

AD-HOC MESSAGE

LPKF's second quarter 2004 confirms positive development in turnover

The Group generated the following results in the first six months:

	2004 (6 mon.)	2003 (6 mon.)	Change
Turnover K€	11,159	9,538	+ 17.0%
EBIT K€	229	-292	+178.4%
EBIT margin	2.1%	-3.1%	
Result K€	-36	-99	+ 63.6%
EPS €	0.00	-0.01	
Cash and cash equivalents K€	6,262	5,264	+ 19.0%
Capital ratio	72.7%	70.1%	
Orders received by AG per 10 Aug. K€	11,851	8,547	+ 38.7%
Orders in hand at AG per 10 Aug. K€	3,168	3,011	+ 5.2%

Notes on the quarterly results:

The development in turnover in the second quarter shows a clear upwards trend. The increase in turnover is particularly satisfactory in the Laser Systems segment which – pushed by the cutting and drilling laser systems - boasts a growth of 28%. The Rapid PCB Prototyping segment also posted clear growth with an increase in turnover of 16%. This rise was largely attributable to the developments and market launch of the new H100, a fully automatic system for the production of prototype PCBs.

The consolidated performance is still depressed by the new laser welding technology of Laserquipment AG. For 2005, however, it is Laserquipment's aim to produce a break even, when the new products are launched onto the market. The successful installation of welding systems in the medical technology and automotive sectors in particular are promising signs of the planned expansion in growth.

Outlook 2004:

Orders received in the last few weeks, from Asia in particular, confirm that LPKF Laser & Electronics AG is pursuing the right growth strategy. LPKF Laser & Electronics AG generates its highest turnover in the second half of the financial year, which is also reflected in the current high level of orders in hand and confirms the Board of Managing Directors' forecast. The major growth in orders received and orders in hand is all the more significant considering that a large volume order was received in the comparable period the previous year.

In the 3D-MID segment, the technology is establishing itself more and more. Additional systems were sold in the reporting period. The demand for 3D-MID samples and services also reflects a considerable rise in interest by the relevant industries so that a further increase in turnover can be expected here in the future.

All of LPKF's product segments feature an exclusive range of innovative products tailored to today's and tomorrow's demand. The greater willingness of industry to invest opens up excellent opportunities worldwide.