

**Information related to the remuneration of ALSTOM's Executive Officer published in compliance with the AFEP-MEDEF corporate governance code**

**- Variable remuneration 2009/10**

€1,000,000 (€1,300,000 for 2008/09)

**- Annual remuneration 2010/11**

+ Fixed salary

€1,100,000 (€1,065,000 for 2009/10)

+ Variable salary

0 - 160% of the fixed salary (terms unchanged)

At its meeting held on 3 May 2010, the Board of Directors acknowledged the recommendations of the Nominations and Remuneration Committee and fixed the elements of the compensation of Mr Patrick Kron.

**Variable remuneration in respect of fiscal year 2009/10**

The variable gross salary of Mr Patrick Kron in respect of fiscal year 2009/10 was fixed at €1,000,000 that is 94% of his fixed gross salary. Pursuant to the rules predetermined in May 2009, the variable part linked to the financial objectives was fixed at 54% by the Board of Directors within the range 0 - 120% (compared to 60% if the results achieved have been strictly in line with the objectives set). The part corresponding to the specific objectives was fixed at 40% in the 0 - 40% range.

For the previous fiscal year, his variable gross salary was €1,300,000 corresponding to 125.75% of his fixed gross salary for the said fiscal year. The variable part linked to the financial objectives was fixed at 85.75 % and the part corresponding to the specific objectives was fixed at 40%.

**Fixed and variable remuneration in respect of fiscal year 2010/11**

Fixed Part

The amount of the fixed part of the Chairman and Chief Executive Officer's remuneration was fixed at €1,100,000 pursuant to the decision of the Board of Directors held on 4 May 2009 to fix the Chairman and Chief Executive Officer's fixed salary over the three-year period 2009-2012 with a 3% increase per year, resulting in the following amounts:

2009/10 : €1,065,000  
2010/11 : €1,100,000  
2011/12 : €1,130,000.

The amount of the fixed part of the Chairman and Chief Executive Officer's remuneration remained unchanged for three years as from 1<sup>st</sup> April 2006 until 31 March 2009.

Variable part

Upon the Nominations and Remuneration Committee's proposal, the Board of Directors fixed the Group's performance objectives and the specific qualitative objectives linked to the achievement of personal objectives which will be used to determine the variable remuneration for the fiscal year 2010/11, applying the same methods as for the preceding years,

For fiscal year 2010/11, the objectives set, are, on one side, the Group's financial objectives – free cash flow, operational margin, and gross margin on orders received during the fiscal year both in absolute value and as a percentage – and on the other hand, the specific objectives linked to the actions plans and to the priorities of the fiscal year.

Since 1<sup>st</sup> April 2006, the Chairman and Chief Executive Officer's variable remuneration's range is between 0% and 160% of the annual base salary. The amount of the variable part linked to financial objectives can vary between 0% and 120% and the amount of the variable part linked to specific objectives between 0% and 40%, depending on results achieved. In case the set objectives are met, the variable remuneration represents 100% of the annual base salary, with the amount of the variable part linked to financial objectives representing 60% of the annual base salary and the variable part linked to the specific objectives representing 40% of the annual base salary.

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