

LINOS AG increases revenue and earnings in fiscal 2007

Revenue 7.4 per cent higher than in the previous year at EUR 93.8 million in 2007. The operating profit (EBIT) amounted to EUR 8.9 million. For 2008, the Executive Board expects slight revenue and earnings growth.

Göttingen, March 31, 2008. LINOS AG (ISIN DE0005256507) generated total revenue of EUR 93.8 million in the 2007 fiscal year. This represents an increase of 7.4 per cent over the previous year. The increase in the basic business, i.e. excluding the major order from the Turkish technology company, was 6.2 per cent. The operating profit (EBIT) was 6.6 per cent higher than in the previous year at EUR 8.9 million. After adjustment to eliminate the extraordinary expenses incurred in connection with the takeover by Optco Akquisitions GmbH, EBIT totalled EUR 10.3 million (previous year: EUR 9.5 million). The improvement in EBIT was attributable to a large extent to the fact that personnel expenses (EUR 35.4 million) remained practically unchanged in spite of the revenue growth from EUR 87.4 million in the previous year to EUR 93.8 million (+ 7.4 per cent) in fiscal 2007.

Earnings before tax (EBT) were 7.8 per cent higher than in 2006 (EUR 6.9 million) at EUR 7.4 million due to the increase in the operating profit.

Revenue by regions

LINOS increased revenue in Germany by 3.6 per cent to EUR 41.1 million in 2007. The photo segment recorded particularly strong growth in the year under review. Revenue in the rest of Europe increased by 20.7 per cent to EUR 36.8 million. This is attributable mainly to higher revenue in the medical technology and biotechnology segments. Revenue in the USA decreased by 9.2 per cent to EUR 7.9 million in 2007. The company registered a decrease in the other countries too: revenue there was 6.2 per cent lower than in the previous year at EUR 7.9 million. Exchange rate movements and a downtrend in the industrial inspection segment because of market developments were reasons for this.

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Development in the three business divisions

Revenue in the Information Technology & Communications business division increased by 13.9 per cent to EUR 23.0 million in the year under review. The photonics company achieved the highest growth rates in revenue with the Turkish technology company and in the photo segment. The proportion of total revenue accounted for by the business division increased slightly from 23.2 per cent in the previous year to 24.5 per cent in 2007. Revenue in the Industrial Manufacturing business division was the same as in the previous year at EUR 37.3 million. The proportion of total revenue decreased slightly from 42.5 per cent to 39.7 per cent. Whereas revenue in the industrial inspection and semiconductor segments decreased, LINOS increased revenue in the catalogue business. Revenue in the Health Care & Life Sciences business division was up 11.9 per cent at EUR 33.5 million in the year under review. The biggest increases were in the medical technology and biotechnology market segments. This business division accounted for 35.8 per cent of total revenue (previous year: 34.3 per cent).

Order situation and total orders on hand

Order intake was 11.0 per cent higher than in the previous year at EUR 95.2 million in the 2007 fiscal year. The order situation was particularly good in the Health Care & Life Sciences business division, especially in the medical technology and biotechnology segments. The total orders on hand on December 31, 2007 amounted to EUR 70.6 million and were therefore at the same level as at the end of 2006 (EUR 70.3 million).

Prospects

The Executive Board is expecting lower growth than in the previous year in LINOS' major markets (Europe and North America). While the prospects in the semiconductor equipment market in particular have deteriorated considerably, other markets (such as medical technology) appear to be bucking this trend. Trends towards substantial increases in, for example, raw material and energy costs must also be expected.

In view of this, the Executive Board anticipates revenue of about EUR 98 million and an operating profit (EBIT) of between EUR 10 and 11 million in the 2008 fiscal year. These figures do not include any extraordinary expenses attributable to the takeover by Optco Akquisitionen GmbH.

The complete 2007 annual report can be downloaded from the Internet at www.linos.de.

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A profile of LINOS AG

LINOS AG is a manufacturer of sophisticated optical systems that operates all over the world. In line with the corporate principle "Photonics for Innovation", LINOS is a development partner and supplier for customers in such growth markets as lasers, optical metrology, medicine, biotechnology and semiconductors. The company is listed in the General Standard index at Frankfurt Stock Exchange and joined the Qioptiq Group, which is an international leader in the design and production of high-precision optical components and modules for military and commercial applications, in June 2007. LINOS has about 800 highly qualified staff at the locations in Göttingen, Munich, Regen and Warsaw and generated revenue of EUR 94 million in 2007. www.linos.de.

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