

**LES ECHOS FINANCIAL PRESS RELEASE (February 24, 2005)****BUSINESS AND PROFITS UP SIGNIFICANTLY IN 2004**

The February 23, 2005 Board of Directors settled the Group's accounts for fiscal 2004.

	2004		2003		Change
	€ million	%	€ million	%	
<b>Turnover</b>	<b>541,0</b>	<b>100,0</b>	<b>506,0</b>	<b>100,0</b>	<b>+ 6,9%</b>
<b>EBITDA</b>	<b>93,5</b>	<b>17,3</b>	<b>78,7</b>	<b>15,6</b>	<b>+ 18,7%</b>
<b>EBIT</b>	<b>63,2</b>	<b>11,7</b>	<b>51,9</b>	<b>10,2</b>	<b>+ 21,8%</b>
<b>Net profit before goodwill</b>	<b>35,3</b>	<b>6,5</b>	<b>29,6</b>	<b>5,8</b>	<b>+ 19,4%</b>
<b>Net profit after goodwill</b>	<b>24,5</b>	<b>4,5</b>	<b>21,0</b>	<b>4,2</b>	<b>+ 16,4%</b>

**BUSINESS AND PROFITS UP SIGNIFICANTLY**

The Group's figures for fiscal 2004 were characterized by significant growth, both in terms of turnover increase and profitability improvements. They materialize the fruits of the efforts made in all respects: sales and development, industrial, productivity, quality, and financial.

The business recovery, which accelerated during the year, helped the Group recover significant organic growth of +8.6% and achieve turnover of €541 million.

Driven by this positive trend and harnessing new productivity gains, the Group's results increased significantly. Thus, the EBITDA gained nearly 2 points, almost reaching its all-time high, at 17.3% of the turnover; likewise, the operating profit (EBIT) gained nearly 22%, establishing itself at €63.2 million, i.e. an operating margin of 11.7%.

The Group's net profit gained +19.4 % before goodwill and +16.4% after goodwill, coming out to €24.5 million, i.e. 4.5% of the turnover.

**IMPROVED FINANCIAL STRUCTURE**

	2004		2003	
	€ million	%	€ million	%
Cash flow	68,2	12,6	58,8	11,6
Industrial investments	28,8	5,3	25,2	4,9
Operating Free Cash Flow	41,3	7,6	34,9	7,0
Shareholders' equity & minority interests	270,8		256,7	
Net financial debt	34,3		63,1	
Indebtedness ratio (in %)	12,7%		24,6%	

Despite sustained investments, the Free Cash Flow rose significantly at €41 million, i.e. 7.6% of the turnover. This significant cash flow generation enabled the Group to pursue its debt reduction policy, bringing the net financial debt down to a lower level of €34.3 million at end 2004 (versus €185 million at end 2000), which comes out to a mere 12.7% gearing, divided by 5 in 4 years.

**DISTRIBUTION: NEW DIVIDEND INCREASE**

At the General Meeting, scheduled to be held May 10, 2005, the Board will suggest a dividend of €0.90 per share, versus €0.80 in 2003.

**2005-2007 OUTLOOK**

During the 2005 – 2007 period, LISI intends to pursue its growth strategy, harnessing its "Industrial Excellence" action program and maintaining its targeted acquisition objectives.

Listed on the Euronext Second Marché (ISIN code: FR 0000050353), the LISI Group is one of the world leaders in fastenings and assembly components designed for the Aerospace, Automotive, and Cosmetics and Fragrances industries.

All our news is available on our web site at <http://www.lisi-group.com>

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