



**First-quarter 2010 sales (unaudited)**

**Carbone Lorraine’s first-quarter 2010 sales came to €162 million, up 2% on a reported basis. On a like-for-like basis, sales remained stable.**

<b>Sales*</b>	<b>Q1 2009 (€ m)</b>	<b>Q1 2010 (€ m)</b>	<b>% change* Q1 2010/ Q1 2009</b>
<b>Advanced Materials and Technologies</b>	<b>69</b>	<b>70</b>	<b>-3%</b>
<b>Electrical Components and Technologies</b>	<b>89</b>	<b>92</b>	<b>+3%</b>
<b>Group total</b>	<b>158</b>	<b>162</b>	<b>0%</b>

*\*on a like-for-like basis, i.e. at comparable scope and constant exchange rates – Unaudited data*

In the remainder of this press release, all the sales growth figures are indicated on a like-for-like basis, unless stated otherwise.

**Advanced Materials and Technologies**

The Advanced Materials and Technologies segment posted sales of €70 million, down 3% compared with the first quarter of 2009.

Sales in electronics markets enjoyed strong growth, while sales in solar energy markets were also firm.

Sales to process industries showed significant signs of recovery towards the end of the quarter owing to inventory-rebuilding.

The quarter also saw a high level of sales of equipment for seawater desalination.

Paris, April 21, 2010

## **Electrical Components and Technologies**

The sales recorded by the Electrical Components and Technologies segment came to €92 million during the first quarter, representing an increase of 3% compared with the first quarter of 2009.

Electrical Components and Technologies sales were brisk in the electronics, transportation and energy markets. Business was especially strong in wind energy, particularly in North America and Asia, while trends in Europe were held back by the high level of inventories.

Sales of brushes for industrial motors and electrical protection systems for process industries showed tangible signs of recovery. As in the Advanced Materials and Technologies segment, the recovery is being led by inventory-rebuilding.

### **Key events**

At the Annual General Meeting on May 20, the Group will propose a **change in its name to Mersen**. This new name embodies the new growth profile that the Group has been building over the past few years around four key drivers: sustainable development, Asia, selective acquisitions and innovation.

**In addition, Carbone Lorraine finalized the acquisition of Boostec**, a French company specializing in the design and manufacture of silicon carbide components. This deal will nicely complement its existing range of materials, enabling it to embark on new developments in strategic markets, such as solar energy and chemicals/pharmaceuticals.

**Lastly, the Group has signed a preliminary agreement to buy M.Schneider**, a company specializing in DIN-standard fuses and fuseholders. Through this acquisition, Carbone Lorraine is set to become the world number two in this fast-growing standard and consolidate its positions in the energy market.

All the recent acquisitions not consolidated during 2009 are expected to generate additional sales of around €35 to €40 million during 2010.

### **Carbone Lorraine's financial position**

The Group's debt increased by comparison with December 31, 2009 owing notably to the acquisition of Boostec, appreciation in the US dollar and the partial settlement of the European Commission fine dating back to 2003 and confirmed at appeal in late 2009. The remainder will be paid during the second half of 2010, but these payments will have no impact on the group's results. As at December 31, 2009, the Group holds a significant amount of unused confirmed credit lines.

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## **Outlook**

Carbone Lorraine's business is currently enjoying the effects of the dynamism of the expanding markets into which the Group has moved in recent years, i.e. alternative energies, transportation, fine chemicals and Asia. The recent upswing in conventional industries, which has been partly attributable to inventory rebuilding, requires further confirmation.

Carbone Lorraine is reiterating its objectives for 2010. The Group is set to record renewed organic growth and increase its operating margin before non-recurring items.

## **About Carbone Lorraine**

World leader of graphite solutions and electrical components, Carbone Lorraine specializes in the implementing of high technology materials in demanding industrial environments and in the development of systems, which are fundamental to the smooth operation of the motor and the protection of electrical equipment. With over 85% of its sales carried out internationally, the Group holds leadership positions in all of its occupations.

**Advanced Materials and Technologies:** N°1 worldwide in anti-corrosion equipment in graphite  
N°2 worldwide in high temperature applications of isostatic graphite

**Electrical Components and Technologies:** N°1 worldwide in brushes for electrical motors  
N°1 worldwide in fuses for powerful semi-conductors  
N°2 worldwide in industrial fuses

*The Group is listed at Premier Marché de la Bourse de Paris and is a part of the following indices  
CAC Mid100, SBF120 et Next 150.*

*Find Carbone Lorraine on Bloomberg: **CRL FP** and on Reuters: **CBLP.PA***



**Visit our Internet website [www.carbonelorraine.com](http://www.carbonelorraine.com)**

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