

## **GE bids RM54 bil for Alstom's energy unit to initiate talks**

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**By Simon Thiel and Francois de Beaupuy, Bloomberg**

General Electric Co made a 12.4 billion-euro (RM54 billion) offer for Alstom SA's energy business to open up official negotiations.

Alstom's board "positively received GE's offer and has appointed a committee of independent directors led by Jean- Martin Folz to review the transaction by June 2, 2014," GE said in an e-mailed statement today. If the review concludes positively, negotiations will then be on an exclusive basis, it said.

The announcement leaves the door open for a rival offer from Siemens AG. The German company said yesterday it will make an offer for Alstom pending access to financial information.

Alstom, a maker of power equipment and the high-speed TGV trains, is attracting interest after initial discussions with Fairfield, Connecticut-based GE progressed in recent weeks, with the US company aiming to buy its energy assets, which generate more than 70% of sales.

"None of these big players buying Alstom is going to have a smooth ride," said Simon Toennesen, an analyst at Credit Suisse Group AG. "Siemens is seeing the competitive threat from GE as big enough to consider this step."

Siemens asked for access to Alstom's data and permission to interview the management for four weeks in a letter to the French company, the German rival said in a statement yesterday. Munich-based Siemens, which was also interested in acquiring parts of Alstom more than a decade ago, is willing to match or exceed the financial terms of GE's offer, people familiar with the proposal have said.

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