

Alstom reinforces global footprint with two new hydro contracts in Europe and Latin America

Alstom has signed two new hydro contracts in Portugal and Panama, reconfirming its position as the world leader in hydroelectricity. The company has over a century of acquired know-how and today supplies approximately 25% of global hydropower from an installed base of over 400 GW of turbines and generators all over the world.

Alstom Hydro contract helps Portugal increase its share in renewable energy

Alstom Hydro*, in consortium with its Portuguese partners EFACEC Engenharia S.A. and SMM, has won a 94 million euro contract with Portuguese utility EDP – Gestão da Produção de Energia SA to extend the Alqueva hydro power station at Villa de Beja, Alentejo, Portugal. Due for completion in early 2012, the so-called Alqueva II project is in line with the Portuguese government's plan to increase the country's share of renewable energies.

With this new contract, Alstom will supply, deliver and install 2 x 130 MW reversible turbine-generator units and other mechanical equipment to the plant, increasing total power output to 520 MW. EFACEC Engenharia S.A. and SMM will be responsible for the balance of plant and erection at the site respectively. The Alqueva pumped storage** power plant, in operation since 2004, currently employs 2 x 130 MW reversible turbine-generator units, also supplied by Alstom.

Exploring the potential of hydropower is a key priority for the Portuguese government, which has one of the most ambitious renewable energy targets in Europe. An ongoing investment programme, "National Programme of Dams with High Hydropower Potential", plans to construct 10 new dams and exploit 70% of the country's hydro potential by 2020. Power demand in Portugal is steadily increasing at a rate of some 3.5% per year, forecast to rise to an average of 5% per year after 2010.

"We are delighted to have been chosen a second time by EDP as equipment suppliers for Alqueva, which is endorsed by Portugal's national hydropower investment plan. It demonstrates the ability of Alstom to provide efficient, reliable and cost effective solutions for pumped storage power plant," said Philippe Cochet, Senior Vice President, Alstom Hydro.

New contract in Panama

Alstom Hydro has won a contract with Suez Energy Central America (SECA) worth over 60 million euros to supply electromechanical equipment to three new hydro power plants on the Chiriqui River in the province of Chiriqui, Panama.

Under the terms of the contract, awarded in August to a consortium led by Alstom Hydro, the company will supply the turbines, generators and hydromechanical and lifting equipment to power plants Gualaca (two turbine-generator units of 13 MW each), Lorena (2 x 17.4 MW) and Prudencia (2 x 28.7 MW), with delivery scheduled to take place from August 2009 – February 2011.

The equipment will be manufactured at Alstom Hydro's factory in Taubaté, Brazil, one of the company's main industrial hubs. The site has previously supplied equipment to the hydropower plants at Itaipú (12,000 + 1,400 MW), Tucuruí (4,200 + 4,200 MW) and Porto Primavera (1,814 MW).

Alstom has been involved in Panama's hydro industry since the 1970s, when the hydropower plant La Estrella came onstream. Other key historical references are Esti (2 x 60MW), Bayano (3 x 87MW), Edwin Fabrega Fortuna (3 x 100MW), and Changuinola (2 x 103MW under construction).

This contract strengthens Alstom's position in a market where it has been operating for more than thirty years. Hydroelectric installed capacity in Latin America, including Brazil and Paraguay, is 143.8 GW, of which Alstom currently holds a 25% share. Philippe Cochet, Senior Vice President, Alstom Hydro, said : *" With this project Alstom Hydro confirms its commitment to secure power supply to the region and to continue working on integrated solutions supporting the fast development of the electricity market."*

*Alstom Hydro, a joint venture between Alstom and Bouygues, is the world leader in the supply of hydropower equipment and services. Alstom Hydro offers the broadest range of products and solutions that cover all hydropower schemes, from large to small, from run-of-river to pumped-storage, for new installations, refurbishment, upgrading and services. The joint venture has 5500 employees in 19 countries.

**Pumped storage is a method used to increase energy efficiency and employs reversible turbines which can be used in two modes; either to generate electricity, or to pump spent water back into the reservoir, where it is stored and reused during peak electricity production hours. Pumped storage can recover up to 75% of energy consumed in the overall energy cycle.

Press contacts

Philippe Kasse, Stéphane Farhi (Corporate)

Tel +33 1 41 49 29 82 /33 08

philippe.kasse@chq.alstom.com

stephane.farhi@chq.alstom.com

Susanne Shields (Power)

Tel +33 1 41 49 38 53

media.relations@power.alstom.com

Investor Relations

Emmanuelle Châtelain

Tel + 33 1 41 49 37 38

investor.relations@chq.alstom.com

Websites

www.alstom.com, www.power.alstom.com