

PRESS RELEASE

PARIS, 20 DECEMBER, 2001

**CARBONE LORRAINE :
FURTHER INFORMATION ON EXPOSURE TO CUSTOMER RISK**

Valeo Electrical Systems Inc. (VESI), a subsidiary of Valeo in the United States, filed for protection under Chapter 11 of the American Law. The objective is to restructure the company in order to keep on running it in the best conditions.

This company is a customer of Carbone Lorraine mainly in magnets for automobile and, to a lesser extent, in brushes for electric motors. Carbone Lorraine has exposure of up to 4 million dollars, a sum including all goods delivered to VESI and not yet paid.

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Reminder:

Carbone Lorraine is an industrial group specialising in Electrical Components (brushes for electric motors, magnets and industrial fuses) and Advanced Materials and Technologies. The Group generates 88% of its sales outside France and holds leading positions on its major markets world-wide:

- *Electrical Applications* / *World no. 1 in brushes for electric motors*
- *Permanent Magnets* / *World no. 3 in magnets for the automobiles*
- *Electrical Protection* / *World no. 2 in industrial fuses*
- *Advanced Materials & Technologies* / *World no. 1 in thermal anti-corrosion equipment*

The Group is listed on the Premier Marché of the Paris Stock Exchange. It is part of the SBF 120 and Euronext 150 indices.

For further information, visit our website : www.carbonelorraine.com

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