

Press Release

Leclanché GmbH to receive funds of Euro 3.82 million for further development of large-format lithium ion cells

- Funding granted from the Federal Ministry of Education and Research allows for development and build-up of site and process technology for the industrial production of lithium ion cells in Willstätt
- Development and build-up of technologically advanced line with a capacity of 1 million cells per year planned
- Durability of cells to be extended to over 15.000 complete cycles

Willstätt, 25 November 2010 – Leclanché GmbH will receive funds amounting to Euro 3.82 million from the Federal Ministry of Education and Research for the development and build-up of a site for the production of lithium ion cells in Willstätt, Baden-Württemberg. The focus of the development will be to further advance the durability and cycle performance of the cells.

The planned technologically advanced line will form the basis for the development and build-up of a production process for ca. 1 million lithium ion cells per year. In order to reach this production capacity, further investments are planned.

“Leclanché will further extend the potential of its lithium ion cells with this site technology. Against the backdrop of an increasing demand for lithium ion cells, we will be able to offer increased cell performance, especially to clients within the automotive industry, as well as increased cell durability, which is needed in the fields of renewable energy storage and diesel-hybridization. We thank the Ministry of Education and Research for its constructive cooperation and for supporting this, as

well as future projects in this strategically important field of technology”, says Dr. Ulrich Ehmes, Chief Executive Officer of Leclanché S.A.

Leclanché will receive the funds in the context of a joint project for the preparation of the industrial production of lithium ion cells with new materials. Longevity, cycle performance, fast charging-capacity and in particular security of the cells are important factors in this context. For example with regard to renewable energy storage Leclanché cells currently allow 15.000 complete charging and discharging cycles due to their specifically developed electrode composition as well as the specific material mix. The company plans to extend cell durability further within the framework of the planned technologically advanced line.

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About Leclanché

Leclanché is a leading manufacturer in Europe of large-format lithium ion cells. Through a unique, licensed separator technology, the core element of lithium ion cells, Leclanché is capable of manufacturing cells with above-average safety features and significantly increased longevity in an automated production process. The company's core markets are industries, which have highest demands on energy storage systems. They include energy storage solutions, which enable better utilisation of the power supply system, large hybrid diesel engines and electric vehicles. Leclanché was founded in 1909 in Yverdon-les-Bains. Through the integration of a spin-off from the Fraunhofer-Gesellschaft in 2006, the company developed from being a traditional battery manufacturer to becoming a leading developer and manufacturer of lithium ion cells in Europe. Leclanché currently employs 94 staff and recorded CHF 16.33 million revenue in 2009. The company is headquartered in Yverdon-les-Bains (Switzerland) and has production and development facilities located in Willstätt (Germany). Leclanché is listed on the SIX Swiss Exchange (LECN).

Disclaimer

This press release contains certain forward-looking statements relating to Leclanché's business, which can be identified by terminology such as "strategic", "proposes", "to introduce", "will", "planned", "expected", "commitment", "expects", "set", "preparing", "plans", "estimates", "aims", "would", "potential", "awaiting", "estimated", "proposal", or similar expressions, or by expressed or implied discussions regarding the ramp up of Leclanché's production capacity, potential applications for existing products, or regarding potential future revenues from any such products, or potential future

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