

Shareholders' Meeting

26 June 2012

We are shaping the future

ALSTOM

Emmanuel VUILLARD
Deputy General Counsel

ALSTOM

- **Agenda of the Shareholders' Meeting :**
Notice of Meeting, page 3
- **Resolutions :**
Notice of Meeting, pages 32 to 40

Patrick KRON
Chairman and Chief Executive Officer

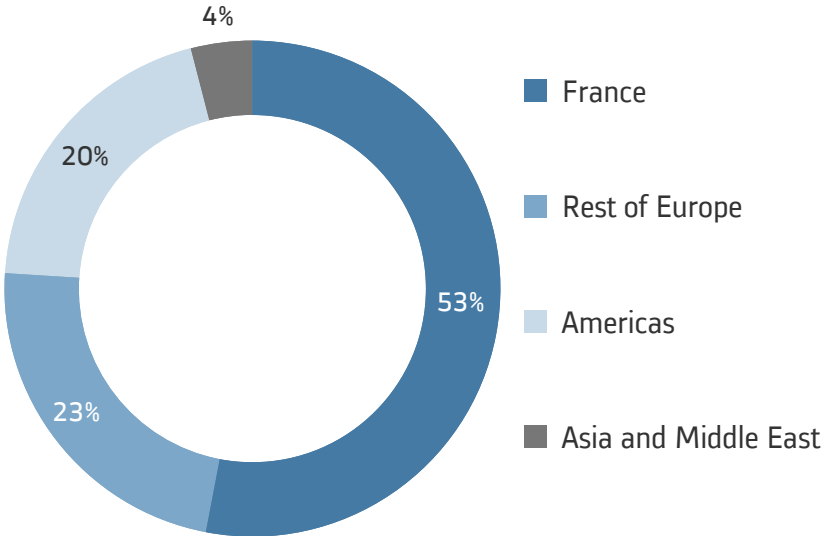
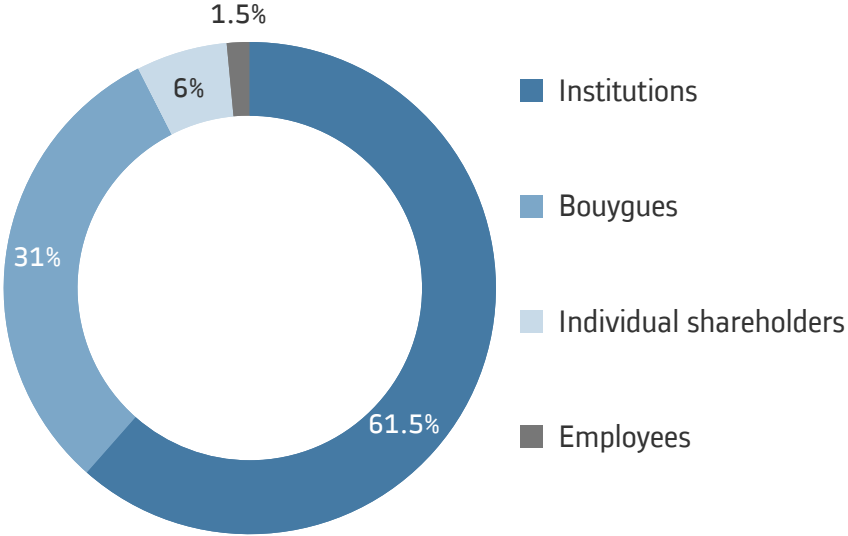
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Alstom & You
Patrick Kron

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Shareholding structure

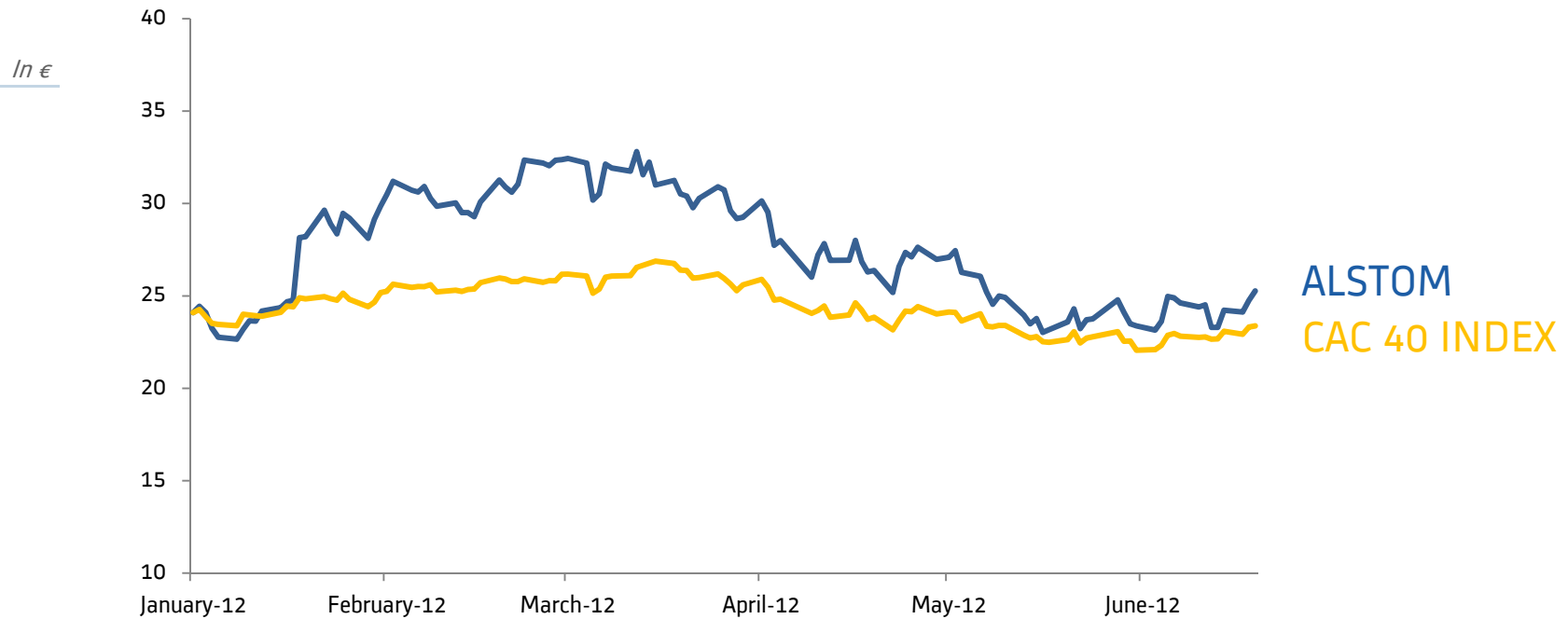
As of 31 March 2012



You are 230,000 shareholders

Share price evolution

A share price enduring the financial markets' turbulences



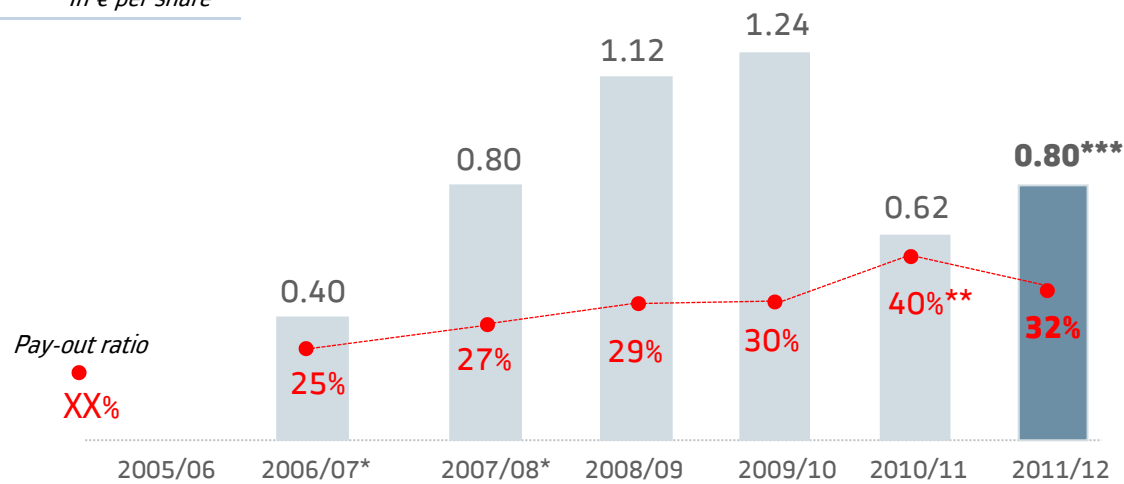
Alstom basis: €24.095 as of 2 January 2012

Dividend

A dividend increased by almost 30%

- Payment date: 3 July 2012

In € per share



* Adjusted from the split

** Net result impacted by exceptionally high restructuring charges

P 8 *** Proposed to your vote

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Your information

A permanent dialogue with individual shareholders

Shareholders letter



Dedicated email address



Site visits



Information meetings



Contact us

 **N°Vert 0 800 50 90 51**

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Investor.relations@chq.alstom.com

www.alstom.com *Investors section*

Alstom in 2011/12
Patrick Kron

ALSTOM

Three main activities organised in four operational Sectors

Among the top 3 global players for its core activities

Power generation

Thermal Power Sector



Renewable Power Sector



25% of the worldwide installed power generation capacity uses Alstom's technologies

Power transmission

Grid Sector

Leading positions in key equipment and technologies



Rail transportation

Transport Sector

Alstom manufactures 1 metro out of 4 and 1 tram out of 4

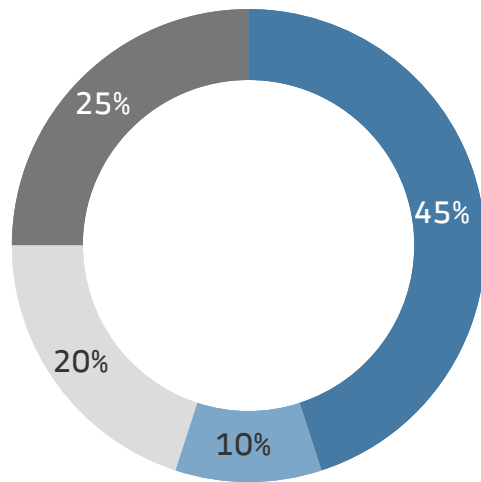


A balanced portfolio

As of 31 March 2012

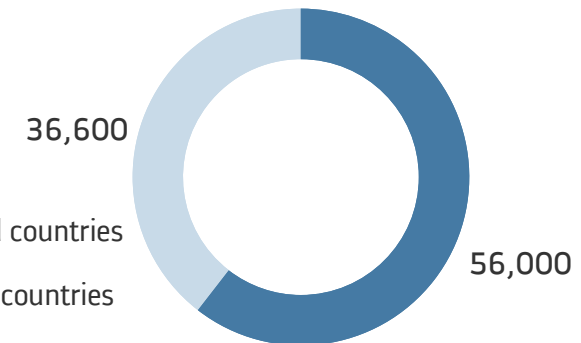
A worldwide presence

Sales ~ €20 billion



- Thermal Power
- Renewable Power
- Grid
- Transport

92,600 employees



- Developed countries
- Emerging countries



Corporate Social Responsibility and Sustainable Development commitments (1/2)

At the core of the strategy

- A commitment to sustainable development now recognised by rating agencies (SAM)
- A range of environmentally-friendly products and solutions
- A regular reduction of the environmental impact of industrial sites
- Local actions in favour of the environment (Alstom Foundation)



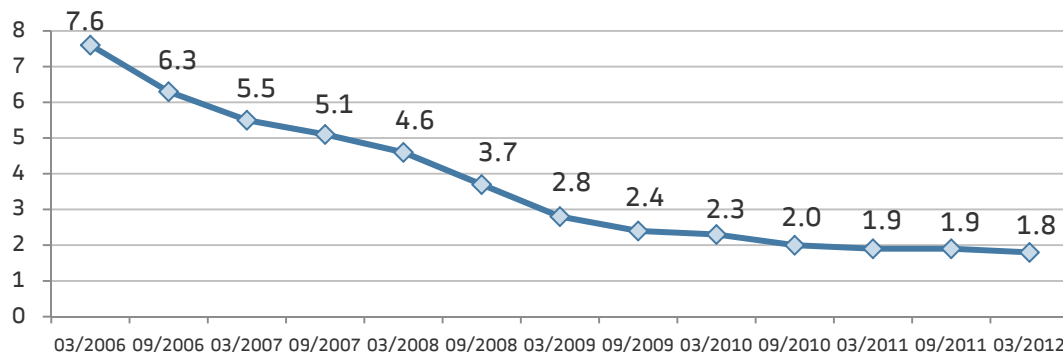
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Corporate Social Responsibility and Sustainable Development commitments (2/2)

- Better working conditions with top priority given to safety
- An ethics programme deployed throughout the Group
- Teams' mobilisation for innovation



Injury Frequency Rate (12 rolling months) – ALSTOM employees



Full year results 2011/12

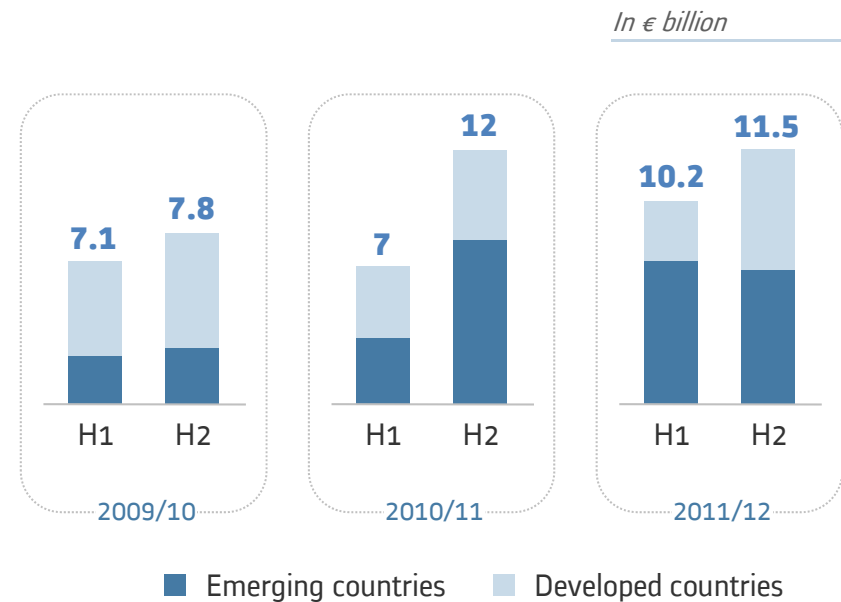
Results strictly in line with guidance

- A sustained commercial activity ✓
- A sequential recovery of sales ✓
- An operating margin above 7% ✓
- A positive free cash flow in the second semester ✓

Preparing the future

Today's orders are tomorrow's sales

- Sound level of orders in 2011/12 : a 14% increase compared to 2010/11
- 60% of orders coming from emerging countries
- Backlog amounting to around €50 billion



Preparing the future

Innovation, a driver of growth

- R&D expenses maintained at a high level
- Major successes in the 4 Sectors



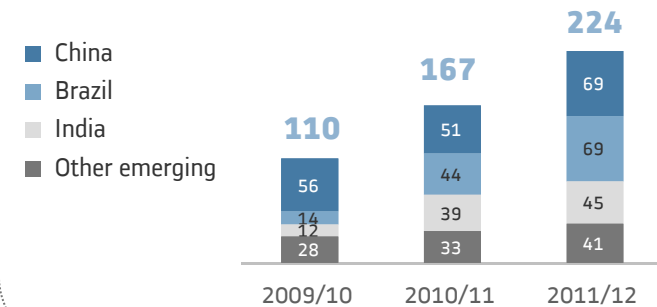
Preparing the future

Steady investments, particularly in emerging markets



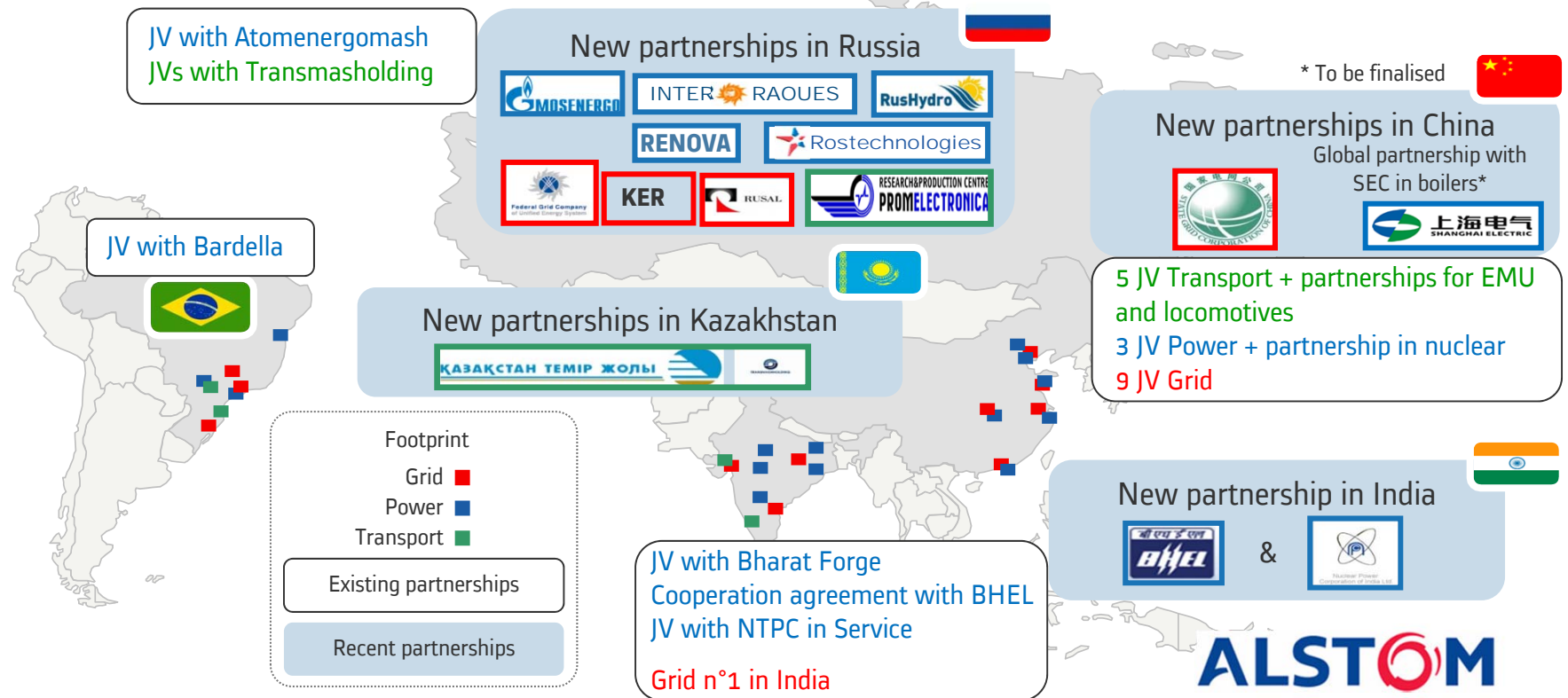
Evolution of capex in emerging countries

In € million



Preparing the future

A partnership policy strengthened in the BRICs



Preparing the future

Some capacities adapted to lower demand

PROGRAMME

SITUATION

31/03/2012

THERMAL POWER



Reduction of 3,500 permanent by March 2012
(-20% of employees in Western Europe and NAM)



Restructuring plan
largely completed

TRANSPORT



Reduction of 1,380 positions by March 2013
(-8% of employees in Western Europe)



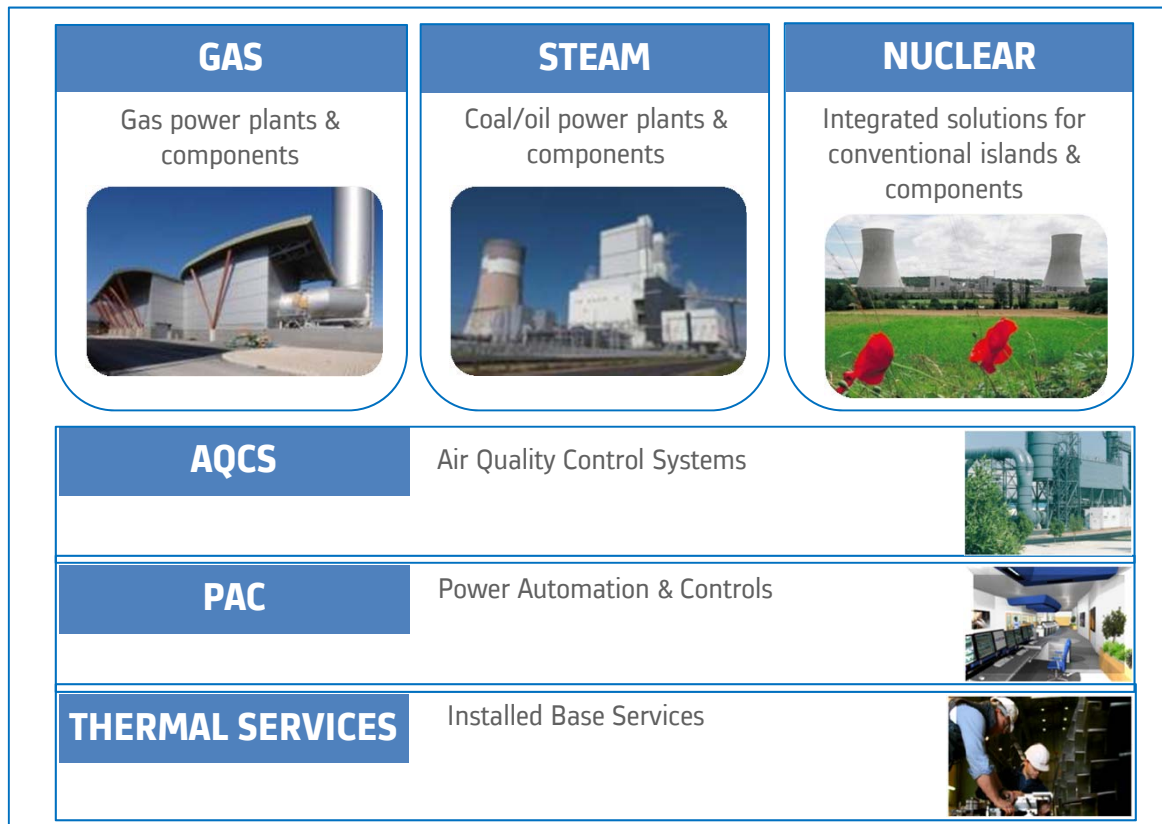
Restructuring plan achieved
at more than 50%

Thermal Power

Philippe Cochet

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Offering and positioning



37,500 employees



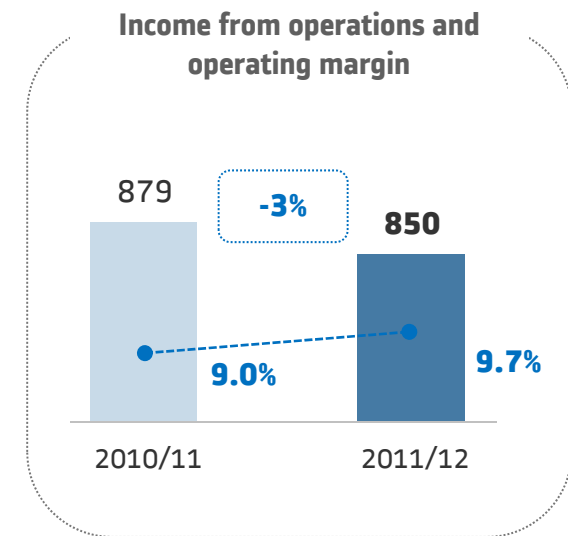
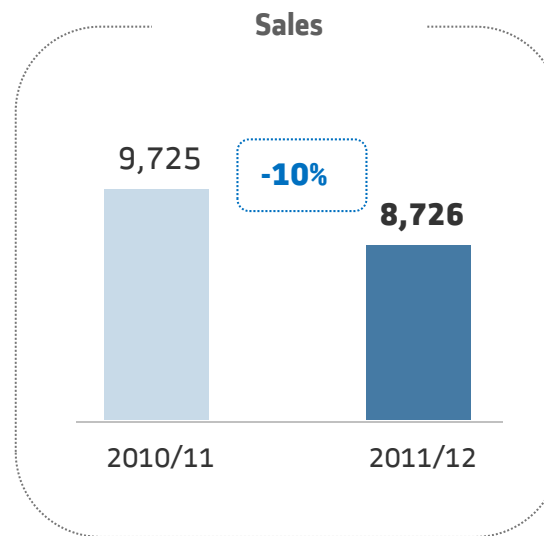
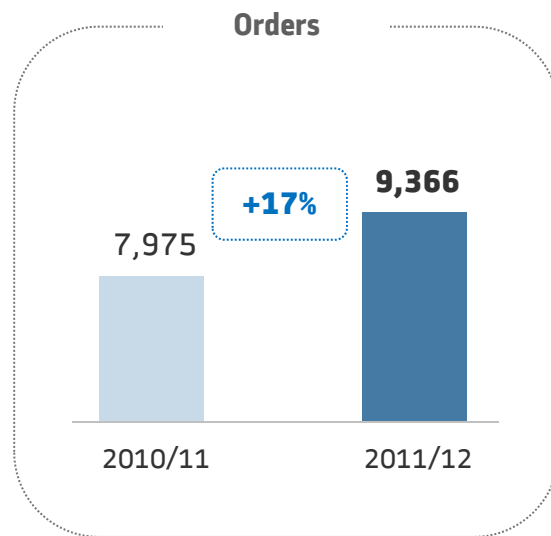
For reliable,
competitive and clean
power generation

ALSTOM

Key figures

Strong rebound of orders and increase of operating margin

In € million



Main events 2011/12

Solid level of orders in a sluggish environment

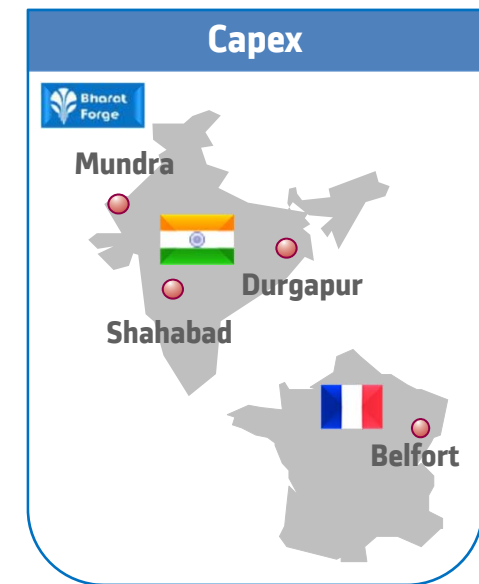
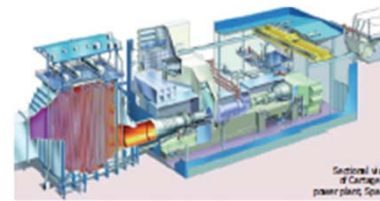
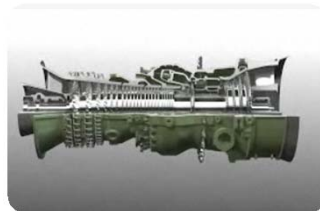
- A stronger presence in emerging countries
- A better balance between turnkey contracts and component sales:
 - 14 gas turbines (including 6 in Russia)
 - 3 large steam power plants in Asia and Eastern Europe
 - Steam turbine – generators for a nuclear power plant in Russia
 - Partnership agreement in China for CO₂ Capture and Storage



Main events 2011/12

Investments maintained at a high level

- A sustained effort in Research & Development for next generation of gas turbines
- Design of efficient boilers adapted to the Asian and Middle East markets
- Significant investment in production capacities with new facilities to address the Indian market



Strategic priorities

Growth

- Further develop service activity
- Expand business in Asia, Russia and Middle East
- Strengthen presence on the 60 Hz market (USA)
- Grow component sales

Innovation

- Develop the next generations of gas turbines
- Keep a technological edge in steam turbines & generators
- Develop offering of Power Automation & Controls systems

Operational excellence

- Reinforce actions on safety
- Improve quality
- Reduce lead times and improve cost competitiveness



Renewable Power

Jérôme Péresse

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Offering and positioning



9,500 employees



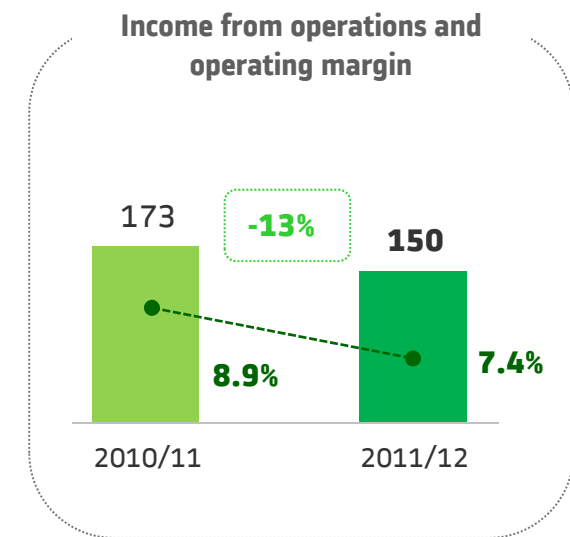
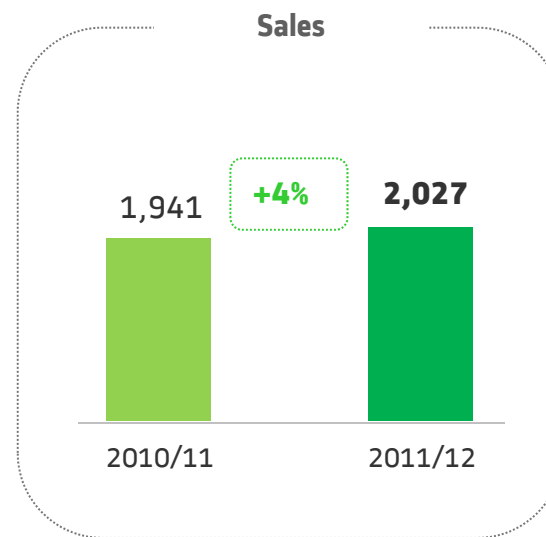
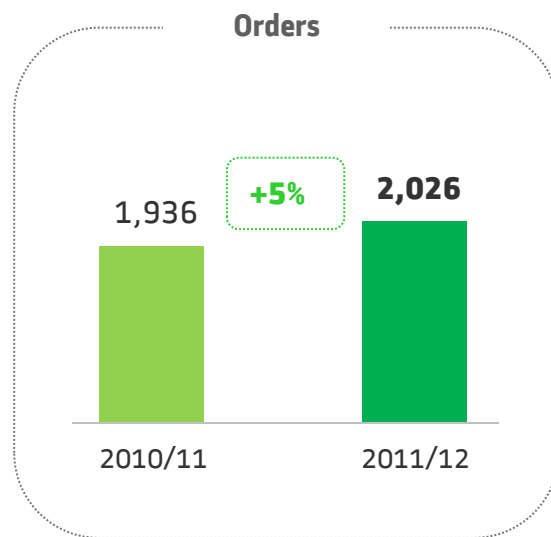
Technologies adapted to
all sources of renewable
energy for the new build
and the installed base

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Key figures

Increase in orders and sales

In € million



Main events 2011/12

A sustained level of orders accross the board

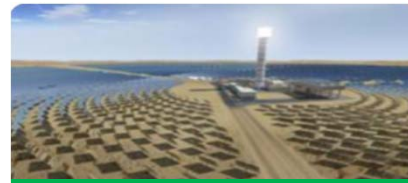
- Several major contracts in mature and emerging markets
 - Hydro: Tehri (India), Santo Antonio do Jari (Brazil), Chaglia (Peru)
 - Offshore wind: Saint-Nazaire, Courseulles-sur-Mer, Fécamp (France)
 - Onshore wind: Taza (Morocco), Miassaba, Rio Dos Ventos (Brazil)
 - Solar: studies for Sasol (South Africa)
 - Biomass: Plainfield, South Boston (USA)



Hydro - Tehri 1,000 MW - India



Wind - Taza 150 MW - Morocco



Solar - Sasol FEED Study - South Africa



Biomass - S. Boston 50 MW - USA

Main events 2011/12

Key investments to develop technological portfolio and industrial set up closer to the markets

- Sustained Research & Development spending:
 - Largest offshore wind turbine launched - Haliade 150 – 6MW
 - Hydro technological centres in Canada (Sorel-Tracy) and in Brazil (Taubaté)
- New manufacturing sites in fast growing markets: hydro in Ufa (Russia), onshore wind in Bahia (Brazil)
- Creation of a new business « New Energies » encompassing solar, geothermal, biomass as well as wave and tidal energies



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Strategic priorities

Growth

- Reinforce leadership in hydro with geographical expansion
- Become a major player in wind
- Grow in new energies

Innovation

- Pursue R&D efforts on offshore wind turbine
- Develop hydro pump storage
- Accelerate research in ocean energies
- Expand service offering for the installed base

Operational excellence

- Optimise general expenses and simplify internal processes
- Keep specific focus on contract execution
- Focus on employees' safety



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Grid

Grégoire Poux-Guillaume

Offering and positioning

Smart, efficient and environmentally-friendly solutions for electricity transmission and grid management throughout the world

Solutions

Electrical substations,
Turnkey solutions & Services



Super Grid Technologies



Smart Grid Technologies



19,000 employees

Products

Air-insulated
Switchgear



Gas-insulated Switchgear



Power Transformers



Power electronics, network management system and
substation automation

Network Management
System



Substation Automation
Solutions



Power Electronics

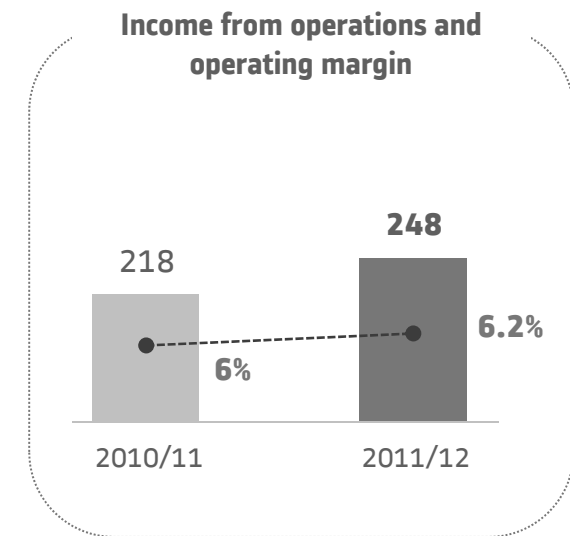
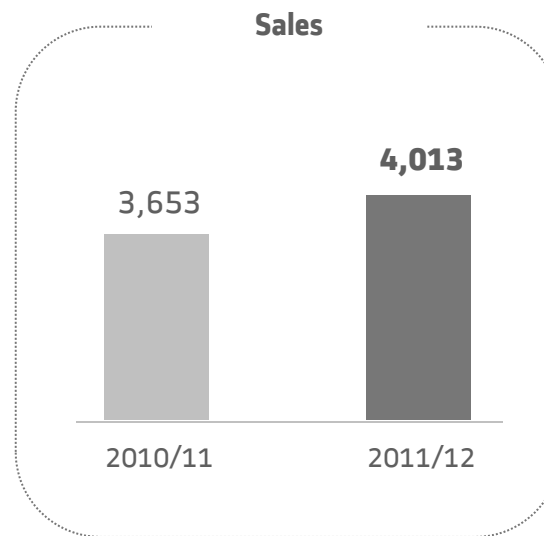
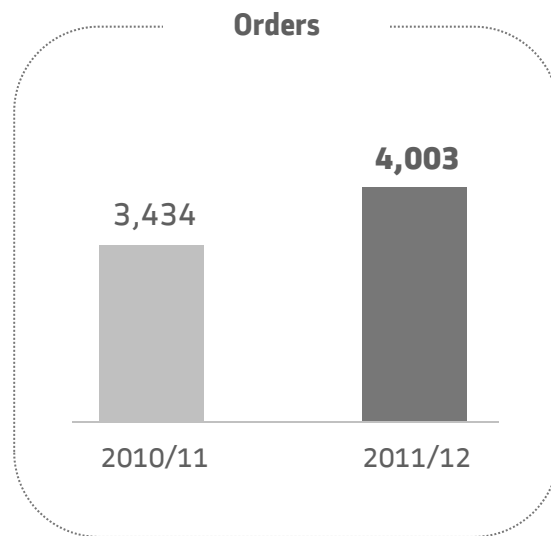


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Key figures

A sustained growth in a difficult market

In € million



Main events 2011/12

Contracts

- HVDC Interconnection in Sweden
- Energy Management System (EMS) for national grids in Sweden and Kuwait
- Offshore substations in Germany

Research & Development

- HVDC 800 kV for electricity highways
- Direct current converter for energy storage (prototype)
- Digital substations
- Smart grid pilot projects

Partnerships & acquisitions

- Cooperation agreement with FSK, Russia, for the modernisation of the electrical grid
- Acquisition of EvolutionSCADA, USA, for the management of oil and gas pipelines



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Strategic priorities

Growth

- Develop in attractive market segments
 - Direct Current
 - Smart Grid
 - Services

Innovation

- Be a leader in key technologies for the future
 - Ultra High Voltage (1,200 kV)
 - Direct current
 - Smart Grid
 - Smart integration and management of renewable energies

Operational excellence

- Improve efficiency and profitability
 - Product optimisation
 - Quality and reliability



Transport
Henri Poupart-Lafarge

ALSTOM

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Offering and positioning

DISTANCE

Rolling stock: from tramways to very high-speed trains...



25,000 employees

... and the development of turnkey systems



Signalling



Service and maintenance



Infrastructure

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Main events 2011/12

Innovation: an ongoing effort

ERTMS

The revolution of interoperable systems



Integrated control centres

Full management of complex transport systems



APS

The ground power supply tramway

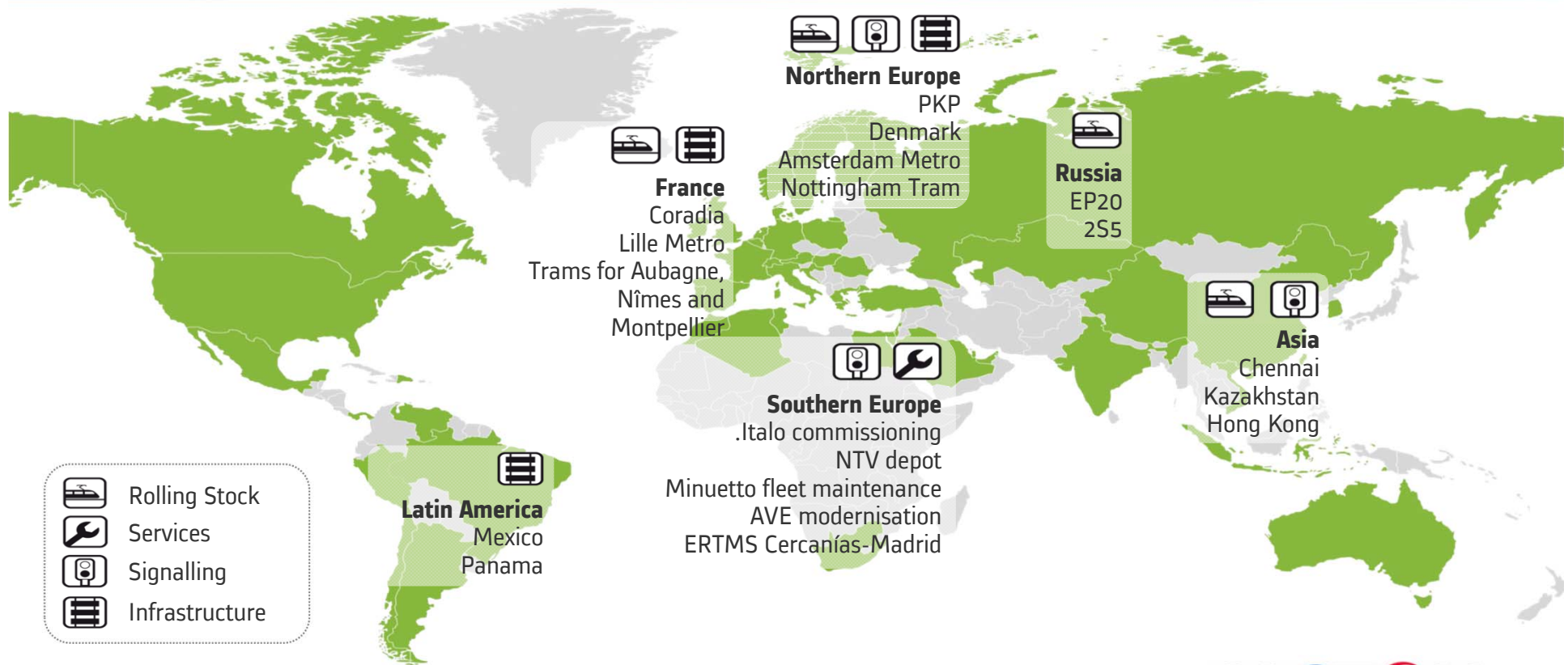


AGV (350 km/h)

4th generation of very high-speed train



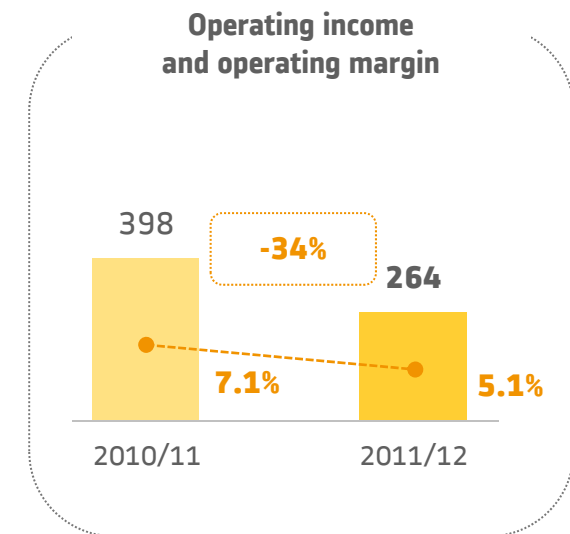
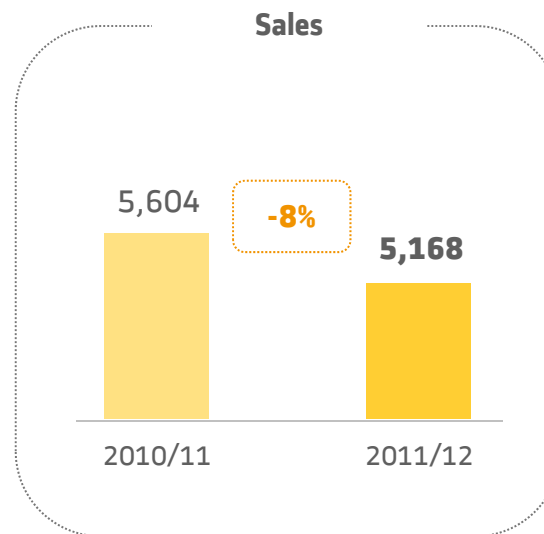
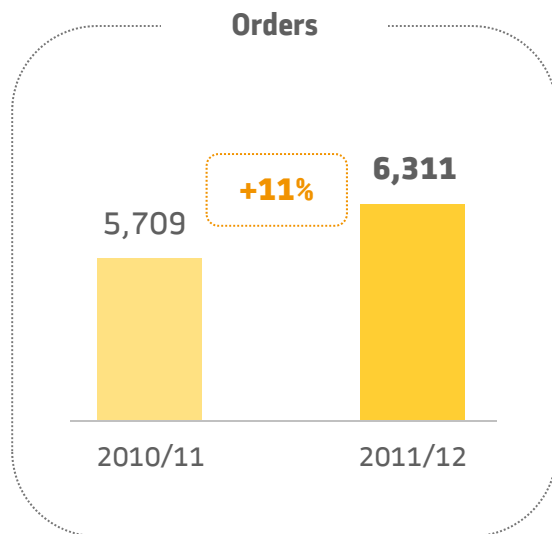
Main events 2011/12



Key figures

A high level of orders, with performance temporarily affected by the ramp-up on new markets

In € million



Strategic priorities

Growth

- Keep French leadership by targeting new key projects (Grand Paris, TGV, etc.)
- Continue geographical expansion towards Russia (by leveraging the partnership with Transmashholding) and Asia (mass transit)
- Strengthen services and signalling activities

Innovation

- Develop new generations of rolling stock
- Pursue R&D on signalling solutions
- Expand “green” transport offerings

Operational Excellence

- Focus on safety and quality
- Reinforce cost competitiveness
- Continue to adapt capacities to evolving demand in order to stay close to the customers



AGV

A dream come true

ALSTOM

ALSTOM

AGV .italo

- 25 trains (+10 options) and 30 years of full maintenance
- In commercial service in Italy since 28 April 2012



AGV – Automotrice Grande Vitesse

- The latest generation of Alstom VHS train
- Designed for speed up to 360 km/h
- Developed and financed solely by Alstom
- Using technology from the world record speed train (574.8 km/h)



Italo, the AGV for NTV

- The cutting edge in VHS technology, providing maximum performance in terms of safety, comfort and respect of environment
- Developed for NTV, the first private operator in VHS, committed to “a culture of excellence” as well as “a new way of travelling”



Italo, the AGV for NTV

- A state-of-the-art technology designed for passenger comfort
- Equipped with the Internet, TV screens and 450 ergonomic leather seats
- Larger windows, air-conditioned, low vibrations and noise



Italo, the AGV for NTV

- Homologated by Alstom on the Italian railway network
- Runs on both dedicated VHS lines (at 300 km/h) and traditional lines (250 km/h)
- Bologna-Florence and Rome-Naples VHS lines already equipped with Alstom ERTMS L2 signaling solution, for maximum security



Italo, the AGV for NTV

- A train manufactured in France and in Italy
- A successful partnership with the customer



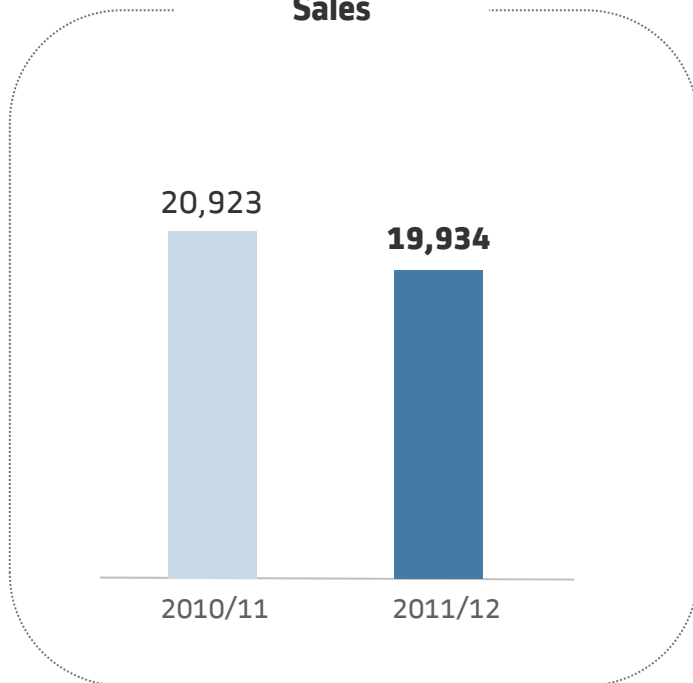
Financial results 2011/12
Nicolas Tissot

ALSTOM

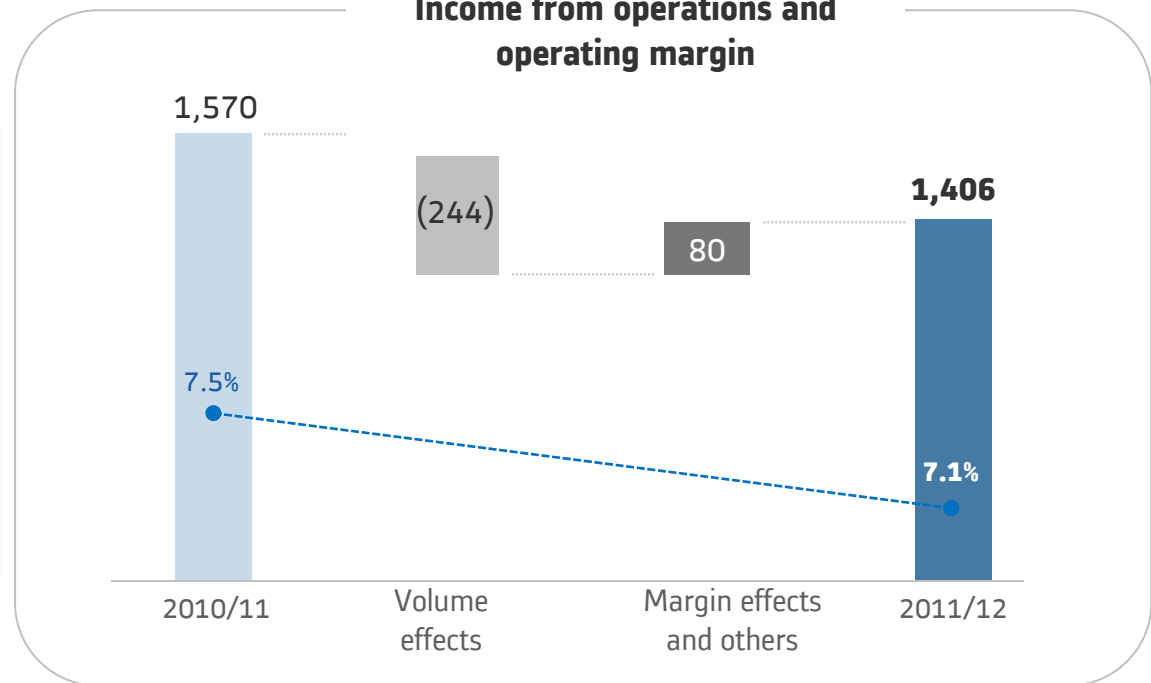
Group operational performance

In € million

Sales



Income from operations and operating margin



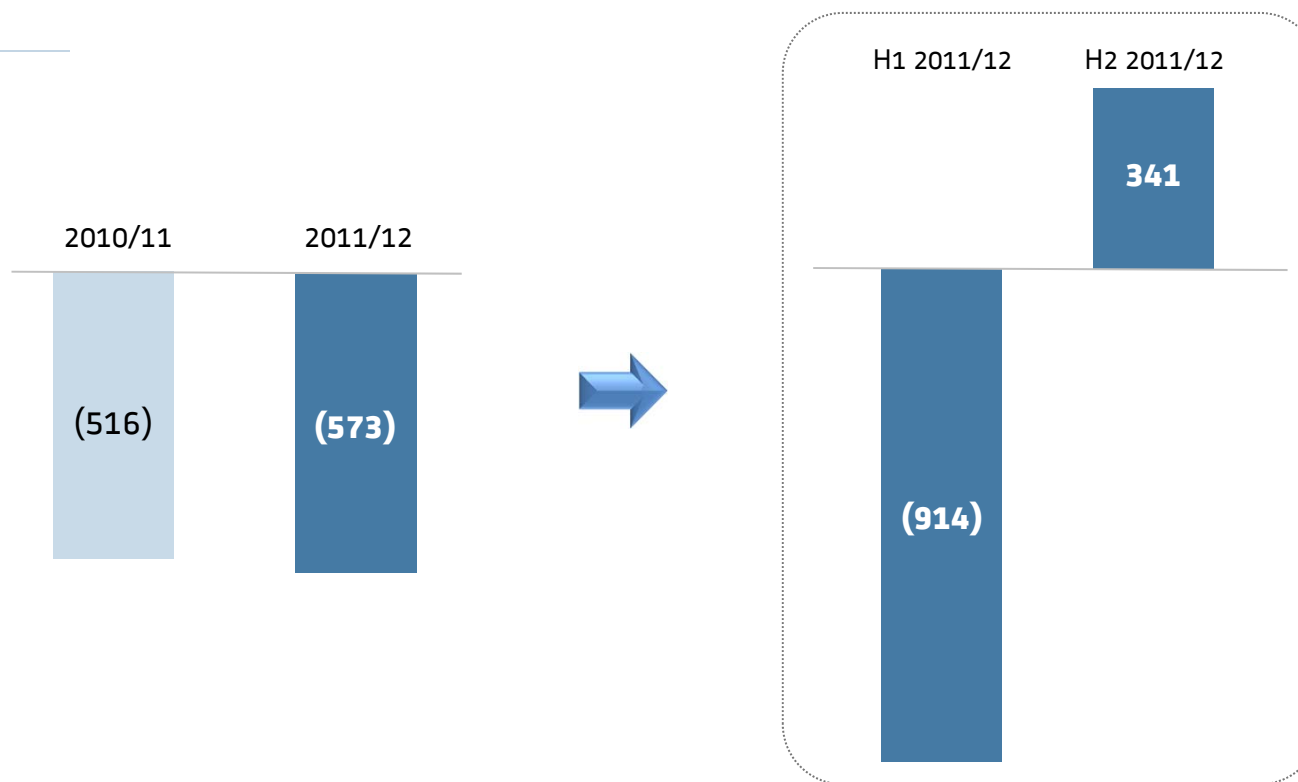
Income statement

In € million

	March 2011	March 2012	Variation
Income from operations	1,570	1,406	-10%
Grid PPA	(203)	(156)	
Restructuring costs	(520)	(83)	
Capital gains & other	(83)	(95)	
EBIT	764	1,072	+40%
Financial result	(136)	(177)	
Tax result	(141)	(179)	
Non control. Interest & other	(25)	16	
Net result	462	732	+58%

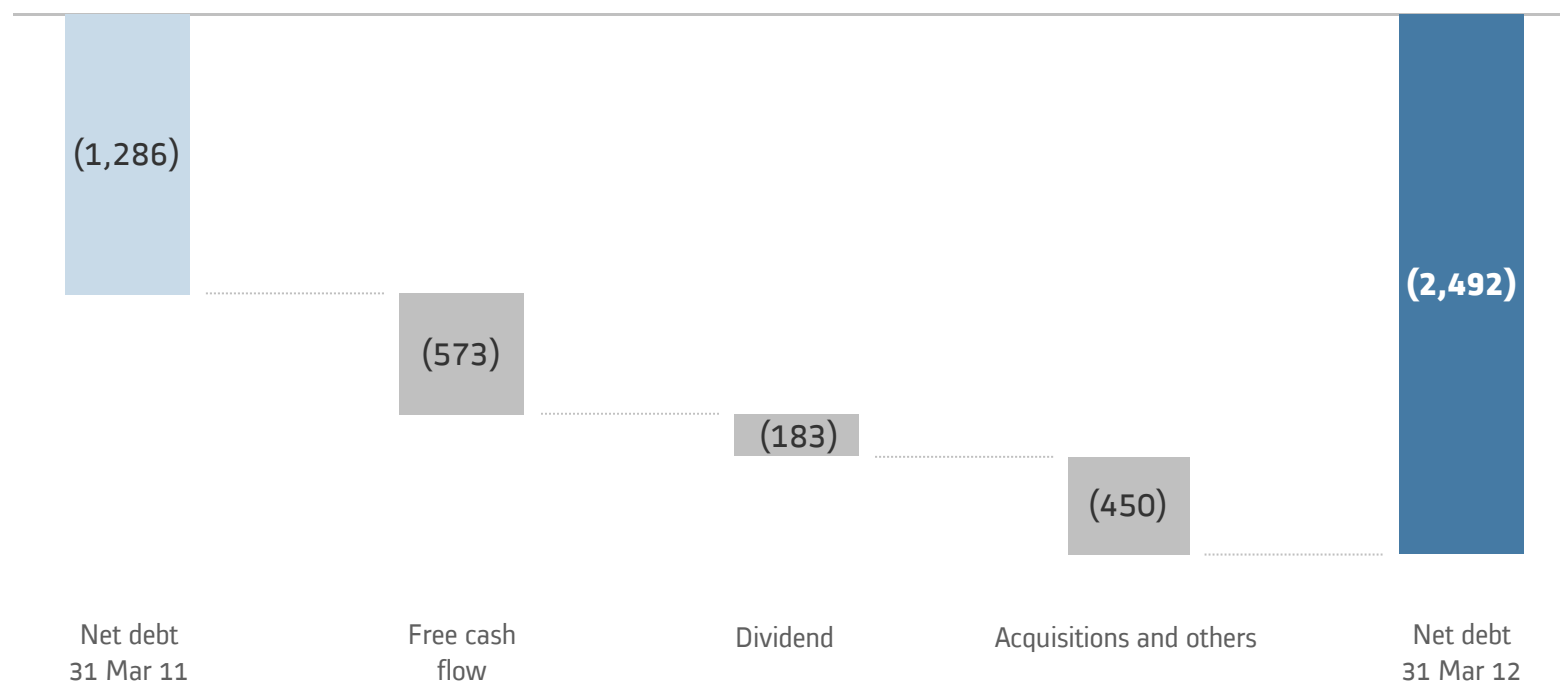
Free cash flow

In € million



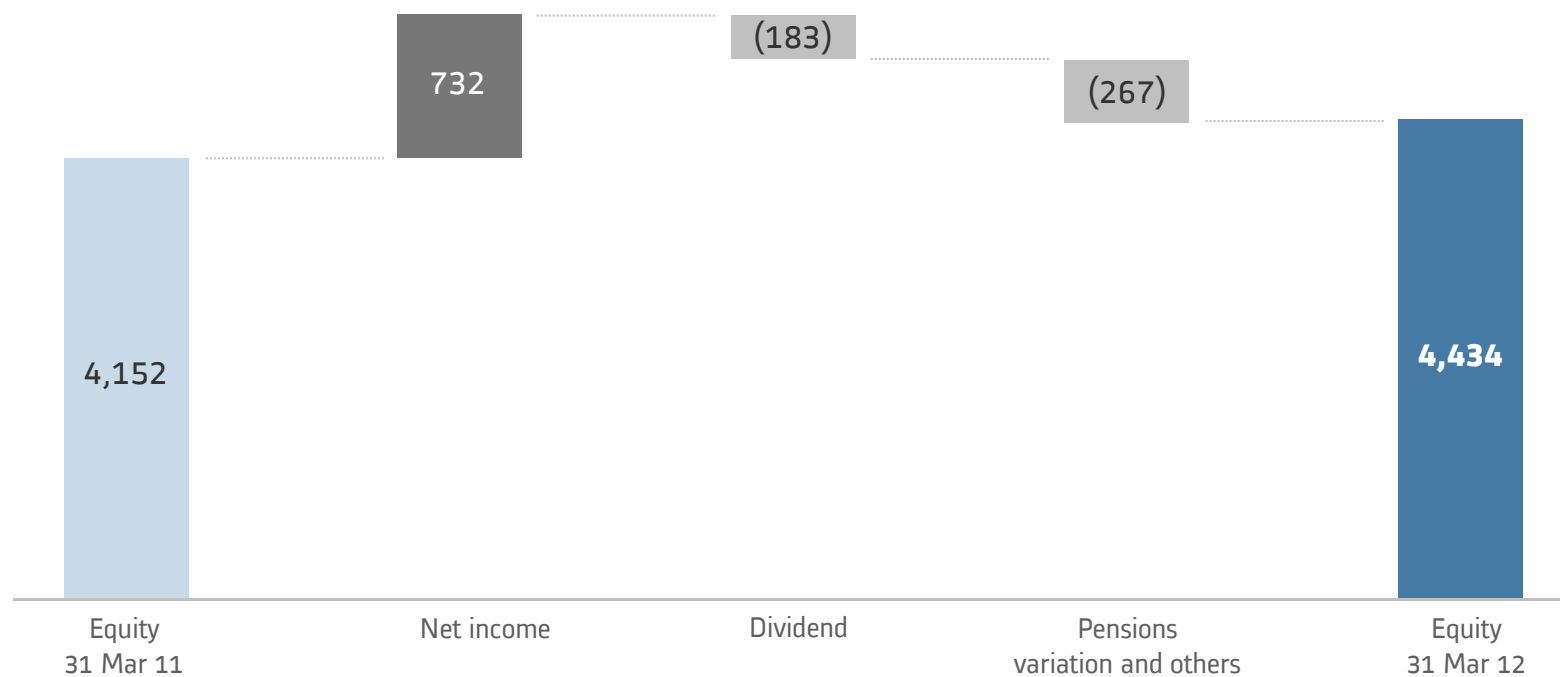
Net debt evolution

In € million



Equity evolution

In € million









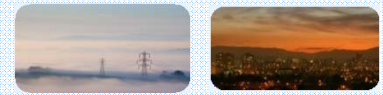

Outlook

Patrick Kron

ALSTOM

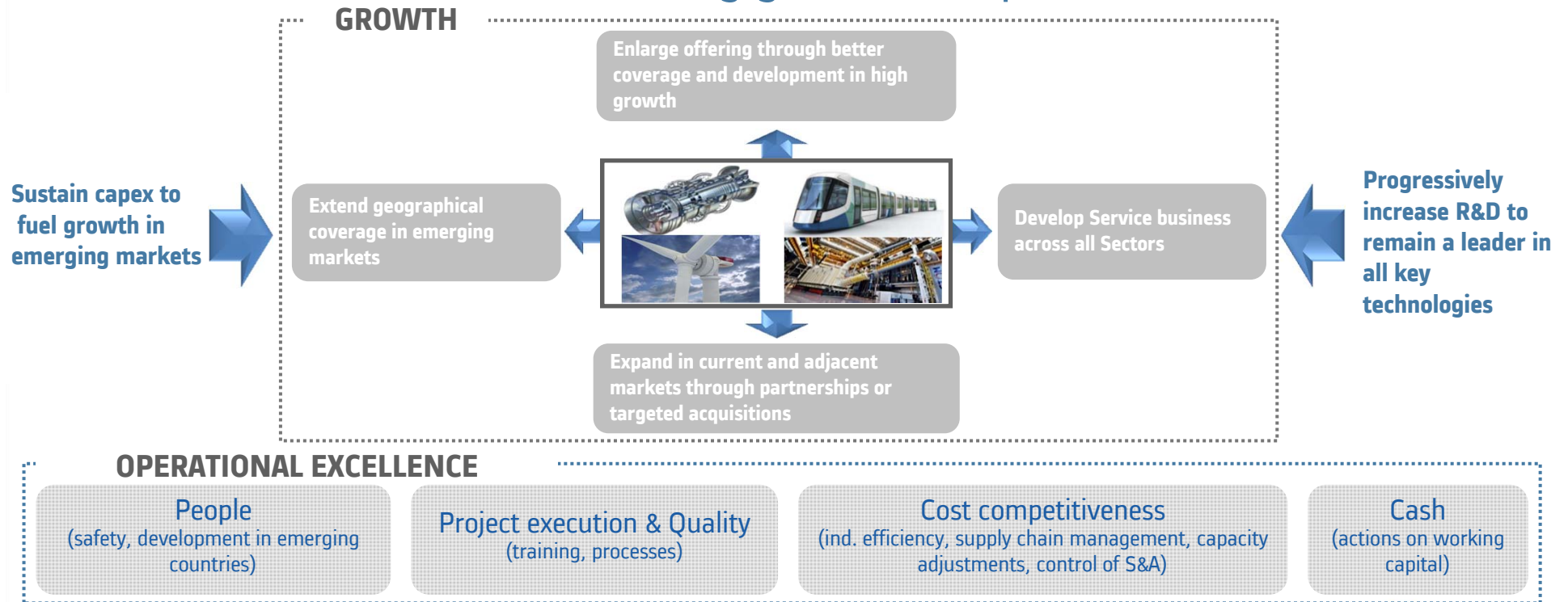
Market environment

A sound market growth potential

	THERMAL POWER	RENEWABLE POWER	GRID	TRANSPORT
EMERGING MARKETS	<p>After Asian boom of the past 5 years, market stabilising at a high level and covering all technologies</p> 	<p>Strong push for all renewables</p> 	<p>Continuous active markets in all products</p> 	<p>New equipment growth concentrated in BRICs and Asia</p> 
MATURE MARKETS	<p>Europe and NAM demand driven by gas, retrofit and service</p> 	<p>Europe and NAM remaining robust thanks to wind and hydro retrofit</p> 	<p>High-tech segments (HVDC and SmartGrid) driving growth</p> 	<p>Traditional markets remaining stable, with Northern Europe being more dynamic than Southern Europe</p> 

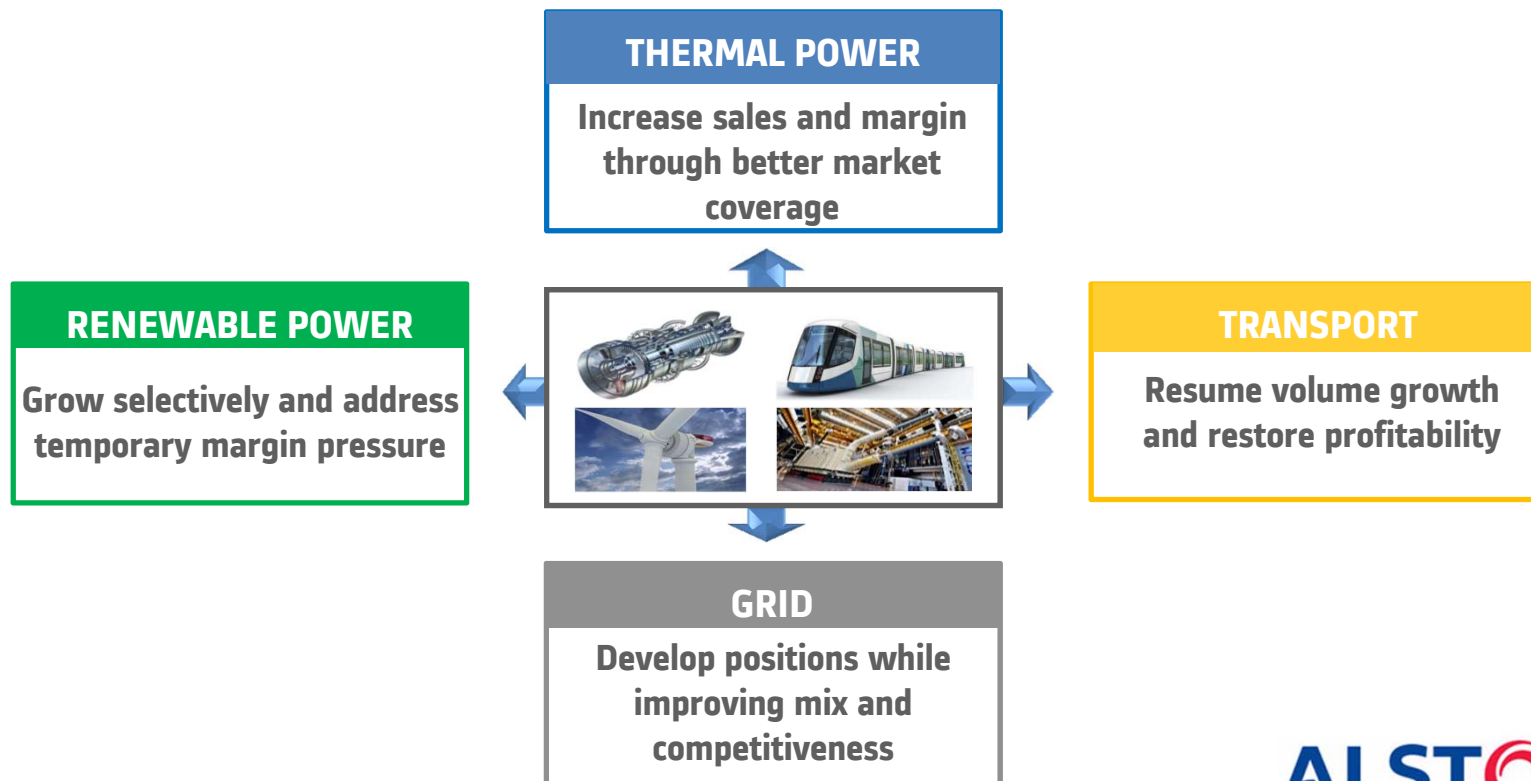
Strategy

An ambition combining growth and performance...



Strategy

...with clear objectives for each Sector



A three-year guidance (from FY 2012/13 to FY 2014/15)

Assuming a **sound** level of orders over the period:



CAPEX To remain at a **high level**

R&D To progressively **increase**

SALES GROWTH

Over 5% per year on current scope

OPERATING MARGIN

to gradually improve to around **8%** in March 2015

FREE CASH FLOW

Back to **positive** free cash flow from FY 2012/13

Corporate Governance

Patrick Kron

ALSTOM

Board of Directors

A diversified Board



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

Evolution of the Board of Directors

Proposed renewals of Directors

- Jean-Paul Béchat
 - Nationality: French
 - Principal function: Manager of ARSCO
 - Independent Director, Chairman of the Audit Committee
- Pascal Colombani
 - Nationality: French
 - Principal function: Senior Advisor, A.T.Kearney
 - Independent Director, member of the Audit Committee, member of the Ethics, Compliance and Sustainability Committee
- Gérard Hauser
 - Nationality: French
 - Principal function: Director of companies
 - Independent Director, member of the Nominations and Remuneration Committee



Board of Directors

Activity in 2011/12

- 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
- Renewal of the Chief Executive Officer's mandate, approval of the composition of the Executive Committee
- Remuneration of the Executive and Non-Executive Directors (mandataires sociaux)

Activity of the Board of Directors in 2011/12

- 10 meetings
- 93% attendance
- 1 meeting in Russia (main theme: presentation of the Group strategy in this area)

Audit Committee

Activity in 2011/12

- Review of full year and half year financial information
- Review of internal control procedures, risk management and internal audit activity
- Review of the treasury, off-balance sheet commitments and provisions
- Review of functioning of the Committee

Activity of the Audit Committee in 2011/12

- 4 meetings
- 92% attendance
- Composition: 4 independent members out of 6 (67%)

Nominations and Remuneration Committee

Activity in 2011/12

- Assessment of the compliance with AFEP-MEDEF principles
- Review of the renewal of Directors' mandates
- Review of the CEO's compensation
- Proposal of conditional stock options and performance shares allocation
- Review of succession plans
- Assessment of the functioning of the Board of Directors and the Committees

Activity of the Nominations and Remuneration Committee in 2011/12

- 5 meetings
- 88% attendance
- Composition: 3 independent members out of 5 (60%)

Ethics, Compliance and Sustainability Committee

Activity in 2011/12

- Review and approval of the new organisation of the Ethics & Compliance organisation and Corporate Social Responsibility (CSR) function
- Approval of the implementation of new proposed Ethics & Compliance and CSR programs
- Review of the main non-financial indicators used by the Group

Activity of the Ethics, Compliance and Sustainability Committee in 2011/12

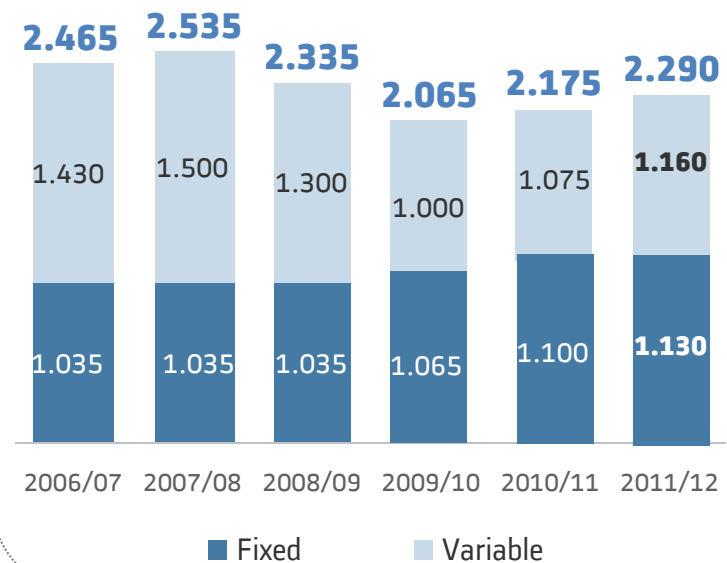
- 4 meetings
- 100% attendance
- Composition: 3 independent members (100%)

Compensation of the CEO (*mandataire social*)

- No employment contract or termination benefits
- Variable compensation tied to the achievement of performance objectives set by the Board
- Supplemental collective retirement scheme (according to the plan applied to the Executives of the Group)
- Allocation in respect of the 2011/12 LTI Plan:
 - 100,000 stock options and 10,000 performance shares all subject to performance conditions on 3 fiscal years (0.04% of the share capital – 2.6% of the total allocation)
 - Shares preservation / acquisition obligation
- 2012/13 fixed compensation maintained at the 2011/12 level

Evolution of compensation

In € million



Executive Committee* compensation

- Fixed annually by the Chief Executive Officer and reviewed by the Nominations and Remuneration Committee
- Variable compensation tied to the achievement of performance objectives fixed by the CEO and reviewed by the Nominations and Remuneration Committee
- Supplemental collective retirement scheme
- Allocation in respect of the 2011/12 LTI Plan:
 - 275,000 conditional stock options
 - 33,000 performance shares
- Preservation / acquisition obligation for the Executive Committee members

P 70

** 7 people, excluding the CEO*



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Allocation of stock options and performance shares

- Stable share of beneficiaries: circa 2% of total Group's headcount
- Allocation based on level of responsibility and performance
- No discount for the exercise price of stock options
- 2011/12 LTI stock options and performance shares subject to performance conditions tied to the Group's operating margin on 3 fiscal years (2011/12, 2012/13, 2013/14)

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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ALSTOM

Independent Auditors' reports

ALSTOM

Dialogue with Shareholders

ALSTOM

Vote of the resolutions

1st resolution – Ordinary part of the Meeting

- **Approval of the statutory financial statements and operations for the fiscal year ended 31 March 2012**

2nd resolution - Ordinary part of the Meeting

- **Approval of the consolidated financial statements and operations for the fiscal year ended on 31 March 2012**

3rd resolution - Ordinary part of the Meeting

Dividend : €0.80 per share

Allocation of net income :

• Income for the financial year	€	136,122,421.27
• Amount previously carried forward	€	939,586,175.69
• Allocation to the legal reserve	€	80,063.20
• Distributable income	€	1,075,628,533.76
• Dividend paid	€	235,626,944.00
• Balance carried forward	€	840,001,589.76

4th resolution - Ordinary part of the Meeting

- **Commitments falling within the scope of Article L.225-42-1 of the French Commercial Code with the Chairman and Chief Executive Officer, Mr Patrick KRON**

5th resolution - Ordinary part of the Meeting

- **Renewing Mr Jean-Paul BECHAT's appointment as a Director**

6th resolution - Ordinary part of the Meeting

- **Renewing Mr Pascal COLOMBANI's appointment as a Director**

7th resolution - Ordinary part of the Meeting

- **Renewing Mr Gérard HAUSER's appointment as a Director**

8th resolution - Ordinary part of the 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**

9th resolution – Extraordinary part of the Meeting

- **Authorisation to issue any type of securities giving access to the shares of the Company or one of its subsidiaries, with maintenance of the Preferential Subscription Rights**
 - **Capital increase : €600 million* (29,1% of the share capital)**
 - **Debt securities : €2 billion****

* overall limit (9th to 15th resolutions)

** overall limit (9th to 11th resolutions)

10th resolution - Extraordinary part of the Meeting

- **Authorisation to issue any type of securities giving access to the shares of the Company or one of its subsidiaries, with cancellation of Preferential Subscription Rights and public offer and option to grant a priority right**
 - **Capital increase : €300 million* (14,6% of the share capital)**
 - **Debt securities : €1,5 billion****

* such maximum amount for issuances without PSR shall reduce the €600 million overall limit

** such maximum amount shall reduce the €2 billion overall limit

11th resolution - Extraordinary part of the Meeting

- **Authorisation to issue any type of securities giving access to the shares of the Company or one of its subsidiaries, with cancellation of Preferential Subscription Rights and a private placement**
 - **Capital increase : €300 million* (14,6% of the share capital)**
 - **Debt securities : €1,5 billion****

* such maximum amount for issuances without PSR shall reduce the €600 million overall limit

** such maximum amount shall reduce the €2 billion overall limit

12th resolution - Extraordinary part of the Meeting

- **Authorisation to increase the number of securities to be issued in case of a capital increase with maintenance or cancellation or the Preferential Subscription Rights**

- **Maximum amount: 15% of the amount of the initial issue***

* such amount shall reduce the €600 million and €300 million overall limits (9th to 11th resolutions)

13th resolution - Extraordinary part of the Meeting

- **Authorisation to increase the share capital to remunerate contributions in kind of shares or securities giving access to the share capital**
 - **Maximum amount: 10% of the share capital ***

* such amount shall reduce the €600 million and €300 million overall limits (9th to 11th resolutions)

14th resolution - Extraordinary part of the Meeting

- **Authorisation to issue shares or securities giving access to the Company's share capital reserved for members of a savings plan**
 - **Maximum amount: 2% of the share capital ***

* such amount shall reduce the €600 million overall limit (9th resolution)

15th resolution - Extraordinary part of the Meeting

- **Authorisation to increase the share capital with waiver of the Preferential Subscription Rights to a category of beneficiaries**
 - **Maximum amount: 0,5% of the share capital ***

* such amount shall reduce the €600 millions and 2% overall limits (9th and 14th resolutions)

16th resolution - Extraordinary part of the Meeting

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



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