

**CARBONE LORRAINE :
STRONG GROWTH IN FIRST HALF YEAR 2000
+ 35 %**

Carbone Lorraine sales rose by 35% to 444 million Euros* in the first half of the year 2000, compared to 330 million Euros for the first half of 1999.

This excellent performance is due, in part, to the very positive impact of recent acquisitions, mainly the successful merger with Shawmut, the industrial fuse business acquired in the United States in the summer of 1999, and to the consolidation into the accounts of the first half year of the Korean subsidiary, following the acquisition in 1999 of the Eumsung magnet factory.

In addition organic growth was high. On a like-for-like basis, and excluding a large, one-off contract, the Group achieved 5% growth. This was almost identical for each of the various activities of the Group, in the three Electrical Component divisions, as well as in the Advanced Materials and Technologies division.

The outlook for the second half year is good. Orders have risen sharply, benefiting from firmness in the Group's markets and from the amplifying impact of the recent acquisitions on Carbone Lorraine's organic growth.

(* non audited figure)

Carbone Lorraine is an industrial group which specializes in Electrical Components (brushes for electric motors, magnets, electrical protection) and in Advanced Materials and Technologies. The group occupies key leading positions in the world in its main markets.

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

Contact for Financial Communication

Anne Mills

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

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

Press Contact

Virginie Colonna

Tel: +33 (0) 1 44 43 69 38

Fax: +33 (0) 1 44 43 76 95

Web site: www.finance.carbonelorraine.com