



Press release

Wuhan and Guangzhou cities select Alcatel-Lucent and Thales to enhance speed, safety and reliability of metro systems

Paris, July 16, 2009 - A consortium involving Alcatel-Lucent (Euronext Paris and NYSE: ALU) and Thales today announced that it has been selected by the municipalities of Wuhan and Guangzhou, two major Chinese cities, to provide turnkey signaling solutions for metro projects. Alcatel-Lucent's and Thales's solutions will help resolve traffic problems in the two cities while providing Wuhan and Guangzhou inhabitants with a faster, safer and more convenient travelling experience to and from the downtown area.

Wuhan Metro Group selected a consortium led by Alcatel-Lucent Shanghai Bell, Alcatel-Lucent's flagship company in China, and Thales, to provide an end-to-end signaling solution for the Wuhan Metro Line 1 Phase II project. The project, which follows the successful implementation of Phase I, is scheduled to be completed by June 2010. Phase II will extend Phase I to the East and the West by an additional 19.6 km and will cover 17 new stations.

Guangzhou Metro Corporation awarded the consortium a project which is 30.9 km long and includes 11 stations. It should be in commercial operation by October 2010. This award follows a signaling contract for the northern section of Metro Line 3, linking Guangzhou East railway station and Guangzhou Baiyun airport. First stations of Guangzhou Line 3 were put in commercial service at the end of 2005.

"This project is a complex one with high technical content," said Tu Heping, chairman of Wuhan Metro Group. "I am confident that the global expertise of Alcatel-Lucent and Thales in urban railway network integration will meet our stringent requirements for safety, quality and reliability."

For both Wuhan and Guangzhou projects, Alcatel-Lucent Shanghai Bell will be responsible for project management and network integration service, as well as maintenance of this multivendor solution. Thales will provide its industry-leading SelTrac Communications-Based Train Control (CBTC) system.

"Our selection by both the Wuhan and Guangzhou municipalities shows their strong confidence and satisfaction with our solution and integration service," said Olivia Qiu, president of Alcatel-Lucent Shanghai Bell. "These wins in major projects and cities such as Wuhan and Guangzhou further strengthen our position in China."

"Building long term partnerships with our customers is the basis of Thales's strategy. Therefore, I am very pleased and proud to be awarded these new contracts with Wuhan and Guangzhou cities," said Jean-Pierre Forestier, vice president, managing director of Thales's Rail Signaling activity.

The contracts further highlight the expertise of Alcatel-Lucent and Thales in serving the urban rail industry. Thales is a worldwide leader in the supply of fully automated train control and communications solutions. Alcatel-Lucent is the network integrator of choice for carriers and enterprises seeking to solve complex communications challenges.

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted partner of service providers, enterprises and governments worldwide, providing solutions to deliver voice, data and video communication services to end-users. A leader in fixed, mobile and converged broadband networking, IP technologies, applications and services, Alcatel-Lucent leverages the unrivalled technical and scientific expertise of Bell Labs, one of the largest innovation powerhouses in the communications industry. With operations in more than 130 countries and the most experienced global services organization in the industry, Alcatel-Lucent is a local partner with a global reach. Alcatel-Lucent achieved revenues of Euro 16.98 billion in 2008 and is incorporated in France, with executive offices located in Paris. For more information, visit Alcatel-Lucent on the Internet: http://www.alcatel-lucent.com

About Thales

Thales is a global technology leader for the Aerospace, Space, Defence, Security and Transportation markets. In 2008, the company generated revenues of 12.7 billion euros with 68,000 employees in 50 countries. With its 25,000 engineers and researchers, Thales has a unique capability to design, develop and deploy equipment, systems and services that meet the most complex security requirements. Thales has an exceptional international footprint, with operations around the world working with customers as local partners. www.thalesgroup.com

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