

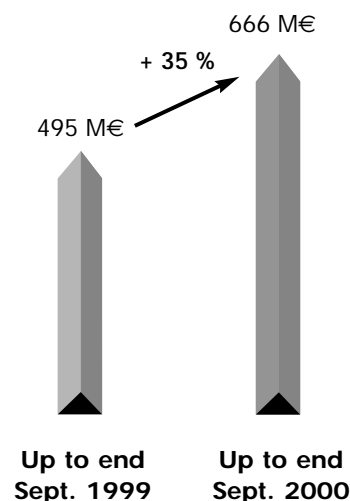
Sales for the first three quarters of 2000

+35%

Consolidated sales for the first 9 months of the year rose by 35% to 666 M€.

The components of this 35% growth figure are :

- 21% due to acquisitions (mainly Shawmut and Tongkook in Korea),
- 8% due to foreign exchange variations,
- 6% due to organic growth.



Sales broken down by geographical zone

	Published sales to end Sept. 2000 in M€	2000/1999 change on published figures %	2000/1999 change on a like-for-like basis* %
Europe	301	17%	6%
North America	276	55%	5%**
Asia	68	59%	10%
Rest of the World	21	30%	18%
TOTAL	666	35%	6,5%**

(*) change excluding acquisitions and foreign exchange variation (**) excluding a one-off contract in Canada

In **Europe**, 98 M€ of sales were turned over during the third quarter, corresponding to organic growth of 10%, thanks to very high activity levels in all the product lines, with the exception of the medium voltage and current collection segments of the Electrical Protection activity.

In **North America**, sales worth 93 M€ were recorded for the third quarter of the year, with organic growth of 6%, sustained especially by buoyant activities like Electrical Protection and

High Temperature Applications.

The third quarter sales generated in the **Asia** zone were 23 M€, with organic growth of 23% which was boosted by strong progress in magnets for computer applications, with the growth figures enhanced by the fact that activity in the 3rd quarter of 1999 was very low.

The **Rest of the World**, with sales for the third quarter of 7M€, achieved strong organic growth (+15%), thanks to activities in Brazil.

Sales broken down by activity

	Published sales to end Sept. 2000 in M€	2000/1999 change on published figures %	2000/1999 change on a like-for-like basis* %
Electrical Applications	140	14%	7%
Permanent Magnets	171	22%	7%
Electrical Protection	180	140%	6%
Advanced Materials and Technologies	175	11%	5%**
TOTAL	666	35%	6,5%**

(*) change excluding acquisitions and foreign exchange variation (**) excluding a one-off contract in Canada

In **Electrical Applications**, the growth in sales was sustained (+13% for the third quarter excluding acquisitions and foreign exchange variations) for all the geographical zones, and both in the automobile and industrial motors markets.

Activity in **Magnets for Automobiles** was sustained in Europe, Korea and Brazil, however, weak demand experienced by our leading American customer resulted in a drop in sales in North America. This contrasting situation restricted organic growth in Magnets for Automobiles to 2% for the nine months to the end of September.

The growth in **Magnets for Computer Applications** benefited from the comparison of the figures with last year's low activity levels and enabled organic growth for the magnets activity as a whole to reach 11% during the third quarter. Carbone Lorraine completed the disposal of this activity on October 31, 2000.

In **Electrical Protection**, the strong organic growth recorded during the quarter (+9%) was boosted by the sales of low-voltage fuses in North America and in Europe due to the very positive effects of the merger between Ferraz and Shawmut.

In **Advanced Materials and Technologies**, the organic growth (+6% for the third quarter excluding acquisitions and foreign exchange variation and excluding a one-off contract in Canada) was particularly strong in the High Temperature Applications of Graphite (thanks to a buoyant electronics sector) and in Braking.

The sales of brakes increased for aeronautical, railway and motorbike applications. However, although the sales of anticorrosion equipment were lower than those for last year, the upswing of orders confirms the recovery expected for 2001.

Outlook

After this excellent third quarter, the outlook remains very good. The buoyant markets in which the Group is developing and the introduction

of innovative products and services should enable this current level of organic growth of about 5 to 6% to be maintained.

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