

CARBONE LORRAINE ARRANGES FINANCING FOR GROWTH
Refinancing of a US\$200 million credit line

Carbone Lorraine has now finalized the syndication of a credit line with a pool of ten international banks. Capitalizing on attractive market conditions, Carbone Lorraine refinances the credit line repayable in December 2005 one year ahead of schedule.

The credit facility arranged by Calyon, Société Générale and West LB, which was originally intended to be for US\$200 million, attracted significant interest and was in the end increased to US\$220 million. It is due for repayment at the end of December 2009.

For Carbone Lorraine, this transaction is part of the financing of its development, which has already seen the successful implementation of its private placement with US investors during May 2003 and its capital increase in October this year.

These successes will enable Carbone Lorraine to carry out its profitable growth projects. They also demonstrate the trust placed in the Group by its financial partners.

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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

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.

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

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