

Annual Results Fiscal Year 2011/12

4 May 2012

We are shaping the future

ALSTOM

Agenda

1. Key highlights of 2011/12
2. Financial results of 2011/12
3. Outlook

Snapshot

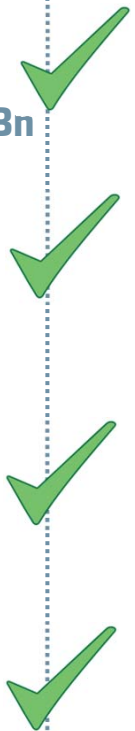
Annual results 2011/12: guidance fully met

WHAT DID WE SAY?

- **Orders** to remain sustained in 2011/12, with a strong Q4
- Progressive recovery of **sales** with a marked improvement in Q4
- **Operating margin** to be between 7% and 8%, with an increase in H2 vs H1
- Positive **FCF** in H2

WHAT DID WE DO?

- **FY 2010/11: €19.1 Bn => FY 2011/12: €21.7 Bn**
- **9 months 2011/12: €15.1 Bn => Q4 2011/12: €6.6 Bn**
- **Q1 2011/12: €4.5 Bn => Q4 2011/12: €5.7 Bn**
- **H1 2011/12: 6.7%**
- **H2 2011/12: 7.4%** } => **FY 2011/12: 7.1%**
- **H1 2011/12: €(914)m**
- **H2 2011/12: +€341m** } => **FY 2011/12: €(573)m**



Key figures

In € million

An overall resilient performance

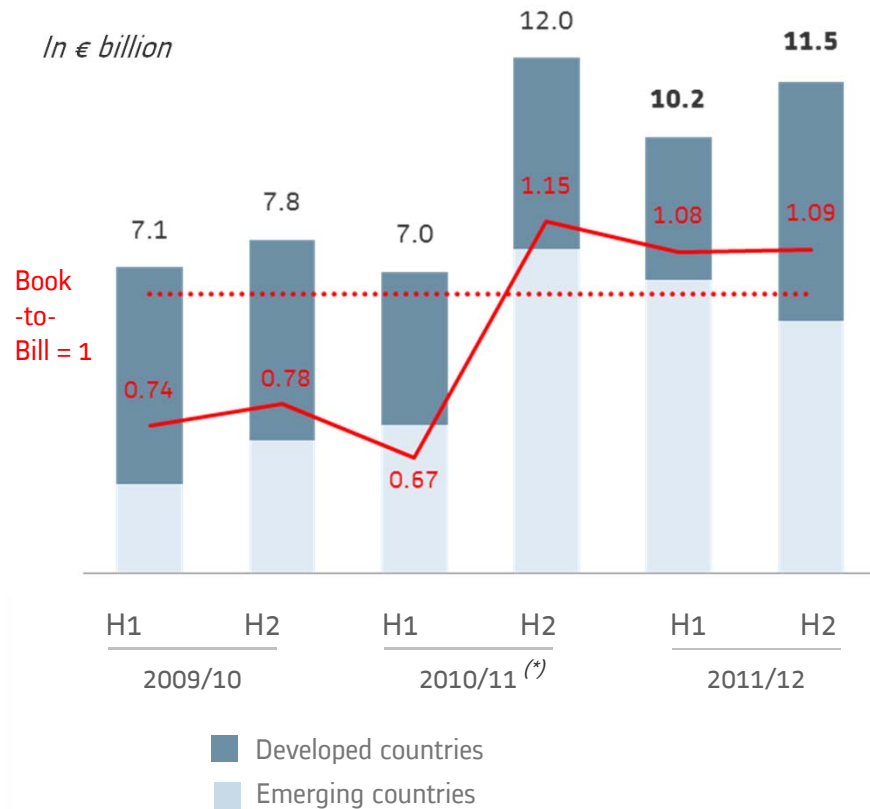
	March 2011*	March 2012	Variation
Orders	19,054	21,706	+14%
<i>Book-to-bill ratio</i>	<i>0.91</i>	<i>1.09</i>	
Backlog	46,816	49,269	+5%
Sales	20,923	19,934	-5%
Income from operations	1,570	1,406	-10%
<i>Operating margin</i>	<i>7.5%</i>	<i>7.1%</i>	
Net income	462	732	+58%
Free cash flow	(516)	(573)	

P 4 * With Grid consolidated for 10 months (from June 2010 to March 2011)

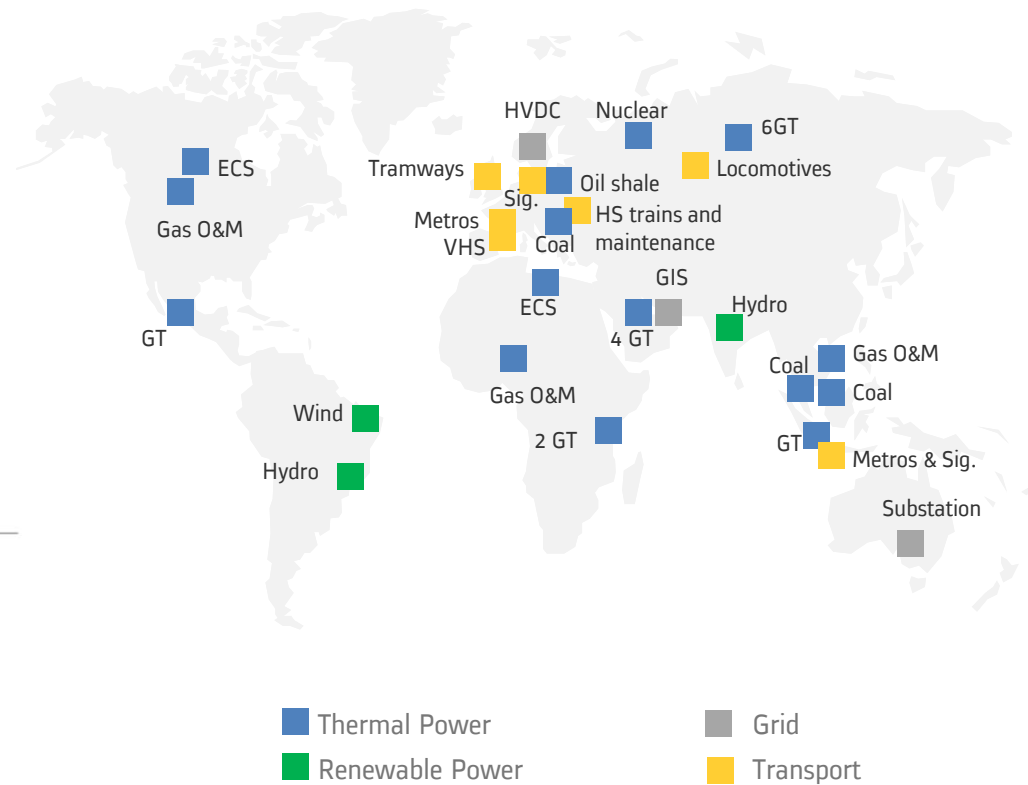
Orders

A solid commercial activity over the last 18 months

Orders received per half year



Key orders received in 2011/12



Adapt to demand

Restructuring plans on track

TARGET

SITUATION

31/03/2012



3,500 permanent by March 2012
(-20% of employees in Western Europe and NAM)



Plan largely completed



1,380 positions by March 2013
(-8% of employees in Western Europe)



Over 50%

Capital expenditures

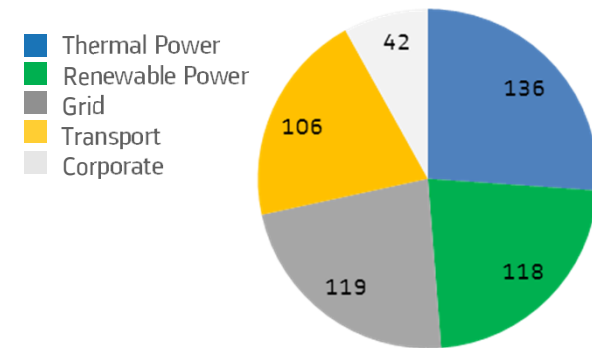
Selected investment targeting more and more emerging markets



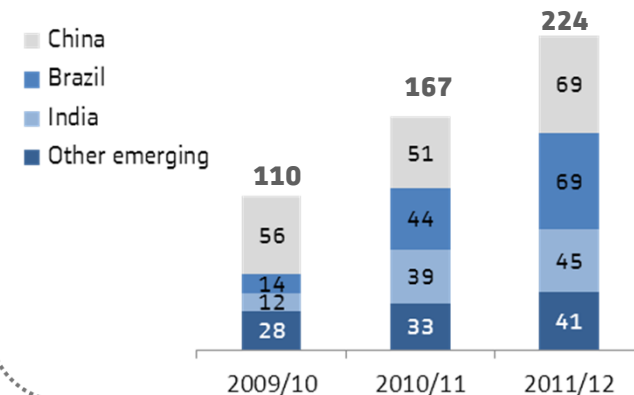
In € million

Capex by Sector 2011/12

Total: 521



Evolution of capex in emerging countries



Research & Development

Key products launched in 2011/12

THERMAL POWER

Gas turbines upgrades
(GT26, GT24 and GT13)



RENEWABLE POWER

Haliade 150
(6MW)
First success in offshore wind tender



GRID

Voltage source converter
(new HVDC technology) developed and sold



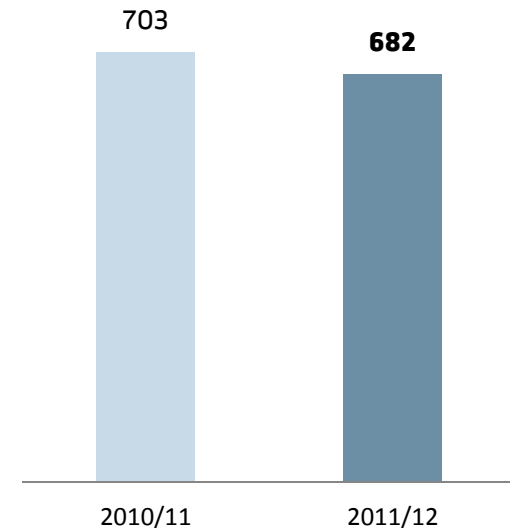
TRANSPORT

AGV.italo
presented in December
(now in commercial operation)



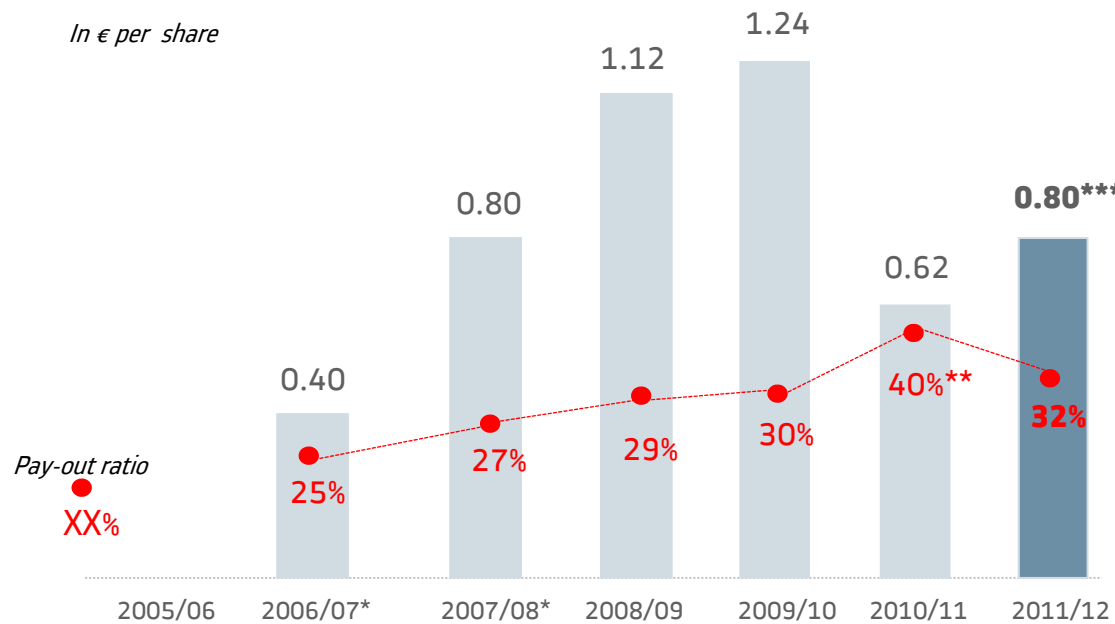
R&D expenses

In € million



Proposed dividend

Increased dividend supported by growth of net profit



- Annual General Meeting: 26 June 2012
- Ex-date: 28 June 2012
- Record date: 2 July 2012
- Payment date: 3 July 2012



* Adjusted from the split

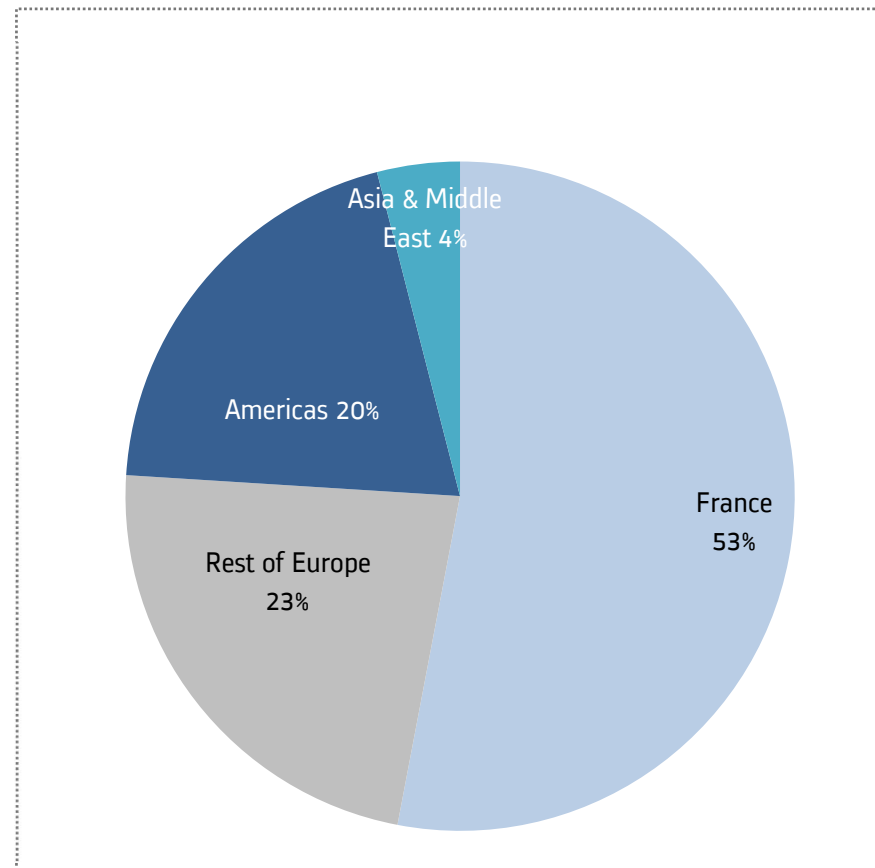
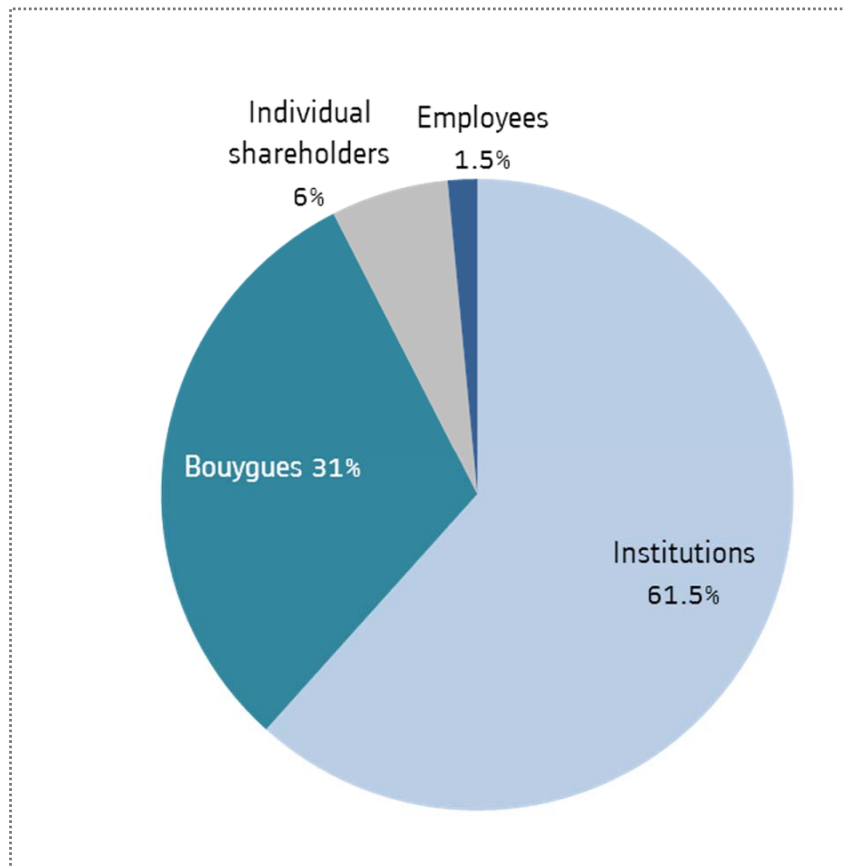
** Net result impacted by exceptionally high restructuring charges

*** To be proposed to the next AGM

Shareholding structure update

31 March 2012

A stable shareholding structure



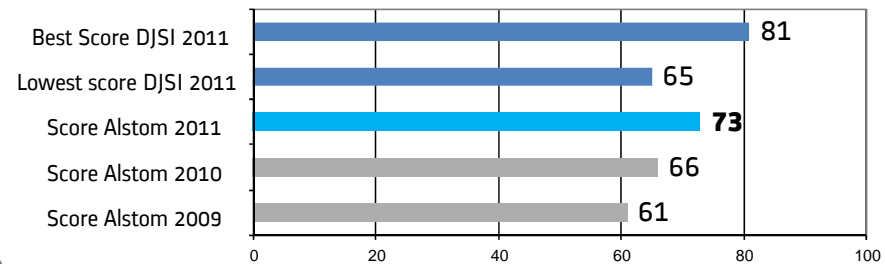
230,000 shareholders

Corporate Social Responsibility (1/2)

Major progress achieved in 2011/12

Alstom listed in **Dow Jones Sustainability Index**

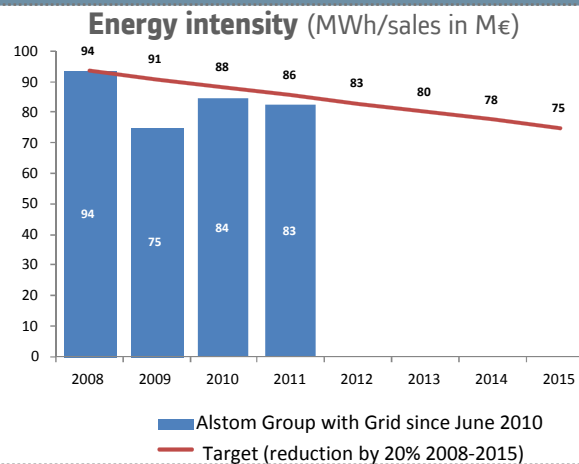
- Strong recognition of Alstom's sustainability performance
- Well positioned in the Industrial Engineering sector
- Classified as 'Bronze Class' by SAM rating agency



Corporate Social Responsibility (2/2)

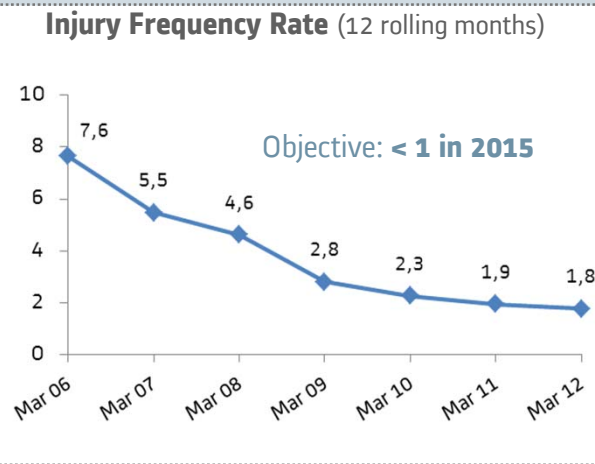
Employees mobilised for sustainable development

Environment



- Water and waste reduction objectives for 2015 well on track
- Charter for responsible sourcing accepted by over 8,000 suppliers
- Alstom Foundation: 17 projects in 2011 dedicated to the protection of environment

Social



- Agreement on « Anticipation of Changes and Evolution » signed with EMF* to better manage the restructuring
- 74% of employees trained in 2011 (vs 69% in 2010)
- Active relations with universities

Governance



- Certification of the Alstom Integrity Programme by ETHIC Intelligence in September 2011
- Continuous strengthening of Ethics & Compliance rules and instructions
- 250 ambassadors worldwide

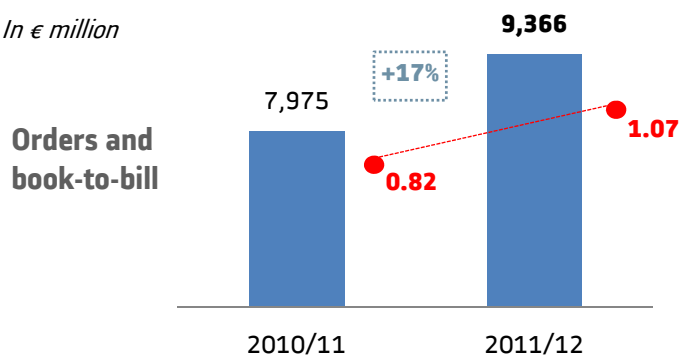
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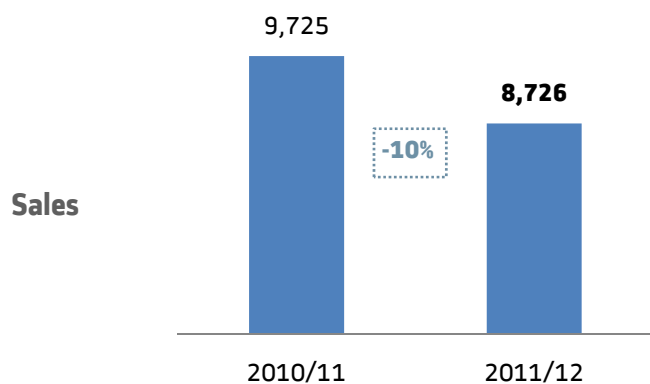
Thermal Power

Key figures

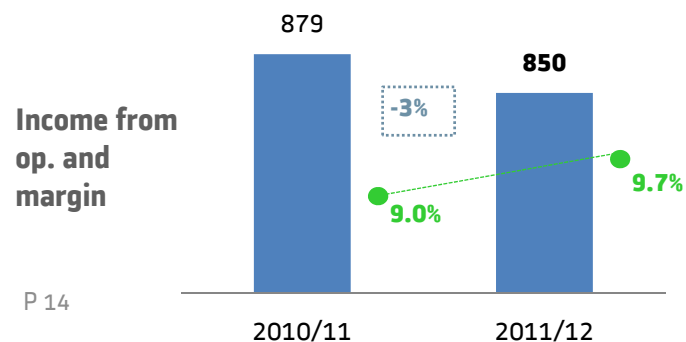
In € million



- Strong rebound of orders driven by emerging markets accounting for 66%
- Successes in all activities: 14 gas turbines, 3 steam plants, 1 nuclear project
- Sound level of ECS contracts
- €4.4Bn of Thermal Services orders



- Low point in sales for new equipment reflecting the trough of orders taken in 2009
- Rebound in H2 sales vs H1
- Resilient Thermal Services sales at €4.2Bn

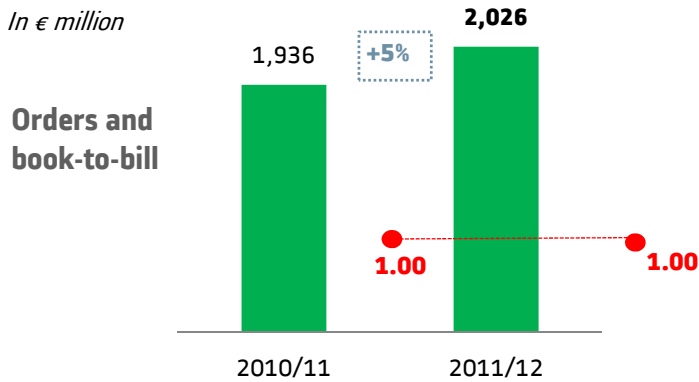


- Strong IFO despite lower volumes
- Positive evolution of operating margin due to favourable mix and actions on costs

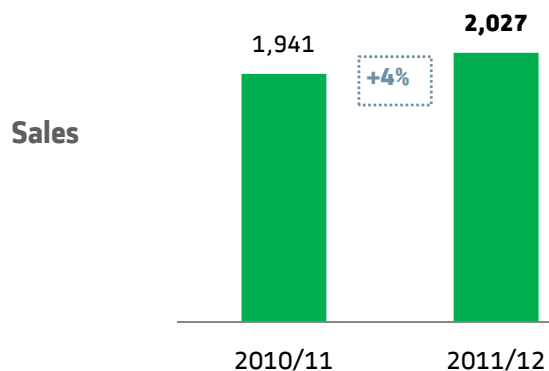
Renewable Power

Key figures

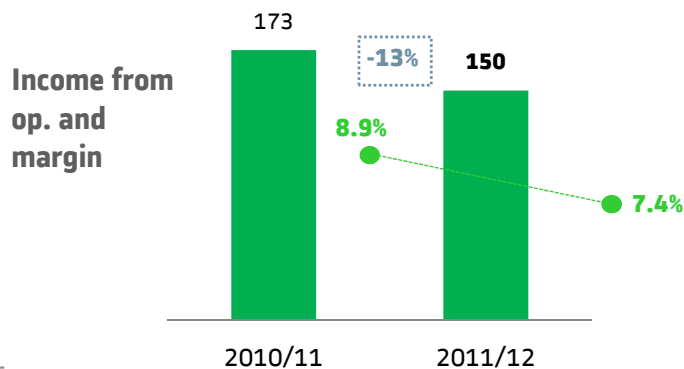
In € million



- Sustained level of orders in hydro and wind despite absence of big tickets this year, with a strong Q4
- Major contracts booked in Latin America, Asia/Pacific and MEA (65% of the orders)



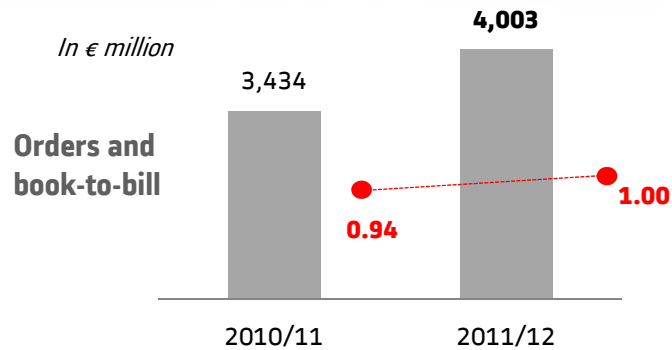
- Sound sales level with a growing share of wind in the mix
- Very strong Q4 thanks to key milestones reached on large hydro projects in Latin America



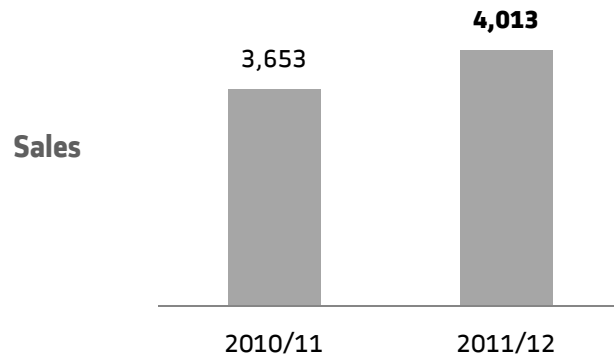
- Sustained profitability in hydro
- Operating margin impacted by price pressure in wind

Grid

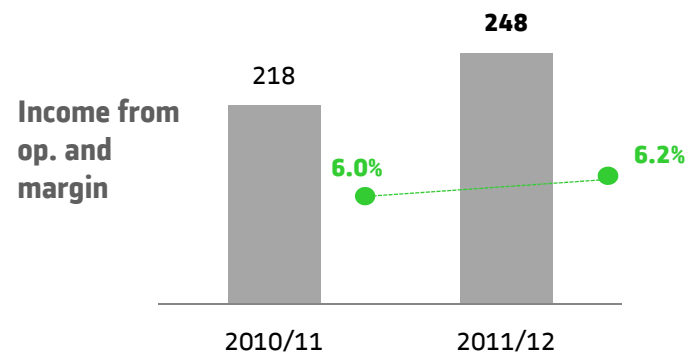
Key figures*



- First commercial success in new HVDC technology (VSC) in Sweden
- Good flow of small and medium sized orders worldwide, with prices still under pressure



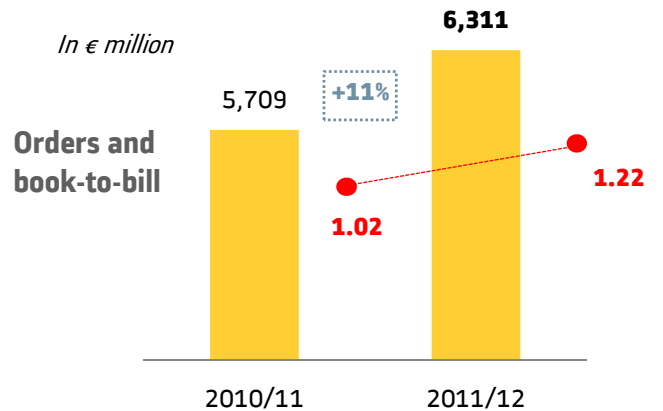
- Sound volume
- Balanced geographical split (app. 30% in Europe, 20% in Americas, 30% in Asia/Pacific and 20% in MEA)



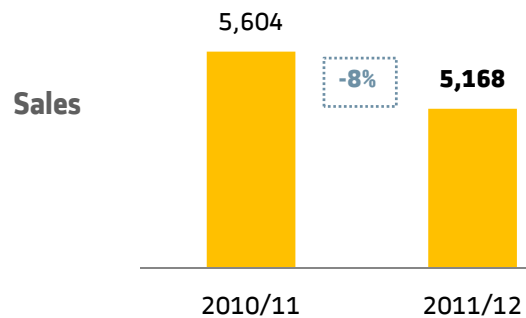
- Slight increase of margin
- On-going actions on costs

Transport

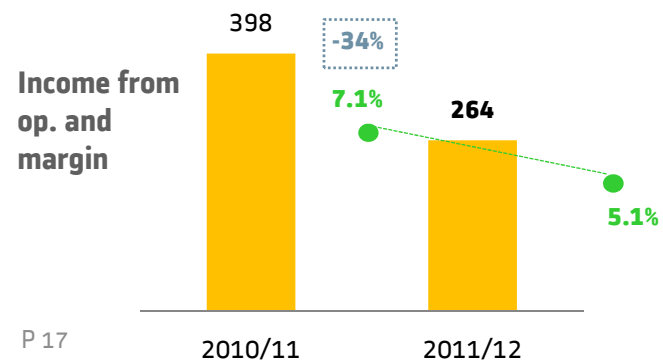
Key figures



- Sound volume of orders
- Sustained activity in Western Europe despite public budget constraints (60% of the orders)
- Large contracts booked in Russia and Eastern Europe
- Strong signaling business (Denmark, Singapore...)



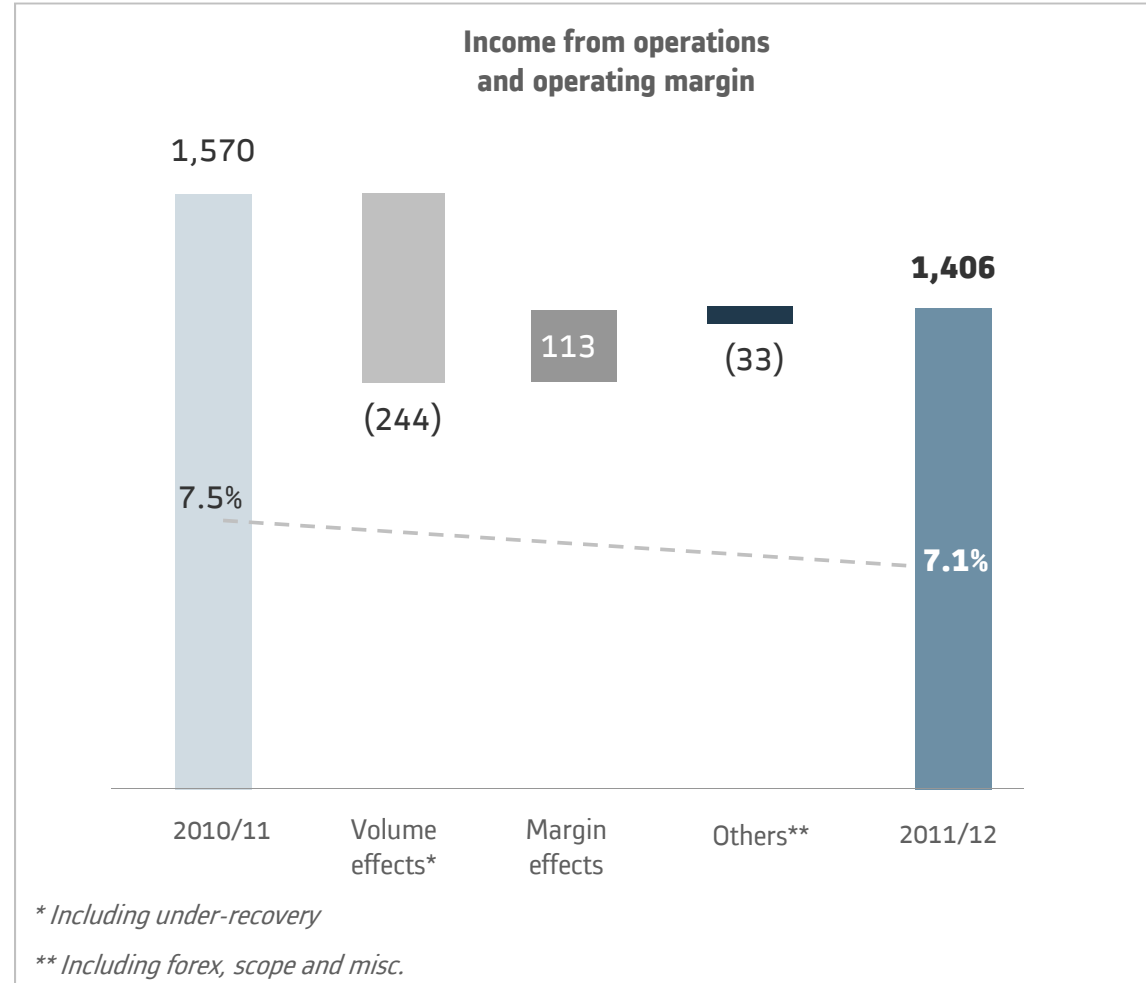
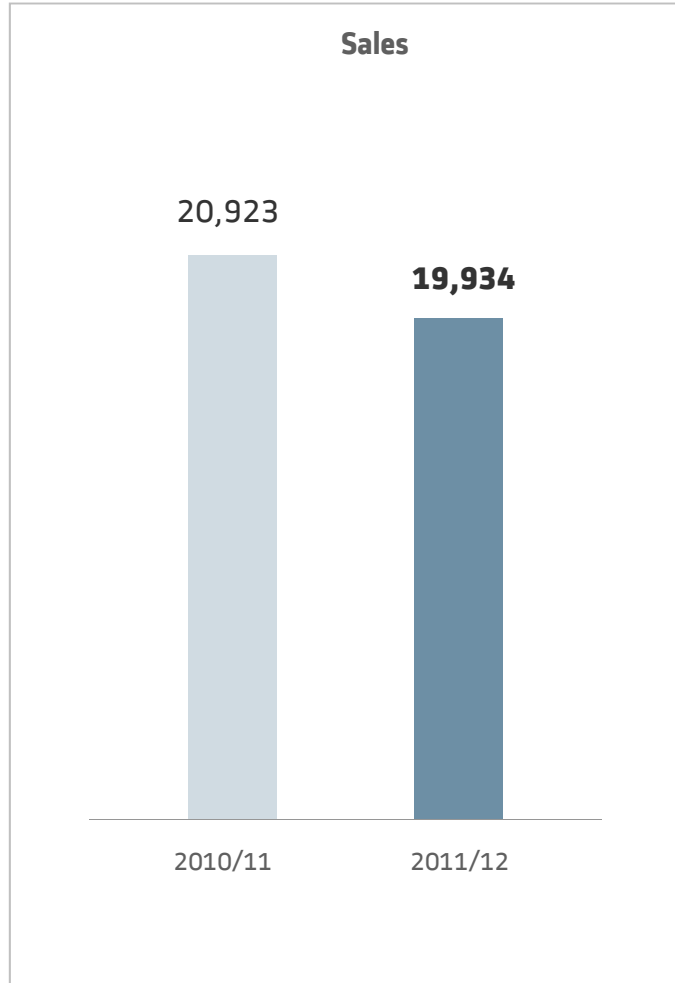
- Sales impacted by longer delivery times in emerging markets (Russia, India...) and ramp up of new programs



- IFO driven down by lower sales
- Launch of several new products (less profitable in the starting phase than mature ones)

Sales and income from operations

In € million



Income statement

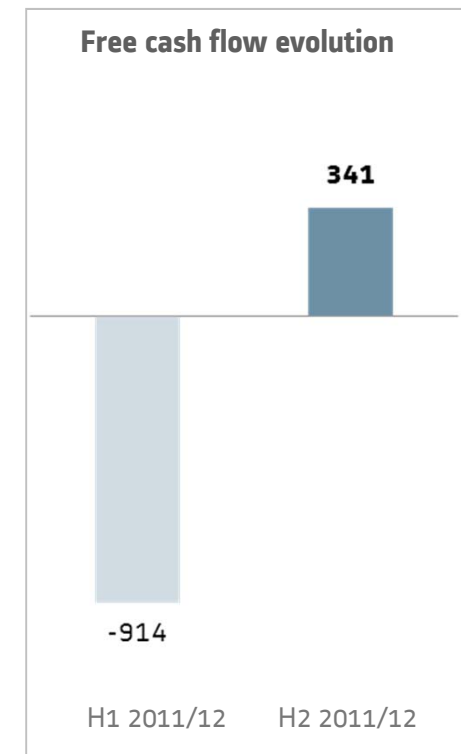
In € million

	March 2011	March 2012	Variation
Income from operations	1,570	1,406	-10%
Grid PPA & acquisition costs	(203)	(156)	
Restructuring costs	(520)	(83)	
Capital gains & other	(83)	(95)	
EBIT	764	1,072	+40%
Financial result	(136)	(177)	
Tax result	(141)	(179)	
Non control. Interest & other	(25)	16	
Net result	462	732	+58%

Free cash flow

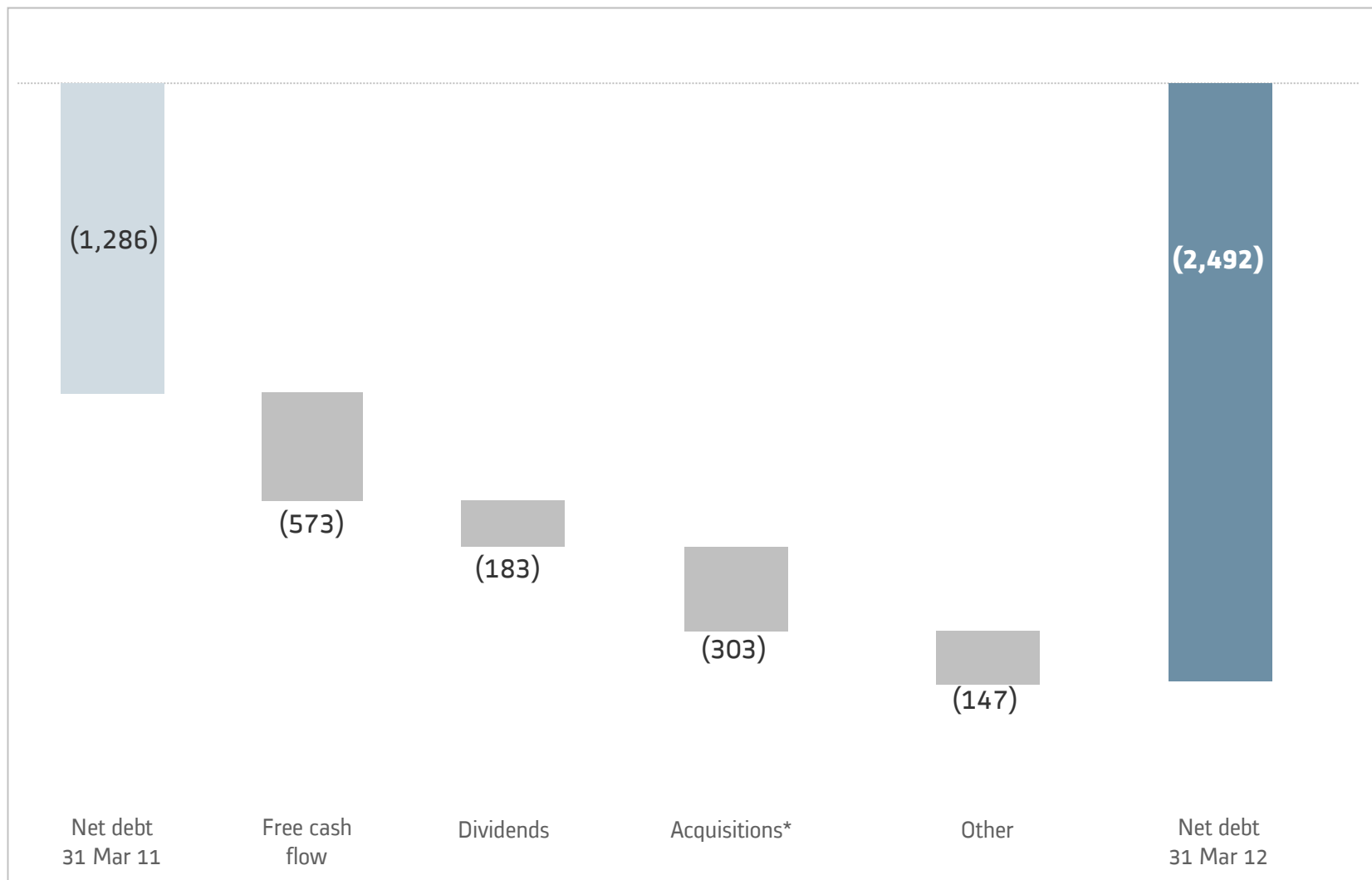
In € million

	March 2011	March 2012
Income from operations	1,570	1,406
Restructuring cash out	(106)	(159)
Depreciation	353	340
Capital expenditure	(504)	(521)
R&D cap. & amort. of acq. Techno.	(121)	(98)
Pensions	(120)	(68)
Change in working capital	(1,157)	(968)
Tax cash out	(248)	(264)
Financial cash out	(121)	(157)
Other	(62)	(84)
Free cash flow	(516)	(573)



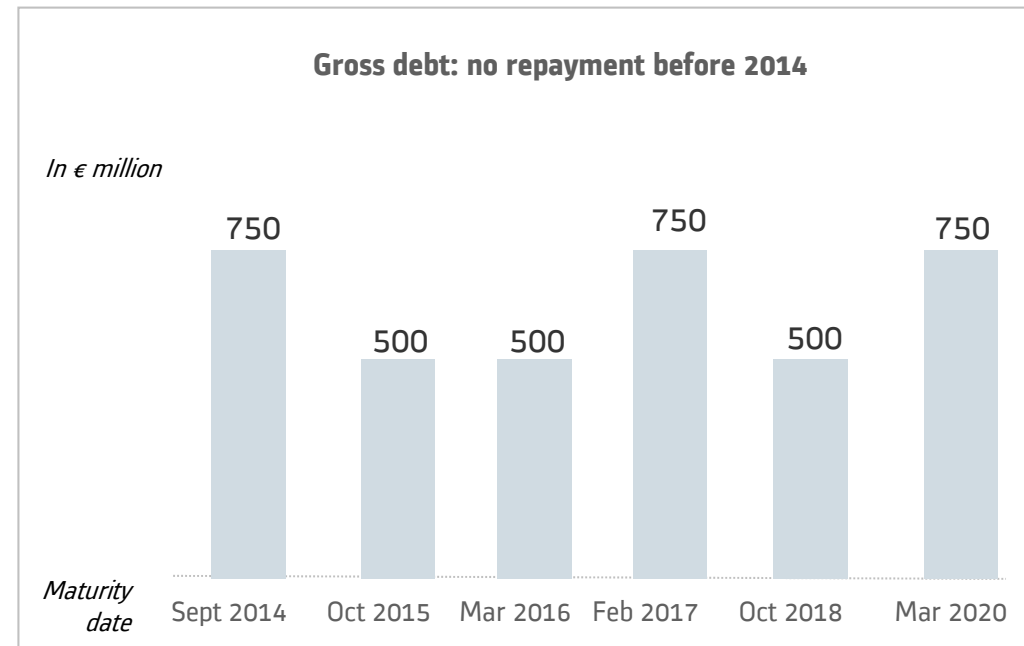
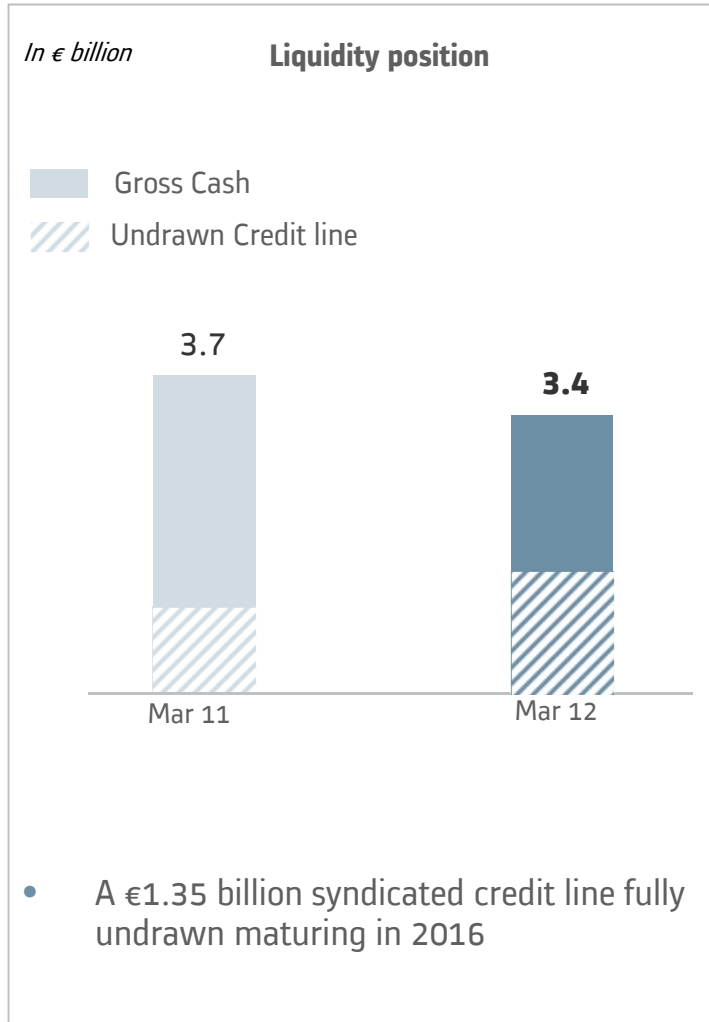
Net debt evolution

In € million



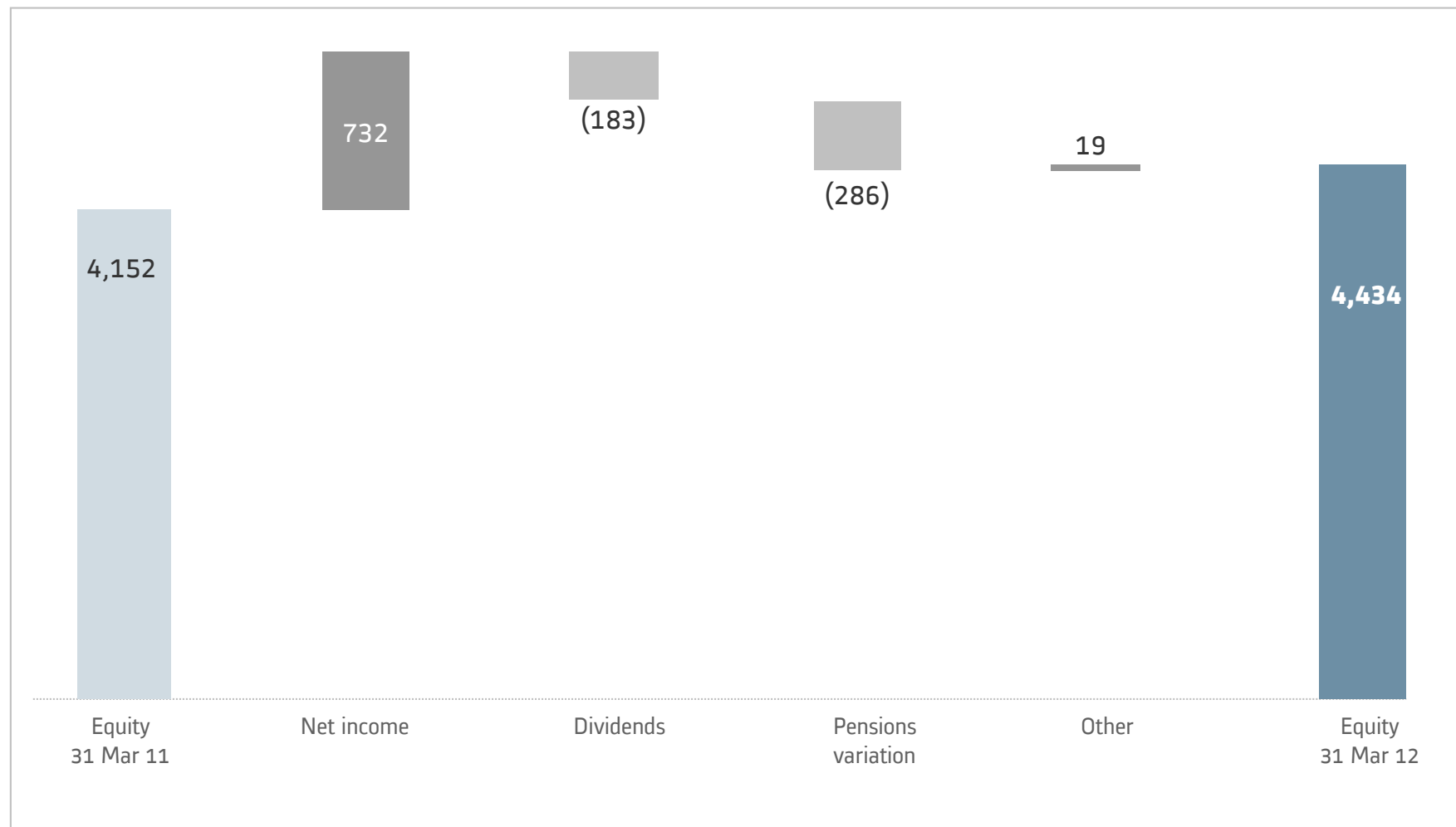
P 21 * Including TMH (€59 million as an advance payment for 25% equity + an earn out to be paid in FY 2012/13)

Funding

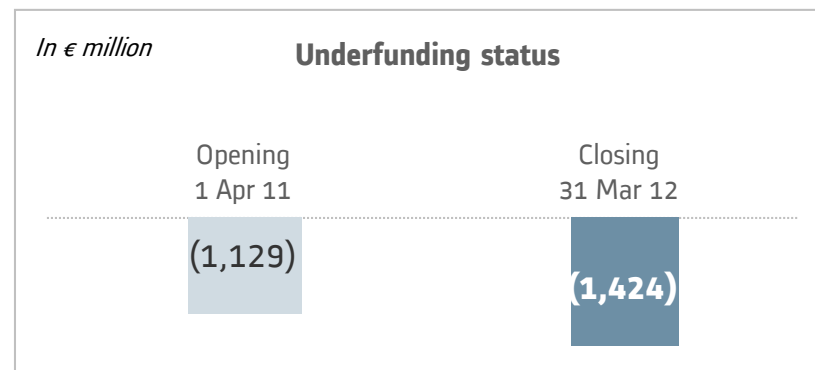
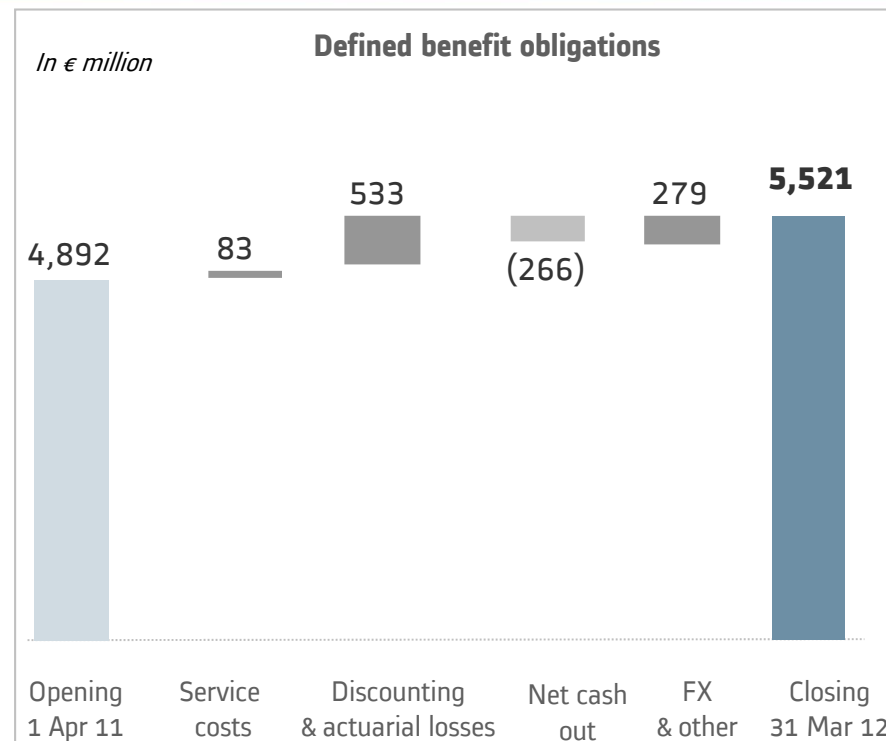
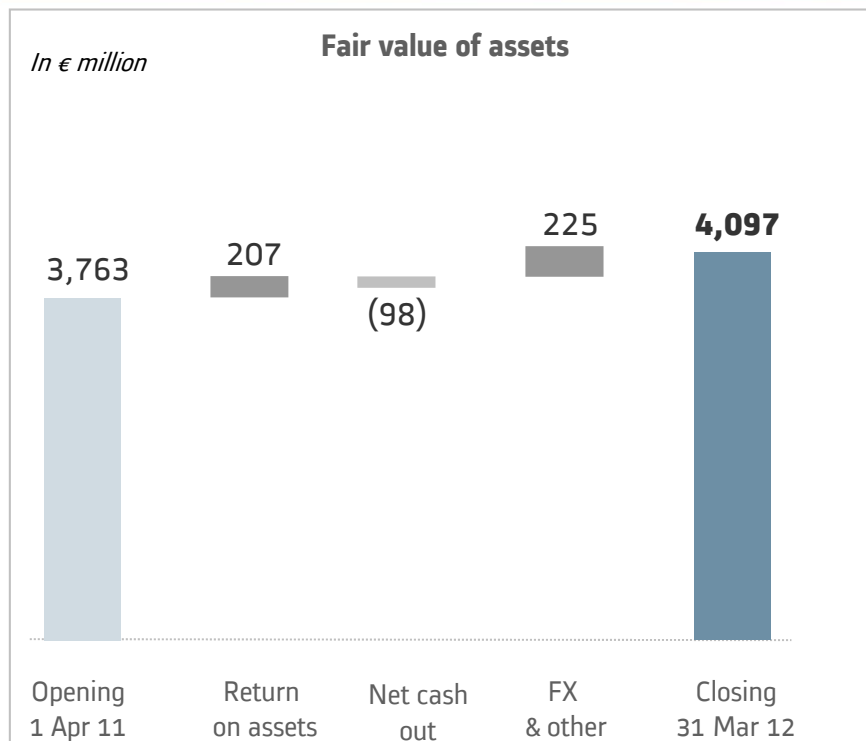


Equity evolution

In € million



Pensions



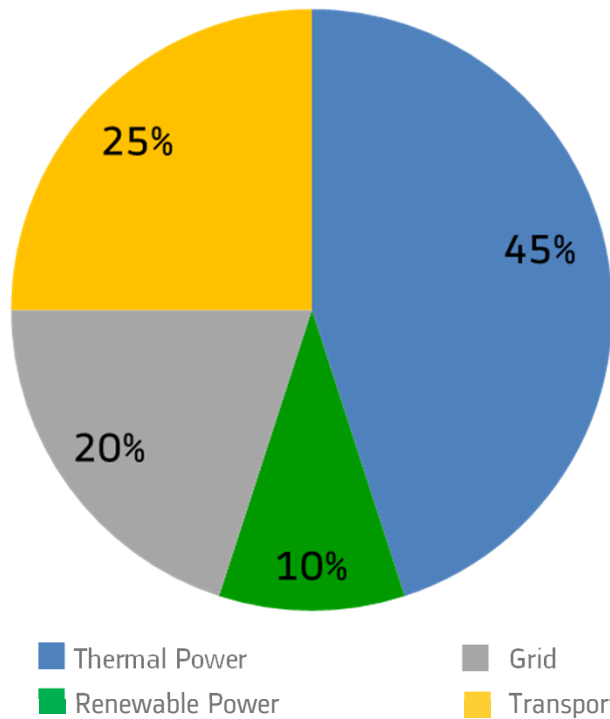
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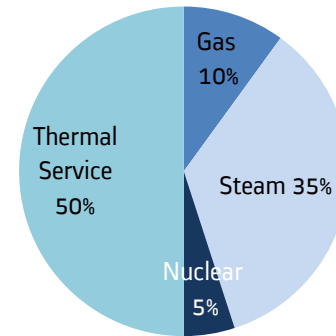
Alstom today

A balanced portfolio of systems, products and services with leading positions

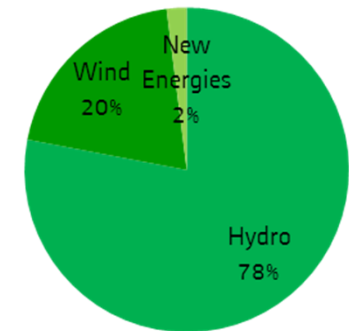
Sales by Sector FY 2011/12



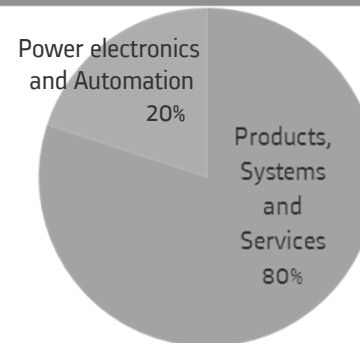
THERMAL POWER



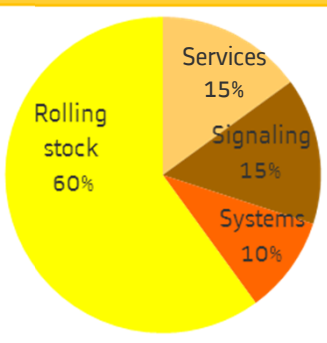
RENEWABLE POWER



GRID



TRANSPORT

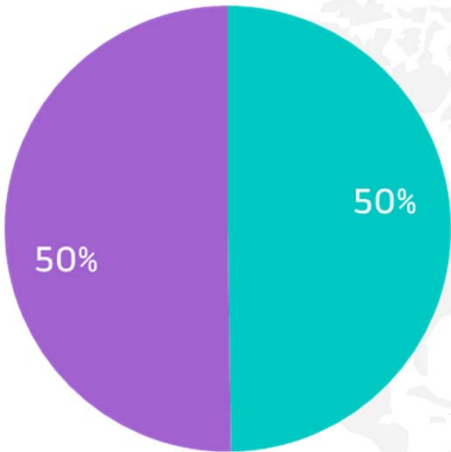


Alstom today

31 March 2012

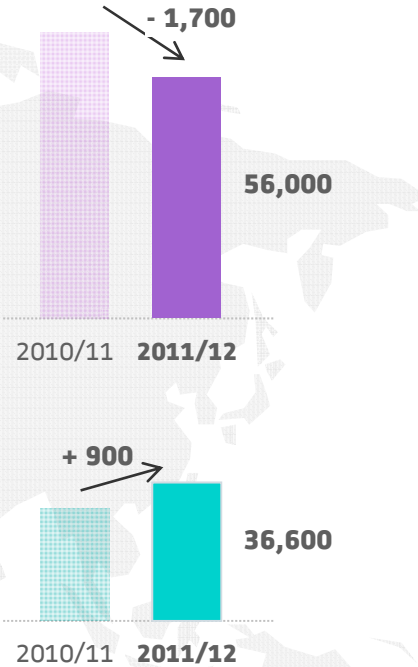
A global reach

Sales by geography (31 March 2012)



■ Mature countries
■ Emerging countries

92,600 employees (31 March 2012)



Market environment

A sound growth potential

THERMAL POWER

RENEWABLE POWER

GRID

TRANSPORT

EMERGING MARKETS

After Asian boom of the past 5 years, market stabilising at a high level and covering all technologies



Strong push for all renewables



Continuous active markets in all products



New equipment growth concentrated in BRICs and Asia



MATURE MARKETS

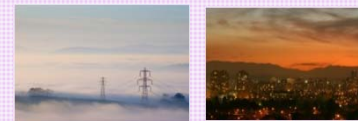
Europe and NAM demand driven by gas, retrofit and service



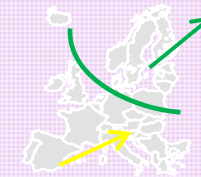
Europe and NAM remaining robust thanks to offshore wind and hydro retrofit



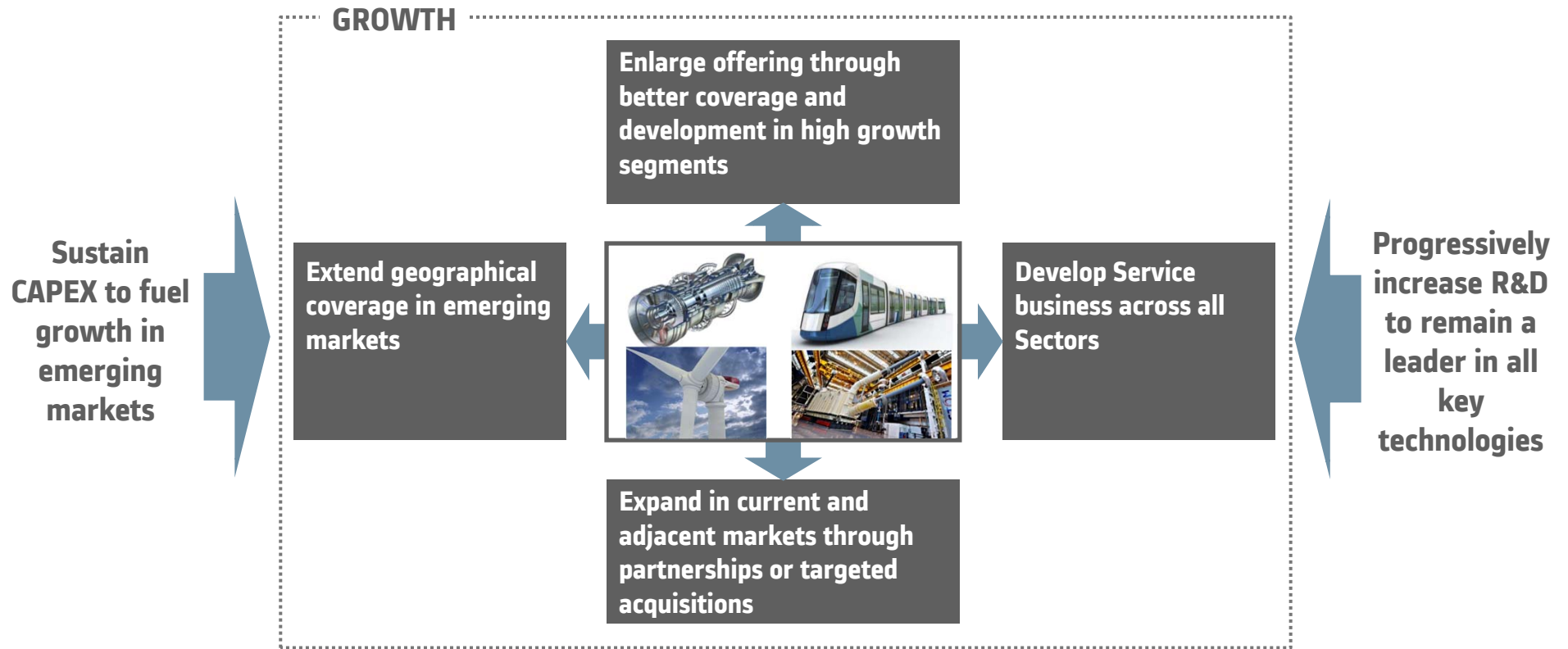
High-tech segments (HVDC and SmartGrid) driving growth in Europe and NAM



Traditional markets remaining stable, with Northern Europe being more dynamic than Southern Europe



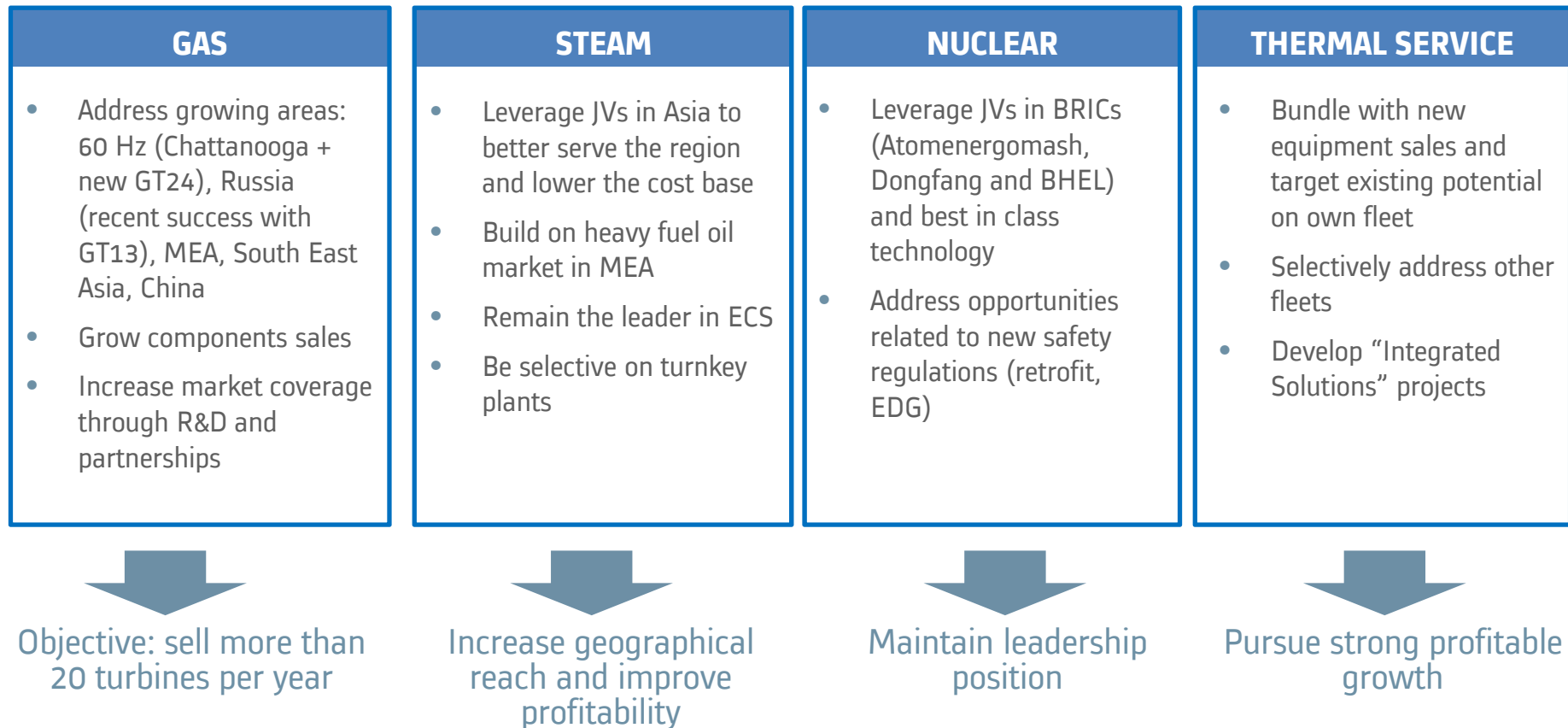
Strategic pillars



OPERATIONAL EXCELLENCE

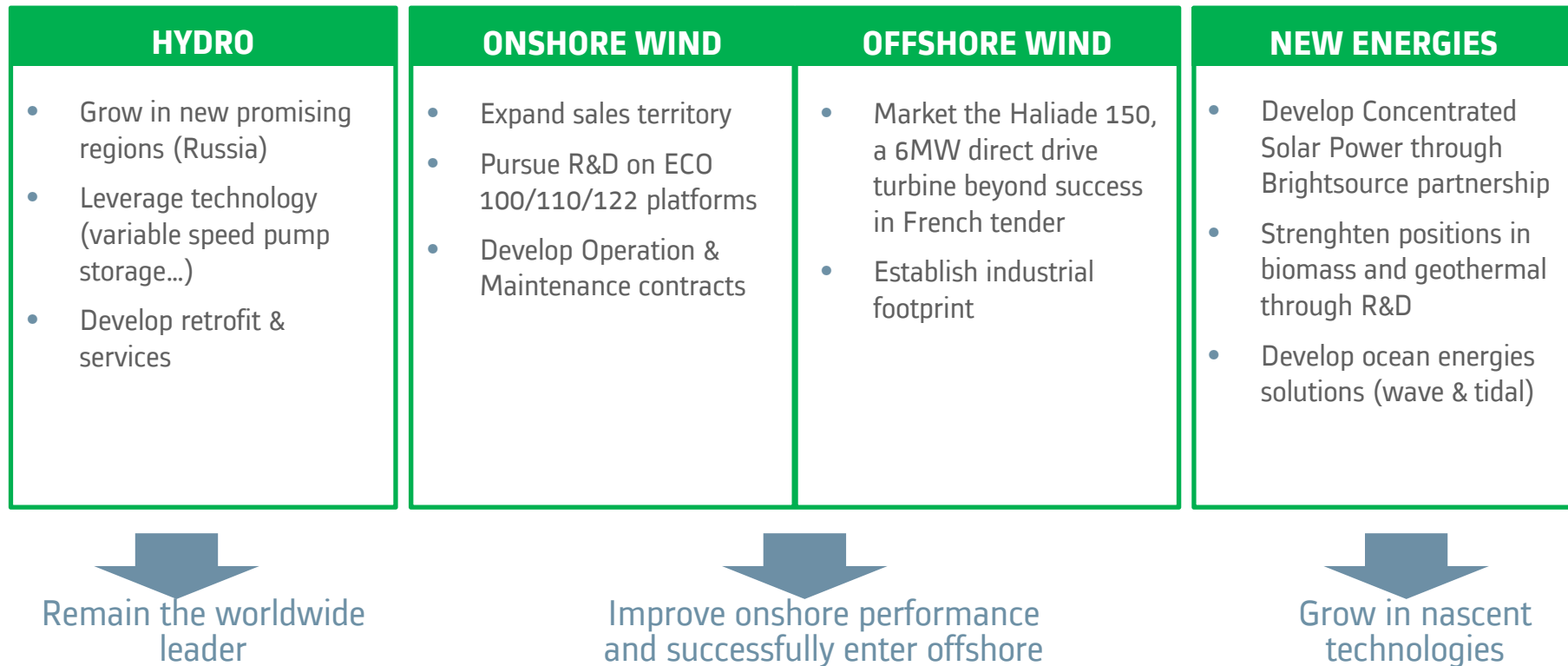
<p>People (safety, development in emerging countries)</p>	<p>Project execution & Quality (training, processes)</p>	<p>Cost competitiveness (ind. efficiency, supply chain management, capacity adjustments, control of S&A)</p>	<p>Cash focus (actions on working capital)</p>
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Thermal Power action plan



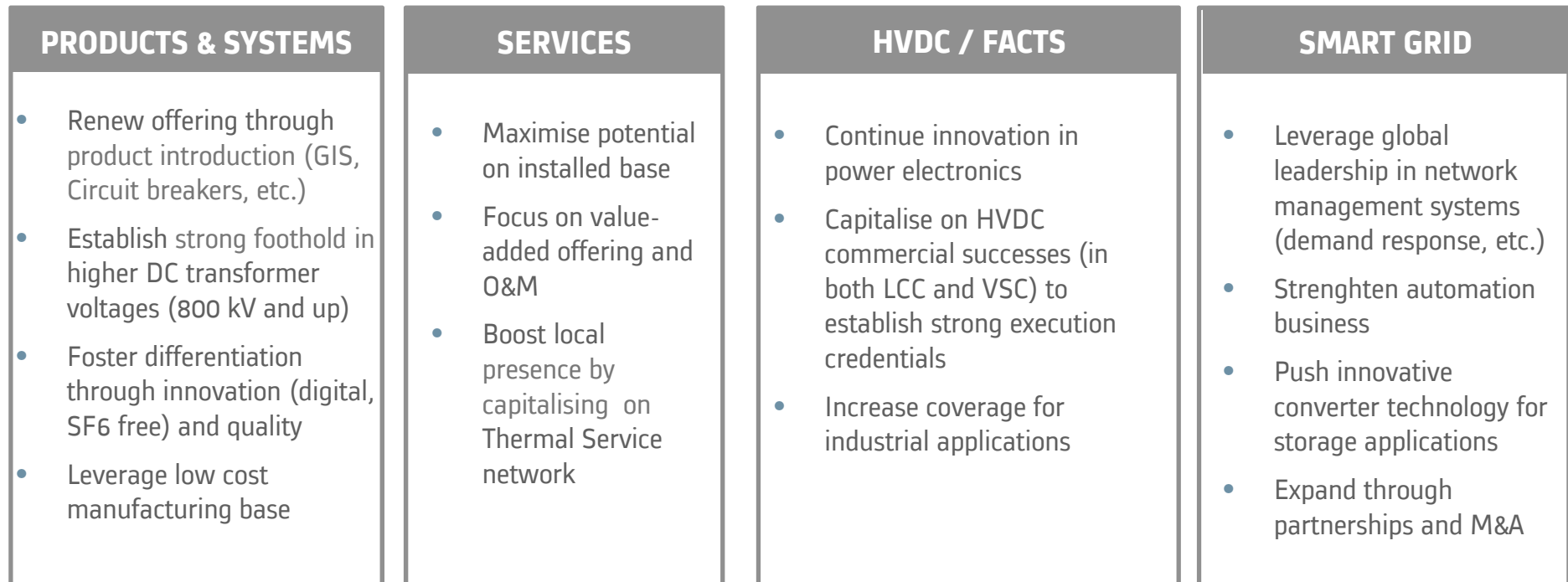
Profitability to be sustained by better volume and actions on costs

Renewable Power action plan



Short-term profitability to be impacted by pricing pressure in wind followed by mid-term recovery

Grid action plan




Improve competitive position


Grow aggressively


Be a recognised market leader


Build on network expertise

Profitability to improve with mix and competitiveness

Transport action plan

ROLLING STOCK

- Keep leadership in traditional markets with new developments across the range
- Leverage TMH partnership and further penetrate BRICs
- Innovate and adapt product to demand
- Develop worldwide footprint

SIGNALING

- Leverage ERTMS leadership in Europe
- Take advantage of fast growing urban markets in new economies
- Differentiate through constant innovation
- Execute locally

SERVICES

- Provide bundled offers
- Develop 'multi-service centres' for private operators
- Take advantage of maintenance outsourcing from traditional operators

SYSTEMS

- Develop green products (energy savings solutions)
- Selectively participate in turnkey projects for mass transit and intercity
- Adapt to new financing models (PPP/concessions)

Maintain worldwide leadership

Keep up with technological evolution

Boost growth

Be opportunistic

Volume and profitability to progressively recover

Guidance over 3 years (from FY 2012/13 to FY 2014/15)

Assuming a **sound level of orders** over the period:



CAPEX To remain at a **high level**

R&D To progressively **increase**

SALES GROWTH

Over 5% per year on current scope

OPERATING MARGIN

to gradually improve to around **8%** in FY 2014/15

FREE CASH FLOW

Back to **positive** free cash flow from FY 2012/13

Contacts & agenda

CONTACTS

Emmanuelle CHATELAIN

Vice President Investor Relations
+33 (0)1 41 49 37 38

Juliette LANGLAIS

Deputy VP Investor Relations
+33 (0)1 41 49 21 36

Dymphna HAWKSLEY, Christel CILLARD

Logistics
+33 (0)1 41 49 37 22/35 24

Investor.relations@chq.alstom.com

AGENDA

25 May 2012

Filing of Registration Document

26 June 2012

Annual General Meeting

19 July 2012

Orders and sales for the first quarter of FY 2012/13

Disclaimer

This presentation contains forward-looking statements which are based on current plans and forecasts of Alstom's management. Such forward-looking statements are by their nature subject to a number of important risk and uncertainty factors (such as those described in the documents filed by Alstom with the French AMF) that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements. These such forward-looking statements speak only as of the date on which they are made, and Alstom undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

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