



Continuing to improve performance

Consolidated accounts as of 31st March 2007 using IFRS methods

<i>(in € millions)</i>	31/03/2007	31/03/2006	% change
Sales	618,9	568,9	+8,8%
Operating income	78,7	68,4	+15,0%
<i>Operating margin (as % of sales)</i>	12,7%	12,0%	
Net income	48,1	35,2	+36,7%
<i>Net margin (as % of sales)</i>	7,8%	6,2%	
Net Income Group Share	29,2	17,6	+65,6%

Solid financial performance in a growing market

Group sales have increased 8.8% to M€618.9 compared to the previous year. At a constant group structure, this increase is 7.4% and 7.7% at constant exchange rates.

As of 31 March 2007, the order book totals M€862, (including the ESPAS Group) bringing together over 900 contracts, compared to M€737 as of 31 March 2006.

Strong increase in operating income: +15%

The operating income, at M€78.7, has increased by 15%, compared to the previous year. The operating margin is fixed at 12.7%. This excellent performance is even more significant because it takes into account expenditure on the adaptation of industrial tools. Above all, it can be explained by the ongoing synergies from the Sab Wabco acquisition and by efforts to manage costs.

The net margin has increased 36.7% to M€48.1, benefiting from the sale of the plastics business.

As of the 31st March 2007, the Group's net debt has been reduced from M€35 to M€17, compared to 31 March 2006; a net debt/equity ratio of 7%. Less than three years after the acquisition of Sab Wabco, Faiveley has restored its borrowing capacity and can envisage new investments.

Dividend: +60%

The supervisory board proposes to the General Assembly, due to meet 19 September, the distribution of a dividend of 0.80 Euros per share, an increase of 60% compared to last year. The dividend will be distributed the 24th September 2007.

Favourable Outlook

The activity in 2007/2008, should continue in the same direction in a buoyant market.

Faiveley will pursue its growth in the Asian markets and in particular in China, where they have just inaugurated two new factories.

In Europe, the world's largest market, the Group will reinforce its competitive position with the three year project "Moving forward" aimed at harmonising organisations, processes and IT tools within the Group.

Financial Agenda :

- 23 July 2007, Sales 1st Quarter 2007-2008
- 19 September 2007, General Assembly

FAIVELEY, a world leader in the railway industry
About the Faiveley Group

The Faiveley Group is one of the world's leading suppliers of railway systems and services, with six product lines: air conditioning, electro-mechanics, on-board electronics, braking systems, couplers and customer services.

On a strong international market, Faiveley works closely with train operators and car-builders, and uses its commercial and industrial organisation to assure its development on the global market.

For further information, contact :FAIVELEY

Etienne HAUMONT	Chief Financial Officer	01 48 13 65 04	e.haumont@faiveley.com
Kasha DOUGALL	Communications Manager	01 48 13 65 68	Kasha.Dougall@faiveleytransport.com
KEIMA Communication			
Emmanuel DOVERGNE	Analysts/investors	01 56 43 44 62	emmanuel.dovergne@keima.fr
Alix HERIARD DUBREUIL	Press	01 56 43 44 62	Alix.heriard@keima.fr