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## With orders up by 62% and sales up by 27% in the first quarter 2007/08, Alstom confirms its strong commercial activity

In the first quarter of the current fiscal year, between 1 April and 30 June 2007, Alstom received orders for €7.6 billion, an increase of 62% versus the first quarter of fiscal year 2006/07. Over the same period, sales reached €4.0 billion, up 27%.

Orders received for the first quarter of fiscal year 2007/08 included the €2.1 billion contract for 80 very high-speed trains in France, leading to a 148% increase in orders for Transport. During the quarter, Power Systems continued to register sound order growth (+27% versus the same period last year), including several gas power plant projects. Orders in Power Service increased by 19%, as a result of booking numerous small-sized contracts.

The total backlog, up to €35.9 billion, represents around 29 months of sales on 30 June 2007.

Sales for the first quarter of fiscal year 2007/08 were strong, up 27% compared with the same period of the previous year. They increased by 40% in Power Systems and by 23% in Power Service versus the first quarter of fiscal year 2006/07, while sales in Transport were up 15%.

*"The level of orders booked during the first quarter 2007/08 confirms our good positioning across all our Sectors. This very strong quarter, highlighted by a book to bill ratio close to 2, included large contracts such as the very high speed trains in Transport and turnkey gas projects in Power Systems but also a very healthy level of small and medium-sized contracts in all our businesses. Sales were strong as well, following the sound commercial performance registered over the past periods. This positive evolution gives us the confidence to record the announced double-digit growth of our sales during the full year 2007/08",* said Patrick Kron, Chairman & Chief Executive Officer of Alstom.

Actual figures (in € million)	2006/07				2007/08	
	Q1	Q2	Q3	Q4	Q1	Variation Q1 / Q1
Orders received	4,694	4,970	4,684	4,681	<b>7,624</b>	+62%
Sales	3,189	3,419	3,420	4,180	<b>4,047</b>	+27%

## **Sector Review**

### **Power Systems**

Order intake at €2.7 billion for the first quarter of fiscal year 2007/08, was at a very high level, with an increase of 27% versus the first quarter of last year, or 32%\* on an organic basis. This confirms the combination of a strong momentum in the power generation market and our good positioning in this market.

The main orders received in the first quarter of fiscal year 2007/08 were for gas power plant projects, including 15 gas turbines (out of which 6xGT26) in UK, Algeria, Ireland, India, Kuwait as well as some hydro projects, notably in Brazil. This strong order intake in gas during the quarter illustrates the continuing success of our gas turbines technology.

Sales, at €1.8 billion, showed substantial growth (+40% or +45%\* on an organic basis) as compared with the same period of last year, reflecting the high level of orders booked during the past periods.

### **Power Service**

Order intake in the first quarter of fiscal year 2007/08 amounted to €1.3 billion, up 19% (or +18%\* on an organic basis) versus the first quarter 2006/07. This increase came from a large number of small-sized projects, notably in North Africa, Europe and Asia, as only one operation and maintenance long term contract was recorded.

Sales, at €878 million, increased by 23% (or +21%\* on an organic basis) versus the same period last year.

### **Transport**

Orders, at €3.6 billion in the first quarter of fiscal year 2007/08, were up 148% as compared with the first quarter 2006/07.

The main orders received included very high speed trains in France, a signalling system in Belgium, a maintenance contract in UK, regional trains in France and Germany, as well as metros in Brazil.

In the first quarter of fiscal year 2007/08, sales were at €1.4 billion, an increase of 15% compared to the same period of last year.

## **Outlook**

With this strong commercial activity during the first quarter of the fiscal year 2007/08 and the continuous improvement of our operational performance, the financial situation has thus been further strengthened and we can reiterate our former objectives; i.e. that the operating margin for the Group should exceed 7% in March 2008; and that it should be over 8% in March 2010.

\* Note: Currency & Scope impacts

*The evolution of orders and sales as reported between the first quarters of fiscal years 2006/07 and 2007/08 included a slight currency translation effect as well as the disposal of Industrial Boilers on 31 May 2006 in Power Systems and the acquisitions of PSM, Sizhou and Strongwish in Power Service. The organic figures adjust the reported figures for these effects.*

*The reported figures by Sector are presented in Appendix 1. A geographic breakdown of reported orders and sales is provided in Appendix 2.*

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*This press release 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.*

*With regard to the quarterly financial information, this press release should be read in conjunction with press releases issued during the first quarter 2007/08 reflecting the main events of the period, notably the Ecotècnia acquisition.*

## APPENDIX 1 – SECTOR BREAKDOWN BY QUARTER

### Reported Figures (Unaudited)

Orders received (in € million)	2006/07					2007/08		
	Q1	Q2	Q3	Q4	FY	Var. Actual	Var. Organic	
	Q1	Q1/Q1	Q1/Q1		Q1/Q1			
Power Systems	2,161	2,874	2,968	1,532	9,535	2,747	27%	32%
Power Service	1,080	1,284	859	835	4,058	1,284	19%	18%
Transport	1,441	800	845	2,302	5,388	3,581	148%	147%
Corporate & Others	12	12	12	12	48	12	N/A	N/A
<b>Alstom</b>	<b>4,694</b>	<b>4,970</b>	<b>4,684</b>	<b>4,681</b>	<b>19,029</b>	<b>7,624</b>	<b>62%</b>	<b>65%</b>

Sales (in € million)	2006/07					2007/08		
	Q1	Q2	Q3	Q4	FY	Var. Actual	Var. Organic	
	Q1	Q1/Q1	Q1/Q1		Q1/Q1			
Power Systems	1,265	1,467	1,251	1,690	5,673	1,771	40%	45%
Power Service	711	773	827	887	3,198	878	23%	21%
Transport	1,202	1,168	1,330	1,588	5,288	1,386	15%	15%
Corporate & Others	11	11	12	15	49	12	11%	4%
<b>Alstom</b>	<b>3,189</b>	<b>3,419</b>	<b>3,420</b>	<b>4,180</b>	<b>14,208</b>	<b>4,047</b>	<b>27%</b>	<b>28%</b>

## APPENDIX 2 – GEOGRAPHIC BREAKDOWN

### Reported Figures (Unaudited)

<b>Orders received</b> <i>(in € million)</i>	<b>Q1 2006/07</b>	<b>Q1 2007/08</b>	<b>Variation Q1/Q1</b>
Europe	2,776	4,972	79%
North America	634	791	25%
South & Central America	205	332	62%
Africa / Middle East	387	820	112%
Asia / Pacific	693	709	2%
<b>TOTAL</b>	<b>4,694</b>	<b>7,624</b>	<b>62%</b>

<b>Sales</b> <i>(in € million)</i>	<b>Q1 2006/07</b>	<b>Q1 2007/08</b>	<b>Variation Q1/Q1</b>
Europe	1,524	1,916	26%
North America	519	733	41%
South & Central America	206	171	(17)%
Africa / Middle East	289	429	48%
Asia / Pacific	651	798	23%
<b>TOTAL</b>	<b>3,189</b>	<b>4,047</b>	<b>27%</b>