

FOR IMMEDIATE RELEASE

INTRICON 2007 THIRD-QUARTER SALES UP 48 PERCENT OVER PRIOR YEAR
Focus on Body-Worn Devices Helps Drive Gains

ST. PAUL, Minn. — Oct. 24, 2007 — IntriCon Corporation (AMEX: IIN), a designer, developer, manufacturer and distributor of body-worn medical and electronics devices, today announced financial results for its 2007 third quarter ended September 30, 2007.

For the third quarter, the company reported quarterly net sales of \$18.4 million, a 48 percent increase from net sales of \$12.5 million for the 2006 third quarter. IntriCon delivered third-quarter net income of \$650,000, or \$0.12 per diluted share, up 48 percent from net income of \$438,000, or \$0.08 per diluted share, for the 2006 third quarter. The 2007 net sales and net income include results from the late-May 2007 acquisition of Tibbetts Industries, Inc.

“Our core businesses of medical, hearing health and professional audio—being driven by the demand for miniature body-worn devices—posted significant year-over-year gains,” said Mark S. Gorder, president and chief executive officer of IntriCon. “Medical was particularly strong, growing 137 percent year over year. In the medical arena, we’re seeing increased demand from OEMs.”

For the nine-month period, IntriCon reported net sales of \$50.0 million and net income of \$1.2 million, or \$0.22 per diluted share. This compares to 2006 nine-month sales of \$37.5 million and net income of \$719,000, or \$0.14 per diluted share, from continuing operations.

Included in the 2007 third-quarter results are net sales of \$2.0 million and net income of \$89,000, or \$0.02 per diluted share, from the acquisition of Tibbetts Industries. The nine-month period includes net sales of \$2.9 million and net income of \$37,000, or \$0.01 per diluted share, from Tibbetts Industries.

Business Update

For the third quarter, IntriCon’s core businesses increased 60 percent year over year. The company’s non-core electronics business decreased 3 percent from the third quarter of 2006. IntriCon’s gross margins rose to 28 percent from 23 percent a year earlier. Operating income more than doubled.

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Said Gorder, “By focusing on our expanding core businesses, we’re delivering significant incremental gains across the board. The Tibbetts acquisition enhances our medical and professional audio capabilities and product portfolio, and gives IntriCon a presence in the security market. Additionally, we recently entered into a strategic alliance with Minneapolis-based Advanced Medical Electronics Corp. (AME) to develop and manufacture new miniature, wireless, ultra low-power bio-telemetry instruments.

“Through the agreement, IntriCon will manufacture AME’s bio-telemetry devices and supply them to third-party distributors. We also gain exclusive access to key AME technology and will be able to use this technology to develop additional bio-telemetry applications. Increasingly, the medical industry is looking for wireless, low-power capabilities in their devices, and we believe that AME’s technology will allow us to develop new devices that better connect patients and care givers, providing critical information and feedback.”

Also in the third quarter, IntriCon’s Singapore facility achieved International Organization for Standardization (ISO) 13485 compliance. ISO 13485 compliance means that the company’s Singapore plant meets the comprehensive management system requirements for the design and manufacture of medical devices.

Said Gorder, “Achieving ISO 13485 compliance is a significant milestone for the company. It gives our key OEM customers a cost-effective way to manufacture their body-worn devices and other medical products. Being competitive in today’s marketplace demands the ability to have manufacturing capabilities in lower-cost geographies. Going forward, we plan to expand into other cost-efficient locations.”

In addition to possible overseas expansion, according to Gorder, IntriCon’s growth strategies may also include further acquisitions that are consistent with the company’s mission. The company continues to work to accelerate new product development, further commit to research and development initiatives, and incorporate proprietary technology in all devices.

Concluded Gorder, “As a company we’re delivering both sequential and year-over-year growth in our core businesses. While seasonality is a normal part of our industry, we believe that our long-term prospects in the miniature body-worn device arena are promising.”

About IntriCon Corporation

Headquartered in Arden Hills, Minn., IntriCon Corporation designs, develops and manufactures miniature and micro-miniature body-worn medical and electronics 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", "should", "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 the benefits AME's technology, prospects in the miniature body-worn device arena, future growth and expansion, future financial condition and performance, prospects, and the positioning of IntriCon to compete in chosen markets. These forward-looking statements are affected by known and unknown risks, uncertainties and other factors that are beyond IntriCon's control, and may cause IntriCon'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, risks related to the Tibbetts acquisition, including unanticipated liabilities and expenses, the risk that IntriCon 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, 2006. 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)

	<i>Three Months Ended</i>	
	September 30, 2007	September 30, 2006
Sales, net	\$ 18,441,894	\$ 12,487,832
Costs of sales	<u>13,316,223</u>	<u>9,614,058</u>
Gross profit	5,125,671	2,873,774
Operating expenses:		
Selling expense	1,094,340	848,499
General and administrative expense (a)	2,167,118	1,177,860
Research and development expense	<u>734,778</u>	<u>256,678</u>
Total operating expenses	3,996,236	2,283,037
Operating income	1,129,435	590,737
Interest expense	(278,251)	(91,394)
Interest income	13,265	16,842
Equity in earnings of partnerships	(75,000)	--
Other expense, net	<u>(53,444)</u>	<u>(10,401)</u>
Income before income taxes	736,005	505,784
Income tax expense	<u>85,545</u>	<u>52,856</u>
Income from continuing operations	650,460	452,928
Loss from discontinued operations, net of income tax expense	<u>--</u>	<u>(14,655)</u>
Net income	<u>\$ 650,460</u>	<u>\$ 438,273</u>
Income (loss) per share:		
Basic		
Continuing operations	\$.13	\$.09
Discontinued operations	--	(.01)
	<u>\$.13</u>	<u>\$.08</u>
Diluted		
Continuing operations	\$.12	\$.08
Discontinued operations	--	(.00)
	<u>\$.12</u>	<u>\$.08</u>
Average shares outstanding:		
Basic	5,201,966	5,157,925
Diluted	5,562,345	5,413,277

(a) General and administrative expense includes \$66,488 and \$56,166 of non-cash stock option expense related to the adoption of FAS 123(R) for 2007 and 2006, respectively.

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IntriCon Corporation
Consolidated Condensed Statements of Operations
(Unaudited)

	<i>Nine Months Ended</i>	
	September 30, <u>2007</u>	September 30, <u>2006</u>
Sales, net	\$ 49,958,858	\$ 37,532,457
Costs of sales	<u>37,415,415</u>	<u>28,372,969</u>
Gross profit	12,543,443	9,159,488
Operating expenses:		
Selling expense	2,899,978	2,620,031
General and administrative expense (a)	5,200,599	3,804,666
Research and development expense	<u>2,118,236</u>	<u>1,437,499</u>
Total operating expenses	10,218,813	7,862,196
Operating income	2,324,630	1,297,292
Interest expense	(771,656)	(392,570)
Interest income	71,048	56,482
Equity in earnings of partnerships	(155,000)	--
Other expense, net	<u>(43,394)</u>	<u>(71,345)</u>
Income before income taxes	1,425,628	889,859
Income tax expense	<u>220,816</u>	<u>127,874</u>
Income from continuing operations	1,204,812	761,985
Loss from discontinued operations, net of income tax expense	<u>--</u>	<u>(42,630)</u>
Net income	<u>\$ 1,204,812</u>	<u>\$ 719,355</u>
Income (loss) per share:		
Basic		
Continuing operations	\$.23	\$.15
Discontinued operations	<u>--</u>	<u>(.01)</u>
	<u>\$.23</u>	<u>\$.14</u>
Diluted		
Continuing operations	\$.22	\$.14
Discontinued operations	<u>--</u>	<u>(.01)</u>
	<u>\$.22</u>	<u>\$.13</u>
Average shares outstanding:		
Basic	5,197,071	5,154,633
Diluted	5,466,128	5,490,606

(a) General and administrative expense includes \$208,187 and \$149,512 of non-cash stock option expense related to the adoption of FAS 123(R) for 2007 and 2006, respectively.

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IntriCon Corporation
Consolidated Condensed Balance Sheets
(Unaudited)

Assets

	September 30, <u>2007</u> (unaudited)	December 31, <u>2006</u>
Current assets		
Cash	\$ 1,022,869	\$ 599,459
Restricted cash	69,336	60,158
Accounts receivable, less allowance for doubtful accounts of \$218,000 at 2007 and \$246,000 at 2006	9,200,046	8,456,450
Inventories	10,273,165	9,030,615
Refundable income taxes	30,951	103,587
Note receivable from sale of discontinued operations, less allowance of \$225,000 at 2007 and 2006	234,000	300,000
Other current assets	<u>687,750</u>	<u>235,418</u>
Total current assets	21,518,117	18,785,687
Property, plant and equipment		
Machinery and equipment	36,376,488	28,767,904
Less: accumulated depreciation	<u>28,118,423</u>	<u>21,994,344</u>
Net property, plant and equipment	8,258,065	6,773,560
Long-term note receivable from sale of discontinued operations	--	75,000
Goodwill	8,147,623	5,927,181
Investment in partnerships	1,558,925	1,800,000
Other assets, net	<u>1,454,638</u>	<u>920,051</u>
	<u>\$ 40,937,368</u>	<u>\$ 34,281,479</u>

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IntriCon Corporation
Consolidated Condensed Balance Sheets
(Unaudited)

Liabilities and Shareholders' Equity	September 30, <u>2007</u> (unaudited)	December 31, <u>2006</u>
Current liabilities		
Checks written in excess of cash.....	\$ 1,381,845	\$ 661,756
Current maturities of long-term debt.....	1,195,373	952,730
Accounts payable.....	3,704,750	5,161,450
Income taxes payable.....	150,230	173,810
Deferred gain on building sale.....	110,084	110,084
Short-term partnership payable.....	260,000	260,000
Other accrued liabilities.....	<u>4,060,566</u>	<u>3,021,201</u>
Total current liabilities.....	10,862,848	10,341,031
Long-term debt, less current maturities.....	8,772,155	3,830,461
Other post-retirement benefit obligations.....	951,175	1,063,744
Long-term partnership payable.....	1,280,000	1,280,000
Note payable, net of current portion (Amecon).....	515,720	515,720
Deferred income taxes.....	79,273	79,273
Accrued pension liability.....	584,808	628,569
Deferred gain on building sale, net of current portion.....	<u>853,152</u>	<u>935,715</u>
Total non-current liabilities.....	13,036,283	8,333,482
 Total liabilities.....	 23,899,131	 18,674,513
Commitments and contingencies		
Shareholders' equity		
Common shares, \$1 par; 10,000,000 shares authorized; 5,722,975 and 5,706,235 shares issued; 5,207,221 and 5,190,481 outstanding.....	5,722,975	5,706,235
Additional paid-in capital.....	12,570,899	12,339,988
Accumulated earnings (deficit).....	215,307	(989,505)
Accumulated other comprehensive loss.....	(205,866)	(184,674)
Less: 515,754 common shares held in treasury, at cost.....	<u>(1,265,078)</u>	<u>(1,265,078)</u>
Total shareholders' equity.....	<u>17,038,237</u>	<u>15,606,966</u>
	<u>\$ 40,937,368</u>	<u>\$ 34,281,479</u>