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Alstom signs series of agreements in the Russian energy sector

In the context of the visit in France of Vladimir Putin, Prime Minister of the Russian Federation, Alstom today signed a series of agreements in the Russian power generation sector, confirming Alstom's strong commitment to the development of energy sector in Russia.

The first agreement, signed with RusHydro, Russia's largest hydro power generation company, is for the creation of a joint hydropower manufacturing facility in Ufa City in the Republic of Bashkortostan, Russia, in which Alstom will hold 50% (minus one share). The agreement sets out fundamental principles and mutual obligations for both companies and represents a major step towards the creation of the JV company.

The plant will manufacture hydropower equipment for small hydraulic power plants with capacities of up to 25 MW, medium-sized hydro power plants with capacities of up to 100 MW and pumped storage plants with capacities of up to 150 MW, as well as auxiliary equipment. Notably, the plant will provide equipment for the integrated modernisation of the Kubansky Cascade hydropower plant, for which Alstom, the Russian United Energy-Construction Corporation (OEK) and RusHydro signed an agreement in May 2011. Alstom will carry out the rehabilitation of equipment and install a new instrumentation & control system. Its partner OEK will be responsible for all civil works.

The protocol for the establishment of the facility was signed in February 2011 in Ufa, in the presence of the President of the Russian Federation Dmitry Medvedev. Although hydropower currently makes up only 20% of the country's total electricity supply, Russia has more than one hundred hydro power plants with the total installed capacity of 45 GW, the fifth largest in the world.

Alstom also signed today **a framework agreement with the Renova Group**, a leading Russian private business corporation. This agreement aims to create and localise state-of-the-art power generation equipment for applications in thermal power plants. Alstom and Renova will assess available capabilities and technologies of both companies and set up broad areas of cooperation. In addition, Alstom signed three agreements with TGKs*, operated by IES Holding (the power generation arm of the Renova Group) to deliver, between 2012 and 2013, five GT13 gas turbines to the three power stations Akademicheskaya (1 engine), Nizhneturinskaya (2 engines) and Novogorkovskaya (2 engines). This marks the beginning of cooperation between both companies in the energy sector.

Patrick Kron, Chairman and CEO of Alstom, said, *"These agreements consolidate Alstom's growing participation in Russia's power generation market. By investing in Russia's industry and transferring its state-of-the-art technologies, Alstom confirms its strong commitment to the development of the country's energy industry."*

* The subsidiaries in charge of operating Russian power plants

About Alstom

Alstom is a global leader in the world of power generation, power transmission and rail infrastructure and sets the benchmark for innovative and environmentally friendly technologies. Alstom builds the fastest train and the highest capacity automated metro in the world, provides turnkey integrated power plant solutions and associated services for a wide variety of energy sources, including hydro, nuclear, gas, coal and wind, and it offers a wide range of solutions for power transmission, with a focus on smart grids. The Group employs 93,500 people in around 100 countries, and had sales of €20.9 billion in 2010/11.

About RusHydro

JSC RusHydro is Russia's largest power generating company, with 68 renewable energy source (RES) facilities. The Company's total installed capacity is 26.1 GWt, including 6,400 MWt at the P.S. Neporozhniy Sayano-Shushenskya HPP, which is currently being restored. JSC RusHydro is a leader in energy production using renewable energy sources, including: water flows, sea tides, wind and geo-thermal energy.

About Renova Group

Renova Group is a leading Russian private business group that holds and manages assets in metallurgy, oil, mining, chemical, real estate development, energy, telecommunications, high-tech engineering, utilities and financial sectors in Russia as well as CIS, Switzerland, Italy, South Africa and the United States. Among the Group's most important inputs are investments in TNK-BP, UC RUSAL, IES, as well as in Swiss high-tech and industrial companies OC Oerlikon and Sulzer.

About Integrated Energy Systems (IES)

IES is Russia's largest private power supply and gas distribution company, one of Renova Group's assets. IES manages and holds strategic/majority interest in four TGCs* (TGC-5, TGC-6, TGC-9, VoTGC). It is the fifth largest power supply company in Russia in terms of installed capacity, and the largest Russian heat producer. The company's principal areas of business include power generation, development of generating facilities, energy trading; retail heat and power distribution, and gas transportation.

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