



**FAIVELEY TRANSPORT SELECTED AS THE BEST FINANCIAL DEAL
IN 2004 BY THE CLUB DES TRENTE**

On behalf of the French Minister of the Economy, Finance and Industry, the *Club des Trente* handed out its 2004 deal of the year award to Faiveley Transport on April 12, 2005, for the acquisition of SabWabco. The panel of judges was chaired this year by Franck Dangeard, CEO of Thomson.

This award recognizes a major strategic transaction, which enabled an industrial group to acquire a bigger player without foregoing its majority controlling interest. The acquisition positions Faiveley Transport as one of the leaders in the move to consolidate the rail equipment industry, and makes it number two worldwide in onboard rail systems.

The panel was particularly impressed with the deal's original financing structure and the speed with which it was put in place with the help of Sagard despite the complex situation. In this case, the family shareholders wanted to maintain control over the group, and 100 percent debt financing was not possible. The investment fund Sagard came up with a solution that resolved this issue and led to the rapid conclusion of the deal and under acceptable terms and conditions. Sagard acquired a 35.9% interest in Faiveley Transport.

"In addition to the shareholders' agreement, which ensures that Sagard takes part in the decision process for the company's major developments, the alliance between the partners is based on a shared industrial vision," noted Grégoire Chertock of Rothschild & Cie, the investment bank that advised on and presented the deal.

The *Club des Trente* brings together the CFOs of France's largest corporations. Its annual award recognizes the financial astute use to enhance business strategy development. In 2003, the award went to France Telecom, which at the time was headed by Thierry Breton, France's current Minister of the Economy, Finance and Industry.
