

2 May 2007

Alstom acquires Qingdao Sizhou, a major player in the power service business in China

Alstom has just completed the acquisition of Qingdao Sizhou, a market leader in China for boiler auxiliaries with a strong focus on bottom ash handling systems and the related service business, a critical element of the coal-fired power generation process.

Founded in 1998, Sizhou today holds a leading position in the Chinese market for its product lines. The company has long-term relationships with the top Chinese utilities and over 500 power plants use Sizhou's equipment. With sales of more than 50 million euros in 2006, Sizhou employs over 1,100 employees, including 170 engineers and 60 sales experts. It is located on a recently built 180,000 sqm state-of-the-art facility in Jiaozhou City, near Qingdao (province of Shandong).

Sizhou's engineering, service and manufacturing facilities, together with its sales network, will allow Alstom to quickly expand its presence in the Chinese boiler, environmental products and services market. The new company, Alstom Sizhou, will also provide a low-cost manufacturing base for Alstom's global supply chain.

The acquisition represents a major step forward in Alstom's strategy to become a full local service provider, supporting the market through a sales network, supply chain and field service resources, all of which are located close to the customers.

Commenting on the acquisition, Walter Graenicher, President of Alstom's Power Service Sector, said : *"Sizhou's leading market position and developed customer base offer us a unique opportunity to build a presence in the rapidly growing Chinese power service market".*

About Alstom

Alstom is a global leader in the world of power generation and rail transport infrastructure and sets the benchmark for innovative, environmentally friendly technologies. Alstom built the fastest train and the highest capacity automated metro in the world, and provides turnkey integrated power plant solutions and associated services for a wide variety of energy sources, including hydro, gas and coal. The Group employs more than 60,000 people in 70 countries, and had sales of € 13.4 billion in 2005/06.

Alstom has been present for more than fifty years in China where the company has 4500 employees.

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