



Interim Report 3/2008

itelligence

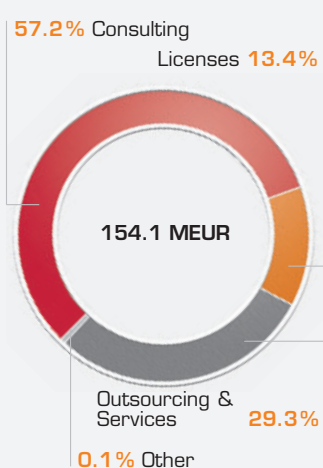
Letter to the Shareholders

Key factors in the first nine months of 2008 at a glance

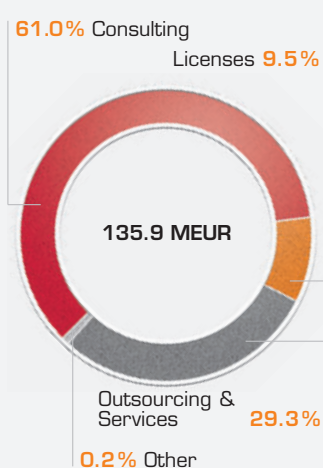
- Revenues increase in the first nine months by +13.4% year-on-year to MEUR 154.1
- EBIT climbs MEUR +1.9 from MEUR 7.8 to MEUR 9.7 (EBIT margin: +6.3% compared with +5.7% in previous year)
- Segments post year-on-year revenue growth: Germany/Austria +22.6%, USA -5.7%, Western Europe +14.2%, Eastern Europe +19.2%, Other +4.1%
- Licenses business reports strong growth of 60.5%, Outsourcing & Services business enjoys boost of +13.3% and Consulting business sees positive performance continue with +6.1%
- Orders on hand at the end of the quarter at MEUR 154.8 overall (end of same quarter in previous year: MEUR 121.8)

Share of revenues by division:

9 month 2008



9 month 2007



Ladies and Gentlemen,
Dear Shareholders,

itelligence continued its positive performance of the first six months in Q3 2008. During the first nine months, revenues rose +13.4% (after adjustment for currency translation effects: +16.5%) to MEUR 154.1. All divisions saw positive performance compared with the same period of the previous year. Consulting revenues jumped to MEUR 88.1 in the first nine months, revenues from Outsourcing & Services surged to MEUR 45.1 and Licenses revenues climbed to MEUR 20.7.

Revenues in the first nine months of the year totaled MEUR 80.6 in Germany/Austria, MEUR 33.3 in the USA, MEUR 25.8 in Western Europe, MEUR 11.8 in Eastern Europe and MEUR 2.5 in the Other segment.

At MEUR 9.7, the EBIT contribution in the first nine months grew by MEUR +1.9 year-on-year. The EBIT margin thus rose from +5.7% to +6.3%.

The EBIT contribution of the Germany/Austria segment increased substantially by MEUR +2.5 in the first nine months to MEUR 8.7. In the USA, the earnings contribution of MEUR +0.2 fell MEUR -1.3 and was thus significantly lower than in the previous year. This fall was due to the weak US economy, project delays and additional expenses incurred in wrapping up fixed price projects in the USA. In Western Europe, the EBIT contribution was raised by MEUR +0.4 year-on-year to MEUR 1.2. In Eastern Europe, the earnings contribution rose from MEUR -0.7 to MEUR -0.5. The EBIT contribution in the Other segment improved by MEUR +0.1.

Net profit for the period in accordance with IFRSs amounted to MEUR 6.9 after the first nine months of 2008, up MEUR 2.3 on the same period of the previous year. As a result, earnings per share (basic) increased from EUR 0.20 to EUR 0.29. Orders on hand rose from the end of the same quarter the previous year, from MEUR 121.8 to MEUR 154.8, a rise of 27.1%.

Fink study: customers highly satisfied with itelligence AG's services

A new study of the IT consulting market in Germany conducted by Prof. Dietmar Fink of the Wissenschaftliche Gesellschaft für Management und Beratung (Scientific Association for Management and Consulting) in Bonn evaluates the most important IT consulting houses in Germany from the customer's perspective including, for the first time, itelligence AG. In it, itelligence was highly praised by SMEs. The 105 companies of the upper midsize market surveyed across Germany voted itelligence second when asked which consulting house they would trust in ERP consulting/SAP. itelligence was also voted third by SMEs in overall satisfaction, followed by good ratings in the key categories of IT knowledge, customer management offers such as CRM and innovative subject areas such as service oriented architecture (SOA) and technical know-how of SAP. itelligence AG's third place tied with Accenture in the "process competence" category, which is also remarkable. It is especially noteworthy that in this category over a quarter of all those surveyed who were familiar with itelligence immediately voted the Company in first place as the best provider.

Highlights in Q3

This year's annual conference of the Deutschsprachige SAP-Anwendergruppe (DSAG – Association of German-speaking SAP Users) in Leipzig in September saw itelligence AG announce the opening of a new site in Cyberjaya (Kuala Lumpur, Malaysia). itelligence will utilize one of the highly available computing centers of NTT Communications there and immediately offer its complete range of SAP Hosting Services throughout Asia. This makes itelligence an SAP Global Hosting Partner with an additional state-of-the-art computing center at its disposal that is specially geared to the Asian market and also enables the Company to strengthen its local market presence.

With the new site in Cyberjaya, itelligence AG now operates computing centers based in Germany, Poland, Switzerland, the USA and now in Malaysia. All SAP applications can be operated at all sites in a highly available and secure manner. Examples of new outsourcing customers that chose itelligence as their out-

sourcing partner in Q3 included QUIN GmbH of Rutesheim (Germany), Bühler Motor GmbH of Nuremberg (Germany) and Kienle + Spiess Stanz- und Druckgiesswerk GmbH of Sachsenheim (Germany) which also has sites in Tokod (Hungary) and Bilston (England).

itelligence's SAP consultants have already carried out a large number of successful projects in Southeast Asia. Furthermore, itelligence has been tapping into the Asian market since its first Asian subsidiary opened in Shanghai (China) in March 2008. itelligence announced the success of winning its first common customer with NTT DATA in Japan: Testo AG. Testo AG is a long-time customer of itelligence AG and is introducing the SAP solution for finance and logistics in its Japanese branch. The Japanese branch is the 21st branch in which Testo AG is rolling out SAP with itelligence's consultants and now also with the help of NTT DATA. In May 2008, the Testo SAP system in Shanghai, which is the second location in China of the measuring instruments manufacturer, was successfully connected to the Company's global IT system.

A large number of new customers chose itelligence in Q3, including Niehoff Sitzmöbel GmbH of Warendorf (Germany) which has used it.wood furniture – itelligence AG's industry software for the furniture industry – since summer 2008. In doing so, Niehoff is using the very latest SAP technology, improved by the industry expertise gained by the consultant, itelligence, and embodied in it.wood furniture. The itelligence consultants will simultaneously implement and put into operation it.wood furniture in four of the group plants in Germany and the Czech Republic. Other new customers that chose itelligence in Q3 include pinta elements GmbH of Unterföhring (Germany), Seidel GmbH + Co. KG of Marburg (Germany), Net Transmit & Receive S.L. (NTR) of Barcelona (Spain), Duplico 2000 S.L. of Rubi (Spain), Colomer Beauty and Profes.Prodt.SL of Cornella Llobregat (Spain), Prospector LLC of Turock in California (USA), Draka Elevator Products of Rocky Mount in North Carolina (USA), Grain Systems (GSI) of Assumption in Illinois (USA), QC Holdings Partnership of Peachtree City in Georgia (USA), Aroma Bázis Kft. of Csömör (Hungary), Tom-Ferr Zrt. of Budapest (Hungary), Heti Válasz Kft. of Budapest (Hungary), SANPOL Sp. z o.o. of Poznań (Poland) and BÖGL a KRÝSL, k.s. of Prague (the Czech Republic).

in MEUR	Jan. 1 to Sep. 30, 2008	Jan. 1 to Sep. 30, 2007	July 1 to Sep. 30, 2008	July 1 to Sep. 30, 2007
Total revenues	154.1	135.9	52.3	47.4
Revenues by area				
Consulting	88.1	83.0	30.3	28.9
Licenses	20.7	12.9	6.4	4.9
Outsourcing & Services	45.1	39.8	15.6	13.6
Other	0.3	0.3	0.1	0.0
Revenues by segment				
Germany/Austria	80.6	65.8	27.8	23.9
Western Europe	25.8	22.6	7.7	8.0
Eastern Europe	11.8	9.9	3.8	2.9
USA	33.3	35.3	12.2	11.8
Other	2.5	2.4	0.8	0.7
EBIT	9.7	7.8	3.8	3.0
EBIT margin	6.3%	5.7%	7.3%	6.3%
EBITA	9.7	7.8	3.8	3.0
EBITA margin	6.3%	5.7%	7.3%	6.3%
EBITDA	14.3	11.4	5.5	4.2
EBITDA margin	9.3%	8.4%	10.5%	8.9%
Earnings IFRS	6.9	4.6	2.6	1.7
Earnings per share	0.29	0.20		

An overview of itelligence: January 1 to September 30, 2008 and 2007

itelligence also secured a large number of follow-up contracts in business with existing customers in Q3 2008, including Burkhardt + Weber Fertigungssysteme GmbH of Reutlingen (Germany), an SAP portal project at Albrecht Jung GmbH & Co. KG of Schalksmühle (Germany) and an SAP rollout project at mepro Medizinische Produktion GmbH (a pfm production company manufacturing products for Medizin AG) in Cologne.

itelligence also reported successfully going live at several more companies in Q3, including at SÜSS MicroTec AG of Garching (Germany), Roland Digital Group Iberia S.L. of Cerdanyola del Vallès (Spain), Grupo Leche Pascual S.A. of Aranda de Duero (Spain), Picassian S.L.U of Ripollet (Spain), Varel International of Carrollton in Texas (USA), SPX Cooling of Overland Park in Kansas (USA), SPX Process of Delavan in Wisconsin (USA), Sturm Foods of Manawa in Wisconsin (USA), Kanizsa Trend Kft. of Nagykanizsa (Hungary), Danubia Mohács Zrt. of Mohács (Hungary) and Sumika Electronic Materials Poland Sp. z o.o. of Łysomice (Poland).

Business performance in Q3 2008

In the third quarter of 2008, itelligence continued on the growth path it pursued in the first half of the year. Quarterly revenues amounted to MEUR 52.3, up +10.4% on the figure of MEUR 47.4 recorded in the previous year quarter (after adjustment for currency translation effects: +13.5%). Consulting revenues increased by +4.8% year-on-year to MEUR 30.3 in the third quarter. At MEUR 6.4, Licenses revenues were up MEUR +1.5 (+30.6%) on the same quarter of the previous year. Revenues in Outsourcing & Services rose by +14.7% to MEUR 15.6. Profitability continued to climb overall in Q3 with EBIT reaching MEUR 3.8 (same quarter of the previous year: MEUR 3.0). The EBIT margin rose +1.0 percentage point from 6.3% the previous year to 7.3%. During Q3, the net profit for the period in accordance with IFRSs totaled MEUR 2.6, up from MEUR 1.7 during Q3 2007.

The following picture of the revenue segments emerges:

Germany/Austria saw its revenues and earnings contribution surge again. Revenues here climbed +16.3% year-on-year to MEUR 27.8. Consulting revenues in this region improved by +4.8% to MEUR 14.3. Licenses revenues grew particularly fast in this segment, soaring 42.0% to MEUR 4.7. At MEUR 8.8, Outsourcing & Services revenues grew 28.1% year-on-year. Due to this positive performance, the EBIT contribution improved by around MEUR +1.0 year-on-year to MEUR 3.6.

Revenues in the USA segment increased by +3.4% (after adjustment for currency translation effects: +16.9%) to MEUR 12.2. This growth in Q3 was primarily attributable to Consulting revenues which jumped MEUR 0.6 from MEUR 6.9 to MEUR 7.5 (after adjustment for currency translation effects: +23.5%). At MEUR 4.0, the Outsourcing & Services business fell MEUR -0.2 year-on-year (after adjustment for currency translation effects: +33.3%). Other Licenses revenues remained at the level of the previous quarter at MEUR 0.7. The guarantee involved in carrying out Consulting operations was the main reason for the negative impact on the EBIT contribution, with the result that a decrease of MEUR -0.2 to MEUR 0.3 was recorded year-on-year.

Quarterly revenues in the Eastern Europe segment were up by around MEUR +0.9 on the previous year at MEUR 3.8 (+31.0% and after adjustment for currency translation effects: 15.6%). The substantial growth in the Consulting business of +61.2% to MEUR 1.6 (after adjustment for currency translation effects: +50.1%) played a significant role in this change. The Licenses business also performed well at MEUR 0.4 (+10.3%, after adjustment for currency translation effects: -1.4%), as did the Outsourcing & Services business at MEUR 1.7 (+7.5%, after adjustment for currency translation effects: -1.4%). The EBIT contribution thus rose MEUR +0.1 to MEUR -0.3 year-on-year.

In the Western Europe segment, revenues dipped -3.8% (after adjustment for currency translation effects: -2.0%) to MEUR 7.7. This is mainly due to the changed invoicing system in the Belgian Consulting business. At MEUR 6.5, Consulting revenues were down -7.3% (after adjustment for currency translation effects: -5.7%) year-on-year, which was due to the above-mentioned effect. Licenses revenues totaled MEUR 0.4 and thus improved by MEUR +0.1 compared with the same figure of the previous year. Revenues in the Outsourcing & Services segment grew by 24.2% to MEUR 0.8. Compared with the same period of the previous year, the EBIT contribution in Western Europe fell MEUR -0.1 year-on-year to MEUR 0.2.

The investment in ITC GmbH was reported in the Other segment. Revenues climbed to MEUR 0.8 and was thus up 14.3% on the previous year's figure. The EBIT contribution remained slightly below the figure for the same quarter of the previous year at MEUR 0.1.

Earnings position in the first nine months

At MEUR 9.7, itelligence recorded a substantial increase of MEUR +1.9 in EBIT in the first nine months of the current fiscal year compared with the same period of the previous year. This boosted EBIT profitability in the period under review by 0.6 percentage points from 5.7% to 6.3%.

The ratio of staff costs to total revenues within the Group fell by -1.3 percentage points year-on-year to 49.7%. The utilization rate of third-party service providers also dropped by -0.5 percentage points to 11.0%. The high ratio of licenses to total revenues shifted the revenues mix which led to an increase in the product cost ratio of +1.9 percentage points to 16.7%. At 6.3%, the ratio of travel costs to the itelligence Group's total revenues remained almost stable at the previous year's level.

The cost types thus had the following effects on EBIT profitability:

EBIT margin in the first nine months of 2007	5.7%
Staff costs	+1.3%
Third-party service provider costs	+0.5%
Product costs	-1.9%
Travel costs	+0.2%
Other income	-0.6%
Other costs	+1.1%
EBIT margin in the first nine months of 2008	6.3%

The gross margin fell year-on-year from 27.5% to 26.2%. This is mainly attributable to the changed mix in the revenues divisions. The ratio of marketing and selling expenses to the itelligence Group's total revenues decreased by -0.2 percentage points year-on-year to 8.2%. At 11.9%, the ratio of general and administrative expenses was -1.8% below the previous year's level. In other operating income and expenses, itelligence posted an increase of MEUR +0.4. This positive earnings contribution was primarily generated as a result of the conservative investment strategy. Finance income of MEUR 0.8 was generated in the year under review. The tax rate in the period under review was 29.6%, down from 38.7% in the same period of the previous year. As a result, itelligence recorded a net profit for the period in accordance with IFRSs of MEUR 6.9, up from MEUR 4.6 in the previous year. The profit margin rose year-on-year from 3.3% to 4.4% in the first nine months of 2008. Earnings per share (basic) increased by EUR 0.09 to EUR 0.29 per share.

Net assets and financial position

The total assets of the itelligence Group rose as of September 30, 2008 to MEUR 115.7 (December 31, 2007: MEUR 108.4).

itelligence's equity amounted to MEUR 50.5 as of the reporting date September 30, 2008 compared with MEUR 42.3 as of December 31, 2007. This pushed the equity ratio up to 43.6% (December 31, 2007: 39.0%).

At MEUR 45.1, trade receivables as of the reporting date of September 30, 2008 were higher than at the end of 2007 (December 31, 2007: MEUR 43.2). Over the first nine months of the year, the change in receivables was in line with the change in revenues. The average days sales outstanding amounted to 79 days (compared with 81 days as of December 31, 2007 and 74 days as of September 30, 2007).

Cash and cash equivalents as of September 30, 2008 amounted to MEUR 25.1, thus remaining at the level of December 31, 2007 (MEUR 25.8). itelligence's cash and cash equivalents as of September 30, 2007 amounted to MEUR 16.9.

Net cash from operating activities during the nine-month period amounted to MEUR 6.2, up from MEUR 5.7 in 2007. The net cash from operating activities thus soared MEUR 0.5 year-on-year.

Net cash from investing activities during the reporting period climbed to MEUR 7.1 and is thus well above the previous year's level (MEUR 4.6). As in previous reporting periods, investments were primarily due to the expansion of data center capacity. An investment grant and an investment subsidy were awarded under the regional economic assistance program of the Free State of Saxony for investments in the expansion of the data center in Bautzen.

Overall, the itelligence Group generated free cash flow in the reporting period of MEUR -0.9 which was lower year-on-year, mainly as a result of the high investments of MEUR 1.9 (free cash flow in 2007: MEUR +1.0).

In the first nine months, net cash used in financing activities was nearly balanced (previous year: net cash from financing activities of MEUR 1.2). This is due primarily to borrowing MEUR 1.8 in connection with the investments made, while repayments amounting to MEUR -1.4 were made and long-term deposits increased to MEUR -0.4.

Employees

Of the 1,361 people employed as of September 30, 2008, 718 were employed in Germany/Austria (September 30, 2007: 615) and 643 abroad (September 30, 2007: 590). The number of employees rose by +10.8% compared with the end of the year. The number of employees increased by +12.9% year-on-year.

itelligence again boosted its activities in Q3 to increase its appeal as an employer to both young fresh talent and to our employees. Employees helped to develop a new international employee vision and mission that focus on team concepts and long-term career opportunities in an international environment based on trust. In mid-September, we also showcased a new product at the SAP University Alliances EMEA User Group Meeting in St. Leon Rot (Germany) for the practice-based training of young talent: a training DVD on IT consultation in the mid-market, which provides an extensive insight into the interesting occupational field of an IT consultant.

Measures were systematically implemented for our employees within the scope of the career and skills models and investments made in the staff development of specific target groups, concentrating on professional and social skills in both cases. By appointing 22 international participants for the fourth class of the High Potential program, itelligence is setting clear trends toward global cooperation and managerial development.

Opportunities and risks

In the 2007 Annual Report (pages 60 to 64), we provided comprehensive information both on the basic opportunities and risks of IT system houses and on itelligence's specific opportunities and risks. As a subsidiary of Tokyo-based NTT DATA, itelligence AG will have to comply with the J-SOX standards from January 1, 2009. For this reason, further processes and checks will be implemented beyond the existing monitoring mechanisms which will enable opportunities and risks to be identified in good time and suitable measures to be initiated. The specific opportunities and risks relating to the fourth quarter of the year are discussed in the Outlook.

Investor Relations

itelligence AG's share price performance was very volatile in Q3 2008 but generally stable when compared with its peer group. In July, itelligence's shares climbed above the EUR 4 mark and reached its high for Q3 of EUR 4.45 at the end of September.

Based on the sound financial performance and an annual high of EUR 6.17, itelligence's shares were upgraded from HOLD to BUY in new analyst opinions.

itelligence continued to communicate extensively with the Company's shareholders in Q3. On November 10, the Management Board will present itelligence AG to analysts and investors at Deutsche Börse's Equity Forum, which is the largest event of its kind in Europe.

itelligence AG also reported an increase in the number of shares by 1,923 shares to 24,241,282 shares effected by conversions of bonds on September 30, 2008.

Number of shares:	24.2 million shares
Nine-month high:	EUR 6.17 (January 2, 2008)
Nine-month low:	EUR 3.65 (July 4, 2008)
Share price as of September 30, 2008:	EUR 4.16
Market capitalization as of September 30, 2008:	MEUR 100.84

Outlook

Overall, Q3 was very satisfactory. Both revenues (+13.4%) and EBIT (+24.4%) in the first nine months were boosted substantially year-on-year. Expectations for the nine-month period were exceeded, with an EBIT margin of 6.3%.

This development was primarily driven by high license sales which saw above-average growth in all three quarters and a strong Consulting business within Germany. The Western Europe region also contributed to this welcome development overall. The Eastern Europe region stabilized, even though the earnings targets were not fully met. The US business is lagging well behind expectations. Earnings in this region were primarily impacted by the high additional expenses incurred in fixed price projects.

Orders on hand are still at a high level, totaling MEUR 154.8 at the end of Q3 2008. This still puts them above the annual average of MEUR 150.9 but 3.6% below the annual high of MEUR 160.4 (as of June 30, 2008).

itelligence AG believes that in Q4 it will be exposed to an increasingly uncertain market environment in all regions. In light of the financial crisis, the renowned market research institutes Gartner, IDC, Forrester and the IT industry association BITKOM lowered their growth forecasts for the IT industry for 2009 and subsequent years. They expect the general conditions for information technology to quickly change, with a negative impact on the IT budget.

The Management Board is still optimistic for 2008 and reaffirms its forecasts for the full year. Our core market, the German mid-market, has proven itself to be stable. itelligence believes that it offers good prospects for further extending its strong market position in this segment as a quality leader. itelligence is expected to generate revenues between MEUR 210 and MEUR 214. The EBIT margin for the current fiscal year should be between 6.2% and 6.4%.

We still aim to invest strategically in growth potential and employees and to secure the Company's profitability through consistent cost management.

Business transactions after the end of the quarter

itelligence published its 51 % takeover of the Czech SAP consultant SAPCON a.s., Brno (Czech Republic) on October 22, 2008. itelligence can acquire the remaining 49% of the shares in SAPCON via call options over the coming years. With this step, itelligence is strengthening its orientation as an internationally leading SAP consultant especially in Central and Eastern Europe. SAPCON and itelligence will work closely together in the future in this strategically important market.

SAPCON continues to operate as an independent company with its established brand, but will benefit from the infrastructure and internationality of itelligence AG. With around 40 employees, SAPCON, established in Brno, the Czech Republic's largest industrial city, primarily serves companies in the industrial, energy and telecommunications sectors. SAPCON's consulting focus is SAP and document management systems.



Herbert Vogel
CEO



Norbert Rotter
CFO

Shareholder structure

To the best of the Company's knowledge, itelligence's shareholder structure at the publication date of this Interim Report (October 29, 2008) was as follows:

NTT DATA EUROPE	76.4 %
NTT Communications	10.1 %
Herbert Vogel	4.7 %
Free Float	8.8 %

Director Holdings

Members of the Management Board and Supervisory Board held the following numbers of itelligence shares as of September 30, 2008:

	Shares
Management Board	
Herbert Vogel	1,131,478
Supervisory Board	
Dr. Britta Lenzmann (member of the Supervisory Board since May 20, 2008, Employee Representative)	155

Neither the members of the Management Board nor the members of the Supervisory Board held any convertible bonds of itelligence AG as of September 30, 2008.

Service

All itelligence AG reports in German and English can be downloaded from the Internet at www.itelligence.de. You can also register by e-mail to be added to the mailing list for news and press releases under Investor Relations/Contact. You will then receive the latest news by e-mail.

Financial Calendar 2008/2009

November 10, 2008	German Equity Forum, fall 2008 in Frankfurt
March 19, 2009	Publication of the 2008 Annual Report

Consolidated Balance Sheet as of September 30, 2008 and 2007 (IFRS)

Assets	Sep. 30, 2008 KEUR	Sep. 30, 2007 KEUR	Dec. 31, 2007 KEUR
Non-current assets			
Intangible assets	14,240	14,175	13,901
Property, plant and equipment	19,790	14,065	17,112
Financial assets	48	42	39
Deferred tax assets	1,470	1,062	1,473
Other longterm assets	2,973	2,157	2,445
	38,521	31,501	34,970
Current Assets			
Inventories	196	161	408
Trade receivables	45,051	37,301	43,183
Other current assets	3,843	1,417	2,444
Cash and cash equivalents	25,075	16,856	25,770
Prepaid expenses	3,061	2,983	1,666
	77,226	58,718	73,471
Total Assets	115,747	90,219	108,441

Equity and liabilities	Sep. 30, 2008 KEUR	Sep. 30, 2007 KEUR	Dec. 31, 2007 KEUR
Equity			
Capital subscribed	24,241	22,641	23,995
Capital reserve	20,996	24,237	20,630
Net accumulated profit/loss	7,504	-8,450	621
Other comprehensive income	-2,435	-2,999	-3,161
	50,306	35,429	42,085
Minority interest	209	166	165
	50,515	35,595	42,250
Non-current liabilities			
Longterm loans and borrowings	10,119	6,325	10,373
Convertible bonds	886	4,742	1,467
Deferred tax liabilities	1,858	1,218	1,888
Pension provisions	207	177	184
	13,070	12,462	13,912
Current liabilities			
Trade payables	16,453	13,272	18,433
Current portion of longterm loans and borrowings	2,381	1,122	1,716
Tax provisions	1,565	2,555	1,859
Other current provisions	4,371	2,304	2,820
Other current liabilities	21,324	18,712	24,030
Government grants	2,662	1,281	1,997
Deferred income	3,406	2,916	1,424
	52,162	42,162	52,279
Total Equity and liabilities	115,747	90,219	108,441

Consolidated Income Statement for the Period January 1 to September 30, 2008 and 2007 (IFRS)

(all figures in KEUR except for the number of shares and earnings per share)	Jan. 1 to Sep. 30, 2008 KEUR	Jan. 1 to Sep. 30, 2007 KEUR	July 1 to Sep. 30, 2008 KEUR	July 1 to Sep. 30, 2007 KEUR
Revenues	154,107	135,947	52,322	47,364
Cost of sales	-113,800	-98,566	-38,318	-34,230
Gross Profit	40,307	37,381	14,004	13,134
Operating expenses				
Marketing and distribution expenses	-12,651	-11,425	-4,316	-3,823
Administrative expenses	-18,324	-18,612	-6,132	-6,423
Other operating income	774	584	285	114
Other operating expenses	-378	-112	-11	0
Total operating expenses	-30,579	-29,565	-10,174	-10,132
Result from operating activities	9,728	7,816	3,830	3,002
Other income/expenses				
Investment income	10	13	4	5
Exchange rate differences from financing activities	8	15	10	1
Finance income	762	439	278	187
Finance expenses	-661	-764	-267	-252
Other income/expenses	119	-297	25	-59
Profit before income tax	9,847	7,519	3,855	2,943
Income tax expenses	-2,920	-2,913	-1,225	-1,206
Profit for the period	6,927	4,606	2,630	1,737
Minority interests in profit	-44	-55	-21	-3
Profit for the period attributable to the equity holders of the Company	6,883	4,551	2,609	1,734
Earnings per share (EUR) – basic on profit for the period	0.29	0.20		
Earnings per share (EUR) – diluted on adjusted profit for the period	0.28	0.19		
Number of shares used in the calculation of earnings per share				
– basic	24,074,938	22,509,803		
– diluted	24,595,227	24,595,227		

Consolidated Cash Flow Statement for the Period January 1 to September 30, 2008 and 2007 (IFRS)

	Sep. 30, 2008 KEUR	Sep. 30, 2007 KEUR
Profit for the period	6,883	4,551
Depreciation of property, plant and equipment and amortization of IT software	4,615	3,564
Gains/losses from the disposal of non-current assets	19	28
Changes in assets and liabilities		
Decrease/increase in trade receivables	-1,868	-982
Decrease/increase in inventories	212	-160
Decrease/increase in other current assets	-2,909	-1,522
Decrease/increase in trade payables	-1,980	-1,935
Decrease/increase in pension provisions	23	20
Decrease/increase in other current liabilities and provisions	1,198	2,098
Decrease/increase in deferred taxes	-27	-262
Other non-cash items	66	169
Cash flow from operating activities	6,232	5,569
Investments in property, plant and equipment and IT software	-7,184	-4,679
Cash received from the disposal of property, plant and equipment and intangible assets	43	70
Cash flow from investing activities	-7,141	-4,609
Change in minority interests due to dividends paid	0	-220
Raising of current liabilities to banks	-413	-90
Raising of long-term financial liabilities	1,822	3,005
Repayment of long-term financial liabilities	-1,411	-1,483
Cash flow from financing activities	-2	1,212
Decrease/increase in cash and cash equivalents	-911	2,172
Effects from exchange rate differences	216	-63
Cash and cash equivalents at January 1	25,770	14,747
Cash and cash equivalents at September 30	25,075	16,856
Interest received	683	439
Interest paid	-586	-339
Income tax paid	-3,536	-1,405

Consolidated Statement of Changes in Equity as of September 30, 2008 and 2007 (IFRS)

	Numbers of shares	Capital subscribed KEUR	Capital reserves KEUR	Net accu- mulated profit/loss KEUR	Other com- prehensive income foreign exchange differences KEUR	Equity attributable to the hold- ers of the company KEUR	minority interests KEUR	Total equity KEUR
December 31, 2006	22,466,954	22,467	23,991	-13,001	-2,220	31,237	331	31,568
Net profit/loss for the period				4,551		4,551	55	4,606
Foreign currency differences					-779	-779		-779
Conversions of convertible bonds	173,844	174	246			420		420
Changes in minority interests							-220	-220
September 30, 2007	22,640,798	22,641	24,237	-8,450	-2,999	35,429	166	35,595
December 31, 2007	23,995,206	23,995	20,630	621	-3,161	42,085	165	42,250
Net profit/loss for the period				6,883		6,883	44	6,927
Foreign currency differences					726	726		726
Conversions of convertible bonds	246,076	246	366			612		612
September 30, 2008	24,241,282	24,241	20,996	7,504	-2,435	50,306	209	50,515

Notes to the Interim Financial Statements

(1) General information

The consolidated interim financial statements for the period ended September 30, 2008 were prepared in accordance with the International Financial Reporting Standards (IFRSs) formulated by the International Accounting Standards Board (IASB).

The consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements as of December 31, 2007 and the notes contained therein. The accounting policies applied in the consolidated interim financial statements correspond to those applied in the consolidated financial statements as of December 31, 2007.

The consolidated interim financial statements were not audited. Various information and notes normally found in consolidated financial statements prepared in accordance with IFRSs were presented in abbreviated form or omitted.

The consolidated financial statements account for all current transactions and deferrals that management deems necessary to present the interim results accurately. The Company believes that the information and comments presented give a true and fair view of the net assets, financial position, and results of operations of the Company.

(2) New accounting standards

The consolidated interim financial statements were prepared observing the same accounting policies as those underlying the consolidated financial statements as of December 31, 2007 and were explained in detail in the notes contained therein. For further information, please refer to page 71 of the Annual Report 2007.

(3) Combined consolidated balance sheet and consolidated income statement disclosures – unaudited

Income taxes

	Jan. 1 to Sep. 30, 2008	Jan. 1 to Sep. 30, 2007
	KEUR	KEUR
Earnings before income taxes	9,847	7,519
Income taxes	-2,920	-2,913
Income tax rate	29.6%	38.7%

This item includes current tax expenses of KEUR 2,948 (previous year: KEUR 3,309) and deferred taxes of KEUR -28 (previous year: KEUR -396).

Earnings per share

Basic earnings

	Jan. 1 to Sep. 30, 2008	Jan. 1 to Sep. 30, 2007
Net profit for the period after minority interests	6,883 KEUR	4,551 KEUR
Weighted average of ordinary shares	24,074,938 Number	22,509,803 Number
Earnings per share, basic	0.29 EUR	0.20 EUR

Diluted earnings

The potential ordinary shares from the issue of convertible bonds and warrant linked bonds are included in the calculation of diluted earnings per share if they have a diluting effect within the meaning of IAS 33.

	Jan. 1 to Sep. 30, 2008	Jan. 1 to Sep. 30, 2007
Net profit for the period after minority interests	6,883 KEUR	4,551 KEUR
Adjustments for interest paid on potential ordinary shares – net of tax effects	46 KEUR	236 KEUR
Adjusted net profit for the year	6,929 KEUR	4,787 KEUR
Weighted average of ordinary shares and potential ordinary shares	24,595,227 Number	24,595,227 Number
Earnings per share, diluted	0.28 EUR	0.19 EUR

Segment reporting

As part of segment reporting, the activities of itelligence are broken down in accordance with the provisions of IAS 14 by geographic region as the primary segment reporting format and by division as the secondary reporting format. Please also refer to the detailed notes on page 76 in the Annual Report 2007 for more information.

The primary segment reporting format is broken down by geographical regions and the internal management structure. A distinction is made here between USA, Germany/Austria, Western Europe and Eastern Europe.

The segment information for the period under review is shown below:

	USA KEUR	Germany/ Austria KEUR	Western Europe KEUR	Eastern Europe KEUR	Other KEUR	Group Jan. 1 to Sep. 30, 2008 KEUR
Segment revenues	33,610	81,692	26,542	13,033	2,500	157,377
Intersegment trade	-262	-1,046	-700	-1,262	0	-3,270
External segment revenues	33,348	80,646	25,842	11,771	2,500	154,107
Segment result	158	8,731	1,163	-466	142	9,728
Net finance cost						119
Profit from ordinary operations						9,847
Minority interests						-44
Income taxes						-2,920
Net profit for the year						6,883

	USA KEUR	Germany/ Austria KEUR	Western Europa KEUR	Eastern Europa KEUR	Other KEUR	Group Jan. 1 to Sep. 30, 2007 KEUR
Segment revenues	35,300	66,829	23,409	11,140	2,453	139,131
Intersegment trade	-32	-1,073	-832	-1,247	0	-3,184
External segment revenues	35,268	65,756	22,577	9,893	2,453	135,947
Segment result	1,512	6,208	801	-718	13	7,816
Net finance cost						-297
Profit from ordinary operations						7,519
Minority interests						-56
Income taxes						-2,912
Net profit for the year						4,551

