

Paris, October 25, 2011

Organic growth of 11% for 2011 third quarter Mersen confirms its 2011 objectives

During the third quarter of 2011, Mersen posted consolidated sales of €207.8 million, up 11.1% on a like-for-like basis. On a reported basis, growth ran at 13.8% thanks to the positive impact of acquisitions (€10.7 million, attributable in particular to M.Schneider and Yantai Zhifu Graphite), which was diminished partially by negative currency effects.

<i>(in millions of euros)</i>	Q3 2011	Q3 2010	Total growth	Organic growth
Advanced Materials and Technologies	96.3	76.7	25.7%	21.9%
Electrical Components and Technologies	111.4	105.9	5.2%	3.3%
Group total	207.8	182.6	13.8%	11.1%
Europe	77.7	62.2	24.9%	12.7%
Asia-Pacific	56.2	45.5	23.6%	17.3%
North America	66.1	64.8	1.9%	9.8%
Rest of the world	7.8	10.0	-22.6%	-21.6%
Group total	207.8	182.6	13.8%	11.1%

Advanced Materials and Technologies

Sales in the Advanced Materials and Technologies segment continued to grow at a very brisk pace across all its markets during the third quarter.

Quarterly sales in the **solar segment** were again buoyant at €32 million, representing an increase on the previous period and bringing the total since the beginning of the year close to €90 million. Growth was driven by an increase in deliveries in China and the start-up of new graphite production capacities. These factors more than compensate the fact that no more original equipment deliveries were made to a US vendor after June.

The firm business trends seen during the first half in the **process industries** continued across all geographical regions, while sales to the **electronics industry** were again strong, particularly in Asia and North America.

In the **chemicals/pharmaceuticals market**, the rebound recorded during the second quarter gained pace, particularly in North America.

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Electrical Components and Technologies

Growth in sales of the Electrical Components and Technologies segment during the quarter reflects a strong base effect in 2010 as well as a more moderate evolution of activity in **process industries**.

Sales were once again strong in **rail transportation** and **electronics**.

In the **energy market**, the development of the replacement market continues to boost wind energy sales, particularly in North America.

Over the first nine months of the year, sales totalled €627.1 million, representing growth of 14.1% on a like-for-like basis. On a reported basis, growth ran at 18.2%.

<i>(in millions of euros)</i>	9 months 2011	9 months 2010	Total growth	Organic growth
Advanced Materials and Technologies	285.7	227.3	25.7%	20.4%
Electrical Components and Technologies	341.4	303.4	12.6%	9.3%
Group total	627.1	530.7	18.2%	14.1%
Europe	235.7	189.9	24.1%	12.2%
Asia-Pacific	159.8	128.0	24.9%	17.9%
North America	200.2	178.2	12.3%	18.7%
Rest of the world	31.4	34.6	-9.1%	-10.5%
Group total	627.1	530.7	18.2%	14.1%

Outlook

Based on the Group's encouraging performance during the first nine months of the year, Mersen confirms its 2011 guidance as revised up at the end of August, i.e. a double-digit organic growth and an operating margin before non-recurring items of over 12% of sales.

Given the economic uncertainties, Mersen is preparing itself for various different macroeconomic scenarios in 2012. The Group is confident in its ability to adapt and to react to any changes in trend as a result of its drive over recent years to innovate, reposition itself on expanding market segments and build a stronger presence in emerging markets.

Highlights for the quarter

On August 25, 2011, Mersen's Supervisory Board noted differences of opinion with Ernest Totino, Chairman of the Management Board, concerning how the Group's management should be organized. Accordingly, the Supervisory Board decided unanimously to terminate his appointment as Chairman and member of the Management Board.

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At the same meeting, the Supervisory Board named Luc Themelin as Chairman of the Management Board. The Management Board now has four new members: Thomas Baumgartner, Group Vice President, Finance and Administration, Christophe Bommier, Group Vice President, High Temperatures, Didier Muller, Group Vice President, Electrical Applications, and Marc Vinet, Group Vice President, Electrical Protection.

Mersen's finances

The Group's net debt remained stable compared to its level on June 30, 2011. Mersen has a significant amount of unused confirmed credit lines, giving it great financial flexibility.

In addition, during September 2011, the Group took advantage of the extension option it held on its syndicated loan in China. The maturity date of the RMB500 million syndicated loan (i.e. around USD80 million) has now been extended to September 2014 instead of September 2013. This facility will provide medium-term funding for Mersen's operations in China.

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Diary dates

2011 sales: January 24, 2012 (after the market closes)

Full-year 2011 results: March 15, 2012 (before the market opens)

About Mersen

Global expert in materials and solutions for extreme environments as well as in the safety and reliability of electrical equipment, Mersen designs innovative solutions to address its clients' specific needs to enable them to optimize their manufacturing process in sectors such as energy, transportation, electronics, chemical, pharmaceutical and process industries.

The Group is listed on NYSE Euronext Paris – Compartment B

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