



*CL flash*

Paris La Défense, August 21 2008

## **Carbone Lorraine becomes a leader in thermal protection for power electronics**

Carbone Lorraine is stepping up the pace of its development in thermal protection for power electronics with the acquisition of Canadian company R-Theta Thermal Solutions Inc.

### **A leadership position**

Toronto-based company R-Theta Thermal Solutions is a front-line specialist in air cooling for power electronics in North America. With its wide range of innovative products, the company has experienced strong growth over several years, posting net sales of USD 13 million for 2007.

At the same time, Carbone Lorraine's Ferraz Shawmut Thermal Management business, specializing in water cooling for power electronics, has experienced extremely fast growth over the last few years, with 2007 sales reaching €12 million.

Growth in these two businesses in Europe and North America is chiefly driven by the constantly increasing performance of electronic components, which calls for ever more efficient cooling, by the increasing incursion of electronic systems in industrial segments relevant to energy efficiency, renewable energies and transport, and by the emergence of innovative, competitive solutions offered to OEM clients in the electronics and transport sectors, for efficient heat extraction using compact lightweight devices.

Through the acquisition of R-Theta Thermal Solutions, Carbone Lorraine's Electrical Protection Division becomes a leader in cooling systems for power electronics. Prospects for rapid growth look very bright given the opportunities for synergy between the two companies' product ranges and distribution networks. And by reaching critical size, the new unit will be able to step up development in Asia.

The acquisition of R-Theta brings the Carbone Lorraine group two main advantages:

- Highly complementary product ranges, combining high-performance air-cooling technologies with even more sophisticated water-cooling technologies
- Stronger worldwide sales coverage, primarily addressing OEM clients in electrical and electronic equipment

R-Theta Thermal Solutions is located close to the Carbone Lorraine Electrical Protection Division site in Toronto, a fact that is also conducive to fast development of the expected synergies. This carefully targeted acquisition holds substantial potential for value creation and fits in perfectly with Carbone Lorraine's profitable growth strategy, focused on energy efficiency, innovation and growth in Asia.