

Edgar Filing: ALSTOM - Form 6-K

ALSTOM
Form 6-K
November 07, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2002

ALSTOM

(Exact Name of Registrant as Specified in its Charter)

25, avenue Kléber, 75116 Paris, France

(Address of Registrant's Principal Executive Office)

(Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F)

Form 20-F X Form 40-F
 ----- -----

(Indicate by check mark whether the Registrant, by furnishing the information contained in this Form, is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934)

Yes No X
 ----- -----

(If "Yes" is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):_____)

30 October 2002

ALSTOM WINS SPANISH TRAIN MAINTENANCE CONTRACT
WORTH AROUND 500 MILLION EUROS

ALSTOM has just been awarded a train maintenance contract by RENFE, Spain's national railways, worth approximately 500 million euros. The contract, which will span a 14 year period, is for a total of 24 trains, including 18 very high speed AVE trains, and 21 locomotives.

Edgar Filing: ALSTOM - Form 6-K

This order confirms ALSTOM's strategy to rapidly grow its service activities in transport thanks to its wide range of expertise.

This new contract comprises the maintenance of:

- the 18 AVE trains, supplied by ALSTOM, which operate at 300km/h on the Madrid-Seville line. These trains have been maintained by ALSTOM since the inauguration of the line in 1992.
- 6 Euromed trains for the Barcelona-Valencia-Alicante line.
- 21 locomotives which pull trains operating at 200km/hour on the Madrid-Seville and Madrid-Barcelona lines.
- Associated facilities.

Michel Moreau, President of ALSTOM's Transport Sector, said: "We are delighted that RENFE has decided to renew its confidence in ALSTOM, after 10 years of successful cooperation between our two companies. The AVE trains supplied and maintained by ALSTOM on the Madrid-Seville line have proven extremely reliable and successful with the passengers, making them the biggest commercial success of the Spanish railways : the number of passengers on these trains has been multiplied by two, since their introduction on the Spanish network in 1992."

ALSTOM is the global specialist in energy and transport infrastructure. The Company serves the energy market through its activities in the fields of power generation and power transmission and distribution, and the transport market through its activities in rail and marine. In fiscal year 2001/02, ALSTOM had annual sales in excess of 23 billion and employed 118,000 people in over 70 countries.

ALSTOM is listed on the Paris, London and New York stock exchanges.

PRESS INFORMATION

5 November 2002

ALSTOM PATRICK KRON TO SUCCEED PIERRE BILGER

During a meeting on 4 November 2002, following a proposal by the Chairman and Chief Executive Officer and by the Nominations and Remuneration Committee, the Board of ALSTOM has appointed Mr Patrick KRON as Chief Executive Officer.

This appointment will be effective from 1 January 2003. Pierre BILGER will remain Chairman of the Board until 31 December 2003, when Patrick KRON will also succeed him as Chairman.

Mr KRON is 49 years old. A graduate of l'Ecole Polytechnique and of the Paris Ecole des Mines, he began his professional career in the Ministry of Industry between 1979 and 1984. Between 1984 and 1998, Mr KRON held a number operational responsibilities within the Pechiney Group and was Chairman of the Carbone Lorraine Company between 1993 and 1997. Since March 1998, he has been Chief Executive Officer of Imerys (formerly Imetal) and he has been a member of the Board of ALSTOM since July 2001.

Pierre BILGER commented:

"I am delighted to announce Mr Patrick KRON's appointment as ALSTOM's Chief Executive Officer and future Chairman of the Board. Patrick's exceptional industrial, operational and international experience, combined with his practical knowledge of the financial markets, make him an ideal candidate to

Edgar Filing: ALSTOM - Form 6-K

successfully meet the challenges ALSTOM faces today.

"This decision ensures continuity. As a member of the Board, Patrick has already acquired a detailed knowledge of ALSTOM and the twelve months I will spend at his side as Chairman of the Board will further help to ensure a smooth transition. It also ensures an orderly, planned succession during an important period in the company's development, when the benefits of the Restore Value programme are beginning to flow.

"I am proud to have led ALSTOM for almost 12 years, during which time the company has grown from a modest Franco-British joint venture into a global group employing more than 112,000 people worldwide, and ranking among the top three in each of its four markets. I am confident that Patrick will make a significant contribution to the Company's future success, both in the short term as we continue to deliver our Restore Value plan, and in the longer term as the Group continues its profitable growth".

Press enquiries: G. Tourvieille/S. Gagneraud
(Tel. +33 1 47 55 23 15)
internet.press@chq.alstom.com

Investor relations: E. Rocolle-Teyssier
(Tel.+33 1 47 55 25 78)
investor.relations@chq.alstom.com

ALSTOM - 25 avenue Kléber - 75795 Paris
Cedex 16 - Tel : 33 (0)1 47 55 25 87 - Fax : 33 (0)1 47 55 24 38

PRESS INFORMATION

5 November 2002

Solid Progress in First-Half Results 2003 1st April 2002 - 30 September 2002

Resilient performance

- o Orders received: 10.5 bn, down 6% on first half 2002, but up 15% on second half 2002.
- o Sales stable at 10.8bn
- o Operating margin improved to 5% (2002 H1 4.5%, H2 3.5%)

Stronger financials

- o Strong recovery in free cash flow from operations to (77)m (2002 H1 (474)m, 2002 H2 (537)m)
- o Net debt cut by 142m, reducing gearing to 84% (fiscal 2002: 112%)

Commenting on the results Pierre Bilger, Chairman & Chief Executive Officer, said:

"We have made solid progress over the past six months, delivering a healthy improvement in operating income on broadly maintained sales, with a strong recovery in net income.

"The resilience of our performance, in a challenging economic environment, is

Edgar Filing: ALSTOM - Form 6-K

underlined by the 15 per cent growth in our order intake. As a result, we expect orders received and sales for the full year to be broadly in line with those of last year. The positive dynamics of the transport, power retrofit, customer service and transmission markets should offset less favourable gas turbine, power plant, distribution and marine markets.

"I am particularly pleased by the marked turnaround in our profitability, with our operating margin up by a full one-and-a-half percentage points over the second half of fiscal 2002. This improvement was delivered across all our Sectors and reflects not only the improved margins in our order intake, as our business mix improves, but also the benefits that are beginning to flow from restructuring and overhead reduction. This gives us confidence in delivering a margin close to 5% in March 2003 and puts us well on track to achieving 6% by March 2005.

"Even more significant is the strengthening of our financial position. We generated over 80 million of net cash from operating activities in the first half, helped by stringent control of working capital across the group. Our net debt has been cut by more than 140 million, substantially reducing our gearing from 112% to 84%.

PRESS INFORMATION

"All the initiatives detailed in March in our Restore Value plan have now been launched and we have already raised 667 million through the capital increase in July and the subsequent disposal of our South African operations.

"Despite a generally much more difficult economic environment, we remain confident of achieving the key objectives outlined in the Restore Value plan.

"I have announced elsewhere today that Patrick Kron, a non-executive director of ALSTOM, is to succeed me in due course as Chairman and CEO. As I prepare to hand over the leadership of the company to my successor, I do so in the knowledge that our Restore Value plan is on track and ALSTOM's financial position is improving."

- ends -

A summary of ALSTOM's MD&A for the six-month period is attached. A full copy of this document, which takes precedence over this press release, is available on ALSTOM's website, together with a full set of accounts and notes (WWW.ALSTOM.COM).

Press enquiries: G. Tourvieille/S. Gagneraud
(Tel. +33 1 47 55 23 15)

Edgar Filing: ALSTOM - Form 6-K

internet.press@chq.alstom.com
Investor relations: E. Rocolle-Teyssier
(Tel. +33 1 47 55 25 78)
investor.relations@chq.alstom.com

PRESS INFORMATION

ALSTOM: Summary of MD&A

Summary of results

Total Group Actual figures (in million)	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept.02/ Sept.01
Order backlog	36 672	35 815	33 611	-8%
Orders received	13 193	9 493	10 537	-20%
Sales	11 942	11 511	10 769	-10%
Operating income	523	418	543	4%
Operating margin	4.4%	3.6%	5.0%	
EBIT	468	19	322	-31%
Capital Employed	7 022	6 688	6 697	-5%
ROCE	13.3%	0.6%	9.6%	
Capital expenditures	(272)	(278)	(200)	-26%
Free Cash Flow from operations	(474)	(537)	(77)	-84%
Net cash flow	(331)	(100)	394	n/a

Total Group Comparable basis (in million)	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept.02/ Sept.01
Order backlog	35 650	34 101	33 611	-6%
Orders received	11 238	9 170	10 537	-6%
Sales	10 509	11 059	10 769	2%
Operating income	472	387	543	15%
Operating margin	4.5%	3.5%	5.0%	

The actual figures for the first and second halves of fiscal 2002 have been restated using 30 September 2002 exchange rates for order backlog, orders received, sales and operating income. Adjustments have also been made to order backlog, orders received, sales and operating income for the first and second halves of fiscal 2002, to reflect changes in business composition and provide a basis comparable with the first half of fiscal 2003.

On a comparable basis, orders received increased by 15% in the first half of fiscal 2003 against the second half of fiscal 2002, with the order backlog and sales both stable.

Operating income and operating margin both increased compared with the first and second halves of fiscal 2002, reflecting improved margins in our order backlog, better control of costs and the first results of the restructuring launched as a part of Restore Value.

Edgar Filing: ALSTOM - Form 6-K

Net income after goodwill amortisation was positive at 11 million for the first half, compared with a gain of 92 million and a loss of 231 million in the first and second halves respectively of fiscal 2002.

PRESS INFORMATION

Restore Value

After six months, we have achieved significant progress in implementing our strategic plan "Resto

- o Restoring operating margin

Restore Value target is an operating margin of 6% in March 2005.

For the first half of fiscal year 2003, the operating margin was 5.0%, compared with 4.5% and 3.5% respectively for the first and second halves of fiscal 2002.

We are on track to achieve the Restore Value target of an operating margin of 6% in March 2005. Our order backlog shows an improvement in our business mix, with an increase in higher-growth and higher-margin activities. We are also on track to reduce annualised overheads by 250 million by March 2005.

On a comparable basis, all sectors showed an improvement in operating margin against those of the second half of fiscal 2002, and are in line with the internal targets established to meet the March 2005 Restore Value targets.

Operating margin Comparable basis	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	Ta Ma
Power	4.3%	4.4%	4.7%	
T&D	6.0%	6.0%	6.2%	
Transport	3.9%	0.5%	3.9%	
Marine	6.9%	0.8%	2.2%	
ALSTOM	4.5%	3.5%	5.0%	

- o Restoring positive cash flow

Restore Value target is to generate total free cash flow from operations of 1.3 billion by March 2005.

Net Cash from operating activities

The net operating cash inflow in the first half was 83 million, compared with outflows of 238 million and 341 million in the first and second halves respectively of fiscal 2002.

The 83 million included an exceptional cash outflow of 574 million resulting from the application of provisions and accrued contract costs on the GT24/26 gas turbines totalling 398 million, and from a 176 million cash outflow in customers' deposits and advances which finance work in progress on three Power

Edgar Filing: ALSTOM - Form 6-K

contracts and one Transport contract that had previously

PRESS INFORMATION

benefited from exceptional down-payments. Securitisation of existing receivables fell by 152 million, compared with an increase of 138 million and 2 million respectively for the first and second halves of fiscal 2002. Underlying free cash flow for the first half was therefore positive by 809 million.

This improvement is mainly due to continuous action across the ALSTOM Group to improve the cash profiles of contracts, reduce working capital requirements and secure a good level of customer deposits and advances.

Free Cash Flow from operations (net cash from operating activities, less capital expenditure)

Capital expenditure in the first half, net of proceeds from minor disposals of property, plant and equipment, was 160 million, compared with 236 million and 196 million for the first and second halves respectively of fiscal 2002.

Free cash flow from operations in the first half was negative by 77 million, compared with a negative 474 million and a negative 537 million in the first and second halves respectively of fiscal 2002.

Summary Cash Flow Indicators

Total Group	First Half Sept.01	2nd Half March 02	First Hal Sept.02
Actual figures (in million)			
Working Capital movements	(470)	(450)	(32)
Net cash provided by (used in) operating activities	(238)	(341)	8
Capital expenditure net of proceeds	(236)	(196)	(16)
Free Cash flow from operations	(474)	(537)	(7)
Net cash provided by (used in) investing activities	357	(234)	(34)
Net cash provided by (used in) financing activities	(450)	475	65
Net Cash Flow	(331)	(100)	39
Decrease (increase) in net debt	(421)	(10)	14

PRESS INFORMATION

- o Restoring balance sheet: one-off proceeds

Edgar Filing: ALSTOM - Form 6-K

Restore Value target is to generate one-off proceeds of 2.1 billion by March 2003 from real estate sales, non-core disposals and a capital increase.

Of the 2.1 billion of one-off proceeds targeted in March 2002, 667 million has already been realised through the capital increase (617 million) in July and the disposal of our activities in South Africa (50 million) in September.

Progress has been made on the sale and leaseback of real estate. We received two offers for the whole portfolio, which met our cash target but were not on acceptable economic terms. We therefore decided to divide the process into several separate transactions. The portfolio has been reduced from 70 sites to 55 sites and the estimated proceeds revised from 750 million to 600 million. Negotiations are in progress and we now expect to realise total proceeds of approximately 600 million, of which we expect to receive approximately 400 million by March 2003.

We have received firm offers for several non-core businesses. Active sales negotiations are underway based on the offers received. We expect the total proceeds realised from non-core business disposals to be approximately 1,000 million before the end of March 2003, compared with our initial estimate of 900 million.

Given the momentum to date, we remain in a position to generate one-off proceeds of 2.1 billion by March 2003, as announced in Restore Value.

o Restoring balance sheet: net debt and gearing ratio

Restore Value target is to achieve a gearing ratio of 20% by March 2005, with no further securitisation of future receivables.

Net debt at 30 September 2002 fell by 142 million, significantly reducing gearing from 112% to 84%. This follows the reclassification as debt of 205 million preferred shares, whose contractual redemption at 31st March 2006 was triggered by the capital increase in July. Without this reclassification, net debt at 30 September 2002 would have fallen by 347 million and the gearing ratio would have been 75%.

Due to the continuing improvement in free cash flow, coupled with one-off proceeds, we are confident of reaching the targeted gearing of 20% in March 2005 and to close all future receivables programmes.

PRESS INFORMATION

Sector Reviews

o Power

Power	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept. 02/ Sept. 01
Comparable basis (in million)				

Edgar Filing: ALSTOM - Form 6-K

Order backlog	16 191	14 418	13 599	-16%
Orders received	6 298	4 235	5 031	-20%
Sales	6 376	5 998	5 812	-9%
Operating income	275	266	271	-1%
Operating margin	4.3%	4.4%	4.7%	

Order intake, up 19% on the previous period, was very encouraging in spite of a generally difficult market environment, especially in gas turbines.

The gas turbine downturn was compensated for by excellent, double-digit, growth in services and environment, mainly in the US and Europe. Even in the United States, the most severely affected of the world's power markets, our overall order intake topped 1.25 billion, principally in service, upgrade and retrofit of our substantial installed base, providing further evidence of the resilience of our portfolio.

Update on GT 24/26 Gas Turbine Issues

The improvement programme is on schedule. We have now satisfied contract requirements or negotiated commercial settlements on over 70% of the units. We have still to conclude settlements in respect of 22 units (including 7 units which are the subject of litigation).

We have established provisions to cover the anticipated costs of making modifications to the turbines and for the additional expenditure not already covered within contract costs that we expect to incur in reaching settlements with our customers, including the costs of fulfilling contractual conditions.

Sales of GT 24/26 gas turbines (430 million) represented approximately 7% of Power's sales during the first half of fiscal 2003, compared with 14% during the first half of fiscal 2002. Sales of GT 24/26 gas turbines do not contribute to the gross margin, which means that Power's operating margin will automatically improve with the phasing out of these contracts.

PRESS INFORMATION

o T&D

	T&D	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept. 02/ Sept. 01
Comparable basis (in million)					
Order backlog		2 858	2 759	2 960	4
Orders received		1 969	1 742	2 067	5
Sales		1 678	1 985	1 778	6
Operating income		100	119	110	10
Operating margin		6.0%	6.0%	6.2%	

Edgar Filing: ALSTOM - Form 6-K

T&D benefited from continuing growth in Transmission, reflecting ALSTOM's focus on the expanding systems and solutions market, but faced a more difficult market in Distribution. Demand in Western Europe was stable, but declined in the USA mainly due to the energy management market. Despite increased pressure on prices and adverse exchange rates, overall orders were broadly in line with the same period last year and sales increased.

o Transport

Transport	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept. 02/ Sept. 01

Comparable basis (in million)				

Order backlog	13 187	13 944	14 784	12
Orders received	2 628	2 839	3 300	26
Sales	1 735	2 321	2 339	35
Operating income	68	11	90	33
Operating margin	3.9%	0.4%	3.9%	

During the first half of fiscal 2003 the rail market continued to experience sustained growth. In Europe this is being driven by a recovery in expenditure after the low investment of the 1990s and the urgent need to replace ageing infrastructure, coupled with increasing ridership, technology-led advances in signalling and the growing trend towards outsourcing of service. In the USA it reflects the continuing substantial investment in urban transportation.

PRESS INFORMATION

UK Regional Trains

By the end of September 2002, only 6 of the 119 trains outstanding under our UK regional trains contracts had yet to be delivered, compared with 29 at 31 March 2002. These 6 trains will be delivered by the end of the current calendar year.

o Marine

Marine	First Half Sept. 01	2nd Half March 02	First Half Sept. 02	% Var. Sept. 02/ Sept. 01

Comparable basis (in million)				

Order backlog	3 323	2 928	2 229	-33
Orders received	223	240	26	-88
Sales	606	635	725	20
Operating income	42	5	16	-62
Operating margin	6.9%	0.8%	2.2%	

Edgar Filing: ALSTOM - Form 6-K

The recovery of the cruise holiday market in the wake of 11 September is now well established. However, the cruise-ship market has been impacted since April 2002 by the weakness of the US dollar against the euro, as ship-owners (whose reference currency is the dollar) postpone orders. The market has also stalled in the last few months pending the outcome of takeover and merger discussions involving the three major cruise ship owners, which together account for the bulk of new-build orders. Notwithstanding these issues, we continue to see strong underlying interest in cruise-ships.

PRESS INFORMATION

Geographical Analysis

The geographical distribution of orders and sales was broadly unchanged against the first half of fiscal 2002.

Total Group Comparable basis	Orders Received		Sales	
	First Half Sept. 01	First Half Sept. 02	First Half Sept. 01	First Half Sept. 02
(in million)				
France	1 474	1 116	682	942
United Kingdom	585	741	594	801
Germany	618	680	495	517
Other EU countries	1 107	2 111	1 666	1 310
Total European Union	3 784	4 648	3 437	3 570
Rest of Europe	765	532	604	732
US	2 277	1 864	2 073	2 215
Others NA countries	444	274	845	458
Total North America	2 721	2 138	2 918	2 673
South and Central America	939	603	408	775
Asia / Pacific	2 042	1 638	2 184	1 833
Middle East / Africa	987	978	958	1 185
Total Group	11 238	10 537	10 509	10 769

Vendor Financing

In the past we provided certain financial assistance to institutions which finance some of our customers and also, in some cases, directly to our customers for their purchases of our products. We refer to this financial assistance as "vendor financing". It is no longer our policy to provide such vendor financing guarantees.

Vendor financing totalled 1,381 million at 30 September 2002, compared with 1,493 million at 31 March 2002.

A detailed analysis of the Company's vendor financing exposure and related provisions can be found in note 16 of the Consolidated Financial Statements and

Edgar Filing: ALSTOM - Form 6-K

in the full text of the MD&A.

PRESS INFORMATION

Contract Guarantees

External contract guarantees totalled 10,289 million at 30 September 2002, compared with 11,535 million at 31 March 2002 and 10,825 million at 30 September 2001. They have an average maturity of three years.

We have observed a general contraction of the market for such guarantees as some banks and insurance companies are reducing their capacity in this activity. This contraction has the effect of reducing our customers' expectations, which explains the decrease in our accounts since September 2002 despite an increase in orders received. We are examining with our core bankers ways to ensure that alternative bonding capacity is available for our requirements.

A comprehensive summary of ALSTOM's outstanding contract guarantees can be found in note 15a of the Consolidated Financial Statements and in the full text of the MD&A.

Asbestos

The Company believes it has no material liability in respect of current asbestos personal injury cases. (See notes 6 & 17 of the Consolidated Financial Statements and the full text of the MD&A).

In France such liabilities are covered by the social security and publicly-funded systems. In the USA, the businesses purchased from ABB are covered by an ABB indemnity. For our other US businesses, we believe our current liability is not material and we consider we have good defences to the cases filed against us. We have made no compensation payments.

Outlook

The resilience of our first-half performance, in a challenging economic environment, is underlined by the 15 per cent growth in our order intake. As a result, we expect orders received and sales for the full year to be broadly in line with those of last year. The positive dynamics of the transport, power retrofit, customer service and transmission markets should offset less favourable gas turbine, power plant, distribution and marine markets.

Improved profitability was delivered across all our sectors in the first half and reflects not only the improved margins in our order intake, as our business mix improves, but also the benefits that are beginning to flow from restructuring and overhead reduction. This gives us confidence in delivering a margin close to 5% in March 2003 and puts us well on track to achieving 6% by March 2005.

PRESS INFORMATION

Edgar Filing: ALSTOM - Form 6-K

Despite a generally much more difficult economic environment, we remain confident of achieving the key objectives outlined in the Restore Value plan.

* * *

Forward-Looking Statements:

This Press Release contains, and other written or oral reports and communications of ALSTOM may from time to time contain, forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Examples of such forward-looking statements include, but are not limited to (i) projections or expectations of sales, income, operating margins, dividends, provisions, cash flow, debt or other financial items or ratios, (ii) statements of plans, objectives or goals of ALSTOM or its management, (iii) statements of future product or economic performance, and (iv) statements of assumptions underlying such statements. Words such as "believes," "anticipates," "expects," "intends," "aims," "plans" and "will" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties that the forecasts, projections and other forward-looking statements will not be achieved. Such statements are based on management's current plans and expectations and are subject to a number of important factors that could cause actual results to differ materially from the plans, objectives and expectations expressed in such forward-looking statements. These factors include (i) the inherent difficulty of forecasting future market conditions, level of infrastructure spending, GDP growth generally, interest rates and exchange rates; (ii) the effects of, and changes in, laws, regulations, governmental policy, taxation or accounting standards or practices; (iii) the effects of competition in the product markets and geographic areas in which ALSTOM operates; (iv) the ability to increase market share and control costs while maintaining high quality products and services; (v) the timely development of new products and services; (vi) the inherent technical complexity of many of ALSTOM's products and technologies and the ability to resolve effectively and at reasonable cost technical problems that inevitably arise, including in particular the problems encountered with the GT24/26 gas turbines; (vii) risks inherent in large contracts that comprise a substantial portion of ALSTOM's business; (viii) the effects of acquisitions and disposals; (ix) the ability to invest in successfully, and compete at the leading edge of, technology developments across all of ALSTOM's Sectors; (x) the availability of adequate cash flow from operations or other sources of liquidity to achieve management's objectives or goals, including our goal of reducing indebtedness; (xi) timing of completion of the actions focused on cash generation contemplated in ALSTOM's "Restore Value" programme; (xii) the inherent difficulty in estimating future charter or sale prices of any relevant cruise-ship in any appraisal of the exposure in respect of the Renaissance matter; (xiii) the inherent difficulty in estimating ALSTOM's exposure to vendor financing which may notably be affected by customers' payment default; (xiv) the unusual level of uncertainty at this time regarding the world economy in general; and (xv) ALSTOM's success at adjusting to and managing the risks of the foregoing. ALSTOM cautions that the foregoing list of important factors is not exhaustive; when relying on forward-looking statements to make decisions with respect to ALSTOM, investors and others should carefully consider the foregoing factors and other uncertainties and events, as well as other factors described in other documents ALSTOM files from time to time with the Commission des Opérations de Bourse and with the Securities and Exchange Commission, including reports on Form 6-K. 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.