

## **Press Release**

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# Leclanché to enter collaboration with Unipower to strengthen supply chain for Lithium Ion batteries

- Unipower, one of the leading Chinese manufacturer of high end large format Lithium lon batteries to give access to local sourcing to Leclanché
- Swiss based Leclanché, one of the leading European Lithium Ion cell manufacturer, to provide storage solutions adapted to the growing Chinese market for renewable energies
- Collaboration shall enable smart sourcing in Asia and therefore increasing the competitiveness of energy storage solutions

Yverdon-les-Bains, 23 December 2011 - Leclanché S.A. (SIX Swiss Exchange: LECN), specialized in the production of large-format lithium ion cells and energy storage solutions, today announced its intention to collaborate with Beijing based Unipower, one of the leading manufacturers of large format Lithium Ion cells in Asia to strengthen its supply chain in the field of raw material sourcing for large-format Lithium Ion production. The agreement, to be finalized during the first half of 2012, will further evaluate opportunities to offer state-of-the-art and competitive energy storage solutions in China and Asia.

Under the term of the planned collaboration, Leclanché will gain access to cost efficient, locally sourced raw materials for large format Lithium cells production, thus allowing an improvement of the cost of stored energy per kWh.

"This planned collaboration with a leading and well established large format Lithium Ion battery manufacturer in China, will allow Leclanché to significantly strengthen its supply chain management and thus to reduce its production costs and the cost of stored energy, while allowing us to evaluate a collaboration to address energy storage market needs in China and Asia with an competitive and state-of the art solution," said Dr. Ulrich Ehmes, CEO of Leclanché.

The company plans, as decided at its Extraordinary shareholders meeting of November 8, 2011, to raise new capital, early 2012.

## **About Unipower Battery**

Unipower is a new joint venture by Universal Group, a leading battery manufacturer in China, and Origo Partners Plc. Building on Universal's long history in China's battery industry and tapping on Origo's access into the capital markets, Unipower is well positioned to catch the surge in China's clean technology wave. Well-established as a battery producer, it is also one of the leading large format Lithium Ion manufacturers worldwide.

Unipower focuses on producing high-quality batteries for electric vehicles (EVs) and power storage systems for wind and solar power stations and grid stabilization. The company has a solid client base of both local and international corporations for EV batteries, including Nissan, ShaoLin Bus, Haima and Zhengzhou Yutong (the largest bus maker in China). It also possesses a highly skilled and experienced R&D team with more than 20 years of experience, which is supported by world-class battery equipment and laboratories. Strong and established networks with academia and industry, coupled with the head start that research teams enjoy have significantly improved the performance and safety of products, boosting competitiveness within the sector.

#### About Leclanché

Leclanché specializes in the production of tailor-made energy storage solutions and is a leading manufacturer of large-format lithium ion cells in Europe. 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 a significantly increased life 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 allow better utilization of the power supply system, large hybrid diesel engines and electric vehicles.

Leclanché currently operates a fully automated pilot production line for large format lithium-ion cells with a theoretical annual maximum capacity of up to 4 MWh. To prepare for an increase in demand, Leclanché is currently in the process of expanding its production capacity by setting up a new production line for large format lithium-ion cells with a theoretical annual maximum capacity of up to 76 MWh

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 110 staff and recorded revenues of CHF 15.05 million in 2010. The company has its headquarters in Yverdon-les-Bains (Switzerland) and has production facilities in Willstätt (Germany). Leclanché is listed on the SIX Swiss Exchange (LECN).

Leclanche has been advised in this project by Gracia Partners and Augus Partners.

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