

FOR IMMEDIATE RELEASE

INTRICON DELIVERS STRONG THIRD-QUARTER GROWTH
Sales up 39 Percent Over Prior-Year Period

ST. PAUL, Minn. — October 25, 2005 — IntriCon Corporation (AMEX: IIN), a designer, developer, manufacturer and distributor of miniature and microminiature medical and electronic products, today announced financial results for its third quarter ended September 30, 2005.

For the quarter, the company reported sales of \$11.9 million, up from \$8.5 million for the 2004 third quarter. The 39 percent year-over-year growth was driven by strong sales increases in IntriCon's medical, hearing health and professional audio product groups. Year-over-year, medical rose 66 percent in the third quarter, hearing health increased 57 percent and professional audio grew 24 percent.

The company reported income from continuing operations for the 2005 third quarter of \$174,000, or \$.03 per share, a substantial improvement from a loss of \$975,000, or \$.19 per share, for the year-ago period.

"The sales momentum that we generated in the second quarter carried over into the third, helping drive increases in medical, hearing health and professional audio, which significantly improved our bottom line," said Mark S. Gorder, president and chief executive officer of IntriCon. "Through the combination of miniature and microminiature expertise, and new product offerings, we are effectively capturing new, larger projects from existing customers, as well as attracting sizeable new customers."

For the nine-month period, IntriCon reported sales of \$33.3 million and income from continuing operations of \$594,000, or \$.11 per share. This compares to 2004 nine-month sales of \$26.2 million and a loss from continuing operations of \$330,000, or \$.06 per share.

Total 2005 third-quarter net income (which includes both continuing and discontinued operations) was \$125,000, or \$.02 per share, compared with a net loss of \$5,000, or \$.00 per share, in 2004. For the nine months ended September 30, 2005, total net income was \$653,000, or \$.12 per share, compared with net income of \$1.2 million, or \$.23 per share, for the year-ago period, which included a \$3.1 million gain from the sale of the company's Dresher, Pa., property.

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Gorder stated: “In addition to the solid sales and earnings performance that we achieved during the third quarter, we also took steps to position our company for continued growth, including securing a line of credit with better terms.

“While IntriCon delivered strong sales growth in its 2005 second and third quarters, we expect that factors such as seasonality and order timing may, from time to time, adversely impact the growth rate of future quarterly sales.”

Business Update

For the third quarter, medical product sales strengthened with growth in existing projects and the continued ramp-up of new projects with several leading medical OEM customers. Hearing-health sales continued to benefit from new platforms in IntriCon’s advanced line of amplifier assemblies and systems based on Digital Signal Processing (DSP)—systems sales were up 119 percent over the prior-year period. Even with the absence of a large, one-time order from the Singapore military which favorably impacted 2004 sales, professional audio increased 24 percent in the 2005 third quarter due to strong demand for a variety of products.

During the quarter, IntriCon closed on an \$8.0 million new senior secured credit facility with Diversified Business Credit, Inc., a wholly owned subsidiary of Marshall & Ilsley Corporation, Milwaukee, Wis., and a \$2.0 million secured line of credit with Oversea-Chinese Banking Corporation (OCBC). The company believes that the bank lines will provide it with the platform to achieve a more cost-efficient capital structure and to take advantage of new business opportunities in the marketplace.

Said Gorder, “IntriCon now has the financial flexibility and expertise to compete in the miniature and microminiature electronics products space. Across our key markets, OEMs look to us to help design and manufacture their products, using proprietary technology and processes.”

About IntriCon Corporation

Headquartered in Arden Hills, Minn., IntriCon, formerly Selas Corporation of America, designs, develops, manufactures and distributes miniature and microminiature medical and electronic products. The company is focused on four key markets: medical, hearing health, professional audio and communications, and electronics. IntriCon has facilities in the United States, Asia and Europe. The company's common stock trades under the symbol "IIN" on the American Stock Exchange. For more information about IntriCon, visit

www.intricon.com.

Forward-Looking Statements

Statements made in this release and in IntriCon's other public filings and releases that are not historical facts or that include forward-looking terminology such as "may", "will", "believe", "expect", "optimistic" or "continue" or the negative thereof or other variations thereon are "forward-looking statements" within the meaning of the Securities Exchange Act of 1934 as amended. These forward-looking statements include, without limitation, statements concerning future growth, future financial condition and performance, prospects and the positioning of the company to compete in chosen markets. These forward-looking statements are affected by known and unknown risks, uncertainties and other factors that are beyond the Company's control, and may cause the Company's actual results, performance or achievements to differ materially from the results, performance and achievements expressed or implied in the forward-looking statements. These risks, uncertainties and factors include, without limitation, the risk that the Company may not be able to achieve its long-term strategy, weakening demand for products of the Company due to general economic conditions, possible non-performance of developing technological products, the volume and timing of orders received by the Company, changes in the mix of products sold, competitive pricing pressures, availability of electronic components for the Company's products, ability to create and market products in a timely manner, competition by competitors with more resources than the Company, foreign currency risks arising from the Company's foreign operations, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K for the year ended December 31, 2004. The Company disclaims any intent or obligation to publicly update or revise any forward-looking statements, regardless of whether new information becomes available, future developments occur or otherwise.

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IntriCon Corporation

**Consolidated Condensed Statements of Operations
(Unaudited)**

	Three Months Ended	
	September 30, <u>2005</u>	Restated September 30, <u>2004</u>
Sales, net	\$ 11,896,464	\$ 8,524,215
Costs of sales	<u>8,989,356</u>	<u>6,849,639</u>
Gross profit	2,907,108	1,674,576
Operating expenses:		
Selling expense	826,852	889,371
General and administrative expense	1,291,753	1,245,042
Research and development expense	<u>479,549</u>	<u>424,083</u>
Total operating expenses	2,598,154	2,558,496
Operating income (loss)	308,954	(883,920)
Interest expense	(65,679)	(102,863)
Interest income	16,310	1,715
Other income, net	<u>11,587</u>	<u>17,822</u>
Income (loss) from continuing operations before income taxes	271,172	(967,246)
Income taxes expense	<u>96,993</u>	<u>7,534</u>
Income (loss) from continuing operations	174,179	(974,780)
Income (loss) from discontinued operations, net of income taxes	<u>(48,732)</u>	<u>969,602</u>
Net income (loss)	<u>\$ 125,447</u>	<u>\$ (5,178)</u>
Basic income (loss) per share:		
Continuing operations	\$.03	\$ (.19)
Discontinued operations	(.01)	.19
Net income (loss)	<u>\$.02</u>	<u>\$ (.00)</u>
Diluted income (loss) per share:		
Continuing operations	\$.03	\$ (.19)
Discontinued operations	(.01)	.19
Net income (loss)	<u>\$.02</u>	<u>\$ (.00)</u>
Average shares outstanding:		
Basic	5,132,692	5,129,214
Diluted	5,384,767	5,129,214

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IntriCon Corporation

**Consolidated Condensed Statements of Operations
(Unaudited)**

	Nine Months Ended	
	September 30, <u>2005</u>	Restated September 30, <u>2004</u>
Sales, net	\$ 33,284,010	\$ 26,216,712
Costs of sales	<u>24,583,421</u>	<u>20,063,282</u>
Gross profit	8,700,589	6,153,430
Operating expenses:		
Selling expense	2,515,066	2,817,667
General and administrative expense	3,828,688	4,140,429
Research and development expense	<u>1,245,303</u>	<u>1,299,866</u>
Total operating expenses	7,589,057	8,257,962
Gain on sale of asset	<u>--</u>	<u>3,109,627</u>
Operating income	1,111,532	1,005,095
Interest expense	(285,344)	(350,765)
Interest income	34,892	1,834
Other income, net	<u>118,341</u>	<u>118,300</u>
Income from continuing operations before income taxes	979,421	774,464
Income tax expense	<u>385,414</u>	<u>1,103,944</u>
Income (loss) from continuing operations	594,007	(329,480)
Income from discontinued operations, net of income taxes	<u>58,609</u>	<u>1,499,493</u>
Net income	<u>\$ 652,616</u>	<u>\$ 1,170,013</u>
Basic earnings (loss) per share:		
Continuing operations	\$.11	\$ (.06)
Discontinued operations	.01	.29
Net income	<u>\$.12</u>	<u>\$.23</u>
Diluted income (loss) per share:		
Continuing operations	\$.11	\$ (.06)
Discontinued operations	.01	.29
Net income	<u>\$.12</u>	<u>\$.23</u>
Average shares outstanding:		
Basic	5,130,373	5,129,214
Diluted	5,202,814	5,129,214

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IntriCon
Consolidated Balance Sheets

Assets	<u>September 30, 2005</u>	<u>Restated</u> <u>December 31, 2004</u>
Current assets		
Cash	\$ 457,737	\$ 246,430
Restricted cash	59,172	449,613
Accounts receivable, less allowance for doubtful accounts of \$200,000 in 2004 and \$177,000 in 2004	7,095,751	4,996,705
Inventories	5,939,624	4,287,643
Refundable income taxes	20,361	46,163
Other current assets	408,144	379,318
Assets of discontinued operations	<u> --</u>	<u>6,834,256</u>
Total current assets	13,980,789	17,240,128
Property, plant and equipment		
Land	170,500	170,500
Buildings	1,732,914	1,732,914
Machinery and equipment	<u>26,531,346</u>	<u>25,635,452</u>
Less: accumulated depreciation	<u>28,434,760</u>	<u>27,538,866</u>
Net property, plant and equipment	<u>21,574,807</u>	<u>20,260,792</u>
Note receivable from sale of discontinued operations	6,859,953	7,278,074
Goodwill	575,000	--
Other assets, net	5,292,564	5,264,585
Total assets	<u>1,190,540</u>	<u>1,156,449</u>
	<u>\$ 27,898,846</u>	<u>\$ 30,939,236</u>

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IntriCon Corporation
Consolidated Balance Sheets

Liabilities and Shareholders' Equity	<u>September 30, 2005</u>	<u>Restated December 31, 2004</u>
Current liabilities		
Notes payable.....	\$ 608,594	\$ 3,740,393
Checks written in excess of cash.....	716,821	665,098
Current maturities of long-term debt.....	192,338	1,458,470
Accounts payable.....	2,783,811	2,211,909
Income taxes payable.....	264,203	--
Customers' advance payments on contracts.....	35,433	75,000
Liabilities of discontinued operations.....	--	4,266,899
Other accrued liabilities.....	<u>2,623,470</u>	<u>2,638,889</u>
Total current liabilities.....	7,224,670	15,056,658
Long term debt, less current maturities.....	4,213,587	--
Other post-retirement benefit obligations.....	2,363,469	2,710,106
Deferred income taxes.....	29,586	143,902
Accrued pension liability.....	<u>903,581</u>	<u>900,713</u>
Total liabilities.....	<u>14,734,893</u>	<u>18,811,379</u>
Commitments and contingencies		
Shareholders' equity		
Common shares, \$1 par; 10,000,000 shares authorized; 5,665,568 shares issued.....	5,665,568	5,644,968
Additional paid-in capital.....	12,053,590	12,025,790
Accumulated deficit.....	(3,028,088)	(3,680,704)
Accumulated other comprehensive loss.....	(262,039)	(597,119)
Less: 515,754 common shares held in treasury, at cost.....	<u>(1,265,078)</u>	<u>(1,265,078)</u>
Total shareholders' equity.....	<u>13,163,953</u>	<u>12,127,857</u>
	<u>\$27,898,846</u>	<u>\$30,939,236</u>