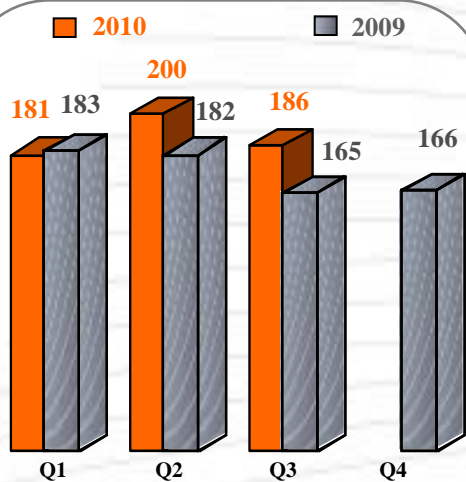


QUARTERLY REPORT



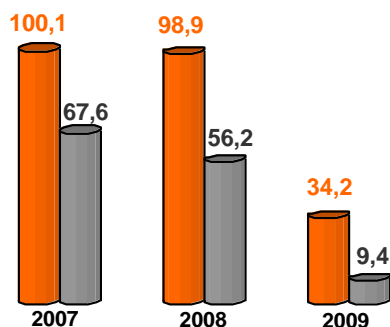
Quarterly Consolidated sales

In million euros



EBIT* & Net Profit in €M

■ EBIT ■ Net profit



* After participation and profit-sharing expenses

- Third straight quarter of organic growth, due to stabilization of the markets
- Successful integration of acquisitions made since the start of the financial year, which is accelerating the Group's growth
- Recovery slower in the LISI AEROSPACE division, due to the USA
- Business better than expected in the LISI AUTOMOTIVE division

During Q3 ended September 30, 2010 the LISI Group achieved sales of € 185.8m, up 1.7% at constant scope and exchange rates. In published data, the variance is +12.9%.

Sales in €m	Change			
	2010	2009	2010/2009	2010/2009 on a like-for-like and constant exchange rate basis
Q1	181.4	183.1	- 0.9 %	+ 3.1 %
Q2	199.7	181.6	+ 10.0 %	+ 1.2 %
Q3	185.8	164.6	+ 12.9 %	+ 1.7 %
9 months ended September 30	566.9	529.3	+ 7.1 %	+ 2.0 %

LISI AEROSPACE

- Stabilization of sales on account of recovery in Europe
- No sign of recovery in the US for LISI AEROSPACE
- Incorporation of LISI MEDICAL Orthopaedics as of September 1, 2010, and satisfactory order book at present scope

LISI AUTOMOTIVE

- Less sharp market drop than expected; cumulatively, European production still up; European clients dynamic in exports
- Activity level still lower than in 2007
- Significant growth in sales in Germany and China; growth in France supported by integration of the Acument sites

LISI COSMETICS

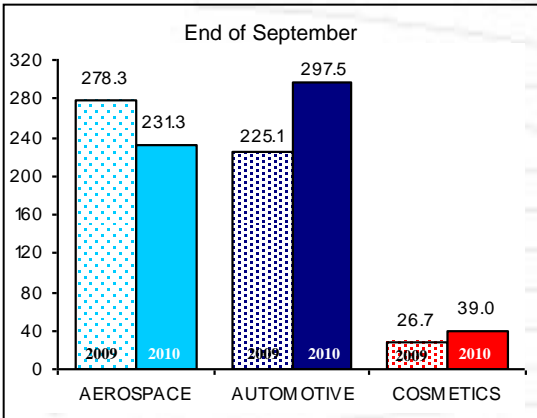
- Strong demand, both for new launches and the main classic lines
- Production rates properly adapted to clients' expectations in terms of both volumes and quality

LISI AEROSPACE (41% of the consolidated total)

- Stabilization of sales on account of recovery in Europe
- No sign of recovery in the US for LISI AEROSPACE
- Incorporation of LISI MEDICAL Orthopaedics as of September 1, 2010, and satisfactory order book at present scope



Sales in million euros



Sales in €m	Change			
	2010	2009	2010/2009	2010/2009 on a like-for-like and constant exchange rate basis
Q1	76.2	104.6	- 27.2 %	- 26.3 %
Q2	78.0	95.0	- 17.8 %	- 21.6 %
Q3	77.1	78.7	- 2.1 %	- 13.2 %
9 months ended September 30	231.3	278.3	- 16.9 %	- 21.0 %

Upstream for the sector, air traffic figures are still high even if a slight slowdown has been felt with RPM¹ up 6.4%, while cargo is still increasing strongly (up 19.6%).

In terms of orders, Boeing has booked 445 aircraft² year to date and Airbus 379² at a fairly even rate since the start of the year. In respect of new programs the sixth B787 has made its first flight while the A350 has started its first assembly operations.

Production rates have been maintained at the same level since the start of the year at both Boeing (346 planes) and Airbus (380). The increased rates announced are scheduled for the start of 2011 at Airbus and for 2012 at Boeing.

LISI AEROSPACE's business levels need to be analyzed separately in Europe and the USA:

✓ In Europe the coming increase in rates is linked to the new programs, in particular the A350 and above all among equipment manufacturers who have expressed increased requirements. The book to bill ratio for Q3 was an encouraging 1.10.

✓ In the USA the Boeing production rates will only go up at the end of 2011. Regional aircraft manufacturers Bombardier and Embraer are continuing to run down inventories, and their distributors are only ordering products that are out of stock. Therefore, even if the last few months have been a bit better, the Q3 book to bill ratio in the US was slightly down at 0.8.

The number of so-called urgent orders has only risen in Europe and is mainly connected to the Initial Provisioning phase of the A350 assembly lines for new products. It should be noted that the composite clasps proposed by LISI AEROSPACE were selected for the assembly of the wings of the A350, as well as in the US by Boeing and in Japan.

The two LISI AEROSPACE platforms in Europe and the USA both show a comparable drop as compared with the divisional average, but for different reasons: regional aircraft manufacturers, distributors and the Boeing world have recorded the largest drops in the USA, while in Europe the equipment manufacturers and especially engine manufacturers that had adjusted their production downwards, have recently restarted production.

A level of fixed costs that is too high for present activity levels has affected the division's overall performance. This intentional overcapacity will let the division pick up quicker, which is clear enough in Europe, but still remains a wager in the USA.

¹ Source IATA – RPM: number of passengers - revenue per mile

² Source Boeing and Airbus



LISI MEDICAL has significantly rebuilt its order book.

The increase of 135.2% in the division's sales revenues for Q3 2010 in particular reflects the inclusion of one month's activity of LISI MEDICAL Orthopaedics of about € 5.0m.

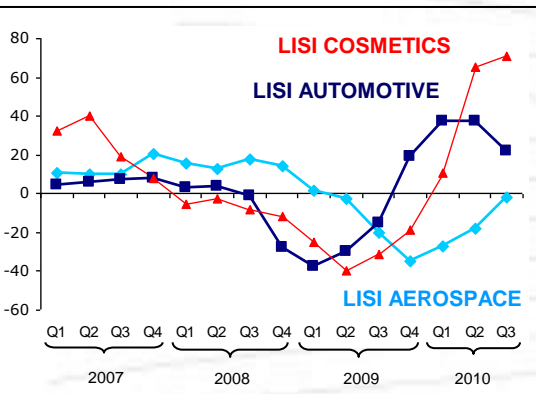
The LISI MEDICAL division brought together the two Lyon area sites of Fleurieux and Neyron in the new factory at Neyron during August, which impacted on the quarter's productivity.



LISI AUTOMOTIVE (52% of the consolidated total)

- Less sharp market drop than expected; cumulatively, European production still up; European clients dynamic in exports
- Activity level still lower than in 2007
- Significant growth in sales in Germany and China; growth in France supported by integration of the Acument sites

% Sales Variation per division / N-1



Sales in €m			Change	
	2010	2009	2010/2009	2010/2009 on a like-for-like and constant exchange rate basis
Q1	94.4	68.6	+ 37.6 %	+ 51.3 %
Q2	107.3	78.0	+ 37.6 %	+ 21.9 %
Q3	95.8	78.5	+ 22.1 %	+ 9.7 %
9 months ended September 30	297.5	225.1	+ 32.2 %	+ 25.9 %

Notwithstanding a drop in European new registrations³ that had been noted since April 2010, September has seen some relief at -9.2%, making it -3.7% since the start of the year. The drop has been less than was expected. Other markets are holding up well, especially the US up 28.7% in September and 10.4% year to date, even if China has slowed down to +19.3% in September and 36.7% year to date⁴.

Production levels of LISI AUTOMOTIVE clients, who set the call downs for delivery for fasteners, was also down -5.3% in September, but still up by 12.6% for the first nine months of the year. The latest market forecast is for new registrations to drop to 7%⁵, which is an expected drop of 10% - 15% for the second half year. This trend seems to have been adopted by the car manufacturers, and a reduction in production rates has been observed at all LISI AUTOMOTIVE's clients, except Audi, for the entire range, excepting their recent models (BMW: X1 and Mini Country; PSA: 3008, 5008, C3 and DS3; Renault: Duster and Fluence; Daimler: Class E).

It should be noted that this level is still almost 12% lower than in 2007.

If the LISI AUTOMOTIVE increase in sales is ahead of the market, it must be adjusted for the acquisition of the two Acument factories: the increase then comes to 25.9% since the start of the year, up 24.2% in France and 28.1% in Germany. However, sales have not yet caught up with their 2007 levels, which can be used as a reference year, and are down 5.4% on similar scope.



³ New registrations in EU 27 + EFTA – Source ACEA

⁴ Source Reuters

⁵ Source JD Power

The activity with equipment manufacturers worldwide is showing quite clear signs of a slowdown: they only went up 1.1% in Q3, as compared with up 22% since January 1, 2010.

This rate allows achieving operational performances in line with expectations that in turn reflect normal operation of most of the Group's production sites. The Germany and Global Equipment Manufacturers business groups have posted performances above the divisional average. Following a period of tensions concerning raw materials prices at the start of the year, the end of the financial year looks better with a drop in prices.



LISI COSMETICS (7% of the consolidated total)

- Strong demand, both for new launches and the main classic lines
- Production rates properly adapted to clients' expectations in terms of both volumes and quality

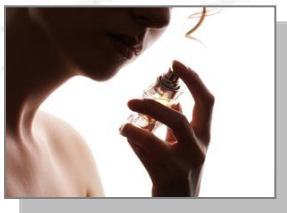


Sales in €m	Change			
	2010	2009	2010/2009	2010/2009 on a like-for-like and constant exchange rate basis
Q1	11.2	10.1	+ 10.8 %	+ 10.8 %
Q2	14.6	8.8	+ 65.3 %	+ 65.3 %
Q3	13.2	7.8	+ 70.6 %	+ 70.6 %
9 months ended September 30	39.0	26.7	+ 46.1 %	+ 46.1 %

Available market data about consumption of perfumery and cosmetics products show that the numbers are slightly up in both Europe and the USA (+3% and +2% respectively⁶), while China is still posting very strong growth (+26%). This demand has required restocking by the division's customers, especially for flagship products, and has led to the release of new products.

As a result LISI COSMETICS' order book has achieved a record figure of €40m to the end of September 2010. Work on new products is at a level that LISI COSMETICS has not seen for many years.

The very strong recovery in sales revenues has been made possible by the investments made over the last two years at the three production locations. The quality and logistics indicators remain at levels in line with the targets notwithstanding the very heavy demand and new products.



OUTLOOK AND COMMENTS REGARDING THE FINANCIAL INCIDENCE OF BUSINESS ACTIVITIES



LISI AEROSPACE

The continuation and even acceleration of the Group's growth is still dependent on the expected recovery in aerospace. At the present time the assumption of a gradual turnaround in Europe has been confirmed, even if it has slipped slightly to Q4 2010 and the start of 2011. On the other hand, the situation in the USA does not show signs of improvement and can be explained by greater exposure to the regional programs (Embraer, Bombardier) and distributors. The B787 program has not yet generated the growth expected. As a result, the current activity level of the LISI AEROSPACE division in the USA might continue into part of 2011.

The first month of inclusion of LISI MEDICAL Orthopaedics has been grounds for satisfaction that ought to make a positive contribution to the Group's results by the end of the period. LISI MEDICAL, a sub-division of LISI AEROSPACE, will in 2011 become an entirely separate operating segment just like the Group's other divisions.



LISI AUTOMOTIVE

The productivity programs, especially the implementation of a just-in-time system, control of working capital requirements, and the major medium-term actions are continuing in order to prolong and maintain the progress the division has made. In the shorter term, forecasts for the end of the year are solid with demand from manufacturer customers remaining high, while equipment makers appear to be adjusting their production levels downwards. LISI AUTOMOTIVE has benefited indirectly from the strong performance of certain countries, such as China, that are undergoing rapid growth. The gradual unlinking of LISI AUTOMOTIVE's sales from European production levels is now a fact. New orders booked from equipment makers in particular strengthen LISI AUTOMOTIVE's position as a leading supplier for the most technical parts.

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LISI COSMETICS

Thanks to a solid and sustained order book (book to bill ratio 1.8 in September), business at the end of the year and start of 2011 is not expected to slow down.

The Group is continuing with its ongoing improvement of its management methods and processes, while speeding up its investment projects and always seeking opportunities for external growth. The continuing growth should automatically help cover absorbing the fixed costs, as well as facilitating an increase in scheduled investments.

The next announcements will appear after close of trading on Paris Euronext

⬇ 2010 annual results: 18 February, 2011