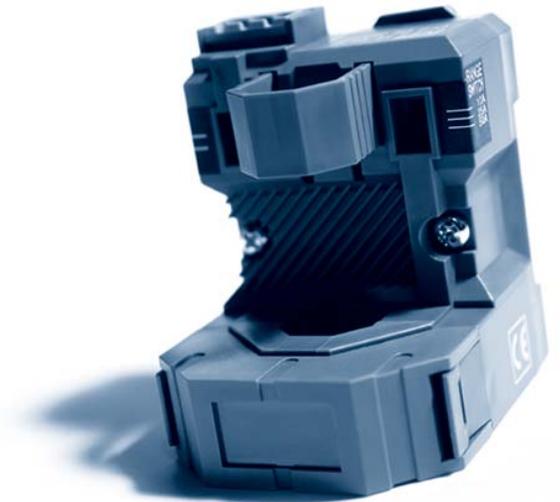


Q1 Results 2010/11

5 August 2010

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 1'100 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 and has a market cap of CHF 297 million

1. LEM Production & Logistics World-Wide



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2. Business Review



2. Highlights Q1 2010/11 - Strong Results

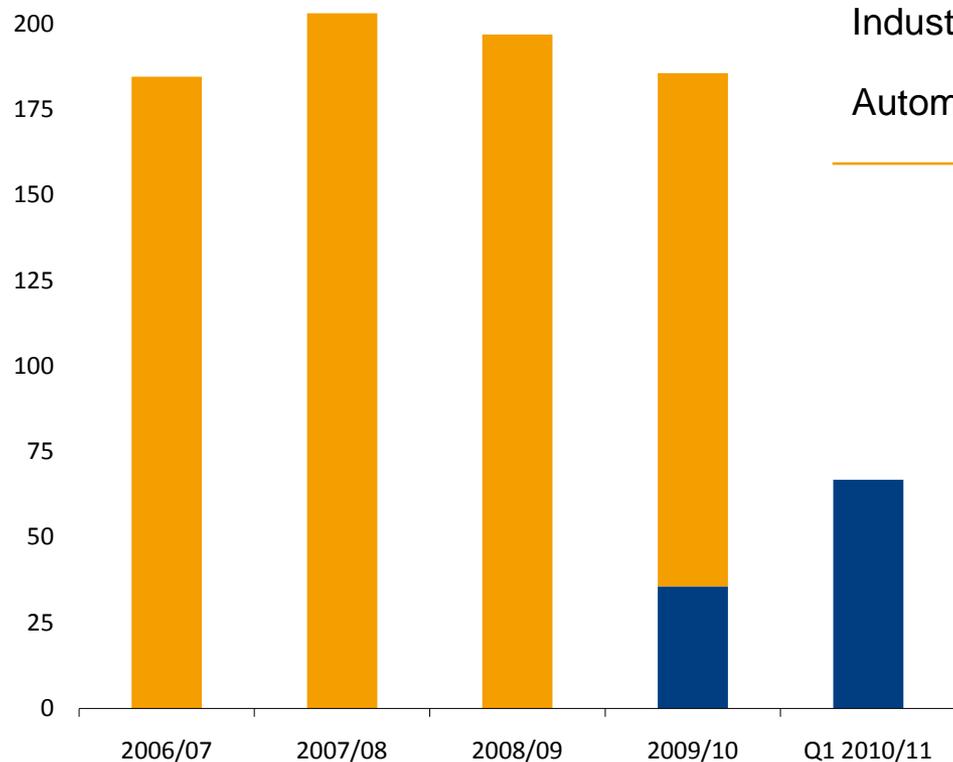
growth	Q1 to Q1 2009/10	Q1 to Q4 2009/10
Sales	87.4%	14.3%
Operational EBIT	331.0%	40.1%

After accounting for the stock option plans

EBIT	from CHF (1.1) million to CHF 13.3 million	89.1%
Net earnings	from CHF (1.3) million to CHF 8.2 million	87.1%

2. Net Sales

In CHF millions



In CHF millions	Sales	Growth Q1 to Q1	Growth Q1 to Q4
Total Sales	66.8	87.4%	14.3%
Industrial	61.6	87.3%	14.6%
Automotive	5.2	88.5%	11.3%

5 August 2010

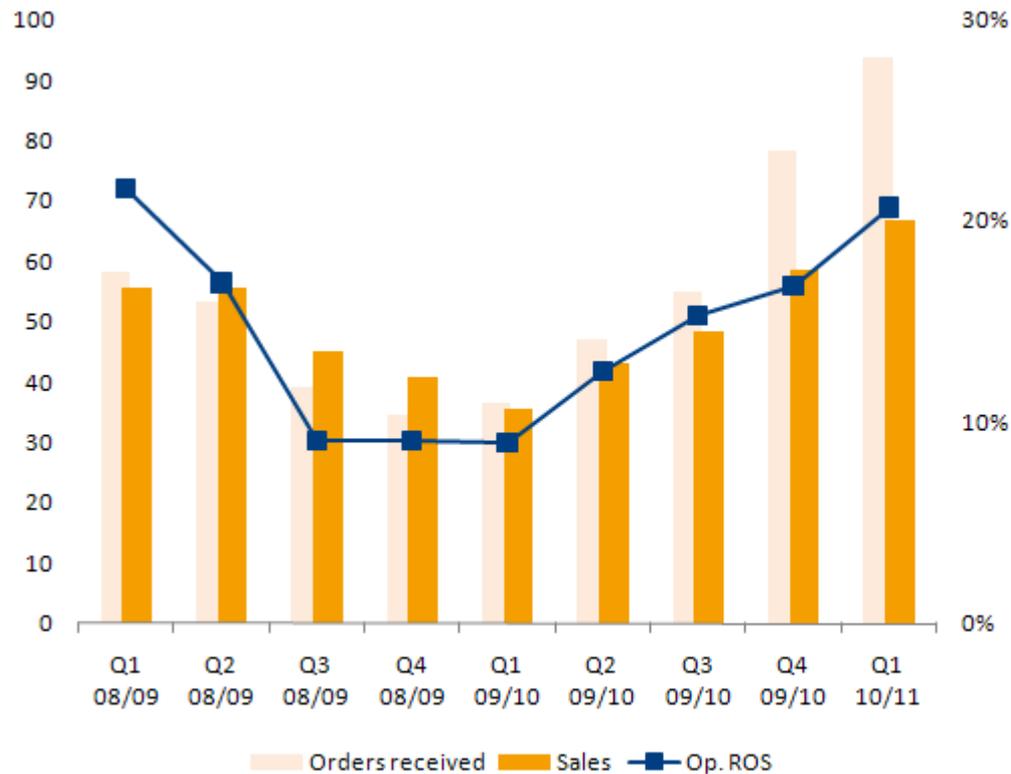
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2. A Look at the Past Recession Period

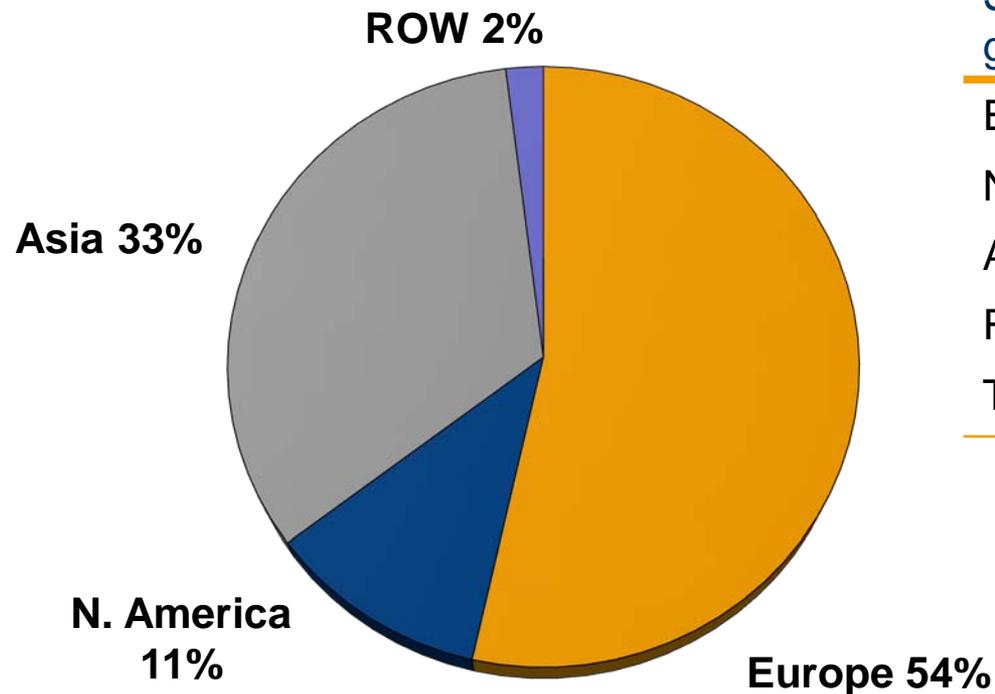
In CHF millions

■ % of sales



- Q1 book to bill ratio 1.4
- Q1 strong increase in sales and order intake

2. Industrial Segment: Regional Markets



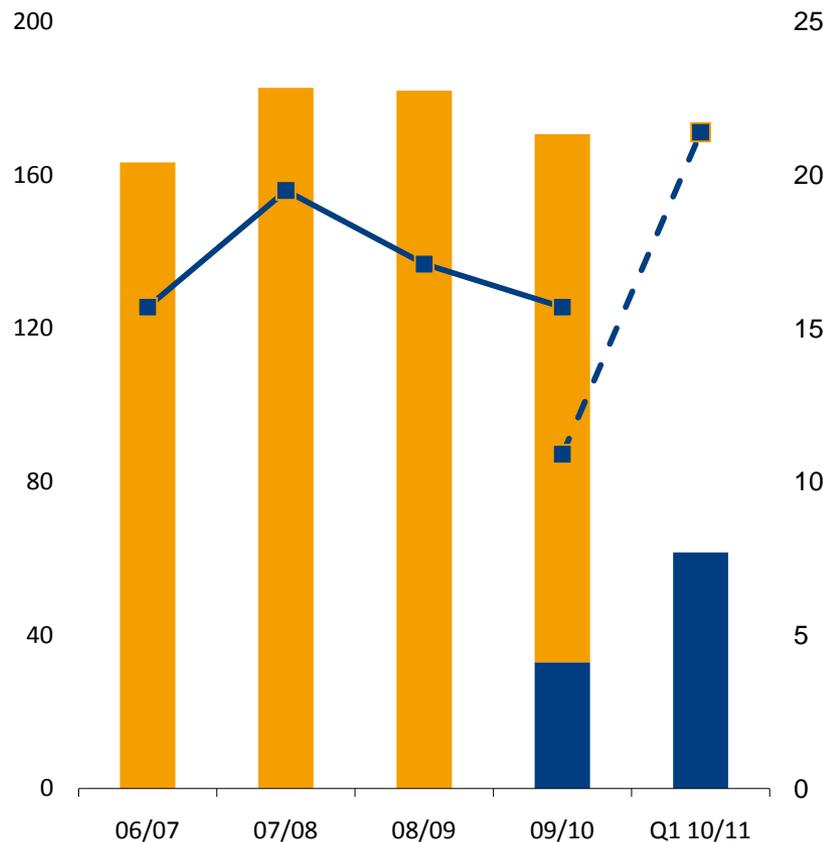
Sales growth rates	Q1 to Q1	Q1 to Q4
Europe	76.4%	10.2%
N. America	64.1%	14.3%
Asia	114.0%	21.5%
ROW	169.0%	21.8%
Total	87.3%	14.6%

- Total sales CHF 61.6 million for Q1 2010/11
- Strong growth in all regions

2. Industrial Segment: Business Development

In CHF millions

Op. EBIT in % of sales



Market and Applications

All Markets have shown an increase in Q1 compared to Q1 of last year

Industry: increased by 113% specially in the areas of motor drives and renewable energy

Traction: increased at a pace of 16%, but was also less impacted by the recession

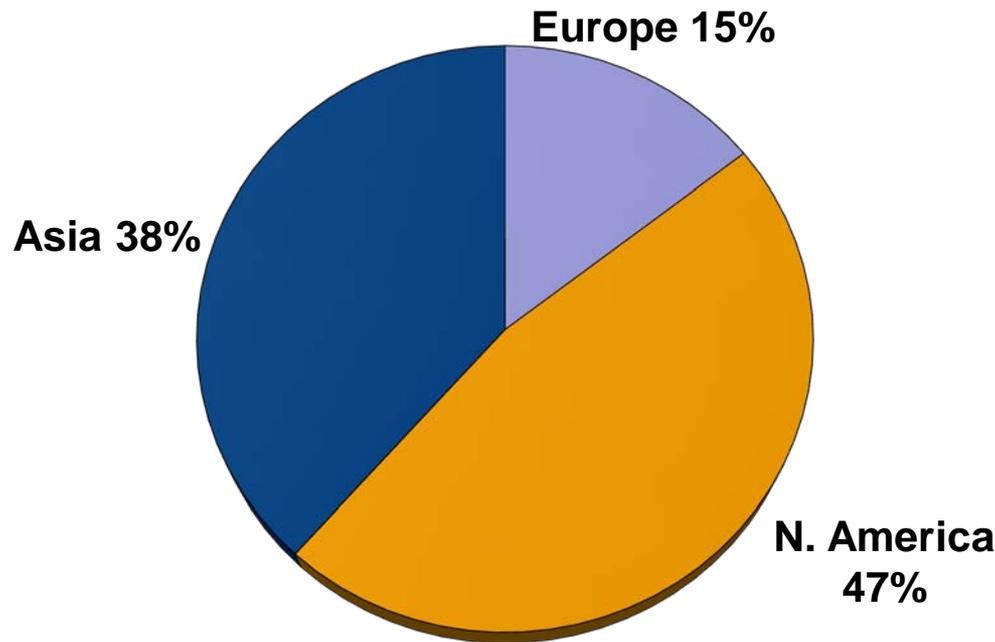
Energy & Automation: increased by 83% still from a small basis. Mainly due to Wi-LEM for Energy Metering and Sentinel for Battery Monitoring

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2. Automotive Segment: Regional Markets



Sales growth rates	Q1 to Q1	Q1 to Q4
Europe	178.0%	27.9%
N. America	87.4%	10.7%
Asia	70.2%	10.8%
Total	88.5%	11.3%

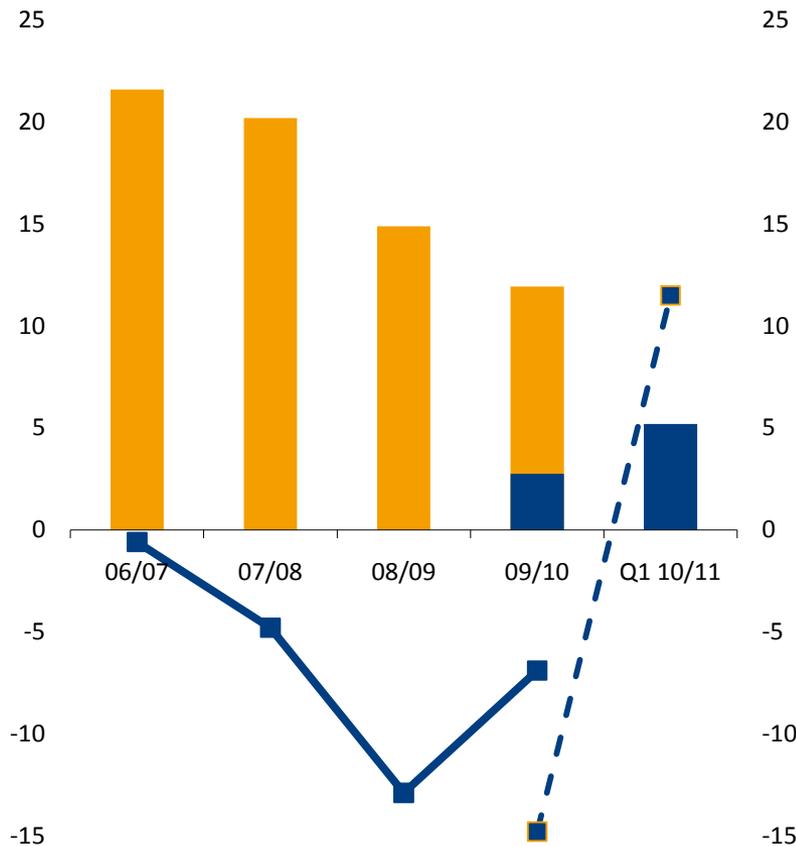
- Total sales CHF 5.2 million for Q1 2010/11
- Growth in Europe linked to start of production for hybrid electric vehicles

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2. Automotive Segment: Business Development

In CHF millions

■ Op. EBIT in % of sales



Market

- Upswing of the market in general
- Start of production for several HEV in Europe, USA and Asia

Applications

- Battery management also for HEVs
- Motor Controls

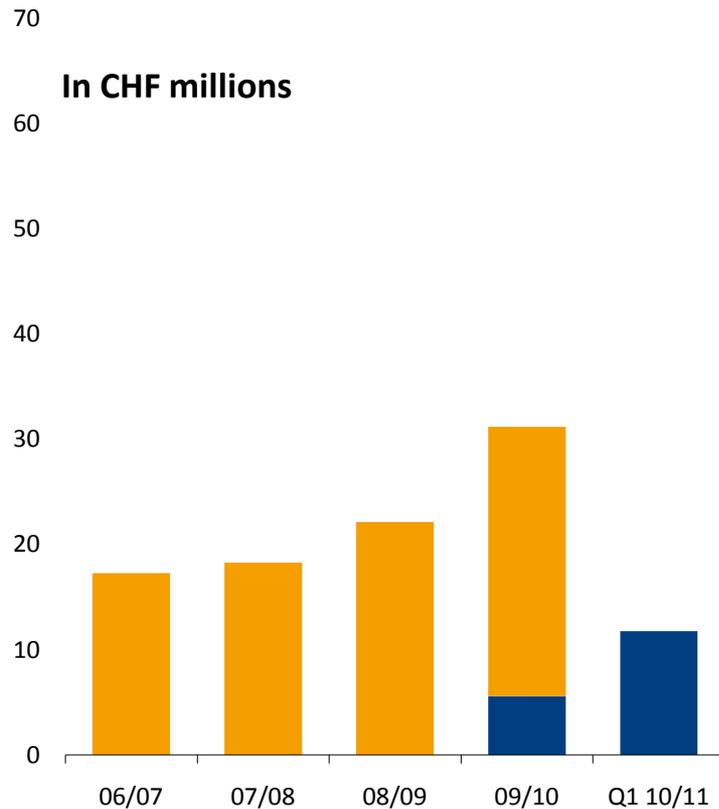
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2. Business Development - China

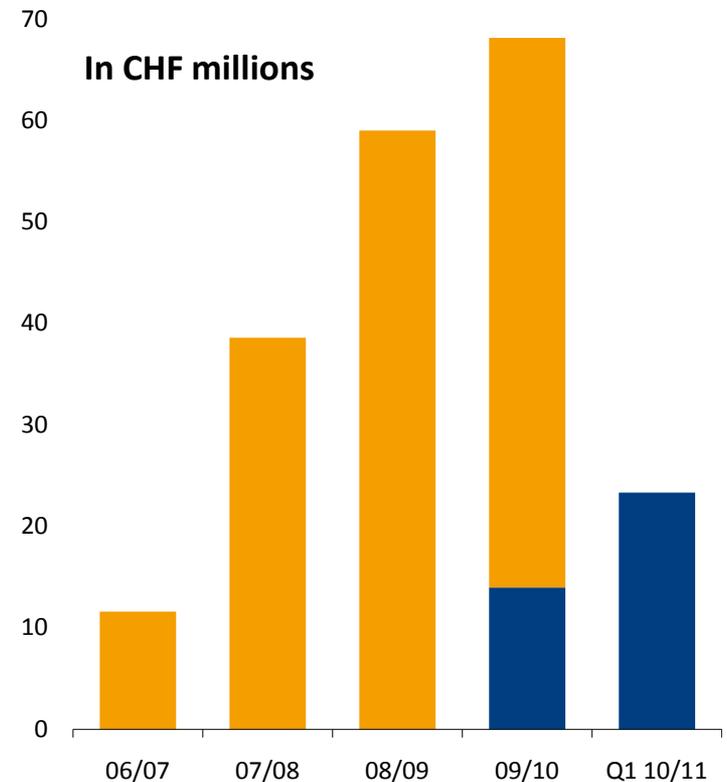
Sales

- Sales growth of 70% from same period last year
- Market share now over 50%



Production

- Continued transfer of key products
- “Made by LEM” quality



3. Financial Review



3. Income Statement

In CHF thousands	Q1 2009/10	Q4 2009/10	Q1 2010/11
Sales	35'644	58'431	66'786
Gross margin %	42.4	42.8	43.6
SG&A	(11'933)	(15'175)	(15'413)
Operational EBIT*	3'187	9'805	13'735
EBIT	(1'125)	7'135	13'347
Net financial expense	(233)	(304)	(1'668)
Income taxes	71	(1'791)	(3'469)
Net profit	(1'286)	5'040	8'210

■ Share price development from CHF 340 to CHF 345 resulted in an additional liability of CHF 0.4 million

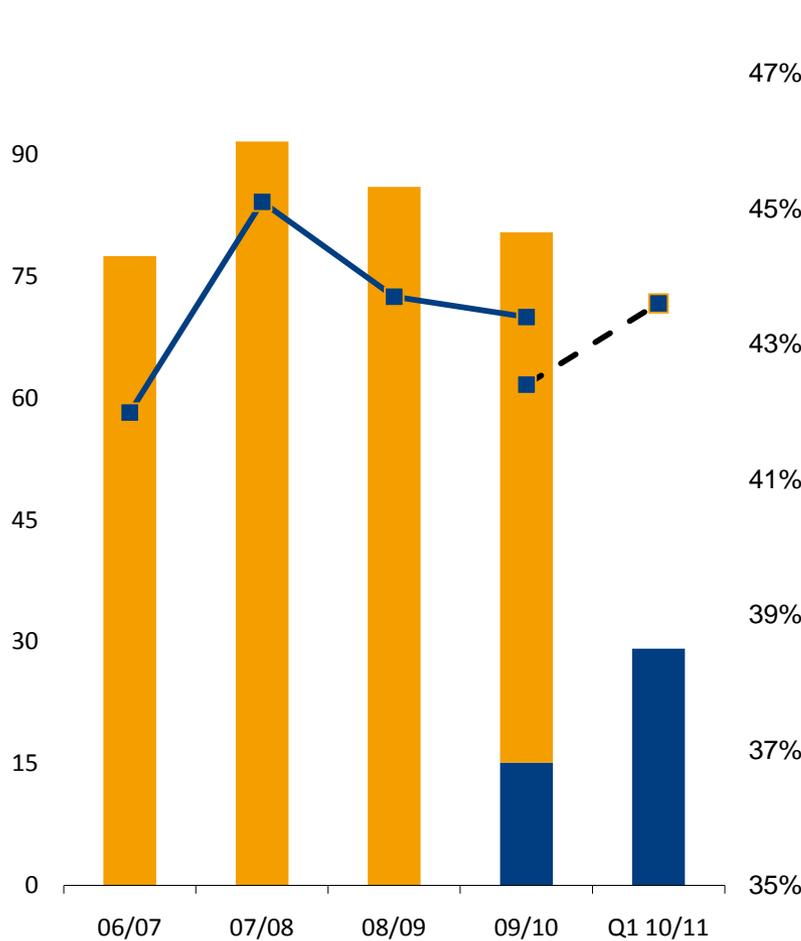
* Before revaluation of provisions for the stock option plans

16

3. Gross Margin Development

In CHF millions

■ % of sales



In CHF millions	Q1 2009/10	Q4 2009/10	Q1 2010/11
Gr. margin	15.1	25.0	29.1
Gr. margin % Sales	42.4%	42.8%	43.6%

■ Gross margin is improving due to volume leveraging effect

3. Operational EBIT

In CHF millions	Avg. Q 2007/0 8	Q1 2008/0 9	Q2 2008/0 9	Q3 2008/0 9	Q4 2008/0 9	Q1 2009/1 0	Q2 2009/1 0	Q3 2009/1 0	Q4 2009/10	Q1 2010/11
Sales	50.8	55.5	55.5	45.1	40.7	35.6	43.2	48.2	58.4	66.8
Op. EBIT	8.7	12.0	9.4	4.1	3.7	3.2	5.4	7.4	9.8	13.8
Op. RoS	17.2%	21.6%	16.9%	9.0%	9.3%	8.9%	12.6%	15.3%	16.8%	20.9%

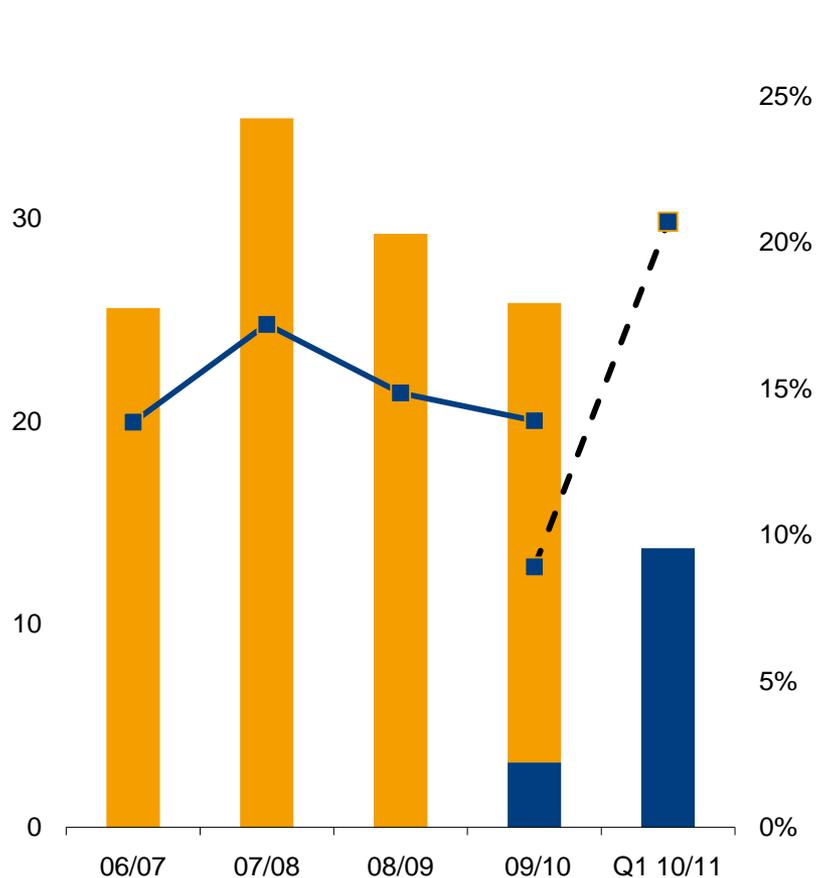
- Q1 2010/11 above pre-crisis level

3 August 2010

3. Operational EBIT

In CHF millions

■ % of sales



In CHF millions

**Q1
2009/10**

**Q4
2009/10**

**Q1
2010/11**

Op EBIT

3.2

9.8

13.7

Op EBIT

8.9%

16.8%

20.6%

% Sales

■ Excluding additional SOP cost/income

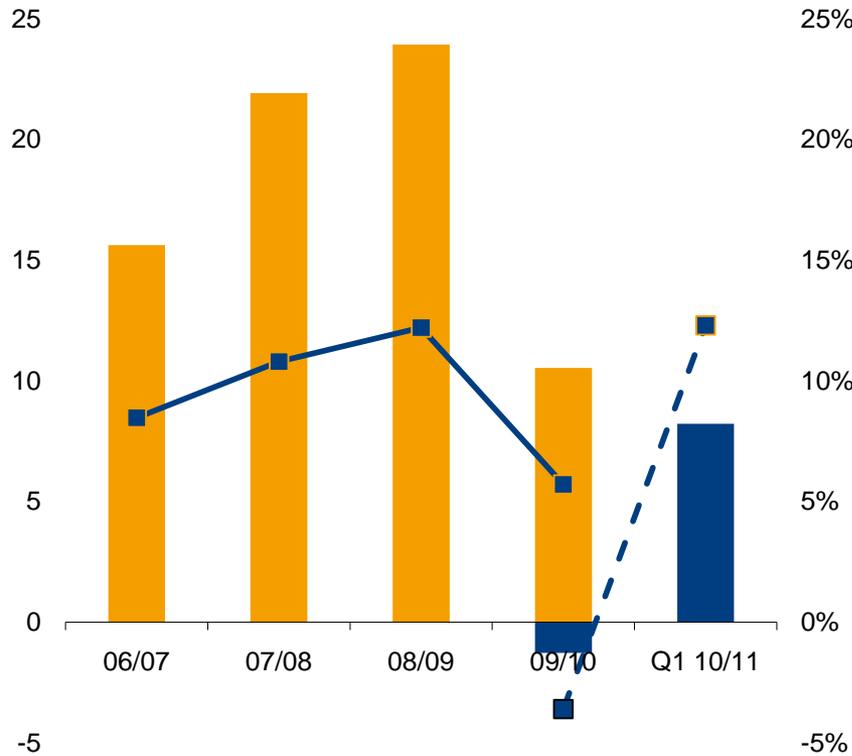
■ OpEx under control (+1.6% vs Q4)

5 August 2010

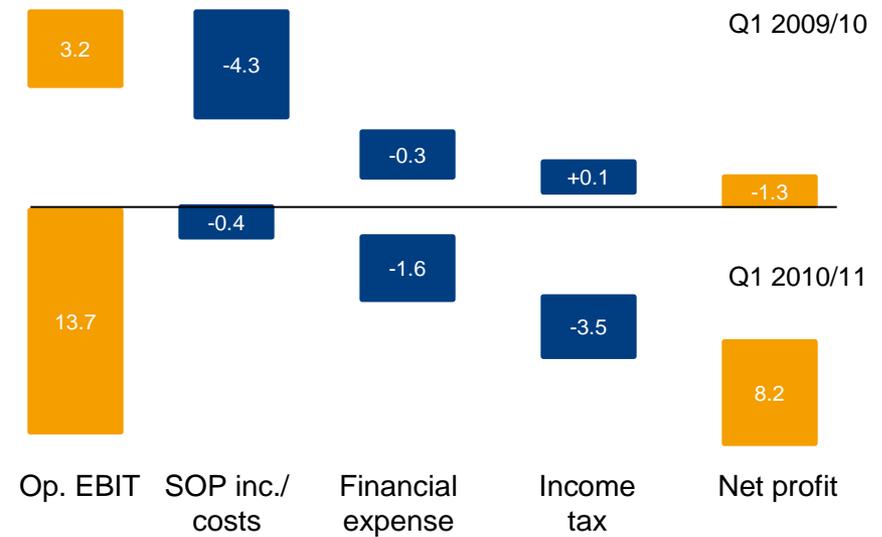
3. Net Profit

In CHF millions

■ % of sales



In CHF millions	Q1 2009/10	Q4 2009/10	Q1 2010/11
Net profit	-1.3	5.0	8.2



5 August 2010

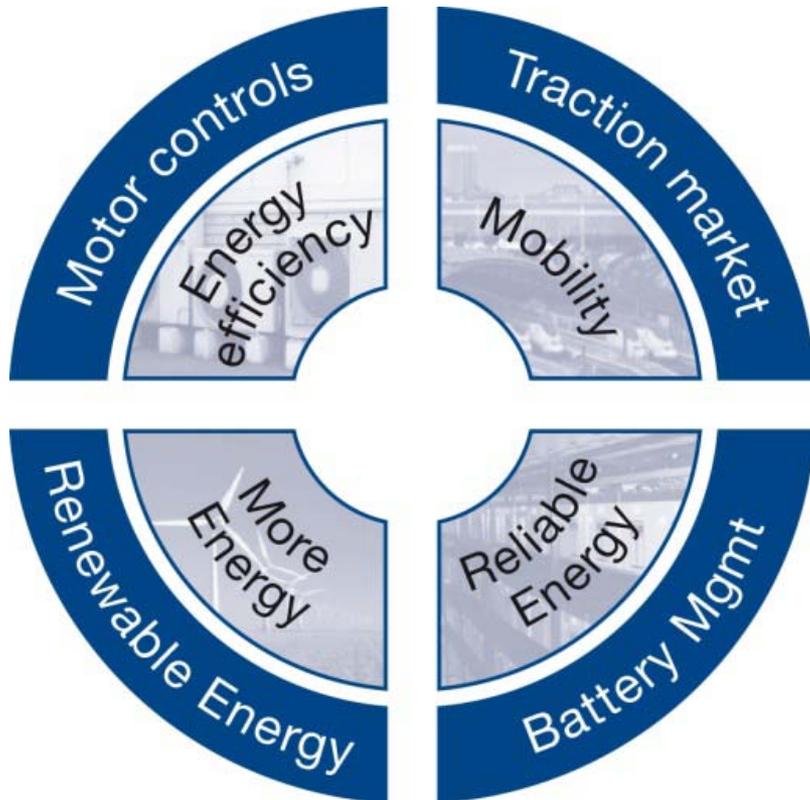
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4. Outlook



4. Market Factors and Strategy



- We firmly believe in our Strategic Direction and the 4 drivers for our business remain unchanged.
- Our multi-market and global reach are clear benefits
- We will continue to be the strategic partner for our customers and gain market share on a global scale with our current and voltage measurement solutions

5. Outlook

We are confident for the rest of the year but we must take the ongoing global economic and currency uncertainties into consideration.

- We will maintain our focus on cost control and operational priorities
- We are working hard to solve the shortage of electronic products that impact us
- We will continue our investments in the new businesses, including developing new products and addressing new markets

5. Financial Calendar and Contact Details

Financial calendar

5 August	2010	Q1 2010/11 results
9 November	2010	Q2 2010/11 results
15 February	2011	Q3 2010/11 results
9 June	2011	Full year 2010/11 results
1 July	2011	Shareholders' Meeting

For further information

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