



Mersen announces its withdrawal from certain non-strategic businesses

Paris, February 14, 2013 – Mersen (Euronext FR0000039620 – MRN), a global expert in materials and solutions for extreme environments as well as in the safety and reliability of electrical equipment, has decided to divest or discontinue certain non-strategic businesses. This decision has been made following the business portfolio review mentioned in the January 30, 2013 press release.

The businesses concern metal boilermaking equipment for nuclear power stations, metal plate heat exchangers and mixers, which form part of the Advanced Materials and Technologies segment. In 2012, they generated total revenues of some €20 million.

Affected by unfavorable market trends, the recession and the consequences for the nuclear industry of the Fukushima catastrophe, they were posting negative operating margin and offered no prospect of recovering while they remained within the Group. Their disposal will allow the anticorrosion equipment unit which belongs to the Advanced Materials and Technologies segment to focus on its core business, leveraging its financial and operating resources to consolidate its global leadership positions.

The project will affect the Grésy-sur-Aix plant (Savoie, France), which manufactures boilermaking equipment for nuclear power stations, and the Brignais plant (Rhône, France), which makes plate heat exchangers and mixers. Together, these two plants employ 86 people. Mersen will endeavor to find a buyer capable of more effectively developing the businesses by providing them with additional volumes. This project would enable them to leverage their expertise and assets in a new, competitive organization, which would secure their long-term viability and protect the jobs of their employees.

Expressions of interest from credible industrial buyers are currently being reviewed. Employees and their representatives will be given regular updates about the status of the project.

"Mersen wants to find a buyer that is specialized in these businesses or markets and capable of driving their long-term growth," said Luc Themelin, Chairman of the Management Board. "Management will do everything possible to bring this project to a successful conclusion, while effectively protecting the interests of all stakeholders and particularly the employees."

In addition to these proposed sales, Mersen has decided to discontinue the manufacture of equipment for the nuclear industry at the Xianda plant in China, whose activity is linked to that of the Grésy plant.

Financial impacts

In the 2012 financial statements, the businesses that are intended to be sold or discontinued will be shown on a separate line of the consolidated income statement and balance sheet, in accordance with IFRS 5. The income statement will therefore show revenue from continuing operations of €810.7 million in 2012 and €816.2 million in 2011.

<i>(in million of euros)</i>	2012 restated	2011 restated	Organic growth	Total growth
Advanced Materials and Technologies	346.3	366.2	-11.3%	-5.4%
Electrical Components and Technologies	464.4	450.0	-6.7%	+3.2%
Revenue from continuing operations	810.7	816.2	-8.8%	-0.7%
Europe	284.4	300.6	-10.4%	-5.4%
Asia-Pacific	205.8	212.9	-10.8%	-3.4%
North America	279.7	263.1	-5.8%	+6.3%
Rest of the world	40.8	39.6	-5.6%	+3.1%
Revenue from continuing operations	810.7	816.2	-8.8%	-0.7%

Unaudited figures

These figures compare to the €829.4 million for 2012 and €829.6 million for 2011 that were announced by the Group on January 30, 2013 which did not take into account the impact of the planned disposals.

After-tax losses of some €20 million will be recorded in the 2012 accounts for the planned transactions, including €17 million in non-cash impairment of assets. These amounts will be in addition to the net losses generated by these businesses in 2012, which are estimated at around €5 million of which two-thirds correspond to recurring operating losses. All of these accounting items are currently being subjected to the normal auditing procedures.

The total estimated loss of €25 million from these discontinued operations will be reported on a separate line of the consolidated income statement, in accordance with IFRS 5.

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About Mersen

Global expert in materials and solutions for extreme environments as well as in the safety and reliability of electrical equipment, Mersen designs innovative solutions to address its clients' specific needs to enable them to optimize their manufacturing process in sectors such as energy, transportation, electronics, chemical, pharmaceutical and process industries.

The Group is listed on NYSE Euronext Paris – Compartment B

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