



Second quarter 2008 results

EMBARGO until 13 August 2008, 18.00

Genk, 13 August 2008

**Net profit of EUR 0.5 million (EUR 2.8 million in 2007)
Sales of EUR 57.6 million (EUR 66.2 million in Q2 2007).**

Obligations with regard to periodical information in accordance with the transparency guidelines in force since 1 January 2008

Declaration with respect to the information given in this report covering the 6 months ending on 30 June 2008

The undersigned declare that:

- the quarterly financial statements, which are drawn up in accordance with the applicable standards for annual financial statement, give a true and fair view of the net assets, the financial situation and the results of the issuer and of the companies included in the consolidation;*
- the report covering the six months ending on 30 June 2008 give a true and fair overview of the development of the company's earnings and of the financial position of the issuer and of the companies included in the consolidation, and describe the main risks and uncertainties with which they are confronted.*

*Luc Switten CEO
Hugo Ciroux, CFO*

Management discussion and analysis of the results

IPTE NV, (Euronext Brussels: IPT) announces sales for the second quarter of 2008 of EUR 57.6 million (Q2 2007: EUR 66.2 million). The operating profit for Q2 2008 was EUR 1.0 million compared with EUR 3.4 million in Q2 2007. Net profit for the period was EUR 0.5 million compared with EUR 2.8 million the year before.

Sales of EUR 123.2 million in the first half of 2008 are down 4 per cent on H1 2007 (EUR 128.6 million). The operating profit for the first six months is EUR 3,568,000 compared with EUR 5,549,000 for the same period in 2007, and the net profit EUR 2,058,000 compared with EUR 4,074,000 for the first 6 months of 2007.

At the end of Q2 2008, the order book stood at EUR 93.2 million, compared with EUR 87 million at the end of Q1 2008.

Q2 sales of the Automation division rose from EUR 14.5 million in 2007 to EUR 15.7 million (including Platzgummer sales of EUR 2.5 million). The order book rose from EUR 25.4 million at the end of Q1 2008 to EUR 30.5 million at the end of Q2 2008.



Sales of the Contract Manufacturing division fell from EUR 51.8 million in Q2 2007 to EUR 42.3 million in Q2 2008. The division's order book rose to EUR 62.6 million from EUR 61.5 million at the end of Q1 2008.

Main events during the first half:

In March 2008 the acquisition of Platzgummer GmbH was successfully completed. Platzgummer specializes in developing and producing customer-specific automation solutions. The company is based at Karlsfeld, near Munich (Germany). Customers are German and international suppliers to the automobile, metal and packaging industries. Platzgummer is being taken over in 2 stages. 80 percent of the shares have been acquired with immediate effect. The remaining 20 per cent will be purchased in January 2011.

The price for 100 percent of the shares is EUR 4.5 million. An additional payment will be made if the next three years' results exceed minimum objectives. This additional payment will be determined as a function of future results during this 3-year period.

The 20 per cent of shares not acquired immediately by IPTE are held by Platzgummer's executive management. At the time of takeover Platzgummer had an equity of EUR 1.8 million. Platzgummer has no bank debts. Annual sales have run at around EUR 10 million in recent years, with an EBIT margin of 8 percent.

The move to the new factory in Romania was carried out during the first quarter, losing us a certain number of subcontracting production days.

At the end of July 2008 the company announced it was acquiring the Estonian firm TAF3. TAF3 specializes in automation and test, and employs 30 highly trained mechanical, electrical and software development engineers, averaging more than 10 years' experience each in the telecoms and automobile sectors.

A number of major investments were undertaken during the first half, including acquiring an additional factory hall in Kampenhout (EUR 2.5 million), bringing into use the new production hall in Romania (EUR 0.75 million) and the acquisition of new operating software licences (EUR 1.0 million).

“During the second quarter it became clear that the uncertainties in the financial markets were also being reflected in the business world. This is clearly visible in all major indicators such as inflation, investments, consumer confidence, etc. Our subcontracting activity is highly dependent on the performance of our main customers. During the first half year we saw a strong fall in orders from some of our largest subcontracting customers. When we look at the evolution of our order book, we see that our efforts to become less dependent on a small number of big customers are clearly beginning to bear fruit. We are being cautious in giving guidance for the second half.”



Half year results, IPTE Group 2008

The consolidated balance sheet at 30 June 2008 and the consolidated income statement for the six months to 30 June 2008 have not been verified by the statutory auditor.

Financial servicing of IPTE shares is provided by KBC Bank.

Income statements for the 6 months to 30 June 2008 and 30 June 2007

	Q2 2008		Q2 2007		H1 2008		H1 2007	
	000 EUR	%	000 EUR	%	000 EUR	%	000 EUR	%
Sales	57,657	100	66,255	100	123,160	100	128,660	100
Cost of sales	-47,161	-81.8	-54,234	-81.9	-100,713	-81.8	-106,594	-82.8
Gross profit	10,496	18.2	12,021	18.1	22,447	18.2	22,066	17.2
Research and development expenses	-2,654	-4.6	-1,974	-3.0	-5,076	-4.1	-3,985	-3.1
General and administrative expenses	-3,650	-6.3	-3,578	-5.4	-7,303	-5.9	-6,631	-5.2
Selling expenses	-3,365	-5.8	-3,240	-4.9	-6,678	-5.4	-6,244	-4.9
Other operating income/expense (net)	200	0.3	257	0.4	178	0.1	342	0.3
Profit from operations	1,027	1.8	3,486	5.3	3,568	2.9	5,549	4.3
Financial income/charges (net)	-273	-0.5	-294	-0.4	-1,299	-1.1	-1,053	-0.8
Profit/loss before tax	754	1.3	3,192	4.8	2,269	1.8	4,496	3.5
Taxes	-196	-0.3	-377	-0.6	-211	-0.2	-422	-0.3
Net profit/loss after taxes	558	1.0	2,815	4.2	2,058	1.6	4,074	3.2
Attributable to:								
Equity holders of the parent	503	0.9	2,809	4.1	1,954	1.6	4,059	3.1
Minority interest	55	0.1	6	0.1	104	0.1	15	0.1
Number of shares: 6,934,424								
Number of warrants: 182,850								
Profit/(loss) per share in EUR	0.08		0.41		0.30		0.59	
Diluted profit/(loss) per share in EUR	0.07		0.39		0.29		0.57	

Balance sheet at 30 June 2008 and 31 December 2007

	30-Jun-08	31-Dec-07
	000 EUR	000 EUR
Intangible assets	1,293	254
Goodwill	7,971	5,943
Property, plant and equipment	21,165	17,102
Deferred tax assets	1,615	1,615
Amounts receivable after one year	1,240	1,240
Inventories and contracts in progress	47,589	46,243
Trade receivables	46,615	52,919
Other receivables	2,554	2,865
Cash, bank deposits and current investments	4,756	3,414
Other current assets	1,725	211
Total assets	136,523	131,806
Equity	44,226	41,655
Provisions	1,837	2,016
Deferred tax liability	115	115
Long-term financial debts	5,491	4,812
Bank loans and overdrafts	31,979	26,933
Trade payables	39,685	40,059
Current liabilities	13,190	16,216
Total liabilities	136.523	131,806

Equity

	2007
	000 EUR
Equity at 31.12.2007	41,655
Net profit for the period 01.01.2008 to 30.06.2008	2,058
Minority interests (Platzgummer)	390
Translation difference	123
Equity at 30.06.2008	44,226
Attributable to:	
Equity holders of the parent	43,731
Minority interest	495

**Cash flow table for the period from 1 January to 30 June 2008 and 2007**

	2008	2007
	000 EUR	000 EUR
Profit from operations	3,568	5,549
Adjustments for		
Valuation allowance on customer receivables and inventory	-298	1,817
Depreciation	2,431	1,997
Provisions	-1,052	-146
Operating cash flow before changes in working capital	4,650	9,217
Changes in working capital	2,665	5,966
Cash flow from/(used in) operating activities	7,315	15,183
Taxes	-211	-421
Financial income/(charges) (net)	-1,299	-1,053
Other	-75	0
Net cash from/(used in) operating activities	5,880	13,709
Acquisition of Barco surface mounting activity	0	-15,391
Acquisition of shares in Platzgummer	-2,827	0
Cash flow from investing activities	-7,437	-3,954
Increase (+)/decrease in (-) bank financing	5,725	5,700
Increase/(decrease) in cash position	-1,341	64



The company

IPTE is a worldwide supplier of automated production equipment for the electronics industry and a provider of manufacturing services to electronic and industrial markets in Europe.

The company is sub-divided into two divisions. IPTE 'Factory Automation' is a market leader in the supply of production equipment for the electronics industry. The division develops manual, semi-automatic and turnkey automation systems for producing, testing and handling of printed circuit boards and for final assembly work.

The 'IPTE Contract Manufacturing' division offers high quality, cost-effective production services to the professional industry. Activities include the production of cables and cable trees, PCB assembly and testing, production of semi-manufactures and final product assembly.

The IPTE Group's references include Barco, ASML, Alcatel-Lucent, Bosch, Delphi, Philips, Ericsson, Flextronics, Jabil, Johnson Controls, Lear, Continental, SCI-Sanmina, Siemens VDO and Visteon.

Today the company employs around 2,500 people in facilities in Europe, the United States and Asia.

Shares in the company, which was founded in 1992, are traded on Euronext Brussels. (www.euronext.com)

Note for the media, not for publication:

For further information on IPTE and this press release you can consult the website.

We would of course be glad to send you further information and photographic material on request.

Financial calendar

Announcement of Q3 results 13 November 2008

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