Quarterly financial report
1 January 2011 to 30 September 2011

LPKF reports record order intake

> Nine-month revenue at the previous year's high level
> Earnings develop according to plan
> Incoming order up 22 % year on year

BREAKTHROUGH

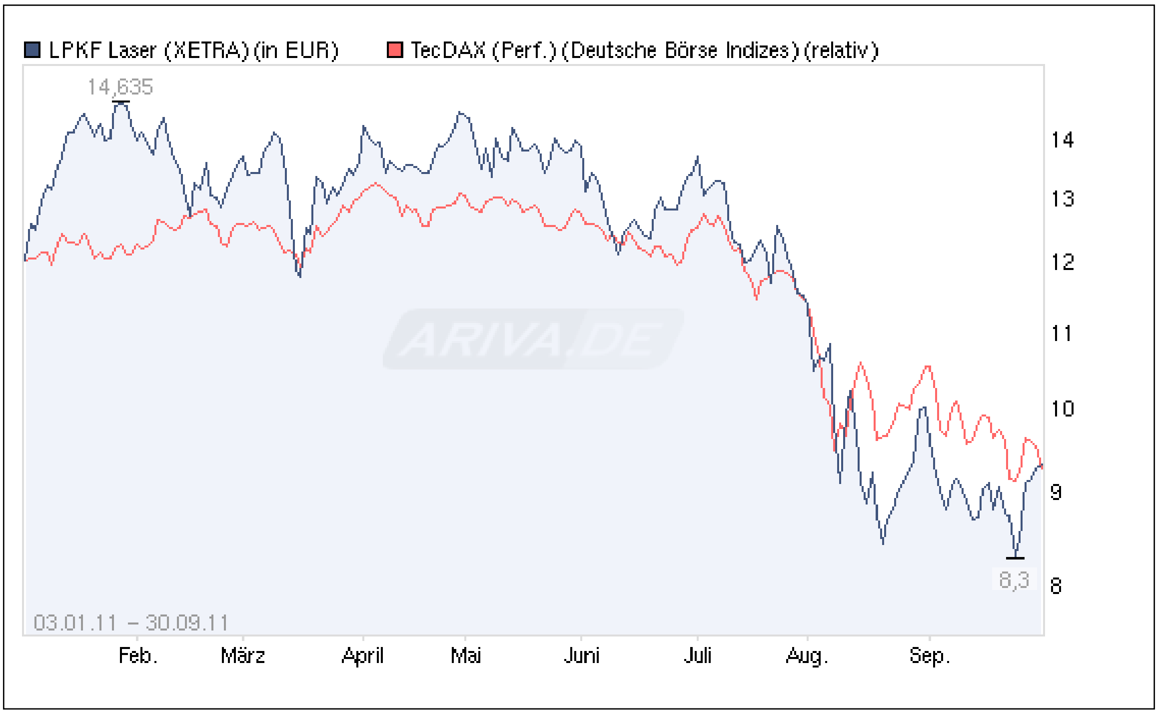
> LPKF enjoys continued success.

Laser & Electronics

Key Group Figures

	9 months 2011	9 months 2010	Change %	Year 2010
Revenue (EUR million)	60.8	60.9	-0.3	81.2
Net margin before non-controlling interests (%)	10.7	17.4		15.5
EBIT (million EUR)	9.2	14.9	-38.4	17.3
EBIT margin (%)	15.1	24.5		21.3
Consolidated net profit after non-controlling interests (EUR million)	6.1	10.3	-40.6	12.1
Free cash flow (EUR million)	-14.2	4.0	-453,3	5.7
Net working capital (EUR million)	34.5	28.4	21.7	27.0
ROCE (%)	14.6	28.2		31.6
EPS, diluted (EUR)	0.55	0.95	-42.0	1.10
Cash and cash equivalents (EUR million)	6.0	11.8	-49.0	13.0
Equity ratio (%)	51.3	67.2		70.3
Orders on hand (EUR million)	30.5	18.2	67.2	12.5
Incoming orders (EUR million)	78.7	64.4	22.1	78.9

Performance of the LPKF share in the reporting period

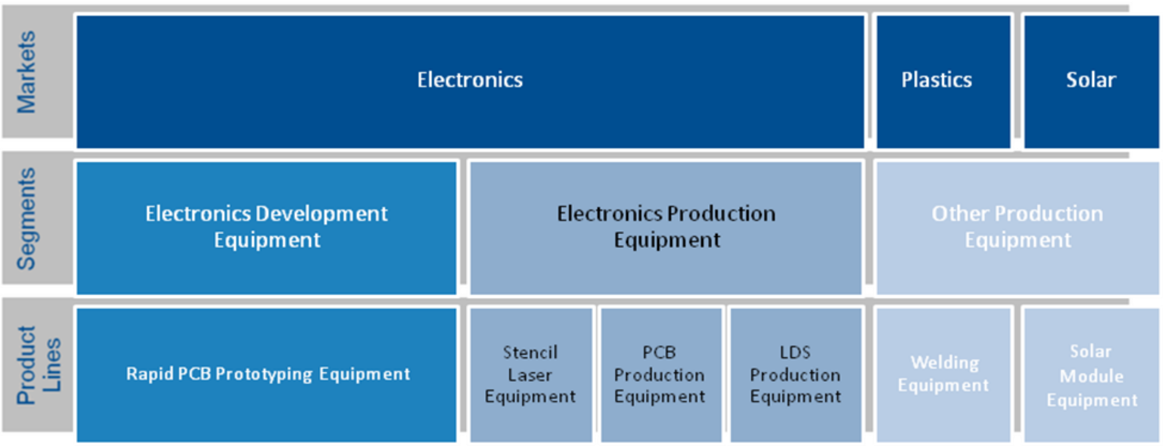


Quelle: www.ariva.de

Ideen Expo at Hannover Exhibition Center

Lennart Schmidt, trainee at LPKF Laser & Electronics AG, shows David McAllister, Prime Minister of Lower Saxony, how to generate and change the layout of a PCB prototype on a PC.

Segment structure



Management report

Economic environment

In their joint outlook dated 13 October 2011, Germany's leading economic research institutes reported that the outlook for the global economy has deteriorated dramatically since the summer of 2011. In particular, there is the risk that the European sovereign debt crisis could grow into a banking crisis. This is also seen as having an increasingly negative impact on the German economy. The sharp increase in the level of uncertainty would dampen domestic demand, and the export industry would be unlikely to continue contributing to the country's economic growth owing to the difficulties of key trading partners. These economic research institutes expect Germany's gross domestic product (GDP) to grow by 2.9% in 2011 and by only 0.8% the next year.

While they largely expect the U.S. economy to stagnate, in their view the growth momentum in the emerging markets is stable. China, in particular, continues to expand at a robust pace. The German economic experts expect the Chinese economy to expand by 9% this year and 8% the next — a pace that is more moderate but remains fast.

The German Engineering Federation (Verband Deutscher Maschinen- und Anlagenbau – VDMA) expects 2012 to be the third growth year in a row. In the first eight months of 2011, the production of machinery rose by 17% year on year. Capacity utilization is at 90%. The order backlog rose to 5.8 months in July. The VDMA expects production to increase by 4% in 2012 but it also fears that the industry's growth trajectory will be hurt by the sovereign debt and financial crisis.

Development of revenue

At EUR 60.8 million, the LPKF Group's revenue in the first nine months of 2011 corresponds to the previous year's high figure of EUR 60.9 million. Consolidated revenue in the third quarter was EUR 23.1 million, down slightly from the previous year (EUR 24.4 million).

The Electronics Production Equipment segment accounted for the largest share of revenue during the year's first nine months. But the Other Production Equipment segment also made a substantial contribution to third-quarter revenue through its Welding Equipment and Solar Module Equipment product lines. On the whole, major orders have accounted for less revenue during the current financial year than they did the previous year.

Revenue from external customers (EUR THSD.)	9 months 2011	9 months 2010
Electronics Development Equip.	12,124	10,272
Electronics Production Equip.	30,450	42,624
Other Production Equipment	16,344	5,858
All other segments	1,837	2,186
	60,755	**60,940**

Development of earnings

In the third quarter, the Group posted earnings before interest and taxes (EBIT) of EUR 3.9 million and thus an EBIT margin of 17%. This compares to an EBIT margin of 14% in the first two quarters of the year. EBIT in the third quarter of the previous year was EUR 6.5 million, with an EBIT margin of 27%. In the first nine months of 2010, both revenue and earnings were driven by the completion of major high-margin orders. Material cost items have risen as a result of the Group's growth strategy, particularly due to the increase in personnel and investments.

Other operating income fell in the first nine months of 2011 due primarily to lower gains from currency translation differences and insurance payments (respectively, EUR 0.2 million and EUR 0.1 million) despite the increase in income from the reversal of valuation allowances (EUR 0.2 million). Capitalized development costs rose by EUR 0.7 million on account of intensified development activity; EUR 1.1 million in machinery produced in house for demo and application systems were capitalized the previous year. Own work capitalized therefore fell by EUR 0.3 million overall.

Staff costs rose by EUR 3.2 million or 19% on account of new hires in the past 12 months — especially at the Suhl, Garbsen and Erlangen sites — even though variable compensation fell on account of the decrease in net profit. The Group's sharply expanding solar business is located in Suhl, and the plastic component welding machinery business, which is also growing, is located in Erlangen. Depreciation, amortization and impairment losses rose by EUR 0.3 million due, in particular, to extensive investing activities.

The other operating expenses remained virtually unchanged year on year. Repairs and maintenance rose by EUR 0,4 million, consulting costs increased by EUR 0.3 million, as did travel expenses. In contrast, expenses for additions to the warranty provision fell by EUR 0.5 million while expenses for outsourced work, especially temporary work, were down EUR 0.4 million.

Segment reporting

EBIT is broken down by segment as follows:

EBIT (EUR THSD.)	9 months 2011	9 months 2010
Electronics Development Equip.	2,333	2,172
Electronics Production Equip.	7,243	15,216
Other Production Equipment	283	-1,370
All other segments	-683	-1,118
EBIT acc. to the income statement	**9,176**	**14,900**

Total assets developed as follows:

Total assets (EUR THSD.)	30 Sep. 2011	31 Dec. 2010
Electronics Development Equipment	13,422	12,894
Electronics Production Equipment	35,087	26,703
Other Production Equipment	16,625	11,373
All other segments	22,735	22,172
Total assets	**87,869**	**73,142**

Financial position

Property, plant and equipment account for the largest increase among non-current assets, due mainly to expansion work at the Garbsen site. Of the current assets, inventories increased thanks to good order levels. Orders on hand have almost doubled since the start of 2011. In some areas, inventories were also built up to ensure our ability to make deliveries. The increase in receivables stems, in particular, from the reporting date. Working capital is expected to be reduced further in the current fourth quarter.

Equity fell in the second quarter. First, the dividend payment led to an outflow of EUR 4.4 million. Then the acquisition of non-controlling interests reduced equity by EUR 8.6 million. In this case, portions of the purchase price in excess of the given subsidiary's pro-rated equity were offset against consolidated equity. The liabilities to banks contain additional loans for financing the expansion work at the Garbsen site and the purchase of non-controlling interests. The other liabilities contain contingent purchase price tranches of EUR 4.3 million that are due and payable depending on achievement of key performance indicator targets for non-controlling interests acquired. Advances received rose by EUR 2.2 million and are shown in the other non-current liabilities. Current provisions for taxes declined by EUR 2.2 million on account of tax payments.

Cash flows

At 51 %, the equity ratio remains higher than the industry average, thus underscoring the solid financial structure of LPKF Laser & Electronics AG.

Cash outflows related to operating activities were EUR 2.6 million (previous year: cash inflows of EUR 10.8 million). This development stems mainly from the payment of income taxes, the substantial increase in both inventories and outstanding receivables as well as lower consolidated net profit. A total of EUR 11.5 million net (previous year: EUR 6.7 million) were spent on investments. At cash inflows of EUR 7.0 million from financing activities (previous year: cash outflows of EUR 2.5 million), cash and cash equivalents were EUR 7.0 million lower than at the start of the year.

Investments

Good order levels and the expected growth require investments, especially in development, services and production. A building located in the immediate vicinity of the Garbsen site was purchased in addition to the expansion work at the site and turned into a development center. Concentrating all development in the new building freed up space that will be used to expand production capacities. This stage of the Garbsen site's expansion has thus been completed.

LPKF acquired the non-controlling interest in LPKF (Tianjin) Co. Ltd. All required official permits have been granted in the meantime. We also took over the interests of an external shareholder of LPKF Distribution Inc. by means of an exchange of shares. To that end, 50,000 new LPKF shares were issued under authorized capital. A purchase price tranche of EUR 3.3 million, which is due and payable immediately, was stipulated as the price for 49.1% of LPKF Motion & Control GmbH. Two additional purchase price tranches of comparable amounts will be due by 2014 contingent on the achievement of contractually stipulated performance targets. About 10% of the additional purchase price tranches can be paid by means of new shares of LPKF Laser & Electronics AG. This means that LPKF now owns 100% of the interests in all three companies. In doing so, LPKF is pursuing its strategy of becoming the sole shareholder of significant Group companies. The acquisition of all interests in LPKF Motion & Control GmbH is key to financing and realizing the expected strong growth in the solar business.

At EUR 12.1 million, total investments in intangible assets as well as property, plant and equipment in the first nine months surpassed the previous year's level by EUR 7.1 million.

Employees

The following table shows the development in employee numbers in the first nine months of 2011:

Area	30 Sep. 2011	31 Dec. 2010
Production	156	118
Development	115	96
Administration	114	89
Sales	97	88
Services	90	75
	572	**466**

Opportunities and risks

Both the risks for the global economy and the risks from the sovereign debt crisis have risen considerably compared to the close of 2010.

The ongoing drop in prices for solar modules is putting strong pressure on solar cell manufacturers. Expansion programs are being rolled back, and existing production processes must be streamlined at the same time. LPKF's opportunities in this business arise particularly from the range of its machinery that enables customers to bring about efficiency gains and achieve a competitive edge. Potential order cancellations pose a risk.

In all other respects, however, there were no fundamental changes in the risks and opportunities of the LPKF Group in the reporting period compared to the close of 2010 such that the disclosures in the 2010 annual report still apply. There were no going-concern risks as of 30 September 2011.

Business performance in the segments

Electronics Development Equipment

The Electronics Development Equipment segment targets customers in industry's R&D departments, as well as universities and other research institutions. At revenue of EUR 12.1 million, the business with systems for manufacturing PCB prototypes is well on target after nine months. We have not yet felt the effects of the financial market crisis. The market launch of the new ProtoMat models was very successful. Customers demand for high-precision laboratory tools continues unabated. The level of orders on hand leads us to expect that the fourth quarter will be strong.

Electronics Production Equipment

The Electronics Production Equipment segment targets manufacturers of electronic components. It encompasses laser systems for manufacturing Stencil Laser Equipment, laser systems for cutting printed circuit boards (PCB Production Equipment) and laser systems for manufacturing molded interconnect devices using the laser direct structuring (LDS Production Equipment) process.

Revenue from LDS systems was lower than in the same period the previous year, as expected, during which major orders totaling EUR 9.3 million were executed. Our sales and marketing activities are focused on expanding our customer base as planned. Fusion3D 1500, a system for manufacturing notebook antennas, was successfully brought to market. Current order levels lead the company to expect revenue increases in both the fourth quarter of this year and the first half of 2012.

PCB production lasers continue to gain market share, particularly in connection with the processing of rigid-flexible printed circuit boards. Customers for these systems are PCB manufacturers and assemblers who act as suppliers to major electronics manufacturing companies. Having achieved the breakthrough in laser depaneling in the second half of 2010, both the customer base and the utility of the products were expanded in 2011. The growth potential is considered high.

The StencilLaser business developed along a positive trajectory in the year's first nine months, and the revenue it generated was 20% higher year on year. The second generation of the G6080 StencilLaser, which is equipped with real-time process control, is much in demand among customers such that our production capacities will be fully utilized until into 2012.

Other Production Equipment

The Other Production Equipment segment targets customers in the plastics processing industry, as well as solar cell manufacturers. It encompasses the Welding Equipment and Solar Module Equipment product groups.

LPKF is one of the leading providers worldwide of laser welding systems for plastics. The Company aims to replace established joining technologies such as gluing by the more economical LPKF technology and develop new applications thereby. The plastic welding laser systems business generated substantial revenue growth in the year's first nine months. The distortions in the financial markets have not yet affected the business performance but the management is keeping a close eye on them because the welding business is fairly dependent on the automotive sector. The order book of this product group is already filled well into 2012.

Despite difficult conditions in the solar market at this time, this product group is one of LPKF's largest growth drivers. Using LPKF LaserScribers greatly enhances the efficiency of thin film solar modules, giving this product group high growth potential. Orders on hand as of the reporting date were 237% higher year on year. Additional projects are being negotiated.

General outlook

Given that in 2010 the LPKF Group boosted revenue by 60% and net profits even by 147%, in the current year the Company faces the challenge of holding revenue at least at the previous year's level while simultaneously expanding capacities such that it can handle the next envisioned surge in growth. Substantial investments to this end were necessary in recent months, especially at the Company's three German sites. In the first nine months of 2011, LPKF hired 106 new employees worldwide, and it is continuing to recruit employees particularly for its rapidly growing solar business in Suhl.

The sovereign debt crisis has triggered distortions in the financial markets; their effects on the economy cannot be predicted at this time. All market participants' growing uncertainty substantially increases the economic risks to our business activities.

The management is confirming the forecast for the current financial year. The Management Board expects revenue of between EUR 83 million and EUR 86 million, with an EBIT margin of between 15% and 17%. The Management Board expects a stable economic environment in both 2012 and 2013, with revenue growth of more than 10% per year and a slight increase in the EBIT margin.

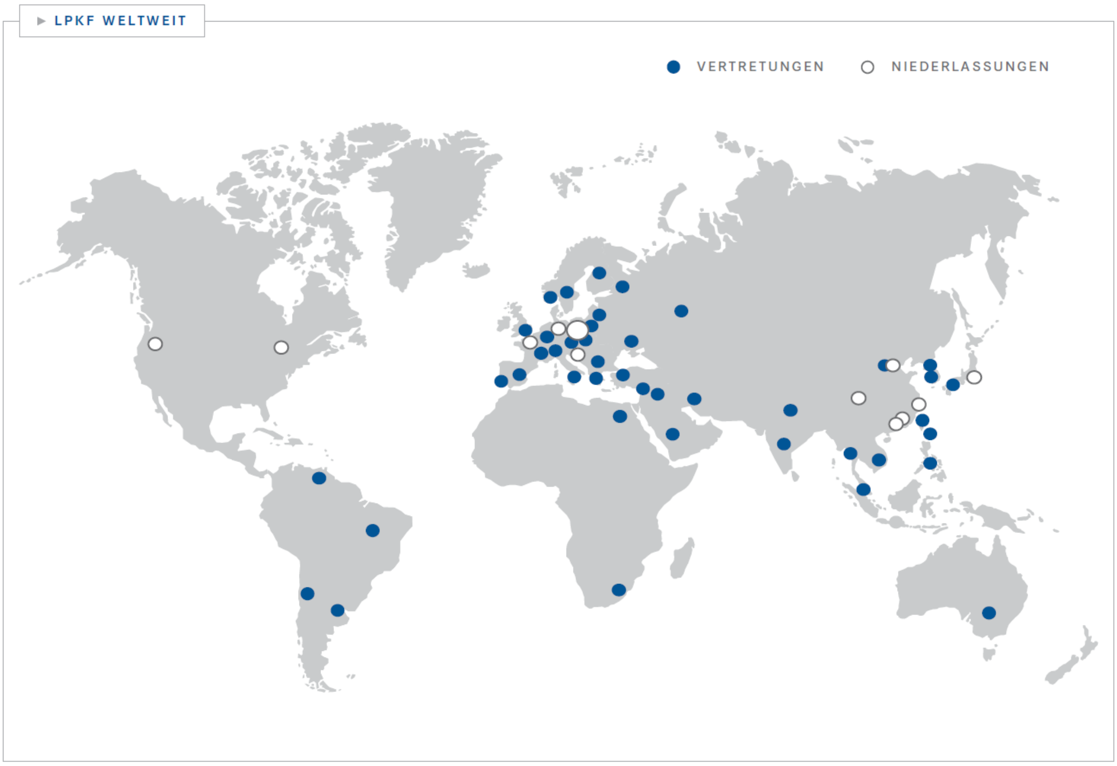
Consolidated financial statements

Basis of consolidation

In addition to the Group's parent company, LPKF Laser & Electronics AG, Garbsen, the following subsidiaries have also been included in the consolidated statements:

Company name	Registered seat	Country	Equity interest
LaserMicronics GmbH	Garbsen	Germany	100.0%
LPKF Laser & Elektronika d.o.o.	Naklo	Slovenia	75.0%
LPKF Distribution, Inc.	Tualatin	USA	100.0%
LPKF Motion & Control GmbH	Suhl	Germany	100.0%
LPKF (Tianjin) Co. Ltd.	Tianjin	PR China	100.0%
LPKF Laser & Electronics Hong Kong Ltd.	Hong Kong	PR China	100.0%
LPKF SolarQuipment GmbH	Suhl	Germany	100.0%
LPKF Laser & Electronics KK	Yokohama	Japan	100.0%

LPKF France S.A.R.L. was sold effective 1 January 2011.



LPKF Laser & Electronics

Consolidated statement of financial position

Assets

EUR THSD.	30 Sep. 2011	31 Dec. 2010
Non-current assets		
Intangible assets		
Software	2,141	731
Goodwill	74	74
Development costs	4,434	3,913
Advances paid	0	811
	6,649	**5,529**
Property, plant, and equipment		
Land, similar rights and buildings	18,364	10,914
Plant and machinery	2,892	2,668
Other equipment, operating and office equipment	2,554	1,592
Advances paid and construction in progress	520	1,794
	24,330	**16,968**
Financial assets		
Other borrowings	42	44
	42	**44**
Restricted securities	**241**	**245**
Receivables and other assets		
Trade receivables	370	241
Income tax receivables	255	255
Other assets	121	90
	746	**586**
Deferred taxes	**1,796**	**1,186**
	33,804	**24,558**
Current assets		
Inventories		
(System) parts	17,519	10,045
Work in progress	2,706	2,347
Finished products and goods	6,089	6,149
Advances paid	385	252
	26,699	**18,793**
Receivables and other assets		
Trade receivables	16,205	12,237
Income tax receivables	2,358	472
Other assets	2,499	1,276
	21,062	**13,985**
Available-for-sale financial instruments	**0**	**1,993**
Cash and cash equivalents	**6,304**	**13,671**
Assets held for sale	**0**	**142**
	54,065	**48,584**
	87,869	**73,142**

Equity and liabilities

EUR THSD.	30 Sep. 2011	31 Dec. 2010
Equity		
Subscribed capital	11,083	11,006
Capital reserves	5,254	4,556
Other retained earnings	7,000	7,000
Revaluation surplus	-16	4
Share-based payment reserve	488	484
Currency translation reserve	-1,172	-741
Net retained profits	20,545	25,751
Non-controlling interests	1,867	3,373
	45,049	**51,433**
Non-current liabilities		
Non-current liabilities to banks	13,033	2,215
Deferred income from grants	404	431
Other non-current liabilities	0	98
Deferred taxes	1,905	1,290
	15,342	**4,034**
Current liabilities		
Tax provisions	1,041	3,224
Other provisions	4,074	4,266
Current liabilities to banks	4,769	941
Trade payables	4,096	1,912
Other liabilities	13,498	7,190
Liabilities related to non-current assets held for sale	0	142
	27,478	**17,675**
	87,869	**73,142**

Consolidated income statement

EUR THSD.	07-09/2011	07-09/2010	01-09/2011	01-09/2010
Revenue	23,094	24,411	60,755	60,940
Changes in inventories of finished goods and work in progress	-1,466	-821	288	269
Other own work capitalized	666	1,124	1,933	2,247
Other operating income	568	353	1,345	1,410
Cost of materials	5,159	5,089	16,865	15,443
Staff costs	7,118	6,426	20,369	17,132
Depreciation and amortization	1,274	1,255	3,357	3,021
Other operating expenses	5,374	5,771	14,554	14,370
Operating result	**3,937**	**6,526**	**9,176**	**14,900**
Finance income	10	15	80	63
Finance costs	168	41	279	132
Earnings before tax	**3,779**	**6,500**	**8,977**	**14,831**
Income taxes	1,099	1,832	2,502	4,239
Consolidated net profit	**2,680**	**4,668**	**6,475**	**10,592**
Of which attributable to				
Shareholders of the parent company	2,582	4,227	6,145	10,340
Non-controlling interests	98	441	330	252
Earnings per share				
Earnings per share (basic)	0.23 €	0.39 €	0.56 €	0.95 €
Earnings per share (diluted)	0.23 €	0.38 €	0.55 €	0.94 €
Weighted average number of shares outstanding (basic)	11,043,719	10,955,919	11,083,165	10,898,205
Weighted average number of shares outstanding (diluted)	11,101,982	11,064,501	11,121,502	11,033,830

Consolidated statement of comprehensive income

	(EUR THSD.)	(EUR THSD.)	(EUR THSD.)	(EUR THSD.)
Consolidated net profit	**2,680**	**4,668**	**6,475**	**10,592**
Gains and losses on remeasuring available-for-sale financial assets	0	-33	-28	-3
Adjustment for difference from the sale of non-controlling interests	0	0	-8,636	0
Currency translation differences	56	-825	-423	288
Deferred taxes	-1	11	8	1
Total comprehensive income	**2,735**	**3,821**	**-2,604**	**10,878**
Of which attributable to				
Shareholders of the parent company	2,637	3,679	-1,255	10,860
Non-controlling interests	98	142	-1,349	18

Consolidated statement of changes in equity

	Subscribed capital (EUR THSD.)	Capital reserves (EUR THSD.)	Other retained earnings (EUR THSD.)	Revaluation surplus (EUR THSD.)	Share-based payment reserve (EUR THSD.)	Currency translation reserve (EUR THSD.)	Net retained profits (EUR THSD.)	Equity before non-controlling interests (EUR THSD.)	Non-controlling interests (EUR THSD.)	Total (EUR THSD.)
Balance as of 1 Jan. 2011	**11,006**	**4,556**	**7,000**	**4**	**484**	**-741**	**25,751**	**48,060**	**3,373**	**51,433**
Consolidated total comprehensive income										
Consolidated net profit							6,145	6,145	330	**6,475**
Settlement of difference from acquisition of non-controlling interests							-6,949	-6,949	-1,687	**-8,636**
Additions from market valuation of securities				-28				-28		**-28**
Deferred taxes on changes recognized directly in equity				8				8		**8**
Currency translation differences						-431		-431	8	**-423**
Consolidated total comprehensive income	**0**	**0**	**0**	**-20**	**0**	**-431**	**-804**	**-1,255**	**-1,349**	**-2,604**
Transactions with owners										
Expenses for options granted					4			4		**4**
Proceeds from capital increases	77	698						775		**775**
Distributions to owners							-4,402	-4,402	-157	**-4,559**
Balance as of 30 Sep. 2011	**11,083**	**5,254**	**7,000**	**-16**	**488**	**-1,172**	**20,545**	**43,182**	**1,867**	**45,049**
Balance as of 1 Jan. 2010	**10,858**	**3,953**	**7,000**	**-18**	**460**	**-1,379**	**15,791**	**36,665**	**3,509**	**40,174**
Consolidated total comprehensive income										
Consolidated net profit							10,340	10,340	252	**10,592**
Additions from market valuation of securities				-3				-3		**-3**
Deferred taxes on changes recognized directly in equity				1				1		**1**
Currency translation differences						522		522	-234	**288**
Consolidated total comprehensive income	**0**	**0**	**0**	**-2**	**0**	**522**	**10,340**	**10,860**	**18**	**10,878**
Transactions with owners										
Expenses for options granted					18			18		**18**
Proceeds from capital increases	123	495						618		**618**
Distributions to owners							-2,171	-2,171		**-2,171**
Balance as of 30 Sep. 2010	**10,981**	**4,448**	**7,000**	**-20**	**478**	**-857**	**23,960**	**45,990**	**3,527**	**49,517**

Consolidated statement of cash flows

EUR THSD.	9 months 2011 (EUR THSD.)	9 months 2010 (EUR THSD.)
Operating activities		
Consolidated net profit	6,475	10,592
Income taxes	2,502	4,239
Interest expense	274	132
Interest income	-80	-63
Depreciation and amortization	3,357	3,021
Gains/losses from the disposal of non-current assets including reclassification to current assets	-323	-153
Non-cash currency differences in non-current assets	32	-246
Changes in inventories, receivables and other assets	-12,862	-10,682
Changes in provisions	1,670	2,757
Changes in liabilities and other equity and liabilities	3,636	2,821
Other non-cash expenses and income	-850	177
Interest received	77	63
Income taxes paid	-6,547	-1,905
Net cash flows from/used in operating activities	**-2,639**	**10,753**
Investing activities		
Investments in intangible assets	-3,020	-1,954
Investments in property, plant and equipment	-9,117	-3,055
Investments in financial assets	0	-2,032
Proceeds from disposal of financial assets	3	3
Proceeds from disposal of non-current assets	614	292
Interest received	3	0
Net cash flows used in investing activities	**-11,517**	**-6,746**
Financing activities		
Dividend payment	-4,402	-2,171
Dividend payment to non-controlling interests	-158	0
Interest paid	-274	-132
Cash payments for the acquisition of non-controlling interests	-3,263	0
Proceeds from borrowings	15,975	0
Proceeds from issue of capital	156	618
Cash repayments of borrowings	-997	-825
Net cash flows from/used in financing activities	**7,037**	**-2,510**
Change in cash and cash equivalents		
Change in cash and cash equivalents due to changes in foreign exchange rates	84	8
Change in cash and cash equivalents	-7,119	1,497
Cash and cash equivalents on 1 Jan.	13,037	10,263
Cash and cash equivalents on 30 Sep.	**6,002**	**11,768**
Composition of cash and cash equivalents		
Cash and cash equivalents	6,304	12,214
Overdrafts	-302	-446
Cash and cash equivalents on 30 Sep.	**6,002**	**11,768**

Notes on the preparation of the interim financial report

This interim financial report for the period ended 30 Sep. 2011 is in full compliance with the provisions of IAS 34. Due consideration is given to the interpretations of the International Financial Interpretations Committee (IFRIC). All prior-period figures were determined according to the same principles. The segment reporting has been adjusted to the new internal reporting structure.

In these interim financial statements, the same accounting policies and calculation methods were used as in the most recent annual financial statements.

Estimates of amounts presented in earlier interim reporting periods of the current financial year, the most recent annual financial statements or previous financial years have not been changed in this financial report.

R&D expenses in the reporting period amounted to EUR 7.0 million (previous year: EUR 6.2 million).

Since the most recent reporting date, no changes have occurred with regard to contingent liabilities and receivables.

No significant events having a material effect on the financial position, cash flows and profit or loss of LPKF have taken place since the 30 Sep. 2011 reporting date.

This interim financial report has neither been audited nor reviewed.

Transactions with related parties

A shareholder of the subsidiary, LPKF Laser & Elektronika d.o.o., owns 100% of the shares in Zeltra Naklo d.o.o. In the first nine months of 2011, Group companies purchased services amounting to EUR 9 thousand from this related party.

Fifty percent of the shares in PMV d.o.o. are held by a shareholder of the subsidiary, LPKF Laser & Elektronika d.o.o., and 50% are held by other related parties. In the first nine months of 2011, the Group purchased materials and production services amounting to EUR 19 thousand from this company and provided such services to it in the amount of EUR 17 thousand. A loan of EUR 75 thousand was granted to the company at arm's length terms for remaining receivables.

A shareholder of the subsidiary, LPKF Laser & Elektronika d.o.o., owns 50% of the equity interest in Detel Plus d.o.o. This company provided goods and services worth EUR 206 thousand to Group companies and purchased such services in the amount of EUR 18 thousand.

As of the reporting date, LPKF Laser & Electronics AG had EUR 130 thousand in liabilities to members of the Supervisory Board.

For the rest, there are no other significant receivables from or liabilities to LPKF Group companies, nor were any significant payments or benefits granted to related parties.

Shares held by members of the Company's corporate bodies

Management Board	**30 Sep. 2011**	**31 Dec. 2010**
Dr. Ingo Bretthauer	25,000	25,000
Bernd Lange	32,010	32,010
Kai Bentz	6,500	4,500
Supervisory Board		
Bernd Hildebrandt	721,177	721,177
Dr. Heino Büsching	4.000	0
Prof. Dr. Ing. Erich Barke	1,000	1,000

Responsibility statement

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group."

Garbsen, November 10, 2011

LPKF Laser & Electronics AG

The Management Board

Dr. Ingo Bretthauer Bernd Lange Kai Bentz

Dates

11 November 2011
Publication of the Q3 financial report
Internet chat at 6:00 pm at
www.lpkf.de/investor-relations

27 March 2012
Publication of the 2011 consolidated financial statements/annual report
Internet chat at 6:00 pm at
www.lpkf.de/investor-relations

15 May 2012
Publication of the Q1 financial report
Internet chat at 6:00 pm at
www.lpkf.de/investor-relations

31 May 2012
Annual General Meeting
Hannover Congress Centrum

14 August 2012
Publication of the Q2 financial report
Internet chat at 6:00 pm at
www.lpkf.de/investor-relations

14 November 2012
Publication of the Q3 financial report
Internet chat at 6:00 pm at
www.lpkf.de/investor-relations

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Internet

For more information on LPKF Laser & Electronics AG and the addresses of our subsidiaries, please go to www.lpkf.de.

This financial report can also be downloaded from our website.

Languages

This annual report is also available in German.

LPKF

Laser & Electronics