



DC Matters

from the Trustee of the Alstom Defined Contribution Plan
June 2009

**Welcome to the latest edition of DC Matters –
a newsletter produced by the Trustee of the
Alstom Defined Contribution Plan (the Plan).**

In this edition we introduce Hargreaves Lansdown, the company that will be providing a retirement service to members. We also take a look at the investment performance of the Plan's funds over the last year.

**Competition – Win a £25 shopping voucher!
See the back page for details.**

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Your benefit statement

If you paid contributions into the Plan before 1 April 2009, you will find an annual benefit statement enclosed with this newsletter. We're also required by law to send you a Statutory Money Purchase Illustration (SMPI), unless you are within one year of your selected retirement age. This SMPI illustrates the amount of pension you might get when you retire. The illustration is based on a number of general assumptions about how your pension fund is invested and how your investments perform in the future. These assumptions are laid down by law and are not set by the Trustee. The rates of return on your investments may be higher or lower than those used in the illustration.

Investment performance

Investment returns over the 12 months to 31 March 2009

The table to the right shows the annual investment performance for each of the Plan's investment funds over the last 12 months, and compares this to the fund's benchmark. We are disappointed that all of the Plan's funds, apart from the Cash Fund, have produced a negative return during the year as they were adversely affected by the universally poor market conditions. However, it is important to remember that investing in a defined contribution arrangement is a long-term investment for most members. You can keep track of the investment performance by looking at the investment factsheets which are on dc-Link's member website (see the back page for further details). If you wish to change the way you invest your future contributions and/or existing fund, please contact dc-Link (details on page 5).

	Actual return (%)	Benchmark return (%)	Difference (%)
Global Equity Fund	-25.6	-25.0	-0.6
Property Fund	-17.8	-22.8	5.0
Annuity Protection Fund	-0.8	-2.1	1.3
Growth Fund	-14.2	-16.6	2.4
Cash Fund	3.8	3.7	0.1

Note: Returns on funds are net of fees and expenses.

A benchmark is a standard against which performance can be measured. For each of the Plan's funds, an appropriate benchmark is used to assess how well the investment manager is doing for each fund.



Accounts in brief

Every year the Trustee publishes a detailed Annual Report and Accounts for the Plan for the year. The Plan's auditors, Deloitte LLP, audit the Annual Report and Accounts to confirm that they present a true and fair view.

Here is a summary of the audited Annual Report and Accounts for the Alstom Defined Contribution Plan for the year ended 5 April 2009.

Fund account for the year ended 5 April 2009

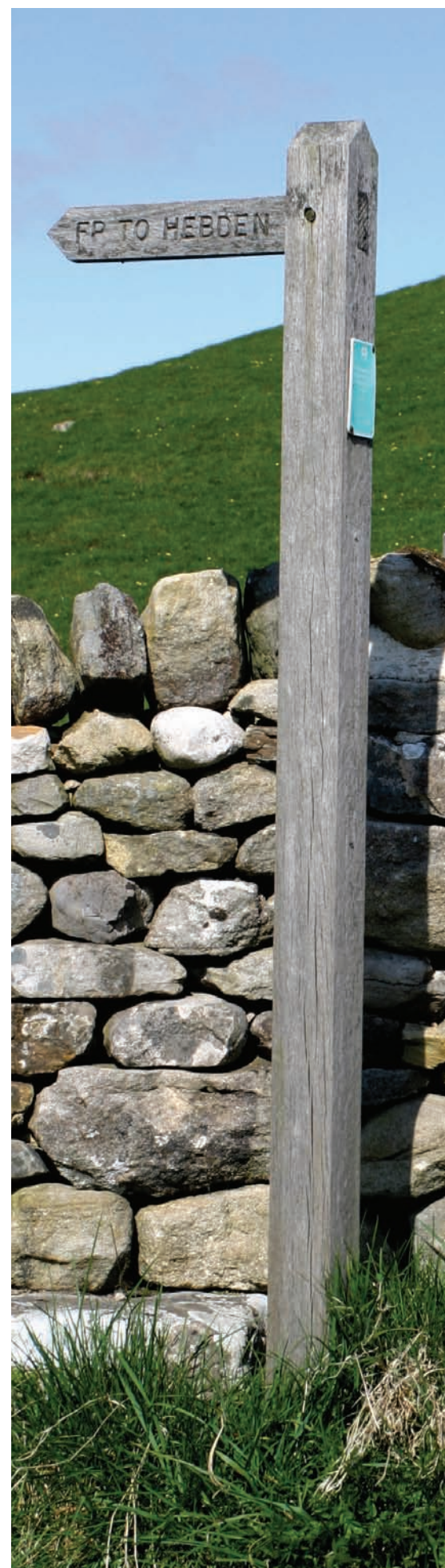
	£ 000
Net assets at 6 April 2008	7,299
Coming into the Plan	
Contributions received*	5,750
Transfers in	157
Total receivable	5,907
Going out of the Plan	
Benefits	72
Payments to and on account of leavers	778
Other payments	183
Administrative expenses*	533
Total payable	1,566
Return on investments	
Interest received	15
Change in market value of investments	(1,655)
Net return on investments	(1,640)
Net increase in value of fund	2,701
Net assets at 5 April 2009	10,000

* Alstom pays an additional amount into the Plan, above the members' matched contribution rate - this is to meet the administrative and secretarial costs associated with running the Plan.

Membership statistics

	Members at 5 April 2009
Active members	1,427
Deferred members	72
Leavers pending decision**	62
Total Plan membership	1,561

** This refers to members who leave with between three months and two years of qualifying service and who have not yet decided whether they want a refund of contributions.



Buying an annuity at retirement

At retirement you will have the option of taking up to 25% of your fund as a tax-free cash sum. The remaining balance of your fund will be used to buy an annuity.

The Trustee has appointed Hargreaves Lansdown to provide a retirement service for members. This service will help you to shop for the best pension on retirement.

When you purchase an annuity, it will pay you a taxable income for the rest of your life. There are various options you can choose when setting up your annuity. Not all annuity providers are equal and the difference between the best and worst annuity incomes can be significant. That's why we have appointed Hargreaves Lansdown to help you explore these options. They will review a panel of chosen annuity providers to help source the best income for you.

The Hargreaves Lansdown retirement service will:

- provide you with illustrations, quotes, retirement guides and other relevant information to enable you to choose the basis of the annuity;
- provide an online Annuity Search Engine (see below);
- advise you of the current most competitive annuity provider;
- arrange for your annuity to be purchased and put into payment.

There is no cost to you for using this retirement service for your Plan benefits. However, should you wish to use Hargreaves Lansdown to buy an annuity in respect of benefits including those from other pension schemes then you would need to meet the appropriate cost.

Hargreaves Lansdown has been helping members of company pension schemes since 1988 and it is now one of the UK's leading contract-based defined contribution pension consultancies and retirement service providers.



The online Annuity Search Engine is available to use now. If you are approaching retirement or simply thinking about retiring, you can obtain multiple quotes quickly in a few simple steps:

Log onto www.hlcorporate.co.uk/alstom and click on 'Calculate your income now' at the bottom of the screen.

(You can either type the above address manually into the address bar on your internet browser, e.g. Internet Explorer, or use the automatic link which can be found on the News page on the Alstom UK Pensions intranet and internet. See back page for details of the websites, including where to find the link to the News page).

Step 1 - Enter your personal details and those of your spouse or partner if applicable

Step 2 - Enter your pension details. The details that apply to the Alstom Defined Contribution Plan are:

What pension do you have? – select 'Money Purchase Occupational Scheme' from the dropdown list

Who is your pension provider? – select 'Other' from the dropdown list

Do you have Protected Rights? – click on the button for 'No'

Non Protected Rights fund – enter the total value of your Plan fund

Step 3 - Enter the format you require for the results and the date from which you wish the annuity to start

When you have completed all the steps, there will be a delay while all the quotes are being obtained. A list will then appear of the best quotes found for a number of options. You can then select one of the options for further details and if required you can request a formal quote.

For further information on how to use this website contact Hargreaves Lansdown direct on **0845 345 3501** or by email at retirementservice@hargreaveslansdown.co.uk

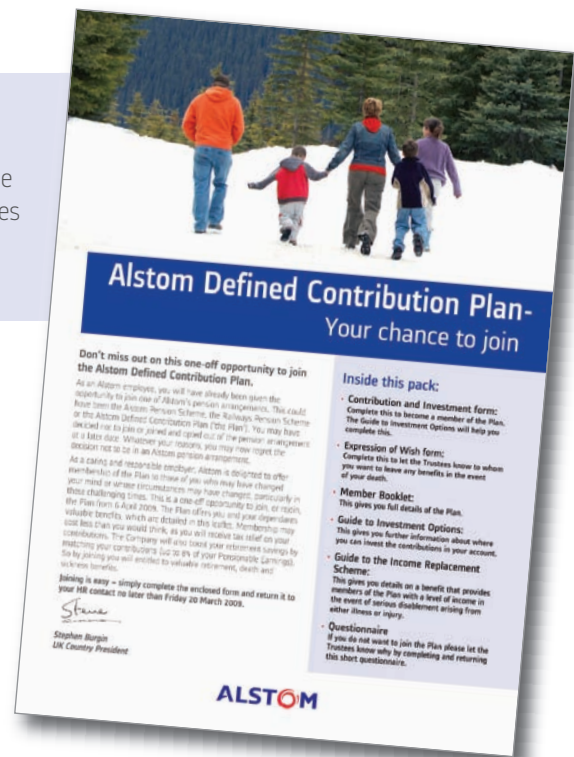
Membership on the increase

Earlier this year, Alstom wrote to eligible employees who were not members of the Plan to offer them a one-off opportunity to join the Plan from April 2009. The Trustee is delighted that many employees decided to take up this offer and enjoy the benefits the Plan has to offer.

Become a Trustee Director

Are you interested in becoming a Trustee Director?

If you are an contributing member of the Plan, you will have the chance to apply for a position on the Trustee Board, as we will have a vacancy later on this year when Paul Naughton's three-year term of office ends. Look out for our letter in early July which will tell you how to apply and provide more information about the role of a Trustee Director.



How to contact dc-Link

If you have any queries about the Plan, you can write to dc-Link at:
dc-Link, Churchgate, 1 New Road, Peterborough PE1 1TT

Alternatively, you can call the helpline on **01733 353 430** (this is available Monday to Friday between 9am and 5pm) or email **pensionsadmin@dc-link.co.uk**



Competition

Win a £25 shopping voucher! For your chance to win, simply answer the following question:

How many active members were in the Plan at 5 April 2009?

Email your answer, together with your name and address, to contact.ukpensions@chq.alstom.com Please note this email address is set up only for this DC Matters competition. All entries must be received by 31 July 2009. This competition is only open to members of the Plan (excluding members of the Pensions Department and the Trustee Directors).

Two winners will be drawn at random from the correct entries. Details of the prizewinners will be published in the next issue of DC Matters.

Congratulations to the winner of our previous competition - Matt Brand of Alstom in Rugby - who won a bottle of champagne.



Websites for the DC Plan

There are two websites which provide useful information for members:-

Alstom UK Pensions website:

www.pensions.alstom.com on the Company's intranet

www.pensions.uk.alstom.com on the internet

This website contains news and key documents about the Plan. It also gives you access to the Hargreaves Lansdown Annuity Search Engine. The screen shot to the right shows you where on the Home page to find the link to the News page.



dc-Link member website:

www.dc-link.co.uk/alstom

This website allows you to check your current fund value, monitor your contributions, check the investment performance of the individual funds and use the pensions calculator to provide you with an estimate of your benefits at retirement.

Feedback forms

We listen to your feedback

In 2008, one suggestion that appeared on our feedback forms was to widen the members' choice of investment funds. We have discussed this on a number of occasions and decided that it was not the right time to introduce another fund option in the current economic climate. We will review the situation again later this year and keep you updated of any developments.

Look out for the next issue of DC Matters in December 2009.

More information about the Plan can be found in your Member Booklet. Full details are contained in the Trust Deed and Rules. In the event of any discrepancy between the information contained in this newsletter and the Trust Deed and Rules, then the Trust Deed and Rules will apply.

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