



Results for 9 months from April to December for the financial year 2006/07

Announcing continued profitable growth and confirming the positive outlook.

Plan-les-Ouates, 7. February, 2007 – LEM (SWX: LEHN) announces continued sales growth of 24% to CHF 133.1 million compared to the first 9 months of last year (CHF 107.6 million). The operating profit (EBIT) increased by 75% to CHF 16.7 million. Net earnings increased to CHF 9.6 million (CHF 3.5 million for the continuing operations).

Orders received grew by 20.4% to CHF 139.5 million (CHF 115.9 million) reflecting a book to bill ratio of 1.05. With an EBIT margin of 12.6% (8.9%) profitability could be further increased. Due to the traditionally extended holiday season the 3rd quarter results appear flat compared to the 2nd quarter.

“We are pleased to announce a further quarter of growth, QoQ growth of 18%, and remain well on track to deliver the results promised for this year. The Industrial segment has done well and we were able to further extend our leadership position by securing new business. The results for the Automotive segment are experiencing a flat trend for the moment. This is due to the issues the US market is facing with SUV vehicles. We are confident that we will be able to offset this by gaining new important customers in Asia and Europe. Our sales and production development in China is keeping its full momentum” says Paul Van Iseghem, President & CEO of LEM.

Growth in the **Industrial Segment** has increased by 24.7% reaching CHF 117.0 million (CHF 93.8 million). EBIT increased to CHF 16.3 million (CHF 9.5 million). Europe remains the main contributor to the total sales growth with a growth of 28.9% followed by Asia with 24.2% and the US with 15.8%. The BRIC countries (Brazil, Russia, India and China) continue their significant rise in sales of 38.4%.

The **Automotive Segment** has experienced an increase to CHF 16.1 million (CHF 13.8 million). EBIT increased to CHF 0.4 million (CHF 0.1 million). The main growth driver in this segment has been the Asian market which has increased by over 71.4% versus last year. The US markets remained flat with 2.9% growth.



Appendix:

Consolidated Profit & Loss account	April to December	
	2005/06	2006/07
In CHF thousands		
Sales	107,634	133,060
Cost of goods sold	(62,728)	(78,368)
Gross margin	44,906	54,692
	41.7%	41.1%
Sales expense	(13,905)	(15,443)
Administration expense	(13,478)	(15,620)
Research & development expense	(8,221)	(7,058)
Other expense	(128)	(274)
Other income	407	436
Earnings before interests and taxes (EBIT)	9,582	16,733
ROS in %	8.9%	12.6%
Financial Expense (net)	(3,856)	(534)
Earnings before taxes	5,726	16,199
Income taxes	(2,234)	(6,587)
Net earnings from Continuing Operations	3,492	9,612
Earnings from Discontinued operations	17,642	0
Net earnings	21,133	9,612

In CHF million

	2005/06				2006/07			Variances	
Bookings	Q1	Q2	Q3	Q4	Q1	Q2	Q3	YoY	QoQ
INDUSTRIAL	30.1	32.6	38.8	44.8	39.5	42.3	42.1	22.0%	8.6%
AUTO	4.3	4.7	5.3	6.0	5.6	4.9	5.0	8.4%	-4.7%
TOTAL	34.4	37.4	44.1	50.8	45.1	47.2	47.1	20.4%	7.0%
Billings	Q1	Q2	Q3	Q4	Q1	Q2	Q3	YoY	QoQ
INDUSTRIAL	30.4	30.9	32.6	38.4	37.9	39.6	39.4	24.7%	21.1%
AUTO	3.7	4.8	5.2	5.6	5.7	5.4	5.0	16.6%	-2.9%
TOTAL	34.1	35.8	37.7	44.0	43.6	45.0	44.5	23.6%	17.8%
EBIT	Q1	Q2	Q3	Q4	Q1	Q2	Q3	YoY	QoQ
INDUSTRIAL	2.8	3.2	3.5	5.7	5.2	5.7	5.4	71.6%	57.2%
AUTO	(0.4)	0.2	0.3	0.2	0.2	0.2	0.1	378.1%	-83.9%
TOTAL	2.4	3.4	3.8	6.0	5.4	5.8	5.5	74.6%	44.9%



LEM – At the heart of power electronics

LEM is the market leader in providing innovative and high quality solutions for measuring electrical parameters. Its core products - current and voltage transducers - are used in a broad range of applications in industrial, traction, energy and automotive markets. LEM's strategy is to exploit the intrinsic strengths of its core business, and to develop opportunities in existing and new markets with new applications. LEM is a mid-size, global company with approximately 800 employees worldwide. It has production plants in Geneva (Switzerland), Machida (Japan), Beijing (China), regional sales offices close to its clients' locations and offers a seamless service around the globe. LEM has been listed on the SWX Swiss Exchange since 1986; the company's ticker symbol is LEHN.

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