



During the fourth quarter of 2009, Carbone Lorraine posted consolidated sales of €148 million, down 17% on the previous year on a reported basis and down 16% on a like-for-like basis.

The size of the sales decline was smaller than in the previous two quarters. The improvement was tangible across both business segments. Overall, fourth-quarter sales advanced by 8% on a like-for-like basis compared with the previous quarter.

Full-year 2009 sales came to €587 million, down 11% on a reported basis and 16% like-for-like.

Sales	Q4 2009 (€ m)	% change* Q4 2009/ Q4 2008	2009 (€ m)	% change* 2009/ 2008
Advanced Materials and Technologies	64	-22%	256	-14%
Electrical Components and Technologies	84	-11%	331	-17%
Group total	148	-16%	587	-16%

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

Advanced Materials and Technologies

The sales recorded by the Advanced Materials and Technologies segment came to €64 million during the fourth quarter, down 22% on a like-for-like basis.

Although business trends remained depressed in conventional industrial segments, the large inventory run-downs observed during 2009 now appear to be over at most of the Group's major customers. Sales to the electronics market grew across all the Group's geographical regions.

PRESS RELEASE

Paris, January 28, 2010

Demand in the solar segment continued to grow in Europe and Asia, while further inventory adjustments were seen in the United States.

In anticorrosion equipment, sales were held back by unfavorable base effects attributable to the high level of billings recorded during 2008 in Asia. Brisk sales were seen in the solar energy and seawater desalination markets.

The Advanced Materials and Technologies segment's sales totaled €256 million during 2009. They dropped by 14% on a like-for-like basis.

Electrical Components and Technologies

Fourth-quarter sales fell back 11% on a like-for-like basis to reach €84 million.

Sales of equipment for industrial motors again bore the brunt of the economic environment. Wind energy markets enjoyed further momentum in Asia, while inventory reductions slowed down in Europe. In other markets, renewed growth will be contingent on an upturn in capital expenditures, which were again limited towards the end of the year.

The decline in electrical protection sales was more moderate in the fourth quarter, with strong growth in Asia and greater resilience in Europe. Sales of speed controllers and general-purpose fuses have firmed up, as have sales in the photovoltaic market. No recovery was perceptible in North America, but the Group is well-placed there to capitalize on the upswing when it comes.

During 2009 as a whole, Electrical Components and Technologies sales totaled €331 million, down 17% like-for-like.

Trends

Over the second half of the year, the Group continued to build up its positions in expanding markets, such as **renewable energies, energy efficiency** and **Asia**. This invaluable positioning helped to mitigate the impact of the economic crisis.

Thanks to its drive to cut costs and refocus its business over the past few years, Carbone Lorraine expects to report 2009 EBITDA showing encouraging resilience and an operating margin before non-recurring items in line with its guidance, in spite of the highly depressed conditions.

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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***



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