, 2009. This interpretation was adopted into EU law in July 2009 with the provision that it should be applied in the EU at the latest for the first fiscal year beginning after December 31, 2009. This interpretation contains guidance on the recognition and scope of reporting revenue from projects involving the construction of real estate.

IFRIC 17 Distribution of Non-Cash Assets to Owners
This interpretation contains guidance on how a company should account for distributions of non-cash assets to its owners.

IFRIC 18 Transfers of Assets from Customers
This interpretation addresses accounting by the recipient of assets transferred by customers and concludes that if the assets transferred meet the definition of an asset from the viewpoint of the recipient, the recipient should recognize the asset at fair value as of the transfer date. The counter item is revenue recognized in accordance with IAS 18 (Revenue).

2.2. New accounting standards that have been endorsed by the EU but only become mandatory in the future

The table lists standards and interpretations that have been adopted by the EU but do not have to be applied until the future:

No.	Standard and title	Applicable for fiscal years beginning on or after	Relevance
1	IFRS 1 "First-time Adoption of International Financial Reporting Standards"	July 1, 2010	Not relevant or applied early
2	Improvements to IFRS (2010)	July 1, 2010	Not relevant or applied early
3	IAS 24 „Related Party	January 1, 2011	Not relevant or applied early
4	IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"	July 1, 2010	Not relevant or applied early
5	IFRIC 14 "Prepayments of minimum funding requirements"	January 1, 2011	Not relevant or applied early
6	IAS 32 „Financial Instruments: Presentation"	February 1, 2010	Not relevant or applied early

The amendment to IFRS 1 was published in January 2010 and has to be applied for the first time in fiscal years beginning on or after July 1, 2010. The amended version permits first-time adopters of IFRS to utilize the amendment to IFRS 7 on improved disclosures published in March 2009. These provisions exempt first-time adopters from the obligation to present the required comparative data in the notes to their financial statements. The provisions of IFRS 1 are applicable for first-time adopters of the IFRS and are therefore not applicable for the Group.

On May 6, 2010 the IASB published "Improvements to IFRS", its annual collective standard presenting minor changes to the IFRSs. The majority of the amendments are to be applied for the first time for annual periods beginning on or after January 1, 2011. However, the following amendment to IFRS „Business Combinations" is mandatory for fiscal years beginning on or after July 1, 2010. Earlier application is permitted. The amendment of IFRS 3 „Business Combinations" materially alters the treatment of contingent considerations, which now have to be measured at fair value on the initial consolidation date irrespective of the probability of occurrence. For this reason, contingent considerations are no longer excepted from the scope of IFRS 7 „Financial Instruments: Disclosures", IAS 32 „Financial Instruments: Presentation" and IAS 39 „Financial Instruments: Recognition and Measurement". To clarify that these IFRSs are not, however, applicable for conditional considerations relating to business combinations prior to the initial date of application of the amended version of IFRS 3, the provisions on the date of application have been adjusted to align them to the amended version of IFRS 3. Further, the transitional rulings in IFRS 3 have been supplemented to include the other accounting standards applicable for conditional considerations. Overall, this clarifies that the new rulings in the amended version of IFRS 3 relating to conditional considerations are not applicable retrospectively to previous business combinations.

On November 4, 2009 the IASB published the revised standard IAS 24 „Related Party Disclosures". The principal changes comprise amendment of the definition of related parties. The amendment also clarifies that executory contracts are reportable transactions. The revised version of IAS 24 is applicable for fiscal years beginning on or after January 1, 2011. Earlier application is permitted. This includes an option for earlier application of the new exemptions for government-related entities only.

IFRIC 19 „Extinguishing Financial Liabilities with Equity Instruments" outlines how to account for equity instruments if the terms of a financial liability have been renegotiated and the company issues equity instruments for full or partial settlement of the liabilities. This interpretation is to be applied for fiscal years beginning on or after July 1, 2010.

The amendments to IFRIC 14 „Prepayments of a minimum funding requirement? are of relevance if a pension plan provides for a minimum funding requirement and the company makes advance payments of contributions for this purpose The amendments are mandatory for fiscal years on or after January 1, 2011. Earlier application on a voluntary basis is permitted.

On October 8, 2009 the IASB published amendments to IAS 32 „Financial Instruments: Presentation" relating to the classification of rights issues. This supplements IAS 32 insofar as subscription rights, options and warrants for a fixed number of a company's equity instruments in any currency must be disclosed as equity instruments as long as they are granted on a pro rata basis to all existing holders of the same class of equity. The amendments are mandatory for fiscal years beginning on or after February 1, 2010.

The Board of Directors anticipates that the amendments presented here will probably have little or no influence on the Group's consolidated financial statements.

2.3. New accounting standards that have been adopted but have not yet been endorsed by the European Union

Accounting standards that have not yet been endorsed by the European Union comprise:

No.	Standard and title	Applicable for fiscal years beginning on or after	Relevance
1	IFRS 9 "Financial Instruments" (published on November 12, 2009)	January 1, 2013	Being examined for relevance
2	IFRS 7 "Financial Instruments: Disclosures" (Amendments) (published on October 7, 2010)	July 1, 2011	Being examined for relevance
3	IAS 12 „Income Taxes"	January 1, 2012	Being examined for relevance

On November 12, 2009 the IASB published IFRS 9 „Financial Instruments" on the classification and measurement of financial instruments. IFRS 9 introduces new rules on the classification and measurement of financial assets. The measurement, classification and valuation regulations for liabilities were supplemented by the IASB on November 28, 2010. The Exposure Drafts on „Amortised Cost and Impairment" of November 5, 2009 and „Hedge Accounting" of December 9, 2010 are currently under discussion.

The aim is to integrate both of these Exposure Drafts into IFRS 9 after completion of the discussion as a replacement for IAS 39. The amendments are applicable retrospectively for fiscal years beginning on or after January 1, 2013. Earlier application is permitted. A decision on endorsement of the standard by the EU is still pending. The impact of the parts of IFRS 9 already adopted on the Group is being examined.

On October 7, 2010 the IASB published amendments to IFRS 7 financial Instruments: Disclosures". The amendment addresses disclosure obligations relating to the transfer of financial assets. The amended standard requires extensive disclosures on rights and obligations that may have been retained or assumed through the transaction. The amendments to IFRS 7 are mandatory for fiscal years beginning on or after July 1, 2011. Comparative data are not required in the first year of application. The impact on the Group is currently being examined.

The amendment to IAS 12 was published in December 2010 and has to be applied for the first time in fiscal years beginning on or after January 1, 2012. Under this amendment, deferred tax assets and liabilities relating to specific assets will be based on the refutable presumption that the carrying amounts of these assets will be realized in full through divestment. The impact on the Group is currently being examined.

3. Principal accounting policies and valuation methods

3.1 Declaration of conformance

The consolidated financial statements have been prepared in conformance with the International Financial Reporting Standards, as applicable for use in the European Union.

3.2 Basis of preparation of the consolidated financial statements

The consolidated financial statements have been drawn up on the basis of historical acquisition or production costs. The principal accounting policies and valuation methods are outlined below. The order in which individual items from the income statement are explained in the Notes has been altered slightly since last year. Where amounts are stated in thousands of euros (EUR '000) individual items or transactions may be subject to rounding differences of +/-1.

Accounting for business transactions and events should be consistent. Any change in accounting policy must be reflected as if the new policy had been applied as of the date of initial recognition (retrospective application). By contrast, changes in accounting estimates are normally only reflected in profit or loss in the period to which the change applies. If, in individual cases, it is difficult to distinguish a change in an accounting policy from a change in an accounting estimate, the change is treated as a change in an accounting estimate (IAS 8.35). See Note 4 „Tax impact of the cost of raising equity".

3.3 Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent company and the subsidiaries under its control. Control means that the company is able to determine the financial and business policy of a business entity in order to benefit from its activities.

Where necessary, the annual financial statements of subsidiaries are adapted to the accounting policies and valuation methods used at Group level.

All intragroup business transactions, balances, profits and losses are fully eliminated in the consolidation process.

3.4 Business combinations

Businesses acquired are accounted for using the purchase method. Acquisition costs comprise the sum of the fair values of the assets to be transferred as of the date of exchange, liabilities entered into and assumed, and equity instruments issued by the Group in exchange for control of the business entity acquired. Costs relating to the business combination are also treated as acquisition costs if they are directly attributable to the acquisition. The identifiable assets, liabilities and contingent liabilities are recognized at fair value as of the date of acquisition, providing that the corresponding recognition criteria are met. All of the parent company's present business operations were acquired by establishing new entities through cash-based capital contributions.

3.5 Revenue recognition

Sales revenues are recognized at the fair value of the consideration received or to be received, less any expected returns by customers, discounts and similar deductions.

Revenues from the sale of goods are recognized when the following conditions are met:

- the Group has transferred all material risks and opportunities associated with ownership of the goods to the purchaser
- the Group does not retain either a right of control as is normally associated with ownership or effective control over the goods sold
- the sales revenues can be determined reliably
- it is probable that the economic benefit from the transaction will flow to the Group, and
- the costs incurred or to be incurred as a result of the transaction can be determined reliably.

Accordingly, revenues from the sale of goods are normally recognized when the goods are delivered and transfer of legal ownership has taken place.

Interest income is recognized when it is probable that the economic benefit will flow to the Group and the level of the revenue can be determined reliably. Interest income should be accrued over time on the basis of the outstanding nominal amount using the relevant effective interest rate. The effective interest rate is the interest rate used to discount the expected future inflows over the term of the financial assets to exactly the net carrying amounts of the assets as of the date of initial recognition.

3.6 Leasing

Leasing agreements are classified as finance leases if all material risks and benefits associated with ownership of the asset are transferred to the lessee. All other leasing agreements are classified as operating leases.

Assets held under finance leases are initially recognized by the Group as an asset at their fair value at the start of the lease agreement or, where this is lower, the present value of the minimum lease payments. The corresponding liability to the lessor must be shown on the consolidated balance sheet as a liability under finance leases.

The lease payments are divided into interest expense and payment instalments on the lease obligation in such a way that they constitute a constant charge for the remaining liability. Interest expense is recognized directly in the income statement. Lease payments from operating leases are recognized as an expense over the term of the lease using the straight-line line method.

3.7 Foreign currencies

When preparing the financial statements for each individual Group company, business transactions in currencies other than the functional currency of the company (foreign currencies) are translated at the exchange rates applicable on the transaction date. On each reporting date, monetary items in foreign currencies are translated at the applicable exchange rate on the reporting date. Non-monetary foreign currency items that are recognized at fair value are translated at the exchange rates that were valid on the date on which the fair value was calculated. Non-monetary items are recognized at the cost of acquisition or production are translated at the exchange rate on the date on which they are first included in the financial statements.

Translation differences arising from monetary items, including those relating to independent foreign subsidiaries, are recognized in profit or loss in the period in which they occur. This does not apply to translation differences relating to receivables or payables from/to a foreign business operation where fulfilment is neither planned not probable (and that are consequently part of a net investment in the foreign business operation). These are initially recognized in other comprehensive income and reclassified from equity to the income statement in the event of divestment.

When preparing the consolidated financial statements, the assets and liabilities of the Group's foreign business operations are translated into euros (€) at the exchange rate applicable on the reporting date. Income and expenses are translated using the weighted average exchange rate for the fiscal year. If a foreign business operation is divested, all accumulated translation differences from this business operation that are attributable to the Group are reclassified to profit or loss.

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

Land	Closing rates		Average rates	
	2010	2009	2010	2009
Czech Republic	EUR 1/ CZK 25.06	EUR 1/ CZK 26.46	EUR 1/ CZK 25.283	EUR 1/ CZK 26.430
USA	US $ 1.338	US $ 1.441	US $ 1.327	US $ 1.380

3.8 Taxation

Income tax expense represents the sum of current tax expense and deferred taxes.

» Current taxes

Current taxes are determined on the basis of taxable income for the year. Taxable income differs from the net income shown in the consolidated statement of comprehensive income due to income and expenses that will be taxable or tax-deductible in future periods or will never be taxable or tax-deductible. The Group's current tax liability is calculated on the basis of tax rates applicable on the reporting date or which will become applicable shortly after the reporting date.

» Deferred taxes

Deferred taxes are recognized for the differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding valuation used to calculate taxable income for the fiscal authorities. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized if it is probable that sufficient taxable profit will be available to utilize the tax-deductible temporary differences. Such deferred tax assets and liabilities are not recognized if the temporary differences relating to the initial recognition of assets or liabilities result from events that do not affect taxable income or net income.

The carrying amount of deferred taxes is tested annually as of the reporting date and an impairment write-down is recognized if it is no longer probable that sufficient taxable income will be available to realize the asset either in full or partially.

Deferred tax assets and liabilities are calculated on the basis of expected tax rates (and tax legislation) that is expected to be applicable at the date of performance of the liability or realization of the asset. The valuation of deferred tax assets and liabilities reflects the tax implications that would arise if the liability were to be settled or the asset realized in the manner expected by the Group as of the reporting date.

» Current and deferred taxes for the reporting period

Current and deferred taxes are recognized in profit or loss unless they relate to items recognized in other comprehensive income or recognized directly in equity. In such cases, the current and deferred taxes are also recognized in other comprehensive income or in equity.

3.9 Property, plant and equipment

Property, plant and equipment are recognized at acquisition or production cost – excluding ongoing maintenance expenses – less accumulated depreciation and accumulated impairment write-downs. These costs include the costs of replacing parts of such assets at the time when such costs are incurred, providing that the recognition criteria are met.

The carrying amounts of the property, plant and equipment are tested for impairment as soon as there are indications that they may exceed the recoverable amount.

Property, plant and equipment are derecognized at the date of disposal or when no further economic benefit is expected from the continued use or sale of the asset. Gains or losses resulting from derecognition of the asset are calculated from the difference between the net proceeds from the sale of the asset and its carrying amount and recognized in the income statement for the period in which the asset is derecognized.

The residual values of assets, their useful lives and the depreciation method are reviewed at the end of each fiscal year and adjusted where necessary.

Assets are depreciated over the following useful lives using the straight-line method:

▪ Equipment, plant and office buildings	10 – 30 years
▪ Technical facilities and machines	5 – 8 years
▪ Vehicles, other facilities, furniture and office equipment	3 – 14 years

Land is not depreciated. The costs of major overhauls are included in the carrying amount of the asset providing that the recognition criteria are met.

3.10 Intangible assets

» Intangible assets acquired separately

Intangible assets acquired separately are recognized at acquisition cost less accumulated amortization and impairment write-downs. They are amortized over their expected useful life using the straight-line method and amortization is recognized in the income statement. The expected useful life of intangible assets and the amortization method are reviewed at the end of each fiscal year and any revised estimates are recognized prospectively. The useful lives of intangible assets vary between 3 and 5 years.

» Self-created intangible assets – research and development expenses

Research costs are expensed in the period in which they are incurred. Borrowing costs are not capitalized.

Self-created intangible assets resulting from development work are expensed if, and only if, it can be demonstrated that all the following criteria are met:

- completion of the intangible asset so that it will be available for use or sale is technically feasible
- the company intends to complete and use the intangible asset
- the company has the ability to use the asset
- the way in which the intangible asset can be used to generate probable future economic benefits can be demonstrated
- adequate technical, financial and other resources are available to complete the development work and use the intangible asset
- the expenditure attributable to the intangible asset during its development can be measured reliably.

The amount initially capitalized for a self-created intangible asset is the expense incurred from the date on which the intangible asset fulfils these conditions. If a self-created intangible asset cannot be capitalized, the development costs are expensed in the period in which they are incurred.

In subsequent periods self-created intangible assets are carried at cost less accumulated amortization and impairment write-downs in the same way as intangible assets acquired separately. The useful life varies between 3 and 6 years and amortization is recognized using the straight-line method.

» Derecognition of intangible assets

Intangible assets are derecognized when they are disposed of, or no further economic benefit is expected to be derived from their use or disposal. The profit or loss resulting from the derecognition of an intangible asset, valued as the difference between the net proceeds and the carrying amount of the asset, is recognized as of the date of derecognition of the asset.

3.11 Impairment of property, plant and equipment and intangible assets

The Group tests the carrying amounts of property, plant and equipment and intangible assets for indications of impairment as of every reporting date. If such indications are identified, the recoverable amount of the asset is estimated to establish the scope of the potential impairment write-down. If it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is estimated for the cash generating unit to which the asset belongs. If an appropriate and stable basis can be determined for allocation, shared assets are allocated among the cash generating units. If this is not possible, they are allocated to the smallest group of cash generating units for which an appropriate and stable allocation basis can be determined.

Self-created intangible assets, including those that are not yet available for use are tested for impairment at least once a year or if there are indications of possible impairment.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. To determine the value in use, the estimated future cash inflows are discounted using the pre-tax discount rate. The pre-tax discount rate takes account of the present market assessment of the time value of money and the risks inherent in the asset, insofar as this is not already been taken into account in the estimate of future cash flows.

If the estimated recoverable amount of an asset is below its carrying amount, the carrying amount is written down to the recoverable amount. The impairment loss is immediately recognized in income. If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the new estimate of its recoverable amount. However, the carrying amount may not exceed the carrying amount of the assets if they had not been impaired in previous years. The reversal is recognized directly in income.

3.12 Inventories

Inventories are carried at the lower of cost of acquisition or production and net realizable value.

The net realizable value is the estimated price that can be obtained in normal business conditions less the estimated production and selling expenses.

Write-downs are made for obsolete and slow-moving inventories.

3.13 Provisions

Provisions are established for all legal and substantive liabilities to third parties as of the balance sheet date, where these relate to past events that will probably lead to an outflow of resources in the future and a reliable estimate can be made of the level of such outflows. They represent uncertain liabilities that are determined on the basis of the best estimate. Provisions with a term of more than one year are discounted using market interest rates that reflect the risk and period until performance.

3.14 Financial assets

Financial assets are assigned to the following categories:

- At fair value through profit or loss
- Held-to-maturity
- Available-for-sale
- Loans and receivables

Classification is based on the type and purpose of the financial asset and is made at the time of addition.

» Effective interest rate method

The effective interest method is a method of calculating the amortized cost of financial assets and allocating interest income to the relevant periods. The effective interest rate is the interest rate used to discount the forecast future cash inflows (including all fees which form part of the effective interest rate, transaction costs and other premiums and discounts) over the expected term of the financial instrument or a shorter period, where applicable, to arrive at the carrying amount.

Income from debt securities is recognized on the basis of the effective interest rate.

» Financial assets recognized at fair value through profit or loss

Financial assets are classified to this category if they are held for trading. This applies if they are purchased principally with the intention of selling them in the near future. They are measured at fair value and any resultant gain or loss is recognized in profit or loss. The net gain or loss includes any dividends and interest payments on the financial asset.

» Held-to-maturity financial assets

This category comprises non-derivative financial assets with a fixed or determinable payment at a fixed maturity which the Group intends to and has the ability to hold until maturity. Following initial measurement, held-to-maturity financial investments are carried at amortized cost using the effective interest method, less impairments.

» Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are available for sale and are not classified as (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets held at fair value through profit or loss.

Exchange-listed bonds held by the Group which are traded on the market are classified as available-for-sale financial assets and recognized at fair value on each reporting date. Other changes in the carrying amounts of available-for-sale financial assets are recognized in other comprehensive income and in a revaluation reserve for financial investments. If a financial asset is sold or an impairment is identified, the accumulated profits and losses are reclassified from the revaluation reserve for financial investments to profit or loss.

» Loans and receivables

Loans and receivables are non-derivative financial assets entailing fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, other receivables, balances with banks and cash and cash equivalents) are carried at amortized cost using the effective interest method, less any impairment write-down. With the exception of current receivables, where the interest impact would be negligible, interest income is computed using the effective interest method.

» Impairment write-downs of financial assets

Financial assets, with the exception of those recognized in income at fair value, are tested for indications of impairment as of every reporting date. Financial assets are written down if, as a result of one or more factors occurring after the initial recognition of the asset, there are objective signs of a negative change in expected future cash flows from the asset.

Trade receivables for which there is no individual indication of impairment are tested for impairment on a portfolio basis. An objective indication of the impairment of a portfolio of receivables could be the Group's experience of receipts in the past, an increase in the frequency of defaults within the portfolio that exceed the average credit term of 60 days, and observable changes in the national or local economic environment which could be associated with defaults on receivables.

In the case of financial assets recognized at amortized cost, the impairment write-down corresponds to the difference between the carrying amount of the asset and the present value of expected future cash flows calculated using the original effective interest rate for the financial asset.

In the case of financial assets recognized at amortized cost, the impairment charge corresponds to the difference between the carrying amount of the asset and the present value of expected future cash flows calculated using the original effective interest rate for the financial asset. Such impairments may not be reversed in subsequent periods.

Impairment results in a direct reduction in the carrying amount of all financial assets affected with the exception of trade receivables, where the carrying amount is reduced by means of an impairment account. If a trade receivable is considered to be uncollectable, the impairment write-down is recognized in the impairment account. Subsequent receipts relating to amounts that have already been written down are also booked to the impairment account. Changes in the carrying amount of the impairment account are recognized in the income statement.

If a financial asset classified as available-for-sale is considered to be impaired, the profit and loss previously recognized in other comprehensive income is reclassified to the income statement in the reporting period.

If the impairment of a financial asset that is not classified as available-for-sale is reduced in a subsequent reporting period and this reduction can be objectively assigned to an event occurring after recognition of the impairment write-down, the original impairment write-down is reversed via the income statement. However, the asset may not be written back to a value above what would have been the amortized cost if an impairment had not been recognized.

» Derecognition of financial assets

Financial assets are only derecognized when the contractual rights to receive cash flows from the financial asset expire or the financial asset and all material risks and opportunities associated with ownership thereof are transferred to a third party. If the Group does not transfer or receive all material risks and opportunities associated with ownership and retains a right of disposal over the asset transferred, its remaining share in the asset is recognized, together with a corresponding liability reflecting any amounts that may have to be paid. If the Group retains all material risks and benefits associated with ownership of a financial asset that has been transferred, the Group continues to recognize the financial asset, together with a secured loan for the consideration received.

When a financial asset is fully derecognized, the difference between the carrying amounts and the total consideration received or to be received and all accumulated gains or losses included in other comprehensive income and in equity are reclassified to profit or loss.

In connection with the classification of financial assets and liabilities, the following abbreviations are used:
AfS = available-for-sale
FVTPL = at fair value through profit and loss
LaR = loans and receivables
HfT = held-for-trading
OL = other liabilities

3.15 Financial liabilities

Financial liabilities are classified either as at fair value through profit and loss or as other financial liabilities.

» Liabilities recognized at fair value through profit or loss

Financial liabilities are classified as financial liabilities recognized at fair value through profit and loss if they are held for trading. This is the case if they are assumed principally with the intention that they will be repurchased in the short term. In this case, all profits and losses resulting from the valuation of the liabilities are recognized in income. The net profit or loss shown in the consolidated statement of comprehensive income includes the interest paid on the financial liability and is recognized in other income/other expenses.

» Other financial liabilities

Other financial liabilities (including borrowing) are carried at amortized cost using the effective interest method.

» Derecognition of financial liabilities

The Group derecognizes financial liabilities when the corresponding liability has been settled or eliminated or has expired. The difference between the carrying amount of the derecognized financial assets and the consideration received or to be received is recognized in profit or loss.

In connection with the classification of financial liabilities the abbreviations set out in the Note 3.14 are used.

4. Management assessment and main sources of estimation uncertainty

In the application of the accounting policies outlined in Note 3, the Board of Directors is required to assess facts, draw up estimates and make assumptions relating to the carrying amount of assets and liabilities where these cannot be obtained from other sources. Such estimates and the underlying assumptions are based on past experience and other factors deemed to be of relevance. The actual values may differ from the estimates.

The assumptions underlying such estimates are reviewed regularly. Where changes to such estimates only affect one period, they may only be adjusted if they relate to the present or future reporting periods, in which case they may be reflected in such periods.

» Principal sources of estimation uncertainty

This section outlines the main future-oriented assumptions and other major sources of estimation uncertainty as of the balance sheet date, insofar as they involve a material risk that a substantial adjustment might have to be made to the measurement of assets and liabilities in the future.

» Self-created intangible assets

The Board of Directors decides on the basis of the progress of the project whether the criteria for recognition set out in IAS 38 are fulfilled. The cost of production is determined on the basis of the wage costs of the employees involved, separate lists of materials and the imputed share of overheads.

During the fiscal year, the Board of Directors once again tested intangible assets produced by the Group's development department for impairment. The self-created intangible assets were carried in the consolidated balance sheet at EUR 5.3 million as of December 31, 2010 (2009: EUR 4.7 million).

Overall, projects proceeded satisfactorily and customer resonance has confirmed previous estimates made by the management of the expected future revenues. The Board of Directors reviews its assumption of future market trends and expected profit margins on products at regular intervals. Following a detailed sensitivity analysis, the Board of Directors has come to the conclusion that the carrying amounts of assets will be realized in full, despite the possibility of lower revenues. The situation is being monitored closely and adjustments will be made in future years if this is rendered necessary by the market situation.

» Tax impact of the cost of raising equity

Taxes effects from prior years relating to recognition of the cost of raising equity are no longer capitalized; instead they are included in current tax expense and thus impact income. This opinion deviates from a minority view expressed in commentaries on the IFRS and follows the prevailing opinion found in the relevant literature. The altered accounting assumption relates to capitalized deferred taxes carried forward totalling EUR 401 thousand. The changes are indicated in Notes 10.1 and 10.3.

» Provision of security

The Group has provided security for liabilities to banks through blanket assignments (see Note 18), the pledging of security (see Note 13) and attachment of cash and cash equivalents (see Note 29). In the light of the present economic trend, utilization of this security is not deemed to be probable.

5. Sales

The table shows the Group's sales split:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Revenues from trading	8,053	6,655
Revenues from production	23,192	16,628
Total revenues from the sale of goods	**31,245**	**23,283**

Revenues from trading relate to goods where little or no processing was undertaken. In contrast, revenues from production comprise the sale of goods that have undergone a material production process.

6. Segment information

6.1 Products that generate revenues for the reportable segments

Under IFRS 8, business segments are defined on the basis of internal reporting to the company's main decision-maker in order to allocate resources between the segments and assess their profitability. The information reported to the Board of Directors as the responsible management body for the purpose of allocating resources among the company's business segments and assessing their profitability normally relates to the type of goods produced. The production site is in Prachatice (Czech Republic). The reportable segments comprise the following:

» Communication Technology

This segment comprises DSL splitters for rapid data transfer. The Group's central business focus is the development, production and commercialization of splitter hardware for telecommunications service providers and private households. Splitters are manufactured in collaboration with cooperation partners and production covers all major components. The customer base covers all known telecommunications providers.

» Automotive Technology

The Automotive Technology segment covers the design, development and production of systems and solutions for sensor technology, electronic controls and network topologies. Most products are manufactured entirely by the Group, with production operations spanning plastics processing, coils, soldering, welding, testing, casting and assembly. This segment's customers are suppliers to all known automotive brands.

» Industrial Electronics

InTica Systems' Industrial Electronics segment specializes in developing and manufacturing high-quality, custom-tailored inductive components, mechatronic modules and system solutions for regenerative energy sources (solar power) and automation and drive technology.

6.2 Segment sales and segment result

	Segment sales		Segment result	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Communication Technology	12,124	13,467	-1,708	-1,050
Automotive Technology	9,970	8,128	-51	445
Industrial Electronics	9,151	1,688	409	111
Total	**31,245**	**23,283**	**-1,350**	**-494**
Income and expenses for non-allocable assets			0	0
Financial result			**-484**	**-335**
Pre-tax loss			-1,834	-829

The sales revenues presented above comprise revenues from transactions with external customers. There were no intersegment sales (2009: zero).

The accounting and valuation methods used by the reportable segments are identical to those used by the Group as outlined in Note 3. The segment result shows each segment's EBIT. EBIT is reported to the company's chief operating decision maker as a basis for decisions on the allocation of resources to each segment and for assessing its profitability.

6.3 Segment assets

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Communication Technology	11,137	15,789
Automotive Technology	14,398	10,976
Industrial Electronics	9,735	2,896
Total	**35,270**	**29,661**
Non-allocable assets	4,404	6,991
Total consolidated assets	**39,674**	**36,652**

For the purpose of monitoring profitability and allocating resources between the segments, the company's chief operating decision maker monitors the tangible, intangible and financial assets allocated to each segment. Assets are allocated to the segments, with the exception of the following items:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Cash and cash equivalents	1,099	4,948
Other current receivables	283	233
Tax receivables	9	91
Deferred taxes	1,513	1,719
Other non-current receivables	1,500	0
	4,404	**6,991**

6.4 Other segment information

	Depreciation and amortization		Additions to non-current assets	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Communication Technology	1,635	1,898	1,510	1,517
Automotive Technology	1,775	1,243	2,154	1,857
Industrial Electronics	853	177	1,964	890
	4,263	**3,318**	**5,628**	**4,264**

In addition to the depreciation and amortization stated above, impairment write-downs of EUR 0 thousand (2009: EUR 200 thousand) were recognized for intangible assets. The prior-year figure related to the Automotive Technology segment.

6.5 Sales generated by the principal products

The sales split between the Group's principal products is as follows:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Small signal electronics	6,871	7,098
Power electronics	11,217	5,513
Mechatronic components and systems	6,988	5,252
Other	6,169	5,420
	31,245	**23,283**

6.6 Geographical information

The Group's principal geographical segmentation comprises Germany and other countries.

	Sales revenues from transactions with external customers		Non-current assets	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Germany	18,934	18,100	7,362	7,272
Other countries	12,311	5,183	15,945	14,083
Total	**31,245**	**23,283**	**23,307**	**21,355**
Non-allocable assets			3,013	1,719
Non-current assets, total			26,320	23,074

Non-current segment assets in other countries mainly comprise the company's production facilities in the Czech Republic.

6.7 Information on major customers

The Group's two largest customers accounted for sales revenues of around EUR 4,329 thousand (2009: EUR 4,894 thousand) and EUR 2,941 thousand (2009: EUR 4,788 thousand) respectively. That was 13.8% (2009: 23.2%) and 9.4% (2009: 20.5%) of total sales. These are customers of the Communication Technology and Industrial Electronics segments. In both 2010 and 2009 the other customers were broadly diversified and each accounted for an average of less than 1% of sales.

7. Other income and expenses

Other income

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Gains from the sale of property, plant and equipment	3	1
Net gain from foreign currency translation	1,008	488
Other	89	129
	1,100	618

Other expenses

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Exchange losses	281	385
Cost of premises	498	414
Insurance premiums, contributions, levies	182	145
Vehicle expenses	245	215
Advertising costs, travel expenses	124	139
Delivery costs	811	417
Maintenance and repairs	274	344
Agency staff	432	29
Other operating expenses	886	1,039
	3,733	3,127

8. Other financial income

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Interest income from		
balances on bank accounts	20	194
other receivables	30	0
	50	194

Breakdown of investment in financial assets by valuation class:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Cash and balances on bank accounts LaR	20	194
Financial assets measured at amortized cost LaR	30	0
	50	194

9. Cost of financing

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Interest on overdrafts and bank loans	519	500
Interest on finance leases	15	29
	534	529

Breakdown of expenses from financial liabilities by valuation category:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Financial liabilities measured at amortized cost (OL)	534	529

10. Income taxes

10.1 Income taxes recognized in the income statement

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Current tax expense	2	7
Deferred taxes	338	34
	340	41

The following reconciliation shows a breakdown of tax expense among income items in the fiscal year:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Income before taxes	-1,834	-830
Theoretical tax income	-550	-247
Impact of tax-exempt income/non-deductible expenses	56	59
Impact of tax-exempt income from foreign subsidiaries	417	228
Impact of unused tax loss carry-forwards not recognized as deferred tax assets	15	0
Impact of different tax rates applied to subsidiaries in different tax jurisdictions	1	1
Impact of the reversal of tax assets in connection with the cost of raising equity (see Note 4)	401	0
	340	41

The tax rate used for the above reconciliation for 2010 and 2009 is the tax rate of around 30% payable by companies in Germany on taxable income in accordance with the applicable tax legislation.

10.2 Current claims for tax refunds

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Current claims for tax refunds	9	91

10.3 Deferred taxes

2010	Initial balance in EUR '000	Recognized in profit or loss in the income statement in EUR '000	Recognized in other comprehen-sive income in EUR '000	Recognized directly in income in EUR '000	End balance in EUR '000
Temporary differences					
Intangible assets	-1,390	- 165	0	0	-1,555
Property, plant and equipment	- 510	33			-477
Currency translation differences relating to foreign subsidiaries	-91	0	0	0	-91
Costs relating to the issue of equity instruments (see Note 4)	401	- 401	0	0	0
Tax losses	1,318	195	0	0	1,513
Total	**- 272**	**- 338**	**0**	**0**	**- 610**
2009					
Temporary differences					
Intangible assets	-1,162	-228	0	0	-1,390
Property, plant and equipment	-475	-35			-510
Currency translation differences relating to foreign subsidiaries	-91	0	0	0	-91
Costs relating to the issue of equity instruments	401	0	0	0	401
Taxe losses	1,086	232			1,318
Other	3	-3	0	0	0
Total	**-238**	**-34**	**0**	**0**	**-272**

The tax losses to which capitalized tax assets refer relate to tax losses at the parent company in the period 2007-2010.

10.4 Unrecognized deferred tax assets

Deferred tax assets amounting to EUR 43 thousand (2009: EUR 0) relating to tax loss carryforwards were not recognized.

Profits from the subsidiary in the Czech Republic are exempt from taxation up to a cumulative amount of approximately EUR 11 million. This tax exemption applies up to and including fiscal 2018. The level of the tax exemption results from investments made at the Czech site.

Further, deferred taxes were not recognized for „outside basis differences" because the company is not planning to divest its shares in associated companies and these transactions would in any case be allocated to the tax-exempt operations.

An impairment write-down of EUR 68 thousand was recognized in 2010 on the investment in a wholly owned subsidiary. However, the write-down was completely eliminated in the consolidation process.

11. Net income

11.1 Impairment write-downs of financial assets

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Impairment write-downs of trade receivables	0	47

11.2 Depreciation, amortization and impairment write-downs

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Depreciation of property, plant and equipment	2,736	2,160
Impairment write-downs on intangible assets	0	200
Amortization of intangible assets	1,527	1,158
	4,263	**3,518**

11.3 Research and development costs expensed immediately

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Research and development costs expensed in the fiscal year	551	282

11.4 Personnel-related expenses

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Benefits paid under defined-contribution plans after termination of the employment contract (see Note 32).	591	474
Other payments to employees	5,231	4,406
	5,822	**4,880**

12. Earnings per share

Earnings and the weighted average number of ordinary shares used to calculate basic and diluted earnings per share are shown below:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Net loss	-2,174	-870
Weighted average ordinary shares (in thousand units)	4,077	4,037
Earnings per share (in EUR)	**-0.53**	**-0.22**

The weighted average number of ordinary shares takes account of the purchase/sale of treasury stock (Note 19).

From the ferrite core to the complete module

13. Property, plant and equipment

In EUR '000	Real estate, buildings	Technical equipment and machinery	Other facilities, furniture and office equipment	Advance payments and construction in process	Total
Cost of acquisition or production					
As of January 1, 2009	4,515	15,425	972	599	21,511
Additions	117	754	218	1,142	2,231
Transfers	3	51	66	-101	19
Disposals	0	0	-22	0	-22
Translation differences	68	36	5	0	109
As of December 31, 2009 / January 1, 2010	**4,703**	**16,266**	**1,239**	**1,640**	**23,848**
Additions	1,020	2,140	356	52	3,568
Transfers	663	507	48	-1,218	0
Disposals	0	-51	-17	0	-68
Translation differences	224	451	6	35	716
As of December 31, 2010	**6,610**	**19,313**	**1,632**	**509**	**28,064**
Depreciation					
As of January 1, 2009	246	4,521	418	0	5,185
Depreciation	180	1,758	222	0	2,160
Additions	0	0	0	0	0
Transfers	0	0	0	0	0
Disposals	0	0	9	0	9
Translation differences	2	1	-12	0	-9
As of December 31, 2009 / January 1, 2010	**428**	**6,280**	**637**	**0**	**7,345**
Depreciation	232	2,208	296	0	2,736
Additions	0	0	0	0	0
Transfers	0	0	0	0	0
Disposals	0	-5	-13	0	-18
Translation differnces	8	58	14	0	80
As of December 31, 2010	**668**	**8,541**	**934**	**0**	**10,143**
Balance sheet value as of December 31, 2010	**5,942**	**10,772**	**698**	**509**	**17,921**
Balance sheet value as of December 31, 2009	4,275	9,986	602	1,640	16,503

Assets and land charges pledged as collateral

Land charges (EUR 1,500 thousand) have been registered for developed land owned by the Group with a carrying amount of EUR 5,603 thousand (2009: EUR 4,509 thousand) as security for the Group's liabilities to banks.

Technical equipment and machinery with a carrying amount of EUR 1.6 million (2009: EUR 0 million) have been pledged as security for a credit liability (EUR 1.6 million).

At year-end 2010 the Group's had no liabilities under finance leases (see Note 26) which were secured through the lessor's rights to the leased assets. The carrying amount of leased assets in 2009 was EUR 1,748 thousand.

14. Intangible assets

In EUR '000	Self-created intangible assets	Other intangible assets	Total
Cost of acquisition or production			
As of January 1, 2009	6,267	429	6,696
Additions	2,014	19	2,033
Transfers	0	-19	-19
Translation differences	0	3	3
As of December 31, 2009 / January 1, 2010	**8,281**	**432**	**8,713**
Additions	2,021	39	2,060
Transfers	0	0	0
Disposals	0	0	0
Translation differences	0	-1	-1
As of December 31, 2010	**10,302**	**470**	**10,772**
Amortization			
As of January 1, 2009	2,262	239	2,501
Amortization	1,268	90	1,358
Translation differences	0	2	
Additions	0	0	0
Transfers	0	0	0
Disposals	0	0	0
As of 31. Dezember 2009 / As of 01. Januar 2010	**3,530**	**331**	**3,861**
Amortization	1,469	58	1,527
Additions	0	0	0
Transfers	0	0	0
Disposals	0	0	0
Translation differences	0	-2	-2
As of December 31, 2010	**4,999**	**387**	**5,386**
Balance sheet value as of December 31, 2010	**5,303**	**83**	**5,386**
Balance sheet value as of December 31, 2009	4,751	101	4,852

Where the underlying projects have not been completed or no sales have been generated, self-created intangible assets (carrying amount EUR 1,798 thousand; 2009: EUR 2,521 thousand) are not yet subject to amortization.

Impairment write-downs in 2010

For one development project, amortization in 2009 included an impairment write-down of EUR 200 thousand (2010: EUR 0 thousand) in addition to regular amortization. The impairment write-down is due to the fact that, contrary to the original forecasts, the customer will not be placing further orders. The carrying amount of the development expenses has been written down entirely because even sale of the project would not be expected to generate positive net proceeds.

15. Subsidiaries

Details of subsidiaries as of December 31, 2010 are presented below:

Name of subsidiary	Head office	Stake in %	Voting rights	Equity in EUR '000	Earnings in EUR '000	Main business activity
InTiCa Systems Ges.m.b.H.	Neufelden, Austria	100	100	7	- 43	Product development
(2009:		100	100	40	17)	
InTiCa Systems s.r.o.	Prachatice, Czech	100	100	3,112	- 1,353	Manufacturing
(2009:		100	100	3,656	- 641)	

The Group liquidated its Greek subsidiary InTiCom Components GmbH on July 20, 2009. Deconsolidation did not result in any disposals of assets or liabilities. Liquidation did not result in an inflow of cash or cash equivalents. The liquidation result was minus EUR 4 thousand in 2009.

The Group plans to increase the non-current assets of the subsidiary in the Czech Republic by EUR 10 million.

16. Other receivables

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Other financial assets	1,541	3
Deferred charges	60	68
Advance payments made	93	2
Current tax receivables	89	160
	1,783	**233**
Non-current	1,500	0
Current	283	233
	1,783	**233**

Other financial assets

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Receivables recognized at amortized cost		
Promissory notes	1,500	0
Other financial assets	41	3
	1,541	**3**
Non-current	1,500	0
Current	41	3
	1,541	**3**

The Group holds a non-cancellable bonded loan. Interest is 2.3% p.a. and the redemption date is February 2012. The issuer has an A rating from Fitch and the investment is covered by a deposit insurance fund. This asset is not impaired.

17. Inventories

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Raw materials and supplies	4,106	2,816
Work in process	1,014	546
Finished goods	715	613
	5,835	**3,975**

Total write-downs on raw materials and supplies amounted to EUR 80 thousand (2009: EUR 0 thousand). As of the reporting date the carrying amount of these inventories was EUR 226 thousand (2009: EUR 0 thousand).

18. Trade receivables

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Trade receivables	6,168	4,378
Impairment losses	-40	-47
	6,128	**4,331**

Payment terms for products sold are normally 30-90 days. Impairment write-downs are recognized on the basis of historical experience of defaults for trade receivables that have been outstanding for more than 180 days.

The Group conducts a creditworthiness test before accepting new customers and sets individual credit limits. The customer's creditworthiness and the credit limit are reviewed once a year. On the reporting date, trade receivables totalling EUR 253 thousand (2009: EUR 1,694 thousand) were due from the group's biggest customers. Trade receivables amounting to more than 5% of total trade receivables were due from three customers.

Impairment write-downs were not recognized for trade receivables amounting to EUR 350 thousand (2009: EUR 537 thousand) which were overdue on the reporting date because no material change in the creditworthiness of the debtors had been identified and the amounts due are expected to be paid. The Group does not have any security for these open items.

Age structure of overdue but non-impaired receivables:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
1 – 30 days	151	227
between 30 and 60 days	22	70
more than 60 days	177	240
	350	537

Changes in impairment write-downs

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Status at start of year	47	49
Amounts received from impaired receivables during the fiscal year	-7	-49
Impairment write-downs on receivables	0	47
	40	47

All changes in the creditworthiness of customers between the date on which the payment terms were granted and the reporting date are taken into account when testing trade receivables for impairment. There are no significant credit cluster risks as the customer base is diversified and there is no correlation within the customer base. The management is therefore convinced that no risk provisioning is necessary beyond the impairment write-downs already recognized. The average age structure of impaired receivables was 515 days (2009: 150 days).

To secure a EUR 2.0 million credit line, a blanket assignment has been made comprising the parent company's trade receivables. As of the reporting date, the carrying amount of the receivables was EUR 5.7 million.

19. Capital stock

Capital stock and ordinary shares

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
4,287,000 fully paid-up ordinary shares (2008: 4,287,000)	4,287	4,287
Treasury stock	-210	-210
	4,077	4,077

Treasury stock

	31.12.2010 in EUR '000	% of capital stock	31.12.2009 in EUR '000	% of capital stock
Status at start of year	210	4.899	264	6.158
Shares sold	0	0	-54	1.260
Shares repurchased	0	0	0	0
	210	4.899	210	4.899

The fully paid-up ordinary shares have a theoretical nominal value of EUR 1. Each share confers one voting right and all shares are eligible for dividend payments.

The Board of Directors is authorized by a resolution of the Annual General Meeting of May 24, 2007 to increase the capital stock with the Supervisory Board's consent, up to May 24, 2012, by a total of up to EUR 1,672,500.00 in return for cash or contributions in kind under exclusion of shareholders subscription rights (authorized capital 2007/1).

For information on the sale of treasury stock after the reporting date, please refer to Section 13 Events after the reporting date in the management report.

20. Capital reserve

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Status at start of year	14,808	14,650
Sale of treasury stock	0	158
Pro rata net income	- 381	0
Total	14,427	14,808
Rounding difference	(-1)	(0)

Contrary to the practice in the single entity financial statements, in the consolidated financial statements the net loss not covered by retained earnings was offset against the capital reserve (see statement of changes in consolidated equity, line item Net loss and Note 21).

21. Other reserves

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Retained earnings	0	1,792
Currency translation reserve	440	229
Total other reserves	**440**	**2,021**
Total capital and other reserves	**14,866**	**16,829**

Retained earnings

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Status at start of year	1,793	2,663
Pro rata net loss	-1,793	-870
Total	**0**	**1,792**
Rounding difference		(-1)

Contrary to the practice in the single entity financial statements, the net loss was only offset up to the level of retained earnings (see statement of changes in consolidated equity, line item Net loss, and Note 20).

Currency translation reserve

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Status at start of year	229	142
Translation of foreign business operations	211	87
Total	**440**	**229**

Translation differences arising from translation from the functional currency of foreign business operations to the Group's reporting currency (EUR) are recognized directly in the currency translation reserve.

22. Interest-bearing liabilities

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Unsecured – recognized at amortized cost		
Overdrafts	503	15
Loans	4,500	9,750
Secured – recognized at amortized cost		
Overdrafts	1,688	868
Loans	6,290	
	12,981	**10,633**
Current	2,893	1,133
Non-current	10,088	9,500
Total	**12,981**	**10,633**

Summary of financing agreements:

Overdrafts are subject to variable interest during the year. Interest on loans is 1.8% - 5.29% p.a. (2009: 1.7% p.a.).

Non-current loans incur interest at a fixed rate averaging 4.6% p.a. (2009: 4.6% p.a.).

23. Provisions

	1.1.2010 in EUR '000	Utilized in EUR '000	Reversed in EUR '000	Additions in EUR '000	31.12.2010 in EUR '000
Provisions					
Outstanding invoices (i)	280	280	0	530	530
Personnel expense (ii)	100	100	0	133	133
Other (iii)	86	86	0	20	20
Total	**466**	**466**	**0**	**683**	**683**

(i) Provisions for goods and services procured for which an invoice has not yet been received.

(ii) The provision for personnel expense includes employees' annual vacation entitlement and expected contributions to the employer's liability insurance association amounting to EUR 13 thousand.

(iii) The other provisions principally comprise outstanding credit notes.

The provisions presented above are current provisions; cash outflows within the next 12 months are considered probable.

24. Trade payables

Average payment terms of 14 – 45 days are granted for the purchase of certain goods. No interest is charged for this. The Group has financial risk management arrangements in place to ensure that all payables are settled within the term granted. In addition, wherever possible the payment terms for raw material suppliers have been adjusted to match customers' payment terms.

25. Other current liabilities

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Accrued expenses	4	4
Advance payments received	250	0
Other liabilities	137	131
Other financial liabilities	300	136
Total	691	271

Other financial liabilities

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
At amortized cost		
Other liabilities	300	136

26. Liabilities relating to finance leases

The Group does not currently have any finance leases.

	Minimum lease payments		Present value of minimum lease payments	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000	31.12.2010 in EUR '000	31.12.2009 in EUR '000
With a residual term of up to 1 year	0	305	0	290
Less Cost of financing	0	-15	0	0
Present value of minimum lease payments	0	290	0	290

27. Financial instruments

27.1 Capital risk management

The Group manages its capital with a view to ensuring that all Group companies can operate as going concerns, while maximizing earnings to optimize the equity-to-debt ratio. The Group's overall strategy is unchanged compared with 2009.

The Group's equity comprises paid-up shares, the capital reserve and other reserves. These are viewed in relation to the Group's operating assets, which comprise current and non-current assets. The Group is not subject to any external capital adequacy requirements.

The Group's risk management system monitors gearing and the equity ratio on a monthly basis. The Group specifies that the equity ratio may not drop below 45%. At year-end the equity ratio was as follows:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Equity	18,973	20,906
Total assets	39,674	36,652
Equity ratio	47.7 %	57.0 %

27.2 Categories of financial instruments

	Category	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Financial assets		**8,768**	**9,282**
Cash on hand and bank balances	LaR	1,099	4,948
Trade receivables	LaR	6,128	4,331
Financial assets recognized at amortized cost	LaR	1,541	3
Financial liabilities		**17,533**	**13,154**
Financial liabilities recognized at amortized cost	OL	13,281	11,059
Trade payables	OL	4,252	2,095

Financial assets are valued at amortized cost. In view of their short-term nature, there are no differences between initial measurement and fair value.

Financial instruments constituting financial liabilities are carried at amortized cost. Their carrying amount on the balance sheet essentially reflects their fair value.

27.3 Financial risk management

Financial risk management comprises monitoring and managing the financial risks associated with the Group's operating units through internal risk reporting, which analyses the level and extent of risk factors. Risk factors comprise market risk (including the risk of changes in exchange rates, prices and interest rates), default risk and liquidity risk.

The Group endeavours to minimize the impact of these risks through its risk management system. A more detailed description of the risk management system can be found in the Management Report.

» Exchange-rate risks

Certain business transactions undertaken by the Group are denominated in foreign currencies. From the Group's viewpoint, the risk arising from fluctuations in exchange rates is not considered significant. This is because, on the one hand, a high proportion of foreign currency transactions comprise intragroup transactions with independent subsidiaries and on the other, the results of a sensitivity analysis show that the earnings impact of a 10% decline in the exchange rate (EUR 1 = USD 1.204) would be EUR 43 thousand, while a 10% increase in the exchange rate (EUR 1 = USD 1.472) would reduce earnings by EUR 35 thousand. The Group assumes that transactions in foreign currencies will increase in the future.

» Risk of changes in interest rates

Fixed interest rates have been agreed for the vast majority of the Group's interest-bearing receivables and liabilities. Changes in market interest rates would only have an impact if the financial instruments were recognized at fair value. Since this is not the case, the financial instruments bearing fixed interest rates do not entail a risk of changes in interest rates within the meaning of IFRS 7.

Sensitivity analyses were performed for liabilities with variable interest rates. The results were as follows: If the market interest rate had been 100 basis points higher (lower) as of December 31, the result would have been EUR 22 thousand lower (higher).

» Price risks

The Group did not have any equity interests or securities classified as held for trading on the reporting date. Consequently, it was not exposed to any equity price risk as of this date.

» Default risk

Default risk is the risk that the Group will incur a loss if a contractual party fails to perform its contractual obligation. This results in a risk of full or partial default on contractually agreed payments. The main default risks relate to trade receivables. To minimize the risk of loss resulting from non-performance of obligations, the management stipulates that business relationships may only be entered into with creditworthy contractual parties. Regular customer reviews are conducted to ensure this. Current transactions are monitored continuously and aggregate exposure through transactions is managed by setting limits for each contractual party. In addition, continuous credit analyses are carried out on the financial status of receivables.

The Group is not exposed to any material default risks from a single contractual party or a group of contractual parties with similar characteristics. The maximum default risk is the carrying amount of trade receivables after recognition of impairment write-downs.

» Liquidity risk

The Group manages its liquidity risk through appropriate reserves, credit lines from banks and other credit facilities and continuous monitoring of forecast and actual cash flows. This is complemented by matching the maturity profile of financial assets and liabilities. The following list shows additional and drawn credit lines available to the Group to reduce future liquidity risk.

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Credit lines		
Amounts drawn	2,191	883
Undrawn amounts	859	2,417
	3,050	3,300

The following overview shows the term to maturity of the Group's non-derivative financial liabilities. The table is based on undiscounted cash flows relating to financial liabilities, based on the earliest date on which the Group is required to make payments. The table shows both interest and repayment instalments.

	up to 1 year in EUR '000	1–5 years in EUR '000	over 5 years in EUR '000	Total in EUR '000
2009				
Variable-interest liabilities	900	0	0	900
Fixed-interest liabilities and financial liabilities	706	9,750	1,262	11,718
Total	**1,606**	**9,750**	**1,262**	**12,618**
2010				
Variable-interest liabilities	2,250	0	0	2,250
Fixed-interest liabilities and financial liabilities	1,133	9,907	1,262	12,302
Total	3,383	9,907	1,262	14,552

28. Related party transactions

28.1 Board of Directors

- **Walter Brückl** Chairman
  Strategy, Finance, Human Resources, Production, Manufacturing Technology, IT, Investor Relations and Public Relations
- **Günther Kneidinger**
  Sales, R&D, Materials Management and Quality Management

28.2 Supervisory Board

- **Werner Paletschek** (from August 5, 2010)
  Chairman of the Supervisory Board, Fürstenzell, Managing Director of OWP Brillen GmbH
- **Christian Fürst** (from August 5, 2010)
  Deputy Chairman of the Supervisory Board, Thyrnau, Managing Director of Ziel Management Consulting GmbH
  Chairman of the Supervisory Board of Electrovac Hacht & Huber GmbH (Electrovac Hermetic Packages division)
- **Detlef Hölzel** (from August 5, 2010)
  Ingolstadt, Managing Director of PCE-GmbH
- **Dr. Walter Hasselkus** (until August 5, 2010)
  Chairman of the Supervisory Board, Gräfeling, lawyer
  Chairman of the Supervisory Board of Ehlebracht AG, Enger
  Member of the Supervisory Board of DAF Trucks NV, Eindhoven
  Non-Executive Director of Wincanton plc, Chippenham, UK
  Chairman of the Supervisory Board of Wincanton GmbH, Mannheim
  Member of the Supervisory Board of W.E.T Automotive Systems AG, Odelzhausen
- **Dr. Horst Rüdiger Hollstein** (until Augsut 5, 2010)
  Deputy Chairman of the Supervisory Board, Jesteburg, management consultant
  Member of the Supervisory Board of Otto M. Schröder Bank AG, Hamburg
  Member of the Advisory Board of MAINKA Bauunternehmung August Mainka GmbH & Co., Lingen
- **Dr. Wulfdieter Braun** (until August 5, 2010)
  Passau, management consultant

28.3 Remuneration of the Board of Directors and the Supervisory Board

» Remuneration of the Board of Directors

The total remuneration of the Board of Directors in fiscal 2010 was EUR 396 thousand (2009: EUR 354 thousand).
The basic remuneration, which is not performance-related, comprises fixed salaries, supplementary payments for social security contributions, payments in kind comprising the use of company cars, and pension contributions. The performance-related components comprise bonuses paid upon attainment of personal targets agreed with the members Board of Directors.

Individual breakdown of remuneration:

	Basic remuneration in EUR '000	Performance-related remuneration in EUR '000	Total in EUR '000
2009			
Walter Brückl	207	0	207
Günther Kneidinger	147	0	147
Total	**354**	**0**	**354**
2010			
Walter Brückl	206	0	206
Günther Kneidinger	190	0	190
Total	**396**	**0**	**396**

There are no loans to members of the Board of Directors or former members of the Board of Directors.

» Remuneration of the Supervisory Board

Sec. 11 of the articles of incorporation of InTiCa Systems sets out the remuneration of the Supervisory Board. This comprises a fixed payment and an allowance for attending meetings of the Supervisory Board.

On this basis, the members of the Supervisory Board received the following remuneration:

	Basic remuneration in EUR '000	Attendance fee in EUR '000	Total in EUR '000
2009			
Dr. Walter Hasselkus	21	6	27
Dr. Horst Rüdiger Hollstein	18	6	24
Dr. Wulfdieter Braun	10	6	16
Total	**49**	**18**	**67**
2010			
Werner Paletschek	6	3	9
Christian Fürst	5	3	8
Detlef Hölzel	4	3	7
Dr. Walter Hasselkus	17	3	20
Dr. Horst Rüdiger Hollstein	15	3	18
Dr. Wulfdieter Braun	9	3	12
Total	**56**	**18**	**74**

The above amounts are net amounts excluding statutory value-added tax. There are no loans to members of the Supervisory Board or former members of the Supervisory Board.

28.4 Share ownership

Shareholdings by members of the Board of Directors and Supervisory Board (including related parties):

	Shareholding (units)	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Walter Brückl	18,000	14,500
Werner Paletschek	1,000	n.a
Christian Fürst	1,000	n.a
Dr. Wulfdieter Braun	n.a	26,015

Major shareholders

	Shareholding in %	
	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Thorsten Wagner	more than 15	more than 10
Dr. Axel Diekmann	more than 5	more than 5
KST Beteiligungs AG, Stuttgart	more than 5	more than 5
UBS Global Asset Management (Deutschland) GmbH	more than 5	more than 5
Karl Kindl	more than 3	more than 3
UBS Fund Management (Switzerland) AG	more than 3	more than 3
Dr. Paul and Maria Grohs	more than 3	more than 3
InTiCa Systems AG	more than 3	more than 3

29. Cash and cash equivalents

The cash and cash equivalents shown in the cash flow statement comprise cash on hand, balances on bank accounts and investments in money market instruments, less outstanding overdrafts. The reconciliation of cash and cash equivalents shown in the cash flow statement as of year end to the corresponding balance sheet items is as follows:

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Cash and balances on bank	1,099	4,948
Overdrafts	-2,192	-883
Total	-1,093	4,065

EUR 1.0 million of the balances on bank accounts comprises security for long-term bank loans and is only available for use if other security is provided. The fair value of cash and cash equivalents corresponds to the carrying amount.

30. Payment obligations

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Commitments to acquire property, plant and equipment	50	181

31. Operating leases

Operating lease agreements relate to business and operating equipment and have terms of between 1 and 10 years, and an extension option for a further 10 years. The Group has the option of purchasing the leased asset at market value when the lease agreement ends.

	31.12.2010 in EUR '000	31.12.2009 in EUR '000
Payments recognized as expenses:		
Minimum lease payments	323	361
Term of lease payments:		
Up to 1 year	292	314
More than 1 and up to 5 years	853	1,029
More than 5 years	138	135
	1,283	1,478

32. Defined-contribution pension plans

The Group's employees belong to a state pension plan which is managed by the state authorities. The parent company and subsidiaries are required to pay a certain percentage of personnel expense into the pension plan to fund benefits. The only obligation relating to this pension plan is the payment of these defined contributions. In addition, voluntary premiums are paid to insurance companies by some employees and members of the Board of Directors. The expenses recognized in the Group's statement of comprehensive income (Note 11.4) comprise the Group's contributions to these pension plans on the basis of the agreed contributions.

33. Events after the reporting date

InTiCa Systems plans to cease operating the Austrian site as an independent legal entity.

34. Approval of the financial statements and disclosures

The financial statements were approved by the Supervisory Board on April 19, 2011 and will be approved for publication by the Board of Directors on April 20, 2011.

The annual financial statements and management report of InTiCa Systems AG and the consolidated annual financial statements and Group management report for fiscal 2010 will be published in the electronic Federal Gazette.

In fiscal 2010 InTiCa Systems AG received the following notifications of reportable investments in accordance with sec. 21 paragraph 1 of the German Securities Trading Act (WpHG):

On February 24, 2010 UBS Global Asset Management (Deutschland) GmbH, Frankfurt am Main, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 5% threshold on February 23, 2010 and that as of this date it holds 5.6% (corresponding to 240,000 voting rights).

On March 1, 2010 UBS Fund Management (Switzerland) AG, Basel, Switzerland, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 dropped below the 5% threshold on February 23, 2010 and that as of this date it holds 4.67% (corresponding to 200,000 voting rights).

On March 1, 2010 UBS Fund Holding (Switzerland) AG, Basel, Switzerland, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 dropped below the 5% threshold on February 23, 2010 and that as of this date it holds 4.67% (corresponding to 200,000 voting rights).

4.67% of these ovting rights (corresponding to 200,000 voting rights) are attributable to UBS Fund Holding (Switzerland) AG pursuant to sec. 22, paragraph 1, sentence 1, no. 1 WpHG. The attributable voting rights are held via the following companies controlled by UBS Fund Holding (Switzerland) AG, each of whose voting rights in InTiCa Systems AG are 3% or more:
- UBS Fund Management (Switzerland) AG

On March 1, 2010 UBS AG, Zurich, Switzerland, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 dropped below the 5% threshold on February 23, 2010 and that as of this date it holds 4.67% (corresponding to 200,000 voting rights).

4.67% of these voting rights (corresponding to 200,000 voting rights) are attributable to UBS AG pursuant to sec. 22, paragraph 1, sentence 1, no. 1 WpHG.

The attributable voting rights are held via the following companies controlled by UBS Fund Holding (Switzerland) AG, each of whose voting rights in InTiCa Systems AG are 3% or more:
- UBS Fund Holding (Switzerland) AG
- UBS Fund Management (Switzerland) AG

On March 2, 2010 UBS Fund Holding (Switzerland) AG, Basel, Switzerland, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 3% and 5% thresholds on February 6, 2006 and that as of this date it holds 8.35% (corresponding to 108,600 voting rights).

8.35% of these voting rights (corresponding to 108,600 voting rights) are attributable to UBS Fund Holding (Switzerland) AG pursuant to sec. 22, paragraph 1, sentence 1, no. 1 WpHG. The attributable voting rights are held via the following companies controlled by UBS Fund Holding (Switzerland) AG, each of whose voting rights in InTiCa Systems AG are 3% or more:
- UBS Fund Management (Switzerland) AG

On March 2, 2010 UBS AG, Zurich, Switzerland, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 3% and 5% thresholds on February 6, 2006 and that as of this date it holds 8.35% (corresponding to 108,600 voting rights).

8.35% of these voting rights (corresponding to 108,600 voting rights) are attributable to UBS AG pursuant to sec. 22, paragraph 1, sentence 1, no. 1 WpHG .

The attributable voting rights are held via the following companies controlled by UBS AG, each of, whose voting rights in InTiCa Systems AG are 3% or more:
- UBS Fund Holding (Switzerland) AG
- UBS Fund Management (Switzerland) AG

In addition, in 2011, while preparing the annual financial statements, InTiCa Systems received the following material notifications pursuant to sec. 21, paragraph 1 WpHG:

On March 21, 2011 Global Derivative Trading GmbH, Lehrte, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 3% threshold on August 31, 2007 and that as of this date it holds 3.02% (corresponding to 129,627 voting rights).

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 3% threshold on August 31, 2007 and that as of this date he holds 3.02% (corresponding to 129,627 voting rights). 3.02% of these voting rights (corresponding to 129,627 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Global Derivative Trading GmbH, Lehrte, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 5% threshold on January 14, 2008 and that as of this date it holds 5.04% (corresponding to 215,962 voting rights).

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 5% threshold on January 14, 2008 and that as of this date he holds 5.04% (corresponding to 215,962 voting rights). 5.04% of these voting rights (corresponding to 215,962 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Global Derivative Trading GmbH, Lehrte,Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 10% threshold on March 6, 2008 and that as of this date it holds 10.24% (corresponding to 439,145 voting rights).

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 10% threshold on March 6, 2008 and that as of this date he holds 10.24% (corresponding to 439,145 voting rights). 10.24% of these voting rights (corresponding to 439,145 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Global Derivative Trading GmbH, Lehrte, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 15% threshold on June 9, 2008 and that as of this date it holds 16.46% (corresponding to 705,518 voting rights).

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 15% threshold on June 9, 2008 and that as of this date he holds 16.46% (corresponding to 705,518 voting rights). 16.46% of these voting rights (corresponding to 705,518 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Global Derivative Trading GmbH, Lehrte, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 dropped below the 15% threshold on June 16, 2008 and that as of this date it holds 14.12% (corresponding to 605,518 voting rights).

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 dropped below the 15% threshold on June 16, 2008 and that as of this date he holds 14.12% (corresponding to 605,518 voting rights). 14.12% of these voting rights (corresponding to 605,518 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Mr. Thorsten Wagner, Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that his share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 15% threshold on January 22, 2010 and that as of this date he holds 15.18% (corresponding to 650,965 voting rights). 15.18% of these voting rights (corresponding to 650,965 voting rights) are attributable to Mr. Thorsten Wagner pursuant to sec. 22 paragraph 1 sentence 1, no. 1 WpHG. The attributable voting rights are held via Global Derivative Trading GmbH, whose voting rights in InTiCa Systems AG are 3% or more.

On March 21, 2011 Global Derivative Trading GmbH, Lehrte,Germany, notified us pursuant to sec. 21 paragraph 1 WpHG that its share of the voting rights in InTiCa Systems Aktiengesellschaft, Passau, Germany, ISIN: DE0005874846, WKN: 587484 exceeded the 15% threshold February 22, 2010 and that as of this date it holds 15.16% (corresponding to 649,965 voting rights).

35. Staff

The average number of employees in fiscal 2010 was 307 (2009: 244).

	31.12.2010	31.12.2009
Salaried employees	71	63
Industrial employees	229	176
Trainees	3	2
Low-wage part-time staff	4	3
	307	**244**

36. Auditor's fees

The following fees were charged to expenses in the fiscal year for services rendered by the auditor, Nirschl, Grössl & Koll. GmbH Wirtschaftsprüfungsgesellschaft, Eging:

in EUR '000	31.12.2010	31.12.2009
Audit	46	45
Other consulting services	0	0
	46	**45**

The audit fees principally comprise fees for the audit of the consolidated financial statements and the financial statements of the parent company.

37. German Corporate Governance Code

The Board of Directors and Supervisory Board of InTiCa Systems AG issue a declaration of the extent to which they comply with and have complied with the recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the electronic Federal Gazette.

The declaration of conformity is made permanently available to investors in the Investor Relations/Corporate Governance section of the company's website: www.intica-systems.de.

Passau, April 20, 2011

The Board of Directors

Walter Brückl
Chairman of the Board of Directors

Günther Kneidinger
Member of the Board of Directors

Responsibility statement

We hereby declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the 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, April 20, 2011

The Board of Directors

Walter Brückl	Günther Kneidinger
Chairman of the Board of Directors	Member of the Board of Directors

Innovations drive growth
that secure the future!

Auditor´s Certificate

Auditor´s Certificate

We have audited the consolidated financial statements prepared by InTiCa Systems AG, Passau – comprising the consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement, and notes to the consolidated financial statements – as well as the group management report for the fiscal year ended December 31, 2010. The preparation of consolidated financial statements and group management report according to IFRS as applicable in the European Union and the additional provisions of commercial law as applicable according to sec. 315a para. 1 HGB (German Commercial Code) are the responsibility of the company's Board of Directors. It is our responsibility to issue an assessment of the consolidated financial statements and the group management report on the basis of our audit.

In compliance with sec. 317 HGB, we have conducted our audit in accordance with the German accounting principles established by the Institut der Wirtschaftsprüfer (IDW). These principles require the audit to be planned and performed in such a way that inaccuracies and violations which materially affect the disclosure of financial position and results from operations as presented by the consolidated financial statements and the group management report and with regard to applicable accounting provisions are identified with sufficient reliability.

In establishing the audit procedures, knowledge of the business activities, the group's economic and legal framework, and an anticipation of possible mistakes are taken into consideration. Within the context of the audit, the effectiveness of the internal accounting control system as well as proof for the disclosures made in the consolidated financial statements and the group management report are examined predominantly on the basis of random sampling. The audit contains assessments of the financial statements of the companies included in the consolidated financial statements, the definition of the basis of consolidation, the accounting and consolidation principles applied, and the material estimates made by the Board of Directors, as well as an evaluation of the overall presentation of the consolidated financial statements and the group management report. It is our opinion that our audit provides a sufficiently reliable basis for our assessment.

Our audit has not resulted in any objections.


The Prachatice production site in the Czech Republic

According to our assessment based on the conclusions from our audit, the consolidated financial statements are compliant with the IFRS as applicable in the European Union and the additional provisions of commercial law as applicable according to sec. 315a para. 1 HGB, and they communicate – with regard to these provisions – a presentation of the group's financial position and results from operations which corresponds to the actual conditions. The group management report is consistent with the consolidated financial statements, communicates an overall correct impression of the situation of the group, and describes the chances and risks of the future development coherently.

Eging am See, April 20, 2011

Nirschl, Grössl & Koll. GmbH
Wirtschaftsprüfungsgesellschaft

W. Keil
Wirtschaftsprüfer (Auditor)

Technical glossary

ADSL Asymmetric Digital Subscriber Line; broadband technology on the basis of conventional telephone lines allowing higher data transmission rates for downloads than for uploads.

ADSL2 The maximum data rate of ADSL2 is higher than the one provided by ADSL, leading to higher relative data rates for a given distance due to improved signal processing and coding. The data transmission rate of ADSL2 is theoretically as high as up to 12 Mbit/s downstream and 1 Mbit/s upstream at a bandwidth of 1.1 MHz.

ADSL2+ New transmission standard allowing for higher downstream speed than previously possible. ADSL2+ expands the bandwidth of the ADSL signal to 2.2 MHz and thus increases the maximum data rate to 24 Mbit/s downstream and 1 MBit/s upstream. This is possible only via relatively short and high-grade phone lines and therefore not available everywhere.

Antennas Antennas in the sense of RFID technology are sender as well as receiver antennas on the basis of winding technology (inductive components or coils).

Automation technology Automation technology aims at making a machine or plant work completely autonomously and independent of human input. The closer you get at reaching this goal, the higher is the degree of automation. Often human staff is needed for supervision, supplies, conveyance of finished goods, maintenance, and similar jobs. Automation technology addresses the most diverse issues of building and plant automation, e.g. measuring, controlling, monitoring, defect analysis, and the optimization of process sequences.

Bit Binary Digit; Smallest digital information unit, or rather a computer's smallest memory unit. It can assume the values one or zero.

Coil See under inductive components or Inductors

Customizing Customizing is the term for adjusting a series product, e.g. automobiles or computer software, to a customer's requirements.

Download Download means the transfer of all kinds of data from the Internet to a computer.

DSL Digital Subscriber Line: broadband technology (fast data transfer via the Internet) on the basis of conventional Telefone lines. With a download speed of 768 kbit and more per second, it is much faster than both analog modems and ISDN (using one line). The upload speed of 128 kbit/s is as high as the parallel use of both ISDN lines.

Ferrites Ferrites are poorly or non-electroconductive ferrimagnetic ceramic materials consisting of ferric oxide hematite (Fe_{2O3}), less commonly magnetite (Fe_{3O4}) and other metallic oxides. If not saturated, ferrites conduct the magnetic flux very well and provide a high magnetic permeability. These materials thus usually provide low magnetic resistance.

Filter, Filter coils See under inductive components; electronic component for the separation of different signal sources.

High-end-manufacturers High-end manufacturers manufacture goods using particularly advanced technologies.

Hub magnets Hub magnets are magnetic actuators finding preferred use for valve control and other applications.

Hybrid vehicles Hybrid vehicles are cars containing at least two transducers and two installed energy storage systems for the purpose of powering the vehicle. Transducers are for instance electric motors and Otto and Diesel engines, energy storage systems are for instance batteries and gas tanks.

Immobilizers Immobilizers are devices installed in vehicles for preventing unauthorized operation. There are mechanical, electronic and involuntary immobilizers.

Inductors, Solenoid, Coil Inductors are inductive components in the realm of electrical engineering and electronics. The terms inductor and solenoid or coil are not clearly defined and used synonymously.

Inductive components Inductive components usually consist of a ferrite core, a plastic coil body and copper wire for the transmission, filtering, and sending or receiving of electric signals. They are functional independent of external energy input.

Inductivity, High-tech inductivity Inductivity is an electric property of an energized electric conductor due to the environing magnetic field created by the current flow. It describes the ratio between the magnetic flux linked with the counductor and the current flowing through the conductor.

Industrial weighing technology Industrial scales contain a multitude of electronic components. Particularly weight sensors and voltage supply are interesting applications for spezial inductive components.

Internet The term was initially derived from "interconnecting network", i. e. a network that connects separate networks with each other. Today the Internet consists of an immense number of regional and local networks all over the world, together creating the "networks' network". The Internet applies a uniform addressing scheme as well as TCP/IP protocols for the transfer of data. Initially this global digital network used to primarily interconnect computers in research centers.

Inverter An inverter is an electronic device converting direct tage into alternating voltage or direct current into alternating current. Depending on the circuit, inverters can come equipped for the generation of single-phase alternating current or threephase alternating current (rotary current).

IPTV IPTV (Internet Protocol Television) stands for the digital transmission of broadband applications such as TV programs and movies via a digital data network. The Internet Protocol (IP) is applied for the transmission of those data.

ISDN Integrated Services Digital Network. ISDN uses the existing telephone lines, only the transfer of all data is digital instead of analog as previously. By a concerted use of several channels, a transmission rate of 128 kbit/s is achieved.

KBit/s Kilo bits per second; unit for the transmission rate or speed of data transfer.

Keyless Entry, Keyless Go, Remote Keyless Entry New technology for locking and unlocking vehicles; instead of a key there is only a chip card that exchanges signals with the vehicle. As soon as the card holder approaches the car or touches the door handles, the door will open. The motor is started by touching a pushbutton or starter button.

MDF Main distribution frame technology; the telecommunication companies' network nodes for subscriber connections.

Photovoltaic power plants Photovoltaic (solar) power plants are power stations transforming a part of the solar radiation into electric power by means of solar cells. This immediate way of energy conversion is called photovoltaics.

Powerline Powerline technology facilitates data transfer on the Internet via the public power supply system.

RFID Radio Frequency Identification; wireless transmission system for the detection of objects.

Sensor A sensor is a technological component that is able to detect certain physical or chemical properties (e.g. thermal radiation, temperature, humidity, pressure, sound, brightness, or acceleration) and/or the material condition or texture of its environment with respect to quality or quantity, as a measurand. These factors are detected by the use of physical or chemical effects and transformed into other processible quantities (mostly electric signals).

Solar inverter The inverter transforms the direct current generated by the solar modules into an alternating current comparable to the conventional electricity network. This makes it possible to feed the self-produced solar energy in the public power supply system.

Splitter Electronic component for merging or separating voice and data signals.

Time to Market Time to market (TTM) means the period of time from product development to placing the product in the market.

Transmitter A transmitter is a device for creating and radiating electromagnetic waves. It basically consists of at least one oscillator and one transmitting antenna. If its intended use is telecommunication, a device for oscillation modulation is required as well.

Triple Play TP is a marketing term introduced around 2005 in telecommunications for the combined offer of the three communication services audiovisual entertainment (television, video-on-demand), (IP) telephony, and Internet.

U-ADSL Universal Asymmetric Digital Subscriber Line; VDSL and U-ADSL are advancements of the present DSL system for realizing higher data transmission rates – both systems are still at the developing stage.

Upload Upload means transferring data from a computer to the Internet.

VDSL Very High Data Rate Digital Subscriber Line; is a DSL technology that provides signficantly higher data transmission rates via conventional phone lines than for instance ADSL or ADSL2+.

VDSL2 VDSL2 bases on the transmission procedure Discrete Multitone (DMT) and provides theoretically attainable data transmission rates of up to 200 Mbit/s for both upstream and downstream at a cut-off frequency of 30 MHz.

VoIP (Voice over Internet Protocol) IP telephony means telephoning via computer networks set up according to Internet standards. Information typical for telecommunication, i.e. voice signals as well as information required for establishing the connection, is transmitted over a network otherwise used for data transfer as well. Either computers, special IP telephony terminals, or conventional phones plugged in with a spezial adapter can be used at the subscriber side for providing the connection to the phone network.

xDSL Collective term for the data transmission technologies DSL, ADSL, VDSL, U-ADSL, etc.

Financial Calendar 2011

20.04.2011	Publication of annual report for 2010
20.04.2011	Press conference / Conference call
19.05.2011	Publication of interim financial statements for Q1 2011
08.07.2011	Annual general meeting in Passau
25.08.2011	Publication of interim financial statements for H1 2011
21. - 23.11.2011	Publication of interim financial statements for Q3 2011
21. - 23.11.2011	German Equity Forum in Frankfurt

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