



FIRST HALF-YEAR SALES 2011/12

2.5% ORGANIC GROWTH IN THE SECOND QUARTER RECORD ORDER BOOK: €1,614 MILLION

Gennevilliers, 24 October 2011. Faiveley Transport (FR0000053142 – LEY), a world leader in equipment for railway systems, today announced its sales figures for the first half-year ended 30 September 2011.

	Sales (€ millions)			
	2011/2012	2010/2011	% change	Of which organic
Q1: 1 April - 30 June	169.3	202.9	(16.5%)	(15.4%)
Q2: 1 July - 30 Sept.	211.0	208.4	1.2%	2.5%
1st half-year	380.3	411.2	(7.5%)	(6.3%)

Sales growth in the second quarter

Faiveley Transport generated sales of €211.0 million in the second quarter of the 2011/2012 financial year, an increase of 1.2% compared with the same period in the previous year. On a like-for-like basis, sales were up 2.5% over the quarter.

For the first half of 2011/2012 as a whole, sales were down 7.5% compared with the first half of 2010/2011, comprising a 6.3% decline on a like-for-like basis and a 1.7% negative foreign exchange effect.

On a like-for-like basis, this change in sales essentially reflects:

- a decrease in sales in Europe (down 10%), mainly due to the economic crisis in Spain, the end of deliveries of major projects in France in 2010/2011 and an unfavourable project delivery schedule in the first half of the year;
- a slightly decreasing business activity in Asia-Pacific (down 2%) where a decline in China and India was partially offset by an increase in the other countries in the region. Sales in China suffered a clear slowdown in the locomotive and high-speed train markets, both under the authority of the Ministry of Railway, following the ministerial team changes and the accident between two trains last July. The Chinese metro market, which is governed by municipal authorities, remains dynamic;
- the Americas reported a strong increase (up 11%) thanks to the success of the partnership with Amsted Rail, as well as the recovery of the freight market.

Highest order backlog ever

As of 30 September 2011, the order backlog totalled €1,614 million, up 11.1% over the first half and 18.3% over the last twelve months. On a like-for-like basis, this growth reached 9.9% and 17.3% during the same periods.

Over the first-half period, Faiveley Transport was awarded the largest contract in its history for the supply of braking equipment to the German high-speed trains ICx, manufactured for Deutsche Bahn by Siemens and Bombardier.

An initial firm order was placed for 130 trains, for delivery from 2015 onwards, with an option for 90 additional trains. In addition, the framework agreement reached between Siemens and Deutsche Bahn provides for a second option which would bring the total number of ICx trains to 300.

This historical contract highlights Faiveley Transport's ambition to develop a stronger presence in the German market.

In the second quarter, aside from this major contract, the Group continued to record further significant and diverse orders across all regions.

In Europe, Faiveley Transport will supply to Siemens on-board doors for the Warsaw metro and air-conditioning systems for Eurostar trains. The Group was also awarded by Alstom a platform screen doors contract for the extension of line 5 of the Milan metro.

In Asia-Pacific, the Group won a contract for the delivery of braking systems and couplers for the Chennai metro, designed by Alstom, the air-conditioning equipment for the Guangzhou, Harbin and Wuhan metros, as well as the doors and air-conditioning systems for passenger trains in Adelaide, manufactured by Bombardier. Finally, the Group will supply platform screen doors for the Riyadh monorail line (Saudi Arabia).

Financial position

The decrease in sales for the first half of the year will mechanically impact the operational performance of that period.

In addition, the Group reports an increase in net financial debt. The main factors that impact the cash flow position are the strong increase in engineering activity on the major projects awarded over the last 18 months, which have not yet entered into delivery phase, the adjustment of inventories to higher activity level over the coming months, as well as the seasonal reduction in the factoring programme.

Confirmation of the sales guidance for the financial year

The Group is maintaining its objective of slight growth in sales for the year, with the following outlook by region:

- the Americas should continue to grow, taking advantage of the success of the Joint Venture with Amsted and the growth in the freight market in the US;
- Europe should benefit from a more favourable delivery schedule for the second half-year;
- Asia-Pacific should benefit from a stronger growth in India and in the rest of Asia. In China, the metro market should remain sustained whilst the precise timing of the recovery of the Ministry of Railway investments remains uncertain.

Next communication: half-year results, 28 November 2011, after close of trading.

FAIVELEY TRANSPORT, WORLD LEADER IN THE RAILWAY INDUSTRY

About the Faiveley Transport Group

Faiveley Transport is a global leader of high tech equipments for railway systems. The Group supplies manufacturers, operators and railway maintenance companies with the most comprehensive range of products in the market: air conditioning, passenger access systems, platform doors and gates, braking systems, couplers, power collection systems, passenger information and services.

FAIVELEY Transport employs more than 5,000 people in 24 countries.

For more information please visit: www.faiveleytransport.com.

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