

Press Release

Confirmation of steady growth in 2006

Paris, 27 June 2007 - Converteam, a world leading engineering company developing customized systems and solutions to convert electrical energy into productive performance, today announced a steep rise in new orders booked in 2006.

Converteam Group's operations essentially concern long-term projects, which means that orders received are a reliable indicator of future business pace. In 2006, rise in orders was more than 20%, from €646M in 2005 to €777M in 2006. This growth has been steady over the past 4 years, more than 20% annually, from €447M in 2003 to €777M in 2006.

Reflecting rise in orders received, sales reached €686M in 2006—rising more than 30%.

Besides, a diversified business base with customers in varied markets makes for extremely sound financial foundations. In 2006, business benefited from the general upward trends on all these markets, with growing worldwide demand for Oil & Gas and in particular for Renewable Energies.

In 2006, all Converteam's market segments grew, except Metals. The Energy sector (Oil & Gas, Renewables, etc.) showed very strong growth, with orders received from €143M to €320M, i.e. 124% increase, while 7% rise was recorded in the Marine sector, from €182M in 2005 to €194M in 2006. Services, which cover maintenance, technical support and customer training, remain a main focus of business development, rising 33% from €100M to €133M in 2006.

Market expansion is also geographical as new countries with high growth potential enter the scene. In addition to its long-standing facilities in Europe and in North America, Converteam Group is present in Brazil, Russia, India and China. These countries represent strategic development opportunities, with 100% increase in world's steel production and 50% of energy supply market. In 2006, Converteam booked €70M orders in China.

About Converteam Group SAS

Converteam Group is a world leader in power conversion engineering. Building on over a century of experience, it is firmly placed at the leading edge of technology and innovation with a global reputation for excellence in the conversion of electrical energy. Converteam develops and provides solutions built around three core components: rotating machines, drives and process automation. Serving specialized sectors as well as its core markets in Marine, Oil & Gas and Offshore, Energy and Industry, its 3,800 staff members provide power conversion solutions worldwide. At year-end 06, the Converteam sales totaled 686,000,000 EUR.