

1. FINANCIAL PRESS RELEASE

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LISI

Group's results pick up. Financial structure further strengthens.

The Board of Directors held on September 9, 2003 reviewed the accounts of H1 2003, the highlights of which are as follows:

| <i>(in million euros)</i> | H1 2003 | | H1 2002 | |
|-----------------------------------------------|---------|------------|---------|------------|
| | € | % of sales | € | % of sales |
| Sales | 268.63 | | 271.91 | |
| EBITDA | 41.38 | 15.4 | 39.53 | 14.5 |
| EBIT | 27.84 | 10.4 | 24.47 | 9.0 |
| Group net profit before goodwill amortization | 16.56 | 6.2 | 11.10 | 4.1 |
| Cash flow | 29.90 | 11.1 | 28.64 | 10.5 |
| Industrial investments | (12.83) | 4.7 | (13.68) | 5.0 |
| Financial investments | | | | |
| Equity (group's share) | 254.65 | | 251.19 | |
| Net financial debt | 85.56 | | 110.82 | |

Despite a context that is still sluggish, H1 was marked by a significant recovery of key financial indicators and further improvement of the Group's financial robustness.

Thus, for sales of €268.6 million, up 0.5% on a like-for-like and constant exchange rate basis, the EBITDA gains 5% at €41.4 million and gradually pursues its progression, coming out to 15.4% of sales versus 14.5% for H1 2002 and 14.9% as of December 31, 2002.

The EBIT establishes itself at €27.8 million, gaining more than one point at 10.4%.

Last but not least, the Net Profit before goodwill amortization comes out to €16.6 million, up 2 margin points at 6.2% versus 4.1% for H1 2002.

This overall improvement is particularly noticeable in the Group's two key divisions: Aerospace is increasing its margins significantly, while Automotive is cementing its performance results.

As far as the financial structure is concerned, improvements are quite considerable, too. Thus, the Net Financial Debt declines again, establishing itself at €85.6 million as of June 30, 2003, i.e. a ratio of 33.6% of equity, to be compared with 38.5% as of December 31, 2002.

Even if, due to the seasonal nature of operations, H2 is traditionally less thriving than H1, for the 2003 fiscal year, the Group targets sales stability.

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