

Alstom to acquire USA gas turbine service provider

Alstom announced today its agreement to acquire Power Systems Mfg (PSM), a subsidiary of Calpine Corporation.

PSM, located in Florida, is a high tech company with a leading position as independent provider of improved gas-turbine parts and low-Nox upgrade solutions for gas turbines. Its highly qualified engineering team has designed, developed and successfully introduced to market many well-proven solutions on a multitude of gas turbine technologies. PSM employs over 100 people and had sales of approximately \$70 million in 2006, with an EBITDA margin above 25%.

Alstom will pay \$242 million for the acquisition and will fund it through internal sources.

The activities of PSM will be part of the Power Service Sector of Alstom. This acquisition extends Alstom's technology leadership in providing customers with gas turbine efficiency upgrades, and low-emission solutions in after-market sales.

Patrick Kron, Chairman and CEO of Alstom, declared: *"This deal will strengthen Alstom's position in the US market, where gas turbine service shows strong growth driven by increasing plant utilization and more stringent emission limits. PSM is ideally positioned to benefit from the high growth of sales and profit in this favourable market Alstom will give PSM the financial stability, technological backing and access to a larger customer base to market its products".*

Closing is subject to receiving approval from regulatory authorities, which is expected to occur shortly.

About Alstom

As a high-technology manufacturer, Alstom is a major market player in providing services, products and systems for power generation and rail transport. The company serves the infrastructure markets that ensure global economic growth and social progress.

- Alstom is present in 70 countries
- The company is organised into three sectors, Transport for rail transport, and Power Systems and Power Service for power generation.
- Group sales totalled €13.4 billion for the 2005-2006 financial year. They break down as follows: Europe 47%, Americas 23%, Asia-Pacific 20% and Middle East/Africa 10%.
- The company has a global workforce of more than 60,000.

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