MERSEN
Combined General Meeting of May 16, 2013

PRESENTATION OF MOTIVES

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The draft resolutions submitted for your approval by the Management Board call for the following comments:

2012 dividend (resolutions 3 and 4)
After securing the approval of the Supervisory Board, the Management Board is proposing payment to shareholders of a dividend of €0.45 per share for the 2012 year, which corresponds to a total amount of €9.2 million euros to be deducted from income available for distribution up to 14.1 million euros and from the share premium up to 0.8 million euros.

The Management Board wishes to give each shareholder, as in the previous fiscal year, the option of receiving payment of the full dividend for the existing shares held in new shares of the Company. The issue price for the new shares will be set at 90% of the average opening price of the shares on NYSE Euronext during the twenty stock market sessions preceding the date of the General Meeting less the amount of the dividend. This issue price will be rounded up to the next higher euro cent. The option of receiving the dividend in shares will be available from June 5th, 2013 to June 21, 2011. If this option is not exercised within this period, the shareholder will receive the full amount of the dividends payable in cash.

Renewal of the mandate of three members of the Supervisory Board (resolutions 6 to 8)
The Supervisory Board proposes to renew for a 4 years period the term of office as a member of Supervisory Board for Yann Chareton, Hervé Couffin and Dominique Maillard.

Renewal of the term in office as a member of the Supervisory Board for Yann Chareton
Yann Chareton has been a member of the Mersen Supervisory Board since 19th May, 2009. He was previously a member of the Board of Director. Yann Chareton is currently a member of the Appointments and Remuneration Committee. Per decision of the Supervisory Board, Yann Chareton is considered as a non-independent member. He is representing AXA Private Equity.

After graduating from the IEP in Paris in 2000 and from the ESSEC business school in 2002, Yann Chareton also studied at the London School of Economics and the Università Commerciale Luigi Bocconi in Milan. In October 2005, he joined AXA Private Equity's Mid Cap LBO team where he is Director at the Milan office. He is representing AXA Private Equity.

Renewal of the term in office as member of the Supervisory Board for Hervé Couffin
Hervé Couffin has been a member of the Mersen Supervisory Board since 19th May, 2009. He was previously a member of the Board of Director. Hervé Couffin is currently Chairman of the Supervisory Board and also a member of the Audit and Accounts Committee, the Appointments and Remuneration Committee and of the Strategy Committee. Per decision of the Supervisory Board, Hervé Couffin is considered as an independent member.

A graduate of the Ecole Polytechnique and a qualified Corps des Mines engineer, Hervé Couffin started his career working for the French industry ministry. He joined the Paribas group in 1983 as director responsible for principal investments. He became a member of Paribas Principal Investments' executive committee in 1993, before being named senior partner and member of PAI Partners' executive committee until 2004. In 2005, he founded Callisto, a company providing financial advice to senior management teams in relation to LBO transactions, and is its chairman and chief executive officer.

Renewal of the term in office as member of the Supervisory Board for Dominique Gaillard
Dominique Gaillard has been a member of the Mersen Supervisory Board since 19th May, 2009. He was previously a member of the Board of Director. Dominique Gaillard is presently a member of the Appointments and Remuneration Committee and of the Strategy Committee. Per decision of the Supervisory Board, Dominique Gaillard is considered as a non-independent member. He is representing AXA Private Equity.

A graduate of the Ecole Polytechnique, Ecole Nationale des Ponts et Chaussées, the IAE in Paris and the University of Berkeley, California (MSc), Dominique Gaillard began his career working for a Pechiney subsidiary as a R&D director, then sales and marketing director (1988-1990). From 1990 to 1997, he worked in private equity at Charterhouse, during which time he arranged numerous development capital and LBO transactions. He joined AXA Private Equity in 1997 as head of LBOs. He is now managing director in charge of Direct Funds (development capital, Small & Mid Cap LBOs, Co-Investment, Infrastructure). He is representing AXA Private Equity.

Appointments of two new members of the Supervisory Board (Resolutions 9 and 10)
The terms of Agnès Lemarchand of Walter Pizzaferri as Supervisory Board members expire at the date of the present General Meeting. As Agnès Lemarchand and Walter Pizzaferri have expressed their wish to not renew their terms, we propose you to appoint Carolle Foissaud and Ulrike Steinhorst as a member of the Supervisory Board for a term of office of four years.

Carolle Foissaud and Ulrike Steinhorst have been designated by the Supervisory Board, on the recommendation of its Appointments and Remuneration Committee, after a research performed with the support of a specialized firm.

<u>Appointment of Carolle Foissaud as a member of the Supervisory Board:</u>
Carolle Foissaud has spent the bulk of her career with the Areva group, primarily in operational duties at the Connectors, Fuel, Reactors and Clean-up divisions. She is a member of the Areva group's Executive Management Board (EMB) and Senior Executive Vice President, Safety, Security and Operations Support. Carolle Foissaud is a graduate of the French École Polytechnique and École Nationale Supérieure des Télécommunications.

Appointment of Ulrike Steinhorst as a member of the Supervisory Board:
Ulrike Steinhorst began her career with the Ministry of European Affairs, before moving to EDF's International division. In 1999, she joined Degussa AG in Germany, before taking over at the helm of the Degussa France subsidiary. In 2007, she moved to the EADS group, where she is currently Head of Strategy, Planning, Finance at the Research Directorate, after acting as Chief of Staff for the CEO. Ulrike Steinhorst, a German lawyer, is a graduate of Paris II - Panthéon University and of the French Ecole Nationale d'Administration.

Purchase of Mersen shares (Resolution 11)

During the Combined General Meeting of May 23, 2012, the Company was authorized to trade in its own shares in accordance with Article L. 225-209 et seq. of the French Commercial Code. The Company has not used this authorization since May 21, 2008 except with respect to the implementation of the liquidity agreement entrusted to Exane BNP Paribas (investment services provider). This agreement, entrusted to Exane BNP Paribas since February 25, 2005 for an automatically renewable period of one year, is compliant with the AFEI's charter approved by the AMF and its purpose is to improve the liquidity of the transactions and the lawfulness of the Mersen stock quotes without impeding the regular performance of the market. The funds and shares made available pursuant to this agreement and credited to the liquidity account on February 25, 2005 were as follows: €2,200,000 and no shares. At December 31, 2012, 49 571 of its own shares were held by the Company pursuant to this agreement. The Company did not hold any other of its own shares at this date.

The Management Board requests that authorization be renewed for the Company to trade in its own shares under the conditions provided for in Article L.225-209 *et seq.* of the French Commercial Code and European regulation 2273/2003 of December 22, 2003 in application of European Directive 2003/6/EC of January 28, 2003 and to delegate powers to the Company's Senior Management to purchase shares representing up to 10% of the number of shares comprising the Company's current share capital, i.e. a maximum of 2,040,055 shares.

The Management Board intends to use this authorization, in order of priority, to:

- enhance trading in and the liquidity of the Company's shares by engaging the services of an investment service provider under a liquidity agreement in accordance with the AFEI's charter,
- grant or transfer shares to employees in connection with the employee profit-sharing plan or the allotment of shares under the conditions provided for in Articles L.225-197-1 to L.225-197-3,
- allot shares pursuant to the conversion or exchange of securities (including debt instruments) conferring rights to the Company's share capital,
- purchase them for holding purposes and subsequently remit them as part of an exchange offer or in consideration for any acquisitions.
- cancel shares through a reduction in the share capital in accordance with the French Commercial Code,

It is proposed a maximum purchase price of €50 per share. This price is subject to adjustments to be made based on potential capital operations. In view of the maximum purchase price set hereby, the aggregate amount of share purchases may not exceed €102,002,750.

This authorization will remain valid until the General Meeting called to vote on the financial statements for fiscal 2010. In no circumstances whatsoever will this authorization remain valid for more than 18 months. This authorization will replace and supersede the previous authorization granted by the Combined General Meeting of May 23, 2012. Full details of the stock repurchase program are provided in the General information about the share capital - Stock repurchase program section of the annual report.

Issuance of stock subscription warrants to be granted at no cost to shareholders in the event of a public offer for the Company's shares (Resolution 13)

The Combined General Meeting dated May 23, 2012 authorized the Management Board to issue, in the interest of the Company and of its shareholders, stock subscription warrants in the event of a public offer.

The Management Board is proposing to reiterate this authorization and to authorize it, under the same terms and conditions as during the Combined General Meeting dated May 23, 2012, to allot stock subscription warrants to shareholders at no cost in the event of a public offer for the Company's shares where this offer is launched by an entity not subject to the same constraints on its behavior with respect to a public offer as those applicable to MERSEN (i.e. where there is a lack of reciprocity). In practical terms, this covers unlisted companies and also foreign listed companies for which the applicable law permits their board to intervene during an offer period (in particular in the United States, Germany, India and in certain instances Japan). For all other offers, the Annual General Meeting will be the only body allowed to make the decision to issue stock subscription warrants.

In this respect, the Management Board believes that the option of issuing stock subscription warrants in the event of a public offer for the Company is perfectly in line with the interests of the Company and its shareholders since it aims to secure the best possible valuation for shareholders' assets. Stock subscription warrants represent a genuine bargaining tool. They enable companies receiving a hostile bid to encourage the bidder to negotiate, if the price being offered is deemed insufficient.

With the support of the Supervisory Board, the Management Board's goal is thus to equip itself with the means to act in the best interests of the Company and its shareholders and not to prevent any takeover bid whatsoever. Shareholders will note that the Company has not put in place (and nor does it plan to put in place) any such measure (double voting rights, different classes of share, etc.). Today, the Company does not possess any means of maximizing its value.

This mechanism complies strictly with French law and the General Regulation of the Autorité de Marchés Financiers (AMF). The proposal is also in line with the framework of the *loi Breton* of March 31, 2006, which transposed the European directive of April 21, 2004 on public tender offers into French law.

The Management Board will be able to go ahead with the issuance of stock subscription warrants only after receiving the go-ahead from a slimmed-down committee comprising just three independent members of the Supervisory Board and the approval of the Supervisory Board. The committee's opinion will in turn be issued based on the opinion of a financial advisor designated by the Supervisory Board, who will weigh up the merits and the financial terms and conditions of the offer. With these terms, conditions and limitations, the Management Board will have the requisite power to set the price (and the method of determining this price) and conditions for the exercise of these stock subscription warrants as a function of the terms of the offer presented.

The total nominal amount of the increase in capital resulting from exercise of these stock subscription warrants may not exceed 25% of the share capital.

This authorization may be used by the Management Board in the event of an offer being tendered within 18 months of this resolution being passed. Its renewal will require a fresh vote by the shareholders.

Should it be approved, this authorization will cancel the previous authorization granted at the Combined General Meeting of May 23, 2013.

The Management Board *The Supervisory Board*