



IntriCon Exercises Option to Acquire Remaining Stake in Hearing Help Express

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ARDEN HILLS, Minn.--(BUSINESS WIRE)--Jan. 19, 2017-- **IntriCon Corporation (NASDAQ: IIN)**, a designer, developer, manufacturer and distributor of miniature and micro-miniature body-worn devices, today announced that it has exercised its option to acquire the remaining 80-percent stake in DeKalb, Ill.-based Hearing Help Express (HHE), a direct-to-consumer mail order hearing aid provider. Terms of the transaction include \$650,000 in cash, guaranty of HHE's \$2 million note and an earn-out. The deal is expected to close in the first half of 2017, subject to customary closing conditions.

"Completing this acquisition will give IntriCon direct access to consumers and the emerging value-based hearing healthcare market," said Mark Gorder, president and chief executive officer of IntriCon. "HHE offers a lower-priced alternative for consumers to purchase devices directly—circumventing layers of costs associated with the conventional hearing aid channel. We look forward to building on the HHE platform by leveraging our own technically advanced devices and making targeted investments in management, marketing and advertising—and ultimately incorporating an online component."

Since taking its initial 20-percent stake in October 2016, IntriCon has made meaningful progress integrating and optimizing HHE. To date IntriCon has:

- Streamlined management positions—generating nearly \$300,000 in net annual cost savings;
- Started to map out the introduction of IntriCon's advanced digital hearing devices into HHE's product line;
- Transitioned all treasury controls to IntriCon corporate headquarters; and
- Leased a new HHE facility which is expected to drive operating efficiencies and better work management.

"We're excited about the opportunity to deliver superior outcomes-based affordable hearing healthcare. And we look forward to providing an update on HHE on our January 26 strategy update conference call," concluded Gorder.

About IntriCon Corporation

Headquartered in Arden Hills, Minn., IntriCon Corporation designs, develops, manufactures and distributes miniature and micro-miniature body-worn devices. These advanced products help medical, healthcare and professional communications companies meet the rising demand for smaller, more intelligent and better connected devices. IntriCon has facilities in the United States, Asia, the United Kingdom and Europe. The company's common stock trades under the symbol "IIN" on the NASDAQ Global Market. 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 are "forward-looking statements" within the meaning of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be 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 other factors are 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, 2015. 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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