

AD HOC ANNOUNCEMENT PURSUANT TO SECTION 15 WPHG**LPKF presents Annual Report 2007****Key Group figures 2007:**

	2007	2006	Change
Turnover TEUR	42,208	39,780	+ 6.1 %
Profit TEUR	3,868	3,973	- 2.6 %
Net margin	9.2 %	10.0 %	
EBIT TEUR	6,007	6,350	- 5.4 %
EBIT margin	14.2 %	16.0 %	
EPS EUR	0.36	0.37	- 2.7 %
Cash and cash equivalents	3,034	5,156	- 41.2 %
Capital ratio	69,3 %	71,8 %	
Orders in hand of Group 31.12. TEUR	7,622	6,100	+ 25.0 %
Orders received by Group 31.12. TEUR	43,159	38,419	+ 12.3 %

Strong expansion of growth segments

LPKF Laser & Electronics AG boosted its turnover by 6.1 % year-on-year to € 42.2 million. EBIT was on target at € 6.0 million. Intense effort in expanding the three growth segments – MID, Plastic Welding and Solar – generated a performance slightly below the previous year's level.

Turnover in Rapid Prototyping systems rose by 21.1 % to € 15.3 million, and again delivered a solid foundation for the Group's performance. The Stencil, Inspection Systems and PCB Processing segments were strongly affected by their high export share outside of the Euro zone, and competition with the Dollar zone. They failed to match the previous year's turnover levels. Activity in the Inspection Systems segment was suspended in favour of the solar business.

The three growth segments have developed very promisingly and boasted double figure growth rates. The Plastic Welding business has been strongly expanded and enjoyed a 15 % plus in turnover. Framework agreements were also closed with key accounts. The MID segment succeeded in almost doubling its turnover in 2007, and made significant progress in internationalising its business.

The still very new Solar segment developed particularly dynamically. LPKF became actively involved in supplying laser systems for the scribing of thin-film solar panels at the beginning of 2007. As announced, the Group received further orders from several customers at the beginning of the ongoing financial year.

The Board of Managing Directors and the Supervisory Board will propose a resolution at the Annual General Meeting to pay a dividend of 12 Cent per share as in the previous financial year.

Positive outlook for 2008

The company has started the 2008 financial year confidently with a 25 % year-on-year increase in orders in hand.

The Board of Managing Directors intends to boost turnover and profit further in the ongoing year. This is predicated on the absence of any further repercussions from the crisis on the international financial markets, and continuing economic stability. Given the excellent order situation, there is a good chance to raise the turnover share of the MID, Plastic Welding and Solar segments from currently 25 % to around 50 % in the medium term.

LPKF Laser & Electronics AG shares are quoted on the Prime Standard of the Frankfurt Stock Exchange (ISIN 0006450000).