

20 January 2011

During the third quarter of 2010/11,
Alstom's order intake rose to €5.5 billion, lifted by commercial successes in emerging countries

Over the third quarter 2010/11 (from 1 October 2010 to 31 December 2010), Alstom registered its best level of order intake since the first quarter of 2009/10 on a comparable perimeter. With €5.5 billion, the orders booked during the period were supported by the strong demand in emerging markets which represented 60% of the total contracts registered. With orders above €2.8 billion and €1.6 billion respectively, Power and Transport Sectors recorded marked increases over the recent quarters, while Grid booked again a solid €1 billion of orders. With sales at €5.2 billion for the third quarter 2010/11, the Group achieved a book-to-bill ratio exceeding 1 for the first time over the last two years.

During the first nine months of 2010/11 (from 1 April 2010 to 31 December 2010), including €2.4 billion in Grid (consolidated from 1 June 2010), Alstom recorded order intake of €12.5 billion, a 10% increase compared to the same period of last year. The Group's sales reached €15.7 billion, with €2.7 billion from Grid, up by 9% compared to the first nine months of 2009/10. Excluding Grid, the Group's order intake and sales amounted to €10.1 billion and €13 billion respectively, a decrease of around 10% compared to the first nine months of 2009/10.

At €46.2 billion on 31 December 2010, the backlog represented 2 years of sales.

"During the third quarter of 2010/11, on the back of solid demand in the emerging countries, Alstom achieved the best quarterly level of order intake since July 2009, delivering a book-to-bill ratio above 1 for the first time over the last two years. This commercial improvement should gain momentum in the fourth quarter, with order intake expected to show a new increase. Our strengthened presence in the fast growing markets, our leading technologies and our recognised service capabilities are strong assets for the Group in its current competitive environment", said Patrick Kron, Alstom's Chairman & Chief Executive Officer.

Key figures

Actual figures <i>(in € million)</i>	2009/10				2010/11			2009/10	2010/11	Var. %	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9 months	9 months	Incl. Grid	Excl. Grid
Orders received	4,768	2,366	4,223	3,562	3,491	3,547	5,490	11,357	12,528	+10%	-11%
Sales	4,806	4,877	4,691	5,276	5,166	5,266	5,244	14,374	15,676	+9%	-10%

- Orders and sales for Alstom Grid are consolidated from June to December 2010. Q1 figures, including one month of consolidation (June 2010), were not released in the Q1 2010/11 results.

- The reported figures by Sector are presented in Appendix 1. A geographic breakdown of reported orders and sales is provided in Appendix 2. As for all figures mentioned in this release, these are unaudited.

Sector Review

Power

After the very low point of the first half of 2010/11, Power orders rebounded during the third quarter at €2.8 billion. Main successes were recorded in emerging markets, mainly in Asia, where the demand for new equipment was robust. Thermal Systems & Products booked orders for three gas power plants in Singapore and India, an additional boiler in India, as well as Environmental Control Systems contracts in China and in Vietnam. Thermal Service recorded a very strong quarter at €1.6 billion which included operation and maintenance contracts related to the booked turnkey projects, a retrofit contract for a coal power plant in Poland, a renovation order for the nuclear fleet in France and a good flow of small and medium size service orders. In the Renewable business, projects for hydro power plants in China, Colombia and Turkey were the main orders taken.

Over the third quarter, Power sales were down at €2.7 billion versus €3.2 billion for the same period last year due to the expected decline of sales in Thermal Systems & Products. Power Sector achieved a book-to-bill ratio over 1 in the third quarter 2010/11 for the first time in two years.

For the first nine months of 2010/11, Power order intake amounted to €6.5 billion, a 12% decrease compared to the same period last year when it stood at €7.4 billion. This evolution highlights the weak demand for thermal new equipment in mature markets, where utilities have been postponing some large investments.

Sales for the first nine months of 2010/11 were at €8.6 billion, a 14% decrease in comparison to last year, due to the low volume of order intake over the past period.

Transport

The orders booked during the third quarter 2010/11 amounted to €1.6 billion, a strong improvement compared to the level of the first half. Very high speed trains in Morocco, metro projects in Montreal (Canada) and Panama City, suburban trains in São Paulo (Brazil) and regional trains in France were the main orders received.

Over the first nine months of 2010/11, Transport orders stood at €3.6 billion, a 8% decrease compared to the same period last year. Sales reached €4.3 billion, including €1.4 billion for the third quarter, up by 1% compared to the first nine months 2009/10.

Grid

During the third quarter of 2010/11, Grid maintained a robust volume of orders booked at €1 billion. The transmission market is showing a rebound in most regions compared to last year. In Europe, the wind sector is active and Grid secured a large order in Germany. In the Middle-East, the Sector recorded contracts for substations in Saudi Arabia and the United Arab Emirates. In the Russian market, which is showing signs of recovery, Grid also booked an order for a substation.

Since the consolidation of Grid in June 2010, the Sector has generated €2.7 billion of sales, including €1.2 billion for the third quarter.

Key events of the third quarter

During the third quarter, Alstom further strengthened its position on the emerging markets across its portfolio of activities.

In China, Alstom inaugurated on 4 November a new extension of its largest hydropower manufacturing facility at Tianjin, reinforcing its leading position on this fast growing market. This new carbon-neutral factory, the first one in China, will also house a technology centre where Alstom will carry out R&D activities and test turbines developed for its customers. In Transport, Alstom signed on 7 December with the Ministry of Railways a cooperation agreement to address, with its Chinese industrial partners, main lines projects on domestic and defined export markets. This agreement took place a few weeks after Alstom signed a memorandum of understanding with China CNR Corporation Ltd. to develop cooperation for mass transit projects in China.

In Russia, Alstom signed on 9 December several strategic agreements with major Russian electricity production and transmission companies. In hydro, cooperation in manufacturing as well as R&D activities with Rushydro targets the modernisation of the installed base. In nuclear and thermal, new agreements with Rosatom and Inter RAO will further support Alstom's participation in the development of nuclear and fossil fuel power in the country. The agreement signed between Alstom Grid and FSK, the Russian Grid federal operator, will focus on the grid improvement, including the introduction of smart grids technologies. On the Transport side, in December, Alstom's "Allegro" high speed trains successfully entered into commercial

operation on the Saint-Petersburg-Helsinki line, positively positioning the Group on Russia's high speed market.

In India, the Group kept on developing its local industrial capabilities. Together with its partner Bharat Forge, Alstom is building a factory in Mundra (Gujarat) for manufacturing steam turbines and generators, and will soon erect near Chennai a factory for mass transit rolling stock to serve the local market.

In Brazil, the wind turbine assembly factory located in the State of Bahia is under completion; along with the Taubate factory for hydro power equipments, it will allow Alstom to further penetrate the Renewable market in Latin America.

Financial situation

The Group's financial situation remains sound. In October 2010, Alstom further consolidated its liquidity position with the issuance of two new bonds for €1 billion.

Outlook

Based on its solid backlog, the Group confirms that the operating margin for fiscal years 2010/11 and 2011/12 should be within a 7% to 8% bracket.

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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.

APPENDIX 1 – SECTOR BREAKDOWN BY QUARTER

	2009/10				2010/11			2009/10	2010/11	Var. %	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9 months	9 months	Var. Actual	Var. Org.**
Orders received <i>(in € million)</i>											
Power	3,000	1,731	2,652	2,052	1,950	1,681	2,835	7,383	6,466	-12%	-16%
<i>Thermal Systems & Products*</i>	1,414	435	1,837	604	405	468	990	3,686	1,863	-49%	-51%
<i>Thermal Services*</i>	1,203	970	573	1,272	1,203	805	1,564	2,746	3,572	+30%	+23%
<i>Renewables*</i>	383	326	242	176	342	408	281	951	1,031	+8%	+9%
Transport	1,768	635	1,571	1,510	1,119	888	1,632	3,974	3,639	-8%	-11%
Grid***	-	-	-	-	422	978	1,023	-	2,423	-	-
Alstom	4,768	2,366	4,223	3,562	3,491	3,547	5,490	11,357	12,528	+10%	-14%
	2009/10				2010/11			2009/10	2010/11	Var. %	
Sales <i>(in € million)</i>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	9 months	9 months	Var. Actual	Var. Org.**
Power	3,368	3,527	3,217	3,789	3,170	2,818	2,659	10,112	8,647	-14%	-18%
<i>Thermal Systems & Products*</i>	1,766	2,010	1,803	2,167	1,574	1,406	1,192	5,579	4,172	-25%	-28%
<i>Thermal Services*</i>	1,184	1,039	973	1,157	1,187	1,030	989	3,196	3,206	0%	-5%
<i>Renewables*</i>	418	478	441	465	409	382	478	1,337	1,269	-5%	-9%
Transport	1,438	1,350	1,474	1,487	1,573	1,344	1,399	4,262	4,316	+1%	-2%
Grid***	-	-	-	-	423	1,104	1,186	-	2,713	-	-
Alstom	4,806	4,877	4,691	5,276	5,166	5,266	5,244	14,374	15,676	+9%	-13%

(*) Figures given for comparison and analysis purposes only.

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

(***) Grid is consolidated over 7 months.

APPENDIX 2 – GEOGRAPHIC BREAKDOWN

Orders received by destination <i>(in € million)</i>	2009/10	%	2010/11	%
	9 months	Contrib.	9 months	Contrib.
Europe	7,271	64%	4,683	37%
North America	1,491	13%	1,952	16%
South & Central America	653	6%	1,075	9%
Africa / Middle East	631	6%	1,689	13%
Asia / Pacific	1,311	11%	3,129	25%
TOTAL	11,357	100%	12,528	100%
Sales by destination <i>(in € million)</i>	2009/10	%	2010/11	%
	9 months	Contrib.	9 months	Contrib.
Europe	7,324	51%	7,197	46%
North America	2,001	14%	1,842	12%
South & Central America	710	5%	1,276	8%
Africa / Middle East	2,716	19%	2,681	17%
Asia / Pacific	1,623	11%	2,680	17%
TOTAL	14,374	100%	15,676	100%