



IPTE NV : Q4 and annual results

IPTE ends year with sales of EUR 255 million (2006: EUR 138 million)
Net profit of EUR 10,868,000 (2006: EUR 1,857,000)

Embargo until 19.02.08, 18.00

Genk, 19 February 2008

IPTE NV, (Euronext Brussel: IPT) announced sales for the whole of 2007 amounting EUR 255 million. This is 85 % higher than in 2006 (EUR 138 million). Net profit for the year was EUR 10.9 million, five times higher than in 2006 (EUR 1.9 million).

IPTE ended the 4th quarter of 2007 with a profit before taxes of EUR 2,591,000 compared with EUR 686,000 in the 4th quarter of 2006. Sales were EUR 68.5 million, as against EUR 35.2 million in Q4 2006.

Managing Director Huub Baren: “2007 is the best year in the group's history since it was founded 15 years ago. Both activities performed excellently in 2007. The takeover of the Barco surface mounting activity at the end of last year was the right choice in expanding our contract manufacturing activity.” Internal growth in contract manufacturing was 25 percent (from EUR 88 million in 2006 to EUR 110.4 million in 2007). With the acquisition of the Barco surface mounting activity, sales of the contract manufacturing activity now amount to EUR 195 million, making IPTE one of the largest subcontractors in the Benelux.

The automation activity also produced a strong performance in 2007. After 2 years of stable sales of EUR 50 million, our annual sales rose to EUR 60 million, also with positive earnings.

Our total order book at the end of 2007 was EUR 83 million (end 2006: EUR 50 million).

Sales of the automation division rose from EUR 11.4 million in Q4 2006 to EUR 17.1 million in Q4 2007. The division ended the fourth quarter with an order book of EUR 18.3 million (EUR 17.8 million at the end of the third quarter).

Sales of the ‘Contract Manufacturing’ division rose from EUR 24 million in Q4 2006 to EUR 51.4 million in Q4 2007.

Internally-generated growth in the 4th quarter was 20.8 % (from EUR 24 to 29 million). The division's order book stood at EUR 64.7 million at the end of Q4 (EUR 70.7 million at the end of Q3).



During the 4th quarter of 2007 the company concluded a number of foreign currency hedging contracts (purchases of dollars). Based on the marking to market valuation principle, the company recognized a financial exchange loss of EUR 601,000 in the 4th quarter.

Also recognized in the 4th quarter was a deferred tax receivable of EUR 1,500,000. This tax receivable, which has been conservatively estimated, is recorded on tax carryforwardable losses (according IAS 12, paragraph 37 “Reassessment of unrecognised deferred tax assets”).

Significant events

At the beginning of 2007 IPTE acquired Barco's surface mounting activities at Poperinge (Belgium) and Kladno (Czech Republic). Both plants have since been fully integrated into the contract manufacturing activity.

In Romania it was decided to move to new industrial premises. These have since been built, and the move will take place in February 2008 with limited influence on the production and the Q1 results.

IPTE has appointed Luc Switten as CEO (legal title: managing director) of the IPTE group from 1 January 2008. Mr Huub Baren will remain joint managing director until the General Meeting of 29 April 2008. From 29 April 2008, Mr Baren will take over from Mr Erik Dejonghe as chairman of the Board of Directors, who will keep an active role in the Board of Directors.

On 8 January 2008 IPTE signed a letter of intent to acquire Platzgummer GmbH, which specializes in developing customer-specific automation solutions. The completion of this acquisition is expected shortly.



Profit and loss accounts for the 12 months to 31 December 2007 and 2006

	Q4 2007		Q4 2006		Year 2007		Year 2006	
	31/12/2007		31/12/2006		31/12/2007		31/12/2006	
	000 EUR	%	000 EUR	%	000 EUR	%	000 EUR	%
Sales	68,492	100.0	35,212	100.0	255,290	100.0	138,282	100.0
Cost of sales	-55,355	-80.8	-28,294	-80.4	-208,397	-81.6	-109,917	-79.5
Gross profit	13,137	19.2	6,918	19.6	46,893	18.4	28,365	20.5
Research and development expenses	-2,001	-2.9	-1,561	-4.4	-7,791	-3.1	-6,255	-4.5
General and administrative expenses	-3,895	-5.7	-2,291	-6.5	-13,891	-5.4	-9,134	-6.6
Selling expenses	-3,613	-5.3	-2,615	-7.4	-12,889	-5.0	-9,886	-7.1
Other operating income/expense (net)	-39	-0.1	50	0.1	105	0.1	304	0.2
Profit from operations	3,589	5.2	501	1.4	12,427	4.9	3,394	2.5
Financial income/charges (net)	-998	-1.5	185	0.5	-2,726	-1.1	-1,377	-1.0
Profit before taxes	2,591	3.8	686	1.9	9,701	3.8	2,017	1.5
Income taxes	1,577	2.3	43	0.1	1,182	0.5	-134	-0.1
Profit after taxes	4,168	6.1	729	2.1	10,883	4.3	1,883	1.4
Attributable to:								
Equity holders of the parent	4,168	6.1	737	2.1	10,869	4.3	1,857	1.3
Minority interest	0	0.0	-8	0.0	14	0.0	26	0.0
Number of shares: 6,934,424								
Number of warrants: 182,850								
Profit/(loss) per share in EUR	0.60		0.13		1.56		0.34	
Diluted profit/loss per share in EUR	0.59		0.10		1.52		0.27	



Annual results by activity

Factory Automation

	2007		2006		2005	
Figures in EUR 000		%		%		%
Sales	60,207	100.0	50,179	100.0	48,076	100.0
Cost of sales	-42,205	-70.1	-33,628	-67.0	-33,444	-69.6
Gross profit	18,002	29.9	16,551	33.0	14,632	30.4
Research and development expenses	-6,439	-10.7	-5,444	-10.8	-5,068	-10.5
General and administrative expenses	-6,187	-10.3	-5,755	-11.5	-5,130	-10.6
Selling expenses	-5,239	-8.7	-5,172	-10.3	-4,847	-10.0
Other operating income/expense (net)	410	0.7	533	1.0	768	1.6
Profit from operations	547	0.9	712	1.4	356	0.7

Contract Manufacturing

	2007		2006		2005	
Figures in EUR 000		%		%		%
Sales	195,312	100.0	88,387	100.0	78,856	100.0
Cost of sales	-166,549	85.3	-76,670	-86.7	-64,712	-82.1
Gross profit	28,763	14.7	11,717	13.3	14,144	17.9
Research and development expenses	-1,352	-0.7	-811	-0.9	-733	-0.9
General and administrative expenses	-7,998	-4.1	-3,799	-4.3	-3,627	-4.6
Selling expenses	-7,672	-3.9	-4,733	-5.4	-5,163	-6.5
Other operating income/expense (net)	139	0.1	307	0.3	-779	-0.9
Profit from operations	11,880	6.1	2,681	3.0	3,841	4.9



Annual results IPTE Group (3 year comparison)

The statutory auditor has confirmed that its auditing work, which is fundamentally complete, has not revealed the need for any significant corrections to the accounting information contained in the press release in respect of the consolidated financial statements for the year ending on 31 December 2007.

Financial servicing of IPTE shares is provided by KBC Bank.

	2007		2006		2005	
	31/12/2007		31/12/2006		31/12/2005	
	000 EUR	%	000 EUR	%	000 EUR	%
Sales	255,290	100.0	138,282	100.0	126,662	100.0
Cost of sales	-208,397	-81.6	-109,917	-79.5	-97,886	-77.3
Gross profit	46,893	18.4	28,365	20.5	28,776	22.7
Research and development expenses	-7,791	-3.1	-6,255	-4.5	-5,802	-4.6
General and administrative expenses	-13,891	-5.4	-9,134	-6.6	-8,757	-6.9
Selling expenses	-12,889	-5.0	-9,886	-7.1	-10,010	-7.9
Other operating income/expense (net)	105	0.0	304	0.2	-10	-0.0
Profit from operations	12,427	4.9	3,394	2.5	4,197	3.3
Financial income/charges (net)	-2,726	-1.1	-1,377	-1.0	-2,041	-1.6
Profit before taxes	9,701	3.8	2,017	1.5	2,156	1.7
Income taxes	1,182	0.5	-134	-0.1	12	0.0
Profit after taxes	10,883	4.3	1,883	1.4	2,168	1.7
Attributable to:						
Equity holders of the parent	10,869	4.3	1,857	1.3	2,046	1.6
Minority interest	14	0.0	26	0.0	122	0.1
Number of shares: 6,934,424						
Number of warrants: 182,850						
Profit/(loss) per share in EUR	1.56		0.34		0.37	
Diluted profit/loss per share in EUR	1.53		0.27		0.37	



Balance sheet

	31/12/2007	31/12/2006	31/12/2005
	000 EUR	000 EUR	000 EUR
Intangible fixed assets	254	221	254
Goodwill	5,943	5,943	5,943
Property, plant and equipment	17,102	12,226	12,000
Deferred tax assets	1,500	1,000	901
Amounts receivable after one year	1,240	1,490	1,502
Inventories and contracts in progress	46,243	28,914	23,988
Trade receivables	52,919	34,781	26,267
Other receivables	2,865	2,396	2,539
Cash, bank deposits and current investments	3,414	2,309	3,694
Other current assets	211	289	390
Total assets	131,691	89,569	77,478
Equity	41,655	23,920	22,894
Subordinated loan	0	7,200	7,000
Provisions	2,016	1,356	2,342
Deferred tax liability	0	1,000	901
Long-term financial debts	4,812	1,810	2,750
Bank loans and overdrafts	26,933	23,156	18,147
Trade payables	40,059	21,440	14,852
Current liabilities	16,216	9,687	8,592
Total liabilities	131,691	89,569	77,478



Cash flow table

	2007	2006	2005
	000 EUR	000 EUR	000 EUR
Profit from operations	12,427	3,394	4,197
Adjustments for			
Goodwill amortisation	0	0	0
Valuation allowance on customer receivables and inventory	4,167	854	404
Amortisation	4,187	2,640	2,567
Provisions	660	-986	-1,809
Operating cash flow before changes in working capital	21,441	5,902	5,359
Changes in working capital	-1,162	-6,466	787
Cash flow from/(used in) operating activities	20,279	-564	6,146
Taxes	-318	-133	12
Financial income/(charges) (net)	-2,726	-1,379	-2,041
Other	1	2	294
Net cash from/(used in) operating activities	17,236	-2,074	4,411
Acquisition of minority interest	-111	-703	0
Acquisition (Barco business area)	-15,391	0	0
Investments in intangible and tangible fixed assets	-6,559	-2,834	-3,753
Bank financing	-1,070	4,225	185
Capital increase	7,000	0	0
Increase/(decrease) in cash position	1,105	-1,386	843

Equity

	000 EUR
Equity at 31.12.2006	23,920
Net profit for the year to 31.12.2007	10,883
Translation difference	-37
Capital increase from the conversion of warrants	7,000
Acquisition of minority interest	-111
Equity at 31.12.07	41,655
Attributable to:	
Equity holders of the parent	41,655
Minority interest	0



Customers overview

The IPTE group's annual sales of EUR 255 million break down into: industrial products 48 %, automotive 27 %, telecommunications 10 %, consumer electronics 3 %, medical products 8 % and other 4 %.

Factory Automation customers come from the automotive 67 %, consumer electronics 15 %, telecommunications 6 %, industrial products 2 % and other market segments 8 %.

Connect Systems customers are from the industrial products 63 %, telecommunications 11 %, automotive 14 %, medical 10 % and other market segments 2 %.

Geographically, IPTE's annual sales break down into: Benelux 63 %, rest of Europe 33 %, and America / Asia 4 %.



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 'Contract Manufacturing' division, Connect Systems Group, 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 NYSE 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

Annual General Meeting	29 April 2008
Announcement of Q1 2008 results	15 May 2008

Investor Relations:

Huub Baren	Hugo Ciroux
Afgevaardigd Bestuurder	CFO

IPTE NV
Geleenlaan 5, 3600 Genk, Belgium
Tel: +32 (0)89 623 000
Fax: +32 (0)89 623 010
www.ipte.com
E-mail: ir@ipte.com