

Technologies for growth markets!



2016

Interim Report Q1

Automotive Technology
Industrial Electronics



InTiCa
Systems

Q1 2016 in figures

The Group	Q1 2014 EUR '000	Q1 2015 EUR '000	Q1 2016 EUR '000	Change vs. Q1 2015
Sales	9,961	10,963	11,310	+3.2%
Net margin (net result for the period)	2.4%	1.5%	0.7%	-
EBITDA	1,404	1,405	1,289	-8.3%
EBIT	352	336	177	-47.3%
EBT	240	242	61	-74.8%
Net result for the period	237	162	73	-54.9%
Earnings per share (diluted/basic in EUR)	0.06	0.04	0.02	-54.9%
Total cash flow	-3,236	-4,252	383	-
Net cash flow for operating activities	-1,352	52	363	+598.1%
Capital expenditure	1,240	3,306	981	-70.3%

	Mar 31, 2015 EUR '000	Dec 31, 2015 EUR '000	Mar 31, 2016 EUR '000	Change vs. Dec 31, 2015
Total assets	38,316	40,321	41,166	+2.1%
Equity	16,220	16,445	16,504	+0.4%
Equity ratio	42%	41%	40%	-
Number of employees (on the reporting date)	522	525	582	+10.9%

The Stock	Q1 2015	2015	Q1 2016
Closing price (in EUR)	4.10	4.25	4.71
Period high (in EUR)	4.40	5.50	4.93
Period low (in EUR)	3.87	3.87	4.11
Market capitalisation at end of period (in EUR million)	17.58	18.22	20.19
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

INTICA SYSTEMS

Dear shareholders, employees and business associates,

Business performance in the first three months of 2016 was in line with the Board of Directors' expectations, with sales rising 3.2% to EUR 11.3 million. We would particularly like to draw attention to the fact that the Industrial Electronics segment broke the negative trend of the preceding quarters and grew sales by more than 14% from the recent low level. In the Automotive Technology segment sales increased slightly compared with the very good prior-year period. EBIT was down slightly year-on-year at EUR 0.2 million, giving an EBIT margin of 1.6%.

The overall development is also reflected in the operating cash flow, which was considerably higher than in the prior-year period at EUR 0.4 million in the first three months of 2016. The total cash flow was also positive at EUR 0.4 million because investment requirements dropped considerably following the massive efforts made in the previous quarters. Overall, we are planning investment of around EUR 4.5 million in 2016. The funds will be used mainly for further expansion of our production capacity, to acquire modern production plants for our site in the Czech Republic, to build a new production site in Mexico and for the development and equipment of the technology and training centre.

This also reflects InTiCa Systems' priority tasks in 2016: stepping up innovation in new products, internationalization, ongoing optimization of value flows in production and logistics, and cost optimization for the Group as a whole. InTiCa Systems AG intends to, indeed has to, take account of its repositioning as a renowned automotive supplier in recent years. This has already required corresponding effort and costs by the company, and will continue to do so in the future. Most of the necessary transformation processes should be completed by 2017. By systematically aligning the Prachatice production site to lean principles and reorganizing production workflows we have taken the first steps towards increasing production efficiency and production margins. The company has set a wide range of targets, but these are necessary. We will therefore be continuing this process to ensure that in the future InTiCa can benefit from higher production efficiency, improved value creation and an optimized supply performance in the global marketplace.

We aim to meet our customers' requirements and our own standards not simply from a quality and economic viewpoint but also technologically. Since the continuous development and marketing of innovative new products are prerequisites



for generating healthy, long-term sales growth and successfully continuing our path as a solution provider, InTiCa invested in a technology and training centre of its own in 2015. Here, we are making good progress with our competent team of developers and production technologists and are constantly testing new products, technologies and tools.

One of our areas of focus is internationalization. By providing local services to support our customers and setting a "global footprint" we can increase our ability to raise sales and broaden our customer base. Based on customer orders, in 2014 InTiCa Systems began to pave the way for an international production facility in Mexico. We are currently at the final stage of negotiations for a production location in the direct vicinity of major customers. Production of the first small-scale series is scheduled to start at the end of this year.

Since the optimization and ongoing development of all areas are proceeding on schedule and orders are stable, we are confirming our forecast and look forward to shaping the successful development of InTiCa Systems AG with our first-rate employees and in trusting collaboration with our customers, business associates and shareholders.

Passau May, 2016

Yours,

Dr. Gregor Wasle
Spokesman of the
Board of Directors

Günther Kneidinger
Member of the
Board of Directors

Board of Directors



Gregor Wasle
Spokesman of the Board of Directors
Engineering graduate
*Strategy, Finance, Human Resources,
Production, Manufacturing Technology, IT,
Investor and Public Relations*



Günther Kneidinger
Member of the Board of Directors
*Sales, R&D,
Materials Management
and Quality Management*

Supervisory Board



Udo Zimmer
Chairman
Business administration graduate
Munich
- *Member of the Board of Management of
REMA TIP TOP AG*
- *Chairman of the Supervisory Board of
SCHNELL Motoren AG*



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



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

Company Boards





The Stock

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InTiCa Systems' share price performance¹⁾

Shares in InTiCa Systems started the year at EUR 4.25. This was also the low for the first quarter. The losses made at the end of last year were recouped in January and the share price rose to a high for the reporting period of EUR 5.10 at the start of February. It then dropped briefly to EUR 4.50 but rallied to EUR 5.10 again by the end of February. Shares subsequently traded in range of EUR 4.75 to EUR 5.00 with moderate turnover up to the end of the first quarter. At the close of Xetra trading on March 31, 2016, the share price was EUR 4.85. The shares then continued to trade sideways and closed at EUR 4.55 on May 13, 2016. That was an increase of ca. 7% since the start of the year, bringing InTiCa Systems' market capitalization to EUR 19.5 million.

In the first three months of 2016, we provided timely information for our shareholders and the general public on current business trends, specific events and the company's prospects. As in the past, this year's press conference to mark the publication of the annual report for 2015 attracted considerable interest from analysts and investors. The presentation and speech given at the press conference can be accessed on the company's homepage at Investor Relations/Publications [available in German only].

This year's Annual General Meeting will be held in Passau on July 15, 2016. Shareholders will be given information on

fiscal 2015 and the present situation at InTiCa Systems AG. In addition, InTiCa Systems AG plans to give a presentation for investors, analysts and financial journalists at this year's Munich Capital Markets Conference (MKK). MKK is the biggest capital market conference in southern Germany and will be held on December 7, 2016.

1) Price data based on Xetra, source: Bloomberg

Key data on the share

ISIN	DE0005874846
WKN	587484
Stock market symbol	IS7
Trading segment	Regulated Market
Transparency level	Prime Standard

Designated Sponsor	BankM - biw AG
Research Coverage	SMC Research
No. of shares	4,287,000
Trading exchanges	XETRA®, Frankfurt, Hamburg, Berlin, München, Stuttgart, Düsseldorf

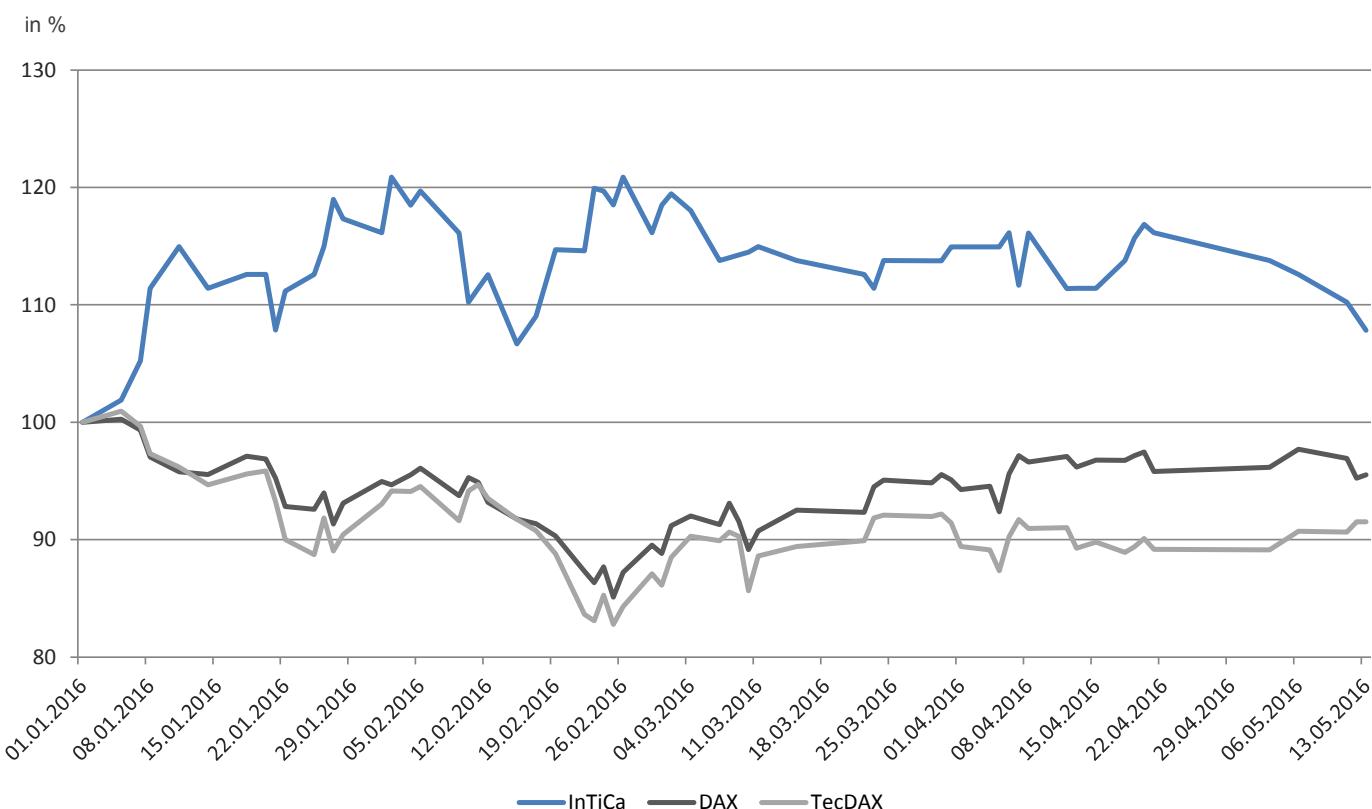
Shareholder structure

Thorsten Wagner	over 25%
Dr. Dr. Axel Diekmann	over 25%
Tom Hiss	over 5%
Dr. Paul und Maria Grohs	over 3%
InTiCa Systems AG	1.5%
Management	less than 1%

As of May 15, 2016



Share price performance





Interim Management Report of the Group

for the period from January 1 to March 31, 2016

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Economic report

General economic conditions

In their joint diagnosis for spring 2016, Germany's leading economic institutes predict a moderate upturn in the German economy. Gross domestic product increased by 0.4% in the first quarter and is expected to rise by 1.6% overall in 2016. The experts estimate that the upswing will be driven mainly by consumer spending, which should benefit from the sustained increase in employment, perceptible rises in wages and collectively agreed rates of pay, and higher purchasing power as a result of lower energy prices. They also expect monetary policy to remain expansionary, partly to deal with increased expenditures in connection with the influx of refugees. While investment in construction should also rise perceptibly, the leading German economic institutes anticipate relatively subdued investment by the corporate sector. In view of the only gradual global economic recovery and strong domestic demand, no positive impetus is expected to come from foreign trade.

According to the German Automotive Industry Association (VDA), the conditions in the sector also developed positively worldwide in the reporting period. Volume sales increased in the world's three most important markets in the first quarter of 2016. The highest growth was in China, where volumes rose by a good 9 percent, followed by Western Europe (+8 percent) and the USA (+3 percent). Driven by demand from

private customers, in March the Western European car market posted the highest volume sales in a single month for exactly nine years, with just over 1.6 million new registrations, while the trend on the US car market remained good thanks to the continuation of the favourable labour market situation, low interest rates and low fuel prices.

In the electrical and electronics sector, the start of 2016 was mixed. According to the German Electrical and Electronic Manufacturers' Association (ZVEI), in the first two months real output in the sector in Germany was 0.3 percent higher than in the previous year. Sector sales, which also include services, rose 2.5 percent to EUR 27.1 billion. Exports (including re-exports) increased by 3.1 percent, while orders were 2.7 percent higher. The association has confirmed the forecast for 2016 issued at the beginning of the year: on a price-adjusted basis it is forecasting moderate growth of 1 percent in German output, with sales up 2 percent.

Significant events in the reporting period

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

Earnings, asset and financial position

Business performance in the first three months of 2016 was in line with the Board of Directors' expectations, with sales rising 3.2% to EUR 11.3 million. We would particularly like to draw attention to the fact that the Industrial Electronics segment broke the negative trend of the preceding quarters and grew sales by more than 14%. In the Automotive Technology segment sales increased slightly compared with the very good prior-year period. EBITDA was EUR 1.3 million and thus slightly below the previous year's level (3M 2015: EUR 1.4 million). While the ratio of material costs to total output declined considerably, the personnel expense ratio increased as a result of the rise in headcount. This resulted in EBIT of EUR 0.2 million in the first quarter of 2016, compared with EUR 0.3 million in the first quarter of 2015. The EBIT margin was 1.6% (3M 2015: 3.1%). Group net income was EUR 73 thousand (3M 2015: EUR 162 thousand).

The operating cash flow was clearly positive at EUR 0.4 million in the first three months of 2016 (3M 2015: EUR 0.1 million). Overall, the slight reduction in capital expenditures compared with the prior-year period and borrowing resulted in a positive overall cash flow of EUR 0.4 million (3M 2015: cash outflow of EUR 4.3 million). The equity ratio declined slightly to 40% in the reporting period (December 31, 2015: 41%).

Earnings position

Group sales increased by around 3.2% year-on-year to EUR 11.3 million in the first three months of 2016 (3M 2015: EUR 11.0 million). The Automotive Technology segment grew sales by 0.9% compared with the very strong prior-year period to EUR 9.2 million (3M 2015: EUR 9.1 million), while sales in the Industrial Electronics segment rose 14.4% to EUR 2.1 million (3M 2015: EUR 1.8 million).

The cost of materials relative to total output declined considerably compared with the previous year to 55.5% (3M 2015: 58.4%). At the same time, the personnel expense ratio increased from 19.6% to 21.3% due to the increase in headcount. Other expenses decreased from EUR 1.5 million in the prior-year period to EUR 1.3 million. The other operating expenses include expenses of EUR 0.1 million (3M 2015: EUR 0.1 million) for agency staff at the Prachaticke production site.

Depreciation and amortization of property, plant and equipment and intangible assets was EUR 1.1 million, as in the previous year. Spending on research and development

amounted to EUR 0.6 million in the reporting period (3M 2015: EUR 0.55 million). Development work focused principally on the Automotive Technology segment.

EBITDA (earnings before interest, taxes, depreciation and amortization) declined 8.3% year-on-year to EUR 1.3 million (3M 2015: EUR 1.4 million). The EBITDA margin therefore declined from 12.8% to 11.4%. At the same time, EBIT (earnings before interest and taxes) slipped from EUR 0.3 million to EUR 0.2 million, which equates to a year-on-year decline in the EBIT margin from 3.1% to 1.6%. At segment level, the Automotive Technology segment reported EBIT of EUR 0.3 million in the first three months of 2016 (3M 2015: EUR 0.6 million) and EBIT in the Industrial Electronics segment was minus EUR 0.1 million (3M 2015: minus EUR 0.3 million).

The financial result was minus EUR 0.1 million in the reporting period (3M 2015: minus EUR 0.1 million) and there was tax income of EUR 12 thousand (3M 2015: tax expense of EUR 80 thousand). Group net income was therefore EUR 73 thousand at the end of the first three months (3M 2015: EUR 162 thousand). Earnings per share were EUR 0.02 (3M 2015: EUR 0.04).

As a result of currency translation losses of EUR 14 thousand (3M 2015: EUR 60 thousand) from the translation of foreign business operations, comprehensive income was EUR 59 thousand in the first three months of 2016, compared with EUR 222 thousand in the prior-year period.

Non-current assets

Since depreciation of property, plant and equipment exceeded capital expenditures in the first quarter of 2016, property, plant and equipment declined slightly to EUR 19.1 million as of March 31, 2016 (December 31, 2015: EUR 19.2 million). By contrast, intangible assets and deferred taxes were constant at EUR 4.4 million and EUR 1.3 million respectively. Overall, there was therefore a slight reduction in non-current assets to EUR 24.8 million as of March 31, 2016 (December 31, 2015: EUR 24.9 million).

Current assets

Current assets increased to EUR 16.4 million as of March 31, 2016 (December 31, 2015: EUR 15.4 million). In particular, trade receivables increased from EUR 6.8 million to EUR 8.5 million in the reporting period, while inventories declined from EUR 7.8 million to EUR 7.3 million. By contrast, cash and cash equivalents rose to EUR 0.3 million (December 31, 2015: EUR 0.2 million).

Liabilities

In the first quarter of 2016, current liabilities declined to EUR 13.9 million (December 31, 2015: EUR 14.5 million). This was mainly attributable to the reduction in current liabilities to banks from EUR 10.2 million to EUR 9.5 million. Trade payables only fell slightly from EUR 2.6 million to EUR 2.5 million as of March 31, 2016.

Non-current liabilities increased from EUR 9.4 million to EUR 10.8 million in the reporting period. While non-current liabilities to banks rose from EUR 7.9 million to EUR 9.4 million, deferred taxes were EUR 1.5 million, unchanged from December 31, 2015.

Equity

As of March 31, 2016, equity totalled EUR 16.5 million (December 31, 2015: EUR 16.4 million). The slight increase in the reporting period was due to the profit for the period, which resulted in a decline in the negative items in retained earnings. The capital stock of EUR 4.3 million, treasury stock of EUR 64 thousand, the general capital reserve of EUR 15.4 million and the currency translation reserve of minus EUR 1.4 million were constant in the reporting period. Total assets increased to EUR 41.2 million in the first quarter of 2016 (December 31, 2015: EUR 40.3 million). The equity ratio therefore declined from 41% to 40%.

Liquidity and cash flow statement

There was a year-on-year improvement in the net cash flow for operating activities to EUR 0.4 million in the first three months of 2016 (3M 2015: EUR 0.1 million). Inventories were lower than in the prior-year period and this offset the impact of the reduction in trade payables. Excluding interest payments, the cash flow for operating activities was EUR 0.5 million (3M 2015: EUR 0.2 million).

The net cash outflow for investing activities was EUR 1.0 million in the reporting period (3M 2015: outflow of EUR 3.3 million). Investment in intangible assets amounted to EUR 0.3 million (3M 2015: EUR 0.3 million) while capital expenditure on property, plant and equipment was EUR 0.7 million (3M 2015: EUR 3.0 million). Overall, InTiCa Systems is planning investment of around EUR 4.5 million in 2016. The funds will be used for further expansion of production capacity, to acquire modern production plants for the site in the Czech Republic, to build a new production site in Mexico and for development and equipment of the technology and training centre.

The net cash flow from financing activities was EUR 1.0 million in the first quarter of 2016 (3M 2015: outflow of EUR 1.0 million). In the reporting period, cash outflows for the repayment of loans amounted to EUR 1.0 million (3M 2015: EUR 1.0 million), while there was a cash inflow of EUR 2.0 million from a new loan.

Cash and cash equivalents (less overdrafts) were minus EUR 7.0 million as of March 31, 2016 (March 31, 2015: minus EUR 5.5 million). As of the reporting date InTiCa Systems AG had assured credit facilities which could be drawn at any time totalling EUR 14.6 million.

Employees

The headcount increased considerably in the reporting period and was 582 as of March 31, 2016. 58 of these employees were agency staff (March 31, 2015: headcount 522, including 41 agency staff). On average, the Group had 556 employees in the reporting period (3M 2015: 516), including agency staff in both cases.

Risks and opportunities

The management report in the annual report for 2015 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 March 31, 2016.

Outlook

Business performance in the first three months was in line with the Board of Directors' expectations so it is retaining its outlook for fiscal 2016.

The Automotive Technology segment remains the most important business driver in 2016. Here, investment undertaken to raise production capacity and optimize production workflows should reduce material costs and eliminate capacity bottlenecks. The stabilization in the Industrial Electronics segment in the first quarter should also continue, although conditions in this sector remain challenging. In all areas of business, product innovations should provide access to new markets. There are opportunities for this in both segments. InTiCa Systems' main competitive advantage is its ability to offer customer-specific solutions in combination with greater vertical integration and systems solution competence. In-house manufacturing is expected to be over 80% again in 2016. The Board of Directors therefore feels that in terms of costs and products InTiCa Systems AG is well-positioned for 2016.

At the end of the first quarter of 2016, orders on hand were steady year-on-year at EUR 36.3 million (March 31, 2015:

EUR 36.8 million). 84% of orders were for the Automotive Technology segment.

At present, the Board of Directors still assumes that, given a stable economic environment, Group sales will rise by around 10% to EUR 47 million in 2016 and the EBIT margin will improve to over 2%.

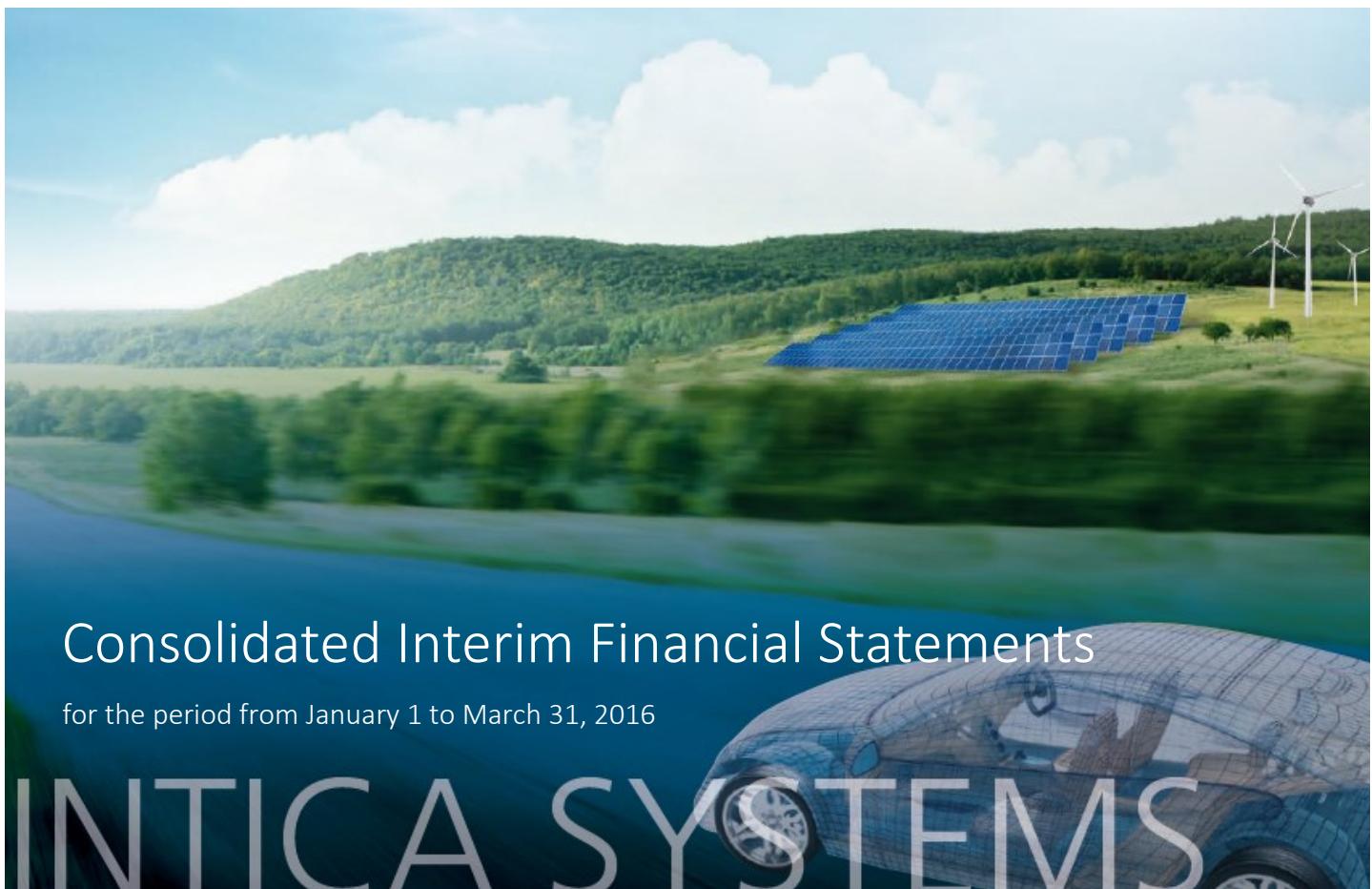
Further information on the segments can be found in the annual report for 2015 in section 6 "Outlook".

Consolidated interim financial statements in accordance with IFRS

The unaudited consolidated interim financial statements for InTiCa Systems AG and its subsidiary as of March 31, 2016, have been drawn up in accordance with the International Financial Reporting Standards (IFRS), as applicable for use in the European Union, and the supplementary commercial law regulations set out in sec. 315a paragraph 1 of the German Commercial Code (HGB). No audit review has been conducted of the consolidated interim financial statements.

Forward-looking Statements and Predictions

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



Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2016

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Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS
as of March 31, 2016

Assets	Mar 31, 2016 EUR '000	Dec 31, 2015 EUR '000
Non-current assets		
Intangible assets	4,353	4,391
Property, plant and equipment	19,086	19,198
Deferred taxes	1,315	1,315
Total non-current assets	24,754	24,904
Current assets		
Inventories	7,276	7,758
Trade receivables	8,547	6,807
Tax assets	1	1
Other financial assets	57	142
Other current receivables	269	542
Cash and cash equivalents	262	167
Total current assets	16,412	15,417
Total assets	41,166	40,321

Equity and liabilities

	Mar 31, 2016 EUR '000	Dec 31, 2015 EUR '000
Equity		
Capital stock	4,287	4,287
Treasury stock	-64	-64
General capital reserve	15,389	15,389
Profit reserve	-1,745	-1,818
Currency translation reserve	-1,363	-1,349
Total equity	16,504	16,445
Non-current liabilities		
Interest-bearing non-current liabilities	9,353	7,915
Deferred taxes	1,456	1,468
Total non-current liabilities	10,809	9,383
Current liabilities		
Other current provisions	1,131	1,155
Interest-bearing current financial liabilities	9,496	10,225
Trade payables	2,483	2,620
Other financial liabilities	327	266
Other current liabilities	416	227
Total current liabilities	13,853	14,493
Total equity and liabilities	41,166	40,321
Equity ratio	40%	41%

Consolidated Statement of Profit and Loss and other Comprehensive Income

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2016

	Jan 1 - Mar 31, 2016 EUR '000	Jan 1 - Mar 31, 2015 EUR '000	Change 2016 vs. 2015
Sales	11,310	10,963	+3.2%
Other operating income	38	176	-78.4%
Changes in finished goods and work in process	-440	475	-
Other own costs capitalized	300	270	+11.1%
Material expense	6,204	6,841	-9.3%
Personnel expense	2,407	2,146	+12.2%
Depreciation and amortization	1,112	1,069	+4.0%
Other expenses	1,308	1,492	-12.3%
Operating profit (EBIT)	177	336	-47.3%
Cost of financing	116	94	+23.4%
Other financial income	0	0	-
Profit before taxes	61	242	-74.8%
Income taxes	-12	80	-
Net profit for the period	73	162	-54.9%
Other comprehensive income			
Exchange differences from translating foreign business operations	-14	60	-
Other comprehensive income, after taxes	-14	60	-
Total comprehensive income for the period	59	222	-73.4%
Earnings per share (diluted/basic in EUR)	0.02	0.04	-54.9%
EBITDA	1,289	1,405	-8.3%

Consolidated Cash Flow Statement

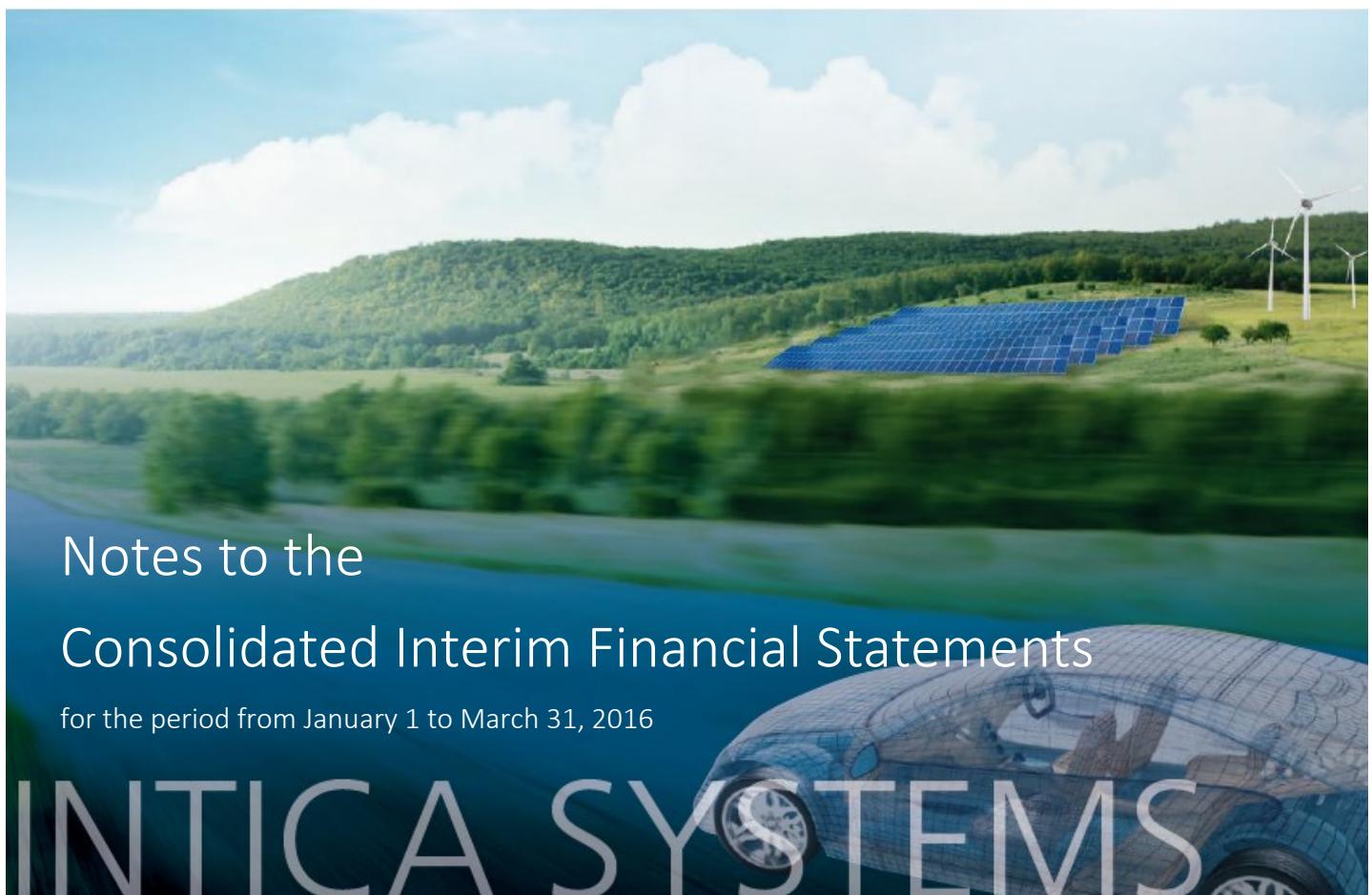
of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2016

	Jan 1 - Mar 31, 2016 EUR '000	Jan 1 - Mar 31, 2015 EUR '000
Cash flow from operating activities		
Net profit for the period	73	162
Income tax expenditures / receipts	-12	80
Cash outflow for borrowing costs	116	93
Income from financial investments	0	0
Depreciation and amortization of non-current assets	1,112	1,069
<i>Other non-cash transactions</i>		
Net currency gains/losses	1	-8
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	482	-362
Trade receivables	-1,740	-1,642
Other assets	358	-216
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	-24	-105
Trade payables	-137	1,006
Other liabilities	251	92
Cash flow from operating activities	480	169
Cash outflow for income taxes	0	1
Cash outflow for interest payments	-117	-118
Net cash flow from operating activities	363	52
Cash flow from investing activities		
Cash inflow from interest payments	0	0
Cash outflow for intangible assets	-318	-303
Cash outflow for property, plant and equipment	-663	-3,003
Net cash flow from investing activities	-981	-3,306
Cash flow from financing activities		
Cash inflow from loans	2,000	0
Cash outflow for loan repayment installments	-999	-975
Cash outflow for liabilities under finance leases	0	-23
Net cash flow from financing activities	1,001	-998
Total cash flow	383	-4,252
Cash and cash equivalents at start of period	-7,388	-1,232
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies	3	-12
Cash and cash equivalents at end of period	-7,002	-5,496

Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to March 31, 2016

	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, 2015	4,287	-64	15,389	-1,896	-1,718	15,998
Net result for Q1 2015	0	0	0	162	0	162
Other comprehensive income, after taxes Q1 2015	0	0	0	0	60	60
Total comprehensive income for Q1 2015	0	0	0	162	60	222
As of March 31, 2015	4,287	-64	15,389	-1,734	-1,658	16,220
As of January 1, 2016	4,287	-64	15,389	-1,818	-1,349	16,445
Net result Q1 2016	0	0	0	73	0	73
Other comprehensive income, after taxes Q1 2016	0	0	0	0	-14	-14
Total comprehensive income for Q1 2016	0	0	0	73	-14	59
As of March 31, 2016	4,287	-64	15,389	-1,745	-1,363	16,504



Notes to the Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2016

INTICA SYSTEMS

Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of March 31, 2016, 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 2015, which were drawn up in accordance with the International Financial Reporting Standards valid as of the reporting date, as applicable for use in the European Union, and the relevant Interpretations. The consolidated interim financial statements have been prepared for the three-month period ending on March 31, 2016. Comparative data refer to the consolidated financial statements as of December 31, 2015, or the consolidated interim financial statements as of March 31, 2015. 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 2015. This is available at Investor Relations/Publications on the company's website at <http://www.intica-systems.de/en>.

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

Scope of consolidation

There has been no change in the scope of consolidation of InTiCa Systems AG compared with fiscal 2015. Alongside the parent company in Passau, Germany, only InTiCa Systems s.r.o. of Prachatic, 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 March 31, 2016

Segment sales and segment earnings

Segment	Automotive Technology		Industrial Electronics		Total	
	In EUR '000	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016
Sales		9,225	9,140	2,085	1,823	11,310
EBIT		267	599	-90	-263	177
						336

Key financial figures	Q1 2016 EUR '000 or %	Q1 2015 EUR '000 or %	Change 2016 vs. 2015
EBITDA	1,289	1,405	-8.3%
Net margin	0.7%	1.5%	
Pre-tax margin	0.5%	2.2%	
Material cost ratio (in terms of total output)	55.5%	58.4%	
Personnel cost ratio	21.3%	19.6%	
EBIT margin	1.6%	3.1%	
Gross profit margin	43.9%	44.4%	

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

	Closing rates		
	Mar 31, 2016	Dec 31, 2015	Mar 31, 2015
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.055	CZK 27.025	CZK 27.530
USA	USD 1.138	USD 1.089	USD 1.074

	Average rates		
	Mar 31, 2016	Dec 31, 2015	Mar 31, 2015
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.039	CZK 27.283	CZK 27.624
USA	USD 1.102	USD 1.110	USD 1.126

Segment information

With the agreement of the Supervisory Board, the Board of Directors resolved to combine the Industrial Electronics and Communication Technology segments from the start of 2015. This decision was based on sustained market, customer and corporate trends. It also correlates with the principles of simplifying and focusing the company. The established products of the Communication Technology segment remain available from the Industrial Electronics segment.

The notes to the consolidated financial statements in the annual report for 2015 contain a detailed overview of the assets allocated to each segment. Taking into account the combination of the Industrial Electronics and Communication

Technology segments explained above, there has not been any material change in the assets allocated to the segments since December 31, 2015.

Consolidated income statement

Group sales revenues rose to EUR 11,310 thousand in Q1 2016, up from EUR 10,963 thousand in Q1 2015. Both segments reported sales growth. EBITDA declined slightly from EUR 1,405 thousand to EUR 1,289 thousand. Comprehensive income was EUR 59 thousand in the reporting period, compared with EUR 222 thousand in the prior-year period.

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 40% as of March 31, 2016 (December 31, 2015: 41%) shows that the company is still soundly financed.

The net cash flow for operating activities was EUR 363 thousand in the first three months of 2016 (3M 2015: EUR 52 thousand). The total cash flow in the reporting period was EUR 383 thousand (3M 2015: outflow of EUR 4,252 thousand). Cash and cash equivalents therefore improved from minus EUR 7,388 thousand as of December 31, 2015,

to minus EUR 7,002 thousand as of March 31, 2016. Further, current liabilities to banks decreased to EUR 9,496 thousand in the reporting period (December 31, 2015: EUR 10,225 thousand), while non-current liabilities to banks increased from EUR 7,915 thousand to EUR 9,353 thousand. At the same time, trade receivables increased from EUR 6,807 thousand to EUR 8,547 thousand, while trade payables dropped to EUR 2,483 thousand (December 31, 2015: EUR 2,620 thousand). Inventories declined from EUR 7,758 thousand to EUR 7,276 thousand.

Events after the reporting date

Material events after the reporting date (March 31, 2016) 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/en, Investor Relations/Corporate Governance.

Related party transactions

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

Other information

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

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

Under the provisions of German securities trading legislation, every investor whose proportion of the voting rights in the company reaches, exceeds or falls below certain thresholds as a result of the purchase or sale of shares or in any other way must notify the company and the Federal Financial

Supervisory Authority (BaFin) thereof. The lowest threshold for such disclosures is 3%. Mr. Thorsten Wagner (Germany) and Mr. Dr. Dr. Axel Diekmann (Germany) have direct and indirect interests in the company's capital exceeding 10% of the voting rights.

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

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

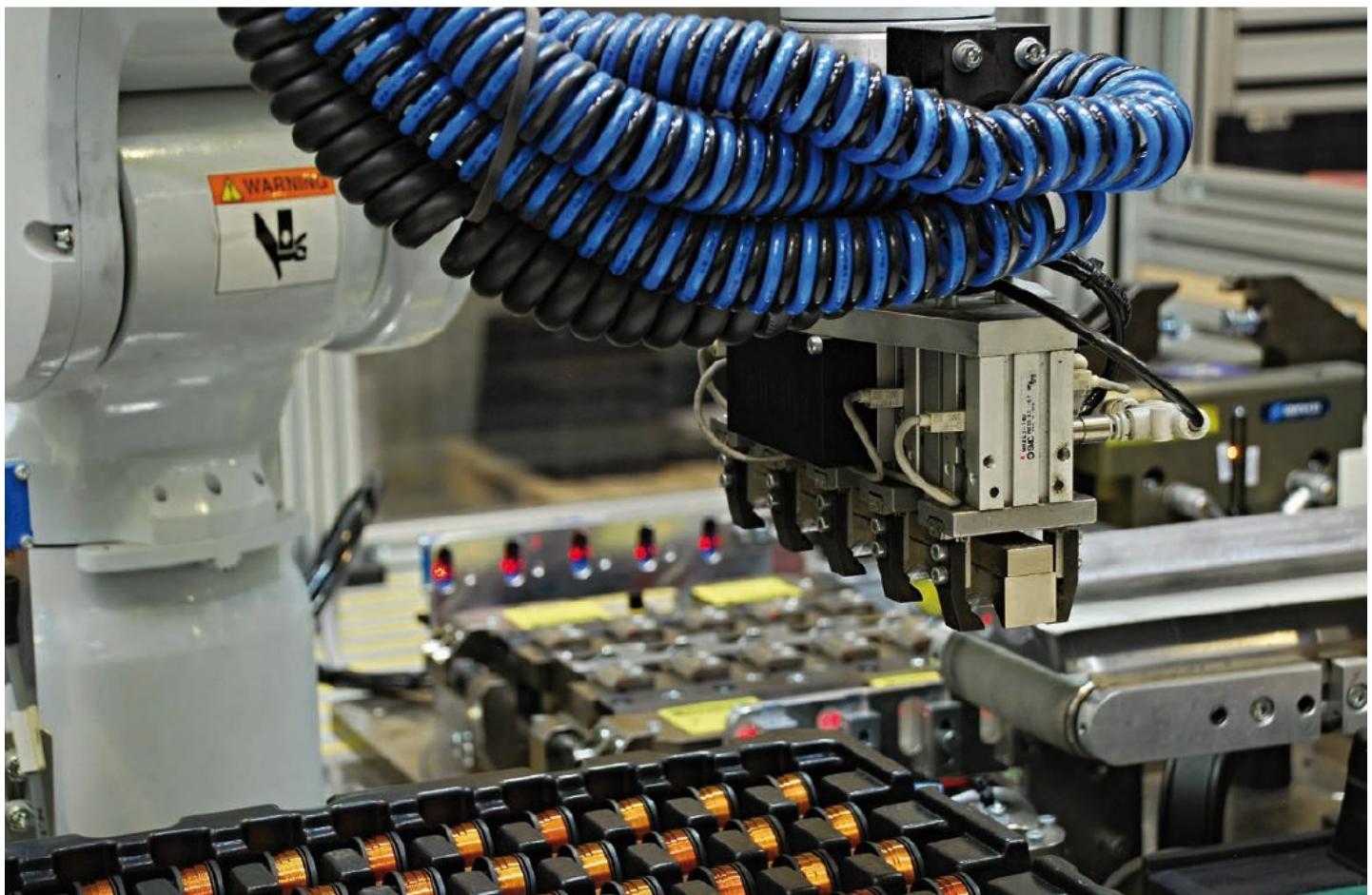
The appointment and dismissal of members of the Board of Directors is governed by sec. 84 and sec. 85 of the German Companies Act (AktG) and sec. 5 of the articles of incorporation. Pursuant to the statutory provisions (sec. 179 paragraph 1 AktG) any amendment to the articles of incorporation requires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

In addition, under sec. 3 paragraph 3 of the articles of incorporation, the Supervisory Board may alter the articles of incorporation in the event of a capital increase out of the authorized capital 2012/I to bring them into line with the extent of the capital increase and may make any other amendments associated with this provided that these are merely editorial.

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 March 31, 2016, InTiCa Systems still had treasury stock amounting to 64,430 shares (December 31, 2015: 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. The company has not yet used this authorization.

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% of the borrower's voting rights and the parties cannot reach agreement on new terms.

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



Responsibility Statement

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

INTICA SYSTEMS

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

Passau, May 23, 2016

The Board of Directors

Dr. Gregor Wasle
Spokesman of the
Board of Directors

Günther Kneidinger
Member of the
Board of Directors



Financial Calendar 2016

May 24, 2016	Publication of Interim Financial Statements for Q1 2016
July 15, 2016	Annual General Meeting in Passau
August 24, 2016	Publication of Interim Financial Statements for H1 2016
November 23, 2016	Publication of Interim Financial Statements for Q3 2016
December 7, 2016	Presentation at the Munich Capital Market Conference 2016

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