

Joint declaration of Mr. Christophe Sirugue, Minister of State in charge of Industry, and Mr. Henri Poupart-Lafarge, Alstom Chairman and CEO on 4 October

In a context of an important drop in the workload forecasted after 2018 and a lack of commercial perspective for its site of Belfort, Alstom Management announced to employee representatives on 7 September a project to redeploy part of the employees of Belfort site on Reichshoffen site. The objective was to focus the activities on services and maintenance for locomotives.

Following this announcement, the State consulted SNCF on the upcoming orders on existing markets. Alstom and the French State have entered into a phase of dialogue, in which we now want to associate local authorities and union organisations to implement the possible options to maintain activity on Belfort site. These perspectives give the opportunity to maintain an industrial activity on the site. They are part of a more global thinking to secure the loads other French sites of Alstom.

Three axes to maintain the activity and the positions on the Belfort site have been identified and constitute an alternative to the previous plan.

1. Reinforce the technical leadership and maintain production in Belfort

Belfort's engineering teams will develop the power car for the TGV of the future. The French State, through ADEME, and Alstom will invest €30 million in the two coming years for this development. The development of the TGV of the future is ensured through SpeedInnov, a joint venture between Alstom and ADEME part of the "Programme d'Investissements d'Avenir" (PIA) to develop the new generation of high speed trains. The first trains should enter in production from 2021 on.

Alstom will invest €30 million until 2018 to develop and industrialise a platform of hybrid locomotives adapted to the market and developed by the engineering teams in Belfort. The State may, after review, bring financial support to the development of this platform.

SNCF confirms its order, through its subsidiary SNCF Mobilités, for six TGV cars for the Paris-Turin-Milan line, and through its subsidiary SNCF Réseau of 20 shunting locomotives for maneuvering breakdowns.

By anticipation of the development of the Bordeaux-Toulouse and Montpellier-Perpignan high speed lines, the State will order 15 Euroduplex TGV cars to equip the Bordeaux-Marseilles Intercity line.

All these orders will allow maintaining expertise and industrial competences on Belfort site.

In addition, the French State will confirm before November 2016, the order for 30 Intercity trains. This will secure the load of the Alstom site in Reichshoffen.

2. Belfort to become Alstom European reference centre for the maintenance of locomotives

Alstom will pursue an ambitious development plan over the next three years for its services activities in Belfort. Alstom will therefore invest €5 million on the site until 2019 to modernise the industrial operations (repair, light and heavy maintenance and modernisation works) with the objective to employ 150 people for this activity in the long run.

Local authorities will support this project to adapt the current infrastructures to these new activities, notably the electrification of test tracks and various upgrades.

These investments will create new workshops for the maintenance of locomotives and their modernisation (signalling equipment, components, obsolescence management on TGV and locomotives).

3. Build a future for Belfort through diversification and investments

Alstom will work, eventually with other partners or investors, on the diversification of the site based on core competencies (boilerworks, welding, cabling, assembly, painting, electrical tests,...) for the production of other types of rail and road vehicles, in particular electric buses. Alstom will invest at least €5 million to support the diversification of the site until 2020, with a specific attention towards competency development.

4. Follow-up

The implementation of these different axes will be regularly followed-up by Alstom and the French State, the local authorities and the unions.

Alstom will engage into a social dialogue with unions to accompany the adaptation of the site towards its new missions.

Alstom will continue reinforcing the role of the French sites within its industrial and technological operations through more than €30 million investments per year and a strong effort in research and development of more than €100 million. This effort allowed the development of new product platforms like the new generations of tramways, metros and high speed trains of the future, as well as the digitalisation of transports. In addition, Alstom has launched a project to enlarge its offering in terms of electrical mobility (electric buses and fuel-cell trains). The French State could support these projects in the framework of its policy of sustainability and clean transportation development.

The State and all the partners of the railway industry will pursue their discussions on how to consolidate the load of all sites in France. A strategic committee will meet before the end of the year.