

CARBONE LORRAINE

Dedicated Innovation, Dedicated Partner



Disposal of the Magnets division

Paris, March 1st, 2006

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In line with the announcement made on December 12th, 2005, Carbone Lorraine finalized the disposal of the Magnets division to the Farinia industrial group on February 27th, 2006, with retroactive effect from January 1st, 2006. This disposal focuses Carbone Lorraine on its core businesses.

The assets sold encompass the whole of the Magnets division, notably including the Brazilian, South Korean, Mexican and French manufacturing facilities, except for the Evreux plant, magnets production at which was halted at the end of 2005 as scheduled. The entire workforce of these plants (770 employees) has been taken on by the Farinia group.

This disposal allows Carbone Lorraine to concentrate on its strategy of profitable growth and value creation for its shareholders.

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Farinia is a group specializing in materials processing. Its principal business activities are iron works, casting, tooling and now magnets. Its management has lengthy experience of the automobile industry.

Carbone Lorraine is a worldwide specialist in Advanced Materials and Technologies and Electrical Components. The Group holds leadership positions in its core businesses:

Advanced Materials and
Technologies:

Electrical Components:

-world number one in graphite anti-corrosion
equipment

-world number two in high-temperature
applications of isostatic graphite

-world number one in brushes for electric motors

-world number two in industrial fuses

The Group is listed on the Premier Marché of the Paris Stock Exchange and is a constituent of the CAC Mid100, SBF120 and the Next 150 indices.

Visit our web site at www.carbonelorraine.com

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