

**PRESS RELEASE**

PARIS, 2 APRIL, 2001

**Magnets division : Carbone Lorraine focuses on ferrite magnets**

Carbone Lorraine has just signed a letter of intent regarding the disposal of its specialties magnets activity.

This transaction follows on from the disposal, in October 2000, of the Group's magnets for computers activity, and completes the refocusing of its "Permanent Magnets" division on small electric motors.

The specialties magnets activity manufactures products for a wide variety of industrial outlets (magnetic fixings, electrical metering, etc.) and turns over annual sales of about 13 million euros. There is no synergy with the Group's other activities or divisions.

The transaction could be finalized within a few months, after consultation between labor and management, and after completing the usual supplementary procedures. The disposal price is likely to be about 5 ME and should generate a capital gain for the Group.

This disposal will enable the "Permanent Magnets" division to focus fully on the improvement actions which have been initiated at its five ferrite magnet plants, and on the development of its markets : rapid diversification of the customer base in North America, penetration of Asian markets and keeping pace with the very strong growth currently being experienced in magnet assemblies in Europe.

--end--

**Reminder:**

*Carbone Lorraine is an industrial group specialising in Electrical Components (brushes for electric motors, magnets and industrial fuses) and Advanced Materials and Technologies. The Group generates 88% of its sales outside France and holds leading positions on its major markets world-wide:*

- *Electrical Applications* / *World no. 1 in brushes for electric motors*
- *Permanent Magnets* / *World no. 3 in magnets for the automobiles*
- *Electrical Protection* / *World no. 2 in industrial fuses*
- *Advanced Materials & Technologies* / *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](http://www.carbonelorraine.com)

**Financial Communication contact**

**Carbone Lorraine**

**Anne Mills**

Tel.: +33 (0)1 46 91 54 48

Fax: +33 (0)1 46 91 54 07

**Press contact**

**Publicis Consultants**

**Catherine Rosec**

Tél. : +33 (0)1 44 43 79 57

Fax : +33 (0)1 44 43 76 78