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LPKF gets off to a subdued start in 2015

Tualatin, Ore. May 2015 – LPKF Laser & Electronics AG today announced that it got off to a subdued start in the current financial year. At EUR 21.4 million, reve-nue in the first quarter was as expected close to the previous year's figure of EUR 21.6 million. The operating result (EBIT) fell from EUR 1.1 million to EUR 0.2 million. Accordingly, the EBIT margin of 1.0% also was lower than in the previous year (5.0%). Incoming orders totaled EUR 19.2 million, down 48% year-on-year. Orders on hand amounted to EUR 15.4 million compared to EUR 33.3 million in the previous year. The decline in incoming orders was mainly due to the fact that a major solar order was posted in the previous year's first quarter.

Business performance in the first three months shows that the Garbsen-based laser specialist's main revenue driver, the Electronics Production Equipment seg-ment, which also includes laser direct structuring (LDS) machines, has not yet overcome the previous year's period of weakness. At the same time, CEO Ingo Bretthauer sees clear indications of a continued improvement in medium-term growth prospects. "Particularly our new development projects, Through Glass Via (TGV) and Laser Transfer Printing (LTP), are attracting very specific interest in the market," said Bretthauer, summarizing: "The situation will remain difficult in the short term but there is reason to be optimistic in the medium term."

The revenue of the Solar Module Equipment product group in the first three months was substantially higher than the prior-year figure because the remainder of the major order from 2014 was invoiced in the first quarter of 2015. Together with a development in the Welding Equipment product group that was in line with expectations, this led to generally very healthy revenue of EUR 8.5 million in the Other Production Equipment segment.

The high level of incoming orders in Welding Equipment confirms that after a tur-bulent year in 2014 the plastic welding business will most likely return to its growth trajectory. Bretthauer is confident that with the new management and the transfer of production to a new building in Fürth LPKF has laid the foundations for a suc-cessful future in this product group.

Order intake in Solar Module Equipment was substantially below the extraordinary high level in the first quarter of the previous year. However, as further projects in the solar segment for 2016 and beyond are already being negotiated, there are realistic opportunities to continue the success story of the solar business in the medium term.

About LPKF

Established in 1976, LPKF Laser & Electronics manufactures milling machines and laser systems used in circuit board and microelectronics fabrication, medical technology, the automotive sector, and the production of solar cells. LPKF's worldwide headquarters is located in Hannover, Germany and its North American headquarters resides near Portland, Ore.