



Interim Report 2/2008

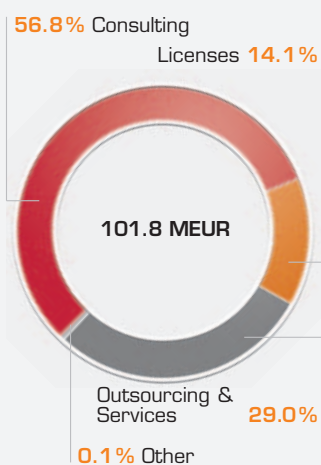
itelligence

Key factors in the first half of 2008 at a glance

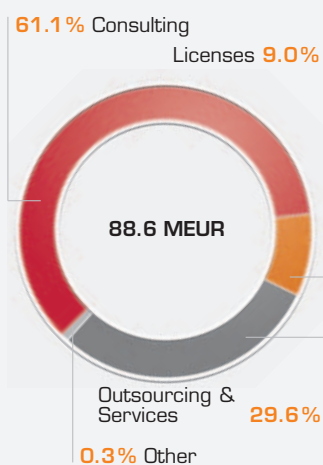
- +14.9% rise in revenues to MEUR 101.8 during first half (after adjustment for currency translation effects: +18.5%)
- EBIT increases by MEUR +1.1 from MEUR 4.8 to MEUR 5.9
- EBIT margin at +5.8% (previous year: +5.4%)
- Revenues in all divisions above previous year: Licenses +78.8%, Consulting business +6.8%, Outsourcing & Services +12.6%
- Year-on-year changes in revenues: Germany/Austria +26.0%, Western Europe +24.8%, Eastern Europe +14.3%, USA -9.8%, Other unchanged from previous year's level
- Orders on hand at the end of the quarter at MEUR 160.4 overall (end of same quarter in previous year: MEUR 123.3)
- Annual forecasts confirmed at the upper end of the guidance range

Share of revenues by division:

First half of 2008



First half of 2007



Ladies and Gentlemen,
Dear Shareholders,

During the second quarter of 2008, itelligence AG continued on the growth path pursued to date, achieving the best half-year result in the history of the company. Revenues climbed +14.9% (after adjustment for currency translation effects: +18.5%) in the first six months to MEUR 101.8. Revenues in all divisions rose compared with the same period of the previous year. Consulting revenues increased compared to the first six months of the previous year MEUR 57.8, Licenses revenues rose to MEUR 14.3 and revenues in the Outsourcing & Services division increased to MEUR 29.5.

In the segments, Germany/Austria accounts for MEUR 52.8 of revenues in the first half, the USA for MEUR 21.1, Western Europe for MEUR 18.1, Eastern Europe for MEUR 8.0 and the Other segment for MEUR 1.7.

With an EBIT of MEUR 5.9, the earnings contribution during the first half year increased by MEUR +1.1. The EBIT margin thus rose from +5.4% to +5.8%.

The EBIT contribution from the Germany/Austria segment posted a significant rise of MEUR +1.5 during the first half year, reaching MEUR 5.1. In Western Europe, the EBIT contribution nearly doubled year-on-year, increasing by MEUR +0.4 to MEUR 0.9. In Eastern Europe the earnings contribution increased by roughly MEUR +0.2 to MEUR -0.1. In the USA, due to the poor state of the US economy and the project delays in the first quarter 2008, the earnings contribution of MEUR -0.1 fell MEUR -1.1 (adjusted for currency effects: -0.9), which was significantly behind the previous year's result. In the Other segment, the earnings contribution remained almost even year-on-year.

After the first half year, net profit for the period in accordance with IFRSs thus totaled MEUR 4.3. This is an increase of MEUR +1.5 compared with the same period of the previous year. As a result, earnings per share (basic) rose from EUR 0.13 to EUR 0.18.

Orders on hand rose from the end of the same quarter the previous year, from MEUR 123.3 to MEUR 160.4, a rise of 30.1%.

Customer projects, SAP partnership and SAPPHIRE

May's SAPPHIRE conference for SAP customers in Berlin was a complete success for itelligence. itelligence presented its industry solutions and services for the SME sector and for groups focusing on international roll-outs. The development in the Asian market is particularly important in this respect. itelligence opened an office in Shanghai, China, in March 2008.

itelligence received the "SME Channel Partner – EMEA" Pinnacle Award at SAPPHIRE. This recognition demonstrates the quality of the cooperation between itelligence and SAP in developing and selling industry solutions for the SME sector and underscores the success of itelligence projects in this market segment. In a second category, that of Service Industry Solutions Co-Innovation, itelligence was one of the finalists. This puts the IES solution from itelligence in Switzerland for the Koordinierter Sanitätsdienst (KSD – coordinated sanitation service) among the top Enterprise-SOA-based solutions in the SAP environment and makes it one of the world's leading packages for e-government health care.

itelligence also took the occasion of SAPPHIRE to announce the strategic partnership with Business Objects: itelligence is a Gold Partner in the partner program of Business Objects, which means it is a value added reseller for Business Objects in Germany and Switzerland. itelligence is thus the first SAP consulting company to be included in the comprehensive partner program as part of the business intelligence software specialist's Go4Gold initiative. At the same time, itelligence is expanding its portfolio and, starting immediately, will market the business intelligence solutions of Business Objects in combination with and as a supplement to the existing business intelligence solutions of SAP. The SAP consulting company itelligence already boasts extensive products and business intelligence experience within the SAP environment. Now itelligence consultants can offer Business Objects solutions across the entire spectrum of its customers, from SMEs to corporate groups, thereby significantly expanding the range of planning and management tools for this market segment.

itelligence gained further recognition during the second quarter from Lünendonk as one of the best IT consulting companies for SMEs in Germany. itelligence attained fourth place, putting it in the top group of SME IT consulting companies.

Since 1998, customers have been entrusting the itelligence outsourcing specialists with their highly sensitive information. In Bautzen alone, itelligence now has more than three independent data centers. On June 20, 2008, the new data center of itelligence AG in Bautzen opened. The data center's security systems, data management and overall features make it one of the most state-of-the-art data centers available today. Linked by over 10 kilometers of optical fiber with the existing data centers in Bautzen, it meets the highest requirements for disaster recovery. To guarantee maximum data security, the new itelligence data center has four "security zones".

During the second quarter of 2008, itelligence acquired numerous new customers such as Ewald Euscher GmbH & Co KG in Bielefeld. In May itelligence introduced the it.automotive supplier business software, a version of the market-leading ERP software from SAP that was developed by itelligence and tailored specifically to the industry needs of small- to medium-sized automotive suppliers. itelligence is thus expanding its market presence in the industrial segment of small- to medium-sized automotive suppliers. Other new customers in the second quarter of 2008 were KAMPMANN GmbH in Lingen, Niehoff Sitzmöbel GmbH, Warendorf, Wollschläger GmbH & Co. KG, Bochum, Kienle+Spiess Stanz- und Druckgießwerk GmbH, Sachsenheim, J&J Packaging, Sunman (Indiana, USA), Icict S.A., (TÜV RHEINLAND), El Prat de Llobregat (Spain), Picassian S.L.U, Ripollet (Spain), Freixenet S.A., Sant Sadurní D'Anoia (Spain), Cementownia Warta S.A., Działoszyn (Poland), Grupa Raben, Gądko k. Poznań (Poland), VÁPENKA VITOŠOV s.r.o., Zábřeh (Czech Republic) and Pandan Kft. in Balogunyom (Hungary).

In our business with existing customers, numerous follow-up contracts came in during the second quarter of 2008, among them orders from Steinberg Media Technologies GmbH in

in MEUR	Jan. 1 to June 30, 2008	Jan. 1 to June 30, 2007	Apr. 1 to June 30, 2008	Apr. 1 to June 30, 2007
Total revenues	101.8	88.6	53.9	44.3
Revenues by area				
Consulting	57.8	54.1	30.6	26.4
Licenses	14.3	8.0	8.3	4.7
Outsourcing & Services	29.5	26.2	14.9	13.1
Other	0.2	0.3	0.1	0.1
Revenues by segment				
Germany/Austria	52.8	41.9	28.7	21.6
Western Europe	18.1	14.5	9.4	7.5
Eastern Europe	8.0	7.0	3.6	2.9
USA	21.1	23.4	11.2	11.5
Other	1.7	1.7	0.9	0.9
EBIT	5.9	4.8	4.3	2.2
EBIT margin	5.8%	5.4%	8.1%	4.9%
EBITA	5.9	4.8	4.3	2.2
EBITA margin	5.8%	5.4%	8.1%	4.9%
EBITDA	8.9	7.2	5.9	3.5
EBITDA margin	8.7%	8.1%	11.0%	7.8%
Earnings IFRS	4.3	2.8	3.1	1.2
Earnings per share	0.18	0.13		

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

Hamburg and international roll-out projects with ALD Vacuum Technologies GmbH, Hanau and BLANCO GmbH + Co KG, Oberderdingen.

During the second quarter of the year, itelligence went live at several more companies, including Schröder Laserschneid-technik GmbH & Co. KG in Bielefeld, Star Systems GmbH, Böblingen, Saint-Gobain Glassdrive España, Getafe (Spain), MH Soluciones S.L.U, Cerdanyola del Vallés (Spain) and BHG-ASZ Kft. (Prettl Group), Szekszárd (Hungary).

Performance during the second quarter of 2008

itelligence continued its revenue growth in the second quarter of 2008 as well. Quarterly revenues of MEUR 53.9, following MEUR 44.3 in the equivalent quarter of the previous year, meant a year-on-year increase of +21.7% for itelligence (after adjusting for currency translation effects: +25.5%)

During the second quarter, consulting revenues climbed +15.9% year-on-year (adjusted for currency translation effects: +19.7%) to MEUR 30.6. itelligence posted extraordinarily strong growth in Licenses revenues, which rose by +76.6% (adjusted for currency translation: +82.0%) to MEUR 8.3. In the Outsourcing & Services division a +13.7% increase in revenues (adjusted for currency translation: +24.1%) to MEUR 14.9 was achieved. Other revenues remained at the level of the previous quarter at MEUR 0.1.

Overall in the second quarter, profitability almost doubled: EBIT came in at MEUR 4.3, after MEUR 2.2 in the same quarter of the previous year. The EBIT margin rose +3.2 percentage points from 4.9% the previous year to 8.1%.

During the second quarter, the net profit for the period in accordance with IFRSs totaled MEUR 3.1 following MEUR 1.2 during the second quarter of 2007.

The following picture of the revenue segments emerges:

Germany/Austria enjoyed the highest increase in revenues and in its earnings contribution. Revenues here climbed +32.9% year-on-year to MEUR 28.7. Consulting revenues posted +26.4% growth to MEUR 15.3. Licenses revenues in particular showed strong second-quarter growth in the Germany/Austria segment: It achieved a +72.0% increase in Licenses revenues to MEUR 5.0 (same quarter the previous year: MEUR 2.9). It is pleasing that both new customer business with SMEs and the it. industry and integration solutions have seen sharp increases from the previous year. Revenues at the Outsourcing & Services area also rose strongly against the equivalent quarter by +25.8% to MEUR 8.3 million. The EBIT contribution improved by MEUR +1.4 year-on-year to MEUR 3.4.

With revenues of MEUR 11.2, the USA segment is -2.6% below the value of the previous year. The weakness of the dollar in relation to the euro plays a crucial role, because when revenues are adjusted for currency translation effects, they are well above the same quarter of the previous year +12.4%. The strongest rise in the USA segment was in Licenses revenues. At MEUR 1.5, they are +50% above the figure from the previous year (adjusted for currency translation effects: +66.8%). Consulting revenues in the second quarter were up +4.7% year-on-year, adjusting for currency translation effects. Projects pushed back from the first quarter to the second, and the resulting utilization of consultants, contributed significantly to this positive

effect. Consulting revenues of MEUR 5.8 were -9.1% less than those of the previous year without adjusting for currency effects. At MEUR 3.8, the Outsourcing & Services segment was MEUR -0.15 less than the same quarter of the previous year (adjusted for currency translation effects: +36.7%). The EBIT contribution of MEUR +0.4 was MEUR -0.1 below the previous year, which is attributable above all to the changed revenues mix in the division.

In the Eastern Europe segment, quarterly revenues rose by MEUR +0.7 to MEUR 3.6 (+24.1%, adjusted for currency translation effects: +17.6%) from the same quarter of the previous year, due primarily to a positive development in consulting. Consulting revenues rose by 66% to MEUR 1.5. This positive change is due to better consultant utilization in Poland and Hungary and an improved project situation in Russia and the Czech Republic. Licenses revenues of MEUR 0.3 are on a level with those of the same quarter of the previous year, as are revenues in Outsourcing & Services, which amount to MEUR 1.6. The significant rise of MEUR +0.7 in Consulting revenues to MEUR -0.1 was thus primarily responsible for the year-on-year improvement in the EBIT contribution.

In the Western Europe segment, revenues increased +25.3% from the corresponding quarter of the previous year (after adjustment for currency translation effects: +28.0%) to MEUR 9.4. Consulting revenues increased +15.4% from the level of the previous year to MEUR 7.5. At MEUR 1.2, Licenses revenues are up by around MEUR +0.9 on the same period of the previous year. Revenues in Outsourcing & Services remained at the previous year's level of MEUR 0.7. In Western Europe as well the EBIT contribution increased by roughly MEUR +0.3 to MEUR 0.6. This positive development is due primarily to significantly higher earnings contributions from Switzerland, the UK and the Netherlands. Earnings contributions in Belgium and Spain remained slightly below those of the same quarter of the previous year.

In the Other segment the investment in ITC GmbH was reported. Both revenues of MEUR 0.9 and earnings contribution of around MEUR 0.1 were at the level of the previous year.

Result of operations in the first half year

An EBIT of MEUR 5.9 resulted in intelligence improving this earnings figure by MEUR +1.1 compared to the same period of the previous year. EBIT profitability in the first half year thus improved by 0.4 percentage points, from 5.4% to 5.8%.

The ratio of staff costs to total revenues within the group fell by -1.9 percentage points to 49.9%, an effect attributable to higher daily rates and higher utilization of consultants. The utilization rate of third-party service providers dropped by -0.4 percentage points to 10.7%. Due a shift in the revenues mix, the rate of product costs rose by +2.2 percentage points to 16.8%. The rate of travel costs rose by about +0.2 percentage points to 6.3%.

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

EBIT margin in the first half of 2007	5.4%
Staff costs	+1.9%
Third-party service provider costs	+0.4%
Product costs	-2.2%
Travel costs	-0.2%
Other income	-1.4%
Other costs	+1.9%
EBIT margin in the first half of 2008	5.8%

The gross margin fell year-on-year from 27.4% to 25.8%. This is attributable mainly to the revenues mix in the divisions. The share of sales and marketing expenses dropped -0.4 percentage points from the previous year to 8.2%. The share of general and administrative expenses dropped by -1.8% percentage points to 12.0%. Other operating income and expenses were MEUR 0.2 lower year-on-year. The tax rate in the period under review was 28.3%, down from 37.3% in the same period of the previous year. As a result, intelligence recorded a net profit for the period in accordance with IFRSs of MEUR 4.3, up from MEUR 2.8 in the previous year. The profit margin rose year-on-year from 3.2% to 4.2% in the first half of 2008. Earnings per share (basic) increased by EUR 0.05 to EUR 0.18 per share.

Net assets and financial position

The total assets of the itelligence Group rose as of June 30, 2008 to MEUR 111.1 (December 31, 2007: MEUR 108.4).

itelligence's equity amounted to MEUR 46.9 as of the reporting date 30 June 2008 compared with MEUR 42.3 as of December 31, 2007. This pushed the equity ratio up to 42.2% (December 31, 2007: 39.0%).

Trade receivables as of the reporting date of June 30, 2008 of MEUR 43.5 remained at the level as of the end of 2007 (December 31, 2007: MEUR 43.2). Over the first half of the year, receivables developed in line with the development of revenues. The average days sales outstanding amounted to 77 days (compared with 81 days as of December 31, 2007 and 71 days as of June 30, 2007).

Cash and cash equivalents as of June 30, 2007 amounted to MEUR 22.2, thus falling MEUR 3.6 from December 31, 2007.

The cash flow from operating activities during the half-year period amounted to MEUR 1.2, up from MEUR 0.5 in 2007. Net cash from operating activities thus climbed MEUR 0.7 year-on-year.

Net cash used in investing activities during the reporting period amounted to MEUR 5.6 and is thus well above the previous year's level (MEUR 3.9). As in previous reporting periods, investments were primarily related to the expansion of data center capacity. In connection with expansion of the data center in Bautzen, an investment grant and an investment subsidy were awarded under the regional economic assistance program of the Free State of Saxony.

Net cash from financing activities amounted to MEUR 0.7 (previous year: MEUR 1.8). This is due primarily to borrowing MEUR 1.5 in connection with the investments made, with repayments amounting to MEUR 1.0 and the short-term utilization of a credit line abroad in the amount of MEUR 0.5.

Employees

Of the 1,326 people employed as of June 30, 2008, 698 were employed in Germany/Austria (previous year: 593) and 628 abroad (previous year: 579). The number of employees rose by +8% compared to the end of 2007. The number of employees increased by +13.1% year-on-year.

Activities to recruit highly qualified employees were again intensified in the second quarter. Participation in SAP's "Talent Day" allowed itelligence AG to position itself on the market well, thus increasing its appeal to fresh talent. The human resources campaign served to improve and further expand awareness, particularly in southern Germany.

Opportunities and risks

In the 2007 Management Report of the Group (Annual Report pages 60 to 64), we provided detailed information both on the basic opportunities and risks of IT system houses and on itelligence's specific opportunities and risks. As in previous fiscal years, the internal processes and monitoring mechanisms established continue to be developed and supported by the internal Group audit function. We address the specific opportunities and risks for the second half of the year in the Outlook section.

Investor Relations

Investor Relations work during the first half of the current fiscal year centered on the Annual General Meeting on May 20, 2008 in Bielefeld. It focused on reporting on the continued positive financial development and on the partnership with NTT DATA entered into at the end of the previous year, which resulted in changes in the composition of the Supervisory Board. All agenda items were approved by shareholders with voting rights.

itelligence AG continued to provide information during the second quarter of 2008 to shareholders, investors and analysts as part of its targeted Investor Relations activities. itelligence AG also reported an increase in the number of shares to 24,231,667 effected by conversions of bonds on June 30, 2008.

Number of shares:	24.2 million shares
Six-month high:	EUR 6.17 (January 2, 2008)
Six-month low:	EUR 3.71 (June 30, 2008)
Share price as of June 30, 2008:	EUR 3.71
Market capitalization as of June 30, 2008:	MEUR 89.9

Outlook

itelligence AG continued on its growth path during the second quarter and as a result reported very successful business performance for the first half of 2008. All divisions contributed to this success. In particular, the Licenses business achieved strong increases.

Once again Germany proved to be a growth driver, but business in Western Europe also showed positive development. In Eastern Europe itelligence recorded double-digit growth, due particularly to higher revenues in Licenses. The picture in the USA, on the other hand, is more varied. After a slow start in the first quarter, revenues in the USA increased by 12.4%, adjusted for currency translation effects, during the second quarter.

Orders on hand continued to show positive development at MEUR 160.4. It rose by 30.1% from the same period the previous year and at 6.7% continues to exceed the record figure for orders on hand as of December 31, 2007. Thus itelligence assumes that development will remain positive over the course of the rest of the year, and will continue to invest accordingly in expanding the staff of itelligence, particularly in Germany and Western Europe.

For the year as a whole itelligence remains optimistic, despite the weakening of the economy emerging in the USA, UK and Spain. In the USA the slower Consulting business during the first quarter impacted the EBIT margin negatively. However, itelligence expects revenues to stabilize there. In the other segments, itelligence will continue on its very stable growth path.

On this basis the Management Board expects to meet the revenue target of MEUR 210 to MEUR 214 and to continue increasing the EBIT margin from the previous year. For the year as a whole, the Management Board expects to achieve the upper end of the guidance range, both in terms of revenues and in an improvement in the EBIT margin of 6.2% to 6.4%. It is the aim of itelligence to continue increasing the EBIT margin by means of targeted investments in growth and systematic cost management.

On the basis of the extremely solid equity base and the further profitable growth that is emerging, itelligence plans to pay a dividend for the current fiscal year.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.



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 (July 30, 2008) was as follows:

NTT DATA EUROPE	76.4%
NTT Communications	10.2%
Herbert Vogel	4.7%
Free Float	8.7%

Director Holdings

Members of the Management Board and Supervisory Board held the following numbers of itelligence shares as of June 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
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Neither the members of the Management Board nor the members of the Supervisory Board held any convertible bonds of itelligence AG as of June 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

October 29, 2008	Publication of Interim Report 3/2008
November 10, 2008	German Equity Forum, fall 2008 in Frankfurt

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

Assets	June 30, 2008 KEUR	June 30, 2007 KEUR	Dec. 31, 2007 KEUR
Non-current assets			
Intangible assets	13,420	14,710	13,901
Property, plant and equipment	19,815	13,856	17,112
Financial assets	45	38	39
Deferred tax assets	1,487	913	1,473
Other longterm assets	2,756	2,177	2,445
	37,523	31,694	34,970
Current Assets			
Inventories	204	37	408
Trade receivables	43,506	34,840	43,183
Other current assets	3,805	1,493	2,444
Cash and cash equivalents	22,215	13,297	25,770
Prepaid expenses	3,879	4,046	1,666
	73,609	53,713	73,471
Total Assets	111,132	85,407	108,441

Equity and liabilities	June 30, 2008 KEUR	June 30, 2007 KEUR	Dec. 31, 2007 KEUR
Equity			
Capital subscribed	24,232	22,594	23,995
Capital reserve	20,982	24,170	20,630
Net accumulated profit/loss	4,895	-10,184	621
Other comprehensive income	-3,389	-2,421	-3,161
	46,720	34,159	42,085
Minority interest	188	273	165
	46,908	34,432	42,250
Non-current liabilities			
Longterm loans and borrowings	10,370	5,726	10,373
Convertible bonds	903	4,817	1,467
Deferred tax liabilities	1,808	1,296	1,888
Pension provisions	199	171	184
	13,280	12,010	13,912
Current liabilities			
Trade payables	17,034	8,302	18,433
Current financial liabilities	456	742	0
Current portion of longterm loans and borrowings	2,216	1,397	1,716
Tax provisions	1,931	1,365	1,859
Other current provisions	3,454	2,126	2,820
Other current liabilities	18,243	18,928	24,030
Government grants	2,697	1,278	1,997
Deferred income	4,913	4,827	1,424
	50,944	38,965	52,279
Total Equity and liabilities	111,132	85,407	108,441

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

(all figures in KEUR except for the number of shares and earnings per share)	Jan. 1 to June 30, 2008 KEUR	Jan. 1 to June 30, 2007 KEUR	Apr. 1 to June 30, 2008 KEUR	Apr. 1 to June 30, 2007 KEUR
Revenues	101,785	88,583	53,904	44,290
Cost of sales	-75,482	-64,336	-39,754	-32,206
Gross Profit	26,303	24,247	14,150	12,084
Operating expenses				
Marketing and distribution expenses	-8,335	-7,602	-4,195	-3,772
Administrative expenses	-12,192	-12,189	-5,751	-6,177
Other operating income	489	470	288	114
Other operating expenses	-367	-112	-144	-75
Total operating expenses	-20,405	-19,433	-9,802	-9,910
Result from operating activities	5,898	4,814	4,348	2,174
Other income/expenses				
Investment income	6	8	6	4
Exchange rate differences from financing activities	-2	14	-5	36
Finance income	484	252	221	110
Finance expenses	-394	-512	-190	-277
Other income/expenses	94	-238	32	-127
Profit before income tax	5,992	4,576	4,380	2,047
Income tax expenses	-1,695	-1,707	-1,241	-872
Profit for the period	4,297	2,869	3,139	1,175
Minority interests in profit	-23	-52	-11	-18
Profit for the period attributable to the equity holders of the Company	4,274	2,817	3,128	1,157
Earnings per share (EUR) – basic on profit for the period	0.18	0.13		
Earnings per share (EUR) – diluted on profit for the period	0.17	0.12		
Number of shares used in the calculation of earnings per share				
– basic	23,996,520	22,467,657		
– diluted	24,595,227	24,595,227		

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

	June 30, 2008 KEUR	June 30, 2007 KEUR
Profit for the period	4,274	2,817
Depreciation of property, plant and equipment and amortization of IT software	2,976	2,368
Gains/losses from the disposal of non-current assets	30	31
Changes in assets and liabilities		
Decrease/increase in trade receivables	-323	1,479
Decrease/increase in inventories	204	-36
Decrease/increase in other current assets	-3,603	-2,721
Decrease/increase in trade payables	-1,399	-6,433
Decrease/increase in pension provisions	15	14
Decrease/increase in other current liabilities and provisions	-892	2,854
Decrease/increase in deferred taxes	-94	-35
Other non-cash items	42	131
Cash flow from operating activities	1,230	469
Investments in property, plant and equipment and IT software	-5,636	-3,729
Cash received from the disposal of property, plant and equipment and intangible assets	28	43
Cash flow from investing activities	-5,608	-3,686
Change in minority interests due to dividends paid	0	-110
Raising of current liabilities to banks	456	742
Decrease/increase in long-term deposits	-282	-50
Raising of long-term financial liabilities	1,467	2,370
Repayment of long-term financial liabilities	-970	-1,172
Cash flow from financing activities	671	1,780
Decrease/increase in cash and cash equivalents	-3,707	-1,437
Effects from exchange rate differences	152	-13
Cash and cash equivalents at January 1	25,770	14,747
Cash and cash equivalents at June 30	22,215	13,297
Interest received	484	252
Interest paid	-358	-248
Income tax paid	-1,998	-739

Consolidated Statement of Changes in Equity as of June 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				2,817		2,817	52	2,869
Foreign currency differences					-201	-201		-201
Conversions of convertible bonds	126,614	127	179			306		306
Changes in minority interests							-110	-110
June 30, 2007	22,593,568	22,594	24,170	-10,184	-2,421	34,159	273	34,432
December 31, 2007	23,995,206	23,995	20,630	621	-3,161	42,085	165	42,250
Net profit/loss for the period				4,274		4,274	23	4,297
Foreign currency differences					-228	-228		-228
Conversions of convertible bonds	236,461	237	352			589		589
June 30, 2008	24,231,667	24,232	20,982	4,895	-3,389	46,720	188	46,908

Notes to the Interim Financial Statements

(1) General information

The consolidated interim financial statements for the period ended June 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 2007 Annual Report.

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

Income taxes

	Jan. 1 to June 30, 2008	Jan. 1 to June 30, 2007
	KEUR	KEUR
Earnings before income taxes	5,992	4,576
Income taxes	-1,695	-1,707
Income tax rate	28.3%	37.3%

This item includes current tax expenses of KEUR 1,789 (previous year: KEUR 1,911) and deferred taxes of KEUR -94 (previous year: KEUR -204).

Earnings per share

Basic earnings

	Jan. 1 to June 30, 2008	Jan. 1 to June 30, 2007
Net profit for the period after minority interests	4,274 KEUR	2,817 KEUR
Weighted average of ordinary shares	23,996,520 Number	22,467,657 Number
Earnings per share, basic	0.18 EUR	0.13 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 June 30, 2008	Jan. 1 to June 30, 2007
Net profit for the period after minority interests	4,274 KEUR	2,817 KEUR
Adjustments for interest paid on potential ordinary shares – net of tax effects	24 KEUR	161 KEUR
Adjusted net profit for the year	4,296 KEUR	2,978 KEUR
Weighted average of ordinary shares and potential ordinary shares	24,595,227 Number	24,595,227 Number
Earnings per share, diluted	0.17 EUR	0.12 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 of the 2007 Annual Report 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 June 30, 2008 KEUR
Segment revenues	21,315	53,447	18,697	8,813	1,706	103,978
Intersegment trade	-195	-648	-566	-782	-2	-2,193
External segment revenues	21,120	52,799	18,131	8,031	1,704	101,785
Segment result	-99	5,132	926	-109	48	5,898
Net finance cost						94
Profit from ordinary operations						5,992
Minority interests						-23
Income taxes						-1,695
Net profit for the year						4,274

	USA KEUR	Germany/ Austria KEUR	Western Europa KEUR	Eastern Europa KEUR	Other KEUR	Group Jan. 1 to June 30, 2007 KEUR
Segment revenues	23,459	42,647	15,188	7,700	1,725	90,719
Intersegment trade	-13	-741	-646	-736	0	-2,136
External segment revenues	23,446	41,906	14,542	6,964	1,725	88,583
Segment result	965	3,566	486	-288	85	4,814
Net finance cost						-238
Profit from ordinary operations						4,576
Minority interests						-52
Income taxes						-1,707
Net profit for the year						2,817

