

20 July 2011

During the first quarter 2011/12, the rebound of Alstom's orders is confirmed

From 1 April to 30 June 2011, orders booked by Alstom amounted to €5 billion, up 44% (+34% excluding Grid) compared to the same period last year. Sales, at €4.5 billion, were down 12% (-23% excluding Grid), reflecting the low level of orders taken during the economic downturn.

The newly created Sectors¹, Thermal Power and Renewable Power, received orders of respectively €2.8 billion and €0.3 billion during the first quarter, with successes across all technologies: gas, coal and renewables. Transport only booked small and medium-sized projects for €1 billion. Grid's orders reached €0.9 billion. The geographical shift of orders towards emerging markets observed over the past semester is confirmed during the first quarter; these countries represented 63% of the total contracts booked.

During the first quarter 2011/12, sales strongly declined in Power Thermal and Transport versus the first quarter 2010/11 and reached a low point as a consequence of the past order evolution.

The total backlog stood at €47 billion on 30 June 2011; it represented 28 months of sales.

Key figures

Actual figures <i>(in € million)</i>	2010/11				2011/12	Variation Q1/Q1	
	Q1	Q2	Q3	Q4	Q1	Incl. Grid	Excl. Grid
Orders received	3,491*	3,547	5,490	6,526	5,010	+44%	+34%
Sales	5,166*	5,266	5,244	5,247	4,526	-12%	-23%

* Including only one month for Grid (June 2010).

The reported figures by Sector (in the new organisation) are presented in Appendix 1. A geographic breakdown of reported orders and sales is provided in Appendix 2. All figures mentioned in this release are unaudited.

"The satisfactory level of bookings over the first quarter as well as the awards of orders not yet registered are confirming the recovery in demand experienced during the second half of last year; the rebound remains driven by emerging countries particularly in power generation. Book-to-bill was above 1 for the third consecutive quarter. As anticipated, sales are declining, impacted by the low level of orders taken during the challenging times. They should gradually recover over the year", said Patrick Kron, Chairman & Chief Executive Officer of Alstom.

¹ See the key events of the first quarter 2011/12

Sector Review

Thermal Power

Thermal Power received €2,811 million of orders for the first quarter of the fiscal year 2011/12, a 77% increase versus the low level of the first quarter last year. This was the best quarter in the last two years.

During the quarter, emerging countries continued to drive the demand for new power equipment. The Sector booked two major contracts for oil shale and coal turnkey plants respectively in Estonia and Malaysia. In gas, a GT 24 in Mexico and a turnkey plant including a GT 26 in Singapore were registered. The associated operation and maintenance contract, as well as a recurring volume of small to medium-sized orders, contributed to maintaining a robust level of activity in Service.

Sales in Thermal Power amounted to €1,945 million, a 29% decrease compared to the same quarter last fiscal year. This is a low point, as the consequence of the weak past orders.

Renewable Power

During the first quarter of 2011/12, Renewable Power booked €328 million of orders, 9% below the same period last year.

The contract for wind farms in Brazil was the main order registered during the quarter.

Renewable Power published sales at €473 million, 10% above the first quarter of 2010/11.

Grid

During the first quarter of 2011/12, Grid registered orders at €891 million, slightly below the fourth quarter of last fiscal year. In a dynamic transmission market in most regions, the Sector booked two major contracts for electricity network improvement in Saudi Arabia and for GIS substations and power transformers in Iraq.

The Grid Sector generated €887 million of sales during the period.

Transport

Orders amounted to €980 million in the first quarter of the fiscal year 2011/12. It corresponds to a sound level of small and medium-sized projects with no large ones booked over the period.

In the first quarter of the fiscal year 2011/12, Transport's sales reached €1,221 million, in line with the fourth quarter but 22% down compared to the high level of the same period last year.

Key events of the first quarter 2011/12

During the first quarter of fiscal year 2011/12, Alstom continued to take the necessary steps to adapt to the new business environment. Reorganisation of the Group, establishment of partnerships with Chinese and Russian players, and enlargement of technology offering were the main events of the quarter.

On 15 June 2011, a new organisation was announced aiming at reinforcing the overall performance of the Group. This reorganisation implemented on 4 July includes the enlargement of the Executive Committee, the creation of a position of Deputy Chief Executive Officer and the reshaping of the operational activities into four Sectors - Thermal Power, Renewable Power, Grid and Transport - each headed by a newly appointed President.

During the quarter, Alstom continued to create partnerships to ease access to fast growing markets.

On 20 April, Alstom and Shanghai Electric announced their intention to join forces to create the world leader in boilers for coal-fired power plants through a 50/50 joint company.

In Russia, on 27 May, Alstom finalised its partnership agreement with Transmashholding, the leading Russian rail manufacturer, initiated in 2008, by acquiring a 25% stake plus one share of this company. On 17 June, the Grid Sector entered into two agreements to produce and engineer equipment for high-voltage electricity transmission in Russia. Lastly, on 21 June, Alstom announced its intention to create together with Rushydro a joint hydropower manufacturing facility in the Republic of Bashkortostan and signed a framework agreement with the Renova Group on equipment and services for thermal power plants.

As part of its efforts to enhance its competitive edge in technology, on 8 June, Alstom unveiled the latest upgrade to its KA26 combined-cycle power plant offering, based on its advanced class GT26 gas turbine. This technology features around 61% efficiency and increased flexibility to enable better integration of intermittent renewable sources of energy. The KA26 also offers a higher output of more than 500 MW as well as lower emissions.

On 22 June, Alstom acquired a 40% equity share in AWS Ocean Energy, a Scottish wave energy technology development company. Together with tidal energy and offshore wind, this acquisition complements Alstom's existing ocean activities while further reinforcing Alstom's position as a leading supplier of clean energy solutions.

Financial situation and outlook

The low volume of sales over the first half 2011/12 will impact operational performance and free cash flow. Nevertheless the financial situation remains strong and, with the combined effects of the recent commercial recovery and the positive impact of the restructuring plans, an improvement is expected in the second semester. On this basis, the Group confirms that the operating margin of the full fiscal year should stay within the previously announced 7% to 8% bracket.

Press Contact

Philippe Kasse, Stéphane Farhi (Corporate)

Tel: +33 1 41 49 29 82 / 33 08

philippe.kasse@chq.alstom.com

stephane.farhi@chq.alstom.com

Investor Relations

Emmanuelle Châtelain, Juliette Langlais

Tel: + 33 1 41 49 37 38 / 21 36

Investor.relations@chq.alstom.com

Website www.alstom.com

This press release contains forward-looking statements which are based on current plans and forecasts of Alstom's management. Such forward-looking statements are relevant to the current scope of activity and 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.

APPENDIX 1 – SECTOR BREAKDOWN BY QUARTER

	2010/11					2011/12		
	Q1	Q2	Q3	Q4	FY	Q1	Var. Actual Q1/Q1	Var. Org* Q1/Q1
Orders received <i>(in € million)</i>								
Thermal Power	1,590	1,274	2,553	2,558	7,975	2,811	77%	84%
Renewable Power	360	407	282	887	1,936	328	-9%	-7%
Grid	422**	978	1,023	1,011	3,434	891	NA	NA
Transport	1,119	888	1,632	2,070	5,709	980	-12%	-12%
Alstom	3,491	3,547	5,490	6,526	19,054	5,010	44%	30%
	2010/11					2011/12		
	Q1	Q2	Q3	Q4	FY	Q1	Var. Actual Q1/Q1	Var. Org* Q1/Q1
Sales <i>(in € million)</i>								
Thermal Power	2,741	2,422	2,160	2,402	9,725	1,945	-29%	-27%
Renewable Power	429	396	499	617	1,941	473	10%	13%
Grid	423**	1,104	1,186	940	3,653	887	NA	NA
Transport	1,573	1,344	1,399	1,288	5,604	1,221	-22%	-22%
Alstom	5,166	5,266	5,244	5,247	20,923	4,526	-12%	-21%

(*) Organic are excluding any currency & scope impacts.

(**) Grid was consolidated over 1 month in Q1 2010/11.

APPENDIX 2 – GEOGRAPHIC BREAKDOWN

Orders received by destination <i>(in € million)</i>	2010/11		2011/12	
	Q1	% Contrib.	Q1	% Contrib.
Europe	1,789	51%	1,946	39%
North America	527	15%	520	10%
South & Central America	334	10%	306	6%
Africa / Middle East	341	10%	440	9%
Asia / Pacific	500	14%	1,798	36%
TOTAL	3,491	100%	5,010	100%
Sales by destination <i>(in € million)</i>	2010/11		2011/12	
	Q1	% Contrib.	Q1	% Contrib.
Europe	2,442	47%	2,052	45%
North America	691	13%	635	14%
South & Central America	345	7%	413	9%
Africa / Middle East	919	18%	613	14%
Asia / Pacific	769	15%	813	18%
TOTAL	5,166	100%	4,526	100%