



INTERIM RESULTS 2007/2008

<i>IFRS Methods, in € Millions</i>	30/09/2007	30/09/2006	Δ%
Net Sales	316,5	270,9	+16,8%
Operating profit on ordinary activities	37,3	32,5	+14,6%
<i>Operating Profit margin on ordinary activities (% of sales)</i>	11,8%	12,0%	
Operating Income	35,4	32,5	9,0%
<i>Operating Margin (% of sales)</i>	11,2%	12,0%	
Net Profit	22,8	19,7	+15,7%
<i>Net profit Margin (% of sales)</i>	7,2%	7,3%	
Net Income Group Share	14,4	11,9	+21,1%

Solid and dynamic business in a buoyant market

Group net sales have increased 16.8% to € 316.5 Million, compared with last year. At constant group structure and a constant exchange rate, this is an increase of 15.4%.

On 30 September, 2007, the order book, with over 900 contracts, is reported at € 938 Million, compared to € 814 Million on 30 September 2006. The order book contains 23 months' net sales for original equipment and 8 months' net sales for "Customer Services".

Increase in operating profit from ordinary activities : +14,6%

The operating profit from ordinary activities, at € 37.3 Million, has increased by 14.6% compared to the 1st semester 2006/2007. The operating profit margin is reported at 11.8%. This slightly lower ratio, compared to the level achieved on 30 September 2006, is due to the development of a contract mix that is less favourable during this year's 1st semester. The second semester should enable last year's operating profit margin on ordinary activity to be reached. The operating margin, of 11.2%, has been affected by the relocation of an industrial site in Germany during the second semester.

Net profit has increased by 15.7% to € 22.8 Million. On 30 September 2007, IFRS Group net debt is recorded at € 20.3 Million. Not including the seasonal effect of factoring, (€ 19.1 Million), the debt reduction of the group during the semester is €15.6 Million, after the distribution of dividends of € 9.8 Million, therefore a net debt of € 1.2 Million.

A favourable outlook

The 2007/2008 activity is well positioned in a growing market, as the increase in the order book shows.

Faiveley continues to grow, and specifically in China, where a new 50/50 joint venture has been created, with the Chinese group, Datong, for the production of couplers, intended for the Chinese market. This structure, already in operation, has taken its first order at a value of € 2.3 Million.

Faiveley has entered in to exclusive negotiation with the group Carbone Lorraine for the acquisition of its activity for sintered brakes, number 3 in the world, in the sector, and the TGV leading supplier. This acquisition will enable Faiveley to reinforce its high speed brake offer.

Financial Agenda : 22nd January 2008, Net Sales 3rd quarter 2007-2008 23rd April 2008, Annual Net Sales 2007-2008

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.

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

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