

Final Terms dated 15 October 2010

Thales

Issue of Euro 600,000,000 2.75% Notes due 2016

under the Euro 3,000,000,000 Global Medium Term Note Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 7 October 2010 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the Final Terms are available for viewing on the website of the *Autorité des marchés financiers* (www.amf-france.org) and copies may be obtained from the Issuer.

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| 1. | (i) | Issuer: | Thales |
| 2. | (i) | Series Number: | 7 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | | Aggregate Nominal Amount of Notes: | |
| | (i) | Series: | EUR 600,000,000 |
| | (ii) | Tranche: | EUR 600,000,000 |
| 5. | | Issue Price: | 99.472 per cent of the Aggregate Nominal Amount |
| 6. | | Specified Denominations: | EUR 50,000 |
| 7. | (i) | Issue Date: | 19 October 2010 |
| | (ii) | Interest Commencement Date: | 19 October 2010 |
| 8. | | Maturity Date: | 19 October 2016 |
| 9. | | Interest Basis: | 2.75 % Fixed Rate
(further particulars specified below) |
| 10. | | Redemption/Payment Basis: | Redemption at par |
| 11. | | Change of Interest or | |

	Redemption/Payment Basis:	Not applicable
12.	Put/Call Options:	Not applicable
13.	(i) Status of the Notes:	Senior
	(ii) Date Board approval for issuance of Notes obtained.	<i>Décision d'émission</i> of Luc Vigneron, Président Directeur Général dated 13 October 2010, duly authorised to this effect by a decision of the Board of Directors of the Issuer dated 23 March 2010.
14.	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST
(IF ANY) PAYABLE**

15.	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	2.75 per cent. per annum payable annually in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	19 October in each year commencing on 19 October 2011 and ending on 19 October 2016 (not adjusted)
	(iii) Fixed Coupon Amount:	EUR 1,375.00 per Note of EUR 50,000 Specified Denomination
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual (ICMA)
	(vi) Calculation Date:	19 October in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index-Linked Interest Note/other variable-linked interest Note Provisions	Not Applicable
19.	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

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| 20. | Call Option | Not Applicable |
| 21. | Put Option | Not Applicable |
| 22. | Final Redemption Amount of each Note | EUR 50,000 per Note of EUR 50,000 Specified Denomination |
| 23. | Early Redemption Amount (taxation reasons) | |
| | Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on an event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | Final Redemption Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | Bearer Notes:

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note |
| 25. | New Global Note form: | Yes |
| 26. | Additional Financial Centre(s) or other special provisions relating to Payment Business Days: | Not Applicable |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 28. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |

29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
31.	Consolidation provisions:	Not Applicable
32.	Other final terms:	Not Applicable

DISTRIBUTION

33.	(i) If syndicated, names of Joint Lead Managers:	<p>Banco Santander, S.A. Ciudad Grupo Santander Edificio Encinar (S-2) Planta 1ª 28660 Boadilla del Monte (Madrid) Spain</p> <p>BNP Paribas 10 Harewood Avenue London NW1 6AA United Kingdom</p> <p>Crédit Agricole Corporate and Investment Bank 9, quai du Président Paul Donner 92920 Paris-La Défense Cedex France</p> <p>Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB</p> <p>Société Générale Tours Société-Générale 17 cours Valmy 92987 Paris-La Défense Cedex France</p> <p>The Royal Bank of Scotland plc 135 Bishopsgate London EC2M 3UR United Kingdom</p>
	(ii) Stabilising Manager(s) (if any):	The Royal Bank of Scotland plc

34. If non-syndicated, name of Dealer: Not Applicable
35. US Selling Restrictions: Reg. S Category 2. TEFRA D

36. Additional selling restrictions: **Republic of Italy**

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("CONSOB") pursuant to Italian securities legislation. Each Joint Lead Manager has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of these Final Terms or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Notes or distribution of copies of these Final Terms or any other document relating to the Notes in the Republic of Italy must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time); and
- (ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on Euronext Paris of the Notes described herein pursuant to the Euro 3,000,000,000 Global Medium Term Note Programme of Thales.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

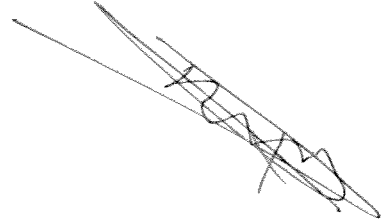
Signed on behalf of the Issuer:

By:

Duly authorised



Florian de LA COMBLE
Corporate Treasury
& Financing Director



Jean-Marc DROIT
Reporting &
Consolidation Director

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

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| (i) | Listing: | Euronext Paris |
| (ii) | Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from 19 October 2010. |
| (iii) | Estimate of total expenses related to admission to trading: | EUR 6,425 |

2. RATINGS

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| Ratings: | The Notes to be issued have been rated:
S & P: BBB+
Moody's: A2 |
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3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

“Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

4. REASONS FOR THE OFFER

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| (i) | Reasons for the offer: | Refinancing of existing debt and general corporate purposes |
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5. YIELD

Indication of yield:	2.847%
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6. OPERATIONAL INFORMATION

ISIN Code:	XS0550634355
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Common Code:	055063435
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New Global Note intended to be held in a manner which would allow Eurosystem eligibility:	Yes Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with a common
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safekeeper for Euroclear and Clearstream, Luxembourg and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of all Eurosystem eligibility criteria.

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking société anonyme and the relevant identification number(s):

Not Applicable

Delivery:

Delivery against payment

Names and addresses of Initial Paying Agents:

BNP Paribas Securities Services
Luxembourg Branch
33, rue de Gasperich, Howald-
Hesperange
L-2085 Luxembourg

BNP Paribas Securities Services
Immeuble Tolbiac
25 Quai Panhard et Levassor
75013 Paris
France

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

12. GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●], producing a sum of (for Notes not denominated in Euro):

Not Applicable