



LE Announces Strategic Merger

Expansion of Operations and Manufacturing Capabilities Continues

January 10th 2005, Indianapolis, IN – Light Engineering (LE) announced today that it has completed a strategic merger with Applinetics Inc. of Grand Haven, Michigan. Applinetics was an important development partner and contactor for LE previously. Under the merger agreement, existing Applinetics management and staff join the LE team and will be responsible for on-going production operations of LE motors and generators. Integrated and Power Generation Systems will continue to be built in LE's Indianapolis facility.

Due to the overwhelming response to their technology and the continued rise in their sales order commitments, LE has also expanded their Indianapolis Headquarters/Tech Center to accommodate the addition of engineering staff, as well as their development into the small variable speed power generation market.

The increasing demand of their variable speed power generating product line fueled the need for LE to acquire additional corporate and warehouse space in Indianapolis as well as Grand Haven. The resulting square footage of both initiatives now brings LE's total production space to 30,000.

"The merger with Applinetics will play a major role in LE's strategy for continued growth in the future. LE has relied on Applinetics heavily in its overall development, so it's a logical and very pleasing step for us to merge the two teams. Having done so, we now stand even stronger in our overall technical and manufacturing capabilities and team depth," commented Matt Johnston, LE's CEO.

LE has developed and markets the industry's leading rotating machine technology for permanent magnet motors and generators. Our technology enables the LE GenSmart™ generators and SmartTorq™ motors that LE commercially sells today, and also is the building block for various new applications to come. The application of LE technology allows for greatly reduced machine sizes and active material contents, and thus has proven to be the cost leader in permanent magnet applications of 2 – 200 kW. LE is headquartered in Indianapolis, Indiana, USA, and has manufacturing operations in the Guangdong Province of China.

Please visit www.lt-eng.com for more information, or contact:

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