
PRESS RELEASE

LEM sells its High Current Systems Business

LEM is pleased to announce the sale of its High Current Systems business to the existing management of the business unit. This MBO is effective retroactively on 31 March 2003.

Headquartered near Columbus, Ohio, the High Current Systems business produces products, systems and services to provide the electrical information needed in electro-chemical applications such as Aluminum smelting and Chlorine electrolysis to control, protect and optimise those processes. LEM has been the leader in this niche market since 1988 and strengthened it by acquiring a company in 1992. The High Current Business was part of the Business Area LEM Ventures and contributed with sales of MCHF 6.5 in the financial year 2002/03.

LEM focuses on core businesses with high growth and profitability and therefore it was decided to exit this business. The loss on this divestment amounts to MCHF 1.6 and will be recorded in the financial year 2002/03 as an exceptional loss on discontinued operations.

This transaction assures a transition for customers by providing them with an organisation specifically geared and dedicated to serving their needs.

Last year LEM initiated a restructuring programme aiming at simplifications and cost reductions through simplified organisational structures, rationalised product portfolios, focused business portfolio and more flexibility in manufacturing through reduced manufacturing depth. The sale of the High Current Systems business is part of focusing LEM's business portfolio.

On 28 May 2003, the press release on the year-end results for the financial year ended on 31 March 2003 will give further details of this transaction. On 11 June 2003, a meeting with analysts will be held in Zürich.

Patrick De Bruyne
CEO
Phone +4122 706 1240 or +4179 200 2702
Email: pdb@lem.com

Kennerth Lundgren
CFO
Phone +4122 706 1220 or +4179 222 5518
Email: klu@lem.com

<http://www.lem.com>

Geneva, 20 May 2003