

**Toshiba drops plan to buy Alstom grid business, report shows**  
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Japan's Toshiba has dropped plans to buy Alstom's power grid business from General Electric, a report said today, because the US giant is to set up a joint venture with the French conglomerate.

Toshiba had unofficially approached GE with a proposal to buy the power grid operation if it succeeded in acquiring Alstom's energy business, the Nikkei economic daily said.

But the Japanese company scrapped the idea because GE's deal with Alstom means they will set up a 50-50 joint venture on the power grid business rather than purchasing it outright, the paper said.

Toshiba sees the prospect of "getting hold of a majority interest in management having become difficult", the paper quoted "a top official" of the company as saying.

Toshiba plans to expand its overseas presence via an alliance with GE in fossil-fuel power generation, the Nikkei said.

French power-to-rail group Alstom at the weekend chose GE's 12.35 billion euro (RM53.97 billion) bid to acquire its energy business, over a rival bid by Germany's Siemens and Japan's Mitsubishi Heavy Industries.

GE has offered a French government veto over sensitive nuclear energy technology while proposing creating joint ventures in the power grid and renewables sector, as well as the steam turbines for nuclear power stations.

A company spokesman said today that Toshiba had no further comment on the matter. – AFP, June 24, 2014.

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