



IPTE NV – Third quarter 2009 results

Sales down from EUR 50.7 million in the 3rd quarter of 2008 to EUR 41.8 million, due to the economic crisis.

Net loss of EUR 3 million (against a profit of EUR 203,000 in the 3rd quarter of 2008).

Further staff reductions, with headcount now at 1,855 FTEs (2,395 at the end of last year).

EMBARGO until 10 November 2009, 18:00

Genk, 10 November 2009

A reporting obligation regarding periodical information has been in force as of 1 January 2008, as a consequence of the Transparency Directives

Declaration with regard to the information provided in this report, for the 9 month period ending on 30 September 2009

The undersigned declare that:

- The quarterly financial statements, which have been drawn up in agreement with the applicable standards for annual financial statements, provide a true picture of the assets, the financial condition and the results of the issuer, and of other companies included in the consolidation;*
- The report for the 9 month period ending on the 30 September 2009 gives a true overview of the developments, the results of the company and the position of the issuer, including those companies that have been included in the consolidation, and includes a description of the most important risks and uncertainties with which they are confronted.*

Luc Switten CEO

Hugo Ciroux CFO

Management discussion and analysis of the results

IPTE NV, (Euronext Brussel: IPTE) reports sales of EUR 41.8 million for the 3rd quarter of 2009, against sales of EUR 50.7 million during the same period in the preceding year. Operating results in the 3rd quarter of 2009 showed a loss of EUR 2.9 million, compared with a profit of EUR 193,000 million during the same quarter in 2008. The net result amounted to a loss of EUR 3 million over the reporting period, compared to EUR 203,000 profit in the preceding year.



Orders at the end of the 3rd quarter 2009 rose to EUR 69.0 million, against EUR 66.2 million at the end of the 2nd quarter.

The quarter saw sales of the Automation division drop to EUR 14.3 million, down from the 2008 figure of EUR 15.2 million. Orders declined from EUR 15.5 million at the end of the 2nd quarter of 2009 to EUR 12.2 million at the end of the 3rd quarter.

Sales of the Contract Manufacturing division declined from EUR 35.7 million in 2008 to EUR 27.5 million in 2009. Orders for the division rose to EUR 56.8 million, compared to EUR 50.7 million at the end of the 2nd quarter.

EUR 450,000 in restructuring costs were booked during the 3rd quarter (EUR 1.3 million for the first half of the year). Booked restructuring costs thus total EUR 1,750,000 on a YTD basis.

Further measures were taken to reduce headcount from 2,016 FTEs at the end of the 2nd quarter to 1,855 FTEs at the end of the 3rd quarter (current status: Automation division: 435 FTEs; Contract Manufacturing division: 1,420 FTEs).

Automation division

Though orders in the Automation division held up well during the first half, there was a sharp drop in the 3rd quarter, with orders at the end of the quarter reaching an all-time low of EUR 12.2 million. During the first 5 weeks of the fourth quarter order intake has picked up sharply, getting back to first half year levels.

The Board has identified all possible options and will come to a decision in the coming months about the structural measures to be taken to improve the automation business.

During the third quarter, a major Australian automation customer, Solar Systems, filed for Chapter 11 protection under Australian law. IPTE has an outstanding claim of EUR 2.9 million from this customer. Based on the currently known facts, the Board has decided to not yet book any provision for this claim. The main factors behind this decision are: the receivers at Solar Systems are working on a scenario to get the company going again, with the production line supplied by IPTE playing a crucial role. The line cannot run without IPTE making it operational. The probability of getting the company going again is seen to be realistic, meaning that IPTE's task of providing the finishing touches to the line to make it operational should take place. IPTE will only carry out this work against payment.



Contract Manufacturing division

Contract Manufacturing orders are up for the first time this year, at EUR 56 million, against EUR 50 million at the end of the 2nd quarter. We believe that the decline in sales has bottomed out in the third quarter, with contract manufacturing business slowly starting to recover. Following the restructuring measures conducted in the past quarters, during which production was adapted to current market volumes, fourth quarter business is expected to deliver an improvement in results.

Third quarter 2009 results of the IPTE Group

The consolidated balance sheet as of 30 September 2009, and the consolidated profit-and-loss statement for the 9-month period ending on 30 September 2009, have not been checked by the auditor.

Financial services for the IPTE shares are provided by KBC Bank.

Profit-and-loss statement as of 30 September 2009, compared to 30 September 2008

	Q3 2009		Q3 2008		1-9 2009		1-9 2008	
	000 EUR	%	000 EUR	%	000 EUR	%	000 EUR	%
Sales	41,849	100.0	50,763	100.0	134,773	100.0	173,874	100.0
Cost of sales	-37,014	-88.4	-41,571	-81.8	-114,157	-84.7	-142,282	-81.8
Gross profit	4,835	11.6	9,192	18.2	20,616	15.3	31,592	18.2
Research and development expenses	-2,199	-5.3	-2,606	-5.1	-7,657	-5.7	-7,683	-4.4
General and administrative costs	-2,901	-6.9	-3,292	-6.5	-9,431	-7.0	-10,594	-6.1
Selling expenses	-2,608	-6.2	-3,172	-6.3	-8,469	-6.3	-9,802	-5.6
Other operating income/expense (net)	-17	-0.1	71	0.1	-84	0.0	248	0.1
Profit from operations	-2,890	-6.9	193	0.4	-5,025	-3.7	3,761	2.2
Financial income/charges (net)	-104	-0.3	47	0.1	-1,557	-1.2	-1,252	-0.8
Profit/loss before tax	-2,994	-7.2	240	0.5	-6,548	-4.9	2,509	1.4
Taxes	-1	-0.0	-37	0.0	-29	0.0	-248	-0.1
Net profit/loss after taxes	-2,995	-7.2	203	0.4	-6,577	-4.9	2,261	1.3
Attributable to:								
Group	-3,002	-7.2	146	0.3	-6,727	-5.0	2,100	1.2
Third parties	7	0.0	57	0.1	150	0.1	161	0.1
Number of shares: 6.934.424								
Number of warrants: 182.850								
Profit (loss) per share in EUR	-0.43		0.02		-0.97		0.32	
Diluted profit (loss) per share in EUR	-0.43		0.02		-0.97		0.31	



Balance sheet as of 30 September 2009, compared to 30 September 2008

	30-Sep-09	30-Sep-08
	000 EUR	000 EUR
Intangible assets	1,194	1,321
Goodwill	8,939	8,935
Property, plant and equipment	21,371	20,865
Deferred tax assets	1,564	1,615
Amounts receivable after one year	-	1,240
Inventories and contracts in progress	38,404	50,667
Trade receivables	37,552	46,979
Other receivables	1,336	3,182
Cash, bank deposits and current investments	2,540	3,326
Other current assets	341	344
Total assets	113,241	138,474
Equity	36,218	44,309
Provisions	3,313	2,327
Deferred tax liability	62	115
Long-term financial debts	4,649	5,636
Short-term financial debts	30,548	33,805
Trade payables	24,218	31,142
Short-term debts	14,233	21,140
Total liabilities	113,241	138,474

Equity capital

	000 EUR
Equity capital as per 31/12/2008	42,668
Profit (loss) between 01/01/2009 and 30/09/2009	-6,577
Foreign exchange conversion differences	127
Equity capital as per 30/09/2009	36,218
Attributable to:	
Group	35,511
Third parties	707



Cash flow table for the period from 1 January 2009 to 30 September 2009, as compared to 1 January 2008 to 30 September 2008

	2009	2008
	000 EUR	000 EUR
Profit (loss) from operations	-5,025	3,761
Adjustments for		
Valuation allowance on customer receivables and inventory	472	53
Depreciation	4,006	3,863
Provisions	-397	-561
Operating cash flow before changes in working capital	-944	7,116
Changes in working capital	9,585	-1,089
Cash flow from/ (used in) operating activities	8,641	6,027
Taxes	-29	-248
Financial income/(charges) (net)	-1,528	-1,252
Other	0	75
Net cash from/(used in) operating activities	7,084	4,602
Acquisition of shares in IPTE Estonia (TAF3)	0	-964
Acquisition of shares in Platzgummer	0	-2,827
Cash flow from investment activities	-4,118	-8,596
Increase (+)/ decrease (-) in bank financing	-3,696	7,697
Increase (+) / decrease (-) in cash position	-730	-88

The company

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

The company is structured in two divisions. IPTE Factory Automation is a market leader in the delivery of production facilities for the electronics industry. It develops manual, semi-automatic and turnkey automation systems used in the production, testing and handling of printed circuit boards, and in final assembly.

The Contract Manufacturing division, Connect Systems, offers cost-effective and high-quality production services to industrial companies. Services include the production of cables and cable harnesses, the assembly and testing of PCBs, the production of semi-finished goods and end-product assembly.

Among the IPTE Group's reference customers such companies as Barco, ASML, Alcatel-Lucent, Bosch, Delphi, Phillips, Ericsson, Jabil, Johnson Controls, Lear, Continental, SCI-Sanmina, TRW and Visteon can be found.

Today, the company employs approximately 1,850 people, working in company branches in Europe, the United States and Asia.



The shares of the company, which was established in 1992 in Belgium, are traded on the NYSE Euronext Brussels stock market. (www.euronext.com)

Note for the media, not for publication:

Please consult our website for more information about IPTE and this press release.

We will gladly send you additional information and photo material on request.

Investor Relations:

Luc Switten	CEO
Hugo Ciroux	CFO

IPTE NV

Geleenlaan 5, B-3600 Genk, Belgium

Tel: +32 (0)89 623 000

Fax: +32 (0)89 623 010

www.ipte.com

E-mail: ir@ipte.com