

Press release

1 March 2010

Alstom acquires 25% of the capital of Transmashholding

On 1 March 2010, Alstom and Transmashholding (TMH), Russia's largest railway equipment manufacturer, signed three documents which firm up the strategic partnership agreement that they signed on 31 March 2009. These documents were signed in the presence of Dmitry Anatolyevich Medvedev, President of the Russian Federation, and Nicolas Sarkozy, President of France.

The partners both signed:

- a Share Purchase Agreement under the terms and conditions of which Alstom acquires a 25% stake + 1 share in Transmashholding's parent company, Breakers Investment BV.
- an amendment to the current Shareholders' Agreement between the shareholders on how the company is to be managed.
- a Master Cooperation Agreement between Transmashholding and Alstom Transport which specifies the terms according to which their joint activities in developing and manufacturing new rolling stock and components for railway equipment are to be carried out.

Alstom's acquisition of a stake in TMH is subject to certain conditions. As soon as these conditions have been met, within a maximum of six months, Alstom will make an initial payment of US\$75 million to TMH.. The balance will be paid in 2012, and the exact amount will depend on Transmashholding's results for the period 2008-2011.

Under the terms and conditions of the strategic partnership agreement signed on 31 March 2009, a representative of Alstom Transport was appointed Transmashholding's new deputy managing director. He was joined in Russia by a team of French experts, all specialists in manufacturing, engineering, human resources and financial control.

A joint engineering company - "Tekhnologii Relsovogo Transporta – TRT" has already been set up and registered in Russia. This company is tasked with creating Russian centres of excellence for designing and manufacturing railway system equipment and key components, integrating the latest technologies developed by Alstom Transport and TMH. This engineering centre is already working on the design of an electric passenger locomotive, the EP-20, capable of speeds of up to 200 km/h, which will serve as a template for a future range of new Russian locomotives for various uses.

About Alstom Transport

A promoter of sustainable mobility, Alstom Transport develops and markets the most complete range of systems, equipment and services in the railway sector. Alstom Transport manages entire transport systems, taking in rolling stock, signalling and infrastructure, and offers “turnkey” solutions. Alstom Transport recorded sales of 5.7 billion euros in the fiscal year 2008-2009 and an increase in orders of 9% compared to the previous year. Alstom Transport is present in over 60 countries and employs some 27,000 people.

About Transmashholding

Transmashholding is Russia’s leading rail manufacturer. In particular it is known for its production of electric and diesel locomotives, converters, freight and passenger cars, suburban and metro cars, diesel engines for locomotives and diesel generators. In 2009 Transmashholding’s sales reached 1,7 billion euros. The company employs over 57,000 workers.

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