



Results for first quarter 2006

- First quarter earnings level with 2005
- Order book slightly higher

EMBARGO to 18 May 2006, 18.00

Genk, 18 May 2006

IPTE NV, (Euronext Brussel: IPT) posted sales of EUR 32.4 million in the first quarter of 2006, compared with EUR 33.4 million in the first quarter of 2005. Operating profit was almost unchanged at EUR 1.12 million. Net profit grew to EUR 528,000 (Q1 2005: EUR 510,000). These figures show a group performance in the first quarter of 2006 in line with that of the first quarter of 2005.

The order book rose from EUR 43.2 million at end-2005 to EUR 44.3 million at the end of the first quarter.

Huub Baren, Managing Director: “These results are as expected.

Sales in the automation division (EUR 11.8 million) are the same as in the first quarter of 2005 and meet our expectations. The division is also showing a positive operating result. The order book at the end of the first quarter amounted to EUR 12.6 million (EUR 12.9 million at 31.3.2005).

Sales in the Contract Manufacturing division recovered after the disappointing fourth quarter 2005 to EUR 20.6 million (Q1 2005: EUR 21.7 million). The order book however, has risen from EUR 30.3 million at the end of 2005 to EUR 31.7 million at the end of the first quarter



Profit and loss accounts for the 3 months to 31 March 2006 and 2005*

	Q1 2006		Q1 2005		Y-t-d 2006		Y-t-d 2005	
	EUR '000	%	EUR '000	%	EUR '000	%	EUR '000	%
Sales	32,417	100	33,342	100.0	32,417	100	33,342	100
Cost of sales	-25,035	-77.2	-26,048	-78.1	-25,035	-77.2	-26,048	-78.1
Gross profit	7,382	22.8	7,294	21.9	7,382	22.8	7,294	21.9
Research and development expenses	-1,574	-4.9	-1,220	-3.7	-1,574	-4.9	-1,220	-3.7
General and administrative expenses	-2,418	-7.5	-2,837	-8.5	-2,418	-7.5	-2,837	-8.5
Selling expenses	-2,318	-7.2	-2,362	-7.1	-2,318	-7.2	-2,362	-7.1
Other income/(expense) (net)	46	0.1	262	0.8	46	0.1	262	0.8
Profit/(loss) from operations	1,118	3.5	1,137	3.4	1,118	3.5	1,137	3.4
Financial income/(charges) (net)	-502	-1.6	-524	-1.6	-502	-1.6	-524	-1.6
Other (net)	0	0	0	0	0	0	0	0
Profit before taxes	616	1.9	613	1.8	616	1.9	613	1.8
Income taxes	-87	-0.3	-103	-0.3	-87	-0.3	-103	-0.3
Profit/(loss) after taxes	529	1.6	510	1.5	529	1.6	510	1.5
Attributable to:								
Equity holders of the parent	476	1.5	495	1.5	476	1.5	495	0.2
Minority interest	53	0.2	15	0.0	53	0.2	15	0.0
Number of shares: 5,476,092								
Number of warrants: 1,641,182								
Profit/loss per share in EUR	0.09		0.09		0.09		0.09	

(*) The quarterly figures have not been verified by the statutory auditor.

Equity

	EUR '000
Equity at 31.12.2005	22,894
Net profit for the period from 01.01.2006 to 31.03.2006	529
Translation difference	5
Equity at 31.03.2006	23,428
Attributable to:	
Equity holders of the parent	22,840
Minority interest	588

**Balance sheet at 31.03.2006 and 31.03.2005**

	Q1	Q1
	31 Mar 06	31 Mar 05
	EUR '000	EUR '000
Intangible assets	252	360
Goodwill	5,943	5,134
Property, plant and equipment	12,089	11,142
Deferred tax assets	902	915
Non-current receivables	1,484	1,438
Inventories and contracts in progress	25,776	24,758
Trade receivables	32,246	30,763
Other receivables	1,273	2,679
Cash, bank deposits and current investments	3,373	3,476
Other current assets	367	323
Total assets	83,705	80,988
Equity	23,428	20,076
Subordinated loan	7,000	7,000
Provisions	1,558	3,570
Deferred tax liability	902	915
Long-term debt less current portion	2,844	2,884
Current debt	21,463	17,507
Trade payables	18,694	20,527
Other current liabilities and provisions	6,070	7,468
Other payables	1,746	1,041
Total liabilities	83,705	80,988

**Cash flow table for the period from 01.01.2006 to 31.03.2006**

	2006
	EUR '000
Profit/(loss) from operations	1,118
Adjustments for	
Allowance for doubtful receivables and obsolete stock	139
Depreciation and amortization	599
Provisions	-784
Operating cash flow before changes in working capital	1,072
Change in working capital	-2,689
Cash flow from operating activities	-1,617
Taxes	-232
Financial result	-502
Other	-1
Net cash from/(used in) operating activities	-2,352
Cash flows from investing activities	-687
Proceeds from/(repayments of) bank financing	+2,717
Increase/(decrease) in cash and cash equivalents	+322

The company

IPTE is a market leader in the supply of production equipment for the electronics industry. 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 Alcatel, Bosch, Delphi, Ericsson, Flextronics, Jabil, Johnson Controls, Lear, Mitsubishi, Motorola, Nokia, Philips, Sanmina, Siemens, Solectron and Visteon.

The company presently employs over 1,400 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.ipte.com)

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