Belfort, February 20, 2008

LISI ANNOUNCES A 13% PROGRESSION OF ITS EBIT AND 41% OF NET PROFIT IN 2007

- Operating margin exceeds €100m, ahead of the target level of 12 %
- New strengthening of the financial structure: free cash flow doubled, net debt down sharply
- Proposal to increase the dividend
- Proposal to raise the dividend by 15 % at €1.50 per share
- Confidence in prospects for 2008, a new step towards the achievement of the 2010 plan

Belfort, February 20, 2008 – LISI announces today its annual results for the year ended December 31, 2007.

12-month period ended December 31st		**2007**	2006	Change
Main income statement elements				
Sales revenues	in €M	**816.0**	739.7	+ 10 %
EBITDA	in €M	**141.9**	122.3	+ 16 %
EBITDA margin	%	**17.4**	16.5	+ 0.9 pts
EBIT	in €M	**100.1**	88.6	+ 13 %
Operating margin	%	**12.3**	12.0	+ 0.3 pts
Group's share of net profit	in €M	**67.6**	48.0	+ 41 %
Diluted earnings per share	€	**6.45**	4.57	+ 41 %
Main cash flow statement elements				
Operating cash flow	in €M	**102.6**	86.9	+ 18 %
Net CAPEX	in €M	**- 43.1**	- 47.6	- 9.5 %
Operating free cash flow	in €M	**55.8**	26.5	+ 111 %
Main financial structure elements				
Net debt	in €M	**53.3**	**105.6**	- 50 %
Net indebtedness ratio on equity	%	**12.5**	**29.6**	- 17 pts

FOURTH CONSECUTIVE YEAR OF IMPROVED RESULTS

Organic growth remains sustained: + 13 %

In 2007 the LISI Group achieved consolidated sales revenues of EUR 816 m, of which 63 % outside of France. Internal growth was particularly high over the last quarter (+ 18.3 %), as well as over the entire year (+ 13.3 %). In real terms the 10.3% increase on 2006 reflects:

- The continuing slide in the dollar against the euro throughout the period (net effect of 2 % across the entire financial year);
- The integration of companies acquired in 2007: HUGUENY (since January 1, 2007) and JEROPA (since April 1, 2007), and the disposal of EUROFAST in May 2007 and that of the Monistrol sur Loire site, which took place in December 2007. These changes in consolidation scope compensate each other over the period.

Financial 2007 thus was the fourth consecutive year of strong growth that enabled the Group to raise, between 2004 and 2007, its sales revenues by more than 60 %, which amounts to an average annual growth rate of approximately 15 %.

The operating margin exceeds the target level of 12 %.

In 2007, the EBITDA was up 16 % on the previous year, at 17.4 % of sales revenues. Depreciations rose less sharply than the activity (+ 4.6 %), thereby allowing for a 12.9 % rise in EBIT, which achieved the Group's target level of slightly above 12 % margin.

Non-recurring elements (+€5.4 m) were mainly the following:

- Net proceeds from the disposal of Eurofast (approximately €11.1 m);
- Restructuring expenses arising from the shutdown of Mississauga (LISI AUTOMOTIVE - Canada), the disposal of Monistrol (LISI AUTOMOTIVE - France) and the relocation of Nogent (LISI COSMETICS - France).

Net earnings benefit from a combination of favorable elements.

The significant contribution of non-recurring operations caused the EBIT to gain nearly 23 % on 2006. Despite the rise in interest rates, the cost of debt remained under control, at -0.9 % of sales revenues (-1.3 % in 2006). The apparent taxation rate declined significantly at 30.5 % (35.7 % in 2006). Thus, net earnings of €67.6 m reached a historic high, both in absolute value with a +40.8 % increase on 2006, and in relative value (8.3 % of sales revenues).

NEW STRENGTHENING OF THE FINANCIAL STRUCTURE

Operating cash flow exceeds €100 m.

The operating cash flow reached an excellent level, in excess of 12.5 % of sales revenues, at nearly €102.6 m. Thus the Group has the resources necessary to fund its industrial investments for €43.1 m and the ongoing increase in working capital requirements for €3.7 m. At €56 m, the free cash flow has doubled on 2006.

The net debt was divided by two.

After payment of €13.0 m as dividends for the previous year and net financial investments (balance between the acquisitions of LISI MEDICAL and the disposal of Eurofast) of €12.3 m, the net debt was divided by two, at €53.3m, i.e. 12.5 % of equity. With equity of €425.3 m, increased by long term provisions of €30.7 m, the LISI Group displays a very robust balance sheet and starts 2008 full of confidence.

HIGH PERFORMANCE RESULTS THROUGHOUT THE DIVISIONS

LISI AEROSPACE

- High level results maintained
- Many LTAs signed, new BOEING qualifications
- Creation of the LISI MEDICAL division

	2007	2006	Change
Sales revenues (in million euros)	**355.7**	315.3	+ 13 %
Operating margin	**19.3 %**	19.1 %	+ 0.2 pts

LISI AUTOMOTIVE

- New market shares captured
- Operating margin exceeded 7 % during the second half-year
- New organization set up, industrial renovations under way

	2007	2006	Change
Sales revenues (in million euros)	**407.1**	382.5	+ 6.4 %
Operating margin	**6.7 %**	6.8 %	- 0.1 pts

LISI COSMETICS

- Results begin to pick up
- Market positions strengthened
- Further optimization of the industrial tool

	2007	2006	Change
Sales revenues (in million euros)	**54.8**	44.1	+ 24 %
Operating margin	**6.9 %**	1.9 %	+ 5 pts

CONFIDENCE IN THE OUTLOOK

The LISI Group enjoys good visibility in the various world markets in which it operates, and has not identified at this time any tangible signs of a change in the positive trends from which the three divisions are benefiting.

- With the number of firm orders booked by the LISI AEROSPACE division, the order book remains very solid for 2008, especially in the USA.

  The Boeing qualification process was highly active at the end of the period, and the Dorval (Canada) plant can benefit from that as of 2008. Following an encouraging end to 2007, 2008 ought to see a return to growth at Airbus, with production rates up (+9 % in number of planes at station 40, of which 16 are the A380). The successive delays undergone by the B787 remain the only question mark for short-term prospects.

  Financial 2008 should see 12 months of full activity for the 3 acquisitions completed in 2007 and the first signs of synergy within the new resulting LISI MEDICAL division.

- The automobile industry has cycles with limited fluctuations, which allows real confidence in the outlook for LISI AUTOMOTIVE, despite its more limited visibility. Q1 2008 should in fact remain strong in France with the launch of new models. It might, however, be less strong in Germany while waiting for launches by Volkswagen. Emerging countries must obtain their growth from the Group’s main clients, which still have limited exposure to the North American market.
- The outlook for the various clients of LISI COSMETICS may vary, depending on their positioning and their policy for launching new products and stock management. The start of the year ought to continue Q4, prior to a boost expected in the summer with major new projects that are currently on the drawing board.

Financial 2008 will mark a new step towards the achievement of the 2010 growth plan, which has as a target EUR 1 billion of sales revenues. The strengthening of its structure guarantees the LISI Group with the means to continue investing in its expansion, both through internal growth and through acquisitions.

As a token of its confidence in the Group's profitability prospects, at the General Meeting of Shareholders, scheduled for April 29, 2008, the Board will propose a dividend of €1.50 per share, up 15 % on 2006.

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Financial calendar (publications after closing of Paris Euronext)

Q1 2008 financial situation: April 22, 2008

General Meeting of Shareholders April 29, 2008

H1 2008 results: July 28, 2008

Payment of dividends: May 6, 2008

The LISI Group is a worldwide leader of fasteners and assembly components for the Aerospace, Automotive, and Fragrance & Cosmetics industries. LISI shares are quoted on the Eurolist compartment B and are part of the CAC MID 100 – Next 150 index under ISIN code: FR 0000050353

Reuters:GFII.PA

Bloomberg: FII FP