

PRESS RELEASE

Eindhoven 17 May 2010

INNOCONCEPTS MAINTAINS SALES LEVEL IN FIRST QUARTER AND RESHAPES ITSELF TO CAPTURE MARKET OPPORTUNITIES

- **1st quarter 2010 revenues: EUR 3.2 million (1Q09: EUR 3.4 million)**
- **US IM Technology tool through first validation and being shipped to partner**
- **Finalising reorganisation programme with restructuring of HTP Tooling B.V.**
- **First signs of improving demand in both conventional and technology tools**

Comment from the CEO

“This marks the 5th consecutive quarter where sales have stabilized in the EUR 3 to EUR 4 million range. However, we witnessed the first signs of potential recovery with an increasing number of ‘Requests for Quotation’ (RFQ’s) for both our IM Technology moulds and conventional moulds. Our measures to reduce costs will enable us to be more competitive and thereby convert an increasing number of RFQ’s into orders.

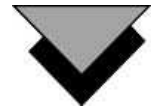
We are delighted that the large multi-cavity tool that we have developed for the North-American market has been certified by our partner as meeting the performance requirements specified prior to shipment. This is a major milestone in the development of our IM Technology for the thin walled food packaging market. We expect the tool to be installed on the premises of our partner early June”

Trading Update 1st Quarter 2010

Amounts in EUR ‘000

	Q1-2010	Q1-2009
Sales of intellectual property rights	-	-
Sales of trading activities and production	3,197	3,246
Total sales	3,197	3,246
Interest on financial lease	-	180
Total revenue	3,197	3,426

The sales of moulds varied between the different market sectors. HTP Tooling B.V., our Eindhoven based tooling manufacturer serving optical, food packaging and general industrial sectors, grew its sales by 13% during the first quarter. In contrast, Formy Tachov Sro., serving the automotive and returnable packaging sector recorded a sales decrease of 18% in the same period eliminating the positive trend of HTP Tooling B.V. The disappearance of interest on financial lease is caused by the seizure of Cheng Meng.



This trend is continuing into Q2. Our April 2010 sales trading and production show that the sales of HTP Tooling B.V. is further increasing, whilst order intake and order books have almost increased to pre-crisis levels. This positive effect is partly offset with the lacking sales of Formy Tachov Sro. where we continue to feel the cautious approach of our customers and prospects for investments in new product lines and moulds.

After many months of product and technology development of the large food packaging mould for the USA, both the mould and product performance now meet the criteria whereby the mould can be transferred to the premises of the customer for final optimisation prior to being put in production. This is expected to take place early June.

In the first quarter of 2010, we have finalised our reorganisation and cost-reduction programme with the restructuring of HTP Tooling B.V., our Eindhoven based tooling manufacturer. This restructuring reduced the head count with 19 fte and re-aligned our operations aimed at improving the flexibility and speed of response to customer needs. This headcount reduction, together with the earlier reduction resulting from the relocation of the head office to Eindhoven results in a total workforce of 188 fte as per 31-3-2010 (year-end 2009: 223 fte). The restructuring of HTP Tooling B.V. will lead to an annualised saving of approximately EUR 1.2 million as of the 4th quarter 2010 and is part of the multiyear savings programme announced last year.

Impairments

As announced in our press releases on 21 April 2010 and 7 May 2010 we have impaired our loans and receivables on Cheng Meng together with the carrying value of assets located at the site of Cheng Meng for a total of EUR 33.8 million in April 2010. The impact of this event has been disclosed in our 2009 financial statements as a post-balance sheet event. The impairment itself does not have any impact on the cash flows of the business in the short term.

Outlook

Based on the improved activity levels we have witnessed to date we expect our trading performance to improve as from the 3rd quarter of this year. However, we do not expect to achieve a positive operational result or adjusted EBITDA* for the current financial year, even if non-recurring items are excluded.

*Adjusted EBITDA is EBITDA adjusted for those items in the operational results that are of non-recurring character.

Investor relations:

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