

## Stock repurchase program

### **In place December 31, 2009**

On April 29, 2009, the Shareholder's Ordinary Meeting authorized the company to repurchase up to 10% of its own shares in the open market for a period of 18 months, i.e. up until October 29, 2011.

Thus, LISI S.A. plans to launch a stock repurchase program for the following purposes, in decreasing order of importance:

- ✚ to increase the activity of the stock on the market by an Investment Services Provider via a liquidity contract in accordance with the professional code of ethics recognized by the French market authority (AMF);
- ✚ to grant stock options or free shares to employees and corporate officers of the company and/or its consolidated group;
- ✚ to retain and use shares as consideration or payment for potential acquisitions;
- ✚ to cancel purchased shares, subject to the approval of the Shareholders' Extraordinary Meeting to be called at a later date.

The following terms apply to this authorization:

- ✚ the company may not repurchase its own shares for more than €50, not including transaction fees.

The highest figure that LISI S.A. would pay if it purchased shares at the ceiling price set by the Shareholders' Meeting, i.e. €50, is €53,769,305.

Under the above-mentioned share repurchase program, in 2009 LISI S.A. acquired 71,268 treasury shares, i.e. 0.7%. The number of own shares held by LISI S.A. stands at 472,610.

The operations carried out by the Company on its own shares are summarized in the table below:

|  | <b>Number of shares</b> | <b>Average weighted Prices in €</b> |
|--|-------------------------|-------------------------------------|
| Shares held at 01/01/2009                                    | 481,901                 | 35.82                               |
| Shares acquired in 2009                                      | 71,268                  | 32.76                               |
| Shares disposed of in 2009                                   | 80,559                  | 39.24                               |
| Shares held at 12/31/2009                                    | 472,610                 | 34.78                               |
| <i>Of which shares assigned to the stock options program</i> | <i>418,384</i>          |                                     |
| <i>Of which available</i>                                    | <i>54,226</i>           |                                     |

Shares have been purchased and sold within the scope of the marketmaking contract with Oddo Pinatton Corporate. The market-making contract complies with the ethical charter of the AFEI.

### **New stock repurchase program**

The next General Meeting will be offered to renew its program to repurchase LISI S.A. shares, in accordance with the new rules applicable since the entry into force of European Rules Nr.2273/2003 of December 22, 2003. LISI S.A. offers to acquire a number of shares representing up to 10% of the number of shares that make up its capital stock, except for the acquisition of shares meant to be kept and the delivery of shares against or as payment for external growth operations, if applicable, whose total number will be limited to 5% of the equity, i.e. 537,693 shares.

The duration of the stock repurchase program is set at 18 months.

The new stock repurchase program provides that the stock purchased will serve the following purposes:

- ✚ to increase the activity of the stock on the market by an Investment Services Provider via a liquidity contract in accordance with the professional code of ethics recognized by the AMF (the French stock market authority);
- ✚ to grant stock options or free shares to employees and corporate officers of the company and/or its consolidated group,
- ✚ to keep and use shares as consideration or payment for potential future acquisitions;
- ✚ to cancel shares purchased, subject to the approval of the Shareholders' Extraordinary Meeting to be called at a later date.

*The maximum purchase price may not exceed €50 per share.*

*Should derivative products be used, LISI S.A. will ensure that the price of its shares is not made more volatile as a result.*

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