



MEDIA RELEASE

19 July 2018

CCCS consults on the Proposed Combination of the Mobility Business of Siemens AG with Alstom S.A.

1. The Competition & Consumer Commission of Singapore (“**CCCS**”) is conducting a public consultation from 19 July 2018 to 2 August 2018 to invite feedback on the proposed merger of Siemens Mobility Business (“**SMB**”) and Alstom S.A. (“**Alstom**”) (the “**Proposed Transaction**”).
2. CCCS received a notification from Siemens Aktiengesellschaft (“**Siemens AG**”) and Alstom (collectively, the “**Parties**”) for a decision on the Proposed Transaction on 16 July 2018. CCCS is assessing whether the Proposed Transaction would infringe section 54 of the Competition Act (Cap. 50B), which prohibits mergers which have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.

The Parties

3. Siemens AG is a stock corporation listed on the Frankfurt Stock Exchange. Globally, Siemens manufactures the full range of mobility products (including different types of rolling stock, signalling solutions and rail electrification). Siemens’s other businesses include systems and services for power generation, transmission and distribution, as well as energy-efficient products and solutions for production and building technology, and technologies for high-quality and integrated healthcare.
4. In Singapore, Siemens supplied rolling stock, and is now active in urban signalling, maintenance equipment, provision of services related to the supply of communication systems, and traction power supply systems for rail electrification.
5. Alstom is the ultimate parent company of the Alstom group of companies (the “**Alstom Group**”). It is a global player in the world rail transport industry, providing a range of mobility solutions (from high-speed trains, to metros, trams and e-buses), related

¹ The Alstom Group comprises entities such as Alstom Transport SA, Alstom Transport Holdings B.V., New Alstom Holdings B.V., and Alstom Transport (S) Pte. Ltd.

services such as maintenance, as well as offerings dedicated to passengers and infrastructure, digital mobility and signalling solutions.

6. In Singapore, Alstom is a supplier of turnkey solutions, signalling, rolling stock and infrastructure for Singapore's metro lines. In addition, Alstom also provides after sale services and third rails for rail electrification purposes to rail operators in Singapore.

The Proposed Transaction

7. The Proposed Transaction will be implemented by Siemens AG transferring SMB to Alstom in exchange for newly issued Alstom shares, resulting in Siemens acquiring sole control over Alstom.
8. The Parties consider that they currently overlap in the supply of urban signalling in Singapore. CCCS, however, notes that the Parties may also potentially overlap in the supply of rolling stock, rail electrification systems (e.g., traction power supply systems and contact lines), and maintenance services in Singapore.
9. The Parties have submitted that the Proposed Transaction will not result in a substantially lessening of competition in the market for the supply of urban signalling in Singapore. According to the Parties:
 - i. Post-Transaction, the Land Transport Authority of Singapore ("**LTA**") as the primary customer for urban signalling in Singapore will be able to exercise significant countervailing buyer power;
 - ii. Barriers to entry are not overly high; and
 - iii. It will be difficult for competitors to coordinate their competitive behaviour post-Transaction as a large number of existing and potential competing global competitors can, and do, qualify and participate in open tenders called by the LTA in Singapore.

Public Consultation

10. CCCS is inviting public feedback on the Proposed Transaction.
11. More information on the public consultation can be accessed and downloaded from the CCCS website at www.cccs.gov.sg under the section "[Public Register and Consultation](#)". The closing date for submissions is on or before **2 August 2018**. If the submission or correspondence contains confidential information, please also provide CCCS with a non-confidential version of the submission or correspondence.

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About The Competition & Consumer Commission of Singapore (CCCS)

The Competition and Consumer Commission of Singapore (“CCCS”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

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