

**Information related to the remuneration of ALSTOM's Chairman and Chief Executive Officer published in compliance with AFEP-MEDEF recommendations**

At its meeting held on 3 May 2012, the Board of Directors acknowledged the recommendations of the Nominations and Remuneration Committee and fixed the following elements.

**Variable remuneration in respect of fiscal year 2011/12**

The variable gross salary of Mr Patrick Kron in respect of fiscal year 2011/12 was fixed at €1,160,000 that is 102.7% of his fixed gross salary of €1,130,000 for the said fiscal year. The variable part linked to the financial objectives – the operational margin, the gross margin (both in absolute value and as a percentage) on orders received, the free cash flow – was fixed at 64.2% by the Board of Directors within the range 0 - 120%. The part corresponding to the specific objectives was fixed at 38.5% in the 0 - 40% range. The qualitative objectives corresponded to the implementation of strategic and operational priorities agreed to with the Board of Directors.

For the previous fiscal year, his variable gross salary was € 1,075,000 corresponding to 97.7% of his fixed gross salary for the said fiscal year. The variable part linked to the financial objectives was fixed at 59.8% and the part corresponding to the specific objectives was fixed at 37.9%.

**Fixed and variable remuneration in respect of fiscal year 2012/13**

**Fixed Part**

The Chairman and Chief Executive Officer's fixed gross salary in respect of fiscal year 2012/13 will remain unchanged at € 1,130,000.

**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 2012/13, applying the same methods as for the preceding years.

For fiscal year 2012/13, the objectives set, are, on one side, the Group's financial objectives – the operational margin, the gross margin (both in absolute value and as a percentage) on orders received, the free cash flow – and on the other hand, the specific objectives corresponding to the implementation of strategic and operational priorities agreed to with the Board of Directors.

Since 1<sup>st</sup> April 2006, the Chairman and Chief Executive Officer's variable remuneration varies 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% of the annual base salary 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.

Over this period, the remuneration of Chairman and Chief Executive Officer evolved as follows:

	<b>Fiscal Year 2006/07 (in €)</b>	<b>Fiscal Year 2007/08 (in €)</b>	<b>Fiscal Year 2008/09 (in €)</b>	<b>Fiscal Year 2009/10 (in €)</b>	<b>Fiscal Year 2010/11 (in €)</b>	<b>Fiscal Year 2011/12 (in €)</b>
<b>Fixed remuneration</b>	1,035,000	1,035,000	1,035,000	1,065,000	1,100,000	1,130,000
<b>Variable remuneration (% of fixed part)</b>	1,430,000 (138 %)	1,500,000 (145 %)	1,300,000 (125 %)	1,000,000 (94 %)	1,075,000 (98 %)	1,160,000 (103%)
<b>TOTAL</b>	2,465,000	2,535,000	2,335,000	2,065,000	2,175,000	2,290,000

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