



# Interim Report Q1 2011

Q1 Sales and Earnings endorse Growth Course

Technologies for the Environment!

**InTiCa Systems**

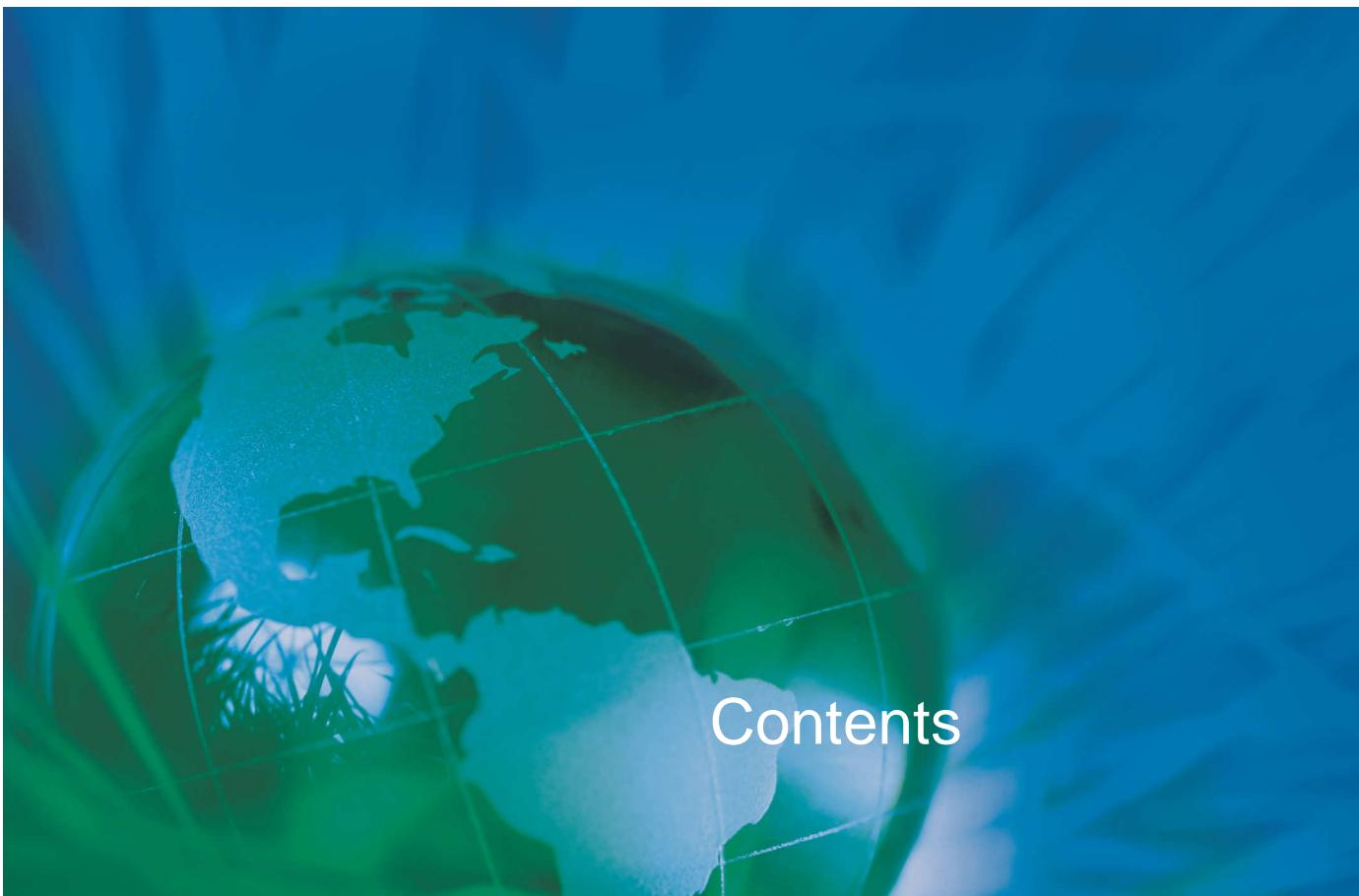
# Q1 2011 in figures

The Group	Q1 2009 EUR '000	Q1 2010 EUR '000	Q1 2011 EUR '000	Change
Sales	5,576	6,370	<b>10,888</b>	70.9%
Net margin (net result for the period)	-9.3%	-1.2%	<b>1.2%</b>	-
EBITDA	465	921	<b>1,360</b>	47.7%
EBIT	-382	18	<b>238</b>	1,222.2%
EBT	-445	-86	<b>106</b>	-
Net loss for the period	-520	-77	<b>135</b>	-
Earnings per share (diluted/basic in EUR)	-0.12	-0.02	<b>0.03</b>	-
Total cash flow	3,628	-2,457	<b>-916</b>	-
Net cash flow for operating activities	-3,137	-720	<b>-819</b>	-
Capital expenditure	553	1,626	<b>625</b>	-61.6%

	Mar 31, 2010 EUR '000	Dec 31, 2010 EUR '000	Mar 31, 2011 EUR '000	Change
Total assets	37,952	39,674	<b>42,044</b>	6.0%
Equity	21,187	18,943	<b>20,002</b>	5.6%
Equity ratio	56%	48%	<b>48%</b>	
Number of employees (on the reporting date)	289	447	<b>465</b>	4.0%

	Q1 2010	2010	Q1 2011	
Closing price (in EUR)	4.05	4.20	<b>4.20</b>	
Period high (in EUR)	4.23	5.25	<b>5.10</b>	
Period low (in EUR)	3.75	3.75	<b>4.01</b>	
Market capitalisation at end of period (in EUR million)	17.4	18.0	<b>18.0</b>	
Number of shares	4,287,000	4,287,000	<b>4,287,000</b>	

The stock prices are closing prices on XETRA.



# Contents

<b>InTiCa Systems in the First Three Months of 2011</b>	<b>4</b>
Foreword by the Board of Directors	4
<b>Group Management Report</b>	<b>5</b>
InTiCa Systems Stock	5
Earnings, Asset and Financial Position	7
Risks and Opportunities	9
Events After the End of the Reporting Period	9
Outlook	9
<b>Consolidated Financial Statements Q1 2011</b>	<b>11</b>
Consolidated Balance Sheet	12
Consolidated Income Statement	14
Consolidated Cash Flow Statement	15
Consolidated Statement of Changes in Equity	16
<b>Notes to the Consolidated Financial Statements</b>	<b>17</b>
Segment Report	18
Other Information	18
Responsibility Statement	19
Financial Calendar	20

# Foreword by the Board of Directors



The Prachatice production site in the Czech Republic

## Dear shareholders, employees and business associates,

The first three months of 2011 were very successful for InTiCa Systems. This can be seen from three indicators: 1) Sales grew roughly 71% year-on-year to EUR 10.9 million. 2) Net income was EUR 0.14 million and thus back in profit. 3) Orders on hand remained at a record level of around EUR 43 million.

The high material costs and unexpected shipping expenses that put heavy pressure on earnings in the second half of 2010 were reduced significantly in the first quarter of 2011, bringing unit costs back to a normal level. Looking at the segments, Industrial Electronics posted the highest sales and earnings in the first three months of this year. Established just under three years ago, this segment achieved sales of EUR 5.5 million between January and March 2011 and segment EBIT of around EUR 0.4 million, year-on-year increases of more than 250% and almost 110% respectively. The Automotive Technology segment also developed well in the first quarter, with sales 77% higher than in the first quarter of last year and EBIT 70% higher. Communication Technology was the only segment that posted a decline, with both sales and earnings below the year-back level. In this segment, InTiCa Systems will be focusing on the development and commercialization of high-margin products and a further reduction in unit costs.

In the first quarter of 2011 InTiCa Systems confirmed its growth course. The return to profitability underpins the achievability of the targets for the year. The recent successful trend and the continued high demand for solutions from our company provide confirmation and an incentive to continue along the path we have mapped out. We are therefore sticking to our targets for the full year and consider the company to be well-positioned for further growth.

Passau, May 2011

Yours,

Walter Brückl  
Chairman of the  
Board of Directors

Günther Kneidinger  
Member of the  
Board of Directors



# Group Management Report

for the period from January 1 to March 31, 2011

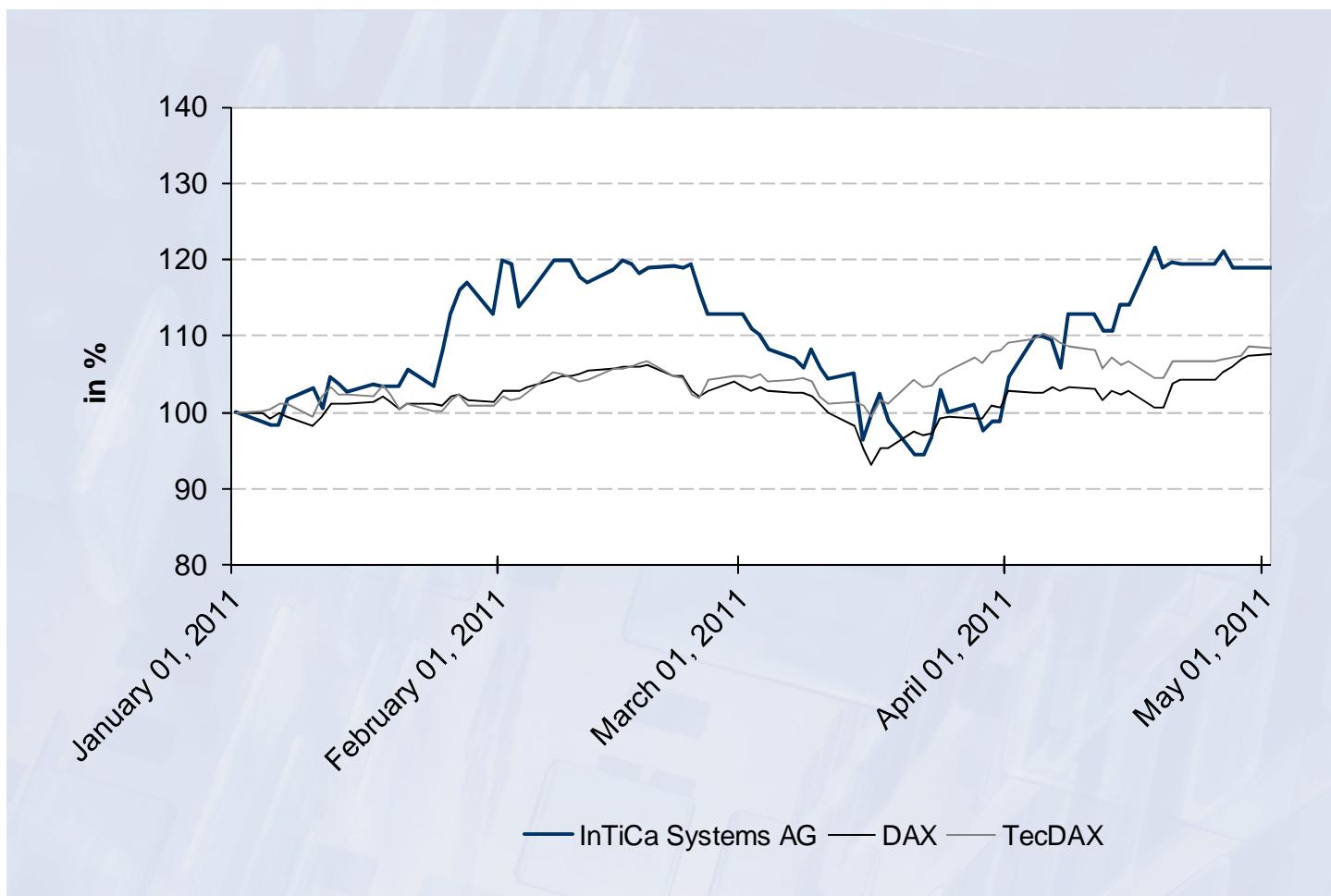
## General economic conditions

The global economic upswing is continuing thanks to the unbroken growth momentum in the emerging Asian markets. In Germany, too, the positive economic trend remains stable. The German Institute for Economic Research (DIW) calculates that price- and seasonally adjusted GDP grew by 0.9 percent in the first quarter of 2011. In view of the good order situation in industry, it expects a strong rise of around 0.6 percent in the second quarter as well, with price-adjusted GDP growth of 2.7 percent for the full year. Nevertheless, the global economic environment currently harbours a number of risks. The impact of the devastating natural catastrophe in Japan is still difficult to estimate and the political unrest in North Africa has resulted, among other things, in a sharp hike in the oil price. Other factors unsettling the capital markets are the debt crisis in the euro zone and the dramatic public sector budget situation in the USA. If these problems intensify, a negative impact on the real economy cannot be ruled out.

## InTiCa Systems' share price performance<sup>1</sup>

Shares in InTiCa Systems AG made a dynamic start to 2011, with the share price rising from EUR 4.25 to EUR 5.10 in January. It then traded sideways at around EUR 5 in February, before dipping to EUR 4.01 in March in the wake of the disaster in Japan and the temporary downturn on the world's capital markets. The share subsequently rallied and the price stabilized at above EUR 5. In Xetra trading, it closed at EUR 5.25 on May 13, 2011.

In the first three months of this year we provided timely information for our shareholders and the general public on current business trends, specific events and the company's prospects. The press conference to mark the publication of our annual report for 2010 attracted a good deal of interest among analysts and investors. The presentation and speech given at this year's press conference can be accessed on the company's homepage at [Investor Relations/Publications](#) (available in German only).



## Key data on the stock

ISIN	DE0005874846
WKN	587 484
Stock exchange symbol	IS7
Symbol Reuters / Bloomberg	IS7G.DE / IS7:GR
Trading segment	Regulated Market
Transparency level	Prime Standard
Listed	XETRA®, Frankfurt, Hamburg, Berlin, Munich, Stuttgart, Düsseldorf
Prime sector	Technology
Indices	CDAX, DAXsector All Technology, DAXsector Technology, DAXsubsector All Communications Technology, DAXsubsector Communications Technology, Prime All Share, Technology All Share
Designated sponsor	BankM
Research coverage	BankM, Performaxx
Number of shares	4,287,000
Capital stock	EUR 4,287,000
Stock category	No-par common bearer shares

## Shareholder Structure

On April 15, 2011 the major shareholders were:	Shareholding
Thorsten Wagner	more than 15%
Dr. Dr. Axel Diekmann	more than 10%
UBS Global Asset Management (Deutschland) GmbH	more than 5%
KST Beteiligungs 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%
InTiCa Systems AG	1.5%

## Directors' Dealings in Q1

Date	Reporting person	Board Member	Buy/Sale	Amount	Price in EUR	Volume in EUR	Exchange
none							

### Earnings, asset and financial position

InTiCa Systems AG increased consolidated sales and net income significantly in the first quarter of 2011 as a result of growth in the Industrial Electronics and Automotive Technology segments. The Group's total sales increased to EUR 10.9 million, the highest level achieved in a quarter since the start of 2007. While the Group made an operating loss in the second half of 2010 as a consequence of a substantial hike in material costs and logistics expenses, the situation normalized in the first three months of 2011. The operating result was therefore positive at EUR 0.24 million. The persistently strong price pressure continued in the Communication Technology segment, and this held back the Group's net income.

InTiCa Systems' equity ratio is still a sound 47.6% (December 31, 2010: 47.7%). The operating cash flow was still negative in the first quarter, mainly as a result of pre-financing of orders on hand for which payment has not yet been received. At the same time, the Group recorded cash outflows for non-current assets, resulting in a reduction in liquid assets.

### Earnings position

In the first three months of 2011 the Group lifted sales by around 71% to EUR 10.9 million, up from EUR 6.4 million in the first quarter of 2010. The Communication Technology segment contributed sales of EUR 2.2 million (Q1 2010: EUR 3.0 million).

That was a decline of 26% year-on-year. However, this was offset by strong growth in the Industrial Electronics and Automotive Technology segments. Sales in the Industrial Electronics segment surged to EUR 5.5 million, a rise of more than 250% from EUR 1.6 million in the first quarter of 2010, while in the Automotive Technology segment sales increased by around 77% to EUR 3.2 million (Q1 2010: EUR 1.8 million).

The material cost ratio increased to around 75% in the reporting period (Q1 2010: approx. 66%). It should be noted that inventories of finished goods and work in progress increased particularly fast compared with Q1 2010. Based on total output, the material cost ratio was around 68% (Q1 2010: around 60%). The personnel cost ratio declined to around 15% (Q1 2010: approx. 21%). However, expenses of EUR 0.2 million for agency staff are included in "Other expenses". Even after adjustment for this, the personnel expense ratio dropped significantly to around 17%.

Capital expenditures undertaken in the past for property, plant and equipment and intangible assets increased depreciation and amortization to EUR 1.1 million (Q1 2010: EUR 0.9 million). There was a considerable increase in other expenses to EUR 1.1 million in the reporting period (Q1 2010: EUR 0.7 million), with around EUR 0.2 million of this comprising expenses for agency staff while EUR 0.2 million (increase of EUR 0.1 million) comprised higher shipping expenses due to the rise in sales.

Research and development expenses amounted to around EUR 0.6 million in the first three months of 2011. That was around the year-back level of EUR 0.6 million.

In the first three months of 2011 InTiCa Systems increased EBITDA significantly to EUR 1.4 million, up roughly 48% from EUR 0.9 million in Q1 2010.

Consolidated EBIT was EUR 0.24 million in the first three months of 2011 (Q1 2010: EUR 0.02 million). Industrial Electronics and Automotive Technology both posted a significant improvement in EBIT compared with the first quarter of 2010. Industrial Electronics lifted EBIT from EUR 0.17 million in Q1 2010 to EUR 0.35 million in Q1 2011. In the same period, Automotive Technology raised EBIT from EUR 0.15 million to EUR 0.25 million. Automotive Technology achieved an EBIT margin of around 8% (Q1 2010: around 8%) while the EBIT margin in Industrial Electronics was round 6% (Q1 2010: around 11%).

The financial result was minus EUR 0.1 million at the end of the first three months (Q1 2010: minus EUR 0.1 million). The InTiCa Systems Group achieved net income of EUR 0.1 million in the reporting period (Q1 2010: loss of EUR 0.1 million). Earnings per share were EUR 0.03 (Q1 2010: minus EUR 0.02). As a result of positive currency effects amounting to EUR 0.2 million (Q1 2010: approx. EUR 0.4 million) from the translation of foreign businesses, comprehensive income was EUR 0.3 million in the first quarter of 2011 (Q1 2010: EUR 0.3 million).

## Non-current assets

Non-current assets slipped slightly from EUR 26.3 million as of December 31, 2010 to EUR 26.1 million as of March 31, 2011. Depreciation of property, plant and equipment exceeded new investment in the first quarter of 2011.

## Current assets

Current assets increased from EUR 13.4 million to EUR 16.0 million in the first three months of 2011. This was driven by the increase in business volume and high level of orders on hand in the Industrial Electronics and Automotive Technology segments. This lifted inventories from EUR 5.8 million to EUR 6.7 million in the reporting period, while trade receivables rose from EUR 6.1 million to EUR 7.9 million. Liquid assets only declined slightly from EUR 1.1 million as of December 31, 2010 to EUR 1.0 million as of March 31, 2011.

## Liabilities

The Group's current liabilities increased by roughly 25% in the first three months of 2011 from EUR 8.1 million to EUR 10.1 million, mainly due to higher drawings on credit lines (increase of approx. EUR 1.3 million to EUR 3.7 million) and an increase in trade payables (up approx. EUR 0.7 million at EUR 5.0 million). Non-current liabilities contracted from EUR 12.7 million

to EUR 12.0 million in the first quarter as a result of repayment instalments on loans and reclassifications to current liabilities.

## Equity

Equity increased by EUR 1.1 million in the first quarter of 2011, from EUR 18.9 million as of December 31, 2010 to EUR 20.0 million as of March 31, 2011. The capital reserve rose from EUR 14.4 million to EUR 15.1 million in the reporting period, principally due to the sale of treasury stock. As a result, treasury stock declined from EUR 0.21 million to EUR 0.06 million. At the same time, the currency translation reserve increased from EUR 0.4 million to EUR 0.6 million. The equity ratio was unchanged at around 48%.

## Liquidity and cash flow statement

The net cash outflow for operating activities was EUR 0.8 million in the first three months of 2011 (Q1 2010: outflow of EUR 0.7 million). The cash outflow was mainly attributable to pre-financing of customer orders, especially the rise in trade accounts receivable and expansion of inventories. Excluding interest payments, the cash outflow for operating activities was EUR 0.6 million (Q1 2010: outflow of EUR 0.6 million).

The net cash outflow for investing activities was EUR 0.6 million in the first quarter of 2011 and comprised a cash outflow of EUR 0.2 million for property, plant and equipment and, in particular, an outflow of EUR 0.4 million for investment in intangible assets.

The net cash inflow from financing activities was around EUR 0.5 million in the first three months of 2011 (Q1 2010: outflow of EUR 0.1 million). Revenues from the sale of treasury stock amounted to EUR 0.7 million while scheduled repayment instalments on loans resulted in an outflow of EUR 0.2 million.

Cash and cash equivalents (less current account credit lines drawn) amounted to minus EUR 2.0 million as of March 31, 2011 (Q1 2010: EUR 1.6 million). Thanks to an increased overdraft facility, InTiCa Systems has assured credit lines that can be drawn at any time totalling EUR 4.1 million.

## Employees

The number of employees increased as planned in the first three months of 2011 from 447 as of December 31, 2010 to 465 as of March 31, 2011 in response to the high level of orders on hand. The average headcount in the first three months of 2011 was 458 (including agency staff).



## Risks and opportunities

The management report in the annual report for 2010 provides full details of risk factors that could affect the business performance of InTiCa Systems in section 10 "Risk management and risk report" while business potential is discussed in section 12 "Opportunities". There was no material change in the risk/opportunity profile of InTiCa Systems AG in the reporting period.

## Events after the end of the reporting period

No material events have occurred since the reporting date on March 31, 2011.

## Outlook

In the Communication Technology segment, new developments for use in copper and fibreglass broadband networks and for interference suppression in power networks should help InTiCa Systems AG counter the increased competition from suppliers and transmission technologies, reluctance to invest in expansion of the broadband network and the massive price pressure on splitters. The Board of Directors anticipates that this segment will report sales of around EUR 9 million in 2011.

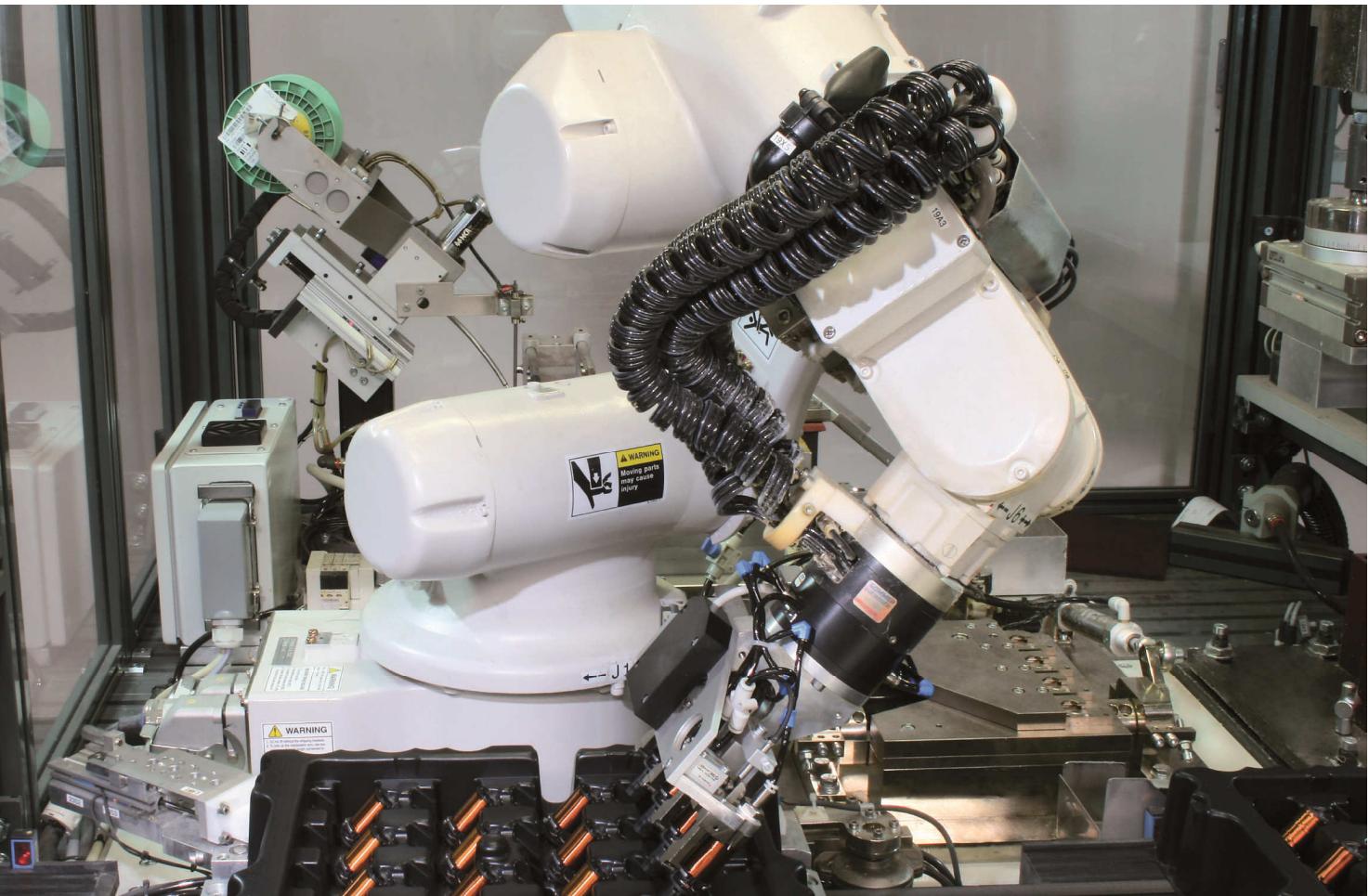
InTiCa Systems' Automotive Technology segment is a supplier to leading systems suppliers who work with virtually all well-known car-producers in Germany and abroad. InTiCa Systems' innovative solutions for keyless entry/go and security systems,

performance electronics and engine management are increasingly being built into high-volume mid-class and compact cars and electric and hybrid vehicles. The Board of Directors is forecasting segment growth of around 35% in 2011, leading to segment sales of around EUR 13.5 million.

The main growth drivers in the Industrial Electronics segment are the development and production of components for performance electronics applications in the solar industry. Thanks to the high level of orders on hand, the Board of Directors assumes that segment sales will grow by more than 100% year-on-year in 2011 to around EUR 20 million.

Overall, the Board of Directors expects average growth in consolidated sales of around 25% p.a. in 2011 and 2012. That would mean sales of over EUR 40 million in 2011 and over EUR 45 million in 2012. The high-growth Automotive Technology and Industrial Electronics segments are expected to account for around 79% of consolidated sales in 2011 and around 81% in 2012.

In view of the expansion of the product range, the successful entry into new markets, the related positive impact on the order situation, and the increase in value added resulting from new production capacity, the Board of Directors of InTiCa Systems AG expects the group to achieve an earnings turnaround in 2011 and an EBIT margin of around 3%. For 2012 the Board of Directors assumes further growth in earnings provided that the economic trend remains positive.



Further information on the expectations for the individual segments is set out in section 14 "Outlook" in the management report published in the annual report for 2010.

**Consolidated interim financial statements in accordance with IFRS**

The unaudited consolidated interim financial statements for InTiCa Systems AG and its subsidiaries as of March 31, 2011 have been drawn up in accordance with the International Financial Reporting Standards (IFRS), as applicable for use in the European Union, and the supplementary commercial law regulations set out in sec. 315a paragraph 1 of the German Commercial Code (HGB). No audit review has been conducted of the consolidated interim financial statements.



# Consolidated Financial Statements

for the period from January 1 to March 31, 2011

# Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS/IAS  
as of March 31, 2011

Assets	Mar 31, 2011 EUR '000	Dec 31, 2010 EUR '000
<b>Non-current assets</b>		
Intangible assets	5,450	5,386
Property, plant and equipment	17,662	17,921
Other non-current receivables	1,500	1,500
Deferred taxes	1,513	1,513
<b>Total non-current assets</b>	<b>26,125</b>	<b>26,320</b>
<b>Current assets</b>		
Inventories	6,688	5,835
Trade receivables	7,889	6,128
Tax assets	19	9
Other current receivables	306	283
Cash and cash equivalents	1,017	1,099
<b>Total current assets</b>	<b>15,919</b>	<b>13,354</b>
<b>Total assets</b>	<b>42,044</b>	<b>39,674</b>

## Equity and liabilities

	Mar 31, 2011 EUR '000	Dec 31, 2010 EUR '000
<b>Equity</b>		
Capital stock	4,287	4,287
Treasury stock	-64	-210
General capital reserve	15,142	14,426
Profit reserve	0	0
Currency translation reserve	637	440
<b>Total equity</b>	<b>20,002</b>	<b>18,943</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	9,853	10,088
Deferred taxes	2,094	2,124
<b>Total non-current liabilities</b>	<b>11,947</b>	<b>12,212</b>
<b>Current liabilities</b>		
Other current provisions	630	683
Current financial liabilities	3,727	2,893
Trade payables	4,985	4,252
Other current liabilities	753	691
<b>Total current liabilities</b>	<b>10,095</b>	<b>8,519</b>
<b>Total equity and liabilities</b>	<b>42,044</b>	<b>39,674</b>
<b>Equity ratio</b>	<b>48%</b>	<b>48%</b>

# Consolidated Income Statement

of InTiCa Systems AG in accordance with IFRS/IAS  
for the period from January 1 to March 31, 2011

	Q1 2011 EUR '000	Q1 2010 EUR '000	Change 2011 vs. 2010
<b>Sales</b>	<b>10,888</b>	<b>6,370</b>	<b>70.9%</b>
Other operating income	244	108	125.9%
Changes in finished goods and work in process	598	130	360.0%
Other own costs capitalized	405	475	-14.7%
Material expense	8,114	4,175	94.4%
Personnel expense	1,592	1,335	19.3%
Depreciation and amortization	1,122	903	24.3%
Other expenses	1,069	652	64.0%
<b>Operating profit (loss) / EBIT</b>	<b>238</b>	<b>18</b>	<b>-</b>
Cost of financing	143	124	15.3%
Other financial income	11	20	-45.0%
<b>Profit (loss) before taxes</b>	<b>106</b>	<b>-86</b>	<b>-</b>
Income taxes	-29	-9	-
<b>Net profit (loss) for the period</b>	<b>135</b>	<b>-77</b>	<b>-</b>
<b>Other comprehensive income</b>			
Exchange differences from translating foreign business operations	197	358	-45.0%
Deferred taxes from translating foreign business operations	0	0	-
<b>Other comprehensive income, after taxes</b>	<b>197</b>	<b>358</b>	<b>-45.0%</b>
<b>Total comprehensive income for the period</b>	<b>332</b>	<b>281</b>	<b>18.2%</b>
Earnings per share (diluted/basic in EUR)	0.03	-0.02	-
<b>EBITDA</b>	<b>1,360</b>	<b>921</b>	<b>47.7%</b>

# Consolidated Cash Flow Statement

of InTiCa Systems AG in accordance with IFRS/IAS  
for the period from January 1 to March 31, 2011

	Q1 2011 EUR '000	Q1 2010 EUR '000
<b>Cash flow from operating activities</b>		
Net loss for the period	135	-77
Income tax expenditures / receipts	-29	-9
Cash outflow for borrowing costs	143	124
Income from financial investments	-11	-20
Depreciation and amortization of non-current assets	1,122	903
Other non-cash transactions	-104	358
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	-853	-808
Trade receivables	-1,761	-1,487
Other assets	-49	-69
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	-53	1
Trade payables	733	602
Other liabilities	90	-71
<b>Cash flow from operating activities</b>	<b>-637</b>	<b>-554</b>
Cash inflow/outflow for income taxes	-11	1
Cash outflow for interest payments	-171	-167
<b>Net cash flow for operating activities</b>	<b>-819</b>	<b>-720</b>
<b>Cash flow for investing activities</b>		
Increase/decrease in financial assets due to short-term financial management	0	0
Cash inflow from interest payments	37	14
Cash outflow for intangible assets	-452	-521
Cash outflow for property, plant and equipment	-173	-1,105
<b>Net cash flow for investing activities</b>	<b>-588</b>	<b>-1,612</b>
<b>Cash flow from financing activities</b>		
Expenses for the sale of treasury stock	-11	0
Cash inflow from the sale of treasury stock	738	0
Cash outflow for loan repayment installments	-236	-125
<b>Net cash flow from financing activities</b>	<b>491</b>	<b>-125</b>
<b>Total cash flow</b>	<b>-916</b>	<b>-2,457</b>
Cash and cash equivalents at start of period	-1,093	4,065
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies	0	0
<b>Cash and cash equivalents at end of period</b>	<b>-2,009</b>	<b>1,609</b>

# Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS/IAS  
for the period from January 1 to March 31, 2011

	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
<b>As of January 1, 2010</b>	<b>4,287</b>	<b>-210</b>	<b>14,808</b>	<b>1,793</b>	<b>229</b>	<b>20,907</b>
Net loss Q1 2010	0	0	0	-77	0	-77
Other comprehensive income, after taxes Q1 2010	0	0	0	0	358	358
<b>Total comprehensive income for Q1 2010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-77</b>	<b>358</b>	<b>281</b>
<b>As of March 31, 2010</b>	<b>4,287</b>	<b>-210</b>	<b>14,808</b>	<b>1,716</b>	<b>587</b>	<b>21,188</b>
<b>As of January 1, 2011</b>	<b>4,287</b>	<b>-210</b>	<b>14,427</b>	<b>0</b>	<b>440</b>	<b>18,944</b>
Net loss Q1 2011	0	0	135	0	0	135
Other comprehensive income, after taxes Q1 2011	0	0	0	0	197	197
<b>Total comprehensive income for Q1 2011</b>	<b>0</b>	<b>0</b>	<b>135</b>	<b>0</b>	<b>197</b>	<b>332</b>
Sale of shares	0	146	591	0	0	737
Expenses for the sale of shares	0	0	-11	0	0	-11
<b>As of March 31, 2011</b>	<b>4,287</b>	<b>-64</b>	<b>15,142</b>	<b>0</b>	<b>637</b>	<b>20,002</b>

(Rounding difference -1)



# Notes to the Consolidated Financial Statements

for the period from January 1 to March 31, 2011

## Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements as of March 31, 2011, prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", use the same accounting policies and valuation methods as the consolidated financial statements for fiscal 2010, which were drawn up in accordance with the International Financial Reporting Standards valid as of the reporting date, as applicable for use in the European Union, and the relevant Interpretations. A detailed overview can be found in the Notes to the Financial Statements in the annual report for 2010.

This is available at Investor Relations/Publications on the company's website at <http://www.intica-systems.de>.

## Scope of consolidation

There has been no change in the scope of consolidation of InTiCa Systems AG compared with fiscal 2010. Alongside the parent company in Passau, Germany, the consolidated interim financial statements include two foreign subsidiaries, InTiCa Systems Ges.mbH, Neufelden, Austria, and InTiCa Systems s.r.o., Prachatice, Czech Republic. The parent company has a stake of 100% in both subsidiaries.

## Income statement

The group's sales increased to EUR 10,888 thousand in the reporting period, a rise of some 71% from EUR 6,370 in the first quarter of 2010.

This was mainly due to strong growth in the Industrial Electronics and Automotive Technology segments. As a consequence, EBITDA rose roughly 48% year-on-year from EUR 921 thousand to EUR 1,360 thousand in the first quarter of 2011. The 360% increase in inventories of finished goods and work in progress in the first quarter of 2011 resulted in a material cost ratio based on total output of 68.2% (Q1 2010: 59.9%). Investment to expand the business increased depreciation and amortization by EUR 219 thousand or 24% in the first quarter compared with the year-back period.

Comprehensive income improved by around 18% year-on-year in the first three months to EUR 332 thousand (Q1 2010: EUR 281 thousand) despite a roughly 45% drop in currency gains.

## Consolidated balance sheet and cash flow statement

The capital stock of InTiCa Systems AG as of March 31, 2011 was EUR 4,287,000 and was divided into 4,287,000 no-par bearer shares, with a theoretical pro rata share of the capital

**Segment report as of March 31, 2011****Segment sales and segment earnings**

Segment	Communication Technology		Automotive Technology		Industrial Electronics		Total	
	In EUR '000	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011
Sales		2,217	3,006	3,204	1,807	5,467	1,557	10,888
EBIT		-363	-297	251	148	350	167	238
								18

**Key financial figures**

	Q1 2011 EUR '000 or %	Q1 2010 EUR '000 or %	Change 2011 vs. 2010
EBITDA	1,360	921	47.7%
Net margin	1.2%	-1.2%	
Pre-tax margin	1.0%	-1.4%	
Material cost ratio	68.2%	59.9%	
Personnel cost ratio	14.6%	21.0%	
EBIT margin	2.2%	0.3%	
Gross profit margin	31.0%	36.5%	

stock of EUR 1.00 per share. In view of high investment to expand business operations, cash and cash equivalents declined from EUR 1,099 thousand on December 31, 2010 to EUR 1,017 thousand. Inventories increased by EUR 853 thousand, trade receivables rose by EUR 1,761 thousand and trade payables were EUR 733 thousand higher.

**Authorized capital**

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).

**Events after the reporting date**

Material events after the reporting date (March 31, 2011) are outlined in the section on material changes since the end of the reporting period in the management report.

**German Corporate Governance Code and declaration of conformance**

In compliance with sec. 161 of the German Stock Corporation Act (AktG), the Board of Directors and Supervisory Board have made their current declaration of

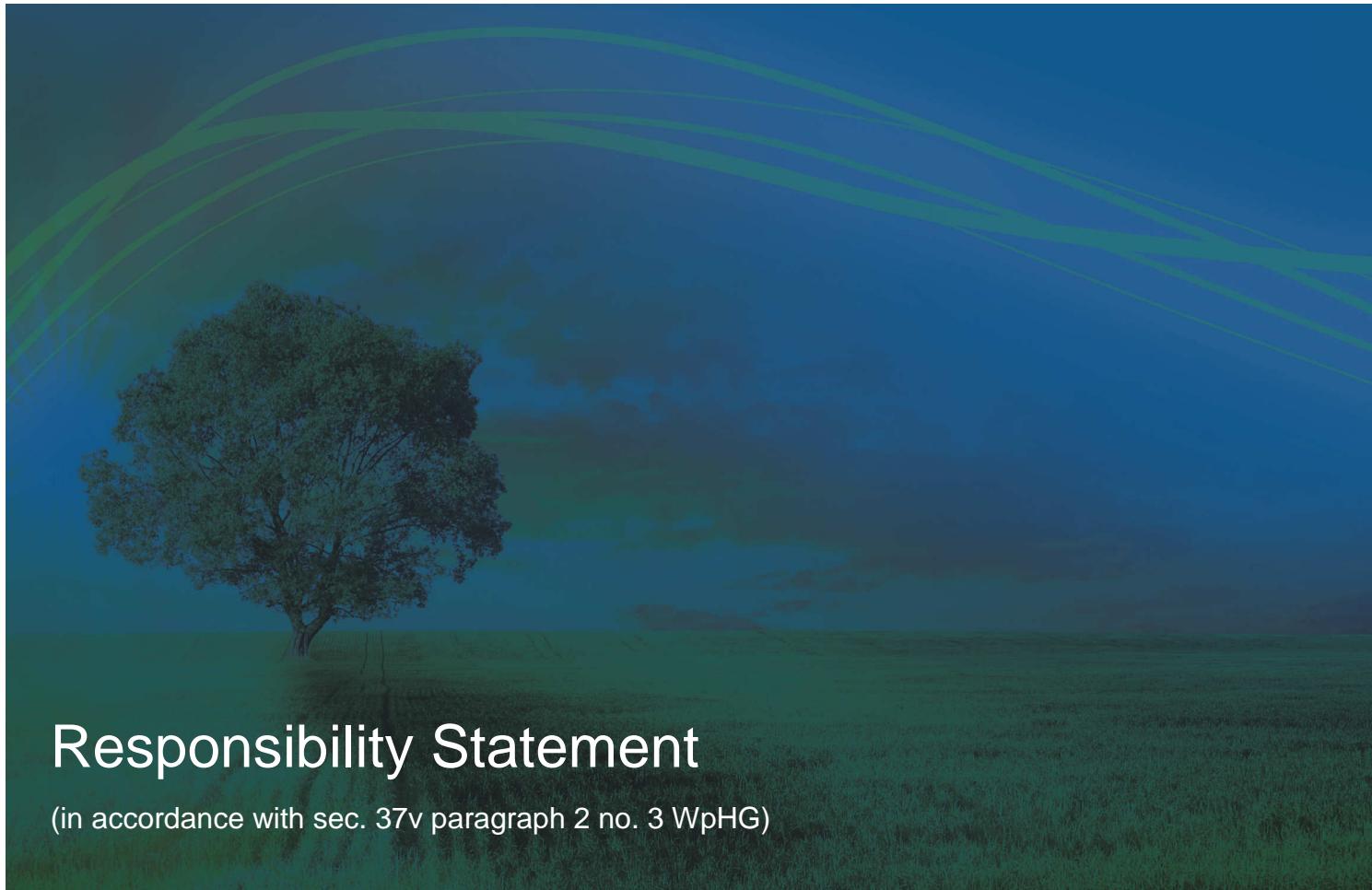
conformance with the German Corporate Governance Code available permanently to shareholders on the company's website at <http://www.intica-systems.de>, Investor Relations/Corporate Governance.

**Other information**

The Board of Directors and Supervisory Board do not have any stock options or other stock subscription rights within the meaning of sec. 160 paragraph 1 nos. 2 and 5 of the German Stock Corporation Act (AktG).

Treasury shares held by InTiCa Systems AG comprised 64,430 units as of March 31, 2011. Treasury shares are not eligible for the dividend and have no voting rights at the company's Annual General Meeting in Passau, Germany, on July 8, 2011.

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



# Responsibility Statement

(in accordance with sec. 37v paragraph 2 no. 3 WpHG)

We hereby declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements as of March 31, 2011 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 from January 1 to March 31, 2011 and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Passau, May 19, 2011

**The Board of Directors**



Walter Brückl  
Chairman of the  
Board of Directors



Günther Kneidinger  
Member of the  
Board of Directors



# Financial Calendar 2011

May 19, 2011

Publication of Interim Financial Statements for Q1 2011

July 8, 2011

Annual General Meeting in Passau

August 25, 2011

Publication of Interim Financial Statements for H1 2011

November 21, 2011

Publication of Interim Financial Statements for the first nine months 2011

November 21-23, 2011

German Equity Forum in Frankfurt

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