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Alstom cements its position as a leading provider of conventional islands for nuclear power plants

Alstom is the world's leading supplier of "conventional islands" (or "turbine islands") for nuclear power plants, and has fitted close to 180 units around the globe. More than 30% of the world's nuclear power stations operating today use Alstom-made equipment.

Alstom has recently set up major agreements in China, Korea and the United States which confirm its position as a leading supplier for nuclear power generation. These agreements apply either to new equipment and associated engineering or to the retrofitting of existing equipment.

In China, Alstom recently won an order to supply China Guangdong Nuclear Power Company (CGNPC) with two 1,750 MW Arabelle turbine-generator packages for the Taishan nuclear plant in the province of Guangdong, the first in the country to use EPR technology. The €300 million contract (including a share of €100 million for Alstom) will be executed in partnership with Dongfang Electric Company.

In April 2008, CGNPC and Alstom signed a letter of intent making Alstom the preferred partner of CGNPC for engineering and construction of the conventional island at the Taishan plant. The final contract is due to be signed in the coming months.

In South Korea, an Alstom-led consortium won a €95 million contract in early 2008 to replace six low-pressure turbines for two units at the Ulchin nuclear plant in the east of the country.

In the United States, another key market for the Group, UniStar Nuclear Energy (UNE)—a joint venture between EDF and Constellation Energy—signed a framework agreement with Alstom in March 2008 for the delivery of four conventional islands using Arabelle technology for the EPR facilities UNE plans to build in the United States. Alstom also reached a major agreement in February 2008 with leading US energy provider Exelon Corporation to replace steam turbines at three nuclear plants in Illinois and Pennsylvania. The initial phase of the deal stands at \$72 million, with the total value of the contract estimated at \$420 million (€269 million).

Alstom Power Systems' expertise is built on decades of experience at home and abroad. In France, every EDF reactor (58 units) uses conventional island equipment supplied by Alstom — a partnership strengthened by the recent contract to supply the turbine island of the world's largest nuclear power plant (Flamanville 3 - 1,750 MW) fitted with a European Pressurised Reactor (EPR).

Abroad, Alstom has experienced long-standing partnership with nuclear power plant operators in several countries including South Africa (Koeberg), Canada (Darlington), China (Daya Bay, Ling Ao), South Korea (Ulchin), the United Kingdom (Sizewell B).

Alstom's extensive experience and strong presence in all markets puts the company in an excellent position to benefit from the clear revival of nuclear power as a source of energy, both in countries where the technology initially gained popularity and in a number of new countries. This renewed interest is also fuelled by the operators' need to find a broader range of energy sources and to address environmental issues.

Between 2005 and 2030, additional power-generation capacity from nuclear plants could reach 320 GW, according to the International Energy Agency, bringing combined capacity to 580 GW from the current total of 380 GW. China, India, Russia, the United States, Canada and Europe are expected to lead the revival. At the same time, other countries with no or only limited experience in nuclear power generation, such as the Gulf States, Morocco, South Africa, Brazil and Turkey, are also showing a strong interest in civil nuclear power.

Alstom has taken key strategic steps to make the most of this revival in the market for nuclear power. In June 2007, the Group signed a partnership with Atomenergomash in Russia; late 2007, it launched a more than \$200 million investment programme in its Chattanooga, Tennessee, facility in the United States. Alstom Power Systems and Alstom Power Service also pave the way as market leaders in the plant maintenance and retrofit market, by taking advantage of an ageing power plant fleet.

The Alstom site in Belfort is at the forefront of the production of equipment for nuclear power generation. Belfort hosts a range of activities including design and production of power plants; steam turbines manufacturing; design and manufacturing of generators for thermal, nuclear and hydropower plants; and services for utilities.

The site offers exclusive expertise in manufacturing steam turbines rated between 100 and 1,500 MW (1,750 MW in the near future). In the second half of 2008, Belfort will begin manufacturing an Arabelle turbine that will be the most powerful turbine ever made (1,750 MW), which will be shipped to the EPR facility currently being built by EDF in Flamanville (Manche region of France).

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