

Alstom Defined Contribution Plan

Pension Scheme Registry Number 10274962

Annual Report and Accounts

Year ended 5 April 2007

ALSTOM

Contents

	Page
Plan Advisers and Sponsoring Employer.....	1
Trustee's Report	3
Statement of Trustee's Responsibilities	13
Independent Auditors' Report to the Trustee of the Alstom Defined Contribution Plan.....	14
Fund Account for the year ended 5 April 2007.....	16
Net Assets Statement at 5 April 2007	17
Notes to the Accounts.....	18
Independent Auditors' Statement about Contributions	24
Summary of Contributions Payable in the Year	26
Compliance Statement.....	27
Trustee Directors.....	29

Plan Advisers and Principal Employer

Banker

HSBC Bank plc

Independent Auditors

Deloitte & Touche LLP

Investment Managers

Winterthur Life as an investment platform for:
Legal & General Investment Management
Threadneedle Asset Management

Legal Adviser

Lovells LLP

Life Assurance Company

Norwich Union

Plan Administrator

DC Link Limited

Investment Consultant

Hewitt Bacon & Woodrow

Secretary to the Trustee

Bryan W Radford

Principal Employer

ALSTOM Ltd

Plan Advisers and Sponsoring Employer (Continued)

Contact for further information about the Plan or benefit enquiries

The Administrators of the Alstom Defined Contribution Plan:

DC Link Limited

PO Box 6500

Peterborough

PE1 1BR

Enquiries about the Plan

Bryan W Radford

Pensions Executive

Pensions Department

ALSTOM Ltd

Newbold Road

Rugby

CV21 2NH

Trustee's Report

Introduction

The Trustee of the Alstom Defined Contribution Plan is pleased to present their first report, together with the financial statements, for the year ended 5 April 2007. The Plan is a defined contribution plan and was established by a trust deed dated 5 April 2006.

The Plan is registered under the Finance Act 2004. Members are not contracted out of the State Second Pension.

Management of the Plan

In accordance with the Occupational Pension Scheme (Member-nominated Trustees and Directors) Regulations 1996 made under the Pension Act 1995, three of the directors of the Trustees are nominated by the members under the rules notified to the members of the Plan.

During the year under review, the Trustee of the Plan has been ALSTOM Defined Contribution Pension Trustee Limited and its directors have been:

Company Appointed Trustee Directors:

Nicolas Khalife	(appointed on 3 March 2006)
Helena Austin	(appointed on 1 March 2007)
James Milner	(appointed on 1 May 2007)

Member Nominated Trustee Directors:

Paul Naughton	(appointed on 1 November 2006)
Adrian Skea	(appointed on 1 November 2006)

The following Trustee Directors also served during the year ended 5 April 2007

Company Appointed Trustee Directors:

Simon Smith	(appointed on 16 June 2006 resigned on 28 February 2007)
Frederick Dura	(appointed on 2 March 2006 resigned on 16 June 2006)
Eric Prescott	(appointed on 3 March 2006 resigned on 8 May 2007)

The above named resigned as Trustee Directors as a consequence of leaving employment with Alstom.

Trustee's Report (Continued)

Member Nominated Trustee Directors:

Gerald French (appointed on 1 November 2006 resigned on 5 May 2007)

There was no nomination received as a replacement and therefore this position will remain vacant for the period to 16 July 2008.

In accordance with the Trust Deed, the sponsoring employer has the power to appoint and remove the Trustee of the Plan and to appoint or remove directors, however, the removal of a Member Nominated Director can only be made with the agreement of all of the other Directors.

Further information about the Plan is given in the explanatory booklet, which is issued to all members.

Sponsoring Employer

The Plan is provided for all eligible employees of ALSTOM Ltd and certain affiliated companies. The employer's registered address is Newbold Road, Rugby, Warwickshire, CV21 2NH.

Financial Statements

The financial statements on pages 16 to 23 have been prepared and audited in accordance with the Regulations made under Sections 41 (1) and (6) of the Pensions Act 1995. They show that the value of the fund has grown to £3,886,000 at 5 April 2007. Total contributions received in the year amounted to £4,003,000 (including employer contributions to fund Death in Service benefits).

Trustee's Report (Continued)

Membership Statistics

Details of the membership of the Plan at 5 April 2007 are given below:

Active Members	2007
Active members as at 6 April 2006	-
New entrants in the year	1,195
Members leaving with contribution refunds	(39)
Members leaving with preserved benefits	(1)
Members leaving pending decision	(109)
Active members as at 5 April 2007	<u>1,046</u>
Members with preserved and deferred benefits	
Preserved and deferred members as at 6 April 2006	-
Leavers during the year with benefits	1
Preserved and deferred members as at 5 April 2007	<u>1</u>
Leavers Pending Decision	
Leavers pending decision as at 6 April 2006	-
Members leaving/opting out pending decision	109
Refunds	(57)
Transfers out	(11)
Leavers pending decision as at 5 April 2007	<u>41</u>
Total membership at 5 April 2007	<u>1,088</u>

There were no pensioners of the Plan. Pensions are provided by purchasing annuities when members retire.

Trustee's Report (Continued)

Investment Report

Investment Strategy

The Trustee determines the investment strategy of the Plan with guidance from its investment consultant. This strategy aims to meet the investment needs of the Plan members and is reviewed annually.

The Trustee has to prepare a Statement of Investment Principles (SIP). This records the Trustee's policy covering investment strategy and risk management. The Trustee is required to produce a SIP by section 35 of the Pensions Act 1995. A copy of the SIP is available from the Alstom Pensions Department.

Investment Managers

The Trustee has a contract with Winterthur Life for delivering the Plan's investment options. This contract allows the Trustee to access funds offered by a range of different investment managers that Winterthur Life separately contracts with. With advice received from its investment consultant the Trustee selected a range of investment options to offer to members.

The investment options used are shown in the table below along with the underlying investment managers. Legal & General Investment Management invest the majority of the Plan's assets. Threadneedle Asset Management manages the property investment.

Fund	Underlying funds
Annuity Protection Fund	100% Legal & General Investment Management Pre-Retirement Fund
Cash Fund	100% Legal & General Investment Management Cash Fund
Global Equity Fund	100% Legal & General Investment Management Global Equity Fixed Weights (50:50) Index Fund
Growth Fund	33.3% Threadneedle Pooled Pension Property Fund 33.4% Legal & General Investment Management Global Equity Fixed Weights (50:50) Index Fund 33.3% Legal & General Investment Management Pre-Retirement Fund
Property Fund	100% Threadneedle Pooled Pension Property Fund

The previous table shows that all of the investment options, except for the Growth Fund invest solely in one underlying fund. The Growth Fund was designed by the Trustee, with assistance from its investment consultant.

The table overleaf shows the composition of the Growth Fund as at 31 March 2007, rather than 5 April 2007, and compares this to the target allocation set by the Trustee. There are controls in place to monitor how far away the fund moves from its target and this will be re-aligned as and when necessary.

Trustee's Report (Continued)

Fund	Actual Allocation (%)	Target Allocation (%)	Relative to Target Allocation (%)
Legal & General Investment Management Global Equity Fixed Weights 50:50 Index Fund	34.5	33.4	1.1
Threadneedle Pooled Pension Property Fund	33.5	33.3	0.2
Legal & General Investment Management Pre-Retirement Fund	32.0	33.3	-1.3

Investment Performance

The performance of the funds is given in the table below.

Fund	Quarter Q1 2007	Annualised		Year to 31 March				
		1 Yr	3 Yr	2003	2004	2005	2006	2007
<i>Annuity Protection Fund (also part of Growth Fund)</i>								
LGIM Pre-Retirement Fund	-1.6	-0.8	5.4	n/a	n/a	6.8	10.7	-0.8
Benchmark	-1.6	-0.9	5.4	n/a	n/a	6.8	10.6	-0.9
Difference	0.0	0.1	0.0	n/a	n/a	0.0	0.1	0.1
<i>Global Equity Fund (also part of Growth Fund)</i>								
LGIM Global Equity Fixed Weights (50:50) Index Fund	2.9	7.5	16.6	-30.1	31.6	12.4	31.3	7.5
Benchmark	2.8	7.2	16.3	-30.2	31.5	12.1	31.0	7.2
Difference	0.1	0.3	0.3	0.1	0.1	0.3	0.3	0.3
<i>Property Fund (also part of Growth Fund)</i>								
Threadneedle Pooled Pension Property Fund	2.1	15.0	16.6	15.8	16.9	17.8	17.1	15.0
Benchmark	2.0	14.8	16.4	14.7	16.0	17.5	17.0	14.8
Difference	0.1	0.2	0.2	1.1	0.9	0.3	0.1	0.2
<i>Cash Fund</i>								
LGIM Cash Fund	1.4	5.2	5.0	n/a	4.2	5.1	4.9	5.2
Benchmark	1.4	5.1	4.7	n/a	3.8	4.8	4.7	5.1
Difference	0.0	0.1	0.3	n/a	0.4	0.3	0.2	0.1

Under FSA Regulations, Winterthur Life is unable to provide performance data for the Growth Fund until it has been in operation for 12 months. In the first year, we can approximate the return of this fund using the data for the underlying funds. This is shown in the table below.

Indicative Gross Performance of the Growth Fund		
Period	Estimated fund performance	Estimated benchmark
1 April 2006 – 31 March 2007	7.4%	7.0%

The estimated return is based on the returns achieved on the underlying funds weighted by the proportion of the Growth Fund that they represent as at 31 March 2007. The benchmark figure is weighted by the target asset allocation of the Growth Fund.

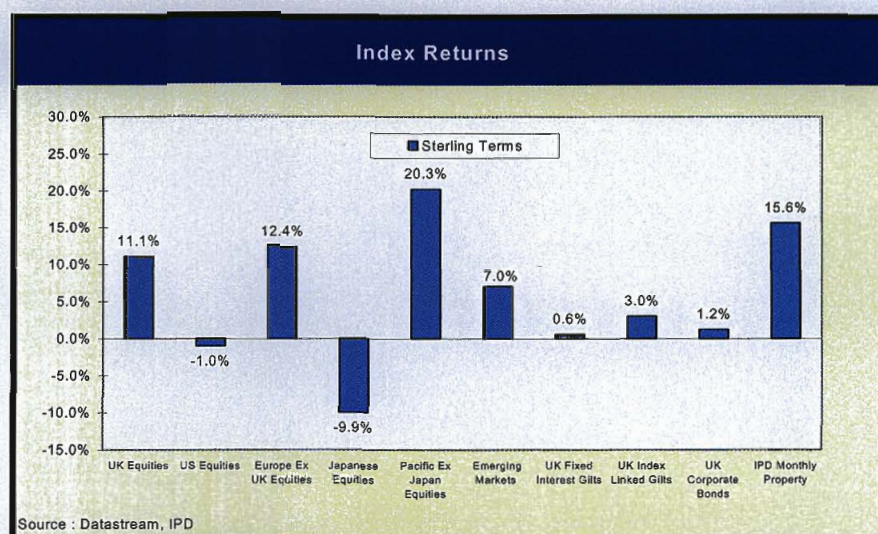
Trustee's Report (Continued)

Market Background

The following sections outline the economic conditions experienced over the year to 31 March 2007.

Summary

12 months to 31 March 2007



General background

- Performance over the last 12 months in Sterling terms was mixed across the major equity markets. However all returns were positive when considered in local currency terms.
- Bond markets saw small positive returns over the year, although in many instances these returns were less than the coupon.
- Commercial property again produced very strong performance, returning 15.6%.
- The oil price as at 31 March 2007 was \$67, largely unchanged from 12 months earlier. However there were significant movements over the year, with the oil price reaching a record high of \$78 and a low of \$52. Significant volatility was also seen in metals prices over the year.

Trustee's Report (Continued)

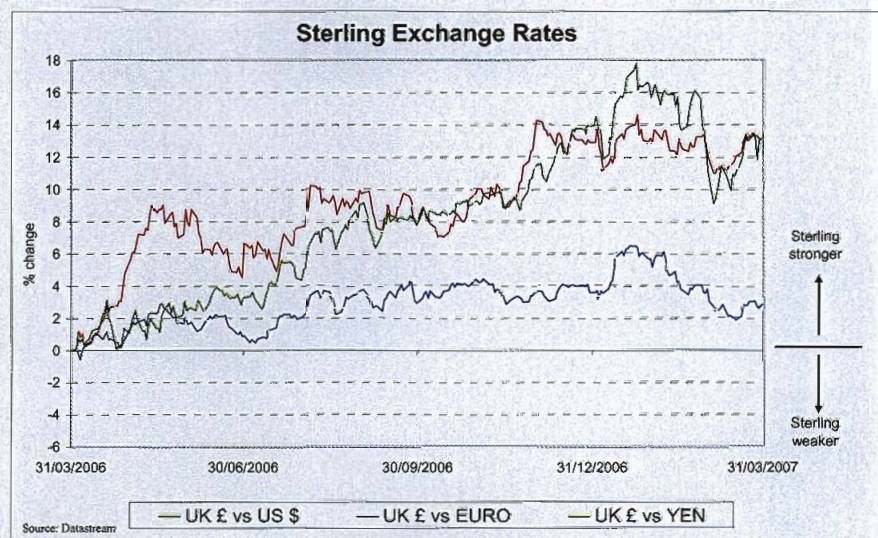
UK equities

- The FTSE All Share produced a good performance over the year, returning 11.1%.
- Within the UK market, mid-cap and small-cap stocks outperformed large-cap stocks. The FTSE Mid 250 Index returned 21.6%, the FTSE Small Cap Index returned 13.4% and the FTSE 100 Index returned 9.3%.
- Utilities and Consumer Services were the best performing industries over the year, returning 30.2% and 21.5% respectively.
- Oil & Gas (-10.3%) was by far the worst performing industry over the year.

Overseas equities

- The FTSE All-World ex UK Index rose by only 2.6% over the year.
- Pacific ex Japan was the best performing region, returning 20.3% in Sterling terms. This was boosted by a strong performance from Singapore (29.2%).
- Japan returned 1.9% in local currency and -9.9% in Sterling terms over the 12 months to 31 March 2007, making it the worst performing major market on both counts.
- Emerging markets saw a wide range of performances over the year. Asian markets such as China (31.7%) and Malaysia (30.1%) were among the best performers in Sterling terms whereas South Africa (-1.9%) was among the weakest.

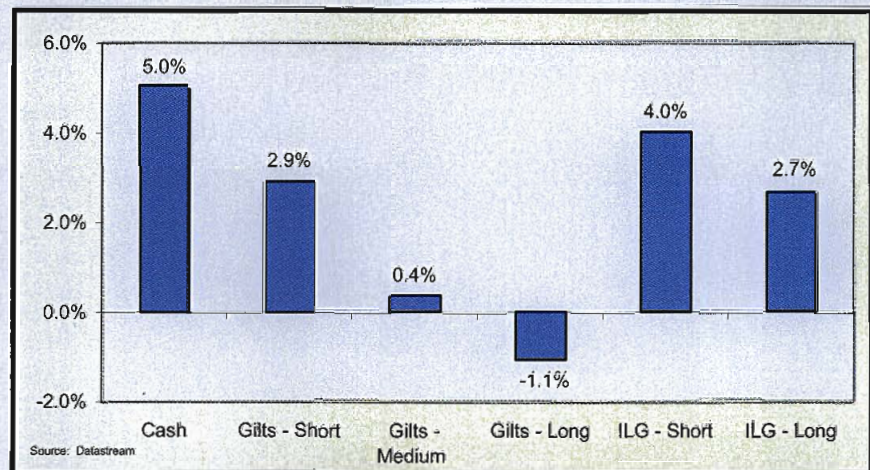
Currencies and interest rates



Trustee's Report (Continued)

- Sterling strengthened against all three major currencies over the 12 months to 31 March 2007. Sterling showed particular strength against the dollar and the yen, rising by 13.1% and 13.2% respectively.
- Following 17 consecutive 0.25% interest rate increases, the US Federal Reserve has kept rates on hold at 5.25% since June 2006.
- In contrast, UK interest rates were raised by 0.25% three times over the 12 months to end the period at 5.25%. European interest rates were raised by 0.25% on five separate occasions over the 12 months to end the period at 3.75%.

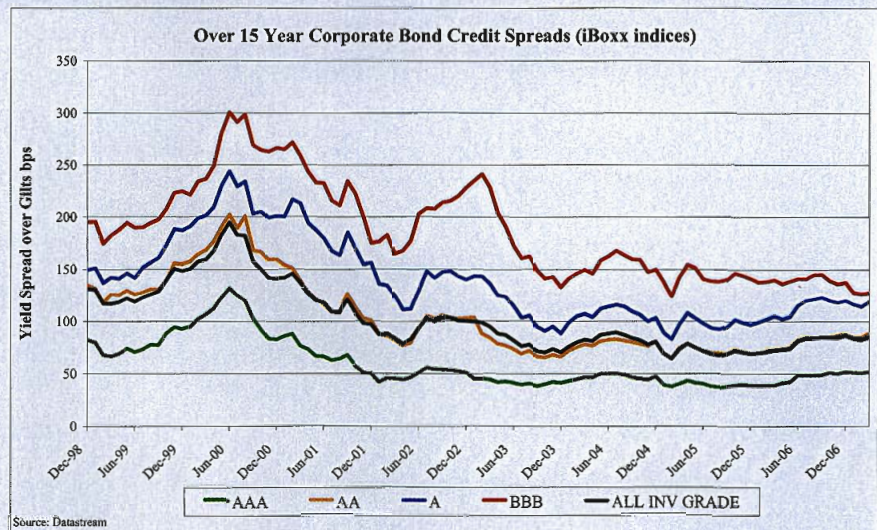
Gilt returns and yields



- Yield rose at all maturities over the year for both fixed interest gilts and index-linked gilts. However as long-dated gilt prices are more sensitive to changes in yields, they underperformed their short-dated counterparts.
- Both the fixed interest and index-linked yield curves became significantly more inverted over the year.

Trustee's Report (Continued)

Corporate bonds



- A general increase in corporate bond credit spreads over the last 12 months led to poor performance from the majority of investment grade bonds.
- BBB rated bonds outperformed other investment grade corporate bonds over the period as spreads tightened for these lower rated bonds whereas spreads widened for all other credit ratings.

Distribution of investments

The distribution of the Plan's investments at 5 April 2007 is set out below:

Fund	Total
	£000
Annuity Protection Fund	135
Cash Fund	48
Global Equity Fund	1,618
Growth Fund	1,773
Property Fund	173
Total	3,747

Employer-related investments

The Plan has no direct employer-related investments within the meaning of Section 40 (2) of the Pensions Act 1995. There may be, from time to time, indirect investments in the employer through the various unit trusts that the Plan holds.

Trustee's Report (Continued)

Custodial arrangements

The Plan's managed fund units are held under managed fund policies in the name of the Trustee and the policy documents are held by the Secretary to the Trustee.

Basis of Investment Managers' fees

The investment managers are remunerated on the value of the investments held. The current charges are calculated as follows:

Fund	Annual charge
Annuity Protection Fund	0.225%
Cash Fund	0.205%
Global Equity Fund	0.245%
Growth Fund	0.4733%
Property Fund	0.95%

Further information

Further disclosures required by legislation are included in the Compliance Statement on pages 27 and 28.



.....

Director

18 October 2007

ALSTOM Defined Contribution Pension Trustee Ltd

Statement of Trustee's Responsibilities

The financial statements are the responsibility of the Trustee and are required to comply with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Pension scheme regulations require the Trustee to make available to Plan members, beneficiaries and certain other parties, audited financial statements for each Plan year which:

- show a true and fair view of the financial transactions of the Plan during the Plan year and of the amount and disposition at the end of that year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Plan year, and
- contain the information specified in the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the Statement of Recommended Practice, "Financial Reports of Pension Schemes (Revised November 2002)".

The Trustee has supervised the preparation of the financial statements and has agreed suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis.

The Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a payment schedule showing the rates of normal contributions payable towards the Plan by or on behalf of the Employer and the active members of the Plan and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Plan and for procuring that contributions are made to the Plan in accordance with the payment schedule.

The Trustee has general responsibility for ensuring that adequate accounting records are kept, for the system of internal control and for taking such steps as are reasonably open to them to safeguard the assets of the Plan and to prevent and detect fraud and other irregularities.

Independent Auditors' Report to the Trustee of the Alstom Defined Contribution Plan For the year ended 5 April 2007

We have audited the financial statements of the Alstom Defined Contribution Plan for the year ended 5 April 2007 which comprise the fund account, net assets statement and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Trustee, as a body, in accordance with regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustee and auditors

As described in the statement of Trustee's responsibilities, the Plan's Trustee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for making available certain information about the Plan in an annual report.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements show a true and fair view in accordance with the relevant financial reporting framework and contain the information specified in the schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. We also report if, in our opinion, we have not received all the information and explanations we require for our audit, or if information specified by law is not disclosed.

We read the Trustee's report and the other information contained in the annual report for the above year as described in the contents section and consider whether it is consistent with the financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Independent Auditors' Report to the Trustee of the Alstom Defined Contribution Plan For the year ended 5 April 2007 (Continued)

Basis of audit opinion

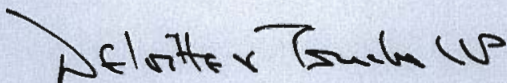
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Plan's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion:

- the financial statements show a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial transactions of the Plan during the year ended 5 April 2007 and the amount and disposition of its assets and of its liabilities as at that date, other than the liabilities to pay pensions and benefits after the Plan year end; and
- the financial statements contain the information specified in the schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham, United Kingdom

18 October 2007

Fund Account for the year ended 5 April 2007

FUND ACCOUNT

	Note	2007 £000	2007 £000
Contributions and Benefits:			
Additions			
Contributions	3	4,003	
Transfers in	4	61	
Other income		-	
			4,064
Withdrawals			
Payments to and on account of leavers	5	(63)	
Other payments	6	(162)	
Administrative expenses	7	(234)	
			(459)
Net additions from dealings with members			3,605
Returns on investments			
Interest received		3	
Change in market value of investments	8	278	
Net returns on investments			281
Net increase in the fund during the year			3,886
Net Assets at 5 April 2007			3,886

The notes on pages 18 to 23 form part of these financial statements.

Net Assets Statement at 5 April 2007

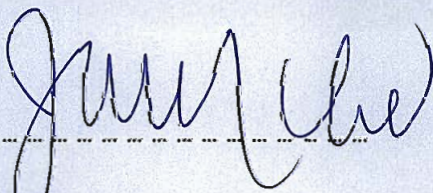
NET ASSETS STATEMENT

	Note	2007 £000	2007 £000
Investments	8		3,747
Current Assets	9	334	
Current Liabilities	9	<u>(195)</u>	
Net Current Assets			139
Net Assets at 5 April 2007			<u>3,886</u>

The notes on pages 18 to 23 form an integral part of these financial statements.

Approved by ALSTOM Defined Contribution Pension Trustee Ltd

On 18 October 2007 and signed on its behalf by:



 Director

Notes to the Accounts for the year ended 5 April 2007

1. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, and with the guidelines set out in the Statement of Recommended Practice, "Financial Reports of Pension Schemes (Revised November 2002)".

The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year.

2. Accounting policies

The principal accounting policies are set out below.

2.1 Accruals concept

The financial statements have been prepared on the accruals basis.

2.2 Valuation of investments

The market value of pooled investment vehicles is taken as the average of the bid and offer prices at the accounting date, as advised by the Investment Managers.

2.3 Contributions and benefits

Contributions and benefits are accounted for in the year in which they fall due. Contributions relating to wages and salaries earned up to 5 April 2007 have been included in the financial statements and have been paid in accordance with the Plan rules and as agreed under the payment schedule.

Benefits payable include all valid benefit claims notified to the Trustee during the financial year.

2.4 Transfers

Individual transfer values to and from other pension arrangements are accounted for when received or paid.

Group transfers are accounted for on the accruals basis where the Trustee has agreed to accept the liability for members' benefits. In the case of group transfers out, these are accounted for on the accruals basis when the Trustee have accepted the members' request to transfer.

Notes to the Accounts

For the year ended 5 April 2007 (Continued)

2. Accounting policies (Continued)

2.5 Investment income

The pooled investment vehicle units do not generate income. Income arising on the underlying assets is reinvested to enhance unit values.

Interest on bank deposits is accounted for as it accrues.

3. Contributions

	2007
	£000
Contributions from employer:	
Normal	1,607
Special	290
Employer reserve	419
	<u>2,316</u>
Contributions from members:	
Normal	1,603
Additional voluntary contributions	84
	<u>1,687</u>
	<u>4,003</u>

The employer special contributions were to fund augmented benefits for specific members. Some employer contributions are in excess of the rates set out in the payment schedule to comply with the relevant members' contracts of employment.

The contributions to the employer reserve are additional contributions paid by the employer to cover Group Life assurance and administration costs.

4. Transfers in

	2007
	£000
Individual transfers in from other pension arrangements	61
	<u>61</u>

Notes to the Accounts

For the year ended 5 April 2007 (Continued)

5. Payments to and on account of leavers

	2007
	£000
Refunds to members leaving service	45
Transfers out	18
	<u>63</u>

6. Other payments

	2007
	£000
Premiums on group life insurance policies	<u>162</u>

Group life insurance policies are secured by a policy underwritten by Norwich Union

7. Administrative expenses

	2007
	£000
Administration	183
Audit fees	9
Legal & professional	40
Other	2
	<u>234</u>

8. Investments

Investment transactions in the year ended 5 April 2007 are summarised as follows:

	Market Value at 6 April 2006	Purchases at Cost	Sales Proceeds	Change in Market Value	Market Value at 5 April 2007
	£000	£000	£000	£000	£000
Pooled Investment Vehicles	<u>-</u>	<u>3,599</u>	<u>(130)</u>	<u>278</u>	<u>3,747</u>

Notes to the Accounts

For the year ended 5 April 2007 (Continued)

8. Investments (Continued)

All of the Plan's investments are held in pooled investment vehicles, being managed funds, managed from the United Kingdom.

The managed fund units are held under managed fund policies in the name of the Plan. Income generated by these units is not distributed, but retained within the managed fund and reflected in the market value of the units.

The company managing the managed fund investments are registered in the United Kingdom.

Money purchase assets are allocated to provide benefits to the individuals on whose behalf the contributions were paid and the assets identified as designated to members in the net assets statement accordingly do not form a common pool of assets available for members generally.

Members receive an annual statement confirming the contributions paid on their behalf and the value of their money purchase rights.

Employer-related investment

The Plan has no employer-related investments as defined in the Pensions Act 1995.

Concentration of investments

There were no direct investments accounting for more than 5% of the Plan's net assets as at 5 April 2007.

Notes to the Accounts

For the year ended 5 April 2007 (Continued)

9. Current assets and liabilities

Current assets

	2007	2007
	£000	£000
Designated to members		
Cash deposits held	78	78
Not designated to members		
Cash deposits held	256	256
		334

Cash deposits held

This amount represents the balance applicable to the Plan on 5 April 2007.

Current Liabilities

	2007	2007
	£000	£000
Designated to members		
Life Assurance Premiums	(30)	
Gross refunds payable	(4)	
		(34)
Not designated to members		
Tax due to Inland Revenue in respect of refunds to members	(3)	
Administrative expenses payable	(158)	
		(161)
		(195)

Notes to the Accounts

For the year ended 5 April 2007 *continued*

10 Related party transactions

Administration expenses include £107,000 recharge from the principal employer, representing a share of the costs of operating the pension office.

Paul Naughton and Adrian Skea are active members of the Defined Contribution Plan.

There were no other related party transactions in the year.

Independent Auditors' Statement about Contributions to the Trustee of the Alstom Defined Contribution Plan

We have examined the summary of contributions to the Alstom Defined Contribution Plan for the year ended 5 April 2007 to which this statement is attached.

This statement is made solely to the Trustee, as a body, in accordance with regulation 4 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the Trustee those matters we are required to state to it in an auditors' statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body for our work, for this statement, or for the opinion we have formed.

Respective responsibilities of Trustee and auditors

As described in the statement of Trustee's responsibilities, the Plan's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a payment schedule which sets out the rates and due dates of certain contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan. The Trustee has a general responsibility for procuring that contributions are made to the Plan in accordance with the payment schedule.

It is our responsibility to provide a statement about contributions paid under the payment schedule and to report our opinion to you.

We read the other information contained in the annual report for the above year as described in the contents section and consider whether it is consistent with the summary of contributions. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary of contributions.

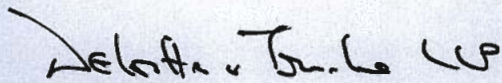
Basis of statement about contributions

We planned and performed our work so as to obtain the information and explanations which we considered necessary in order to give reasonable assurance that contributions reported in the summary of contributions have in all material respects been paid at least in accordance with the payment schedule. For this purpose the work that we carried out included examination, on a test basis, of evidence relevant to the amounts of contributions paid to the Plan and the timing of those payments under the payment schedule. Our statement about contributions is required to refer to those material breaches of the payment schedule which come to our attention in the course of our work.

Independent Auditors' Statement about Contributions to the Trustee of the Alstom Defined Contribution Plan (Continued)

Statement about contributions under the Plan

In our opinion contributions payable to the Plan during the year ended 5 April 2007 as set out in the summary of contributions have in all material respects been paid at least in accordance with the payment schedule.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham, United Kingdom

18 October 2007

Summary of Contributions Payable in the Year

During the year the contributions payable to the Plan by the employer under the payment schedule were as follows:

	£000
Employer normal contributions	1,607
Employer contributions for group life premiums	419
Members' normal contributions	1,603
Members' additional voluntary contributions	84
Total contributions payable under the payment schedule	<u>3,713</u>

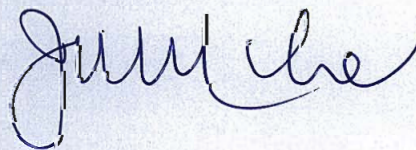
In addition, further contributions were payable:

Employer special contributions	290
Total contributions included in the financial statements	<u>4,003</u>

The employer special contributions were to fund augmented benefits for specific members. Some employer contributions are in excess of the rates set out in the payment schedule to comply with the relevant members' contracts of employment.

Approved by the Trustee on

and signed on its behalf by



Compliance Statement

Constitution

The Plan was established and is governed by a definitive trust deed dated 5 April 2006. The Registration number of the Plan is 10274962.

Taxation status

The Plan is registered under Chapter 2 Part 4 of the Finance Act 2004. The Trustees know of no reason why this status may be prejudiced or withdrawn.

Matters relating to the Plan's Advisers

All advisers listed on page 1 have been appointed by the Trustee.

Changes to Plan constitution, rules or basic information

A Deed of amendment dated 1 December 2006 was executed implementing changes to comply with the Employment Equality (Age) Regulations 2006 (as amended).

Transfers

All transfer values paid and received offered the full cash equivalent of early leavers' non-discretionary rights in the Plan.

The Pension Tracing Service

The Pension Tracing Service's main purpose is to provide a tracing service for members (and their dependants) of previous employers' plans, who have lost touch with earlier employers and trustees. To trace a benefit entitlement under a former employer's scheme, enquiries should be addressed to:

Pension Tracing Service
The Pension Service
Whitley Road
Newcastle Upon Tyne
NE89 1BA
Telephone: 0191 225 6316
Website: www.thepensionsservice.gov.uk

The information provided includes details of the address at which the trustees of a pension plan may be contacted.

Compliance Statement continued

The Pensions Advisory Service

Any concern connected with the Plan should be referred to the Secretary of the Trustee, who will try to resolve the problem as quickly as possible. Members and beneficiaries of occupational pension plans who have problems concerning their plan which are not satisfied by the information or explanation given by the administrators or the trustees can consult with The Pensions Advisory Service. A local adviser can usually be contacted through a Citizen's Advice Bureau. Alternatively The Pensions Advisory Service can be contacted at:

11 Belgrave Road
London SW1V 1RB
Telephone: 0845 601 2923
e-mail: enquiries@pensionsadvisoryservice.org.uk
website: www.pensionsadvisoryservice.org.uk

Pensions Ombudsman

In cases where a complaint or dispute cannot be resolved, normally after the intervention of The Pensions Advisory Service, an application can be made to the Pensions Ombudsman for him to investigate and determine any complaint or dispute of fact or law involving occupational pension plans. The address is:

11 Belgrave Road
London SW1V 1RB
Telephone: 020 7834 9144
e-mail: enquiries@pensions-ombudsman.org.uk
website: www.pensions-ombudsman.org.uk

Trustee Directors

Helena Austin

Helena is the Human Resources Director, Alstom UK and has been with Alstom for 7 years. Helena's professional HR experience spans 20 years both in the UK and internationally. Key experiences include the management of Employee Relations issues within UK and Europe, formulating and planning remuneration strategies and implementation of benefit schemes, expatriate management and associated policies and systems to support international mobility of employees. Helena was appointed as a Trustee Director of the Alstom Defined Contribution Plan on 1 March 2007.

Nicolas Khalife

Nicolas is the Global Benefits Director at Alstom's headquarters in France. Prior to this appointment, he was working as an actuarial and international consultant in the United States and in France, advising multinational companies on all aspects of employee benefits, especially pension schemes. He is a member of the Society of Actuaries. Nicolas was appointed as a Trustee Director of the Alstom Defined Contribution Plan on 3 March 2006.

James Milner

James is a Chartered Accountant. He joined GEC ALSTHOM in 1989 and has held a number of senior financial positions. He is a member of the ALSTOM Ltd Board and was appointed as Chairman and Trustee Director of the Alstom Defined Contribution Plan on 1 May 2007.

Paul Naughton

Paul is a Project Planner within Power Service and is located in Newcastle. He has been working for Alstom since 2005 and has previous experience in Customer Service and Financial industries. Aged 27, Paul was elected and appointed as a Member Nominated Director of the Alstom Defined Contribution Plan on 1 November 2006.

Adrian Skea

Adrian is the Engineering Manager of the Steam Turbine Service Execution Centre located in Rugby. He is a Chartered Mechanical Engineer and Member of the Chartered Management Institute. Adrian has an MBA, an M.Eng in Mechanical Engineering and a PhD in Power Generation Combustion. Most of his career has been working with fluid mechanics for the National Engineering Laboratories, Siemens, Ford, Jaguar, JCB and MIRA. He joined Alstom Power Service in 2005 and was elected and appointed as a Member Nominated Director of the Alstom Defined Contribution Plan on 1 November 2006.