



SEGMENTS
PRODUCTS
MARKETS
TECHNOLOGIES

2014

Interim Report H1

Growth in the Automotive Technology segment continues

Technologies for growth markets!

InTiCa
Systems

H1 2014 in figures

The Group

	Q2 2013 EUR '000	Q2 2014 EUR '000	H1 2013 EUR '000	H1 2014 EUR '000	Change vs. H1 2013
Sales	9,579	9,719	19,540	19,680	+0.7%
Net margin (net result for the period)	1.26%	1.77%	1.83%	2.08%	-
EBITDA	1,625	1,391	3,029	2,795	-7.7%
EBIT	347	287	699	639	-8.6%
EBT	223	196	463	436	-5.8%
Net loss for the period	121	172	358	409	+14.2%
Earnings per share (diluted/basic in EUR)	0.03	0.04	0.08	0.10	+14.2%
Total cash flow	-98	-1,126	-1,969	-4,362	-
Net cash flow for operating activities	726	689	81	-663	-
Capital expenditure	685	1,794	1,645	3,034	+84.4%

	Jun 30, 2013 EUR '000	Dec 31, 2013 EUR '000	Jun 30, 2014 EUR '000	Change vs. Dec 31, 2013
Total assets	35,259	32,563	36,121	+10.9%
Equity	19,546	18,588	18,987	+2.1%
Equity ratio	55%	57%	53%	-
Number of employees (on the reporting date)	430	447	465	+4.0%

The Stock

	H1 2013	2013	H1 2014
Closing price (in EUR)	3.36	4.35	4.20
Period high (in EUR)	3.45	4.51	6.00
Period low (in EUR)	2.80	2.80	4.02
Market capitalisation at end of period (in EUR million)	14.40	18.65	18.01
Number of shares	4,287,000	4,287,000	4,287,000

The stock prices are closing prices on XETRA.

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Foreword by the Board of Directors

Dear shareholders, employees and business associates,

In the first half of 2014 we made a further step forward in our ongoing repositioning from a component supplier to a solution provider. Thanks to the development and manufacturing capacities built up in recent months and years, we now have clear systems expertise, especially in the Automotive Technology segment, and have established ourselves as a reliable partner for system suppliers. We can therefore report further profitable growth in the first six months of 2014. Group sales increased slightly to EUR 19.7 million, a rise of 0.7% year-on-year, and the profit in the first six months increased from EUR 358 thousand to EUR 409 thousand.

The positive overall trend in the first half of this year was once again driven by continued dynamic growth in the Automotive Technology segment. Sales grew 23.5%, providing further evidence that the portfolio of products for applications in hybrid and electric vehicles, keyless entry/go systems, filters to reduce interference and safety products developed over the years has been the right choice. We have achieved our goal of being recognized as a development partner. This is also reflected in the improvement in segment EBIT to EUR 0.8 million (H1 2013: EUR 0.7 million).

To enable us to generate further sales growth in the future, in the first six months of this year we took orders on hand as a basis to continue our investment to raise capacity in the Automotive Technology segment. In addition, we drove forward investment in the development and marketing of innovative products. The Industrial Electronics segment is also looking ahead confidently. Although sales contracted 20.5% to EUR 4.6 million in the first six months of 2014 owing to the persistently tough business situation, the segment is still very profitable and raised its EBIT margin from 5.2% to 5.9%. Moreover, initial success in the refocusing of this segment is becoming visible: for some months we have been working intensively on the development and commercialization of actuator coils for industrial transport equipment, gas combustion systems and exhaust gas regulators. In this field, we have obtained B sample orders from well-known customers and expect to post initial sales from serial production in the second half of 2015.

The downward trend in the Communication Technology segment continued. Sales fell 36.2% to EUR 2.0 million and the segment reported negative EBIT of minus EUR 0.4 million. Regrettably, it has become evident that developing



left: Günther Kneidinger, right: Walter Brückl

filter technology for coaxial networks is more difficult and more-time consuming than we had expected compared with the development of filter technology for copper wire networks. However, in the long term this know-how will also be beneficial in the industrial engineering and automotive technology markets, where we are increasingly gaining access to EMC filter technology.

Although the development of the Communication Technology segment is unsatisfactory, thanks to the increased focus on the industrial and automotive markets and the company's strategic repositioning as a solution provider, half way through the year we are on track to achieve our overall targets for 2014. Together with increased vertical integration and systems solution competence, offering customer-specific solutions is a key competitive advantage for InTiCa Systems. We would especially like to thank our employees, whose commitment and identification are the key to the positive development of InTiCa Systems AG. At the same time, we would like thank our shareholders for the confidence they place in us. We will continue to work hard to justify their trust.

Passau, August 2014

Yours,

Walter Brückl
Chairman of the
Board of Directors

Günther Kneidinger
Member of the
Board of Directors



The Stock

InTiCa Systems' share price performance¹⁾

Having gained around 44% in 2013, shares in InTiCa Systems AG started this year at EUR 4.40. A dynamic start to the year, with the share price rising to a year-to-date high of EUR 6.00 on January 7, was followed by a price correction between the middle and end of January. For the remainder of the reporting period, shares in InTiCa Systems traded around the price at the start of the year, in a range of EUR 4.00 to EUR 4.70. The share price dropped to a low for the period of EUR 4.02 on June 4 and closed the period at EUR 4.20 in Xetra trading on June 30, putting market capitalization at around EUR 18 million, a drop of 4.5% from the start of the year. The DAXsubsector All Communications Technology index, which is used as a benchmark, posted a similar trend and actually dropped 6.3% over the period. Shares in InTiCa Systems AG continued to trade sideways after the end of the reporting period. The closing price on August 14, 2014 was EUR 4.15.

In the first six months of 2014 we provided timely information for our shareholders and the general public on current business trends, specific events and the company's prospects. At the Annual General Meeting in Passau on July 4, 2014, shareholders were given information on fiscal 2013 and the present situation at InTiCa Systems AG. The presentation and text of the speech given at the press conference can be accessed on the company's redesigned

homepage at Investor Relations/Publications [available in German only].

InTiCa Systems AG plans to give a presentation for investors, analysts and financial journalists at this year's Munich Capital Markets Conference (MKK). MKK is the biggest capital market conference in southern Germany and will be held on December 9-10, 2014.

1) Price data based on Xetra, source: Bloomberg

Interim Management Report of the Group

for the period from January 1 to June 30, 2014

Economic report

General economic conditions

The economic situation in Germany improved further in the first months of this year. With financing conditions remaining favourable and international conditions brightening, overall industrial output looks set to rise in the second half of the year as well. The Kiel Institute for the World Economy (IfW) therefore predicts that Germany's gross domestic product (GDP) will grow by 2.0 percent. It is forecasting higher capital spending, driven by the expansionary monetary conditions. Moreover, good labour market prospects, low interest rates and rising disposable incomes are expected to bring a considerable increase in consumer spending. Foreign trade is also expected to pick up, with the IfW anticipating that imports will rise faster than exports due to the rise in consumer spending.

The global economy was somewhat weaker in the first half of 2014 and momentum was low. This was due partly to specific factors in the advanced economies, for example, the exceptionally harsh winter in the United States, and partly to the low momentum in the emerging markets, where economic expansion was held back by a deterioration in financing conditions. While momentum in the emerging markets is expected to remain subdued in the remainder of this year, economic growth in the advanced economies

should gradually pick up. Overall, the IfW predicts that global output will rise by 3.5 percent this year.

Confidence is also high in the markets of relevance for InTiCa Systems AG. The German Automotive Industry Association (VDA) expects the global car market to increase by about 4% to 75.9 million vehicles in 2014. The large US and Chinese markets in particular are continuing to grow. In addition, the western European car market should improve this year, after a four year decline, and should just exceed the 12 million threshold. In the first six months of this year, demand for new cars in western Europe increased by just over 5 percent to 6.4 million vehicles.

The global market for electrical and electronic products will also grow further this year according to the latest analysis by the German Electrical and Electronic Manufacturers' Association (ZVEI). Order intake by producers of electronic assemblies grew strongly in the first quarter of 2014, posting an improvement of 9.6 percent year-on-year. The trend in the photovoltaic market, which is particularly important for InTiCa Systems' Industrial Electronics segment, was less satisfactory. According to the German Solar Industry Association, by the end of May new solar installations with rated power of just 818 megawatts had been installed. The market therefore contracted by 45 percent year-on-year. This was caused by a substantial deterioration in the political

framework. Although the sharp downturn on the German market is expected to continue, global demand for photovoltaic systems will probably rise 20 percent in 2014 as a result of a sharp drop in costs and the increasing competitiveness of solar power.

BITKOM, the association representing Germany's ICT and new media sector, expects the sector to grow by 4.5 percent this year. The forecast for the telecommunications market is for above-average growth of 5.0 percent to EUR 1.74 trillion. Revenues from telecommunications infrastructure should therefore rise 7.9 percent to EUR 462 billion. Analogously to this, BITKOM assumes that the German ICT market will grow by 1.7 percent to EUR 153.4 billion in 2014. In line with this, the BITKOM index reflecting economic expectations in the sector increased 5 points to 72 points in the most recent survey. This is due in part to the excellent business conditions – some three quarters of sector members (74 percent) posted higher sales in the first half of the year – and in part to the positive outlook. 80 percent of manufacturers of telecommunications equipment expect sales to rise in the next six months.

Earnings, asset and financial position

Group sales posted a slight rise of 0.7% year-on-year to EUR 19.7 million in the first six months of 2014. This was driven by a continuation of the very favourable business trend in the Automotive Technology segment, which grew by 23.5%. EBITDA slipped 7.7% to EUR 2.8 million despite the increase in sales because the rise in the headcount pushed the personnel expense ratio up to 18.6% and other expenses rose from EUR 2.0 million to EUR 2.4 million in the reporting period. By contrast, the material cost ratio dropped from 59.6% to 56.9% of total output. EBIT was EUR 0.6 million in the reporting period (H1 2013: EUR 0.7 million), giving an EBIT margin of 3.2% (H1 2013: 3.6%). Overall, the Group achieved a positive interim result of EUR 0.4 million.

The operating cash flow was negative at minus EUR 0.7 million in the first six months. This was mainly attributable to the increase in trade receivables, which should result in a cash inflow in the remainder of the year. In addition, higher capital expenditure for property, plant and equipment, mainly for the Automotive Technology segment, and repayments instalments on loans and leasing resulted in an overall cash outflow of around EUR 4.4 million in the reporting period (H1 2013: outflow of EUR 2.0 million). The equity ratio declined to 53% in the reporting period (December 31, 2013: 57%).

Overall, the figures for the first six months highlight the need to develop and commercialize innovative new products to reduce dependence on specific markets and generate healthy growth. Although the development of the Communication Technology segment is unsatisfactory, thanks to the increased focus on the industrial and automotive markets and the company's strategic

repositioning as a solution provider, half way through the year we are on track to achieve our overall targets for 2014.

Earnings position

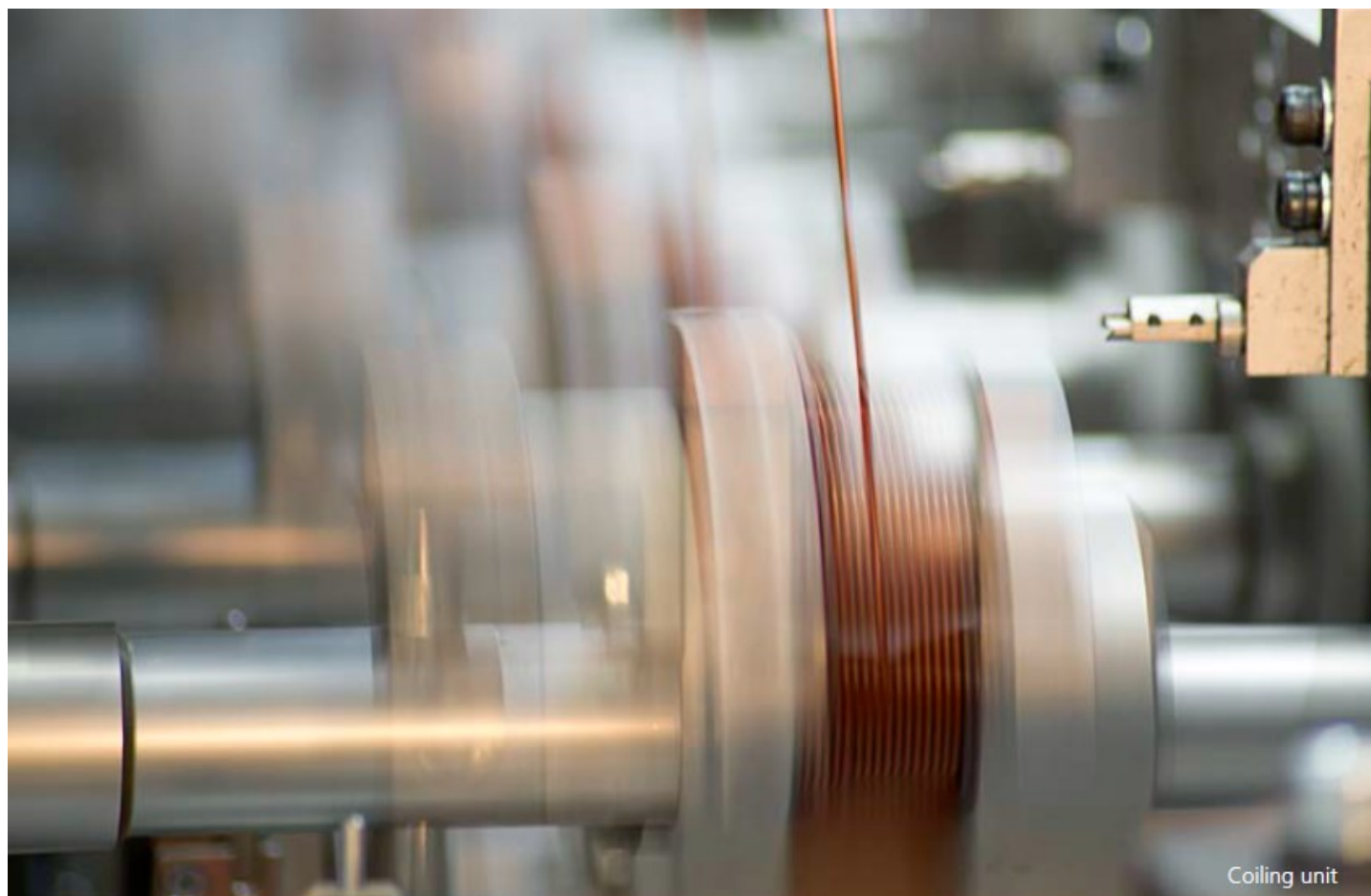
InTiCa Systems AG grew consolidated sales slightly from EUR 19.5 million to EUR 19.7 million in the first half of 2014. This increase of 0.7% was attributable to the sustained dynamic growth of the Automotive Technology segment, where sales advanced 23.5% to EUR 13.0 million (H1 2013: EUR 10.6 million). By contrast, sales dropped 36.2% to EUR 2.0 million (H1 2013: EUR 3.2 million) in the Communication Technology segment and 20.5% to EUR 4.6 million (H1 2013: EUR 5.8 million) in the Industrial Electronics segment.

There was a clear year-on-year reduction in the ratio of material costs to total output from 59.6% to 56.9% despite the slight increase in sales. By contrast, the personnel expense ratio increased from 16.4% to 18.6% as a result of an increase in the headcount. Other operating expenses increased from EUR 2.0 million in the prior period to EUR 2.4 million. This figure includes expenses of EUR 0.2 million (H1 2013: EUR 0.3 million) for agency staff at the Prachatice site. Depreciation and amortization of property, plant and equipment and intangible assets totalled EUR 2.2 million, slightly below the previous year's level of EUR 2.3 million. Spending on research and development was around EUR 1.1 million, about the same as in the previous year. Development work focused principally on the Automotive Technology and Industrial Electronics segments.

In all, Group EBITDA decreased 7.7% to EUR 2.8 million in the first six months of 2014 (H1 2013: EUR 3.0 million). The EBITDA margin therefore declined from 15.5% to 14.2%. The picture was similar for EBIT: Group EBIT slipped slightly from EUR 0.7 million to EUR 0.6 million, which equates to a year-on-year decline in the EBIT margin from 3.6% to 3.2%. While EBIT increased to EUR 0.8 million in the Automotive Technology segment in the first six months of 2014 (H1 2013: EUR 0.7 million), it slipped back slightly to EUR 0.27 million in Industrial Electronics (H1 2013: EUR 0.30 million), but the EBIT margin improved from 5.2% to 5.9%. Only the Communication Technology segment again reported negative EBIT of minus EUR 0.4 million (H1 2013: minus EUR 0.3 million).

The financial result was unchanged year-on-year at minus EUR 0.2 million. Since the tax expense of EUR 27 thousand was far lower than in the first half of 2013, the Group's next income increased to EUR 0.41 million in the first six months of 2014 (H1 2013: EUR 0.36 million), giving earnings per share of EUR 0.10 (H1 2013: EUR 0.08).

As a result of currency translation losses of EUR 10 thousand (H1 2013: EUR 342 thousand) from the translation of foreign business operations, comprehensive income was EUR 399 million in the first six months of 2014, compared with EUR 16 thousand in the first half of 2013.



Non-current assets

Non-current assets increased to EUR 19.6 million as of June 30, 2014 (December 31, 2013: EUR 18.7 million) because depreciation and amortization exceeded capital expenditures for property, plant and equipment and intangible assets.

Current assets

Current assets increased to EUR 16.6 million as of June 30, 2014 (December 31, 2013: EUR 13.8 million). In particular, trade receivables increased from EUR 5.2 million to EUR 8.6 million in the reporting period. Inventories increased slightly from EUR 7.2 million to EUR 7.6 million and other current receivables and financial assets rose from EUR 0.2 million to EUR 0.3 million. At the same time, cash and cash equivalents declined to EUR 47 thousand (December 31, 2013: EUR 1.3 million).

Liabilities

Current liabilities increased to EUR 9.2 million in the first six months of 2014 (December 31, 2013: EUR 4.9 million). Current liabilities to banks rose from EUR 2.2 million to EUR 5.8 million and trade payables increased from EUR 1.6 million to EUR 2.2 million in the reporting period.

Non-current liabilities dropped from EUR 9.1 million to EUR 8.0 million in the reporting period as non-current liabilities to banks were reduced from EUR 7.6 million to around EUR 6.5 million. Deferred taxes were unchanged from December 31, 2013 at EUR 1.5 million.

Equity

Equity totalled EUR 19.0 million on June 30, 2014 (December 31, 2013: EUR 18.6 million). The increase in the reporting period was due to additions to retained earnings, which increased to EUR 0.9 million due to the positive result for the period (December 31, 2013: EUR 0.5 million). The capital stock of EUR 4.3 million, treasury stock of EUR 64 thousand, capital reserves of EUR 15.4 million and currency translation reserve of minus EUR 1.6 million were unchanged from December 31, 2013. Total equity and liabilities increased to EUR 36.1 million as of June 30, 2014 (December 31, 2013: EUR 32.6 million) and the equity ratio therefore dropped from 57% to 53%.

Liquidity and cash flow statement

The net cash outflow for operating activities was EUR 0.7 million in the first six months of 2014 (H1 2013: inflow of EUR 0.1 million). This was mainly attributable to the increase in trade receivables, which should result in a cash inflow in the remainder of the year. Excluding interest

payments, the cash outflow for operating activities was EUR 0.5 million (H1 2013: inflow of EUR 0.3 million).

The net cash outflow for investing activities was EUR 3.0 million in the reporting period (H1 2013: outflow of EUR 1.6 million). Investment in intangible assets was unchanged from the prior year at EUR 0.7 million (H1 2013: EUR 0.7 million), while investment in property, plant and equipment increased to EUR 2.3 million (H1 2013: EUR 0.9 million). Capital expenditure for property, plant and equipment mainly related to expansion of production facilities for the Automotive Technology segment. Overall, the company plans to invest around EUR 6.0 million in 2014 to raise capacity, mainly in the Automotive Technology segment.

The net cash outflow for financing activities was EUR 0.7 million in the reporting period (H1 2013: outflow of EUR 0.4 million). The cash outflows in the reporting period included EUR 0.6 million for loan repayments (H1 2013: EUR 0.4 million) and EUR 43 thousand for leasing expense (H1 2013: EUR 41 thousand).

Cash and cash equivalents (less overdrafts) were minus EUR 4.0 million as of June 30, 2014 (June 30, 2013: minus EUR 1.0 million). InTiCa Systems has assured credit facilities which can be drawn at any time totalling EUR 5.1 million.

Employees

The headcount increased significantly to 465 on June 30, 2014, including 49 agency staff (June 30, 2013: 430 employees, including 62 agency staff). Including agency staff, the Group had an average of 462 employees (H1 2013: 433 employees, including agency staff).

Risks and opportunities

The management report in the annual report for 2013 provides full details of risk factors that could affect the business performance of InTiCa Systems in section 4 "Risk management and risk report", while business potential is discussed in section 5 "Opportunities and management of opportunities". There was no material change in the risk/opportunity profile of InTiCa Systems AG in the reporting period.

Events after the end of the reporting period

No material events have occurred since the reporting date on June 30, 2014.

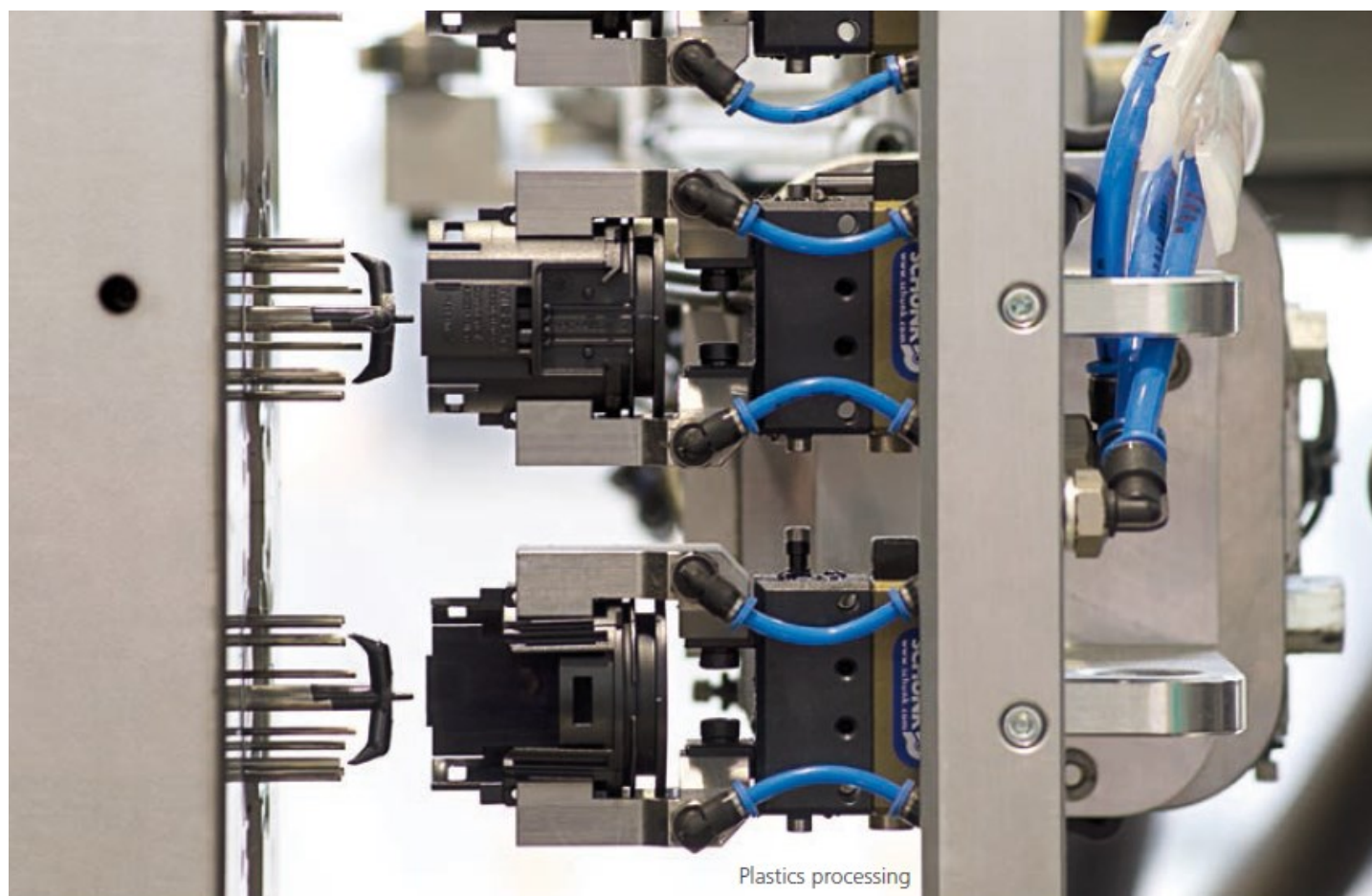
Outlook

The business trend in the first six months was in line with the Board of Directors' expectations so it is retaining its outlook for fiscal 2014.

The Automotive Technology segment will remain InTiCa's main driving force in 2014. InTiCa Systems has successfully achieved its goal of being perceived as a development partner. In addition, in recent months a number of new orders have been obtained for serial production of new products such as stators for hybrid cars and actuators for fuel injection systems. In the Industrial Electronics and Communication Technology segments there are also opportunities to enter additional markets thanks to new products. Together with increased vertical integration and systems solution competence, offering customer-specific solutions is a key competitive advantage for InTiCa Systems. The Board of Directors therefore believes that in terms of costs and products InTiCa Systems is well positioned for 2014. Orders on hand amounted to around EUR 37 million on June 30, 2014, which was slightly above the prior-year level of around EUR 36 million. Around 70% of these orders are for the Automotive Technology segment.

Assuming at least moderate growth in the economy as a whole, at present the Board of Directors therefore expects to raise sales and earnings further in 2014. Overall, the Board of Directors expects Group sales in 2014 to be around EUR 43 million, with an EBIT margin of around 3.5%.

Further information on the segments can be found in the annual report for 2013 in section 6 "Outlook".



Consolidated interim financial statements in accordance with IFRS

The unaudited consolidated interim financial statements for InTiCa Systems AG and its subsidiary as of June 30, 2014 have been drawn up in accordance with the International Financial Reporting Standards (IFRS), as applicable for use in the European Union, and the supplementary commercial law regulations set out in sec. 315a paragraph 1 of the German Commercial Code (HGB). No audit review has been conducted of the consolidated interim financial statements.

Forward-looking Statements and Predictions

This half year report contains statements and forecasts referring to the future development of InTiCa Systems AG, which are based on current assumptions and estimates by the management that are made using information currently available to them. If the underlying assumptions do not materialize, the actual figures may differ substantially from such estimates. Future performance and developments depend on a wide variety of factors which contain a number of risks and unforeseeable factors and are based on assumptions that may prove incorrect. We neither intend nor assume any obligation to update forward-looking statements on an ongoing basis as these are based exclusively on the circumstances prevailing on the date of publication.

Consolidated Interim Financial Statements

for the period from January 1 to June 30, 2014

Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS
as of June 30, 2014

Assets	Jun 30, 2014 EUR '000	Dec 31, 2013 EUR '000
Non-current assets		
Intangible assets	4,751	4,760
Property, plant and equipment	13,728	12,855
Deferred taxes	1,079	1,109
Total non-current assets	19,558	18,724
Current assets		
Inventories	7,624	7,154
Trade receivables	8,544	5,165
Tax assets	2	2
Other financial assets	104	7
Other current receivables	242	198
Cash and cash equivalents	47	1,313
Total current assets	16,563	13,839
Total assets	36,121	32,563

Equity and liabilities

	Jun 30, 2014 EUR '000	Dec 31, 2013 EUR '000
Equity		
Capital stock	4,287	4,287
Treasury stock	-64	-64
General capital reserve	15,389	15,389
Profit reserve	943	534
Currency translation reserve	-1,568	-1,558
Total equity	18,987	18,588
Non-current liabilities		
Interest-bearing non-current liabilities	6,458	7,594
Deferred taxes	1,514	1,518
Total non-current liabilities	7,972	9,112
Current liabilities		
Other current provisions	721	622
Interest-bearing current financial liabilities	5,810	2,247
Trade payables	2,237	1,626
Other financial liabilities	205	194
Other current liabilities	189	174
Total current liabilities	9,162	4,863
Total equity and liabilities	36,121	32,563
Equity ratio	53%	57%

Consolidated Statement of Profit and Loss and other Comprehensive Income

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to June 30, 2014

	Q2 2014 TEUR	Q2 2013 TEUR	H1 2014 TEUR	H1 2013 TEUR	Change 2014 vs. 2013
Sales	9,719	9,579	19,680	19,540	+0.7%
Other operating income	39	111	79	151	-47.7%
Changes in finished goods and work in process	-42	-174	17	-115	-
Other own costs capitalized	300	315	615	630	-2.4%
Material expense	5,504	5,898	11,565	11,959	-3.3%
Personnel expense	1,854	1,412	3,656	3,214	+13.8%
Depreciation and amortization	1,104	1,278	2,156	2,330	-7.5%
Other expenses	1,267	896	2,375	2,004	+18.5%
Operating profit (EBIT)	287	347	639	699	-8.6%
Cost of financing	91	126	203	238	-14.7%
Other financial income	0	2	0	2	-100.0%
Profit before taxes	196	223	436	463	-5.8%
Income taxes	24	102	27	105	-74.3%
Net profit for the period	172	121	409	358	+14.2%
Other comprehensive income					
Exchange differences from translating foreign business operations	-5	-342	-10	-342	-97.1%
Other comprehensive income, after taxes	-5	-342	-10	-342	-97.1%
Total comprehensive income for the period	167	-221	399	16	+2,393.8%
Earnings per share (diluted/basic in EUR)	0,04	0,03	0,10	0,08	+14.2%
EBITDA	1,391	1,625	2,795	3,029	-7.7%

Consolidated Cash Flow Statement

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to June 30, 2014

	Jan 1 - Jun 30, 2014 EUR '000	Jan 1 - Jun 30, 2013 EUR '000
Cash flow from operating activities		
<i>Net profit for the period</i>	409	358
Income tax expenditures / receipts	27	105
Cash outflow for borrowing costs	203	238
Income from financial investments	0	-2
Depreciation and amortization of non-current assets	2,156	2,330
<i>Other non-cash transactions</i>		
Net currency gains/losses	3	44
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	-470	-1,642
Trade receivables	-3,379	-1,663
Other assets	-144	-100
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	99	259
Trade payables	611	265
Other liabilities	22	127
Cash flow from operating activities	-463	319
Cash outflow for income taxes	0	-8
Cash outflow for interest payments	-200	-230
Net cash flow from operating activities	-663	81
Cash flow from investing activities		
Cash inflow from interest payments	3	4
Cash outflow for intangible assets	-692	-699
Cash outflow for property, plant and equipment	-2,342	-946
Net cash flow from investing activities	-3,031	-1,641
Cash flow from financing activities		
Cash outflow for loan repayment installments	-625	-368
Cash outflow for liabilities under finance leases	-43	-41
Net cash flow from financing activities	-668	-409
Total cash flow	-4,362	-1,969
Cash and cash equivalents at start of period	404	984
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	-3,958	-986

Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS
for the period from January 1, 2013 to June 30, 2014

	Capital stock EUR '000	Treasury stock EUR '000	Paid-in capital EUR '000	Retained earnings EUR '000	Currency trans- lation reserve EUR '000	Total equity EUR '000
As of January 1, 2013	4,287	-64	15,389	60	-141	19,531
Net result for H1 2013	0	0	0	357	0	357
Other comprehensive income, after taxes H1 2013	0	0	0	0	-342	-342
Total comprehensive income for H1 2013	0	0	0	357	-342	15
As of June 30, 2013	4,287	-64	15,389	417	-483	19,546
As of January 1, 2014	4,287	-64	15,389	534	-1,558	18,588
Net result H1 2014	0	0	0	409	0	409
Other comprehensive income, after taxes H1 2014	0	0	0	0	-10	-10
Total comprehensive income for H1 2014	0	0	0	409	-10	399
As of June 30, 2014	4,287	-64	15,389	943	-1,568	18,987

Notes to the Consolidated Interim Financial Statements

for the period from January 1 to June 30, 2014

Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of June 30, 2014, 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 2013, which were drawn up in accordance with International Financial Reporting Standards valid as of the reporting date, as applicable for use in the European Union, and the relevant Interpretations. The consolidated interim financial statements cover the six months to June 30, 2014. Comparative data refer to the consolidated financial statements as of December 31, 2013 or the consolidated interim financial statements as of June 30, 2013. The consolidated interim financial statements do not contain all information that would be required for a full set of annual financial statements. A detailed overview of the accounting and valuation principles applied can be found in the notes to the consolidated financial statements in the annual report for 2013.

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

Scope of consolidation

There has been no change in the scope of consolidation of InTiCa Systems AG compared with fiscal 2013. Alongside the parent company in Passau, Germany, only InTiCa Systems s.r.o. of Prachatice, Czech Republic, is included in the consolidated interim financial statements. The parent company has a stake of 100% in this subsidiary. The interim financial statements of the consolidated companies are prepared as of the reporting date for the consolidated interim financial statements.

Currency translation

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

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

Segment report as of June 30, 2014

Segment sales and segment earnings

Segment	Communication Technology		Automotive Technology		Industrial Electronics		Total	
in EUR '000	H1 2014	H1 2013	H1 2014	H1 2013	H1 2014	H1 2013	H1 2014	H1 2013
Sales	2,033	3,186	13,033	10,553	4,614	5,801	19,680	19,540
EBIT	-427	-332	794	730	272	301	639	699

Key financial figures

	H1 2014 EUR '000 or %	H1 2013 EUR '000 or %	Change 2014 vs. 2013
EBITDA	2,795	3,029	-7.7%
Net margin	2.1%	1.8%	
Pre-tax margin	2.2%	2.4%	
Material cost ratio (in terms of total output)	56.9%	59.6%	
Personnel cost ratio	18.6%	16.5%	
EBIT margin	3.2%	3.6%	
Gross profit margin	41.3%	38.2%	

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

	Closing rates		
	Jun 30, 2014	Dec 31, 2013	Jun 30, 2013
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.450	CZK 27.425	CZK 25.950
USA	USD 1.365	USD 1.377	USD 1.307

	Average rates		
	Jun 30, 2014	Dec 31, 2013	Jun 30, 2013
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.444	CZK 25.974	CZK 25.699
USA	USD 1.370	USD 1.328	USD 1.313

Segment information

The notes to the consolidated financial statements in the annual report for 2013 contain a detailed overview of the assets allocated to each segment.

There has not been any material change in the assets allocated to the segments since December 31, 2013.

Consolidated Income statement

Group sales revenues rose from EUR 19,540 thousand in H1 2013 to EUR 19,680 thousand in H1 2014. Only the Automotive Technology segment contributed to sales growth, while Industrial Electronics and Communication Technology

reported lower sales. EBITDA declined slightly from EUR 3,029 thousand to EUR 2,795 thousand. Comprehensive income increased to EUR 409 thousand in the first six months, up from EUR 358 thousand in the first half of 2013.

Consolidated balance sheet and cash flow statement

The capital stock of InTiCa Systems AG is EUR 4,287,000 and is divided into 4,287,000 no-par bearer shares with a theoretical pro rata share of the capital stock of EUR 1.00 per share. InTiCa Systems' equity ratio of around 53% as of June 30, 2014 (December 31, 2013: 57%) shows that the company is still soundly financed.

The net cash outflow for operating activities was EUR 663 thousand in the first six months of 2014 (H1 2013: inflow of EUR 81 thousand). The total cash outflow in the reporting period was EUR 4,362 thousand (H1 2013: outflow of EUR 1,969 thousand). Cash and cash equivalents therefore declined from EUR 404 thousand as of December 31, 2013 to minus EUR 3,958 thousand as of June 30, 2014. In addition, trade receivables increased from EUR 5,165 thousand to EUR 8,544 thousand in the reporting period. At the same time, other current liabilities to banks increased to EUR 5,810 thousand (December 31, 2013: EUR 2,247 thousand) and trade payables rose to EUR 2,237 thousand (December 31, 2013: EUR 1,626 thousand).



Design department

Events after the reporting date

Material events after the reporting date (June 30, 2014) are outlined in the section on events after the reporting period in the management report.

German Corporate Governance Code and declaration of conformance

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

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 authorized, until July 5, 2017, to increase the company's capital stock, with the consent of the Supervisory Board, by up to EUR 2,143,500.00 by issuing new shares for cash or contributions in kind in one or more tranches (authorized capital 2012/I). Further details are given

in sec. 3 paragraph 3 of the company's articles of incorporation, which can be downloaded from the company's website at Company/Downloads.

On the basis of the resolution of the Annual General Meeting of May 29, 2008, the company was authorized, until November 28, 2009, to repurchase up to 10% of the capital stock of 428,700 shares at the date of the resolution. This resolution was used to purchase 263,889 shares in the company. As of June 30, 2014, InTiCa Systems still had treasury stock amounting to 64,430 shares (December 31, 2013: 64,430).

On the basis of a resolution adopted by the Annual General Meeting on July 6, 2012, the company is authorized, up to July 5, 2017, to purchase its own shares, in one or more tranches, up to a total of 10% of the capital stock at the time of adoption of this resolution or, if the capital stock is lower when this authorization is utilized, of the capital stock at the time when it is utilized.

Related party transactions

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



Laboratory

Other information

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

All shares have the same voting rights and dividend claims. The only exceptions are shares held by the company (treasury shares), which do not confer any rights on the company. There are no shares in the company with special rights according rights of control.

The rights and obligations of the shareholders are set 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 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.

InTiCa Systems has a EUR 5 million 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.

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

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 interim financial statements as of March 31, 2014, prepared in accordance with the principles of proper book-keeping, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim management report for the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Passau, August 20, 2014

The Board of Directors



Walter Brückl
Chairman of the
Board of Directors



Günther Kneidinger
Member of the
Board of Directors

Passau, Germany
Headquarters



Financial Calendar 2014

August 21, 2014 Publication of Interim Financial Statements for H1 2014

November 20, 2014 Publication of Interim Financial Statements for Q3 2014

Headquarter:

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