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TransMashHolding Share Goes to Alstom

By The Moscow Times

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The Federal Anti-Monopoly Service has given the go-ahead for French company Alstom to purchase a 25 percent stake in rolling stock manufacturer TransMashHolding, TransMashHolding board chairman Andrei Bokarev told reporters on the sidelines of a meeting of Russian Union of Industrialists and Entrepreneurs executives Thursday.

The government foreign investment commission approved the sale of 25 percent plus one share in TransMashHolding to Alstom at the end of March. Both companies had hoped to close the deal by the end of 2010.

Anti-monopoly service deputy chief Andrei Tsyganov said earlier that the commission sought resolution of issues regarding TransMashHolding supplies to defense plants. Tsyganov said March 1 that all issues that might have stopped the investment commission from considering the deal — chiefly access to state secrets and the production of special-purpose rolling stock — had been resolved.

Bokarev said "the Defense Ministry, Federal Guard Service, FSB and all institutions involved with the secrecy of certain facilities and the preservation of a certain potential" had concerns about the reorganization of production facilities where state defense orders are carried out or specialized items are manufactured.

"As soon as they received guarantees from us, all these issues were removed," Bokarev said.

TransMashHolding combined sales in 2009 came to 71 billion rubles ($2.54 billion). Its core shareholders are Iskander Makhmudov and Bokarev and firms controlled by TransGroup and Russian Railways.

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