PARIS, 29 OCTOBER, 2002

CARBONE LORRAINE HAS SIGNED A MAJOR AGREEMENT IN CHEMICAL ENGINEERING

Carbone Lorraine has signed a contract worth €8 million with Australian Magnesium Operations Pty Ltd, which specialises in processing aluminium ore in Australia.

Under this eight-month contract, Carbone Lorraine will supply graphite heat exchangers, which are devices designed to process highly corrosive fluids. All the equipment will be delivered during the first half of 2003. Carbone Lorraine will then continue to work with Australian Magnesium Operations Pty Ltd by handling the maintenance of the equipment.

This deal stems from the partnership forged with the customer company over the past three years and provides a concrete example of how Carbone Lorraine's strategy is tailored to the demands of the marketplace. Indeed, the Group was able to meet the deadlines and secure the contract owing to the flexibility and responsiveness of its manufacturing facilities.

Due to its expertise in graphite applications, Carbone Lorraine has strengthened its customer portfolio and bolstered its presence in the Asia-Pacific region through this agreement.

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Reminder:

Carbone Lorraine is an industrial group specialising in electrical components (brushes for electric motors, magnets and industrial fuses) and advanced materials and technologies. Well-established world-wide, the Group holds world-class positions in all its main markets :

- Electrical Applications
- Permanent Magnets
- Electrical Protection
- Advanced Materials & Technologies
- World no. 1 in brushes for electric motors World no. 3 in magnets for the automobiles World no. 2 in industrial fuses World no. 1 in thermal anti-corrosion equipment

The Group is listed on the Premier Marché of the Paris Stock Exchange. It is part of the SBF 120 and Euronext 150 indices.

For further information, visit our website : www.carbonelorraine.com

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