
Alstom offers French factory sale to clinch Bombardier deal

2020/07/09 14:52 στην κατηγορία INTERNATIONAL

France's TGV high-speed train maker Alstom on Thursday offered to sell a French rail factory and make other concessions to win European Commission approval for its planned purchase of Bombardier Inc's transportation business.

The commitments also included selling Alstom's Coradia Polyvalent – a range of regional trains – and divesting a Bombardier commuter trains division and the production facilities attached to that at its Hennigsdorf site in Germany.

Alstom's bid in February of up to 6.2 billion euros (\$7.0 billion) for Montreal-based Bombardier's rail business has faced scrutiny from EU antitrust authorities, which have been expected to demand concessions to approve the deal.

By buying Bombardier's train division, Alstom is seeking to create the world's second largest train manufacturer to compete more effectively with Chinese leader CRRC Corp. Last year, EU regulators blocked Alstom's attempt to merge rail assets with Siemens AG.

Alstom said it would sell its Reichshoffen factory in France, confirming a report by Reuters on Wednesday. The site in Eastern France has around 800 employees and produces mostly regional trains.

French unions, which are due to be updated on the concessions on Thursday, were still hoping to keep the site, a source familiar with the matter said on Wednesday.

The EU is due to decide whether or not to pursue a deeper enquiry on July 16, following its preliminary review of the deal.

Alstom said other concessions included providing access to some products within Bombardier's train control systems and signalling units – one of the areas where the combined companies would have a large market share.

Alstom's shares were up 0.3% at 43.05 euros by 0828 GMT.

(Reuters)