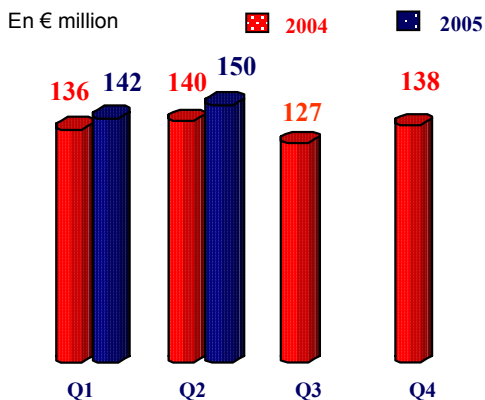


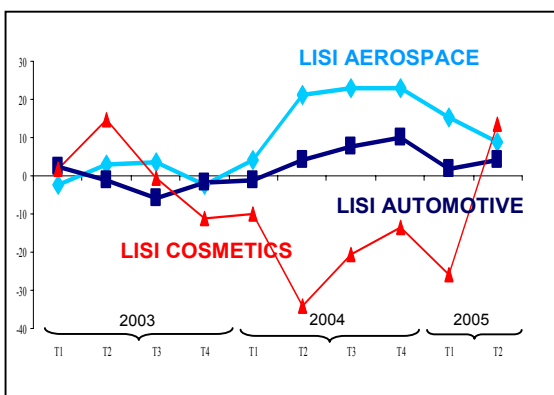
20 July 2005



Quarterly Consolidated sales



% Sales Variation per division / N-1



AEROSPACE: growth in capacity
AUTOMOTIVE: KNIPPING – last authorizations secured
COSMETICS: trend reversal

In line with Q1, organic growth consolidated during Q2, the Group displaying revenue up +6.8% for the period, of which +6.3% on a like-for-like and constant exchange rate basis, after +4.6% and +4.7%, respectively, during Q1 2005.

This achievement is reflected by the three divisions, which all displayed positive results simultaneously.

H1 revenue therefore stands at €292m, up +5.7% from its level for the same period in 2004 (+5.5% on a like-for-like and constant exchange rate basis), the portion achieved outside France representing 49% of the total.

LISI AEROSPACE (40% of revenue): **Bordering euphoria**

The Le Bourget Air Show saw the multiplication of orders (80 aircraft for AIRBUS and 162 for BOEING) and the confirmation of the new programs (A350). As far as deliveries are concerned, AIRBUS confirms its leadership with 189 aircraft delivered, to be compared with 155 for BOEING. The pace at which the two manufacturers' orders are growing is expected to accelerate during H2 2005 to achieve their targets (+13% annual growth).

Although the bases for comparison are less favorable now, LISI AEROSPACE's Q2 figures are still up considerably: +8.8% of which +10.3% on a constant dollar basis. Over the whole of H1, the Aerospace division's revenue stands at €117.3m, i.e. up +11.8% as compared to H1 2004 sales, of which +14.1% on a constant dollar basis.

Beyond what we had forecast, the USA displayed highly sustained activity (+29.6% during H1), requiring an acceleration of the sustained hiring plan, extra working time and capacity investments.

The decision to open a new plant in Canada (Dorval) with the support of the Quebec government, has been made as a result of the situation. The first parts will be delivered in September.

In Europe, the activity (+10.2%) remains at a level close to the maximum of the installed capacity, while awaiting the extension plan which is being deployed (Saint-Ouen l'Aumône, Izmir).

The Racing B.U. is further consolidating its positions (+4.8% on a constant dollar basis) and has signed a new strategic agreement with Ferrari.

LISI AUTOMOTIVE (54% of revenue): **European market recovery – Acquisition of Knipping completed**

The European market figures available to date, which have been published by ACEA, show a +4.5% rise in the number of new license plates during the month of June, with 1.55 million units, for a similar number of business days.

After a difficult start of Q2 (-0.8% in April, -1.7% in May, like for Q1), the market recovery experienced in June mitigates the overall drop, which is now limited to -1.1% for the entire first half of the year.

For the month of June, the growth was primarily driven by four key markets (Germany: +8.2%; France: +2.7%; Spain: +1.8%; Italy: +18%), and by new member States, whose growth stands at +4.2%.

An analysis of growth per manufacturer shows that PSA is withstanding the situation (-0.7% in June on the European market and +0.6% for its overall worldwide sales for H1 2005), which enables it to remain Europe's number 2 car manufacturer, behind VW, with a market share of 13.4% at end June.

As for Renault, the number of new license plates remains nearly unchanged for Europe at -0.6%, while non-European worldwide sales are up 3.6%.

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As far as the Group's German customers are concerned, we note VW's impressive achievement (+8.1% in the European market) and BMW's excellent resistance (+21.8%) while it is engaged in the massive launch of new models.

With revenue of €156.8m, LISI AUTOMOTIVE displays +3.2% half-yearly growth in sales (+4.3% for Q2 after +2% for Q1), which, on a like-for-like and constant exchange rate basis, i.e. excluding Form a.s, means that organic growth comes out to +0.4%.

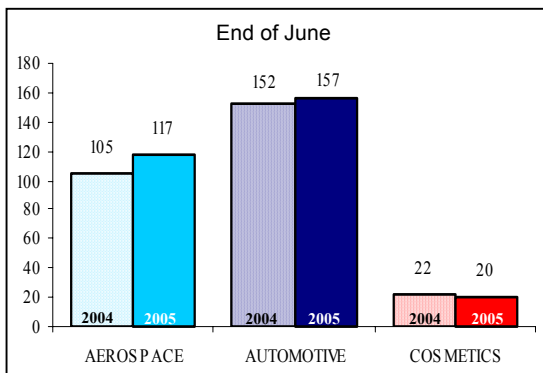
Besides, one should remember that the half year was marked by a significant increase in raw material prices, whose partial repercussions on the selling prices somewhat hides the actual activity trends. We estimate the impact of these increases at €7.1m of revenue. Also, on a constant raw materials price basis, i.e. in volumes, the Automotive division's sales would be down by approximately 4% as a result of the destocking conducted by our key customers earlier this year.

Lastly, we note that, after securing the last authorization required from the German Cartels Office to take control of KNIPPING, the LISI Group confirmed the acquisition of the latter.

In 2004, the company achieved an EBIT, restated according to IFRS standards, of approximately €9 million, with revenue of €97.7m. It will be consolidated from July 1, 2005 on, which will triple the business volumes achieved to date in Germany. The company's value stands at €75.5m for 100% of its equity shares.

More detailed financial information will be provided during the analysts' visit to the Kierspe site, scheduled for next September.

Sales in € million



LISI COSMETICS (6% of revenue): Reversed trend

As announced previously, the sales trend was completely reversed between Q1 2005 at -21.6% and Q2 2005, up +20.3% on a like-for-like basis.

Sales were sustained, particularly by Chanel, Shiseido, and Puig; one should also note the significant billing for the tools required to launch new products during Q2.

The "metals" activity clearly took off towards the end of the period, thanks to the success of existing product lines such as "212 Men", Issey Myake, and JP Gaultier. This trend reversal confirms our scenario aiming to re-balance the financial results.

Outlook

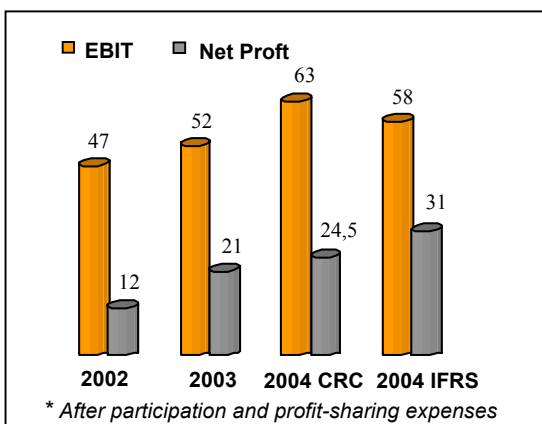
AEROSPACE: In a strongly upward context, all efforts are focused on adapting the structures, particularly through extending the capacities of the Torrance, Saint-Ouen l'Aumône, and Izmir sites, on recruiting new staff, and on managing the pressure on available inventory and raw materials prices (titanium, nickel base, etc.).

AUTOMOTIVE: Over the coming months, our teams will focus on integrating KNIPPING and, more particularly, on implementing our sales relaunch plan in Germany.

COSMETICS: Despite the difficulty in forecasting market trends, the encouraging sales achieved during Q2 are expected to maintain their positive trend over the second half of the year.

In terms of consolidated figures, the sustained growth of the Aerospace division and the acquisition of KNIPPING will propel the Group's annual revenue beyond €600 million and thus exceed the previous all-time high achieved in 2001.

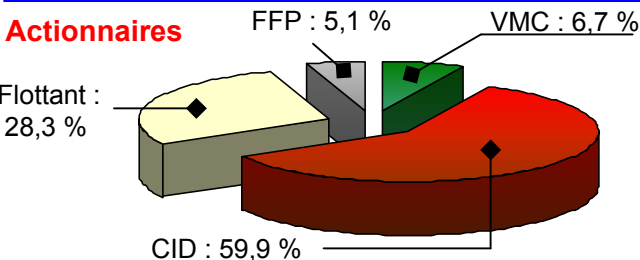
EBIT* & Net Profit



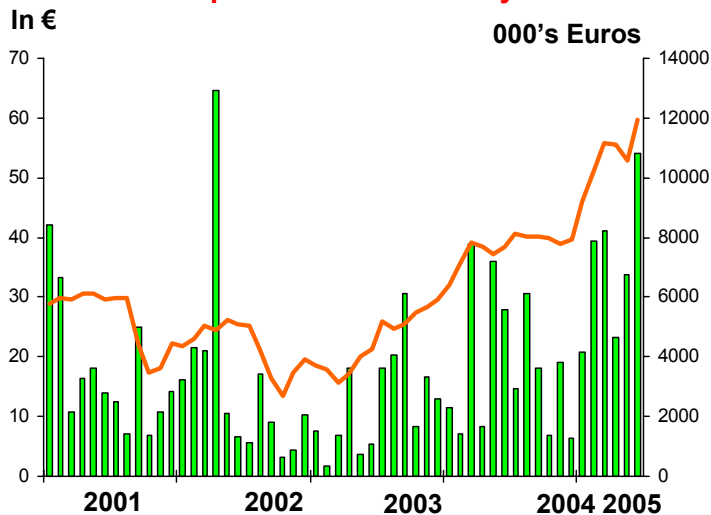
Data

Market capitalisation	€M 592 (59.80 € at 30/06/05)
Shares outstanding	9 896 834
Price range 05 (adjusted)	61.70 € / 40.71 €
Dividend (04)	0,90 €
Reuters Code	GFII.PA
Bloomberg Code	FII FP
NextPrime FTSE 215	
Code ISIN	FR0000050353

Actionnaires



Stock market quotation and monthly traded value



History

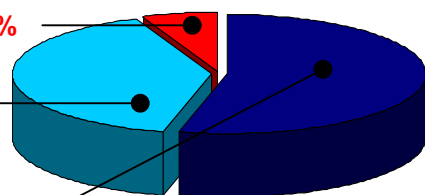
- In the sixties, five family businesses specialized in industrial fasteners, merged in several stages giving birth in 1968 to GFD, number one in industrial fasteners and fastening systems in France.
- In 1977, GFD acquired BLANC AERO, the French leader in aerospace fasteners. The new group became GFI and was listed on the Paris Second Market in June 1989.
- Since 1991, GFI Industries has grown actively making 18 acquisitions : THIANT, FDM, BELEY, MOHR und FRIEDRICH (All), GRADEL and GERVAIS LE PONT, RAPID SA in the Automotive – SERICA, L'EUMAIL et LEOPLAST (I) in Packaging – ARS Industries in Railways tracks – MEGNIN in the Industrial division, HI-SHEAR Corporation (EU), AIRTEC, APT (EU), BAB, A-1 (EU) et FT BESTAS (Turkey) in the Aerospace division.
- In 1999, the Automotive division closed FDM and the Aerospace division sold APT Construction (USA).
- In 2001, disposal of GFD (standard fasteners for buildings).
- May 14th, 2002 : GFI Industries becomes LISI which stands for LInk Solutions for Industry.
- August 2002 : Acquisition of The Monadnock Company which is specialized in clipped fasteners used in interior aircraft fittings
- October, 2002 : disposal of ARS INDUSTRIES (Railway fasteners).
- June 2004 : LISI acquires 90% of FORM a.s, a company specializing in cold forming and machining for the automotive industry. The company is established in the Czech Republic, at the heart of the new automotive plant and parts manufacturer business area.
- November 2004 : LISI COSMETICS signed an agreement to sell its wholly owned subsidiary LISI COSMETICS Italia based in Turin (Italy).
- July 2005 : Acquisition of KNIPPING, a company specializing in the manufacturing of fasteners (sheet metal screws, washer screws, screws for plastics, engines, and gearboxes), trimmed parts, and automotive components. KNIPPING is also a surface finishing specialist.

Markets and Activity

COSMETICS : 6 %

AEROSPACE :
40 %

AUTOMOTIVE :
54 %



H1

(Sales €M 292)

3 core businesses:

■ Aerospace industry fasteners and fastenings systems

N° 3 worldwide

Competitors: Alcoa Fast. Syst. (Alcoa), SPS (PCC), Mc Kechnie
World's leading manufacturer of fasteners for airframes and the European leader for high performance parts sold to OEM market, notably by engine manufacturers.

■ Automotive industry fasteners and parts components

N° 4 worldwide

Competitors: 3 worldwide groups TEXTRON (USA), ITW (USA), TRW (USA) and European specialists Finnvedden (SW), FONTANA (I), KAMAX (Ger), RAYMOND (Fr).

■ Perfume and cosmetics packaging (7% of consolidated revenues)

Worldwide TOP 5

Competitors: TPI (Pechiney), REXAM, QUALIPAC (Pochet), TEXEN (PSB), ILEOS (Nordest).

■ 49 % of consolidated revenues realized outside France.

Financial highlights (adjusted)

	2002	2003	2004
Global dividend (in €)	0.93	1.20	0.90
High quotation (in €)	27.45	33.00	43.36
Low quotation (in €)	11.06	14.40	30.00
Daily traded value (in K€)	149	118	174

Breakdown of 2004 by activity

In €M	EBIT IFRS	EBIT CRC	Cash Flow	Capex	Manpower
AEROSPACE	33.6	36.2	35.3	10.8	2,087
AUTOMOTIVE	24.4	26.1	31.6	16.1	2,596
COSMETICS	-0.1	0	- 0.2	1.7	531
Holding	-0.1	0.9	1.5		9
TOTAL	57.8	63.2	68.2	28.6	5,223



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