

12 July 2005

## Orders & Sales for the first quarter of fiscal year 2005/06 (1<sup>st</sup> April – 30<sup>th</sup> June 2005)

- Orders stable at approximately €4.0bn
- Sales at €3.6bn, up 10% as compared to first quarter of fiscal year 2004/05

Total Group Comparable figures (in €million)	2004/05				2005/06	
	Q1	Q2	Q3	Q4	Q1	Q1/Q1
Orders Received	3 935	4 375	3 901	3 630	3 981	1%
Sales	3 226	3 039	3 325	3 962	3 561	10%

Commenting on ALSTOM's orders and sales, Patrick Kron, Chairman and Chief Executive Officer, said:

"The level of orders for the first quarter of fiscal year 2005/06 continues to be sound and is in line with expected commercial activity for the year. This performance reflects both an appropriate selectivity on orders and the registration of a large number of mid-sized contracts in Power and Transport.

The sales are recovering from the low point reached in the first part of last year, supported by the rebound of orders."

## **IFRS impact**

Orders and sales comply for the first time with International Financial Reporting Standards (IFRS). Concerning the restatement of last year's figures, there was no impact on orders and a limited one on sales.

## **Currency & Scope impacts**

The evolution of orders and sales, as reported, between the first quarters of fiscal year 2004/05 and 2005/06 includes a slight currency translation effect as well as the disposals of IT activities in Australia (Corporate and others) and the Valencia locomotives plant in Spain (Transport).

The reported figures by Sector are presented in appendix 1. The comparable figures (see appendix 2) adjust the reported figures for these effects. A geographic breakdown of reported orders and sales is given in appendix 3.

We comment below on the comparable figures.

## **Orders received: €4.0 billion**

Orders received for the first quarter of fiscal year 2005/06 remained stable at a good level versus the same period last year, with an improvement in Power Turbo-Systems / Power Environment and a slight decrease in Power Service and Transport which had booked high levels of orders in the first quarter of last year. No order has been registered in Marine.

The total backlog, at around €28 billion, was equivalent to 2 years of sales.

## **Sales: €3.6 billion**

Sales for the first quarter of fiscal year 2005/06 were up 10% compared with the same period of the previous year. This reflected an increase in Power Turbo-Systems / Power Environment and Transport sales as a result of the rebound of orders last year, partly offset by a slight decrease in Power Service and Marine.

## Sector Reviews

### **Power Turbo-Systems / Power Environment**

Order intake, at €1.3 billion for the first quarter of fiscal year 2005/06, was up 7% as compared to the first quarter of last year.

The main orders received in the first quarter of fiscal year 2005/06 were for a hydro project in India, a turnkey power plant in Australia including 3xGT13E2 gas turbines, and an environmental control system in the US.

Sales, at €1.2 billion, were up 30% as compared to the low sales level during the same period of last year. This increase reflected the recovery of orders registered last year.

### **Power Service**

Order intake in the first quarter of fiscal year 2005/06, at €884 million, was in line with the average level per quarter registered last year. No operation and maintenance (O&M) contract was recorded during the first quarter of 2005/06, whereas the first quarter of last year included such long term contracts.

Sales, at €718 million, decreased by 4% compared to the same period last year.

### **Transport**

Orders, at €1.5 billion in the first quarter of fiscal year 2005/06, remained strong, confirming our good position in the market.

The main orders received included the booking of the locomotives contract in China, regional trains in France as well as several maintenance contracts.

In the first quarter of fiscal year 2005/06, sales were at €1.3 billion, up 6% as compared to the same period of last fiscal year.

## PRESS INFORMATION

### Marine

No order was received in the first quarter of fiscal year 2005/06. A letter of intent was signed for two cruise-ships. The corresponding contract is expected to be booked in the second quarter of the year, following completion of the related financing scheme by the customer.

The sales figure at €143 million reflected the phasing of revenue recognition during the period, including the delivery of the oceanographic vessel 'Pourquoi pas ?'.

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## Appendix 1

### Reported Figures (Unaudited)

Total Group Actual figures (in €million)	2004/05					2005/06	
	Q1	Q2	Q3	Q4	Total	Q1	Q1/Q1
Power Turbo-Systems / Environment	1 246	960	1 534	1 477	5 217	1 348	8%
Power Service	930	795	643	860	3 228	884	(5%)
Transport	1 559	1 327	1 485	1 119	5 490	1 515	(3%)
Marine	8	1 093	7	-4	1 104	3	(63%)
Power Conversion	135	153	141	114	543	158	17%
Corporate and others	63	94	35	67	259	73	16%
<b>Total Orders Received</b>	<b>3 941</b>	<b>4 422</b>	<b>3 845</b>	<b>3 633</b>	<b>15 841</b>	<b>3 981</b>	<b>1%</b>

Total Group Actual figures (in €million)	2004/05					2005/06	
	Q1	Q2	Q3	Q4	Total	Q1	Q1/Q1
Power Turbo-Systems / Environment	946	877	951	1 504	4 278	1 236	31%
Power Service	750	673	718	691	2 832	718	(4%)
Transport	1 252	1 199	1 285	1 364	5 100	1 314	5%
Marine	166	108	155	178	607	143	(14%)
Power Conversion	105	107	113	123	448	113	8%
Corporate and others	53	89	53	65	260	37	(30%)
<b>Total Sales</b>	<b>3 272</b>	<b>3 053</b>	<b>3 275</b>	<b>3 925</b>	<b>13 525</b>	<b>3 561</b>	<b>9%</b>

## Appendix 2

### Comparable Figures (Unaudited)

Total Group Comparable figures (in €million)	2004/05					2005/06	
	Q1	Q2	Q3	Q4	Total	Q1	Q1/Q1
Power Turbo-Systems / Environment	1 263	959	1 562	1 501	5 285	1 348	7%
Power Service	932	795	658	875	3 260	884	(5%)
Transport	1 569	1 309	1 493	1 069	5 440	1 515	(3%)
Marine	8	1 093	8	-5	1 104	3	(63%)
Power Conversion	130	156	152	120	558	158	22%
Corporate and others	33	63	28	70	194	73	121%
<b>Total Orders Received</b>	<b>3 935</b>	<b>4 375</b>	<b>3 901</b>	<b>3 630</b>	<b>15 841</b>	<b>3 981</b>	<b>1%</b>

Total Group Comparable figures (in €million)	2004/05					2005/06	
	Q1	Q2	Q3	Q4	Total	Q1	Q1/Q1
Power Turbo-Systems / Environment	954	888	970	1 529	4 341	1 236	30%
Power Service	749	677	736	706	2 868	718	(4%)
Transport	1 242	1 197	1 302	1 358	5 099	1 314	6%
Marine	166	108	155	178	607	143	(14%)
Power Conversion	105	107	116	126	454	113	8%
Corporate and others	10	62	46	65	183	37	270%
<b>Total Sales</b>	<b>3 226</b>	<b>3 039</b>	<b>3 325</b>	<b>3 962</b>	<b>13 552</b>	<b>3 561</b>	<b>10%</b>

Appendix 3

**Geographic Breakdown**

Reported Figures (Unaudited)

in € million	Orders			Sales		
	2004/05	2005/06	Var	2004/05	2005/06	Var
	Q1	Q1		Q1	Q1	
Europe	2 177	1 187	-45%	1 695	1 705	1%
North America	609	615	1%	499	525	5%
Latin America	182	377	107%	105	187	78%
Africa/Middle-East	145	312	115%	370	401	8%
Asia/Pacific	828	1 490	80%	603	743	23%
<b>Total</b>	<b>3 941</b>	<b>3 981</b>	<b>1%</b>	<b>3 272</b>	<b>3 561</b>	<b>9%</b>