

8 December 2008

Alstom teams up with PGE Elektrownia Belchatow to reduce CO₂ output in Poland

Alstom and PGE Elektrownia Belchatow S.A. have signed a memorandum of understanding (MoU) for the development and implementation of carbon capture and storage (CCS) technology at the Belchatow power plant in Poland.

In a first phase, Alstom will design and construct a pilot carbon capture plant at the existing unit 12 of the Belchatow power plant, which would capture approximately 100,000 tonnes per year of CO₂ using Alstom's advanced amines technology. The pilot will be jointly operated by Alstom and Elektrownia Belchatow and is expected to be in operation by mid 2011.

During the second phase, Alstom and PGE plan to build a larger CCS project to capture CO₂ produced by the new 858 MW lignite-fired unit currently being built by Alstom for Elektrownia Belchatów. This CCS plant will be in operation by 2015.

Lignite and hard coal are the mainstay of the Polish power generation sector and the reduction in CO₂ emissions resulting from the Belchatow CCS project would be higher than 1 million tonnes per year.

The Belchatow CCS initiative is one of the candidate projects to the EU Flagship Programme for Carbon Capture and Storage. Belchatów is a Polish leader in implementing large-scale CCS installations.

In collaboration with The Dow Chemical Company, a global gas treating technology leader, Alstom is currently developing an advanced amine based scrubbing technology for the power industry and for similar industrial sources that produce exhaust or flue gases with high oxygen content. This new advanced amine process will offer significant reductions in the amount of energy required for CO₂ separation and capture compared to using standard amines.

Alstom is at the forefront of carbon capture technology development. In 2007, as part of its multi-product strategy, Alstom announced agreements with AEP, Statoil, Vattenfall and E.ON to test CO₂-capture technologies in the U.S. and Europe. By the end of 2008, Alstom will have started operation at three CO₂-capture pilot projects, with EPRI and We Energies in Wisconsin, USA, E.ON in Sweden and Vattenfall in Germany.

Philippe Joubert, Alstom Executive Vice President and President, Power Systems, states: *"This MoU has enabled Alstom and its partners to play a key role in reducing Poland's carbon emissions. The agreement is integral to Alstom's global CO₂ strategy, with the large-scale capture plant at Belchatow providing the last step to full commercialization of our amine-based CO₂ capture technology."*

Janet Giesselman, Vice President and General Manager of Dow Oil and Gas, states: *“This agreement marks a significant milestone in Dow’s commitment to developing innovative products and technologies to economically address the capture of CO₂ from stationary power sources.”*

About Alstom

Alstom is a global leader in the world of power generation and rail infrastructure and sets the benchmark for innovative and environmentally friendly technologies. Alstom builds the fastest train and the highest capacity automated metro in the world, and provides turnkey integrated power plant solutions, equipment and associated services for a wide variety of energy sources, including hydro, nuclear, gas, coal and wind. The Group employs 76,000 people in 70 countries, and had orders of €23.5 billion in 2007/08.

About PGE Elektrownia Bełchatów S.A.

With a maximum total capacity of 4440-MW, PGE Elektrownia Bełchatów S.A is the largest conventional power plant in Europe Modern, environmentally friendly and continuously upgrading its technology, BPS fulfils all EU requirements and standards and was the first company in Poland to receive the Integrated Pollution Prevention Control (IPPC) permit to run its installations in line with the IPPC EU directive. The power station is the cheapest and the most efficient electricity producer in the country and plays a key role in stabilising Poland’s energy market. With 28 TWh of electrical energy generation, BOT BPS has been generating around 20 percent of Poland’s electricity since the late 1990s and is the unquestionable leader of the country’s energy market.

About Dow

With annual sales of \$54 billion and 46,000 employees worldwide, Dow (www.dow.com) is a diversified chemical company that combines the power of science and technology with the “Human Element” to constantly improve what is essential to human progress. The Company delivers a broad range of products and services to customers in around 160 countries, connecting chemistry and innovation with the principles of sustainability to help provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products.

Press contacts

Philippe Kasse, Stéphane Farhi (Corporate) - Tel +33 1 41 49 29 82 /33 08

philippe.kasse@chq.alstom.com, stephane.farhi@chq.alstom.com

Susanne Shields (Power) +33 (0) 1 41 49 27 22

susanne.shields@power.alstom.com

Isha Cogborn -The Dow Chemical Company – Tel +1 989 636 8277

Investor Relations

Emmanuelle Châtelain - Tel + 33 1 41 49 37 38 - investor.relations@chq.alstom.com

Websites www.alstom.com, www.power.alstom.com