





CARBONE LORRAINE POSTS SALES GROWTH OF 10% DURING THE FOURTH QUARTER **2004** SALES UP 4.3%



Business was very strong during the fourth quarter of 2004. Sales advanced by 10% on a like-for-like basis to reach €160 million. Growth was driven by all the Group's businesses, with, as forecast, a particularly strong performance in anti-corrosion equipment.

Over the full year, sales totaled €636 million, up 4.3% like-for-like and up 1% on a reported basis.

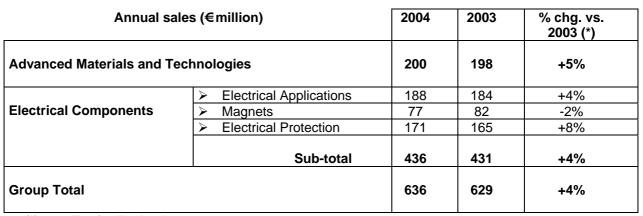
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^(*) on a like-for-like basis

Advanced Materials and Technologies

The Advanced Materials and Technologies activity posted strong growth in the fourth quarter in all its markets. Its sales rose by 20% to €55 million.



This particularly strong increase was attributable to large deliveries of anti-corrosion equipment, which took place as expected during the fourth quarter. Even excluding anti-corrosion equipment, growth was a brisk 9% on the back of sales to electronics and refractory markets and upbeat performance in the rail and motorcycle braking segments.



Over 2004 as a whole, sales moved up by 5% to €200 million.



Electrical Components



Electrical Component sales rose by 6% to reach €105 million during the fourth quarter.



The increase was particularly strong in Electrical Protection, with sales (€42 million) moving up by 12% compared with the fourth quarter of last year. The semiconductor protection fuses posted strong growth across all their markets. In the general-purpose fuses segment growth was mainly concentrated in North America and Asia.



Business was also brisk in Electrical Applications, which posted sales growth of 3% to €44 million during the quarter owing notably to sales of brushes for industrial motors in North America and Asia.



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The Magnet sales (€19 million) were stable compared with the year-earlier period. Brisk trends in Brazil and expansion in flux packages in Europe were offset by the decrease in sales caused by refocusing the product and customer portfolio since the beginning of the year.

Over the full year, Electrical Component sales totaled €436 million, up 4% on a like-for-like basis.

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Outlook

The rebound in the Group's sales, which showed up during the year, carried through into the fourth quarter of 2004. Further growth should take over in 2006 on the back of the major development projects announced recently.

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The fourth quarter of 2004 also saw the successful completion of our capital increase and the refinancing of our syndicated loan facility, which have given us the funds we need to finance our expansion plans.

Consequently, the fourth quarter was a very positive one for Carbone Lorraine. Everything is now in place to ensure that we can gradually turn our promising outlook into higher sales and earnings.

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Financial reporting calendar

2004 earnings : March 16, 2005 First-quarter 2005 sales: April 19, 2005

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Carbone Lorraine is a global specialist in advanced materials for extreme environments and in critical electrical components across the industry; the Group holds world class positions in its core business:

Advanced materials and systems:

- World # 1 in anti-corrosion equipment

- World # 2 in high-temperature applications of graphite

Electrical components:

- World # 1 in brushes for electric motors

- World # 2 in industrial fuses

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The Group is listed on the Premier Marché of the Paris Stock Exchange and is a constituent of the SBF 120 and Next 150 indices.

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To find out more about the Group, please visit our website at www.carbonelorraine.com

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