

itelligence

Interim Report 1/2007

Letter to the Shareholders

Key factors in the first quarter of 2007 at a glance

- Revenues in the first quarter increase by +18.4% year-on-year (after adjustment for currency translation effects: +21.5%) to MEUR 44.3
- EBIT more than triples from MEUR +0.8 to MEUR +2.6 (EBIT margin: +6.0% as against +2.0% in the previous year)
- Revenues in all regions above previous year: Americas +14.7% (after adjustment for currency translation effects: +25.1%), rest of Europe +14.0% (after adjustment for currency translation effects: +14.9%) and Germany +23.7%
- Strong Consulting business recording growth of +25.9%, Outsourcing & Services expands +15.8%, Licenses business down slightly year-on-year at MEUR -0.3
- Orders on hand at the end of the quarter at MEUR 118.3 overall (end of same quarter in previous year: MEUR 107)

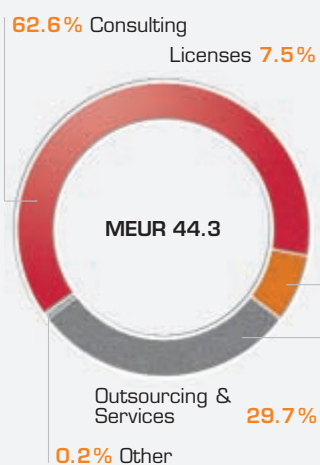
Ladies and Gentlemen,
Dear Shareholders,

itelligence continued the past fiscal year's performance in the first quarter of 2007 and significantly boosted both its revenues and EBIT profitability. Revenues thus rose MEUR +6.9 year-on-year to MEUR 44.3, corresponding to revenues growth of +18.4% (after adjustment for currency translation effects: 21.5%). At the same time, EBIT more than tripled, increasing by MEUR +1.8 to MEUR 2.6. This boosted EBIT profitability by +4.0 percentage points from 2.0% to 6.0% in the first quarter of fiscal year 2007. Orders on hand to the end of the quarter totaled MEUR 118.3, up a further 10.9% compared with the end of the same quarter in the previous year.

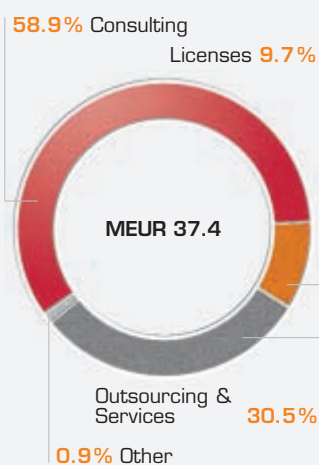
This performance confirms itelligence's excellent position as a full-service SAP provider in the classical and upper midsize market segment.

Share of revenues by area:

Q1 2007



Q1 2006



Encouragingly, this performance can be seen in all regions. For instance, revenues increased in the Germany region by 23.7% year-on-year to MEUR 20.9. Revenues growth of 14.7% (after adjustment for currency translation effects: 25.1%) to MEUR 12.0 was recorded in the Americas region. In the rest of Europe, revenues climbed 14.0% (after adjustment for currency translation effects: 14.9%) to MEUR 11.4.

In the revenue areas Consulting saw the highest increase, climbing 25.9% to MEUR 27.7. In the Outsourcing & Services area, revenues rose 15.8% to MEUR 13.2 year-on-year. At MEUR 3.3, only Licenses revenues remained down slightly on the previous year's figure by MEUR -0.3.

At MEUR 2.6, EBIT more than tripled year-on-year. At MEUR 1.7, net profit for the period in accordance with IFRSs was up MEUR +1.2 on the corresponding figure for the previous year of MEUR 0.5. This lifted earnings per share (basic) for the first quarter from EUR 0.02 to EUR 0.07.

Customer projects, SAP partnership and CeBIT 2007

In the new Partner Edge program introduced, itelligence has been an official SAP Gold Partner in Germany and Switzerland since the third quarter of 2006. In January 2007, the Partner Edge Agreement was signed in the USA and the Gold Partner status also entered into force in the USA. In the rest of the countries included in the Western and Eastern Europe segments, Silver or Associate statuses were obtained in some cases. As a Gold Partner, the main advantages for itelligence are marketing activities sponsored by SAP, targeted further education measures, special support from SAP and above all higher discounts in the Licenses business.

As in previous quarters, itelligence obtained more new SAP special expertise partnerships and recertified existing SAP special expertise partnerships. In March 2007, SAP named itelligence a special expertise partner for "SAP for Manufacturing and High Tech", among other types. Furthermore, SAP approved itelligence's SAP All-in-One solution it.manufacturing for mySAP ERP 2005. The SAP qualification only recognizes industry solutions that meet the high SAP standard of technological compatibility and which incorporate substantial industry knowledge.

In March 2007, itelligence successfully presented itself at CeBIT 2007 in Hanover with extended exhibition space and a modified trade fair image. Numerous visitors were able to obtain information on the extensive industry solutions and special SAP topics at the itelligence booth. Special solutions packages tailored to small enterprises round of itelligence's it.compact offering well. It was the experience of the contacts at itelligence's trade fair that the companies visiting them had very concrete ideas and project plans.

In the first quarter, itelligence won a large number of new customers such as Schröder Laserschneidtechnik GmbH & Co. KG in Bielefeld, which chose itelligence's mySAP All-in-One-industry solution it.manufacturing. The Bielefeld-based midmarket company is relying on SAP's state-of-the-art technology and itelligence's profound industry knowledge in its complete migration. Schröder Laserschneidtechnik belongs to the new midmarket segment addressed by SAP. Other new customers included HANSA-FLEX Hydraulik GmbH, Bremen, Vanture Corporate Group S.A., Barcelona, Pressair Kft., Budapest (Hungary), CeWe Color Magyarország Kft., Budapest (Hungary),

DeTeImmobilien Hungary Zrt., Budapest (Hungary), Drywall Supply, St. Michael (Minnesota, USA), S & S Cycle, Viola (Wisconsin, USA), HEI Inc., Victoria (Minnesota, USA) and OFS Fitel LLC, Norcross (Georgia, USA).

In the first quarter of 2007, a large number of follow-up contracts were also secured in business with existing customers, including with Sphairon Access Systems GmbH, Bautzen, Testo AG, Lenzkirch, OSBORN INTERNATIONAL GmbH in Burgwald, Cia. Española de Laminación S.L., Castellbisbal (Barcelona) and Codorniu S.A. in Barcelona.

In the fourth quarter of 2006, itelligence gained H. E. Otten Matratzenfabrik GmbH, Lippstadt, which chose to use the itelligence industry solution it.wood. The first project stage was already put into production in the first quarter of 2007. Applications also went live successfully in the first quarter at epis Automation GmbH & Co. KG, Albstadt-Ebingen, Nutrexa S.A., Barcelona, Meyer Burger AG, Thun (Switzerland), Philips Lighting Poland S.A., Piła (Poland), Schwarte - Milfor Sp z.o.o., Olsztyn (Poland), SANYO Hungary Kft., Dorog Ipari park (Hungary), leBelier Magyarország Rt., Ajka (Hungary), SPX Process Equipment - Dielectric, Raymond (Maine, USA), Ubiquity Brands, Chicago (Illinois, USA) and Coleman Company, Wichita (Kansas, USA).

Examples of new hosting customers that chose itelligence as their global outsourcing partner in the first quarter were Armacell GmbH, Münster, Schröder Laserschneidtechnik GmbH & Co. KG, Bielefeld and Dangaard Telecom Administration A/S, Padborg (Denmark). Dangaard has commissioned itelligence to internationally set up, roll out and operate the entire range of SAP's newest solutions and release status – such as CRM, BI, SCM, Solution Manager and of course ERP based on SAP Netweaver – in the long term. This again confirms itelligence's leading position in innovative SAP solutions.

Business performance in the first quarter of 2007

In the first quarter, itelligence converted the ongoing positive economic basic sentiment and the increased propensity to invest in the midmarket into substantial revenues and earnings growth. In so doing, itelligence not only benefited from the excellent orders on hand as at the year-end but was also able to continue increasing these over the course of the first quarter to MEUR 118.3. This substantially boosted revenues and EBIT contributions year-on-year in all regions. For instance, the EBIT contribution improved by MEUR +0.8 in the Germany region, by MEUR +0.5 in the rest of Europe and by MEUR +0.5 in the Americas region.

With regard to the segments, revenues and earnings were lifted the most in Germany/Austria. Revenues here climbed 23.5% year-on-year to MEUR 20.3. Consulting revenues rose 32.1% to MEUR 11.8 due to significantly higher capacity utilization of the Company's own consultants and the increased use of third-party service providers. Revenues in the Outsourcing & Services area grew by 20.1% as against the previous year to MEUR 6.6. At MEUR 1.9, Licenses revenues in the Germany/Austria segment remained stable at the previous year's level (prior-year quarter: MEUR 2.0).

At the same time, the EBIT contribution also soared +137.8% (MEUR +0.9) year-on-year to MEUR 1.5. Along with higher consultant capacity utilization, the leverage effects of fixed costs due to the increased volume of revenues were also a reason for this positive change in the earnings contribution.

| in MEUR | Jan. 1 to Mar. 31, 2007 | Jan. 1 to Mar. 31, 2006 |
|----------------------------|----------------------------|----------------------------|
| Total revenues | 44.3 | 37.4 |
| Revenues by area | | |
| Consulting | 27.7 | 22.0 |
| Licenses | 3.3 | 3.6 |
| Outsourcing & Services | 13.2 | 11.4 |
| Other | 0.1 | 0.4 |
| Revenues by region | | |
| Germany | 20.9 | 16.9 |
| Rest of Europe | 11.4 | 10.0 |
| Americas | 12.0 | 10.5 |
| Revenues by segment | | |
| Germany/Austria | 20.3 | 16.4 |
| Western Europe | 7.1 | 6.9 |
| Eastern Europe | 4.1 | 2.9 |
| Americas | 12.0 | 10.5 |
| Other | 0.8 | 0.7 |
| EBIT | 2.6 | 0.8 |
| EBIT margin | 6.0% | 2.0% |
| EBITA | 2.6 | 0.8 |
| EBITA margin | 6.0% | 2.0% |
| EBITDA | 3.7 | 1.7 |
| EBITDA margin | 8.4% | 4.6% |
| Earnings IFRS | 1.7 | 0.5 |
| Earnings per share | 0.07 | 0.02 |

itelligence at a Glance: January 1 to March 31, 2007 and 2006

The Americas segment generated revenues growth of +14.7% (after adjustment for currency translation effects: 25.1%) to MEUR 12.0. As in Germany/Austria, the largest revenues increase was recorded in Consulting revenues. They climbed +39.3% year-on-year to MEUR 7.4. Revenues in the Outsourcing & Services area grew by +8.6% to MEUR 4.0. At MEUR 0.5, Licenses revenues remained down on the previous year by MEUR -0.7. Although the number of new customers increased, smaller project scales and the generally higher volatility in licenses sales led to lower revenues in the first quarter in this revenues area. Nevertheless, a substantial increase of MEUR +0.5 was recorded in the EBIT contribution in the same period.

In the Eastern European segment, revenues and earnings were also boosted substantially year-on-year. Revenues here grew by +38.8% (after adjustment for currency translation effects: 38.7%) to MEUR 4.1 in the first quarter of 2007. Consulting revenues grew most noticeably by +74.2% (MEUR +0.9) to MEUR 2.1. Compared with the same quarter of the previous year, it was primarily licenses established in Russia that led to a rise in Licenses revenues of MEUR +0.3. At MEUR 1.7, revenues in the Outsourcing &

Services area were up year-on-year. Due to the positive development in the volume of licenses and the significant rise in capacity utilization of the Company's own consultants while reducing the utilization ratio of third-party service providers, the EBIT contribution improved by MEUR +0.5 as against the previous year.

In the Western Europe segment, revenues were up 2.9% (after adjustment for currency translation effects: 4.7%) year-on-year at MEUR 7.1. While Consulting revenues were only up slightly on the previous year at MEUR 6.1, Licenses revenues were raised by around 80% to MEUR 0.4 due to licenses established in the UK and Switzerland. Revenues in the Outsourcing & Services area grew by 11.4% to MEUR 0.6. Compared with the same quarter of the previous year, the EBIT contribution in Western Europe also improved by around 15% to MEUR 0.2.

The Other segment, which primarily comprises fully-consolidated investments of less than 100% within Germany (ITC GmbH) and all international reporting units in which operations were closed reveals an increase in revenues of +17.9% to MEUR 0.8. This rise in revenues as well as the slight surge in the earnings contribution is primarily due to the sound business performance of ITC GmbH.

Result of Operations

With an EBIT of MEUR 2.6, itelligence generated a sharp increase in earnings of MEUR +1.8 compared with the same period of the previous year. This pushed EBIT profitability up 4 percentage points from 2.0% to 6.0%.

The ratio within the Group of staff costs to total revenues fell by -1.8 percentage points year-on-year to 52.1%. The utilization ratio of third-party service providers saw the opposite and rose by +0.4 percentage points to 11.4%. As a result of the shift in the revenues mix, the ratio of product costs decreased by -2.8 percentage points to 13.7%. The ratio of travel costs to the itelligence Group's total revenues fell by -0.4 percentage points to 6.0%. The percentage of other operating income climbed slightly by +0.2 percentage points while other costs increased by +0.8 percentage points to 13.2%.

Thus the cost types had the following effects on EBIT profitability:

| | |
|------------------------------------|-------------|
| EBIT margin Q1/2006 | 2.0% |
| Staff costs | +1.8% |
| Third-party service provider costs | -0.4% |
| Product costs | +2.8% |
| Travel costs | +0.4% |
| Other income | +0.2% |
| Other costs | -0.8% |
| EBIT margin Q1/2007 | 6.0% |

The gross margin improved year-on-year from 24.7% to 27.5%. This is primarily due to the revenues mix and the relative improvement in the staff costs ratio due to higher consultant capacity utilization. The ratio of marketing and selling expenses to the itelligence Group's total revenues decreased by -1.2 percentage points year-on-year to 8.7%. The ratio of general and administrative expenses climbed +0.6 percentage points to 13.6%. In addition to stepping up our staff recruitment activities, provisions for programs to retain staff, consulting costs and vacant rented office space led to an increase in costs in this area.

itelligence posts an increase of MEUR +0.3 in other operating income which primarily relate to investment subsidies connected with the expansion of our data center in Bautzen. At KEUR -111, other expenses were down around -23% year-on-year due to lower interest expenses.

The tax rate in the period under review was 33.0%, up from 23.6% in the same quarter of the previous year.

itelligence thus posts net profit for the period in accordance with IFRSs of MEUR 1.7, up from MEUR 0.5 in the prior-year period. The profit margin improved from 1.3% in the same quarter of the previous year to 3.8% in the first quarter of 2007. Earnings per share (basic) climbed EUR 0.05 to EUR 0.07 per share.

Balance Sheet Structure, Investments and Liquidity

Total assets increased by MEUR +1.5 to MEUR 85.8 as of March 31, 2007 compared with December 31, 2006. On the equity and liabilities side of the balance sheet, current liabilities decreased by MEUR -0.6. This is primarily due to a decrease in trade payables and other liabilities due to payments made for variable salary components along with social security contributions of MEUR -8.3. Deferred income saw the opposite, increasing by around MEUR +6.0 as a result of the service income to be deferred for less than one year. Current financial liabilities and the current portion of interest-bearing borrowings climbed by MEUR +0.8 compared with the previous year's final value. Provisions and government grants for investment subsidies rose by MEUR +0.9.

Non-current liabilities show an increase of MEUR +0.6 which is primarily due to the long-term financing of investments in the data centers. The ratio of interest-bearing liabilities thus rose slightly from 13% to 14%. Equity as of March 31, 2007 increased by MEUR +1.5 to MEUR 33.1. itelligence thus has an equity ratio of 39% (December 31, 2006: 37%).

On the assets side of the balance sheet, non-current assets rose by MEUR +0.9, mainly as a result of higher investments in property, plant and equipment. A rise of MEUR +0.6 overall was recorded under current assets. In so doing, trade receivables rose further against the year-end by MEUR +1.4. Nevertheless, the DSO (days sales outstanding) ratio decreased by 3 days to an average of 77 days. This is primarily due to the increased volume of revenues. Other receivables and assets climbed by MEUR +0.3. As a result of the service expenses to be deferred for less than one year, the prepaid expenses item rose by MEUR +4.5. Cash and cash equivalents thus fell by MEUR -5.6 as against the year-end from MEUR 14.7 to MEUR 9.1.

The reduction in cash and cash equivalents is mainly due to the negative cash flow from operating activities of MEUR -4.7 (prior-year period: MEUR -2.8). Along with a decrease in trade payables, primarily in connection with the payment of license purchases from the fourth quarter, the payments of the variable salary components and social security contributions as well as an increase in the number of receivables led to the net cash used in operating activities. Net cash of MEUR -2.2 was used in investing activities (prior-year period: MEUR -0.7), mainly owing to higher investments in our data centers and in hardware for customer systems.

Total investments in property, plant and equipment and IT software climbed by MEUR +1.4 year-on-year. The free cash flow in the first quarter amounted to MEUR -6.9 (prior-year quarter: MEUR -3.5). Financing activities brought net cash of MEUR +1.2. itelligence thus posts cash and cash equivalents of MEUR 9.1 (end of same quarter in previous year: MEUR 8.5) as of March 31, 2007.

Employees

572 of the 1,136 staff were employed in Germany as of March 31, 2007 (March 31, 2006: 503) and 564 abroad (March 31, 2006: 499). The number of employees rose by +6.1% compared with the year-end and increased by +13.4% year-on-year.

Activities to recruit highly qualified employees were stepped up in all regions. Among other things, itelligence was represented at CeBIT in March for the second time with its own recruiting stand. This enabled more than 240 talks to be held with candidates. Cooperation with higher-education institutions was strengthened in Germany, Spain and Belgium in particular. Attending trade fairs and organizing SAP workshops raised the profile and appeal of itelligence among graduates of a high caliber. Supported by introductory events and coaching by managers as well as experienced employees with many years experience, new employees were very successfully integrated. Along with staff recruitment, we concentrated on training and further educating our existing workforce. In the current year, the focus will be on the expansion of specialist and method training as well as training offered in soft skills.

Opportunities and risks

In the 2006 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 Company will work on continuously improving internal processes and monitoring mechanisms again in 2007, supported by a structured internal Group audit, to identify opportunities and risks in good time and initiate suitable measures.

Investor relations

Our investor relations activities in the first quarter of 2007 focused on preparing the Annual Report for fiscal year 2006 and publishing the 2006 annual financial statements. Using the "Winning Strategies in the Mid-market" theme, itelligence presents four of its international customers here in personal profiles and in so doing conveys to shareholders and interested parties alike how the classical and upper midsize market has successfully positioned itself for decades – benefiting from itelligence's services while doing so of course.

At the Small & MidCap-Day as part of CeBIT, the Management Board presented itelligence's performance before around 30 analysts, investors and financial journalists. As a result of the outstanding performance in the past fiscal year and excellent prospects for 2007, the demand for one-on-one meetings both at the conference and at itelligence's booth was high. At the Company's headquarters in Bielefeld, the Management Board also presented the corporate strategy at more meetings.

| | |
|---|-----------------------------|
| Number of shares: | 22.47 million shares |
| Three-month high: | EUR 4.54 (March 23, 2007) |
| Three-month low: | EUR 3.32 (January 29, 2007) |
| Share price as of March 30, 2007: | EUR 4.50 |
| Market capitalization as of March 30, 2007: | MEUR 101.1 |

Outlook

The brilliant start to fiscal year 2007 coupled with an ongoing positive market sentiment and sound orders on hand confirm itelligence's expectation of generating revenues within the itelligence Group of between MEUR 175 and MEUR 185. In view of further investments, particularly in building up the workforce and training and further educating the existing workforce, the Management Board expects to boost the EBIT margin in fiscal year 2007 to over 5%.



Herbert Vogel
CEO



Jörg Vandreier
CFO

Shareholder structure

To the best of the Company's knowledge, itelligence's shares were held as follows on the date that the Interim Report was published (May 3, 2007):

| | |
|--|-------|
| Credit Suisse | 13.6% |
| Vogel family | 11.2% |
| Nobel SA, Paris | 10.0% |
| Ratio Asset Management | 5.0% |
| Allianz Global Investors Kapitalanlagegesellschaft mbH | 4.0% |
| Polar Capital Partners | 3.1% |
| Free float | 53.1% |

Polar Capital Partners exceeded the threshold of 3% of shares in itelligence for the first time on January 1, 2007. Its interest amounted to 3.1% on this date.

Ratio Asset Management LLP exceeded the threshold of 5% of shares in itelligence AG for the first time on February 2, 2007. Its interest amounted to 5.02% on this date.

Nobel SA, Paris exceeded the 10% reporting threshold on February 7, 2007. Its interest on this date amounted to 10.02%.

Allianz Global Investors informed itelligence that its share of voting rights in itelligence exceeded the 3% threshold on February 12, 2007 and amounted to 4.0% of the voting rights on this date.

Director holdings

Members of the Management Board and Supervisory Board held the following numbers of itelligence shares as of March 31, 2007:

| | Shares |
|--|-----------|
| Management Board | |
| Herbert Vogel | 1,908,286 |
| Supervisory Board | |
| Johannes Cordes (Deputy Chairman and employee representative) | 833 |

Neither the members of the Management Board nor the members of the Supervisory Board held any convertible bonds of itelligence AG as of March 31, 2007.

Consolidated Balance Sheet
as of March 31, 2007 and 2006 (IFRS)

| Assets | Mar. 31, 2007 KEUR | Mar. 31, 2006 KEUR | Dec. 31, 2006 KEUR |
|------------------------------------|------------------------------|------------------------------|------------------------------|
| Non-current assets | | | |
| IT software | 1,352 | 683 | 1,425 |
| Goodwill | 13,566 | 14,375 | 13,650 |
| Property, plant and equipment, net | 13,524 | 10,574 | 12,392 |
| Financial assets | 34 | 75 | 30 |
| Deferred tax assets | 896 | 443 | 805 |
| Other receivables and assets | 2,095 | 1,545 | 2,250 |
| Total non-current assets | 31,467 | 27,695 | 30,552 |
| Current assets | | | |
| Inventories | 27 | 225 | 1 |
| Trade receivables | 37,688 | 26,233 | 36,319 |
| Other receivables and assets | 1,389 | 1,431 | 1,126 |
| Cash and cash equivalents | 9,121 | 8,451 | 14,747 |
| Prepaid expenses | 6,116 | 5,239 | 1,569 |
| Total current assets | 54,341 | 41,579 | 53,762 |
| Total assets | 85,808 | 69,274 | 84,314 |

| Equity and liabilities | Mar. 31, 2007 KEUR | Mar. 31, 2006 KEUR | Dec. 31, 2006 KEUR |
|--|-----------------------|-----------------------|-----------------------|
| Equity | | | |
| Capital subscribed | 22,467 | 22,288 | 22,467 |
| Capital reserves | 23,991 | 23,750 | 23,991 |
| Net accumulated loss | -11,341 | -18,056 | -13,001 |
| Other comprehensive income | -2,320 | -1,598 | -2,220 |
| Minority interests | 255 | 275 | 331 |
| Total equity | 33,052 | 26,659 | 31,568 |
| Non-current liabilities | | | |
| Long-term borrowings | 4,778 | 2,370 | 4,302 |
| Convertible bonds | 5,079 | 5,322 | 5,036 |
| Deferred tax liabilities | 1,291 | 935 | 1,223 |
| Pension provisions | 164 | 186 | 157 |
| Total non-current liabilities | 11,312 | 8,813 | 10,718 |
| Current liabilities | | | |
| Trade payables | 10,333 | 10,594 | 14,735 |
| Other liabilities | 17,325 | 10,330 | 21,179 |
| Current financial liabilities | 1,315 | 219 | 0 |
| Current portion of interest-bearing borrowings | 1,144 | 2,887 | 1,623 |
| Tax provisions | 1,056 | 243 | 480 |
| Other provisions | 2,219 | 1,434 | 2,088 |
| Government grants | 1,229 | 1,003 | 1,071 |
| Deferred income | 6,823 | 7,092 | 852 |
| Total current liabilities | 41,444 | 33,802 | 42,028 |
| Total equity and liabilities | 85,808 | 69,274 | 84,314 |

Consolidated Income Statement for the Period from Jan. 1 to Mar. 31, 2007 and 2006 (IFRS)

| (all figures in KEUR except for the number of shares and earnings per share) | Jan. 1 to Mar. 31, 2007 KEUR | Jan. 1 to Mar. 31, 2006 KEUR |
|---|------------------------------------|------------------------------------|
| Revenues | 44,293 | 37,416 |
| Cost of sales | -32,130 | -28,183 |
| Gross profit | 12,163 | 9,233 |
| Operating expenses | | |
| Marketing and selling expenses | -3,830 | -3,696 |
| General and administrative expenses | -6,012 | -4,843 |
| Amortization of Goodwill | 0 | 0 |
| Other operating expenses and income, net | 319 | 58 |
| Total operating expenses | -9,523 | -8,481 |
| Profit from operating activities | 2,640 | 752 |
| Other income/expenses | | |
| Investment income | 4 | 0 |
| Exchange rate differences from financing activities | -22 | -22 |
| Exchange differences from financing activities | 0 | 26 |
| Interest income/expenses, net | -93 | -149 |
| Other income/expenses | -111 | -145 |
| Earnings before taxes | 2,529 | 607 |
| Income taxes | -835 | -143 |
| Net profit/loss for the period | 1,694 | 464 |
| Minority interests in profit/loss | -34 | 12 |
| Parent company's interest in profit/loss | 1,660 | 476 |
| Earnings per share in EUR – basic on net profit/loss | 0.07 | 0.02 |
| Earnings per share in EUR – diluted on net profit/loss for the period after adjustment | 0.07 | 0.02 |
| Number of shares used in the calculation of earnings per share: | | |
| – basic | 22,466,954 | 22,287,535 |
| – diluted | 24,595,227 | 24,875,967 |

Cash Flow Statement for the Period Jan. 1 to Mar. 31, 2007 and 2006 (IFRS)

| | Mar. 31, 2007 KEUR | Mar. 31, 2006 KEUR |
|--|-----------------------|-----------------------|
| Cash flow from operating activities | | |
| EBIT | 2,640 | 752 |
| Amortization of Goodwill | 0 | 0 |
| EBITA | 2,640 | 752 |
| Depreciation of property, plant and equipment and amortization of IT software | 1,084 | 964 |
| EBITDA | 3,724 | 1,716 |
| Interest received | 142 | 86 |
| Interest paid | -140 | -84 |
| Income taxes paid | -353 | -208 |
| Other non-cash income and expenses | -557 | -82 |
| Gains/losses from the disposal of non-current assets | 1 | -23 |
| Changes in assets and liabilities | | |
| Decrease/increase in trade receivables | -1,369 | 477 |
| Decrease/increase in inventories | -26 | -53 |
| Decrease/increase in other current assets | -4,683 | -3,285 |
| Decrease/increase in trade payables | -4,402 | 114 |
| Decrease/increase in pension provisions | 7 | 0 |
| Decrease/increase in other current liabilities and provisions | 2,982 | -1,479 |
| Decrease/increase in deferred taxes | -23 | 6 |
| Cash flow from operating activities | -4,697 | -2,815 |
| Cash flow from investing activities | | |
| Investments in property, plant and equipment and IT software | -2,220 | -822 |
| Cash received from the disposal of property, plant and equipment and intangible assets | 22 | 42 |
| Investments in financial assets | 0 | 61 |
| Cash flow from investing activities | -2,198 | -719 |
| Cash flow from financing activities | | |
| Redemption of convertible and warrant-linked bonds | 0 | -304 |
| Cash received from long-term term deposits | -110 | 0 |
| Raising of current liabilities to banks | 28 | 0 |
| Raising to bank loans | 1,315 | 219 |
| Repayment of bank loans | 968 | 0 |
| Repayment of long-term borrowings | -971 | -924 |
| Cash flow from financing activities | 1,230 | -1,009 |
| Effects from exchange rate differences | 39 | -48 |
| Increase/decrease in cash and cash equivalents | -5,626 | -4,591 |
| Cash and cash equivalents at the beginning of the period | 14,747 | 13,042 |
| Cash and cash equivalents at the end of the period | 9,121 | 8,451 |
| Composition of cash and cash equivalents at the end of the period | | |
| Bank balances and cash in hand | 9,121 | 7,951 |
| Current financial instruments available for sale | 0 | 500 |
| Liquidity | 9,121 | 8,451 |

Statement of Changes in Equity
as of Mar. 31, 2007 and 2006 (IFRS)

| | Number of shares | Capital subscribed KEUR | Capital reserves KEUR | Net accu- mulated loss KEUR | Other comprehensive income | | Minority interests KEUR | Total equity KEUR |
|------------------------------|---------------------|-------------------------------|-----------------------------|--------------------------------------|--|----------------------------------|-------------------------------|-------------------------|
| | | | | | Foreign exchange differences KEUR | Total other income KEUR | | |
| December 31, 2005 | 22,287,535 | 22,288 | 23,750 | -18,532 | -1,227 | -1,227 | 286 | 26,565 |
| Net loss for the period | | | | 476 | | | -12 | 464 |
| Foreign currency differences | | | | | -371 | -371 | | -371 |
| Change in minority interests | | | | | | | 1 | 1 |
| March 31, 2006 | 22,287,535 | 22,288 | 23,750 | -18,056 | -1,598 | -1,598 | 275 | 26,659 |
| December 31, 2006 | 22,466,954 | 22,467 | 23,991 | -13,001 | -2,220 | -2,220 | 331 | 31,568 |
| Net loss for the period | | | | 1,660 | | | 34 | 1,694 |
| Foreign currency differences | | | | | -100 | -100 | | -100 |
| Change in minority interests | | | | | | | -110 | -110 |
| March 31, 2007 | 22,466,954 | 22,467 | 23,991 | -11,341 | -2,320 | -2,320 | 255 | 33,052 |

Notes to the Interim Financial Statements/Service/Financial Calendar 2007

(1) General information

The consolidated interim financial statements for the period ended March 31, 2007 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, 2006 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, 2006.

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 shortened 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, 2006 and were explained in detail in the notes contained therein. For further information, please refer to page 71 of the Annual Report 2006.

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

Income taxes

| | Jan. 1 to Mar. 31, 2007 | Jan. 1 to Mar. 31, 2006 |
|-----------------------|----------------------------|----------------------------|
| | KEUR | KEUR |
| Earnings before taxes | 2,529 | 607 |
| Income tax expense | -835 | -143 |
| Income tax rate | 33% | 24% |

This item includes current tax expenses of KEUR 954 (previous year: KEUR 142) and deferred taxes of KEUR -119 (previous year: KEUR 0).

Earnings per share

Basic earnings

| | Jan. 1 to Mar. 31, 2007 | Jan. 1 to Mar. 31, 2006 |
|--|----------------------------|----------------------------|
| | KEUR | KEUR |
| Net profit for the period after minority interests | 1,660 | 476 |
| Weighted average of ordinary shares | Number 22,466,954 | Number 22,287,535 |
| Earnings per share, basic | EUR 0.07 | EUR 0.02 |

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 Mar. 31, 2007 | Jan. 1 to Mar. 31, 2006 |
|---|----------------------------|----------------------------|
| | KEUR | KEUR |
| Net profit for the period after minority interests | 1,660 | 476 |
| Adjustments for interest paid on potential ordinary shares – net of tax effects | 85 | 94 |
| Adjusted net profit for the year | 1,745 | 570 |
| Weighted average of ordinary shares and potential ordinary shares | Number 24,595,227 | Number 24,875,967 |
| Earnings per share, diluted | EUR 0.07 | EUR 0.02 |

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 2006 for more information.

The primary segment reporting format is broken down by geographical regions and the internal management structure. The allocation of the itelligence companies into segments was changed on the 31st of December 2006. A distinction is made here between the Americas, Germany/Austria, Western Europe and Eastern Europe.

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

| | Americas | Ger- many/ Austria | Western Europe | Eastern Europe | Other | Group Jan. 1 to Mar. 31, 2007 |
|---------------------------------|----------|--------------------------|-------------------|-------------------|-------|--|
| | KEUR | KEUR | KEUR | KEUR | KEUR | KEUR |
| Segment revenues | 11,997 | 20,706 | 7,410 | 4,414 | 849 | 45,376 |
| Intersegment trade | -2 | -403 | -331 | -347 | 0 | -1,083 |
| External segment revenues | 11,995 | 20,303 | 7,079 | 4,067 | 849 | 44,293 |
| Segment result | 477 | 1,514 | 209 | 463 | -23 | 2,640 |
| Net finance costs | | | | | | -111 |
| Profit from ordinary operations | | | | | | 2,529 |
| Minority interests | | | | | | -34 |
| Income taxes | | | | | | -835 |
| Net profit for the year | | | | | | 1,660 |

| | Americas | Ger- many/ Austria | Western Europe | Eastern Europe | Other | Group Jan. 1 to Mar. 31, 2006 |
|---------------------------------|----------|--------------------------|-------------------|-------------------|-------|--|
| | KEUR | KEUR | KEUR | KEUR | KEUR | KEUR |
| Segment revenues | 10,462 | 16,715 | 7,078 | 3,145 | 720 | 38,120 |
| Intersegment trade | 0 | -273 | -217 | -214 | 0 | -704 |
| External segment revenues | 10,462 | 16,442 | 6,861 | 2,931 | 720 | 37,416 |
| Segment result | 23 | 637 | 182 | -62 | -28 | 752 |
| Net finance costs | | | | | | -145 |
| Profit from ordinary operations | | | | | | 607 |
| Minority interests | | | | | | 12 |
| Income taxes | | | | | | -143 |
| Net profit for the year | | | | | | 476 |

Service

All itelligence AG reports in German and English can be downloaded from the Internet at www.itelligence.de. Here you can also register by e-mail on the mailing list for ad hoc disclosures and press releases under Investor Relations/Dialog. You will then receive the latest news by e-mail.

Financial Calendar 2007

| | |
|------------------|---|
| May 22, 2007 | Annual General Meeting 2007 at Bielefeld City Hall |
| August 2, 2007 | Publication of Interim Report 2/2007 |
| October 30, 2007 | Publication of Interim Report 3/2007 |

