



12 August 2004

ALSTOM'S CAPITAL INCREASES RESULTS

On 13 July 2004, ALSTOM launched two concurrent capital increases:

- one with preferential subscription rights, with 3,655,265,768 shares available for subscription for cash or by debt for equity set-off;
- the second, a debt for equity swap, reserved for certain ALSTOM creditors.

THE CAPITAL INCREASE WITH PREFERENTIAL SUBSCRIPTION RIGHTS WAS OVERSUBSCRIBED: TOTAL SUBSCRIPTION REQUESTS AMOUNTED TO APPROXIMATELY 115% OF SHARES.

- 3,320,066,218 shares were subscribed to on an irreducible basis, of which 3,107,677,120 shares were subscribed for cash and 212,389,098 shares by debt for equity set-off.
- 872,760,689 shares were subscribed to, on a reducible basis and by allocation of shares remaining following the exercise of subscription rights, of which 85,149,787 shares were subscribed for cash and 787,610,902 shares by debt for equity set-off. All shareholders were fully served. CFDI, a French State-owned entity and an ALSTOM creditor in an amount of 300 million euros had intended to subscribe 600,000,000 shares through debt for equity set-off. However, due to the success of the transaction, CFDI could not be fully served and will receive an allocation of only 62,438,861 shares, that is 10.4% of the number requested.

This capital increase with preferential subscription rights totals 1,508,350,193 euros, of which 1,277,130,762 euros in cash and 231,219,430 euros through debt for equity set-off.

The second capital increase was reserved for ALSTOM creditors which were offered the opportunity to swap their debt into equity at a price of 0.50 euro per share.

Approximately 38% of the capital increase was subscribed, with 480,000,000 shares having been subscribed out of 1,275,787,385 shares, for an amount of 240,000,000 euros by debt for equity swap.