

Shareholders' Meeting

28 June 2011

We are shaping the future

ALSTOM

Emmanuel Vuillard
Deputy General Counsel

- **Agenda of the Shareholders' Meeting:**

Notice of Meeting page 3

- **Resolutions:**

Notice of Meeting pages 23 to 25

Patrick Kron
Chairman and Chief Executive Officer

ALSTOM

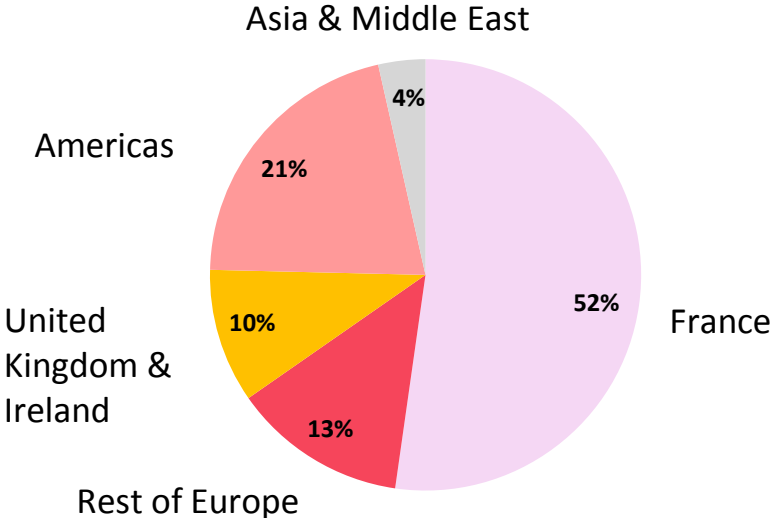
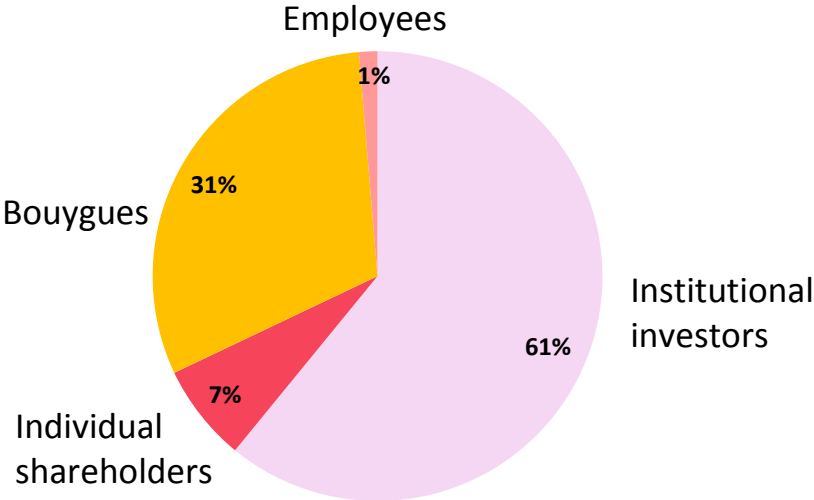


Alstom & You
Patrick Kron

ALSTOM

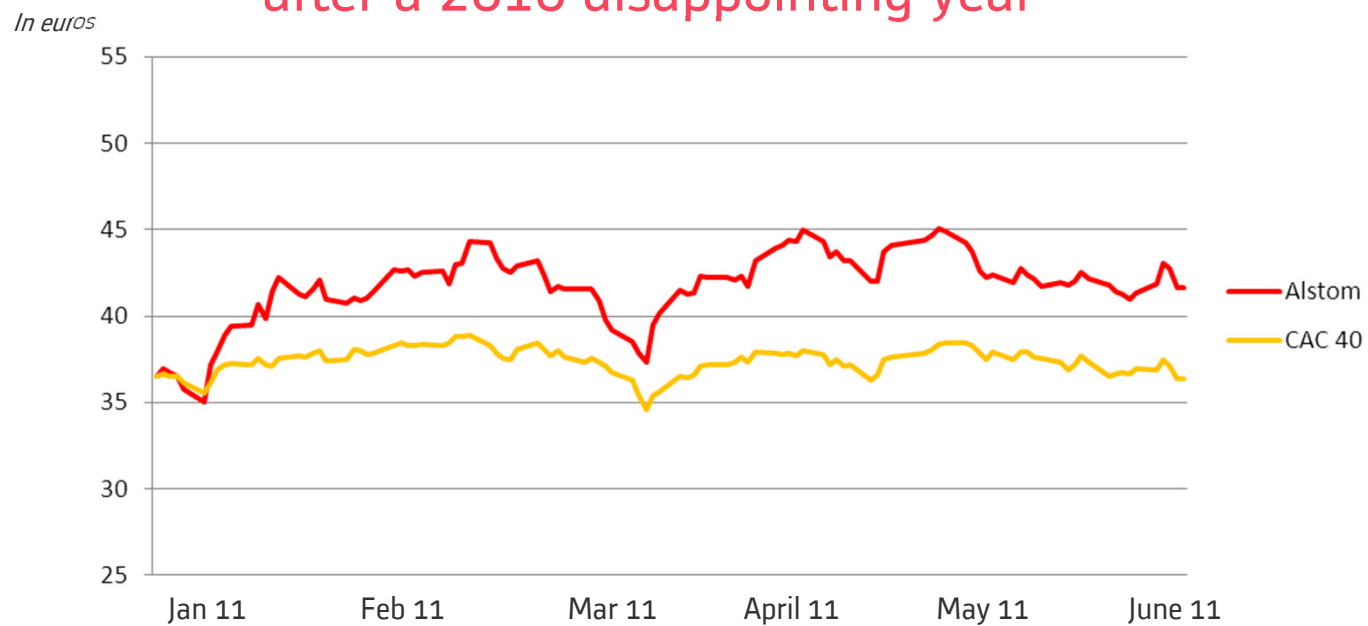
Shareholding structure as of 31 March 2011

You are circa 260,000 shareholders



Share price

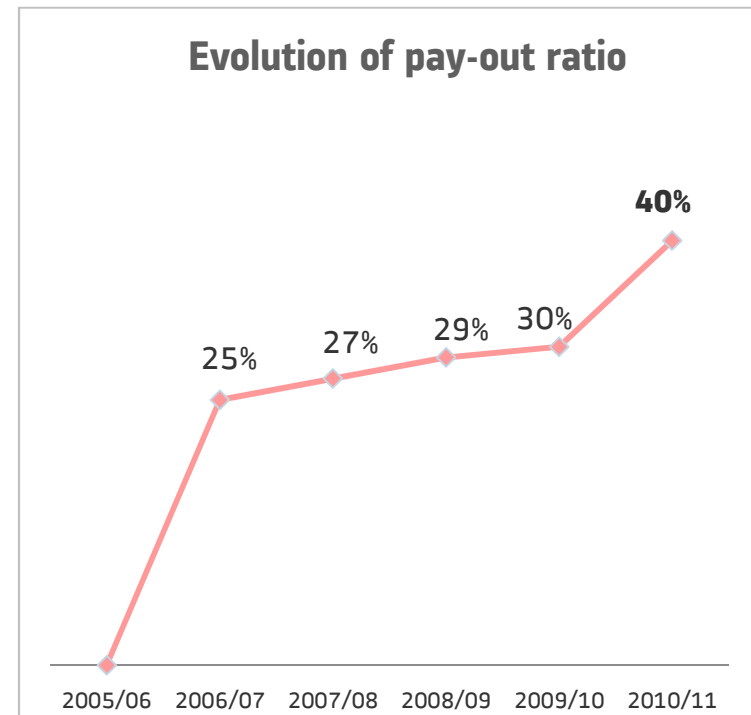
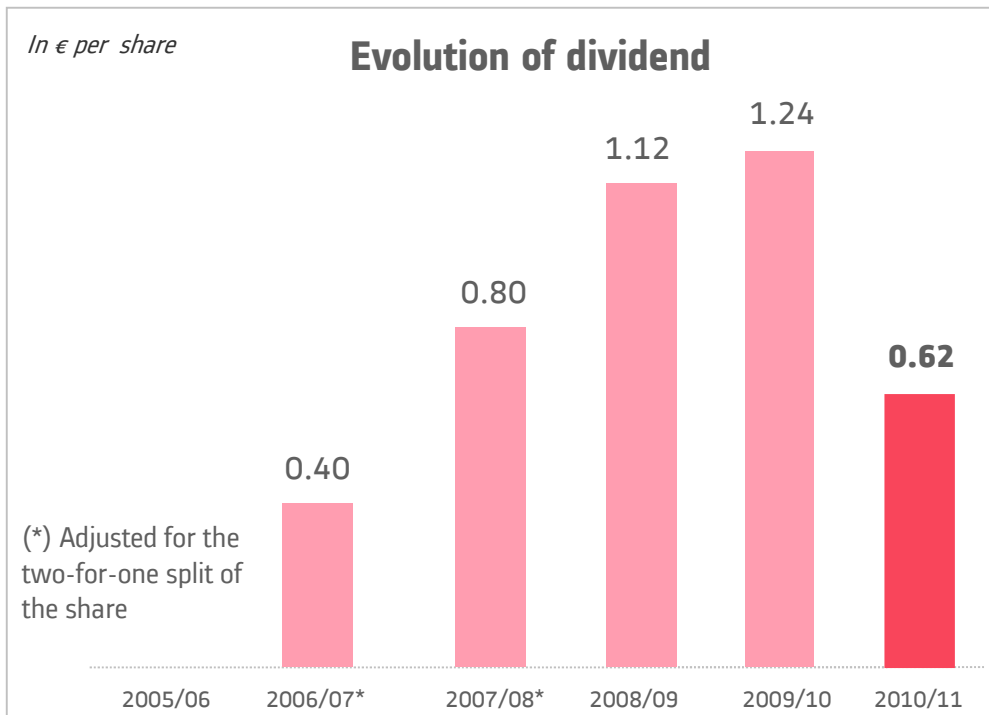
A better performance in 2011
after a 2010 disappointing year



Alstom Base: €36.48 as of 1st January 2011

Dividend

A dividend of €0.62 is put to your vote



Your information

Permanent dialogue with shareholders



Site visits

Dedicated email address

Information meetings

Shareholders letter

Free-phone number

Contact us:

 N° Vert 0 800 50 90 51

Investor.relations@chq.alstom.com

www.alstom.com *Investors section*

Governance

Patrick Kron

Composition of the Board of Directors (1/2)

Proposed renewals of Board members

- Mr. Patrick Kron
 - Nationality: French
 - Chairman and Chief Executive Officer of Alstom
- Mrs. Candace Beinecke
 - Nationality: American
 - Chair of Hughes Hubbard & Reed LLP
 - Member of the Nominations and Remuneration Committee
- Mr. Jean-Martin Folz
 - Nationality: French
 - Director of companies
 - Independent Director, Chairman of the Ethics, Compliance and Sustainability Committee



Composition of the Board of Directors (2/2)

Proposed renewals of Board members

- Mr. James W. Leng
 - Nationality: British
 - Chairman of AEA Investors Europe
 - Independent Director, Chairman of the Nominations and Remuneration Committee
- Mr. Klaus Mangold
 - Nationality: German
 - Chairman of the Advisory Board of Rothschild GmbH (Frankfurt)
 - Independent Director, Member of the Nominations and Remuneration Committee
- Mr. Alan Thomson
 - Nationality: British
 - Chairman of HAYS plc.
 - Independent Director, Member of the Audit Committee



Board of Directors

Activity in 2010/11

A strongly committed and diverse Board

Composition

- 9 independent Board members out of 14 (64%)
- 6 foreigners (43%)
- 3 women (21%)

- Review of the Group's financial situation and risks
- Review of the Group's strategy
- Update on the Group's development and acquisition projects
- Evaluation of the proper functioning of the Board and of its committees

Activity of the Board of Directors in 2010/11

- 6 meetings
- 97.5% attendance
- 1 meeting in Aix-Les-Bains (main theme: presentation of the Grid Sector and its strategy)

Audit Committee Activity in 2010/11

- Monitoring of financial information
- Review of internal control procedures, risk management and internal audit activity
- Organisational reviews of the treasury and foreign exchange risks
- Analysis of Grid integration process

Activity of the Audit Committee in 2010/11

- 4 meetings
- 100% attendance

Composition: 4 independent members out of 6 (67%)

Nominations and Remuneration Committee

Activity in 2010/11

- Assessment of the compliance with AFEP-MEDEF principles
- Review of the CEO's and Executive Committee members' compensation
- Proposal of stock options and performance shares allocation
- Review of succession plans
- Assessment of the Board of Directors and review of the Directors' independence status
- Review of the mission and performance of the new Ethics, Compliance and Sustainability Committee

Activity of the Nominations and Remuneration Committee in 2010/11

- 4 meetings
- 100% attendance

Composition: 3 independent members out of 5 (60%)

Ethics, Compliance and Sustainability Committee

- New committee created on 28 September 2010, under the Board's responsibility
- Demonstrates the importance of ethics, compliance and sustainable development in the Group's life and values



Composition:

- Jean-Martin Folz, President
- Katrina Landis
- Pascal Colombani

- **100%** of independent members

Ethics and Compliance

Missions

- Analysis and follow-up of ethics and compliance policies, as well as of the function organisation within Alstom
- Review of fundamental values and code of ethics
- Review of related risks within the general cartography of risks; information on potential breaches of rules
- Advice on actions to be implemented regarding ethics and compliance

Sustainable development

Missions

- Review of environmental and social responsibility policies and management systems
- Follow-up relations with stakeholders (suppliers, customers, local communities ...)
- Review of related risks within the general cartography of risks
- Assessment of reporting and control processes related to CSR indicators
- Review of the communication on sustainable development

Ethics, Compliance and Sustainability Committee

Activity in 2010/11

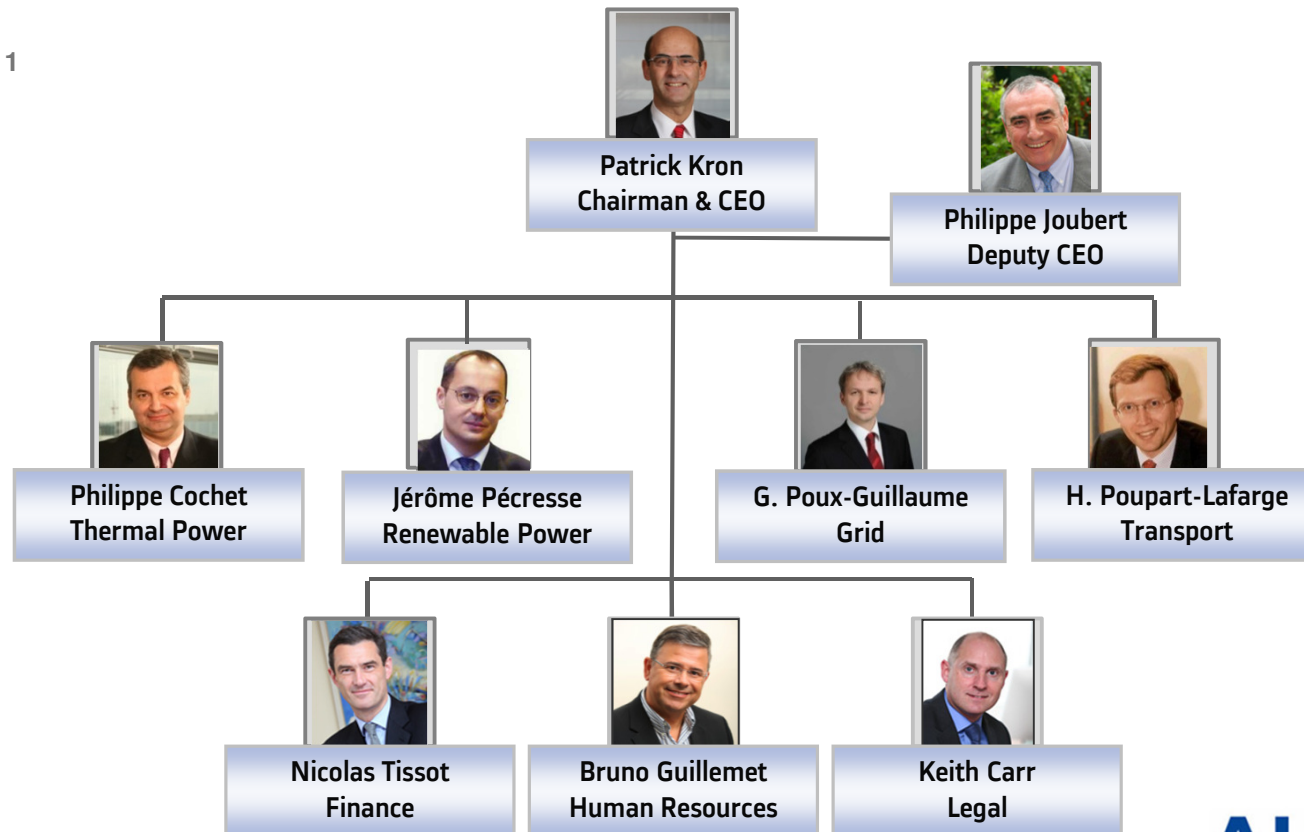
- Presentation of the Ethics and Compliance Department and the Alstom Integrity programme
- Information on certification process of rules and procedures governing relations with sales and marketing consultants
- Review of the sustainable development policy and implementation of improvement action plans

Activity of the Committee in 2010/11

- 1 meeting
- 100% attendance

A new younger and enlarged Executive Committee

As of 4 July 2011



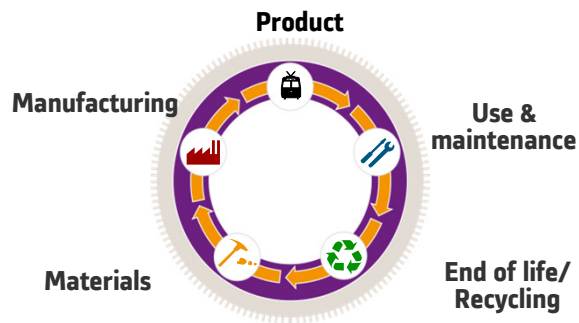
Sustainable development

Patrick Kron

Corporate responsibility

ENVIRONMENT

- Environment friendly products, systems and solutions
- Mitigate the impact of operations (factories and projects) – 5 programmes



P 22

STAKEHOLDERS

- Customer satisfaction
- Active partnership with suppliers
- Involvement in the life of surrounding communities



EMPLOYEES

- Offer the best working conditions
- Give everyone the opportunity to be at his/her best
- Objective: leave no employee alone to cope with an employment problem



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Alstom Foundation

Accompany local communities and preserve the environment



P 23

- Support local communities
- Promote education
- Health campaigns
- Actions for the environment

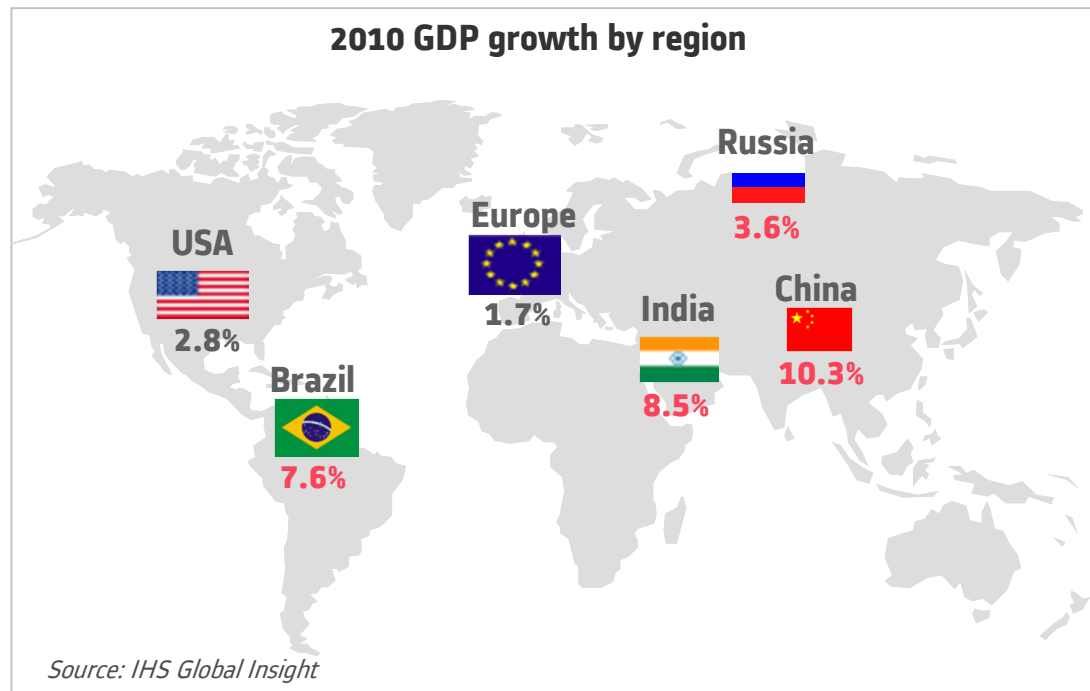
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Financial results 2010/11
Nicolas Tissot

ALSTOM

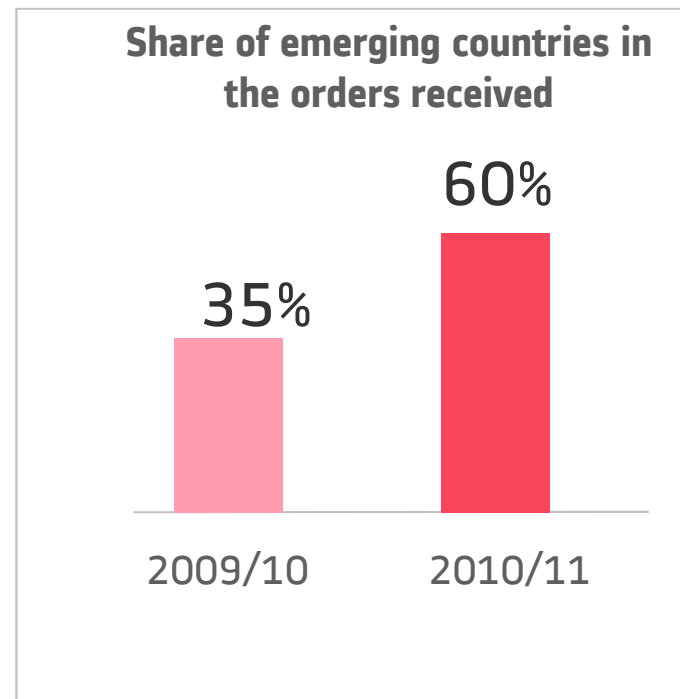
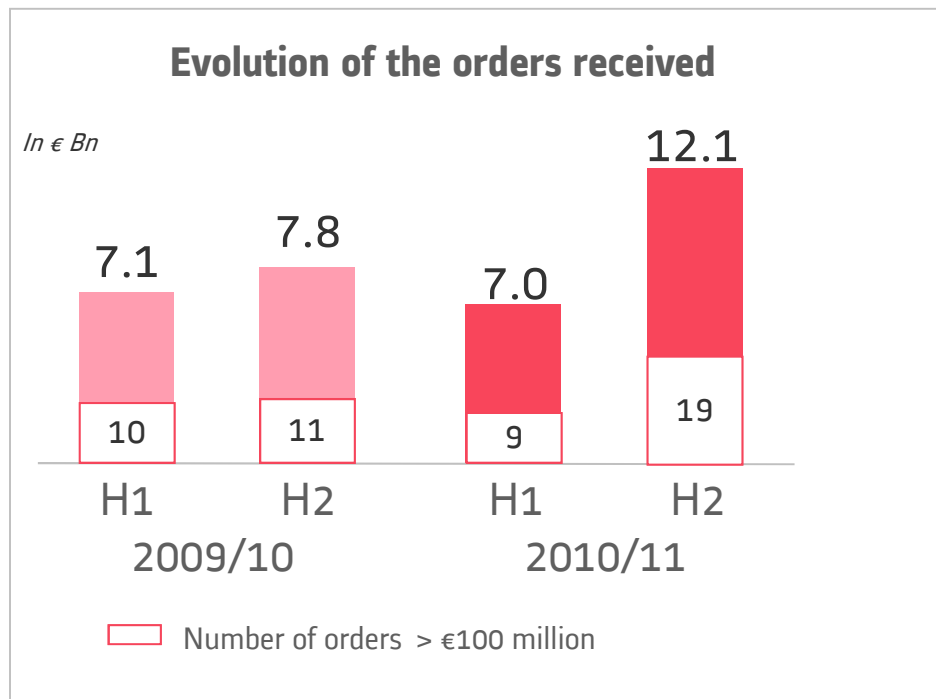
Evolution of the global context

Growth is back in emerging countries



Orders received

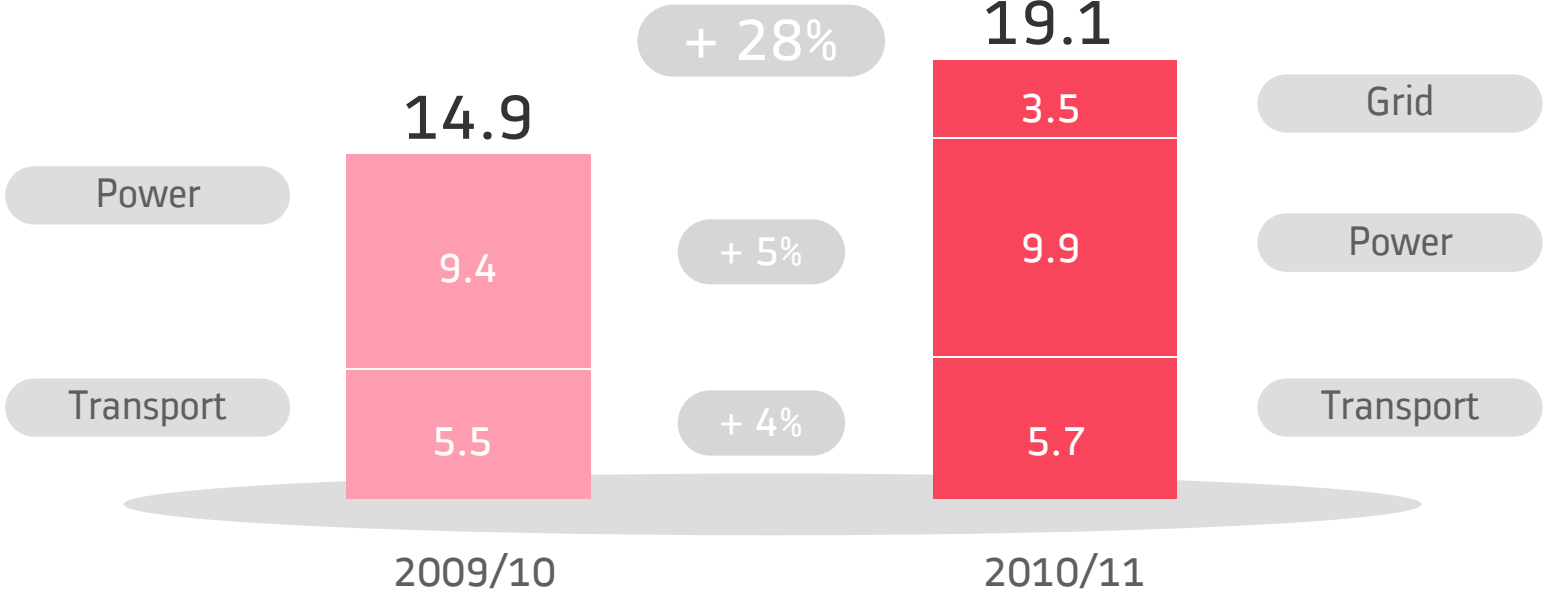
Rebound in orders during the second half, driven by emerging countries



Orders received by Sector

Orders rebound in the three Sectors

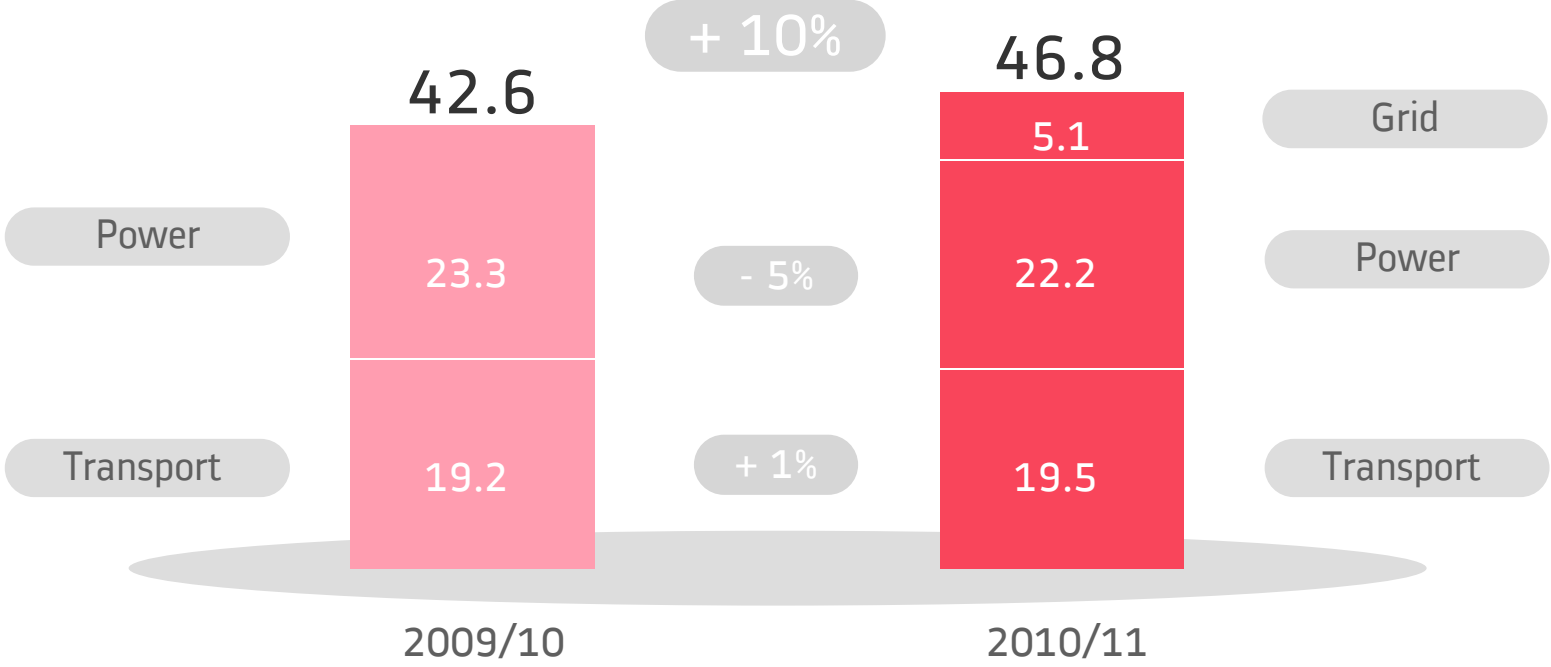
In € Bn



Backlog by Sector

Backlog representing more than 2 years of sales

In € Bn



Power – Main contracts and agreements

Thermal Systems & Products

- Gas: 3 combined-cycle power plants in Singapore
- Nuclear: equipment and services for turbines and generators in 3 power plants in China
- Coal: boilers in India, air quality control systems in South Africa, on-going talks with InterRao in Russia

Thermal Services

- Record level of orders at €5.2 billion
- Operation and maintenance: contracts in Singapore, Taiwan and Spain
- Retrofit in France and Poland

Renewables

- Hydro: contracts in Brazil, Chile and Switzerland, cooperation agreement with Rushydro
- Wind: contracts in Brazil and UK



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Transport - Main contracts and agreements



Very high speed

- Morocco: 14 Duplex trainsets for the Tangiers-Casablanca line

Partnerships and cooperations

- Kazakhstan: joint venture with KTZ railways and order for 295 electric locomotives
- China: MoU with China Northern Railways to jointly develop offers for mass transit and intercity



Metros et tramways

- Contracts for metros in Chennai (India), Panama and Santo Domingo
- Tramways in France (Tours, Paris, Le Havre) and in Tunisia

Regional and suburban trains

- Order for 12 Coradia Nordic in Sweden
- Maintenance contract for 135 trains in Stockholm

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Grid - Main contracts and agreements

Contracts

- Offshore substation in Germany
- Gas insulated substations (GIS) in Italy, Russia and United Arab Emirates
- Energy management systems (EMS) for national grids in Sweden and Kuwait



Partnerships and acquisitions

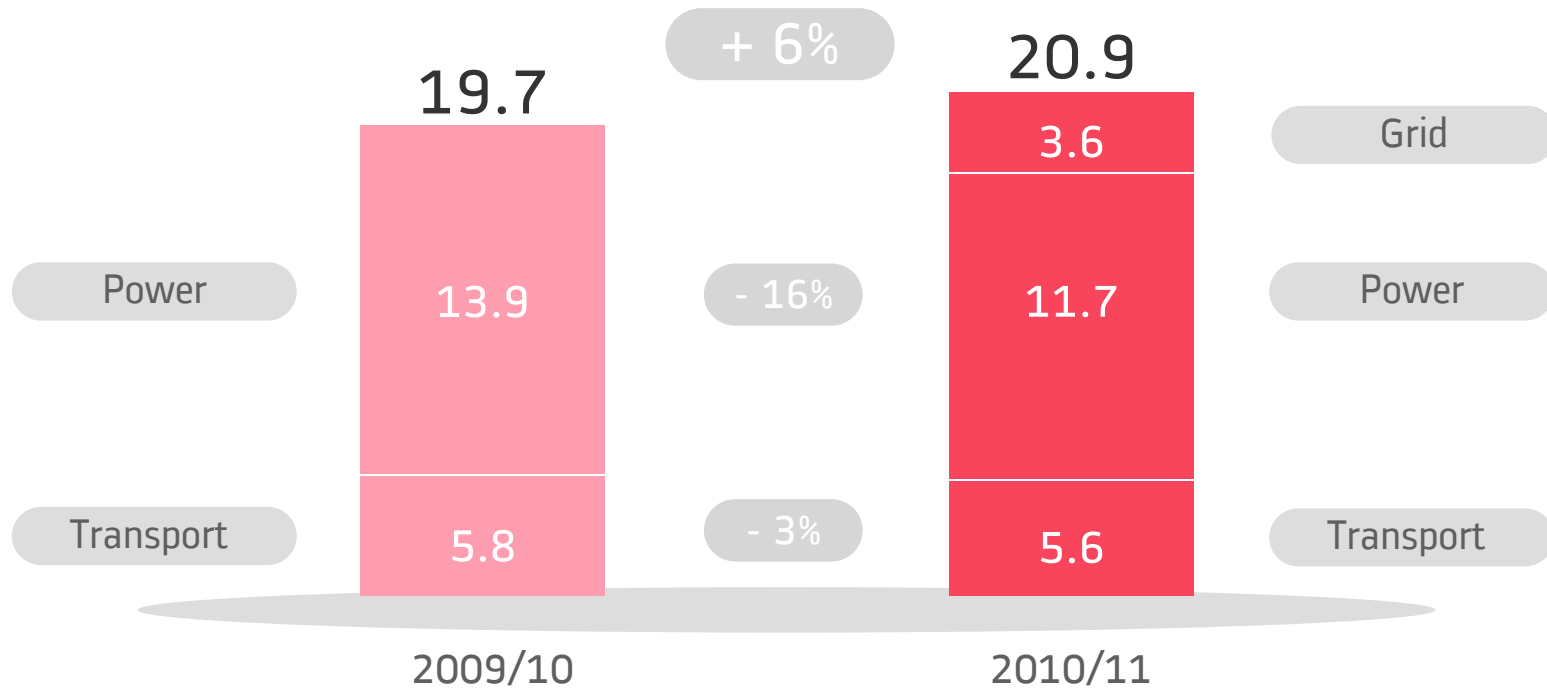
- Acquisitions of Uisol (USA) and Psymetrix (UK), specialist companies in « smart grid » applications
- Creation of Embix with Bouygues, to develop services for eco-districts
- Cooperation agreement signed with FSK to upgrade the Russian national network



Sales by Sector

Growth in sales due to the integration of Grid

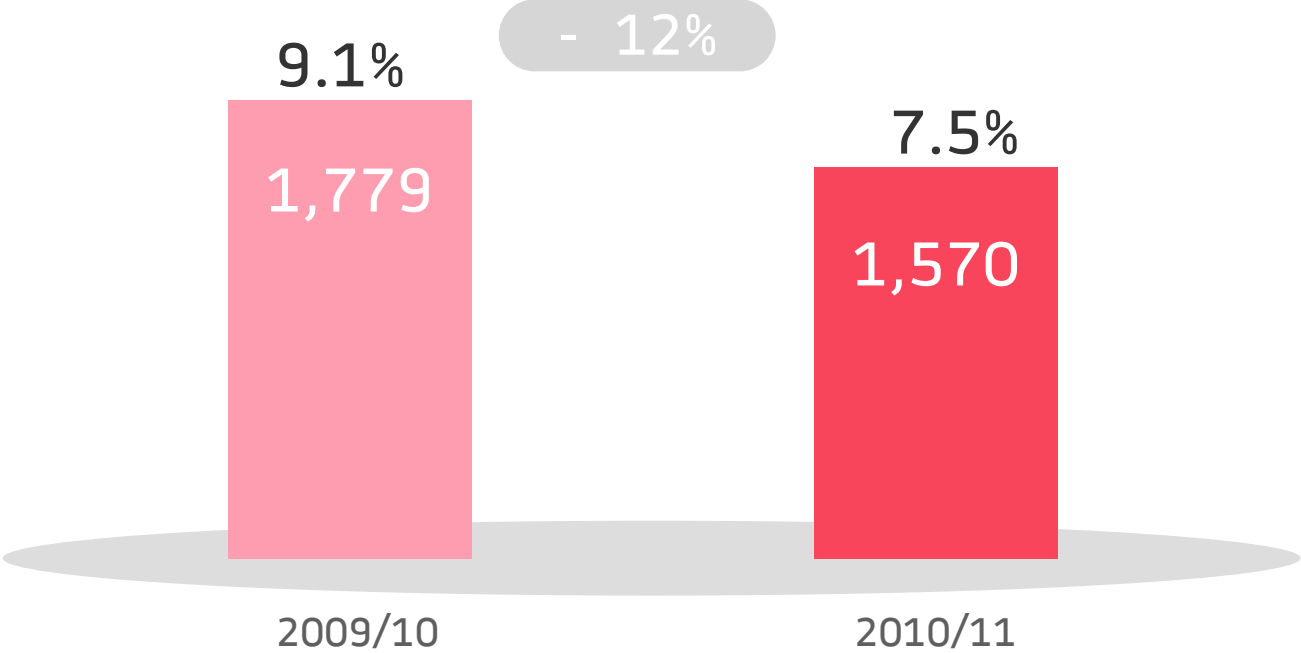
In € Bn



Income from operations and operating margin

Performance in line with guidance

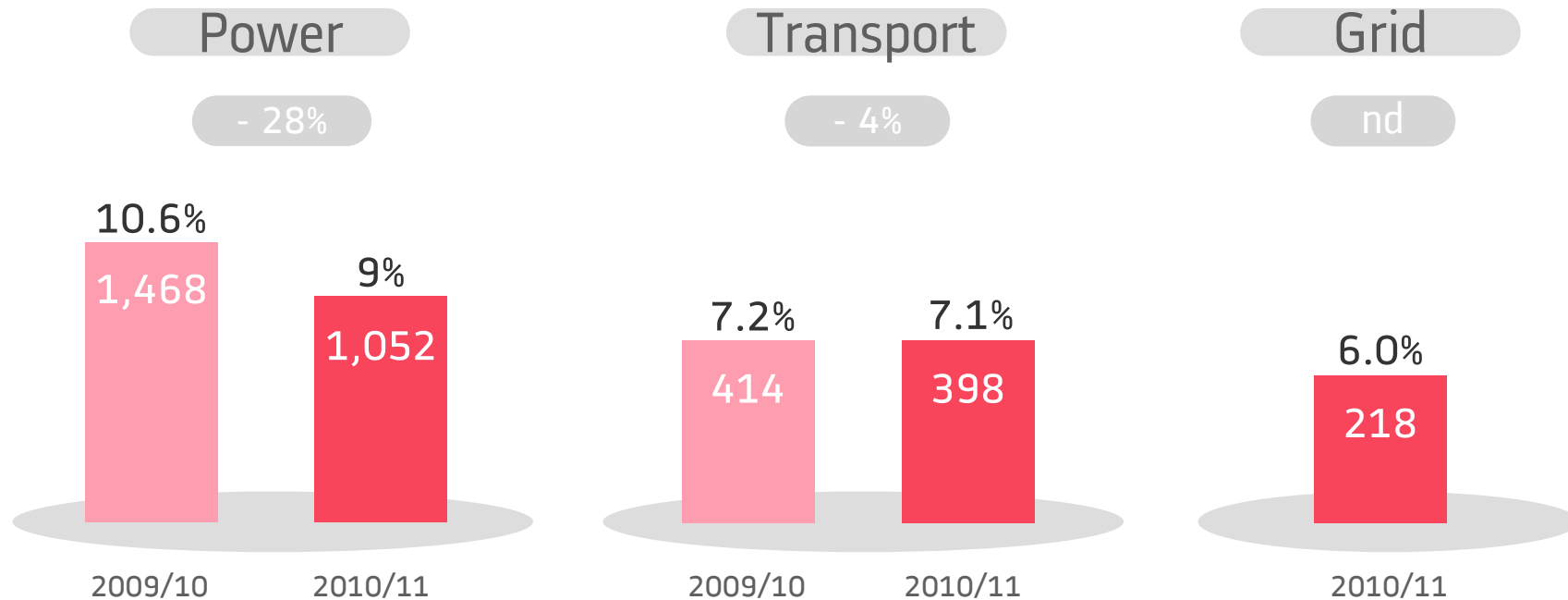
In € Mn



Income from operations and operating margin by Sector

In € Mn

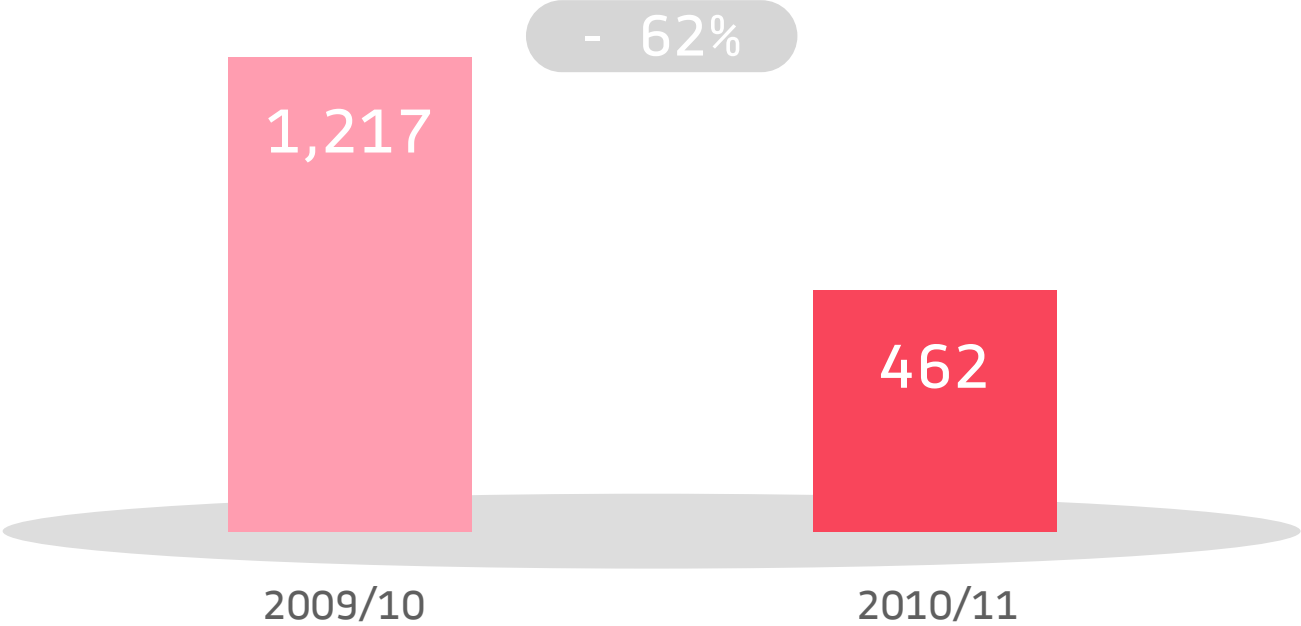
Power results down as expected



Net income

Net income impacted by large non recurring charges

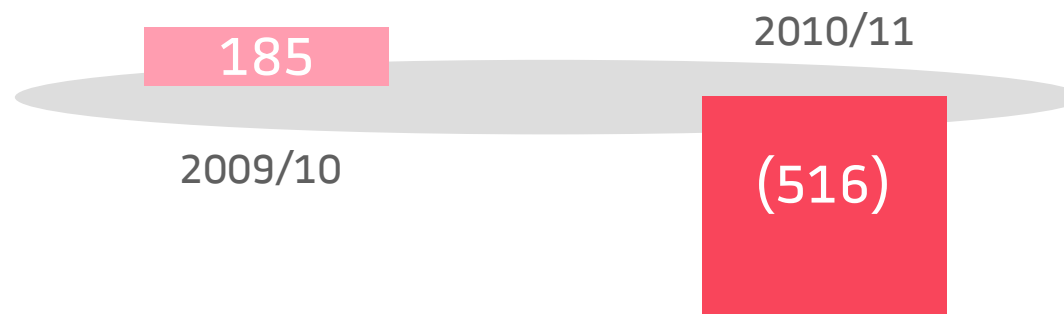
In € Mn



Free cash flow

Free cash flow impacted by the low level of orders during the 1st semester

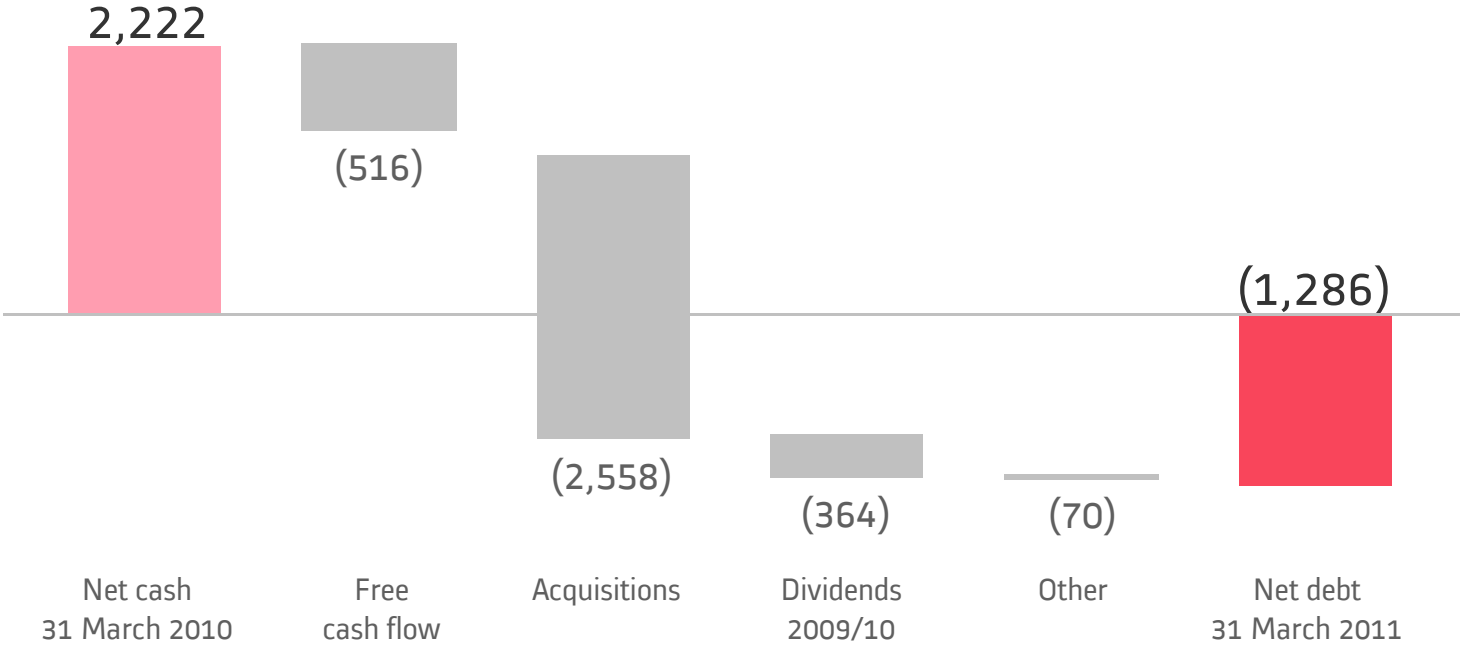
In € Mn



Net cash (debt) evolution

Limited net debt

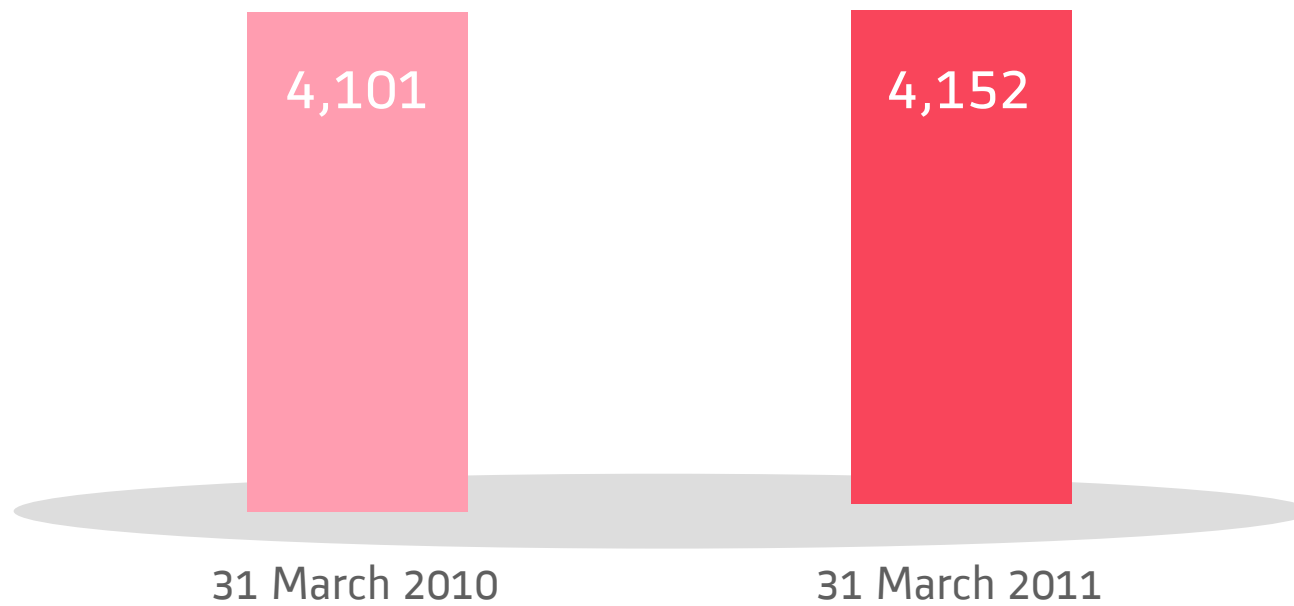
In € Mn



A strong financial structure

Stable equity

In € Mn



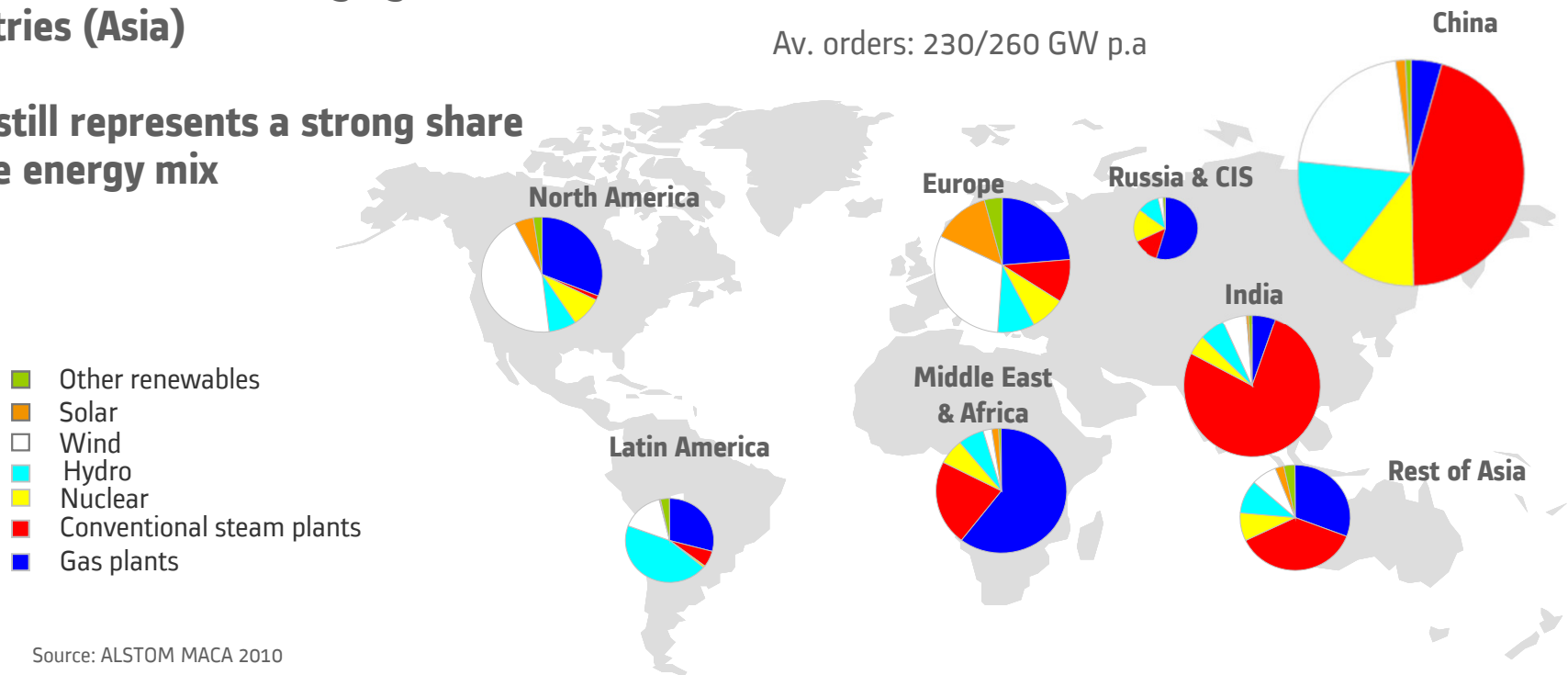
Focus on Alstom Shanghai Boilers Co.
Philippe Joubert

ALSTOM

Power plants market for the next 5 years

- Bulk of demand in emerging countries (Asia)
- Coal still represents a strong share of the energy mix

Av. orders: 230/260 GW p.a

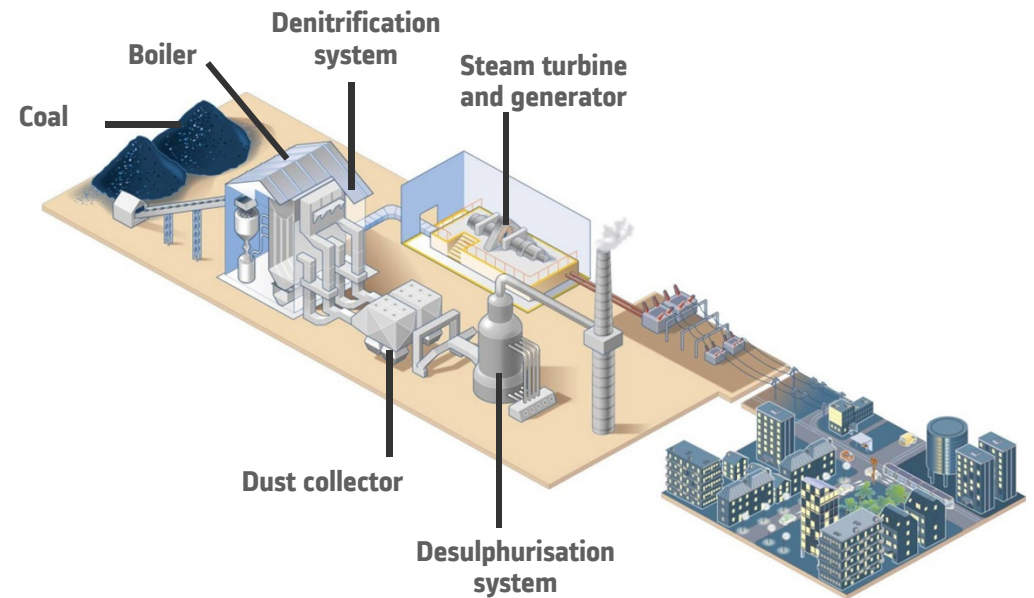


Source: ALSTOM MACA 2010

Coal power plants

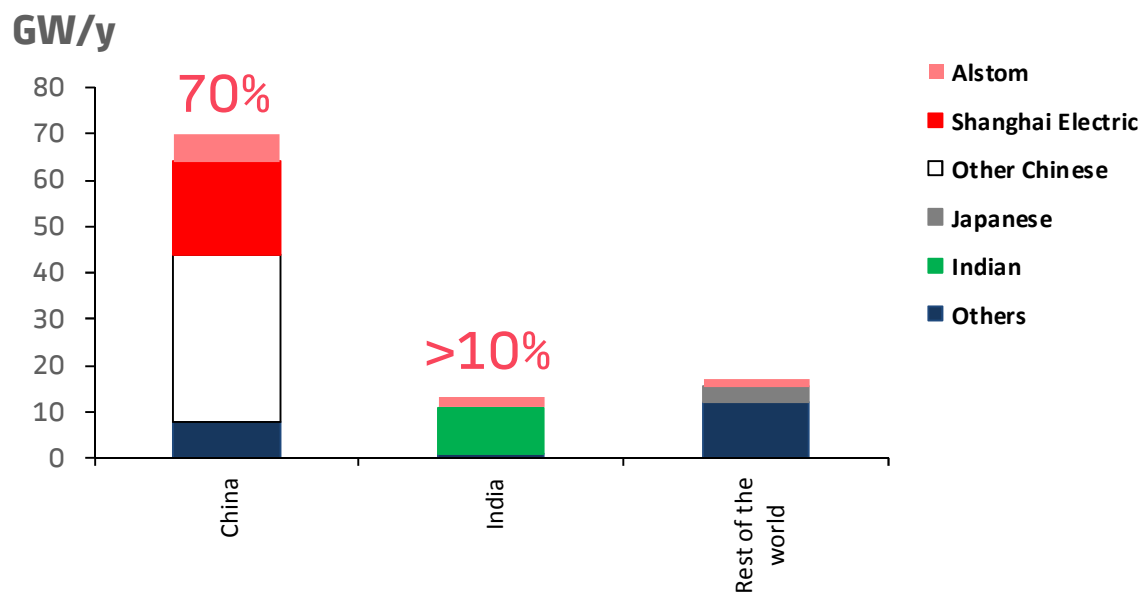
A strategic market

- **An essential component of the energy mix**
 - 40% of electricity is produced from coal
- **A market mainly located in Asia**
 - 85% of demand in China, India and other Asian countries
- **A major activity for Alstom Power**
 - Around 1/3 of sales in new equipment



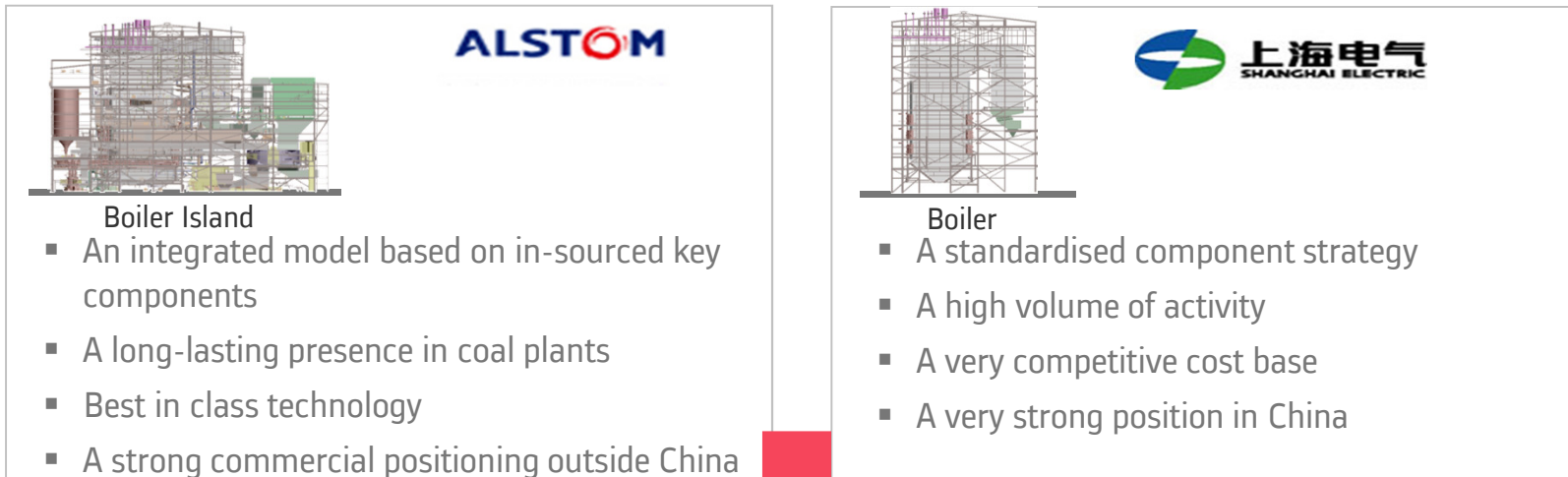
Boilers manufacturing capacities

China et India representing more than 80% of manufacturing capacities



Strategic rationale for a partnership with SEC

The alliance of complementary and strong assets in boilers



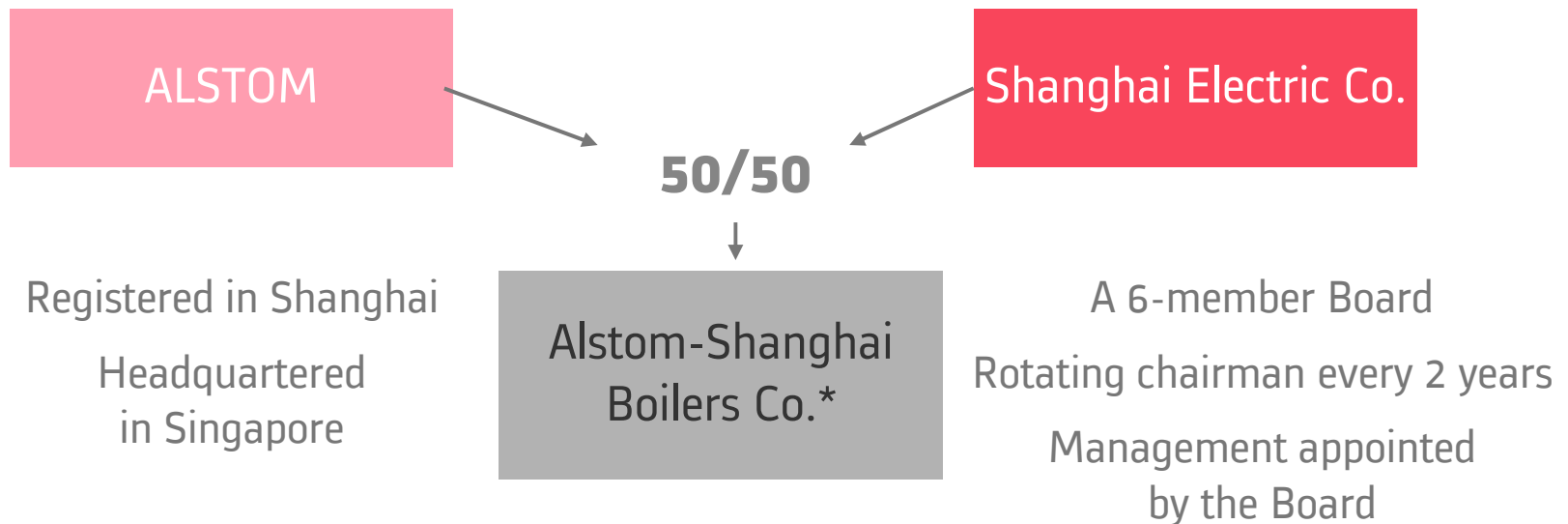
50/50 Joint Venture

Creation of the n°1 boiler Company worldwide

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Scope of the Joint Venture

A balanced partnership



**Service on boilers and turnkey not included in the JV*

Key figures 2010

Alstom-Shanghai Boilers Co.,
the world n°1 boiler company

	ALSTOM	Shanghai Electric Co.	Alstom-Shanghai Boilers Co.
Sales	€1.3 bn	€1.2 bn	€2.5 bn
Headcount	4,000	3,700	7,700

50/50 shareholding, cash free/debt free deal

A win/win agreement

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- Access to very competitive boiler supply to support its turnkey and service businesses
- Development on the Chinese market through the joint company

Shanghai
Electric Co.

- Access to the international market for direct boiler sales
- Key technologies owned by the joint company

Focus on Alstom Grid
Henri Poupart-Lafarge

ALSTOM

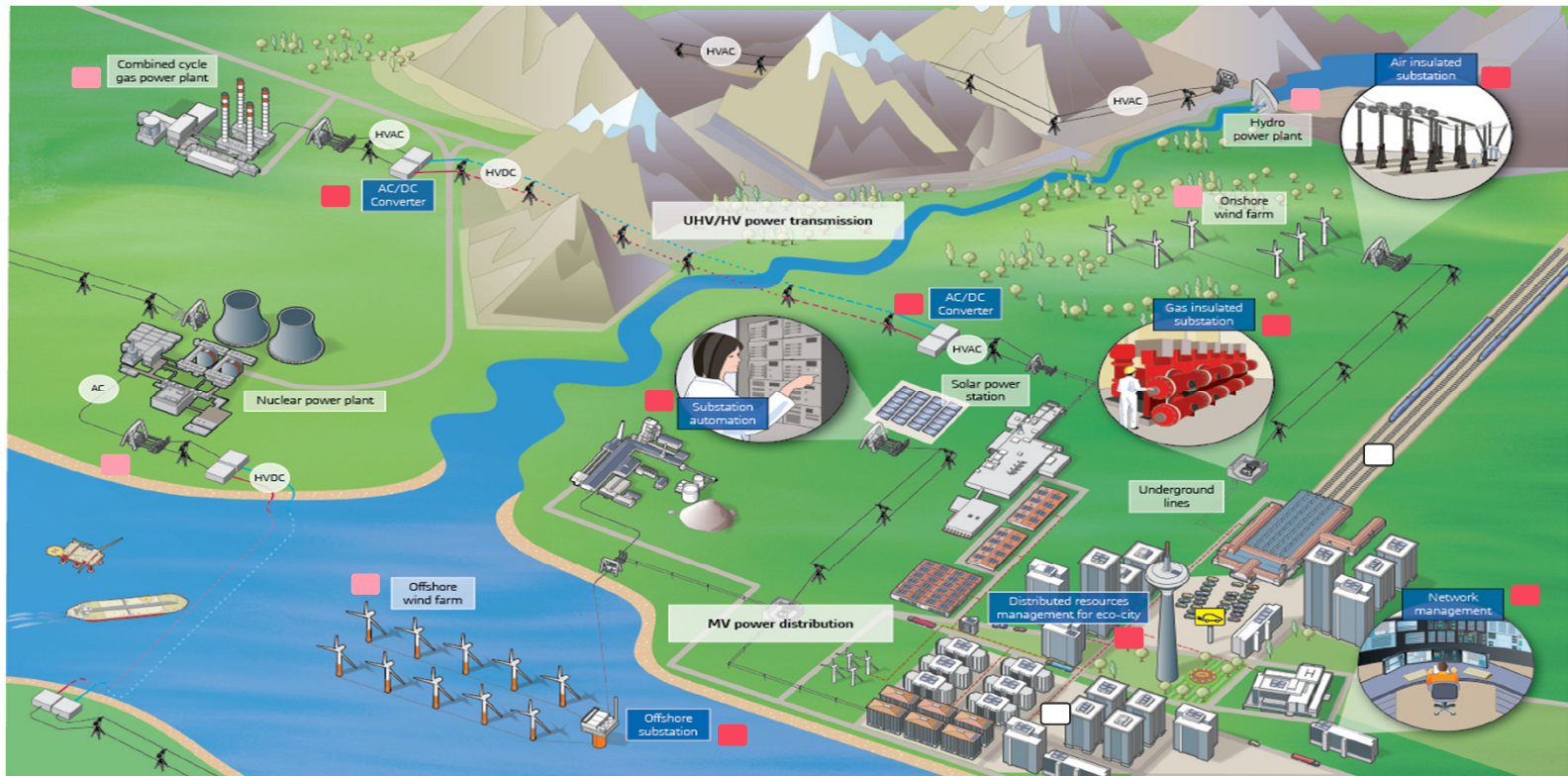
Alstom Grid: synergies with Power and Transport

- Power
- Transport
- Grid



In Belo Monte (Brazil), Alstom will equip the third largest hydro power plant in the world

- turbo-generators
- GIS
- transformers



Alstom Grid

Alstom Grid, the reference in grid performance

- **Worldwide leader in transmission of electricity, Alstom Grid develops, manufactures and designs environmental friendly solutions to increase reliability, stability and performances of grids**
- **20,000 employees in more than 70 countries on the 5 continents**
 - Research and Development
 - Manufacturing
 - Engineering and Services
 - Sales



ALSTOM

A comprehensive and competitive offering



High Voltage Direct Current



Protection relays

N° 1 in the world for Network and Market Management Systems



Network Management Systems
Digital Control Systems

N° 1 in the world for disconnectors and instrument transformers



Gas Insulated Switchgear



Air Insulated Substations

N° 1 in the world for aluminum electrolysis applications



Flexible Alternative Current
Transmission Systems
Special Solutions for
industries



Power Transformers

A worldwide presence

More than 90 manufacturing and engineering sites in the world



Redmond, USA
Network Management
Systems



Aix-les-Bains, France
GIS & Technical Institute



Wuhan, China
The world's first power transformer
factory to receive green certification



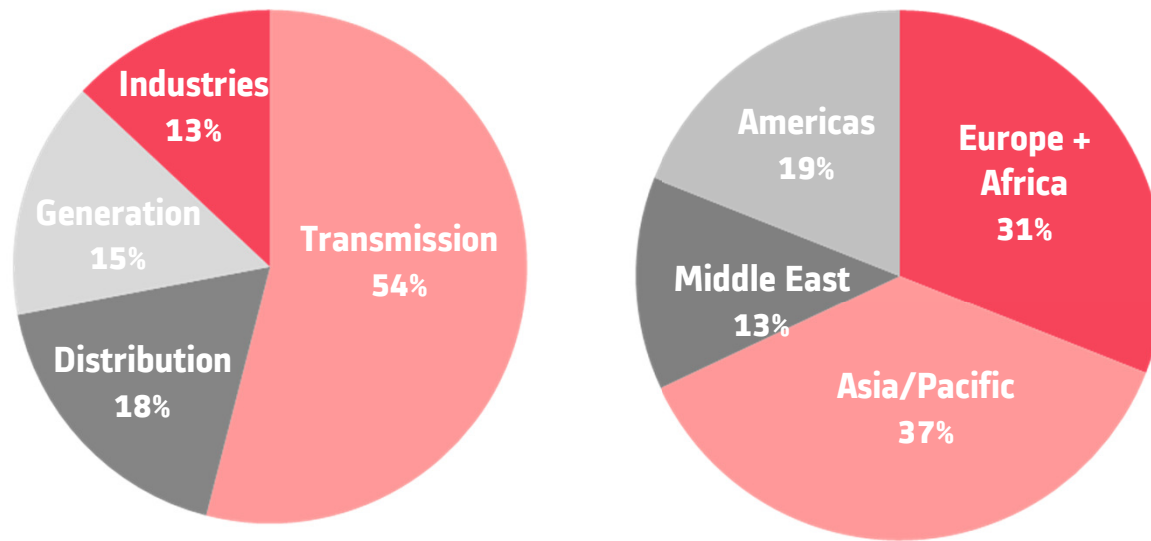
Vadodara, India
Power Transformers
factory

- Main industrial sites
- Main engineering sites
- R&D competence centres
- Technology centres



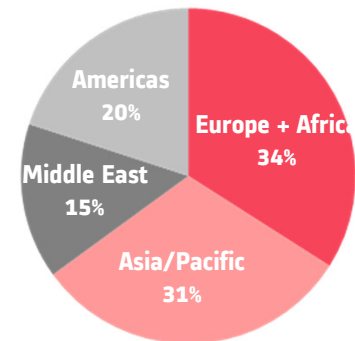
Our customers

Grid market split by customers' types and geographies



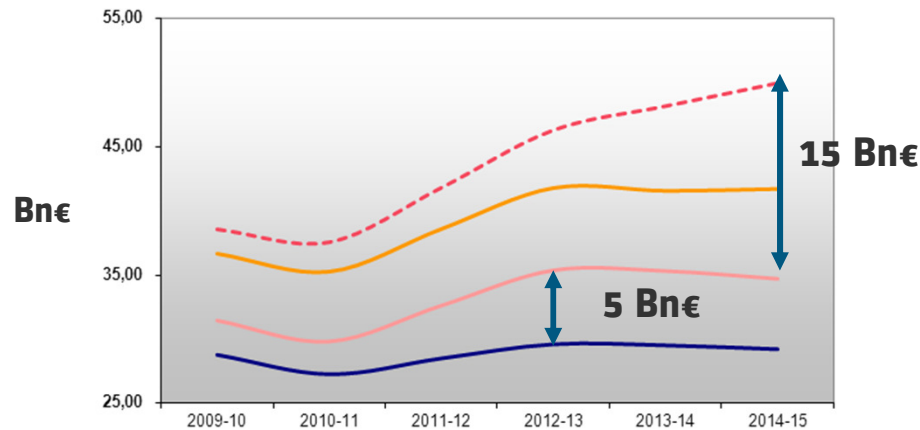
Source : Alstom

Alstom Grid Orders split



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Grid transmission market is sustained by high growth applications: SuperGrid and Smart Grid



Adjacent Smart Grid market

Smart Grid

HVDC / Super Grid market

Traditional market

Traditional market drivers

- Emerging countries' growth
- Renewal of developed countries' grids
- Recovery of industrial activity after crisis

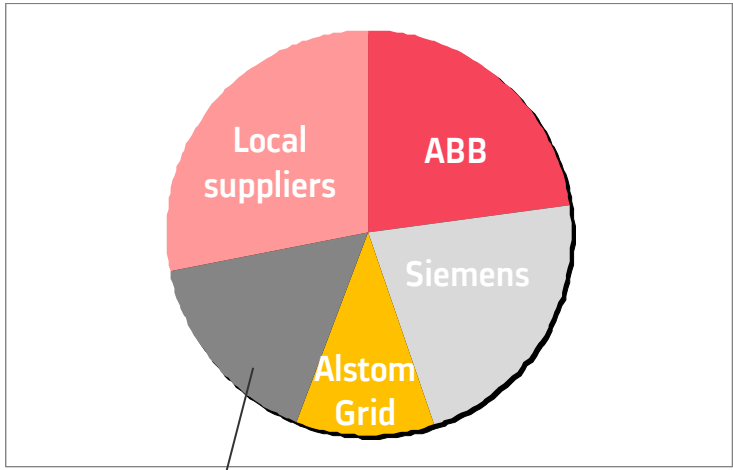
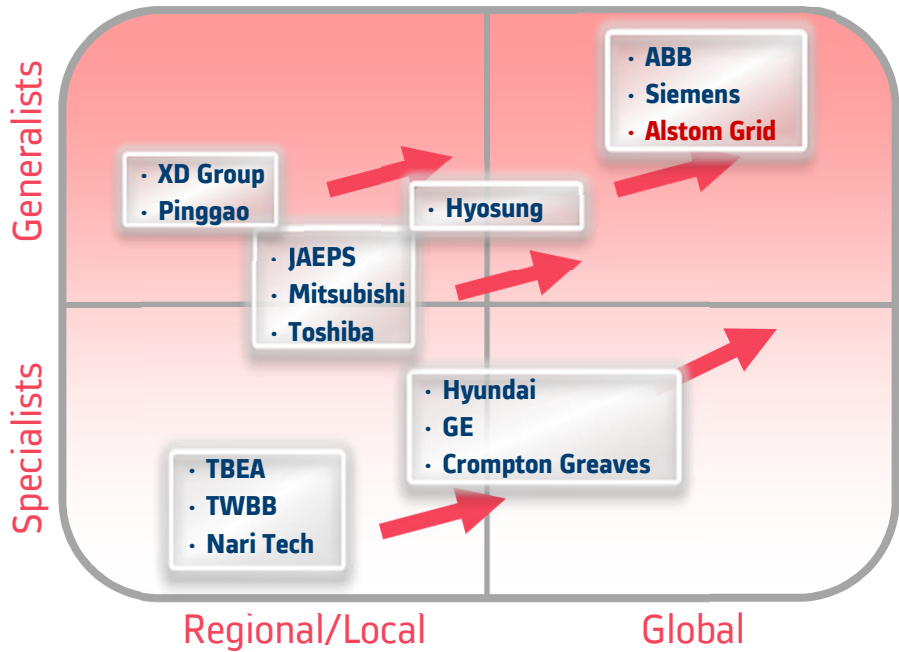
Super Grid / HVDC drivers

- Long distance power transmission lines
- Offshore / Onshore renewable connections
- Regional / National grid interconnections

Smart Grid drivers

- Grid security and stability
- Energy efficiency
- Integration and management of intermittent renewable energy sources
- Introduction of electric vehicle charging

Alstom Grid maintains #3 position despite fierce competition



Main emerging suppliers
 Xian, TBEA, Hyundai, Hyosung, Crompton Greaves

Priorities

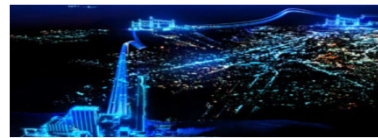
1. Key regional priorities



2. New offers development



SuperGrid / HVDC



SmartGrid



Next generation substation

3. Operational priorities

- Competitiveness
- Customer Intimacy
- Innovation



Alstom key actor of SuperGrid

Alstom co-signs Medgrid's status

« We need to build electricity highways in order to connect Europe with renewable sources of energy »
E. Besson, French Ministry in charge of Energy



Moving towards smarter renewable energy management

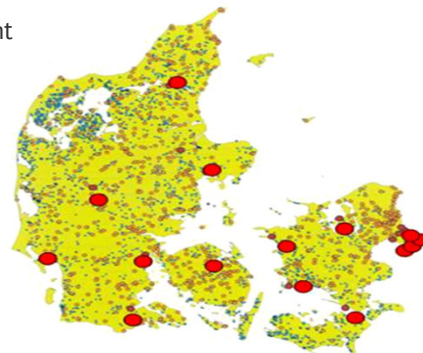
Example: Energinet.dk

Denmark - 1980



- Central power plant
- DCHP unit
- Wind turbine

Denmark - 2010

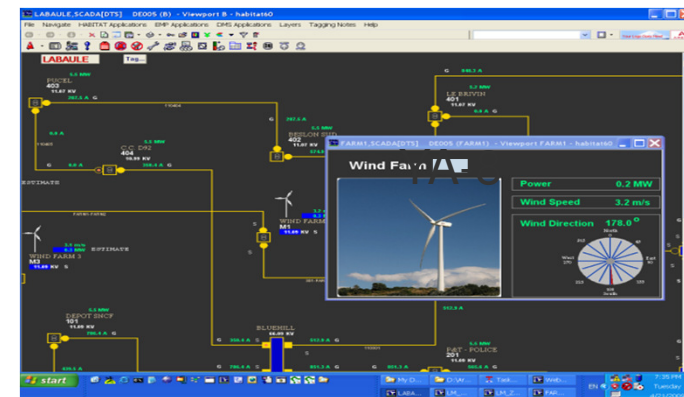


Customer challenge

- Manage large portfolio of intermittent and distributed generation units

Solution

- e-terra Renewable Desk integrated in Energinet control center



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New Energy Management systems: 2 complementary projects in Nice (France)

NiceGrid project (with ERDF and EDF SA)

Microgrid Energy Management

- Integration of large concentration of renewable mainly residential Solar PV
- Management of Secondary Distribution Grid
- Control and monitoring of LV microgrid

Reflexe project (with Veolia)

Commercial Virtual Power Plant

- Demonstration of feasibility of a commercial Virtual Power Plant
- Integration of Renewable, Storage & Flexible Demand among several industrial sites



Our 3 operational priorities

Customer Intimacy



Customer Interaction Survey



Customer Quality Survey

Innovation

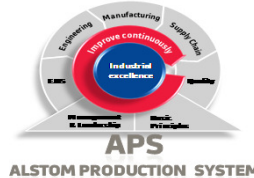


I NOVE YOU



Competitiveness

QUALITY BUILT IN
QBi
Because quality counts
in everything we do



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Conclusion: a successful integration with confirmed opportunities

- **A successful integration within Alstom**
 - Synergies with Power and Transport to be further developed
- **Key assets for a profitable growth**
 - An operational plan in place to create value
 - A strategy to conquer market opportunities
 - A culture of innovation
- **One ambition: “To become the reference in Grid performance”**

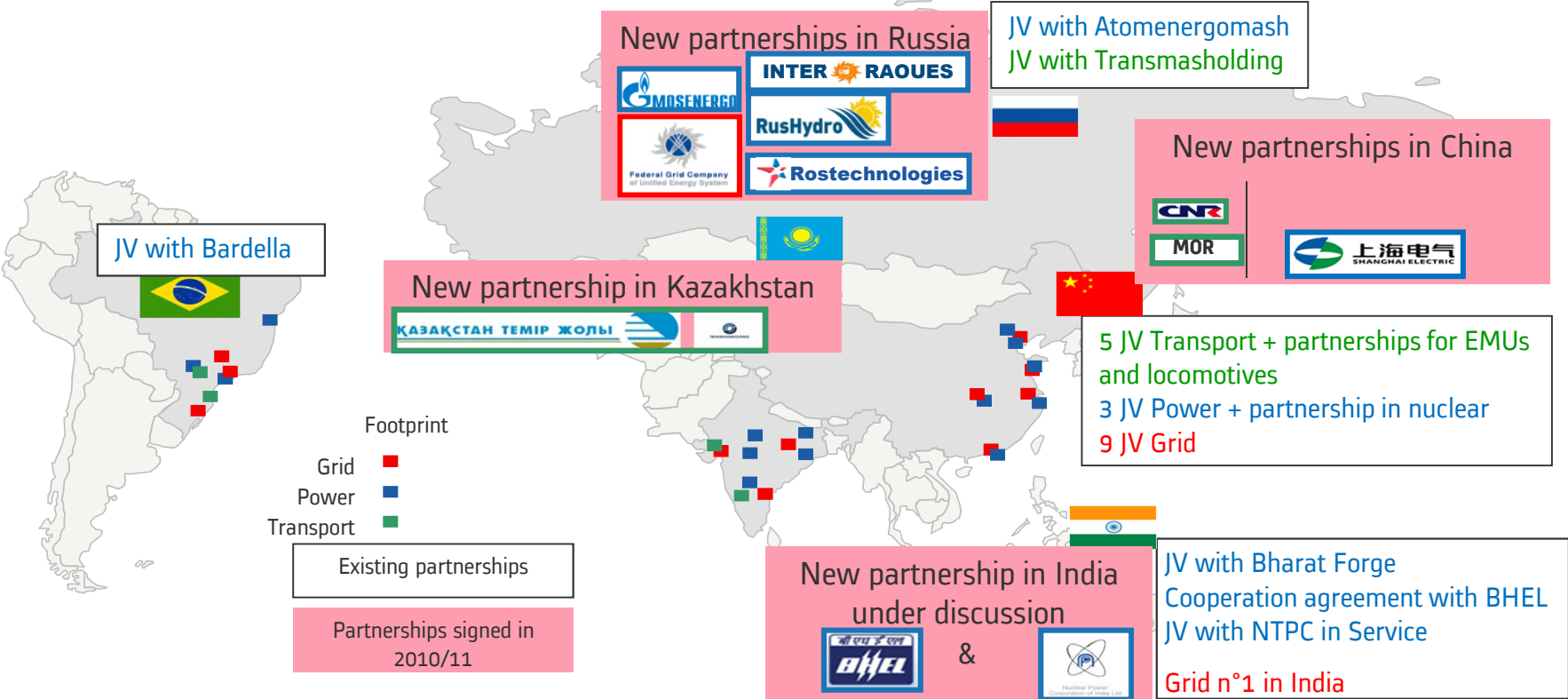


Strategy and outlook

Patrick Kron

Adapt to demand evolution

Partnerships in high growth countries



Adapt to demand evolution

Adjusting some capacities in Europe and North America

- **Adjusting Thermal Systems & Products**
 - Reduction of 4,000 positions (20%) in Europe and North America to adapt to the load
- **Adjusting Transport in Europe**
 - Adapting to load in 3 European countries (Germany, Spain, Italy), with a planned reduction of 1,400 positions

Investments

Targeted investments

POWER

- Wind: construction of two new factories in Brazil and in the USA
- Steam turbines: construction of a factory in India together with Bharat Forge



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TRANSPORT

- Construction of a factory for metros in Chennai (India)



GRID

- Ultra High Voltage Centre in Shanghai (China)



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Research and Development

Maintain technology and innovation as priorities

POWER

- CO₂ capture
- Gas turbines performance improvement
- Renewables (solar, offshore wind...)



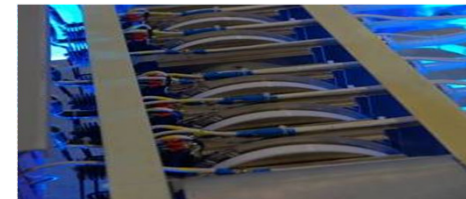
TRANSPORT

- New very high speed platform
- Regional train prototype (Regiolis)



GRID

- Ultra High Voltage
- Smart Grids



Power - Strategic priorities



- Adapt cost base to demand



- Promote clean power

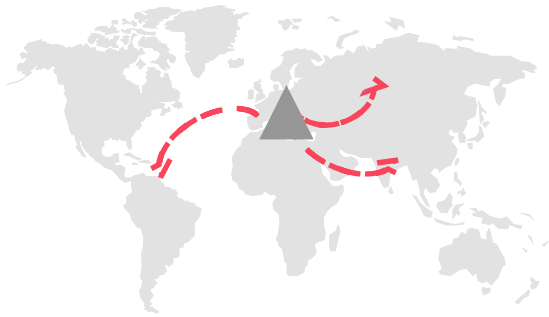


- Benefit from growth in Asia



- Develop in Service

Transport - Strategic priorities



- Accelerate geographical reach
- Adapt to the lower demand in some European countries
- Develop growth in Service and Signaling
- Pursue operational excellence

Grid - Strategic priorities



- Strengthen Grid's presence in Russia, China and the Americas



- Maintain position in Europe and India



- Develop 'smart grid'/'super grid' offering

Outlook

Guidance confirmed for fiscal year 2011/12

Operating margin between 7% and 8%

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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We are shaping the future

ALSTOM

Independent Auditors' reports

ALSTOM

Dialogue with Shareholders

Vote of the resolutions

1st resolution

As an Ordinary Shareholders' Meeting

- **Approval of the statutory financial statements and operations for the fiscal year ended 31 March 2011**

2nd resolution

As an Ordinary Shareholders' Meeting

- **Approval of the consolidated financial statements and operations for the fiscal year ended on 31 March 2011**

3rd resolution

As an Ordinary Shareholders' Meeting

- **Allocation of net income**
Dividend: €0.62 per share

4th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mr Patrick KRON's appointment as a Director**

5th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mrs Candace BEINECKE's appointment as a Director**

6th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mr Jean-Martin FOLZ's appointment as a Director**

7th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mr James W. LENG's appointment as a Director**

8th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mr Klaus MANGOLD's appointment as a Director**

9th resolution

As an Ordinary Shareholders' Meeting

- **Renewing Mr Alan THOMSON's appointment as a Director**

10th resolution

As an Ordinary Shareholders' Meeting

- **Authorisation to be given to the Board of Directors to trade the Company's shares**
 - **Maximum amount: 10% of the share capital**
 - **Duration: 18 months**

11th resolution

As an Extraordinary Shareholders' Meeting

- **Authorisation to be given to the Board of Directors to reduce the share capital by cancellation of shares**
 - **Maximum amount: 10% of the share capital**
 - **Duration: 24 months**

12th resolution

As an Extraordinary Shareholders' Meeting

- **Authorisation to implement the Shareholders' Meeting's decisions and complete the formalities**

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