Half Year Report
2015/16

At the heart of power electronics

LEM

Business Report

Dear Shareholders,

After a slowdown in Q4 of financial year 2014/15 and Q1 of 2015/16, our business regained momentum in Q2 of 2015/16. We report stable sales for the first half of 2015/16. The strength of the Swiss franc versus most other currencies weighed on sales and margins. In addition, competitive pressure and therefore price pressure remained intense.
Robust development in China is a growth driver for LEM. Here we recorded progress in the increasingly important renewable energies, green cars and traction businesses. This sustained performance is the result of our products' technology and quality, and linked to strong presence with local production as well as customer service. We observed a recovery in Europe and North America, supported by a steadier economic environment. Several ongoing design-in projects underline solid interest in our new products.
Our sales increased by 0.1% to CHF 131.6 million in the first half of 2015/16; at constant exchange rates, they increased by 3.4%. Bookings for the first six months totaled CHF 126.9 million, up 0.2% on the same period of 2014/15. The book-to-bill ratio remained stable at 0.96 illustrating our customers' uncertainty about their own perspectives.
Our gross margin stands at 45.5%, down from 46.3% in the first half of 2014/15, while EBIT reached 24.9 million, a decrease of 16.0% on the first half of 2014/15. Our EBIT margin for the first six months of 2015/16 was 18.9%, compared with 22.5% a year earlier. Currency effects, as well as one-off costs arising from the introduction of our new ERP system and from organizational changes, affected our operational result.
Net profit came in at CHF 19.8 million, a decrease of 7.8% compared with the first half of 2014/15.
Our balance sheet remains strong. As of 30 September 2015, total assets stood at CHF 156.8 million. Shareholders' equity reached CHF 62.6 million (CHF 91.9 million as of 31 March 2015, CHF 73.8 million as of 30 September 2014), representing an equity ratio of 40.0% (65.0% as of 31 March 2015, 52.7% as of 30 September 2014).

Industry segment – importance of Chinese markets

First-half sales in the Industry segment totaled CHF 110.3 million, down 2.9% on the same period a year earlier. At constant exchange rates, sales increased by 1.5%. Seasonal effects in the renewable energies business and continued growth in China supported our sales development. After a slow start into the financial year, activities in Europe and North America picked up across all businesses. We started several design-in projects with our newly launched product families, which will help us to further increase production output. We stepped up production of our solar product families. First-half EBIT decreased by 21.5%, from CHF 27.0 million in 2014/15 to CHF 21.2 million in 2015/16, mainly resulting from currency effects and price pressure. Sales growth was strongest in China (+13%). North America recovered (+6%) but our sales performance in Europe (–9%) and Asia excluding China (–18%) was slow. Asia remains the most important region with 47% of sales; China, with 32% of sales, is the single most important country.

- Sales in the drives & welding business slowed by 9% compared with the first half of 2014/15. Lower machine construction in China, because of lower industrial activity in China and worldwide, slowed our sales in most regions. LEM maintained its market share.
- Sales in renewable energies & power supplies business increased by 8% on the first six months of 2014/15. High investments in solar and wind farms led to continued growth in China and India. In Japan, however, subsidies expired, which caused a sharp decline. We achieved stabilization in North America and market share wins in Europe.
- The traction business stabilized after a period of strong growth. The favorable trend in China continued thanks to Chinese rail companies winning market share at home and abroad. Infrastructure investments in Europe remained subdued. Sales decreased by 7%.
- We recorded a positive trend in the high-precision business with sales growth of 6%. Seasonality in the test & measurement market in Asia and North America as well as good HVDC business in China contributed to the positive result.

Automotive segment – growth in all regions

Sales in the Automotive segment reached CHF 21.3 million, up 18.5% on the same period in 2014/15. At constant exchange rates, they increased by 15.3%. After a slow start into the year, sales picked up in the second quarter with an increase of 25.6% on the first quarter of 2015/16. We improved our EBIT margin in the first half of 2015/16 thanks to volume growth, the currency situation (stronger USD) and a favorable product mix. Half-year EBIT jumped to CHF 3.7 million compared with CHF 2.6 million in the first half of 2014/15.

- In the conventional cars business, sales increased by 14%. We grew in line with the market and kept our market share. We took advantage from the strong growth in US vehicle production.

– Sales in the green cars business jumped by 39% on the previous year. We benefitted from government support for green cars in China. We won new projects with Chinese car manufacturers, and started new hybrid car projects in the US. We identified promising business opportunities with US and Korean manufacturers for our new product families.

Executing our strategy

– Increase our technology leadership

We closely monitor the global market and technology trends, and adapt our product road map to emerging technologies and customer requirements. We keep launching a high number of new products that offer better performance and new functions at lower costs to our customers. Our customers are encouraging us to launch such products faster than originally planned and increasingly ask for support during the feasibility studies of their new platforms. Investment in R&D remains within the long-term average of 5.5% of sales, amounting to CHF 7.2 million.

So far this financial year, we launched one new product for drives, renewable energies and traction applications. The LF 2010 models use a proprietary ASIC for closed loop Hall Effect technology and deliver a performance that matches the more complex fluxgate technology. In addition, we introduced at least 15 derivatives of recently launched products, which are custom-built for specific customer applications. We have secured six patents.

At LEM Bulgaria, we introduced a local development team. In a first step, it will support local production, but in the long term, we are aiming to shape it into an additional product development unit.

– Increase our efficiency

We maintained our focus on cost management in production by reducing the number of key suppliers and by simplifying the supply chain for project-driven products. We improved internal efficiency by growing the share of cost-effective production. Our new production site in Bulgaria again increased its output in line with our development plan, reaching 8.5% of global output in Q2 of 2015/16 (In comparison, our biggest production site, in China, stabilized around 63% of global output.). We have increased the number of production lines in Sofia from nine at year-end 2014/15 to eleven at end of first half of 2015/16.

By going live with the new ERP system at the beginning of financial year 2015/16, we laid the foundation for additional efficiency improvements through simplification and standardization of processes throughout the Group.

– Increase our production flexibility

We maintained our delivery performance, absorbing the effects of the shortening lead times of our customers as well as the seasonal increase in solar production. The deployment of our integrated flexible supply-chain model now covers 80% of sales and allows to increase inventory turns by 10%.

Outlook

We expect a steady economic situation in Europe and the US while the Chinese economy is set to slow. International currency fluctuations, particularly the strong Swiss franc, will remain a challenge. We have been addressing this challenge in the regular review of our international footprint for several years.

We anticipate normal seasonal decline in the second half of the financial year 2015/16 because of holiday season in China and the rest of the world as well as lower solar infrastructure investments during the winter months. For the full financial year 2015/16, we forecast sales of CHF 250–260 million; this compares with CHF 257.8 million for full-year 2014/15 (achieved in a more favorable foreign exchange environment than 2015/16). We expect our EBIT margin to be within our target range of 15% to 20%.

We thank you for your continued trust in LEM.

Yours sincerely,

Andreas Hürlimann
Chairman of the Board of Directors

François Gabella
Chief Executive Officer

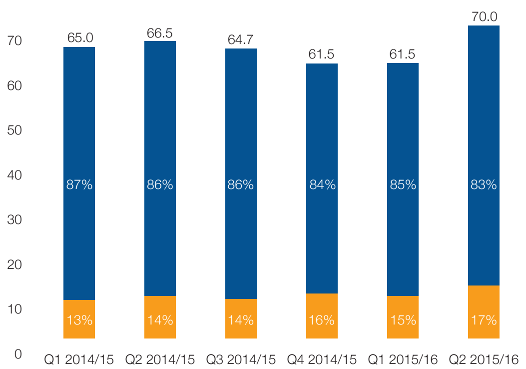
Key Figures, Financial Calendar, Contacts

Key figures	First half vs. first half			Second quarter vs. first quarter		
	2015/16 In CHF millions	2014/15 In CHF millions	Change In %	Q2 2015/16 In CHF millions	Q1 2015/16 In CHF millions	Change In %
Orders received	126.9	126.6	+ 0.2	66.0	60.9	+ 8.5
Book-to-bill ratio	0.96	0.96	–	0.94	0.99	–
Sales	131.6	131.5	+ 0.1	70.0	61.5	+ 13.8
Gross profit	59.9	60.9	– 1.7	32.2	27.7	+ 16.4
In % of sales	*45.5%*	*46.3%*	*– 0.8 pt*	*46.0%*	*45.0%*	*+ 1.0 pt*
EBIT	24.9	29.6	– 16.0	14.4	10.5	+ 36.7
In % of sales	*18.9%*	*22.5%*	*– 3.6 pt*	*20.5%*	*17.1%*	*+ 3.4 pt*
Net profit for the period	19.8	21.5	– 7.8	10.9	8.9	+ 23.2
EPS basic (in CHF)	17.40	18.87	– 7.8			
Operating cash flow	0.6	25.2	– 97.6			
Investing cash flow	– 2.0	– 3.6	+ 45.0			

	30.9.15	31.3.15	Change In %
Net financial assets/(liabilities)	(26.8)	20.9	–
Shareholders' equity	62.6	91.9	– 31.9
Equity ratio (in % of total assets)	40.0	65.0	– 25.0 pt
Market capitalization	795	910	– 12.7
Employees (FTEs)	1'339	1'274	+5.1

Sales per segment

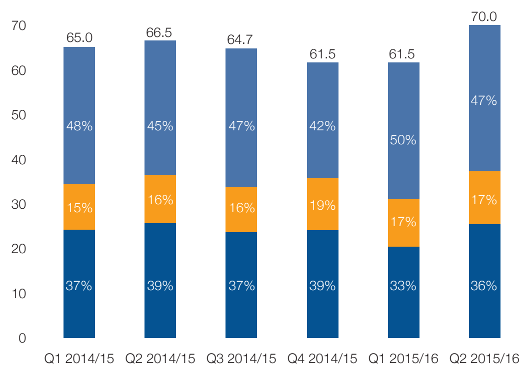
In CHF millions



Industry segment
Automotive segment

Regional sales breakdown

In CHF millions



Asia and rest of the world
North America
Europe

Financial calendar

The financial year runs from 1 April to 31 March

16 February 2016	Third quarter results 2015/16
9 June 2016	Year-end results 2015/16
30 June 2016	Ordinary General Meeting of the Shareholders
5 July 2016	Dividend ex-date
7 July 2016	Dividend payment date

Media and investor contact

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Interim Consolidated Financial Statements

Consolidated Statement of Financial Position

Assets

In CHF thousands	Notes	30.9.2015	31.3.2015
Current assets			
Cash and cash equivalents		13'235	20'920
Accounts receivable	4	72'818	50'126
Inventories		27'742	27'545
Income tax receivable		1'368	771
Other current assets		2'140	2'338
Total current assets		**117'303**	**101'700**
Noncurrent assets			
Deferred tax assets	12	5'458	4'418
Property, plant and equipment		24'598	25'728
Intangible assets		8'384	8'878
Other noncurrent assets		1'013	889
Total noncurrent assets		**39'453**	**39'913**
Total assets		**156'756**	**141'613**

Liabilities and equity

In CHF thousands	Notes	30.9.2015	31.3.2015
Current liabilities			
Accounts payable	5	18'557	12'012
Accrued expenses		17'799	18'688
Income tax payable	12	5'367	10'225
Current provisions	6	1'462	1'501
Current financial liabilities	7	40'055	
Other current liabilities	8	2'494	466
Total current liabilities		**85'735**	**42'892**
Noncurrent liabilities			
Noncurrent provisions	6	1'467	1'854
Deferred tax liabilities	12	1'542	2'259
Other noncurrent liabilities		5'377	2'665
Total noncurrent liabilities		**8'386**	**6'777**
Total liabilities		**94'121**	**49'670**
Equity			
Share capital	9	570	570
Treasury shares	9	(624)	(283)
Reserves	9	10'970	12'552
Retained earnings		51'719	79'105
Total equity		**62'635**	**91'943**
Total liabilities and equity		**156'756**	**141'613**

Consolidated Income Statement

In CHF thousands	Notes	April to September 2015/16	2014/15
Sales		131'567	131'497
Cost of goods sold		(71'696)	(70'579)
Gross margin		**59'872**	**60'918**
Sales expense		(13'801)	(11'783)
Administration expense		(14'085)	(12'454)
Research & development expense		(7'206)	(7'414)
Other expense		(4)	(1)
Other income		94	332
Operating profit	10	**24'871**	**29'598**
Financial expense		(107)	(73)
Financial income		46	131
Exchange effect	11	533	(1'879)
Profit before taxes		**25'342**	**27'777**
Income taxes	12	(5'525)	(6'287)
Net profit for the period		**19'818**	**21'491**

Earnings per share, in CHF		
Basic and diluted earnings per share	17.40	18.87

Consolidated Statement of Comprehensive Income

In CHF thousands	April to September 2015/16	2014/15
Net profit for the period recognized in the income statement	**19'818**	**21'491**
Other comprehensive income to be reclassified to profit and loss in subsequent periods		
Currency translation difference	(1'923)	3'691
Total other comprehensive income to be reclassified to profit and loss in subsequent periods	**(1'923)**	**3'691**
Other comprehensive income not to be reclassified to profit and loss in subsequent periods		
Remeasurement gains/(losses) on defined benefit plans	(1'458)	63
Income tax	318	(14)
Total other comprehensive income not to be reclassified to profit and loss in subsequent periods	**(1'140)**	**49**
Other comprehensive income/(loss) for the period, net of tax	**(3'063)**	**3'740**
Total comprehensive income for the period	**16'755**	**25'231**
Attributable to shareholders	16'755	25'231

Consolidated Statement of Changes in Equity

Attributable to shareholders

In CHF thousands	Notes	Share capital	Treasury shares	Capital reserve	Translation reserve	Retained earnings	Total equity
1 April 2014		**570**	**(745)**	**12'688**	**(3'390)**	**85'081**	**94'203**
Net profit for the period						21'491	21'491
Other comprehensive income/(loss)					3'691	49	3'740
Total comprehensive income					*3'691*	*21'540*	*25'231*
Dividends paid	9					(45'568)	(45'568)
Movement in treasury shares	9		(111)	111		(52)	(52)
30 September 2014		**570**	**(856)**	**12'799**	**301**	**61'000**	**73'814**
1 April 2015		**570**	**(283)**	**12'226**	**326**	**79'105**	**91'943**
Net profit for the period						19'818	19'818
Other comprehensive income/(loss)					(1'923)	(1'140)	(3'063)
Total comprehensive income					*(1'923)*	*18'678*	*16'755*
Dividends paid	9					(45'547)	(45'547)
Movement in treasury shares	9		(341)	341		(516)	(516)
30 September 2015		**570**	**(624)**	**12'567**	**(1'597)**	**51'719**	**62'635**

Consolidated Cash Flow Statement

In CHF thousands	Notes	April to September 2015/16	2014/15
Cash flow from operating activities			
Profit before taxes		25'342	27'777
Adjustment for noncash items and taxes paid		(4'751)	4'025
Cash flow before changes in net working capital		20'591	31'802
Cash flow from changes in net working capital		(19'994)	(6'614)
Cash flow from operating activities		**597**	**25'188**
Cash flow from investing activities			
Investment in fixed assets		(2'306)	(2'364)
Investment in intangible assets		(349)	(1'219)
Increase (–)/decrease (+) in other assets		673	(25)
Cash flow from investing activities		**(1'982)**	**(3'607)**
Cash flow from financing activities			
Treasury shares acquired (–)/divested (+)	9	(516)	(52)
Dividends paid to the shareholders of LEM Holding SA	9	(45'547)	(45'568)
Increase (+)/decrease (–) in financial liabilities	7	40'000	12'000
Cash flow from financing activities		**(6'063)**	**(33'620)**
Change in cash and cash equivalents		**(7'448)**	**(12'039)**
Cash and cash equivalents at the beginning of the period		**20'920**	**24'581**
Exchange effect on cash and cash equivalents		(237)	758
Cash and cash equivalents at the end of the period		**13'235**	**13'300**

Notes to the Interim Consolidated Financial Statements

1 General information

LEM Group is a market leader in providing innovative and high quality solutions for measuring electrical parameters. Its core products – current and voltage transducers – are used in a broad range of applications in drives & welding, renewable energies & power supplies, traction, high-precision, conventional and green cars businesses.

2 Significant accounting principles

These unaudited consolidated financial statements for the six months ended on 30 September 2015 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". They do not include all the information and disclosures presented in the annual consolidated financial statements and should therefore be read in conjunction with those for the year ended 31 March 2015.

The accounting and valuation policies are consistent with those applied in preparing the annual consolidated financial statements for the year 2014/15.

The preparation of the interim consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and related disclosures at the date of the interim financial statements. These estimates are based on management's best knowledge of current events and actions that the Group may undertake in the future. However, actual results could differ from those estimates.

In accordance with IAS 1 "Presentation of Financial Statements", the financial information is presented in thousands of CHF. The totals are calculated with the original unit amounts, which could lead to rounding differences. These differences in thousands of units are not changed in order to keep the accuracy of the original data.

In 2015/16, LEM Group introduced the following revised standards and interpretations:

Standard or interpretation	Title	Impact	Effective date
Amendments	Annual improvements to IFRS – 2011–2013 cycle	None	1 July 2014
Amendments	Annual improvements to IFRS – 2010–2012 cycle	None	1 July 2014

The new and revised standards do not have a material effect on the consolidated financial statements of LEM Group.

The following table summarizes the principal exchange rates that have been used in the translation process.

	Period-end rate for balance sheet			Period average rate for income statement		
	30.9.2015	31.3.2015	Var. in %	2015/16	2014/15	Var. in %
BGN	0.558	0.535	+ 4.3%	0.539	0.622	– 13.3%
CNY	0.153	0.158	– 3.2%	0.154	0.146	+ 5.5%
DKK	0.146	0.140	+ 4.3%	0.141	0.163	– 13.5%
EUR	1.092	1.046	+ 4.4%	1.055	1.216	– 13.2%
GBP	1.475	1.437	+ 2.6%	1.467	1.511	– 2.9%
JPY	0.0081	0.0081	+ 0.0%	0.0078	0.0088	– 11.4%
RUB	0.015	0.017	– 11.8%	0.017	0.025	– 32.0%
USD	0.973	0.971	+ 0.2%	0.952	0.901	+ 5.7%

3 Segment information

April to September 2015 In CHF thousands	Industry	Automotive	LEM Group
Sales	110'295	21'273	**131'567**
Operating profit	21'213	3'658	**24'871**

April to September 2014 In CHF thousands	Industry	Automotive	LEM Group
Sales	113'552	17'945	**131'497**
Operating profit	27'016	2'581	**29'598**

4 Accounts receivable

The increase of accounts receivable is due to the high level of sales in Q2 of 2015/16, the effects of the implementation of the new ERP and the change of the European logistics organization. Allowance principles have been applied consistently. Management expects to reduce accounts receivable as a result of the initiated collection efforts.

5 Accounts payable

After the decrease of accounts payable in Q4 of 2014/15 as a consequence of early settlement of payables in view of the go-live of the new ERP on 1 April 2015 the present balance on 30 September 2015 is back on a consistent level.

6 Current and noncurrent provisions

Warranty and customer claims

Provisions for warranty and customer claims cover expected warranty claims which are not covered by insurances. The provisions have been estimated based on past experience and the risk assessment of management. The warranty provision is expected to be used over the next five years.

Litigations and consumption taxes

Despite the care that LEM applies in the separation process with personnel, such separation may result in legal conflicts. The Group will defend its case and management estimates the reasonable risk to be provided for.
The Group operates in multiple jurisdictions with complex legal and tax regulatory environments. Some of these positions are inherently uncertain and include those relating to transfer pricing matters and the interpretation of income tax laws applied to complex transactions. The Group periodically reassesses its tax positions. Changes to the financial statement recognition, measurement, and disclosure of tax positions are based on management's best judgment given any changes in the facts, circumstances, information available and applicable tax laws.

Per 30 September 2015, the decrease of provisions compared to 31 March 2015 is mainly linked to the evolution of warranty and customer claims provisions.

7 Current financial liabilities

LEM Group increases financial short-term liabilities to CHF 40.0 million (CHF 0.0 million at 31 March 2015) via short-term credit lines in order to finance the CHF 45.5 million dividend payment of July 2015.

8 Other current liabilities

Other current liabilities increase is primarily due to the change in the fair value of the derivatives in relation with foreign exchange hedging.

9 Equity

At the shareholders' meeting held in Fribourg on 25 June 2015, the shareholders approved the distribution of an ordinary dividend of CHF 40.00 per share resulting in an estimated payout of CHF 45'585 thousand. The gross dividend effectively paid on 2 July 2015 amounted to CHF 45'547 thousand (prior year: ordinary dividend of CHF 40.00; total CHF 45'568 thousand).
In the frame of its market-making contract, LEM has acquired a net of 566 shares for a total net amount of CHF 341 thousand, generating a net charge of CHF 516 thousand in equity. At 30 September 2015, LEM owns 931 treasury shares.
In the prior year period, LEM had acquired a net of 91 shares for a total amount of CHF 111 thousand, generating a net charge of CHF 52 thousand in equity. At 30 September 2014, LEM owned 1'175 treasury shares.

10 Operating profit

The gross margin decrease of CHF 1.05 million can be explained by the negative FX impacts on sales partly compensated with an increase of volumes and lower costs.
The increase in operating expenses contributed to the decrease in the operating profit of CHF 4.7 million. The increase in sales and administrative expenses of CHF 3.6 million are the main drivers of the operating expenses and can mainly be explained by costs associated with the implementation of the new ERP per 1 April 2015, the reorganization of the European logistics platform and management reorganization.

11 Exchange effect

The foreign exchange effect is driven by the currencies' parity versus Swiss franc and the effect of hedging transactions.
Compared to the same period of the previous financial year, CNY and USD were revaluating versus CHF whereas JPY and EUR were devaluated. In the first half of last year, CNY and USD were revaluating versus CHF whereas JPY remained fairly stable.

12 Income taxes

Income tax expense is calculated based on the best estimate of the applicable annual income tax rate expected for the full year. The Group operates in multiple jurisdictions with complex legal and tax regulatory environments. In certain of these jurisdictions, the Group has taken income tax positions that management believes are supportable and are intended to withstand challenge by tax authorities. Some of these positions are inherently uncertain and include those relating to transfer pricing matters and the interpretation of income tax laws applied to complex transactions. The Company periodically reassesses its tax positions. Changes to the financial statement recognition, measurement, and disclosure of tax positions are based on management's best judgment given any changes in the facts, circumstances, information available and applicable tax laws. Considering all available information and the history of resolving income tax uncertainties, the Group believes that the ultimate resolution of such matters will not have a material effect on its financial statements.
Differences between the final tax outcome and the amounts that were initially recorded impact the income and deferred taxes in the period in which such determinations are made. The Group calculates its expected average tax rate as a weighted average of the tax rates in the tax jurisdictions in which the Group operates.
The tax rate remains stable between the two periods.

13 Consolidated cash flow statement

The adjustment for noncash items increases by CHF 8.8 million compared to the same period 2014/15 and is mostly due to the cash-out of accrued taxes.
The cash flow from changes in net working capital evolution is linked to the increase of accounts receivable lowered by an increase of payable and decrease in inventory.
In order to finance the CHF 45.5 million dividend payment the financial liabilities were increased by CHF 40.0 million via our bank credit lines.
The exchange effect on cash and cash equivalent is driven by the currencies' parity versus Swiss franc, as explained in note 11 Exchange effect.

14 Financial assets and liabilities

The Group classifies its financial assets and liabilities into the following categories as per IFRS 7:

Financial assets In CHF thousands	30.9.2015 Fair value	31.3.2015 Fair value	Loans and receivables	At fair value through profit and loss
Cash and cash equivalents	13'235	20'920	X	
Accounts receivable	72'818	50'126	X	
Derivative financial instruments – current	0	342		X
Other current financial assets	34	14	X	
Other noncurrent financial assets	1'013	889	X	
Total	**87'100**	**72'291**		

Financial liabilities In CHF thousands	30.9.2015 Fair value	31.3.2015 Fair value	Loans and receivables	At fair value through profit and loss
Accounts payable	18'557	12'012	X	
Accrued expenses	17'799	18'688	X	
Derivative financial instruments – current	1'642	0		X
Other current financial liabilities	11	27	X	
Bank loans	40'000	0	X	
Other noncurrent financial liabilities	30	16	X	
Total	**78'039**	**30'743**		

The management assessed that fair value level of cash and cash equivalents, accounts receivables, other current and noncurrent assets, accounts payables, accrued expenses and other current and noncurrent liabilities that are not measured at fair value approximate their carrying amounts in view of their short-term nature and are consequently not separately disclosed.
The Group enters into derivative transactions such as currency risk reversal and forward contracts to hedge the USD and EUR risks.
The purpose of these currency hedges is to manage the currency risks arising from the Group's operations.
It is the Group's policy that no derivatives for speculative purposes shall be entered into.
The main risks arising from the Group's financial instruments are foreign currency risks and credit risks, whereas the others are of minor or no impact.
The Board of Directors reviews and agrees policies for managing each of those risks.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.
The Group's financial liabilities at fair value amount to CHF 1'642 thousand per 30.9.2015 (financial asset of CHF 342 thousand per 31.3.2015), all classified under level 2.
During the two last reporting periods, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

15 Changes in scope of consolidation

As per 4 April 2015, LEM Deutschland GmbH changed its name to LEM Europe GmbH.
In 2014/15, the Group finalized the conversion of European entities into branches of a European head office with the absorption of LEM France and LEM Belgium into LEM Deutschland GmbH:

- On 2 February 2015, LEM France Sàrl was merged into LEM Deutschland GmbH.
- On 2 February 2015, LEM Belgium Sàrl was merged into LEM Deutschland GmbH.

16 Events after the balance sheet date

The Board of Directors and Senior Management are not aware of any significant events up to the date of approval of the interim consolidated financial statements on 3 November 2015 that would require an adjustment in carrying amounts of the Group's assets and liabilities.

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