



EXECUTIVE SUMMARY

It is our pleasure to announce some of the most recent advancements at Laser Specialists. The year 2005 has marked a turning point in the momentum of our company, as we have successfully established many new and valuable relationships that are expected to extend well into the future. Our reputation as a timely provider of both services and parts has led to increased sales and opportunities. As we approach our 20th anniversary, we have been charged to treat LSI as a start-up; constantly striving to improve the value we extend to our customers.

Most recently, LSI relocated to a new manufacturing facility that offers significant opportunity for company growth. The move was strategically made to accommodate the integration of additional 5-axis (3D) laser equipment that will support the demands of our growing customer base. As an emerging player in the marketplace, we will continue to capitalize on word of mouth sales.

We plan to prove our worth to our customers and the industry. In doing so, it is our intent to keep you, our current and prospective customers, abreast of the developments and achievements of Laser Specialists.

In this issue of **THE SPECIALIST**, we focus on:

- ♦ **LSI's new company location and added laser capacity;**
- ♦ **Automotive Interior, Soft Trim & Plastic Laser Applications;**
- ♦ **LSI's visionary relationship with PT Tech Stamping; and**
- ♦ **Up and Coming technology expositions**

Yours Truly,

LSI's Executive Team

CORE COMPETENCIES AT LSI MEET & EXCEED CUSTOMER EXPECTATIONS



Don't take our word for it, take his! Kurt Brush of PT Tech Stamping in Fraser, MI knows what it takes to meet his customer demand. As the fabrication supervisor of this ever-growing manufacturing outfit, Kurt was challenged to seek out a laser cutting source capable of maintaining a virtually seamless operation. Focused heavily on adhering to the productivity and quality demands of PT Tech's Tier 1 suppliers, Kurt found solidarity in his relationship with Laser Specialists Inc.

In January 2005, PT Tech Stamping acquired several packages of work that would test their manufacturing flexibility and skill in total project management. The scope of this work required heavy outsourcing of the laser cutting application. Long existing relationships that PT Tech had with their laser cutting sources proved to be inadequate. "We placed high priority on finding a reliable laser cutting source that offered a flexible work environment, which we could rely on to meet production deadlines," explains Kurt. "Other ingredients needed to foster this steadfast relationship included a commitment to heightened quality standards, responsive customer service, and an increased value for purchasing dollars."

In just this past year alone, Laser Specialists has not only moved onto PT Tech's vendor list, but now represents their number one laser supplier for both 2D and 3D products. "Three key factors contribute to the success we've had with Laser Specialists: 1) Up front and efficient quoting, 2) Superior communications in program and data management; and 3) Fast and accurate part edits and turnaround," comments Kurt.

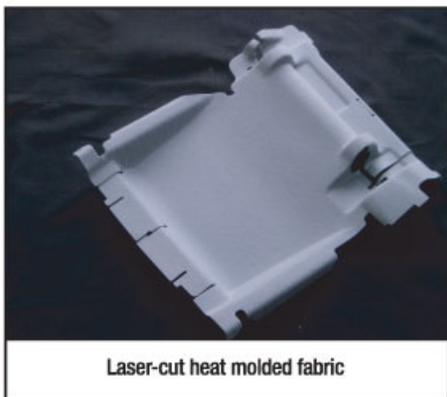
"We're pleased with the relationship that has matured with PT Tech and other valuable suppliers; however, we recognize that there's always room for improvement," says Jon Paquin, LSI's Vice President. In an industry where many watches are set to "prototype time" in an effort to fulfill rigid delivery requirements, Laser Specialists will continue to allow it's customers to develop "real time" expectations by delivering unprecedented results.

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Non-Traditional Laser Applications at LSI

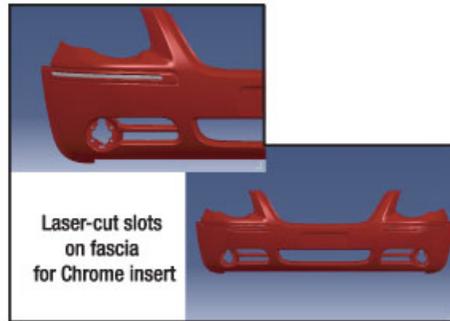
For years industry professionals have linked laser cutting exclusively to metallic and exterior automotive body components. As a pioneer and innovator in applying laser technology to the marketplace, Laser Specialists has proven this to be a myth by establishing a positive track record within several 2D and 3D soft trim, plastic, and composite part product categories. LSI's expertise has helped customer's process ABS instrument panels, plastic bumper covers, fascia's, trunk trim panels, quarter panels, door bolsters, and sunshades, to name a few.

The laser's versatile and unique processing ability has elevated the minds of LSI's manufacturing team and opened the door to non-traditional product applications. By bringing its precision and superior cut/edge quality to the factory floor at Laser Specialists, customers now range from exterior chassis and body component distributors, to interior trim suppliers, vacuum formers and injection molders, among others.

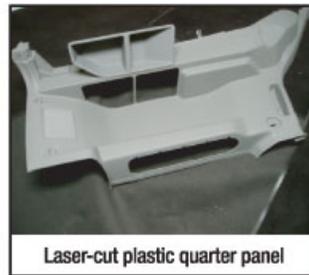


Regardless of a product's material property, multiple operations will often translate into significant tooling and labor costs. Figure A-1 shows a heat molded fabric that was recently processed at Laser Specialists, which would typically require multiple trim die operations. This component required detailed cutting of holes, cutouts, and trim, which LSI was able to accomplish in one operation.

Laser Specialists capitalizes on the versatility of the laser by accepting non-traditional projects that require cost-effective and innovative solutions.



Let our experienced design and manufacturing team work with you to stretch the imagination and boundaries of laser processing.



LSI Adds Laser Capacity & Relocates to New Facility

You're familiar with growing pains, but how about growing pleasures? As part of Laser Specialists plan to offer more, it's their pleasure to let customers know they can soon expect more. On September 1, 2005, LSI moved into its new place of business located at 17921 Malyn in Fraser, MI. Within close proximity of its former address, LSI will maintain its geographic appeal and strong on-going business presence. The strategic decision to relocate was made to facilitate



growth with LSI's current customer base and open the door to serving a larger demand pool.

The increase in manufacturing space has allowed the company to add laser capacity. "With the addition of another 3-D cutting machine, we can now serve our current and prospective customers more effectively," says Nick Paquin, the company's President. "We have proven ourselves to our customers, who can now largely rely on a single source to handle a greater volume of work."

Up and Coming Technology Expositions

SEMA Show
www.semashow.com



The premier automotive specialty performance products trade event in the world featuring performance, accessories, restoration and motorsports products.

Tuesday, November 1st thru
Friday, November 4th, 2005
At the Las Vegas Convention Center
Las Vegas Nevada, USA

FABTECH
International & AWS Welding Show
www.fmametalfab.org/Fabtech/FABTECH_AWS_Shows_combine.html



North America's largest metal forming, fabricating, and welding exposition and conference.

Sunday Noember 13th thru
Wednesday November 16th, 2005
McCormick Place South
Chicago, Illinois, USA

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