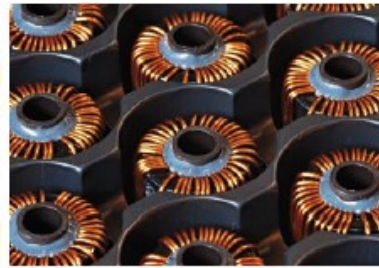
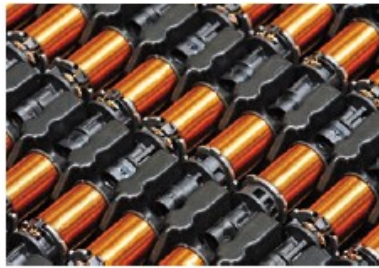


Technologies for growth markets!



2016

Interim Report H1

Automotive Technology
Industrial Electronics



InTiCa
Systems

H1 2016 in figures

The Group

	Q2 2015 EUR '000	Q2 2016 EUR '000	H1 2015 EUR '000	H1 2016 EUR '000	Change vs. H1 2015
Sales	11,644	11,624	22,607	22,934	+1.4%
Net margin (net result for the period)	2.01%	3.19%	1.75%	1.94%	-
EBITDA	1,457	1,597	2,862	2,886	+0.8%
EBIT	329	497	665	674	+1.4%
EBT	215	389	457	450	-1.5%
Net result for the period	234	371	396	444	+12.1%
Earnings per share (diluted/basic in EUR)	0.05	0.09	0.09	0.10	+12.1%
Total cash flow	-1,160	300	-5,412	683	-
Net cash flow for operating activities	1,156	1,944	1,208	2,307	+91.0%
Capital expenditure	2,102	1,221	5,408	2,202	-59.3%

	Jun 30, 2015 EUR '000	Dec 31, 2015 EUR '000	Jun 30, 2016 EUR '000	Change vs. Dec 31, 2015
Total assets	40,200	40,321	41,216	+2.2%
Equity	16,545	16,445	16,845	+2.4%
Equity ratio	41%	41%	41%	-
Number of employees (on the reporting date)	527	525	588	+12.0%

The Stock

	H1 2015	2015	H1 2016
Closing price (in EUR)	4.95	4.25	4.40
Period high (in EUR)	5.11	5.50	5.10
Period low (in EUR)	3.87	3.87	4.25
Market capitalisation at end of period (in EUR million)	21.22	18.22	18.86
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,

Our performance in the first half of 2016 was in line with our expectations, with sales rising moderately to EUR 22.9 million and an EBIT margin of around 2.9%. From the present viewpoint, we are therefore confident that we will achieve our forecast for the full year. Our earnings figures underscore the positive overall development.

Sales were once again up slightly year-on-year in the Automotive Technology segment and the Industrial Electronics segment continued the first quarter's positive trend with sales growth of 6%. The operating cash flow almost doubled to EUR 2.3 million and the total cash flow at the end of the first six months was positive at EUR 0.7 million. This was attributable to optimization of the financing structure of InTiCa Systems AG, the shift in liabilities to banks from current to non-current, and the fact that the largest investments have now successfully been undertaken. Nevertheless, for 2016 as a whole, total funding of EUR 4.5 million is available to expand production capacity further, acquire modern production plants for our site in the Czech Republic, build the new production site in Mexico and develop and equip the technology and training centre.

In 2016 we are focusing our efforts primarily on the strategic alignment of the multi-year transformation process we embarked on in 2015, which is necessary to ensure

continued sustainable and profitable growth in the future. The most important tasks are still strengthening innovation and developing new products, internationalization of production and distribution, and the ongoing optimization of value flows in production and logistics, accompanied by cost optimization throughout the Group.

In the first half of 2016 we realized a number of milestones on the way to achieving these goals. We opened a technology centre in Passau to develop manufacturing technologies, test production plants and tools and support product start-ups. Another goal is to start operating the new plants that form the basis for internationalization of the company. In the first half of 2016, a complete serial production line for our new site in Mexico was erected in the technology centre and validated by the customer. This included an initial sample serial production run.

Internationalization is the basis of our growth strategy. The aim is to give InTiCa Systems a "global footprint" outside Europe. As the first step, we want to supply customers in our established business locally, in line with the "follow the customer" principle. That is why we selected Mexico for our new site. Mexico is the world's fourth largest automobile exporter and one of the most important production locations for the international automotive industry. However, at



present about 70% of components are imported. There is therefore correspondingly high demand for local suppliers. Thanks to the North American Free Trade Agreement (NAFTA) and similar agreements with more than 40 countries, Mexico also offers good access to many attractive markets. Favourable wages and good to very good training standards are further advantages of a location in this country, which has over 120 million inhabitants.

According to recent studies, the presence of German automotive suppliers in Mexico is set to rise further in the coming years as most OEMs already produce in Mexico and are increasing their capacity there. All major customers of InTiCa Systems and potential new customers already have production plants in Mexico and supply directly to the OEMs. The establishment of our new subsidiary Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V. is therefore a logical step. Our site is in an industrial park in Silao in the state of Guanajuato in the Bajío region, where other well-known international automotive suppliers are located. All our main customers are located within a radius of about 200 km and the 5,000 sqm production space rented at this location offers sufficient potential to meet the requirements of both our customers and our strategy. We aim to start small-scale serial production for our customers at individual plants at this site in the autumn. In the first half of 2017, we plan to start operation of our first full-scale production line for two customers.

As you can see, we still have plenty of work ahead of us this year. However, thanks to the hard work of our employees and constructive collaboration with our customers, business partners and shareholders, we are confident that we can successfully master the challenges.

Passau, August 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

Fürstentzell

*- 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





InTiCa Systems' share price performance¹⁾

Shares in InTiCa systems started the year at EUR 4.25. This was also the low for the first half year. 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 back briefly to EUR 4.50 but rallied to EUR 5.10 again by the end of February. In the following months, shares in InTiCa Systems traded in a range of EUR 4.50 and EUR 5.00. They survived the market volatility resulting from the UK's decision to leave the EU without any serious price corrections. At the close of Xetra trading on June 30, 2016, the share price was EUR 4.40. This was followed by another slight rally. The closing price on August 19, 2016 was EUR 4.48. That was an increase of 5.4% since the start of the year, bringing InTiCa Systems' market capitalization to EUR 19.2 million.

In the first half 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]. The presentation and address given at this year's Annual General Meeting in Passau on July 15, 2016 are also available on the homepage [in German only]. At the meeting, shareholders were 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

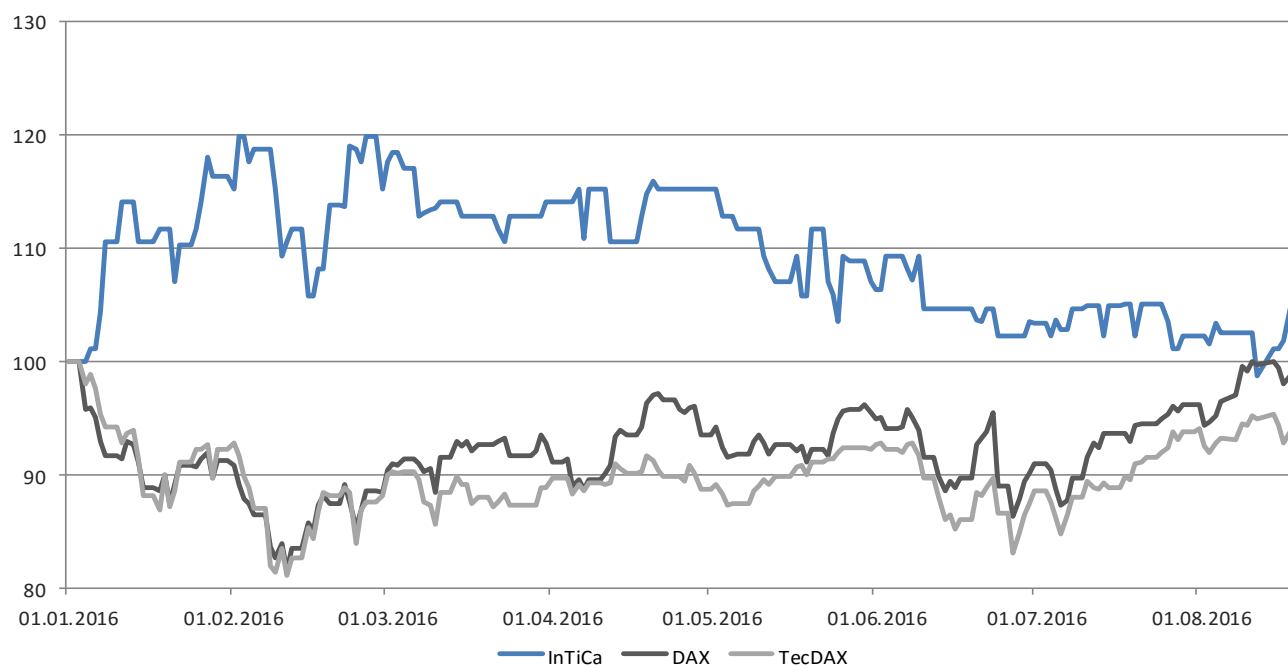
Thorsten Wagner	over 25%
Dr. Dr. Axel Diekmann	over 25%
Tom Hiss	over 5%
Dr. Paul und Maria Grohs	over 3%
InTiCa Systems AG	1.5%
Management	less than 1%

As of August 15, 2016



Share price performance

in %





Interim Management Report of the Group

for the period from January 1 to June 30, 2016

Economic report

General economic conditions

According to the German Institute for Economic Research (DIW Berlin), in the first half of 2016 the German economy continued its upward trend, supported by the sound domestic cycle. The institute is forecasting growth of 1.7% for 2016 as a whole. However, one risk factor for the ongoing development of the German economy is the British population's vote against remaining in the European Union. The medium to long-term effect on economic relations is difficult to assess at present. Looking at the global economy, the DIW sees robust demand, especially in Europe. However, the development of important emerging markets is sluggish: overcapacity needs to be reduced in China and this is holding back growth, while Brazil and Russia are still in recession. On balance, the DIW is predicting global economic growth of 3.2% this year, with the euro zone growing by 1.6%.

According to the German Automotive Industry Association (VDA), international demand for cars continued to develop positively in the first six months of this year, supported by the three major automotive markets. The Western European market posted considerable growth of 9%, while the US market grew by more than 1% and China reported 12% growth. The German market performed better than the VDA's experts had predicted. At the start of May they therefore raised their forecast for the year to 3.3 million new

registrations (+3%). The VDA reports that new car registrations increased by 7% to a good 1.73 million in the first half of the year. That provides a good basis for success in the second half of the year.

The economic trend in the electrical and electronics sector has improved substantially according to the German Electrical and Electronic Manufacturers' Association (ZVEI), with growth in the second quarter more than compensating for the comparatively weak first quarter. Between January and May 2016, the sector posted total revenue of EUR 71.1 billion, a rise of 2.6% compared with the same period of 2015. Domestic sales increased by 4.5% to EUR 34.7 billion while foreign sales rose 0.9% to EUR 36.4 billion. Sales were up 2.7% at EUR 13.5 billion in the euro zone, while sales to other countries were unchanged at EUR 22.9 billion. Sentiment in the sector was comparatively good before the Brexit referendum.

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

InTiCa Systems AG posted moderate sales growth of 1.4% to EUR 22.9 million in the first six months of 2016 and the EBIT margin was 2.9%. Earnings in the first half of the year were therefore in line with the Board of Directors' expectations. While the pleasing trend continued in the Industrial Electronics segment, with revenue increasing by around 6%, the Automotive Technology segment reported a further slight improvement on the high prior-year level. EBITDA was EUR 2.9 million, around the same level as in the previous year. The material cost ratio was reduced considerably but the personnel expense ratio rose as a result of an increase in headcount. Despite expenses to drive forward internationalization and optimization of production on the basis of lean principles, EBIT was EUR 0.7 million and the EBIT margin was 2.9%, in line with the year-back levels. Overall, net income was clearly positive at EUR 0.4 million in the first six months of 2016 (H1 2015: EUR 0.4 million).

The operating cash flow improved significantly to EUR 2.3 million in the first half of 2016 (H1 2015: EUR 1.2 million). Since capital expenditures were lower than in the prior-year period and the company took out a long-term loan, the total cash flow in the reporting period was positive at EUR 0.7 million (H1 2015: outflow of EUR 5.4 million). The equity ratio remained constant at 41% in the reporting period (December 31, 2015: 41%).

Earnings position

In the first six months of 2016, Group sales rose 1.4% to EUR 22.9 million (H1 2015: EUR 22.6 million). While sales in the Automotive Technology segment increased slightly from EUR 18.6 million to EUR 18.7 million, the Industrial Electronics segment posted an increase of 6.0% year-on-year to EUR 4.2 million (H1 2015: EUR 4.0 million).

The cost of materials relative to total output was considerably lower than in the prior-year period at 54.6% (H1 2015: 58.8%). By contrast, the personnel expense ratio rose considerably from 19.4% to 21.8% as a result of an increase in the headcount. Other expenses were unchanged from the prior-year period at EUR 2.9 million. The other operating expenses include expenses of EUR 0.3 million (H1 2015: EUR 0.2 million) for agency staff at the Prachatice site.

Depreciation and amortization of property, plant and equipment and intangible assets was EUR 2.2 million, as in the prior-year period. Spending on research and development amounted to EUR 1.3 million in the first half of 2016 (H1 2015: EUR 1.1 million). Development work focused principally on the Automotive Technology segment.

EBITDA (earnings before interest, taxes, depreciation and amortization) was constant compared with the previous year at EUR 2.9 million (H1 2015: EUR 2.9 million). The EBITDA margin slipped slightly from 12.7% to 12.6%. EBIT (earnings before interest and taxes) was EUR 0.7 million, also on a par with the previous year (H1 2015: EUR 0.7 million). The EBIT margin was also unchanged at 2.9% in the reporting period (H1 2015: 2.9%). In the first six months of 2016, EBIT was EUR 0.7 million in the Automotive Technology segment (H1 2015: EUR 1.2 million) and minus EUR 42 thousand in the Industrial Electronics segment (H1 2015: minus EUR 520 thousand).

The financial result was minus EUR 0.2 million in the reporting period (H1 2015: minus EUR 0.2 million) and tax expense was EUR 6 thousand (H1 2015: EUR 61 thousand). The net profit amounted to EUR 0.4 million in the reporting period (H1 2015: EUR 0.4 million). Earnings per share were EUR 0.10 (H1 2015: EUR 0.09).

As a result of currency translation losses of EUR 44 thousand (H1 2015: gains of EUR 151 thousand) from the translation of foreign business operations, comprehensive income was EUR 0.4 million in the first six months of 2016 (H1 2015: EUR 0.5 million).

Non-current assets

As of June 30, 2016 non-current assets totalled EUR 24.8 million (December 31, 2015: EUR 24.9 million). Since depreciation was offset by capital expenditures in the first half of the year, property, plant and equipment remained constant at EUR 19.2 million (December 31, 2015: EUR 19.2 million). Intangible assets declined slightly to EUR 4.3 million (December 31, 2015: EUR 4.4 million), while deferred taxes were unchanged at EUR 1.3 million (December 31, 2015: EUR 1.3 million).

Current assets

Current assets increased to EUR 16.4 million in the first half of 2016 (December 31, 2015: EUR 15.4 million). In particular, trade receivables increased from EUR 6.8 million to EUR 8.6 million in the reporting period, while inventories declined from EUR 7.8 million to EUR 7.2 million. Cash and cash equivalents totalled EUR 0.3 million on June 30, 2016 (December 31, 2015: EUR 0.2 million).

Liabilities

Current liabilities decreased to EUR 13.9 million in the reporting period (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 9.2 million. Trade payables also declined slightly in the reporting period, from EUR 2.6 million to EUR 2.5 million, while other current provisions rose from EUR 1.2 million to EUR 1.5 million.

Non-current liabilities increased from EUR 9.4 million to EUR 10.4 million in the first six months of 2016. This was attributable to the increase in non-current liabilities to banks, which rose from EUR 7.9 million to EUR 9.0 million. Deferred taxes remained approximately at the level from December 31, 2015 at EUR 1.4 million.

Equity

Equity totalled EUR 16.8 million on June 30, 2016 (December 31, 2015: EUR 16.4 million). The slight increase in the first six months was due to the net profit for the period, which resulted in a decline in the negative items in the profit reserve. 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 half of 2016 (December 31, 2015: EUR 40.3 million). The equity ratio remained constant at 41%.

Liquidity and cash flow statement

The net cash flow from operating activities improved considerably year-on-year to EUR 2.3 million in the first half of 2016 (H1 2015: EUR 1.2 million). The improvement was mainly due to the fact that inventories were reduced year-on-year and there was a lower rise in trade receivables. Excluding interest payments, the cash flow for operating activities was EUR 2.5 million (H1 2015: EUR 1.4 million).

There was a net cash outflow for investing activities of EUR 2.2 million in the reporting period (H1 2015: outflow of EUR 5.4 million). Investment in intangible assets amounted to EUR 0.6 million (H1 2015: EUR 0.6 million) while capital expenditure on property, plant and equipment was EUR 1.6 million (H1 2015: EUR 4.8 million). In 2016, around EUR 4.5 million will be invested in further expansion of production capacity, acquiring modern production plants for the site in the Czech Republic, building a new production site in Mexico and developing and equipping the technology and training centre.

The net cash inflow for financing activities was EUR 0.6 million in the reporting period (H1 2015: outflow of EUR 1.2 million). In the reporting period, cash outflows for the repayment of loans amounted to EUR 1.4 million (H1 2015: EUR 1.1 million), while there was a cash inflow of EUR 2.0 million from a new loan.

The total cash flow was once again clearly positive at EUR 0.7 million in the first half of 2016 (H1 2015: outflow of EUR 5.4 million). Cash and cash equivalents (less overdrafts) were minus EUR 6.7 million as of June 30, 2016 (June 30, 2015: minus EUR 6.7 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 588 as of June 30, 2016, including 39

agency staff (June 30, 2015: 527 employees, including 36 agency staff). On average, the Group had 574 employees in the reporting period (H1 2015: 522 employees, 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 June 30, 2016.

Outlook

Business performance in the first six 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. In the Industrial Electronics segment, the Board of Directors expects sales to stabilize substantially in the second half of the year, although conditions in the 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 products InTiCa Systems AG is well-positioned for 2016.

At the end of the first six months of 2016, orders on hand were steady year-on-year at around EUR 37 million. 85% of orders are assigned to 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".



Moulding technology

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, 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 interim 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, 2016

INTICA SYSTEMS

Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS
as of June 30, 2016

Assets	Jun 30, 2016 EUR '000	Dec 31, 2015 EUR '000
Non-current assets		
Intangible assets	4,310	4,391
Property, plant and equipment	19,208	19,198
Deferred taxes	1,285	1,315
Total non-current assets	24,803	24,904
Current assets		
Inventories	7,235	7,758
Trade receivables	8,554	6,807
Tax assets	0	1
Other financial assets	41	142
Other current receivables	283	542
Cash and cash equivalents	300	167
Total current assets	16,413	15,417
Total assets	41,216	40,321

Equity and liabilities

	Jun 30, 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	-1,374	-1,818
Currency translation reserve	-1,393	-1,349
Total equity	16,845	16,445
Non-current liabilities		
Interest-bearing non-current liabilities	8,998	7,915
Deferred taxes	1,444	1,468
Total non-current liabilities	10,442	9,383
Current liabilities		
Other current provisions	1,450	1,155
Interest-bearing current financial liabilities	9,155	10,225
Trade payables	2,546	2,620
Other financial liabilities	335	266
Other current liabilities	443	227
Total current liabilities	13,929	14,493
Total equity and liabilities	41,216	40,321
Equity ratio	41%	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 June 30, 2016

	Q2 2016 TEUR	Q2 2015 TEUR	H1 2016 TEUR	H1 2015 TEUR	Change 2016 vs. 2015
Sales	11,624	11,644	22,934	22,607	+1.4%
Other operating income	122	138	160	314	-49.0%
Changes in finished goods and work in process	297	255	-143	730	-
Other own costs capitalized	300	270	600	540	+11.1%
Material expense	6,575	7,194	12,779	14,035	-8.9%
Personnel expense	2,601	2,232	5,008	4,378	+14.4%
Depreciation and amortization	1,100	1,128	2,212	2,197	+0.7%
Other expenses	1,570	1,424	2,878	2,916	-1.3%
Operating profit (EBIT)	497	329	674	665	+1.4%
Cost of financing	108	114	224	208	+7.7%
Other financial income	0	0	0	0	-
Profit before taxes	389	215	450	457	-1.5%
Income taxes	18	-19	6	61	-90.2%
Net profit for the period	371	234	444	396	+12.1%
Other comprehensive income					
Exchange differences from translating foreign business operations	-30	91	-44	151	-
Other comprehensive income, after taxes	-30	91	-44	151	-
Total comprehensive income for the period	341	325	400	547	-26.9%
Earnings per share (diluted/basic in EUR)	0.09	0.05	0.10	0.09	+12.1%
EBITDA	1,597	1,457	2,886	2,862	+0.8%

Consolidated Cash Flow Statement

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to June 30, 2016

	Jan 1 - Jun 30, 2016 EUR '000	Jan 1 - Jun 30, 2015 EUR '000
Cash flow from operating activities		
<i>Net profit for the period</i>	444	396
Income tax expenditures / receipts	6	62
Cash outflow for borrowing costs	225	208
Income from financial investments	0	0
Depreciation and amortization of non-current assets	2,212	2,196
<i>Other non-cash transactions</i>		
Net currency gains/losses	3	-7
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	523	-764
Trade receivables	-1,747	-2,111
Other assets	360	-76
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	294	50
Trade payables	-74	1,297
Other liabilities	282	110
Cash flow from operating activities	2,528	1,361
Cash outflow for income taxes	1	1
Cash outflow for interest payments	-222	-154
Net cash flow from operating activities		
Cash flow from investing activities	2,307	1,208
Cash inflow from interest payments	0	0
Cash outflow for intangible assets	-639	-588
Cash outflow for property, plant and equipment	-1,563	-4,820
Net cash flow from investing activities		
Cash flow from financing activities	-2,202	-5,408
Cash inflow from loans	2,000	0
Cash outflow for loan repayment installments	-1,422	-1,118
Cash outflow for liabilities under finance leases	0	-94
Net cash flow from financing activities	578	-1,212
Total cash flow	683	-5,412
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	14	-33
Cash and cash equivalents at end of period	-6,691	-6,677

Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS
for the period from January 1 to June 30, 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 H1 2015	0	0	0	396	0	396
Other comprehensive income, after taxes H1 2015	0	0	0	0	151	151
Total comprehensive income for H1 2015	0	0	0	396	151	547
As of June 30, 2015	4,287	-64	15,389	-1,500	-1,567	16,545
As of January 1, 2016	4,287	-64	15,389	-1,818	-1,349	16,445
Net result H1 2016	0	0	0	444	0	444
Other comprehensive income, after taxes H1 2016	0	0	0	0	-44	-44
Total comprehensive income for H1 2016	0	0	0	444	-44	400
As of June 30, 2016	4,287	-64	15,389	-1,374	-1,393	16,845



Notes to the Consolidated Interim Financial Statements

for the period from January 1 to June 30, 2016

INTICA SYSTEMS

Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of June 30, 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 cover the six months to June 30, 2016. Comparative data refer to the consolidated financial statements as of December 31, 2015 or the consolidated interim financial statements as of June 30, 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.com>.

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

The scope of consolidation of InTiCa Systems AG has altered compared with fiscal 2015 as a result of the establishment of the subsidiary in Mexico. Alongside the parent company in Passau, Germany, the consolidated interim financial statements include InTiCa Systems s.r.o. in Prachatice, Czech Republic, and Systemas Mecatrónicos InTiCa S.A.P.I. de C.V. in Silao, Mexico. The parent company has a stake of 100% in these two foreign subsidiaries. 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, 2016

Segment sales and segment earnings

Segment	Automotive Technology		Industrial Electronics		Total	
	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
In EUR '000						
Sales	18,696	18,609	4,238	3,998	22,934	22,607
EBIT	716	1,185	-42	-520	674	665

Key financial figures

	H1 2016 EUR '000 or %	H1 2015 EUR '000 or %	Change 2016 vs. 2015
EBITDA	2,886	2,862	+0.8%
Net margin	1.9%	1.8%	
Pre-tax margin	2.0%	2.0%	
Material cost ratio (in terms of total output)	54.7%	58.8%	
Personnel cost ratio	21.8%	19.4%	
EBIT margin	2.9%	2.9%	
Gross profit margin	43.7%	41.2%	

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

	Closing rates		
	Jun 30, 2016	Dec 31, 2015	Jun 30, 2015
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.130	CZK 27.025	CZK 27.245
USA	USD 1.114	USD 1.089	USD 1.118
Mexico	MXN 20.671	MXN 18.923	MXN 17.537

	Average rates		
	Jun 30, 2016	Dec 31, 2015	Jun 30, 2015
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 27.039	CZK 27.283	CZK 27.503
USA	USD 1.116	USD 1.110	USD 1.116
Mexico	MXN 20.177	MXN 17.619	MXN 16.890

Segment information

With the agreement of the Supervisory Board, the Board of Directors combined the Industrial Electronics and Communication Technology segments at 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 products of the former Communication Technology segment will be continued as part of 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 22,934 thousand in H1 2016, up from EUR 22,607 thousand in H1 2015. Both segments reported sales growth. EBITDA improved slightly from EUR 2,862 thousand to EUR 2,886 thousand. The net profit for the period increased from EUR 396 thousand in the prior-year period to EUR 444 thousand.

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 41% as of June 30, 2016 (December 31, 2015: 41%) shows that the company is still soundly financed.

The net cash flow from operating activities was EUR 2,307 thousand in the first half of 2016 (H1 2015: EUR 1,208 thousand). The total cash flow in the reporting period was EUR 683 thousand (H1 2015: outflow of EUR 5,412 thousand). Cash and cash equivalents therefore improved from minus EUR 7,388 thousand as of December 31, 2015 to minus EUR 6,691 thousand as of June 30, 2016. Further, current liabilities to banks decreased to EUR 9,155 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 8,998 thousand. At the same time, trade receivables increased from EUR 6,807 thousand to EUR 8,554 thousand, while trade payables dropped to EUR 2,546 thousand (December 31, 2015: EUR 2,620 thousand). Inventories declined from EUR 7,758 thousand to EUR 7,235 thousand.

Events after the reporting date

Material events after the reporting date (June 30, 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.com, 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.

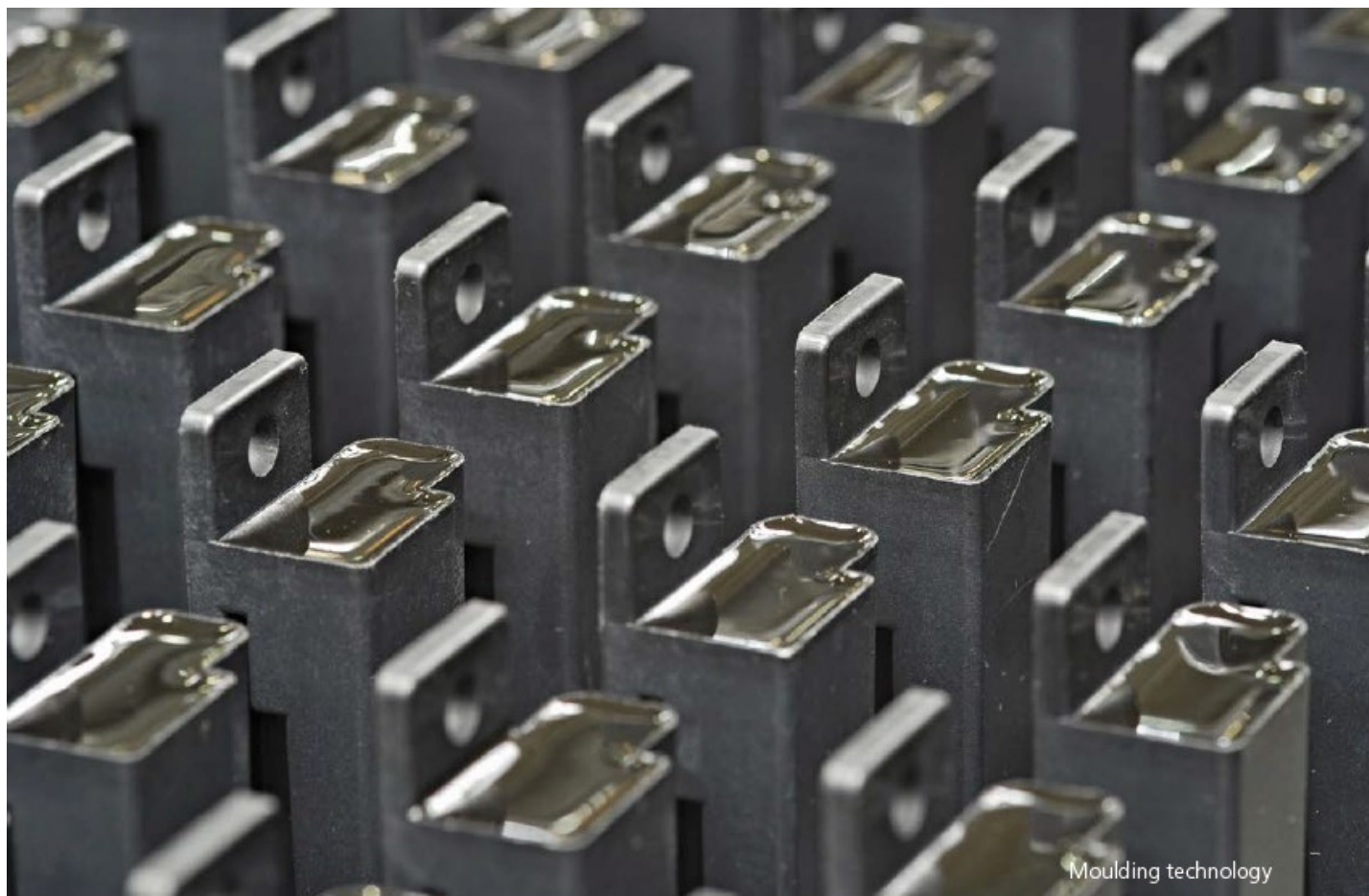
The appointment and dismissal of members of the Board of Directors is governed by sec. 84 and sec. 85 of the German Companies Act (AktG) and sec. 5 of the articles of incorporation. Pursuant to the statutory provisions (sec. 179 paragraph 1 AktG) any amendment to the articles of incorporation requires 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 June 30, 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 loans of EUR 6.5 million, which give the lender a right of termination in the event of a change in the borrower's shareholder or ownership structure such that the shareholders or owners relinquish control over the borrower during the term of the 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)

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, August 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

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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