

LPKF Laser & Electronics SE (LPK) — Company Analysis

Ticker LPK (Xetra) · ISIN DE0006450000 · Garbsen, Germany · report generated 2026-05-28. End-to-end fundamentals, financials, sector & TAM, competitive position, the AI/data-center angle, valuation and risks. Analysis, not investment advice.

Snapshot

- Ticker: ETR: LPK
- Price: ~€24 (52-wk range ~€5.35–€26.20) — +300–336% YTD on glass-substrate / AI-packaging narrative [S10][S14]
- Market cap: ~€590–690m (~US\$0.69bn) [S10]
- Revenue: €115.3m FY2025 (-6.2%) [S1][S3]
- Growth: FY2025 -6.2%; Q1 2026 -32% YoY to €17.1m on Solar collapse; FY2026 guide €105–120m [S4][S5]
- Profitability: FY2025 adj. EBIT €0.8m (~0.7%); Q1 2026 adj. EBIT -€5.7m; FY2026 guide -3.0% to +4.5% margin [S1][S3][S4][S5]
- FCF: FY2024 +€1.9m (NWC release); FY2025 undisclosed; Q1 2026 -€7.6m [S2][S5]
- Net cash / debt: cash €5.6m (30-Sep-2025) vs debt ~€10–14m -> small net debt ~€4–8m [S6][S10]
- Valuation: ~5.2–6.4x EV/Sales (ttm); EV/EBITDA distorted by Q1 burn; ttm net income -€17.5m [S10]
- Currency: EUR
- Geography: global; semi-packaging, auto, consumer electronics + medical OEMs
- What: laser systems — glass structuring (LIDE), plastic welding, PCB prototyping
- Value chain: equipment — enables advanced packaging, PCB, joining
- End markets: semiconductor packaging (glass substrates / TGV), automotive, consumer, solar, medical
- Founded / HQ: 1976 / Garbsen, Germany
- CEO: Klaus Fiedler
- Top competitors: Corning, Applied Materials (TGV R&D), Coherent, Han's Laser, Trumpf, 3D-Micromac, IPG
- Key customers: Samsung Electro-Mechanics (Sejong glass-substrate pilot, named); Intel (collaborator, per BusinessKorea); DNP; large US semiconductor company
- Key suppliers: laser sources (IPG, Coherent, Trumpf), precision optics, motion control
- Catalyst: AGM 24-June-2026 (shareholder revolt motions); first LIDE production order expected Q2 2026; LIDE HVM not before 2029 [S15][S16][S17]
- Verdict: LIDE optionality is genuine but priced for an outcome 2–3 years away while the underlying business is shrinking and FCF is burning
- Confidence: 0.42

Executive summary

LPKF Laser & Electronics is a German laser-systems specialist running four operating segments — Welding (laser plastic welding for autos, consumer-electronics, medical), Electronics (PCB prototyping with ProtoMat, StencilLaser, CuttingMaster), Development (custom systems incl. LIDE (laser-induced deep etching) — patented laser-induced deep etching for glass structuring and through-glass vias), and Solar (laser systems for PV cell production, the collapsing segment). FY2025 revenue fell 6.2% to €115.3m, adj. EBIT (earnings before interest & taxes (operating profit)) was barely positive at €0.8m, and the order backlog halved from €50.9m to €27.0m year-on-year [S1][S3]. Q1 2026 was materially worse: revenue -32% to €17.1m, adj. EBIT -€5.7m, free-cash-flow burn -€7.6m — though order intake +18% to €24.1m (book-to-bill 1.4) gave the bull case a thin lifeline [S4][S5].

Against this fundamentals deterioration, the stock has rallied 300–336% YTD 2026 on the glass-substrate / AI-packaging narrative — Yole projects the advanced IC substrate market to reach US\$31bn by 2030 [S18], glass core substrates specifically growing 15.7–17% to ~US\$572m by 2032 [S19], and LPKF is the named equipment supplier on Samsung Electro-Mechanics' Sejong glass-substrate pilot line alongside SCHOTT [S21][S22]. The "North Star" restructuring program (launched Sep 2025) targets a double-digit EBIT margin by 2028 [S1][S3]. But the first LIDE production order is only expected Q2 2026, customer

ramps not before 2027, and high-volume manufacturing not before 2029 [S17] — a long window for a 300%-rallied stock to de-rate if Samsung Sejong, Intel Arizona or DNP slip even a quarter.

A shareholder revolt is in motion: counter-motions at the 24-June-2026 AGM demand denial of management discharge and an immediate capital increase to accelerate LIDE expansion; dissidents reject North Star as too cost-focused [S15][S16]. Short interest is rising (Voleon, Marshall Wace).

Verdict: LIDE optionality is real and customer-validated; the core business is shrinking and balance sheet thin; valuation prices a 2027+ ramp the company has not yet booked. Confidence: 0.42

1. Company overview

Garbsen-based (founded 1976), ~700 employees post-North Star cuts; FY2025 revenue €115.3m across four segments (Welding, Electronics, Development, Solar) — with LIDE housed primarily in Development and partly Electronics; not yet broken out as a separate reportable segment [S1][S3]. Listed on Xetra. The "North Star" realignment program launched September 2025 consolidates welding/solar production in Suhl (Fürth site closed), extended the syndicated loan to 2028, and targets a double-digit EBIT margin by 2028 [S1][S3].

2. Business model & products

- Welding — laser plastic welding systems (automotive interior, consumer electronics, medical-device manifolds). Competes with Branson/Emerson (GLX-1), Trumpf, Coherent. Steady cyclical business; +€6.8m YoY (year-on-year) revenue in 9M 2025 [S9].
- Electronics — PCB prototyping equipment (ProtoMat, StencilLaser, CuttingMaster) for contract manufacturers and design houses. +€0.8m YoY 9M 2025 [S9].
- Development — custom and project laser systems including LIDE for glass structuring and TGV (through-glass via); the strategic AI-packaging franchise. +€0.5m YoY 9M 2025 [S9]; Q1 2026 segment revenue €6.2m [S5].
- Solar — laser cell-processing systems for PV; collapsed from >€40m FY2024 segment revenue to €1.3m in Q1 2026 (vs €10.6m PY) as Chinese PV-cell overcapacity destroyed merchant demand [S9][S4][S5].

3. Financial analysis

EUR m	FY2023		FY2024		FY2025	Q1 2026
Revenue	124.3 [S7]	122.9 (-1.1%) [S1][S2]	115.3 (-6.2%) [S1][S3]			17.1 (-32%) [S4][S5]
Adj. EBIT	4.4 [S7]		0.1 [S1][S2]		0.8 [S1][S3]	-5.7 [S4][S5]
Reported EBIT	3.7 [S7]	-2.5 (incl. ~€2.6m restructuring) [S2]			~adj. level [S3]	n/d
Free cash flow	undisclosed	+1.9 (NWC release) [S2]			undisclosed; ttm net income -17.5 [S10]	-7.6 [S5]
Cash & equivalents	undisclosed	undisclosed			5.6 (30-Sep-2025) [S6]; ~-5.75 latest [S10]	n/d
Financial debt	undisclosed	undisclosed			~10.3–13.8 (small net debt ~€4–8m) [S10]	n/d
Order intake	~127 implied		114.4 implied	91.6 (-19.9%) [S1][S3]		24.1 (+18%; B2B 1.4) [S4][S5]
Order backlog (Dec)	undisclosed		50.9	27.0 (-47%) [S1][S3]		n/d
Employees (FTE)	~770		~746 [S2]		~700s (North Star cuts)	n/d

FY2026 guidance: revenue €105–120m; adjusted EBIT margin -3.0% to +4.5%; explicitly excludes any high-volume LIDE orders; restructuring costs of 3–4% of revenue (~€4–5m) under North Star [S4][S5].

The picture is unambiguous: the core business shrank in FY2025 and is shrinking faster in Q1 2026 (Solar collapse -€9.3m alone); FCF (free cash flow) turned sharply negative; the order backlog is down nearly half. North Star is genuinely cutting costs but does so by burning cash now to save cash later — and is doing so on a €5.6m cash balance against ~€10–14m debt. Without LIDE production revenue or a capital raise, the balance sheet is thin enough that an equity issue becomes a 2026 question, not a 2027 one.

4. Sector & market context

LIDE addresses three structurally growing pools, of which the AI-packaging glass-substrate prize is the largest by orders of magnitude:

Sub-market	2025 size	Outlook	CAGR (compound annual growth rate)	Source
Advanced IC substrates (AICS, GCS, SLP, ED — Yole)	—	US\$31bn by 2030	high-teens	[S18]
Glass core substrates (GCS) specifically	US\$195m (2024) -> US\$213m (2024 alt)	US\$572m (2032) / US\$586m (2031)	15.7–17%	[S19]
Glass semiconductor wafer (thin polished disc of semiconductor (silicon, glass, III-V) on which chips are built) shipments	—	CAGR >10% (2025–30)	>10%	[S20]
HBM (high-bandwidth memory) / logic glass demand	—	CAGR ~33%	33%	[S20]
Laser plastic welding (Welding segment)	US\$1.46bn (2024) -> US\$1.57bn (2025)	US\$2.28bn (2030)	~7.7%	[S23]
PCB prototyping equipment (Electronics)	US\$1.5bn (2024)	US\$2.8bn (2033)	~7.8%	[S24]
Industrial laser (context)	US\$7.8bn (2025)	US\$10.94bn (2031)	~5.8%	[S25]

Glass-substrate timing matters more than market size. Industry consensus: 2026 = first small-scale commercial shipments; 2028–2030 = rapid-growth phase [S18][S20]. LPKF disclosed that >80% of major global players have selected LPKF equipment for process validation / learning [S21], and is one of four equipment suppliers on the Samsung Electro-Mechanics Sejong pilot line [S21]. The BusinessKorea report flagged LPKF as an Intel glass-substrate collaborator alongside SCHOTT [S22]. The question is not whether LIDE wins the niche — the technology lead and pull-in are real — but whether enough revenue arrives in 2026/27 to fund LPKF through to the 2028–30 ramp.

5. Competitive landscape

Player	Approx. scale	Focus vs LPKF
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Corning	US\$13bn+ revenue	Glass *material* + processing; Nvidia investment Apr 2026 = halo effect. Material supplier + customer of structuring tech [S14][S22]
Applied Materials	~US\$27bn revenue	Pouring R&D into TGV equipment — credible long-term threat to LIDE moat [S22]
Coherent	~US\$5bn revenue	Industrial lasers; TGV R&D; tangential competitor [S25]
Trumpf	~US\$5bn revenue	Largest industrial-laser OEM (original equipment manufacturer); >18% market share; broad welding/cutting [S25]
Han's Laser	~US\$3bn revenue	Aggressive low-cost exports; overseas revenue +88% in 2024 [S25]
3D-Micromac	~€23–30m revenue	German peer in laser micromachining; smaller, partly overlapping [S26]
IPG Photonics	~US\$1bn revenue	Top-5 industrial laser source supplier [S25]
DNP / Absolics / Ibiden / Shinko	various	Glass-substrate *integrators* — downstream customers, not direct competitors

LPKF's defensible niche is LIDE — patented sub-micron-precision, defect-free TGV at aspect ratios up to 1:50 with the NEXAR LIDE 5000 [S21]. It is today's de facto qualification standard, but Applied Materials, Coherent and Corning's adjacent investments are the multi-year competitive threat.

6. AI / data-center angle

LIDE's central thesis is that the industry shift from organic to glass substrates for AI accelerator packaging (Intel, Samsung, TSMC CoPoS) will reach mass production by 2028–30, and that LPKF's process leadership in TGV will earn it the equipment slot in those fabs [S18][S20][S22]. The customer-qualification data point is strong: >80% of major players running LPKF kits for validation, named on Samsung Sejong and via Intel collaboration. The *revenue* data point is not: first production order only expected Q2 2026, HVM not before 2029. Glass-substrate adoption is also a *substrate-integrator* prize — equipment suppliers like LPKF capture a relatively thin slice of the value chain in a market where end-customers fight to commoditize tooling at scale.

7. Growth drivers & catalysts

- First LIDE production order expected Q2 2026 [S14][S17].
- AGM 24-June-2026 — counter-motions to discharge management and force a capital raise to accelerate LIDE; the outcome reshapes capital strategy [S15][S16].
- Samsung Electro-Mechanics Sejong glass-substrate pilot line scaling [S21].
- Intel Arizona / DNP / unnamed large US semi-co collaborations [S22].
- "North Star" double-digit EBIT margin target by 2028 [S1].
- Onto Innovation PACE consortium + Firefly inspection at Vittron Hannover Center of Excellence (Q2 2025) [S11][S12].

8. Recent news

- Apr/May 2026 — Stock rally ~300–336% since Jan 2026; touched €26.20 then settled ~€24 [S14][S15]. Short interest rising (Voleon 1.81%, Marshall Wace short) [S16][S17].

- Apr/May 2026 — Shareholder revolt: counter-motions at June AGM demanding denial of management discharge and immediate capital increase to accelerate LIDE; Dr. Arne Schneider (Elmos Semi CEO) nominated to supervisory board [S15][S16].
- Apr 2026 — Q1 2026: revenue €17.1m (-32%), adj. EBIT -€5.7m, FCF burn -€7.6m, but order intake +18% to €24.1m (book-to-bill 1.4); Electronics & Development demand outstripping capacity [S4][S5].
- Mar 2026 — FY2025 reported: revenue €115.3m (-6.2%), adj. EBIT €0.8m, order intake €91.6m (-19.9%); 2026 guidance materially below prior trajectory [S1][S3].
- Sep 2025 — "North Star" program launched: efficiency + structural measures targeting double-digit EBIT margin by 2028; syndicated loan extended to 2028; production of welding/solar systems consolidated in Suhl [S1][S3].
- Jul 2025 — H1 2025 revenue €59.2m (+7.2%); Q2 adj. EBIT €2.8m at upper end of range [S13].
- Apr 2025 — LPKF joins Onto Innovation's PACE consortium; Onto Firefly inspection installed at Vittrion Hannover Center of Excellence Q2 2025 [S11][S12].

9. Headwinds & key risks

- LIDE revenue is a 2027–2029 story, not 2026. Q1 2026 missed badly: revenue -32%, FCF burn -€7.6m. First production LIDE orders expected Q2 2026, customer ramps not before 2027, HVM not before 2029. The stock has rallied 300%+ in 5 months on a narrative whose cash conversion is 2–3 years away [S5][S14][S17].
- LPKF is the picks-and-shovels supplier in a value chain dominated by giants 10–100x its size. Intel, Samsung, TSMC, Applied Materials, Corning all play. The LIDE moat is real but contestable — Applied Materials funding TGV R&D, Corning's Nvidia capital, Coherent in adjacent lanes. Equipment suppliers capture a thin CAPEX (capital expenditure) slice while the integrators fight to commoditize tooling [S15][S16][S22].
- The core business is shrinking. Solar collapsed from >€40m (FY24) to €1.3m (Q1 26). Order intake -19.9% in FY2025; order backlog halved (€50.9m -> €27.0m). FY2026 guidance bottoms at -3% EBIT margin with 3–4% of revenue in restructuring costs — the company is consuming cash now to save it later, on a €5.6m balance against ~€10–14m debt. If LIDE production orders slip beyond Q2 2026, equity issuance into a peak-narrative stock becomes inevitable [S1][S3][S5][S6][S16].

10. Valuation

- Share price (May 2026): ~€24.20 (52-wk range ~€5.35–€26.20; +300–336% YTD) [S10][S14].
- Market cap: ~€590–690m (~US\$0.69bn) [S10].
- Enterprise value: ~€600m (small net debt ~€5–8m) [S10].
- EV/Sales (ttm): ~5.2–6.4x (consistent with the prior draft's ~5x) [S10].
- EV/EBITDA (ttm): distorted by negative ttm EBITDA (earnings before interest, taxes, depreciation & amortisation) after Q1 2026 burn; reported figures of 29–30x to 795x depending on normalisation [S10].
- P/B: ~9.65x [S10]; P/Sales (ttm): ~6.5x [S10].
- Bear PT (Alpha Spread): ~\$15.99 vs market ~\$21.39 -> ~25% overvalued [S17]. Montega: "optimistic scenario more than priced in" [S16].

Comp set (EV/Sales): Plan Optik ~4.3x (sub-scale glass-wafer specialist), Corning ~3–4x (megacap), Coherent ~3–4x. LPKF trades at a clear premium even versus glass-narrative peers — pricing LIDE pure-play optionality not earned yet by revenue.

11. Verdict & what to watch

LPKF is the basket's clearest "right idea, wrong price" — the LIDE technology is real, the customer qualifications are real (Samsung, Intel, >80% of major players), and the glass-substrate ramp is structural. But the core business is shrinking faster than the new business can scale; the cash balance is thin; the shareholder revolt at June's AGM raises the probability of a dilutive raise into a peak-narrative price. The ~300% rally has front-loaded the 2027–29 outcome.

Verdict: LIDE optionality genuinely there but priced for 2028 in Q2 2026 — confidence 0.42.

Decision boundaries:

- First named LIDE production order with disclosed revenue contribution above €5m -> more positive (+).
- AGM 24-June: dissident motions defeated AND management presents an accelerated LIDE roadmap -> more positive (+).
- Capital raise priced at premium with strategic investor (Corning, Samsung, Intel) -> more positive (+).
- Q2 2026 still down YoY with no LIDE order in hand -> very negative (-).
- Dilutive equity raise at any discount -> very negative (-).
- Samsung Sejong / Intel program slip beyond H1 2027 -> negative (-).
- Solar weakness persisting into H2 2026 -> negative (-).

Open questions:

- Conversion timing from qualification kits to production orders at named customers.
- Sizing of the equipment-capex pool LPKF can realistically capture once HVM begins.
- Whether AGM dissidents force a capital strategy change.
- LIDE pricing power once Applied Materials commercialises competing TGV equipment.

Management & founders

CEO Klaus Fiedler since 2024; the September 2025 "North Star" program is his strategic signature — efficiency, structural measures and consolidation toward a double-digit EBIT margin by 2028. Not founder-led. The June 2026 AGM is a real test: dissident shareholders are explicitly arguing that North Star is the wrong strategy in a LIDE-acceleration moment, and have nominated Dr. Arne Schneider (CEO of Elmos Semiconductor, with relevant industry credibility) to the supervisory board [S15].

Customers & suppliers

Customers (named/strongly indicated):

- Samsung Electro-Mechanics — one of four equipment suppliers on the Sejong glass-substrate pilot line [S21].
- Intel — collaborator for glass substrates (BusinessKorea, March 2024) [S22].
- DNP (Dai Nippon Printing) — referenced in HVM ramp commentary [S17].
- "Large US semiconductor company" — partnership of ~3 years (aligns with Intel's Sep 2023 glass announcement) [S22].
- Welding: automotive, consumer electronics, smart-robotics OEMs.
- Electronics: PCB contract manufacturers.

Suppliers: laser sources (IPG, Coherent, Trumpf), precision optics, motion control. No single-source dependencies disclosed.

Sources

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Appendix — methodology & sources

Generated by AutoLab (thesis mode) on 2026-05-30. The loop iteratively scouts the weakest point, researches it, red-teams it, and integrates the findings; . Headline confidence 0.42.