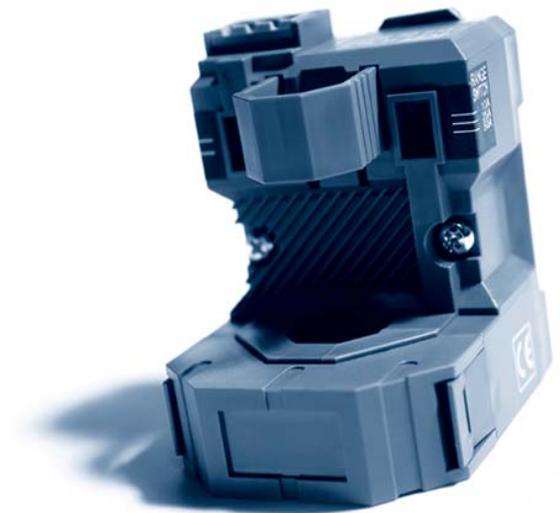


Half Year Results
Year 2009/10



Agenda

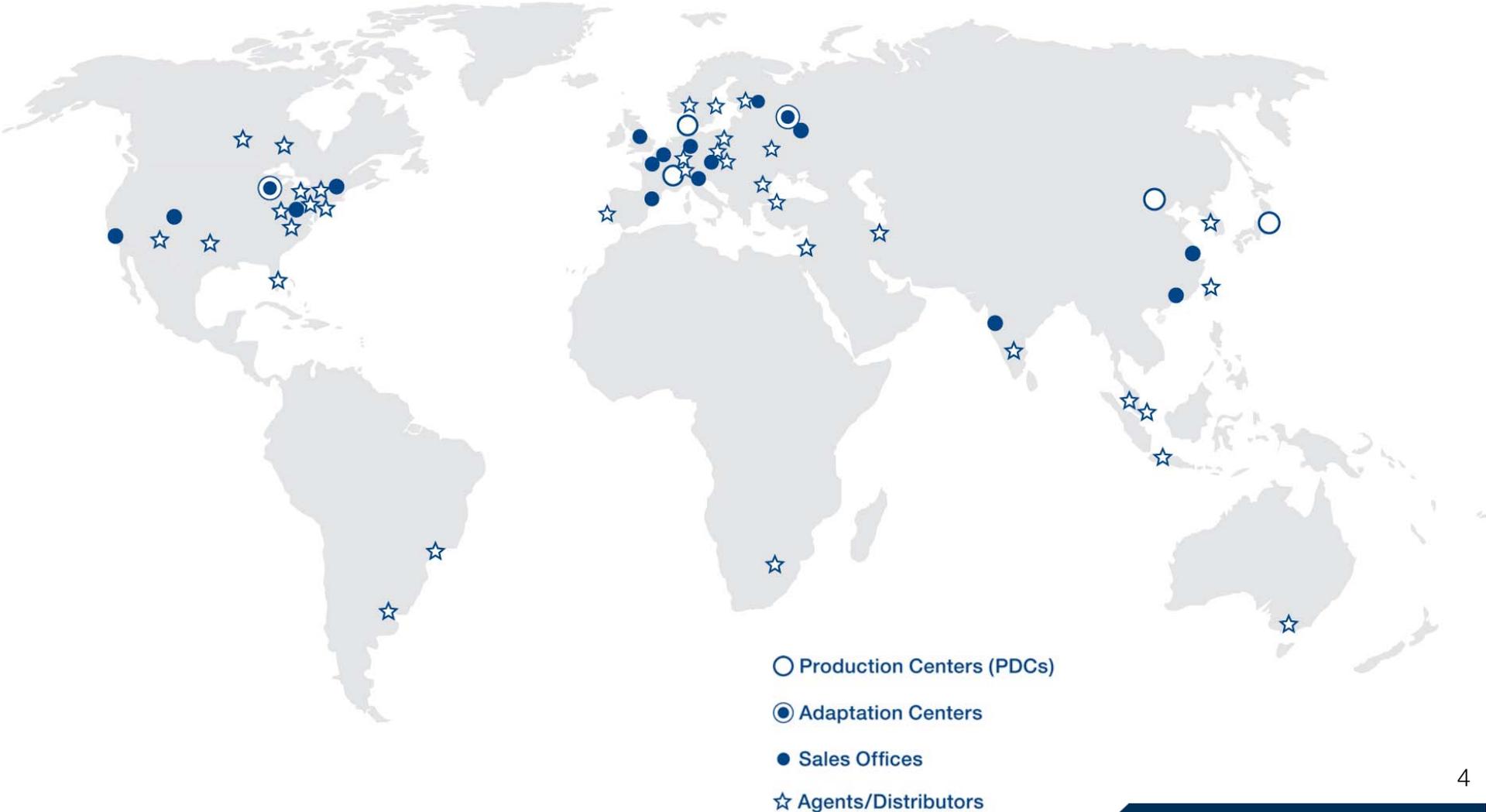
1. LEM at a Glance
2. Business Review
3. Financial Review
4. Outlook



1. About LEM

- LEM is the global market leader in providing innovative and high quality solutions for measuring electrical parameters
- The current and voltage transducers are used in a broad range of applications in industrial, traction, energy & automation and automotive markets
- LEM is a high growth global company with approximately 950 employees
Production plants are in Geneva (Switzerland), Copenhagen (Denmark), Machida (Japan), Beijing (China) and regional sales offices close to the clients locations
- LEM is listed on the SIX Swiss Exchange since 1986
Market cap of CHF 300 million (as per 30.09.2009)

1. LEM Sales and Operations



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1. LEM at a Glance - Markets Served

Traditional Markets

- Industry
 - All areas of reliable current measurement
 - Motor drives, power conversion AC/DC, power supplies, UPS, welding, medical scanners, new energies, leakage current, test & measurement
- Traction & Trackside
 - on-board applications, inverters
 - Trackside and energy monitoring

New Markets

- Automotive
 - Battery Management (all car types)
 - Electric Motor Control (HEV-EV)
- Energy & Automation
 - Process control
 - Battery Monitoring, Energy Metering

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2. Business Review



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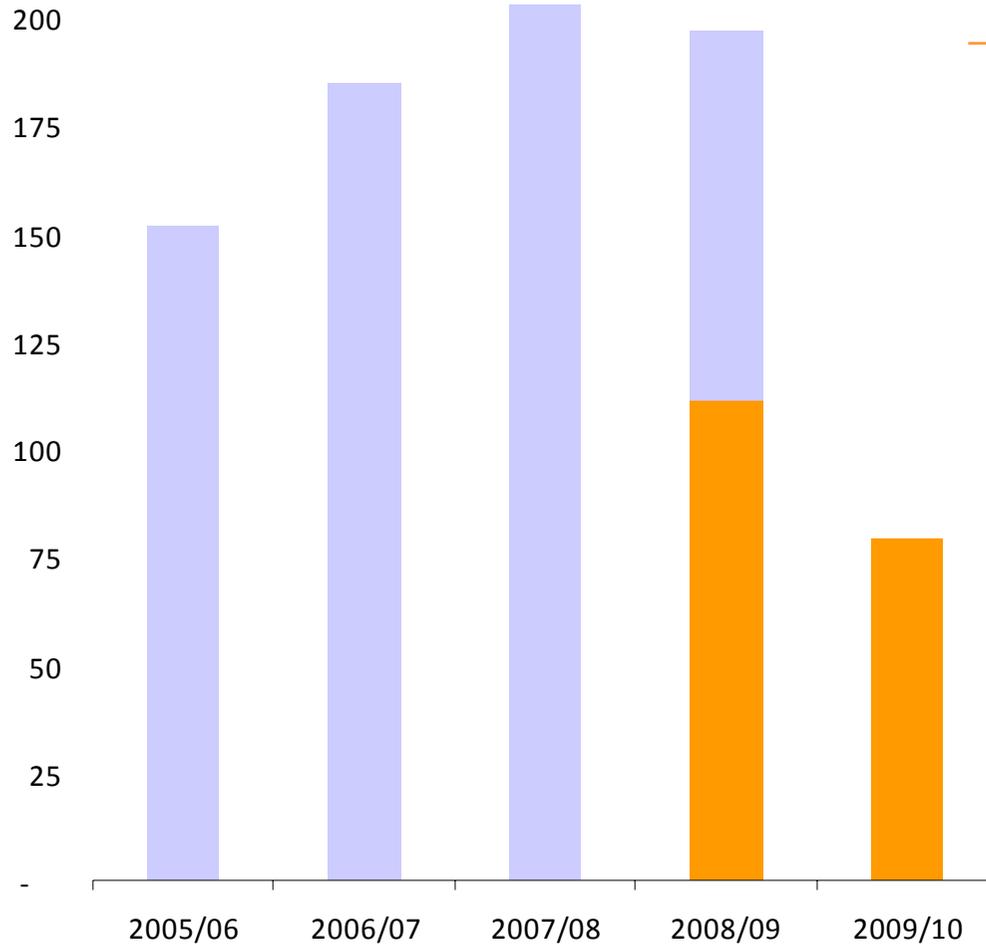
2. Highlights H1 2009/10

- Sales decreased to CHF 78.8 million, -29.0% to the prior year
- On the road to recovery
 - Q2 to Q1 up 21%
 - Positive book to bill ratio in H1 2009/10 of 1.09
 - Upturn in all 4 markets
- Operational EBIT of CHF 8.6 million, or 10.9% of sales, -60% to prior year
- Net profit decreased to CHF 1.6 million due to the provisions for the stock option plans of CHF 4.8 million
- Market share growth in Industrial segment

- LEM Danfysik integration progressing well, earnings for the Group
- Opening of a new plant in Beijing, China

2. Net Sales

In CHF Millions



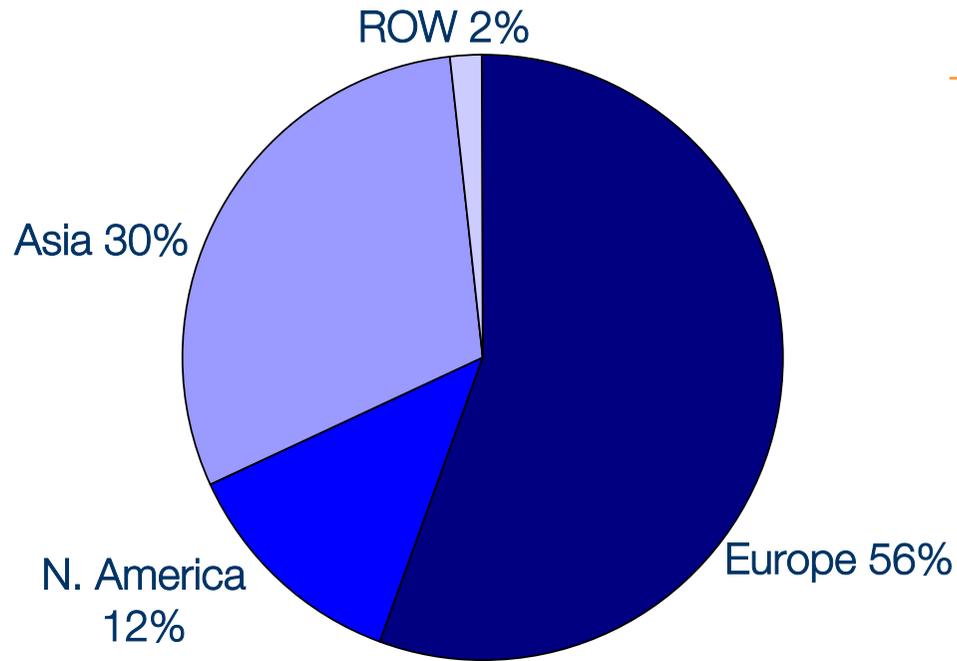
In CHF millions	Sales	Growth H1 to H1	Growth Q2 to Q1
Total Sales	78.8	-29%	21%
Industrial	72.7	-29%	21%
Automotive	6.1	-33%	22%

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2. Industrial Segment: Regional Markets



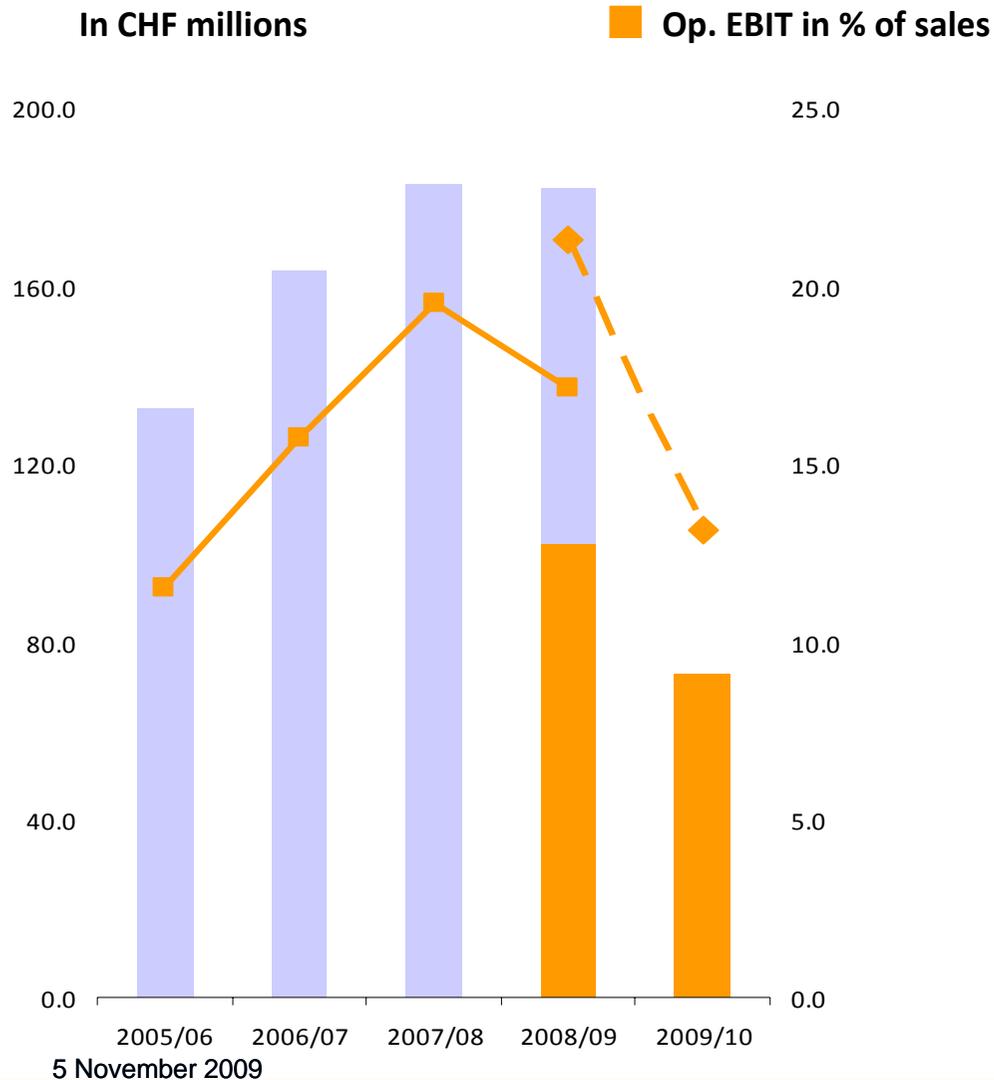
Total sales CHF 72.7 million for H1 2009/10

Sales growth rates	H1 to H1	Q2 to Q1
Europe	-35%	17%
N. America	-27%	16%
Asia	-12%	29%
ROW	-48%	79%
Total	-29%	21%

Strong recovery in Asia

China Q2 to Q1	46%
China H1 to H1	9%

2. Industrial Segment: Business Development



Markets and Applications

Industry: declined by 32% - however strong recovery of solar, wind and drives in the last quarter

Traction: decreased by 12% due to decline in Russian business and some freight train project cancellations

Energy & Automation: decreased by 34% still from a small basis mainly due to less demand in factory automation

2. Industrial Segment: Business Development Results for Industry Market

New Business > CHF 0.5 millions	Region	SoP* 2009/10	SoP* 2010/11
Photovoltaic, Wind	China	Started in Q1	
Photovoltaic	Japan	Q4	
Photovoltaic, Drives	Germany	Q4	
Wind	Scandinavia	Q3	
Drives, Air conditioning	Scandinavia	Q4	Q1
Photovoltaic, Wind	Spain		Q1
Drives, Air conditioning	N. America	Q4	Q1

*SOP= Start Of Production

2. Industrial Segment: Business Development LEM Danfysik

- Acquired retroactively 1 July 2009
- Total purchase price of CHF 7.4 million
- Sales in Q2 of CHF 1.5 million

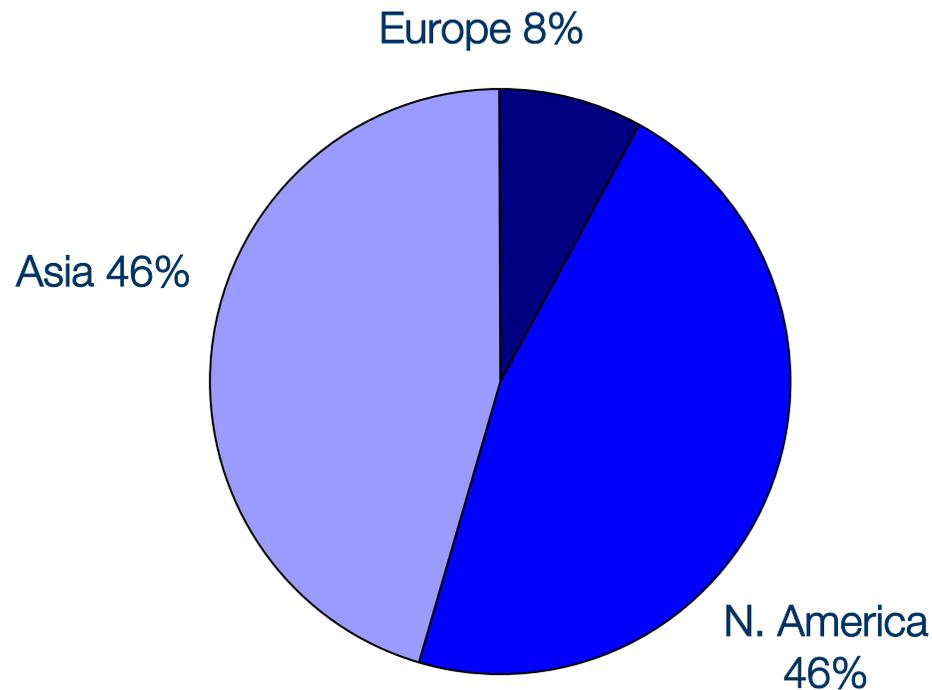
- Strategic bolt-on acquisition to strengthen the position of LEM in the area of high precision current and voltage measurements
- Main applications for these new products: medical scanners, precision industrial motor controls, test & measurement

- Integration within LEM in good progress and initially focused on the Commercial side
- Profitability in Q2, after costs of depreciation of the IPR, is positive

2. Industrial Segment: Business Development Increase in Market Share

- LEM's continued focus on commercial strengths and operational excellence have proven to be rewarding in the market, especially during the economic crisis
- We estimate that our market share has improved by more than 2 percentage points in the Industry market and even more in the Traction market

2. Automotive Segment: Regional Markets

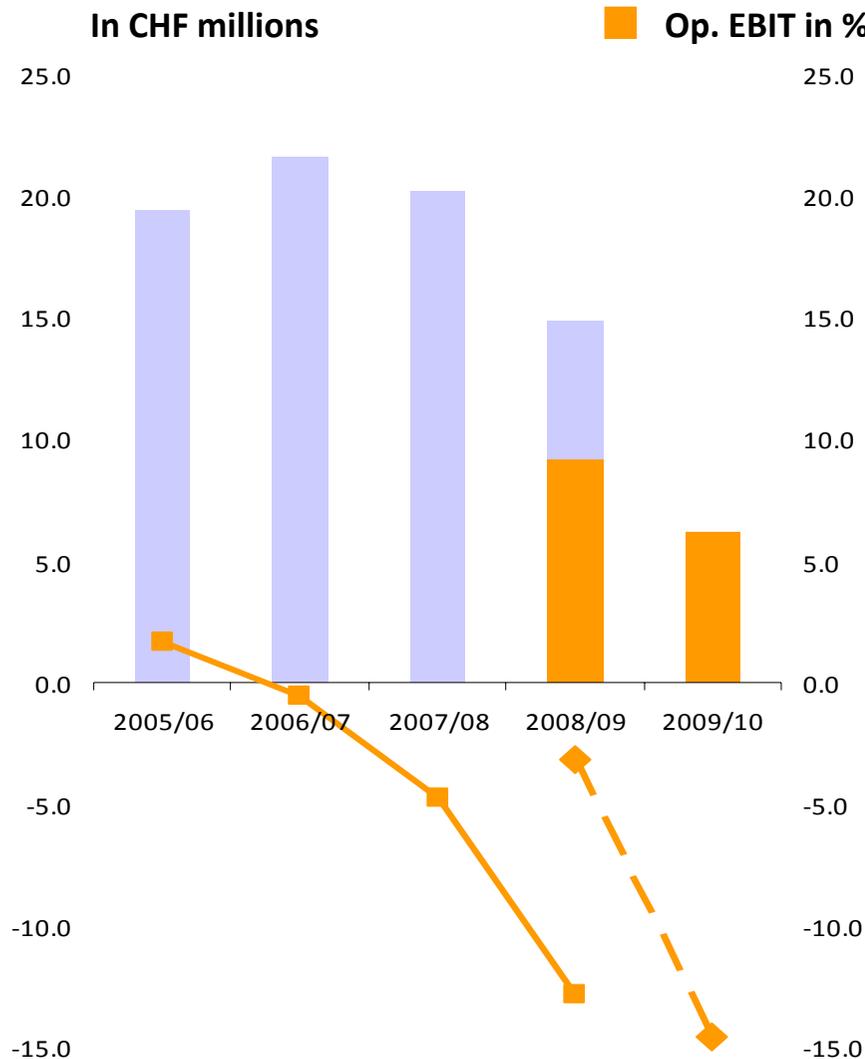


Sales growth rates	H1 to H1	Q2 to Q1
Europe	11%	-16%
N. America	-38%	16%
Asia	-32%	42%
Total	-33%	22%

Strong recovery in Asia and N. America

Total sales CHF 6.1 million for H1 2009/10

2. Automotive Segment: Business Development



Market

- Start of production for two key customers in USA and Japan
- More new starts of production later in 2009/10

Applications

- Battery management
- Motor Controls

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2. Automotive Segment: Business Development Results for Automotive Market

New Business > CHF 0.5 million	Application	in volume	SoP 2009 /10	SoP 2010/11
China	BM, EV, HEV	x		Q2
Japan	EV, HEV	started in Q2		
Japan	BM		Q3	Q2
Japan	EPS	x		
Korea	EV, HEV			Q1
Europe	BM	x	Q3	
Europe	EV, HEV		Q4	Q1, Q2
USA	EV, HEV, BM	x	Q4	

EV = electric vehicle, HEV = hybrid electric vehicle, BM = battery management, EPS = Electric Power Steering

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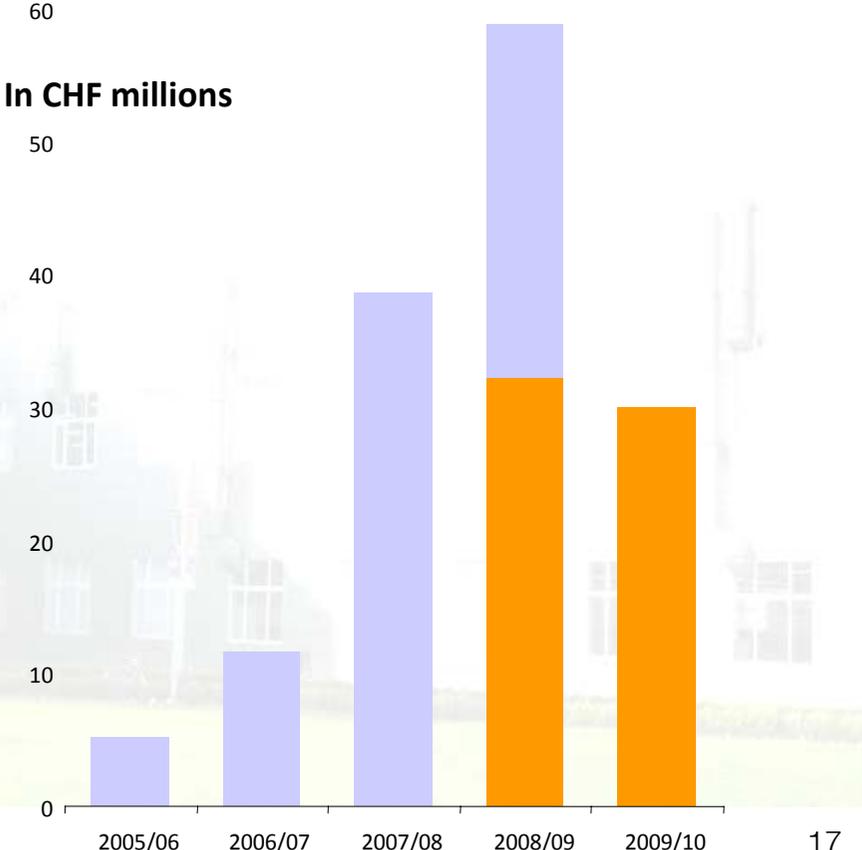
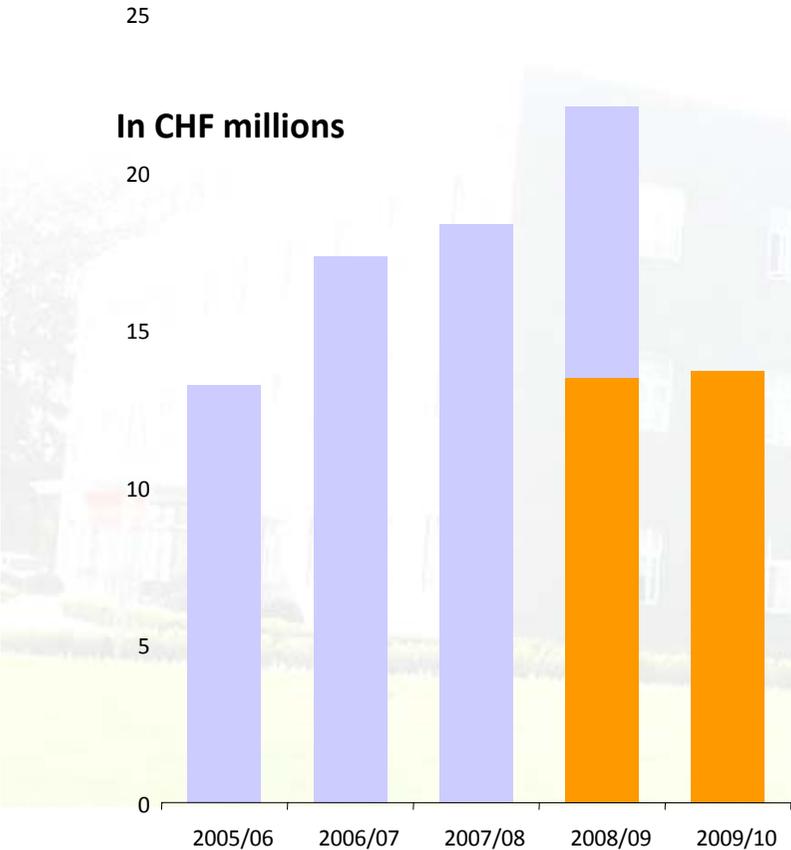
2. Business Development China

Sales

- Sales growth back to 2008/09 level
- Market share now close to 50%

Production

- Opening of new 10'000 m² facility



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2. Recession Management – Q2 Shows Upturn

in CHF millions	Q1 2008/09	Q2 2008/09	Q3 2008/09	Q4 2008/09	Q1 2009/10	Q2 2009/10
Orders received	58.1	53.3	39.2	34.4	36.4	47.1
Sales	55.5	55.5	45.1	40.7	35.6	43.2
Operational EBIT	12.0	9.4	4.1	3.7	3.2	5.4

- The recovery started in all 4 markets as of May 2009
- ROS in Q2 2009/10 of +12.5%, leveraged by the higher sales volume

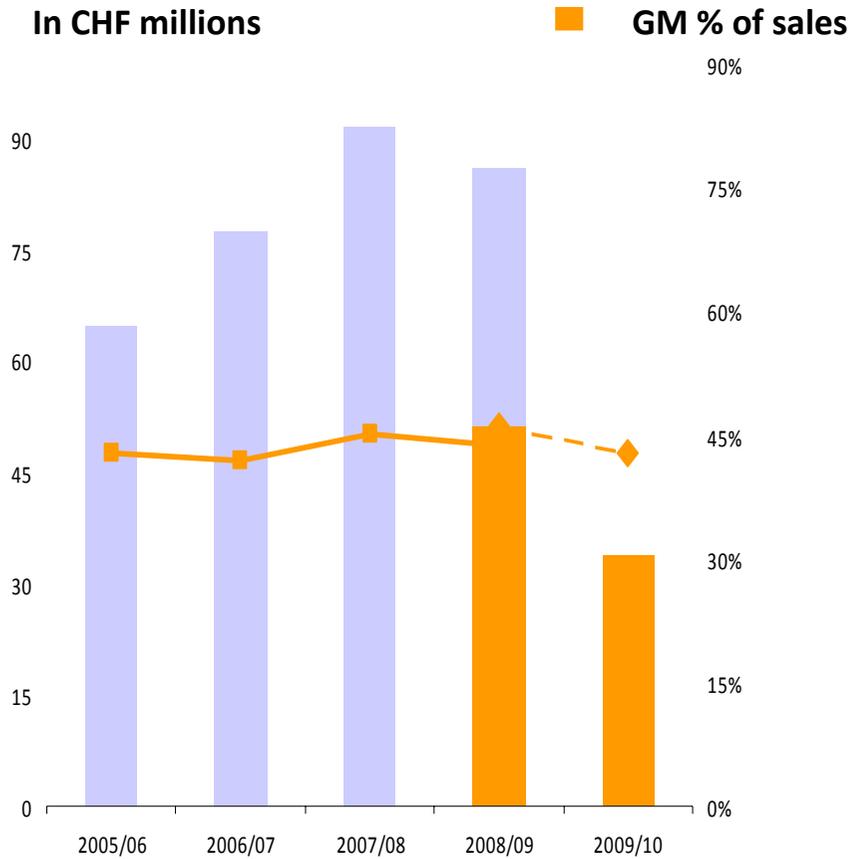
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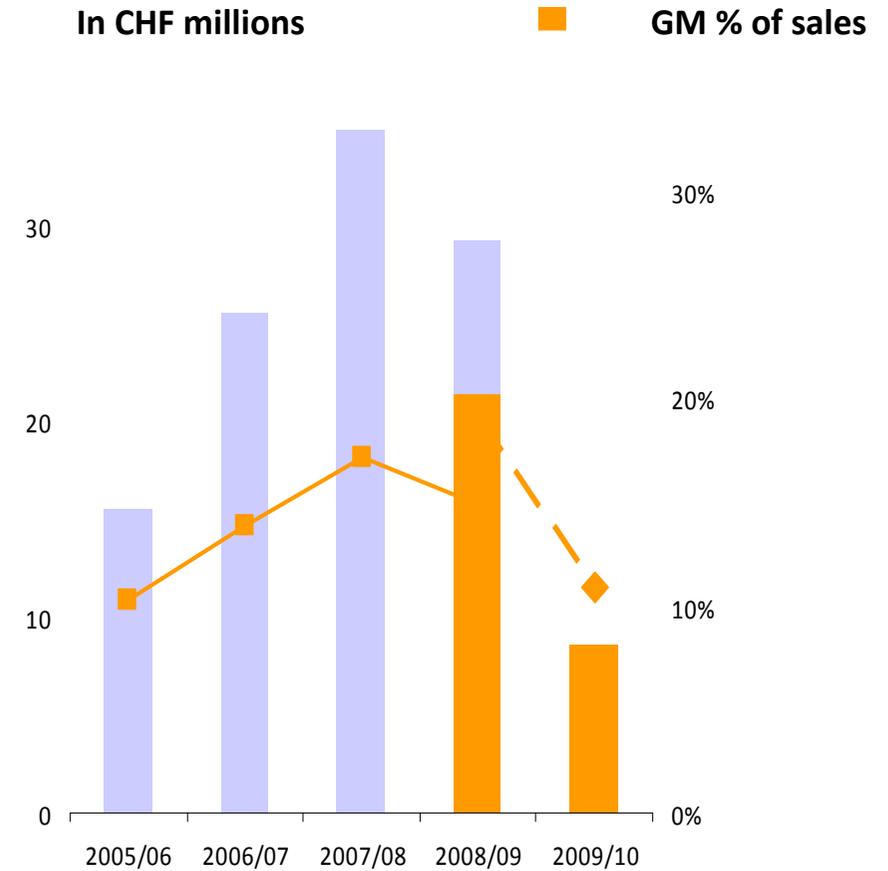
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2. Gross Margin and Operational EBIT Development



■ GM remains stable



■ Operational EBIT of 10.9% of sales

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3. Financial Review



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3. Income Statement

in CHF thousands	H1 2008/09	H1 2009/10	Change %	Q1 2009/10	Q2 2009/10	Change %
Sales	111'040	78'816	-29%	35'644	43'172	+21%
Gross margin %	45.9	42.7		42.4	43.0	
SG&A	(29'646)	(25'079)		(11'932)	(13'147)	
Operational EBIT*	21'385	8'605	-60%	3'187	5'418	+70%
SOP costs	(102)	(4'810)		(4'312)	(497)	
EBIT	21'283	3'796		(1'125)	4'921	
Financial expense (net)	252	(737)		(233)	(504)	
Income taxes	(5'541)	(1'487)		71	(1'558)	
Net profit	15'994	1'571	-90%	(1'286)	2'857	N/A

* Before revaluation of provisions for the stock option plans

Share price development from CHF 149.90 to CHF 260.00 resulted in an additional provision of CHF 4.8 million

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3. Income Taxes & Financial Expense

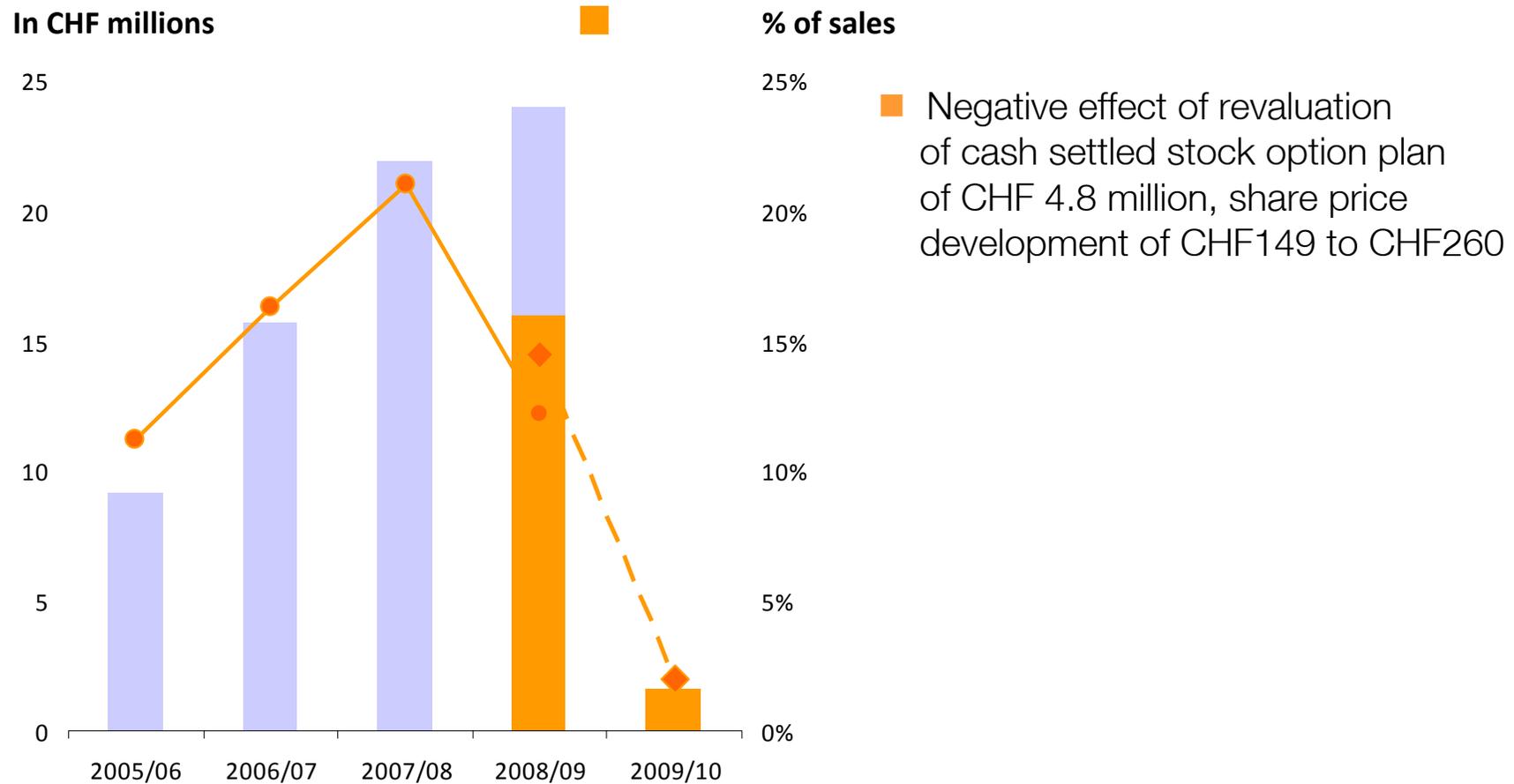
In CHF thousands	Q1 2009/10	Q2 2009/10	H1 2009/10
EBT	(1'357)	4'416	3'059
Income taxes	71	(1'558)*	(1'487)*
Effective tax rate	(5.2%)	35.3%	48.6%

* Including CHF 0.5 million provisions for withholding taxes on distributable dividends from prior years.

Financial Expense (net) In CHF thousands	H1 2008/09	H1 2009/10
Financial expense + income	(65)	(143)
Foreign exchange effect**	317	(594)
Total	252	(737)

** The Foreign exchange effect is mainly the result of the devaluation of the USD and the CNY, i.e. the timing difference between booking a receivable/payable and its settlement.

3. Net Profit (including provision on SOP)



3. Consolidated Balance Sheet

In CHF thousands	30.09.2008	31.03.2009	30.09.2009
Cash and cash equivalents	19'172	27'951	20'379
Accounts receivable	49'442	31'920	36'237
Other current assets	2'786	2'834	1'963
Inventories	32'847	23'728	22'729
Total non-current assets	26'960	29'778	36'978
Total assets	131'207	116'211	118'286
Accounts payable	23'215	12'614	15'712
Other short-term liabilities	27'797	16'187	27'479
Total non-current liabilities	7'749	3'918	3'778
Equity	72'446	83'492	71'316
Total liability and equity	131'207	116'211	118'286
Avg. net working capital % sales	20.7%	20.6%	15.7%
■ Inventory turns	3.7	4.7	4.0
■ Equity ratio	55%	72%	60%

3. Cash Flow Statement

In CHF thousands	H1 2008/09	H1 2009/10
Net profit	15'994	1'571
Non-cash items	3'293	2'177
Cash flow before changes in NWC	19'287	3'748
Cash flow from changes in net working capital	(8'007)	3'469
Cash flow from operating activities	11'280	7'217
Cash flow from investing activities	(4'232)	(10'542) [*]
Free cash flow	7'048	(3'325)
Cash flow from financing activities	(14'197)	(3'760)
Change in cash and cash equivalents	(7'150)	(7'085)
Cash and cash equivalents at the end of the period	19'172	20'379

* Including LEM Danfysik acquisition of CHF 7.4 million

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4. Outlook

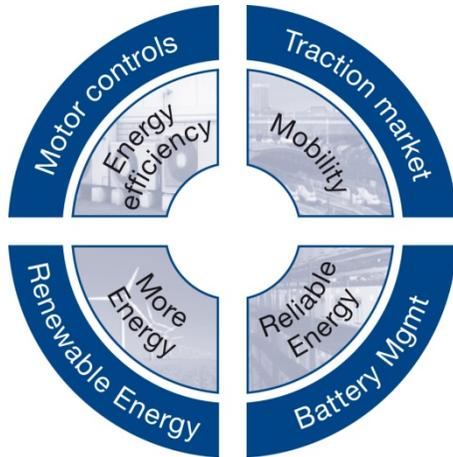


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4. Market Factors and Strategy



The strategic drivers for our business remain intact:

- Need for more energy and renewable energy
- Need for reliable energy, more controls and standby battery management
- Need for better energy efficiencies, increasing demand for more efficient motor controls
- Need for more mobility, public transport and automotive with a shift to energy friendly solutions

4. Outlook

- We will maintain our focus on cost control and operational priorities
- We will continue our investments in the new businesses, including the fast integration of LEM Danfysik
- All 4 markets will benefit from the upturn, Traction market maybe to a lesser extent
- Sales for the year of about CHF 170 to 180 million

4. Financial Calendar and Contact Details

Financial calendar

5 November	2009	Q2 2009/10 results
9 February	2010	Q3 2009/10 results
3 June	2010	Full year 2009/10 results
25 June	2010	Ordinary Shareholders Meeting

For further information

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