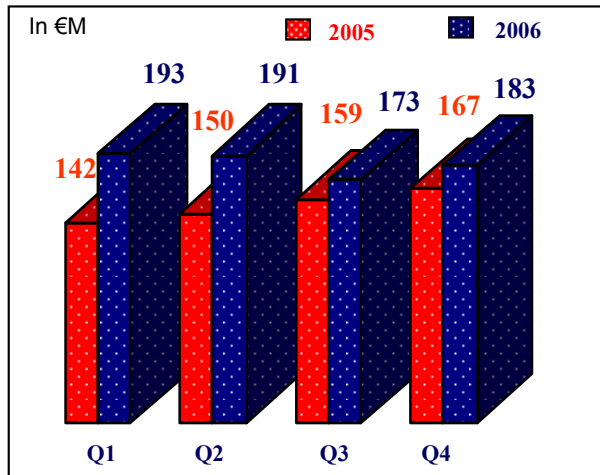


4th Quarter 2006:
Another year of strong growth: +19.8% at €739.7m

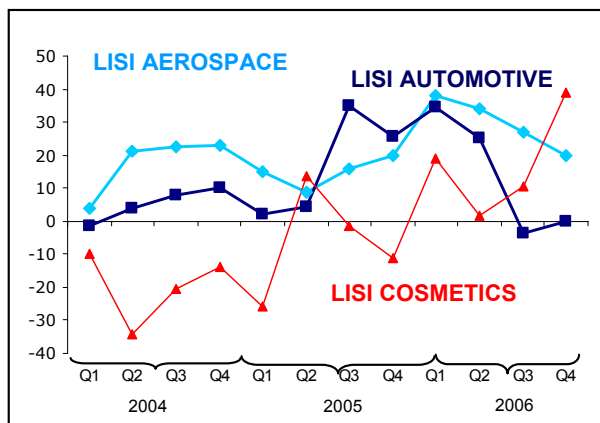
17 January 2007



Quarterly Consolidated sales



% Sales Variation per division / N-1



Financial year highlights include:

- For LISI AUTOMOTIVE the successful integration of KNIPPING, consolidated over 12 months (vs 6 months in 2005),
- For LISI AEROSPACE, the pursuit of dramatic organic growth.

For the 3rd year in a row, financial 2006 displayed a strong rise in revenue of nearly 20% (of which +13.1% organic growth) at €739.7m, despite the level of the dollar that declined throughout the year to reach a closing rate of 1.3170 and an average rate of 1.2615 (1.2380 on December 31, 2005). The pace of organic growth has been quite linear from one quarter to the next: Q1: +16.5 %; Q2: +10.8%; Q3: +10.3% and Q4: +11.0%.

Lastly, one should note that the share of international business has developed significantly to account for 62% of total business at end 2006 against 55% one year earlier.

LISI AEROSPACE (42% of revenue): still oriented upwards

After the news released by Airbus last fall regarding the difficulties faced by the A380, the market is recovering gradually, driven by orders from airlines that confirm their need to renew their fleets and their increase in capacity in terms of single-aisle aircraft for Low Cost companies and long haulers for the Asian market. Boeing ended the year successfully with 212 orders recorded for December, bringing the total number of orders to 1,044 for the whole of 2006. The order book thus stands at 2,455 units after the delivery of 398 aircraft. Airbus has not confirmed its final figures. However, for the first time in three years, it is expected to lag behind its competitor with, nevertheless, nearly 900 units ordered and a delivery book quite similar to Boeing's. The aggregate order book at end December once again achieved an all-time high, representing over 5 years of production at the pace of 2006.

In that context, LISI AEROSPACE records very good performance results, despite an unfavorable base effect, with progression maintained at +30.5% on a like-for-like and constant exchange rate basis, of which +31% in Europe and +34.1% in the USA. Extraordinary orders and new market shares, as well as the anticipation of investments and recruitments generated in 2005 have made it possible to outperform the industry as a whole.

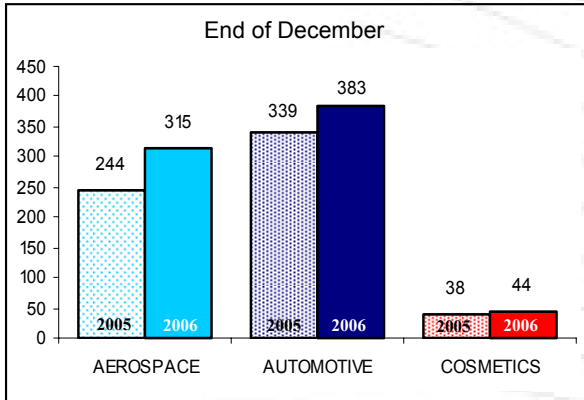
All entities have contributed to that situation, in particular those based in the USA, where Torrance (Hi-Shear) and City of Industry (Monadnock) have increased their capacities significantly. Likewise, in Europe, growth was driven by the Villefranche and Izmir sites, dedicated to engines. The Dorval (Canada) plant, set up at end 2005, achieved its target revenue of €3.4m.

LISI AUTOMOTIVE (52% of revenue): a mixed background

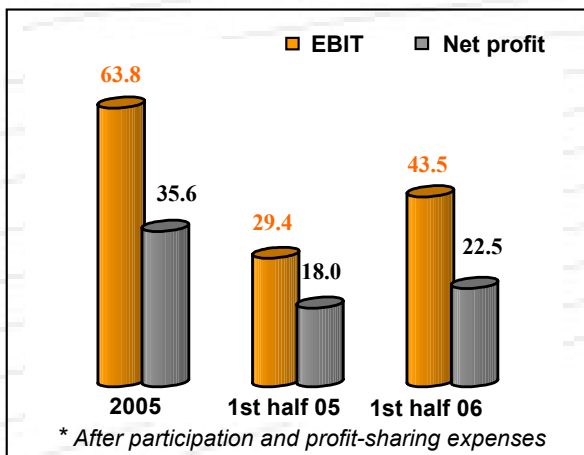
The only figures to date reveal situations that vary from one country and from one manufacturer to the other, in an overall stable European market (+0.8%). The French market is down sharply (-2.5% at end December), alike the UK, while Italy and even more so Germany, remain very dynamic.



Sales in € million



EBIT* & Net Profit



For two of our key customers, this is reflected by a decline in new license plates and a drop in their European output: -10.2% and -13.3% for Renault, -2.1% and -2.0% for PSA, respectively. On the other hand, BMW records an increase in performance results of +0.2% and +3.6%, while those of VW are up by +6.7% and +5.8%. The last figures published at end December 2006 confirm these trends, VW announcing worldwide sales up +10%, and PSA up +1.75%, thanks to satisfactory sales levels outside Europe (+4%).

In a European market that is down from its 1999-2001 levels, LISI AUTOMOTIVE focuses its efforts on product development and its positioning on new platforms and models to find volumes. Thus, the division is well positioned on models such as C4 Picasso, 207, Logan and Mercedes' future Class C, whose gradual rise was reflected by resilient revenue during Q4 (+1.1%).

Over the financial year, the division benefited from the integration of Knipping, which resulted in a +12.7% rise in revenue. Restated on the basis of the consolidation scope, the move is similar to that of the overall European output, with a decline limited to -0.7%.

In terms of products, we observe that sales of screwed fasteners are declining, but this is being compensated by sales of clipped fasteners and the nice performance results of Knipping products. In terms of production sites, the pursuit of the ACE plan compensates the inflationist effect of certain cost items, without, nevertheless, displaying any significant improvement in productivity, this being due to low volumes.

LISI COSMETICS (6% of revenue): Upwards-oriented business activity

Bolstered by the expansion of its business activity, LISI COSMETICS is pursuing its recovery. In a better-oriented market, the division displays nice annual performance results, at +16.7% and an outstanding last quarter, at +38.9%. The tool bill was quite significant over the period (€3.6m) and is a harbinger of a host of new products for the future.

The main source of satisfaction for the period lies in the fact that we have regained the trust of major clients, who have entrusted us structuring projects such as the "repack" of Dior's J'adore, and Chanel's lip gloss and mascara flaconette contract. The division also benefits from a fashion effect focused on metallic packaging, illustrated by the success of Shiseido (Issey Myake, JP Gaultier, etc.) and that of 212 MEN by Carolina Herrera, as well as of Acqua di Gio and Eau Sauvage.

2007 OUTLOOK

Financial 2007 could benefit from the trend of Q4 2006 (+11%) under the effect of an aerospace market that will remain extremely dynamic in the USA and certainly quite high in Europe, a stable automotive market, and an appreciable contribution of the Cosmetics division.

The magnitude of the future growth will be conditioned by LISI AEROSPACE's ability to meet its customers' requirements, particularly in the USA. While remaining sustained, the growth pace is nevertheless expected to slow down as compared to those of the past two years. Industry-wise, our priorities consist in adjusting the reduction in LISI AUTOMOTIVE's capacities to adapt it to the requirements of the French market and, on the other hand, in increasing LISI AEROSPACE's industrial tool in the USA and Canada.

Lastly, beyond the scope movements listed below, we are pursuing our Group growth targets through acquisitions and internal growth.

Subsequent events

Disposal of Hi-Shear Automotive (USA)

Hi-Shear Corporation has sold 100% of its stakes in its subsidiary Hi-Shear Automotive, which recorded revenue of \$6.4m (€5.1m) in 2006. The company exploited a number of braking cable adjuster and hub swivel patents for the automotive industry in the USA. This disposal is part of Hi-Shear Corporation's strategy to focus on aerospace business activities.

Acquisition of Huguency SAS (France)

LISI AEROSPACE acquired 100% of the capital stock of SAS Huguency, a company based in Fleurieux-sur-l'Arbresle, not far from Lyon. With revenue of €4.3m in 2006 and 43 employees, the company specializes in the manufacture of orthopedic implants. The two former managers, who have sold their stakes, intend to accompany the company's integration into the LISI group for at least one year. The similarity of the materials used, the quality standards and the size of series make this extremely specific activity as close to LISI AEROSPACE as the "Racing" segment.

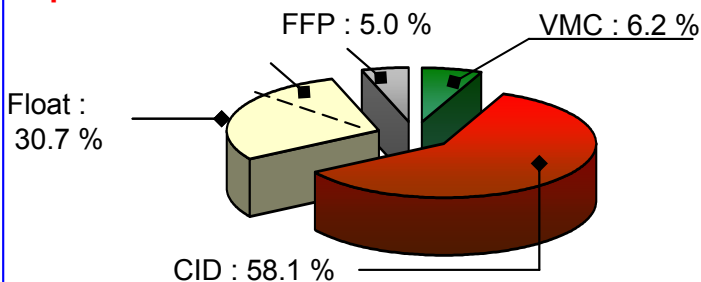
These two changes in consolidation scope will come into force as of January 1, 2007.



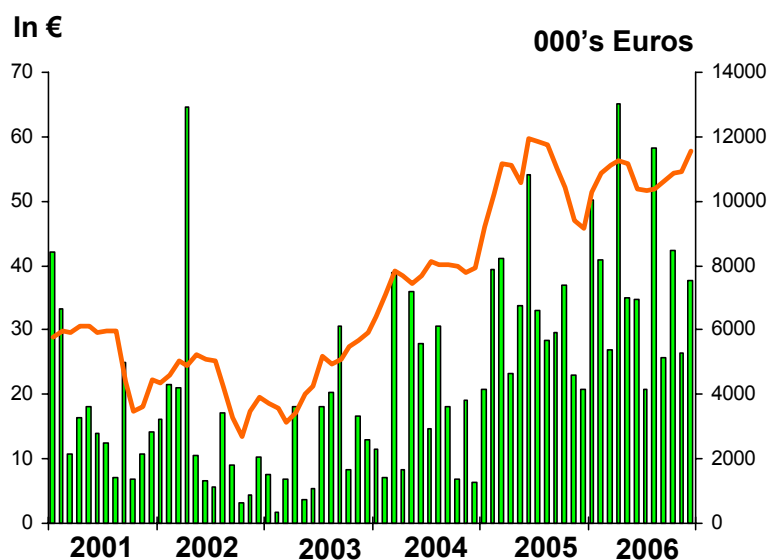
Data

Market capitalisation	€M 625 (€61.20 at 31/12/06)
Shares outstanding	10 210 783
Price range 06 (adjusted)	€61,45 / €46.10
Dividend (05)	€ 1,08
Reuters Code	GFII.PA
Bloomberg Code	FII FP
NextPrime FTSE 215	
Code ISIN	FR0000050353

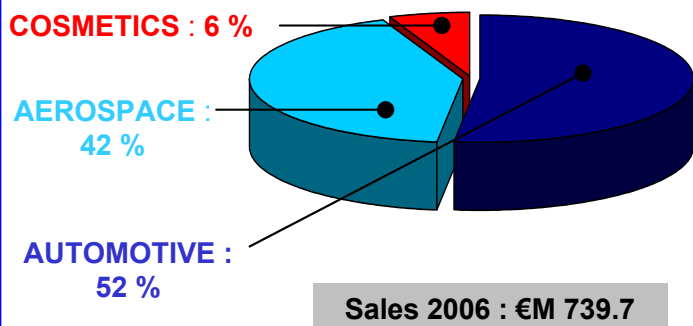
Capital Structure



Stock market quotation and monthly traded value



Markets and Activity



3 core businesses:

■ Aerospace industry fasteners and fastenings systems

N° 3 worldwide

Competitors: Alcoa Fast. Syst. (Alcoa), 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

Worldwide TOP 5

Competitors: Alcan, REXAM Beauty, QUALIPAC (Pochet), TEXEN (PSB).

■ 62 % of consolidated revenues realized outside France.

Financial highlights (adjusted)

	2003	2004	2005
Net dividend (in €)	0.80	0.90	1.08
High quotation (in €)	33.00	43.36	61.70
Low quotation (in €)	14.40	30.00	40.71
Daily traded value (in K€)	118	174	299

Breakdown of 1st half 2006 by activity

In €M	EBITDA	EBIT	Cash Flow	Capex	Manpower
AEROSPACE	32.8	28.3	22.4	8.8	2,810
AUTOMOTIVE	23.8	13.8	15.4	14.0	3,133
COSMETICS	1.3	0.4	1.1	0.7	502
Holding	1.0	1.0	0.2		10
TOTAL	58.9	43.5	39.1	23.5	6,455

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CONTACTS LISI

Gilles KOHLER : Chairman & CEO

Emmanuel VIELLARD : Deputy CEO

☎ + 33 (0)3 84 57 00 77 Fax : + 33 (0)3 84 57 02 00



**TRADING AGREEMENT
ODDO Midcap – LYON
H. GINOT ☎ +33 (0)4 72 68 27 60**