

**CARBONE LORRAINE : ORGANIC GROWTH OF 2%
FOR THE FIRST HALF OF 2001**

In the first half of 2001, Carbone Lorraine turned over sales worth 423 M€ i.e. an increase of 2% on a like-for-like basis. In comparison, sales for the first half of 2000 were 444 M€ including a contribution for 43 M€ from the magnets for computers activity sold last October.

The Group achieved positive organic growth for this six-month period, thanks both to the diversity of its geographical and industrial outlets and to an intensive commercial impulse. On a geographical level, the growth of sales in Europe, Asia and South America more than compensated for the slow-down in the North American economy. As regards activities, good performance in brushes for industrial motors and in the Advanced Materials & Technologies division counterbalanced the effects of the fall in automobile production in North America.

The Group illustrated its dynamism with a remarkable organic growth superior to 5% on the half-year, excluding the automobile market in North America. On this continent, radical steps have been taken to adjust our costs to the new levels of activity.

Carbone Lorraine is expecting its sales to bounce as soon as the economic context recovers. This bounce will be all the more vigorous as the winning of new customers and the launching of new products are developing successfully in all the Group's activities.

Reminder :

Carbone Lorraine is an industrial group which specializes in Electrical Components (brushes for electric motors, magnets and fuses) and in Advanced Materials and Technologies. The Group turns over 88% of its sales outside France and occupies key leading positions in the world in its main markets:

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| ▪ Electrical Applications | | World n°1 in brushes for electric motors |
| ▪ Permanent Magnets | | World n°3 in magnets for automobiles |
| ▪ Electrical Protection | | World n°2 in industrial fuses |
| ▪ Advanced Materials & Technologies | | World n°1 in thermal anti-corrosion equipment |

The Group is quoted on the *Premier Marché* of the Paris stock exchange and is included in the SBF 120 and Euronext 150 indexes.

For more information visit our website www.carbonelorraine.com

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