

AD HOC announcement pursuant to Section 15 WPHG**LPKF: More sales with new technologies**

Group performance in the first quarter 2007:

	2007 (3 mon.)	2006 (3 mon.)	Change
Turnover TEUR	7,965	8,141	-2.2%
Profit TEUR	512	700	-26.9%
Net margin	6.4%	8.6%	
EBIT TEUR	711	1,507	-52.8%
EBIT margin	8.9%	18.5%	
EPS EUR	0.05	0.06	-16.7%
Cash and cash equivalents TEUR	3,994	7,019	-43.1%
Capital ratio	71.8%	67.2%	
Orders in hand of group 31.3. TEUR	5,467	8,374	-34.7%
Orders received by group 31.3. TEUR	7,984	8,719	-8.4%

Notes on the quarterly results:

Sales and performance fell short of expectations in the first three months. This is mainly attributed by the management to clients postponing their investment decisions.

Sales declined in the StencilLaser and PCB Laser Cutting segments. The continuing weakness of the dollar is impacting business in Asia and depressing the amount of investment by clients.

Business in the 3D-MID segment was positive. The LDS method for the production of three dimensional circuit carriers successfully made the transition into mass production. Rapid PCB Prototyping generated a strong growth of 14,9%. The Laser Plastic-Welding segment was also very successful but was not able to improve significantly in Q1 2007 on the unusually strong performance in the same quarter last year.

Outlook

Management forecast much better sales figures in the second quarter on the strength of the very high level of orders received in April and May and adhere to the sales forecast of 45 million € for the ongoing financial year. The continuing shift in sales within the Laser segment towards 3D-MID, Plastic-Welding and Solar highlights the planned development of the company towards systems that can be used in mass production. The management consider these products to have the best potential for growth in the future.

LPKF Laser & Electronics AG shares are quoted on the Prime Standard of the Frankfurt Stock Exchange (ISIN DE0006450000).