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ALSTOM TO BUILD TWO TURNKEY COMBINED-CYCLE POWER PLANTS IN ITALY

ALSTOM has won contracts to build two combined-cycle power plants, based upon a total of four GT26 gas turbines, in central and southern Italy. The two contracts are worth approximately 470 million euros to ALSTOM.

The first contract, worth more than 300 million euros, is with Abruzzoenergia S.p.A. to supply an 800 MW power plant at Gissi, in the Abruzzo region of central Italy. ALSTOM will design, supply, install and commission the entire power plant, which will be based on two GT26 sequential combustion gas turbines with associated steam turbines and electrical generators.

ALSTOM will also supply two heat recovery steam generators, air-cooled condenser systems, a state-of-the-art distributed control system and balance of plant.

Gissi is a "fast-track" project, where ALSTOM will construct the power plant much more quickly than usual power plant projects. The first unit will begin producing power in November 2007 and the second unit in December 2007.

The second contract was awarded to an ALSTOM-led consortium by Eurosviluppo Elettrica SpA for the construction of a turnkey 800 MW GT26-based combined-cycle cogeneration power plant in Scandale, in the Calabria region of southern Italy. The contract is worth around 340 million euros, of which ALSTOM's share is around 50%.

ALSTOM will supply two GT26-gas turbines, two steam turbines, four TOPAIR generators, two air-cooled condensers, the plant control system and balance of plant for the power island.

The project is expected to be completed in April 2008.

Both plants will benefit from a very low level of NOx and CO emissions. In addition, at Scandale, the waste heat produced by the power plant will be re-used for external industrial processes such as wood drying. This increases the amount of fuel converted into usable energy to 75%, as opposed to 56.5% without the cogeneration.

The associated long-term service contracts for both power plants are currently under negotiation.

Gissi and Scandale follow another ALSTOM project announced in October last year for the construction of a GT26-based power plant for Energia SpA at Modugno, southern Italy.

Today, there are 79 GT24/GT26 units in commercial operation and the fleet has accumulated more than 1,700,000 fired hours.

Philippe Joubert, President of ALSTOM's Power Turbo-Systems/Power Environment Sector, said: *"Winning three turnkey power plant contracts in Italy in the past seven months underlines both the outstanding performance of these turbines and our ability as a plant integrator to deliver turnkey power plants on a fast-track basis."*

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