

Leclanché begins operations of its new production line in Willstätt and reports increased revenues

- **Expansion of production capacity allows to address growing market needs for efficient energy storage solutions**
- **Total consolidated revenues increased by 25% to CHF 8.4 million in H1, 2012**
- **Lithium-ion technology business more than doubled**

Yverdon-les-Bains, July 6, 2012 – Leclanché S.A. (SIX Swiss Exchange : LECN), specialized in the production of large-format lithium-ion cells and energy storage solutions, announced today the start of operations of its new production line, one of the largest and most advanced industrial facilities for the production of large-format lithium-ion cells in Europe. On the occasion of its investor day taking place today in Willstätt, Germany, Leclanché also announced a 25% increase of its half year revenues 2012 to CHF 8.4 million and provided an overview of its product offering, ranging from large industrial storage systems housed in containers to high-end home storage systems and entry-level solutions for homeowners.

“The start of operations of our new production unit in Willstätt marks the achievement of an important milestone for Leclanché, as our fully automatized state-of-the art production facility is one of very few units in Europe able to mass produce large-format lithium-ion cells for the European market,” said Pierre Blanc, Chief Technological Officer of Leclanché SA. *“We can be really proud of our accomplishment, as the installation of such a state-of-the art mass production unit is particularly complex, and because it was achieved within the timeframe we had defined 18 months ago.”*

The new unit, encompassing a total surface of 6000 m², comprises several production halls for coating, assembling and formation. It will allow the production of about 1 million large format 35 Ah cells with an installed annual storage capacity of up to 76 MWh in lithium-ion-titanate cells, compared with a capacity of 4 MWh for the current production plant. Its completion required 7 months and an investment of CHF 20 million, largely for the purchase of state-of-the art machines from Japan, Italy and the United States. The start of operations will lead to a further increase of Leclanché’s employees to about 130 persons by the end of Q3.

Leclanché announced that total consolidated revenues for the first half 2012 reached CHF 8.4 million, a 25% increase compared to CHF 6.7 million recorded during the same period in 2011. While revenues generated by the distribution business declined, those of the business with large format Lithium Ion technology more than doubled to CHF 1.7 million in the first half of 2012. Revenues of the portable batteries systems business increased as well. The publication of the company’s half year financial results is scheduled on August 20, 2012.

“Our half year results develop as planned as they indicate an increase in revenues from our lithium-ion business, a strategic business unit, which is based upon our large format lithium-ion technology”, added Dr Ulrich Ehmes, CEO of Leclanché S.A. *“Our increased production capacity could allow us to take advantage of the current shift towards an increased use of renewable energies and the need for efficient and customized energy storage solutions”.*

In this respect, Leclanché announced last week, together with ads-tec, a German developer and manufacturer of high-performance lithium-ion battery and storage systems, to have entered the industrial wind farm market with the delivery of an industrial storage solution to a German wind project developer. The system will be used for the efficient storage and shifting of intermittent wind energy from the moment of generation to the time when it is actually needed. The four racks have a total storage capacity of 100 kWh and will be delivered in Q3.

About Leclanché

Leclanché specializes in the production of tailor-made energy storage solutions. Leclanché's strategy is to expand its position as one of the leading lithium-ion cell producers and solution providers for renewable energy storage systems in Europe. Its initial strategic priority is stationary home electric energy storage applications and expansion into the stationary industrial and grid electricity storage markets. Through participation in research consortia focusing on off-road and automotive applications, Leclanché is positioned to take advantage of new market opportunities.

Through a licensed ceramic separator technology and focus on lithium-titanate technology, Leclanché manufactures large-format lithium-ion cells optimized for safety and cycle-life in a fully automated production process. At the end of the second quarter 2012, Leclanché started operations of its first production line with an installed annual capacity of up to 76 MWh in lithium-titanate cells.

Leclanché was founded in 1909 in Yverdon-les-Bains. Through the integration of a spin-off from the Fraunhofer-Gesellschaft in 2006, the company evolved from a traditional battery manufacturer to become a leading developer and manufacturer of lithium-ion cells in Europe. Leclanché currently employs 120 staff and is listed on the SIX Swiss Exchange (LECN). The company has its headquarters in Yverdon-les-Bains (Switzerland) and production facilities in Willstätt (Germany).

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