



During the second quarter of 2009, Carbone Lorraine posted consolidated sales of €145 million, down 12% on a reported basis. On a like-for-like basis, the sales contraction came to 20%. This decline was attributable to the deterioration in industrial markets in Europe and North America and the high comparatives recorded as a result of very brisk activity in the second quarter of 2008.

During the first six months of the year, interim sales came to €303 million, down 6% on a reported basis and 13% like-for-like.

In these particularly difficult markets, Carbone Lorraine should post a half-year operating margin (before non-recurring items) above 9% thanks notably to the set of adaptation measures taken early in the year. This performance shows also how resilient the Group is becoming with its new profile.

Sales	Q2 2009 (€ m)	% change* Q2 2009/ Q2 2008	H1 2009 (€ m)	% change* H1 2009/ H1 2008
Advanced Materials and Technologies	65	-13%	134	-7%
Electrical Systems and Components	80	-24%	169	-17%
Group total	145	-20%	303	-13%

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

Advanced Materials and Technologies

The Advanced Materials and Technologies division posted sales of €65 million during the second quarter. They dropped by 13% on a like-for-like basis.

Sales to the **solar industry** continued to post brisk growth during the quarter. The same trend was seen in sales of equipment used to manufacture **LEDs (light-emitting diodes)**. However, the

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demand contraction in the Group's traditional industrial markets across Europe and North America gained further momentum during the quarter, leading to a significant decline in sales volumes of graphite equipment. This situation and the lack of any signs of recovery prompted the Group to revise down its graphite production targets for 2009 as a whole.

Meanwhile, anticorrosion equipment sales to the **fine chemicals and pharmaceutical** industries recorded growth during the first half owing to the resilience of Asian markets and markets for the production of solar polysilicon.

Sales recorded by the Advanced Materials and Technologies division came to €134 million during the first six months of the year. They dropped by 7% on a like-for-like basis.

Electrical Systems and Components

In Electrical Systems and Components, second-quarter sales slipped 24% on a like-for-like basis to reach €80 million.

Sales of equipment for **industrial motors** fell back across most geographical regions. Wind energy markets remained firm, notably in North America and Asia.

The contraction in **electrical protection** sales gained strength during the second quarter and is now affecting all the Group's regions. The inventory run-downs by the principal distributors had a particularly strong impact on first-half sales. They are now over.

The sales recorded by the Electrical Systems and Components division came to €169 million during the first six months of the year. They fell by 17% on a like-for-like basis.

Outlook

Economic conditions remain challenging, and we have not seen any signs of recovery for the time being. The upbeat markets into which the Group has moved recently have continued to display strong and valuable resilience.

Carbone Lorraine is boldly pursuing its cost-cutting measures. Over 2009 as a whole, these are likely to enable it to curb the impact of the business contraction on its operating margin.

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:

Electrical Applications:

N°1 worldwide in brushes for electrical motors

Electrical Protection:

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

Analyst and Investor Contact

Sébastien Desarbres
VP Investor Relations
Carbone Lorraine

Tel.: +33 (0)1 46 91 54 49
dri@carbonelorraine.com

Press Contact

Publicis Consultants
Vilizara Lazarova

Tel.: +33 (0)1 57 32 86 46
vilizara.lazarova@consultants.publicis.fr

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