

Alcatel-Lucent and Thales successfully demonstrate interoperability for mission-critical data protection and network security

Weston, FL and Paris, February 25, 2008 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) and Thales (Paris: CGEP.PA) successfully completed interoperability between the Alcatel-Lucent 1850 Transport Service Switch (TSS) and Thales's Datacryptors. This interoperability test addressed large enterprise and government demands for highly secure networks to protect mission-critical data for sensitive information and public safety applications. Alcatel-Lucent and Thales take a new step in protecting mission-critical data distributed over optical fiber networks. The joint achievement further reinforces the cooperation between Alcatel-Lucent and Thales in strategic domains such as network security.

Global security concerns, coupled with new regulations in Asia, Europe and the U.S., are changing the security requirements in the wide area network (WAN) environment. As packet traffic increases, large enterprises and governments need to handle a wider variety of traffic streams. The interoperability test demonstrated that SONET/SDH networks operating up to 10Gbit/s, as well as 1 and 10 Gigabit Ethernet networks can be secured without impacting the traffic. This allows for voice, video and data services to be securely transported with negligible latency. Thales's synchronous optical network/synchronous digital hierarchy (SONET/SDH) and Gigabit Datacryptors successfully demonstrated encryption of an aggregate packet signal generated by the Alcatel-Lucent 1850 TSS.

Alcatel-Lucent has been deploying mission-critical WAN solutions for government, enterprises, and service provider networks for decades. The Alcatel-Lucent 1850 TSS enables service providers to migrate from time-division multiplexing (TDM) to packet-based transport with flexible provisioning of carrier Ethernet transport multi-protocol label switching (T-MPLS), SONET/SDH, wavelength division multiplexing (WDM) and optical transport hierarchy (OTH) services in any proportion, with only a simple change of the line cards. This capability ensures that service providers can support current and future traffic requirements by eliminating scalability issues encountered by traditional multi-service provisioning platform/multi-service transport platform (MSPP/MSTP) solutions as packet-based traffic grows.

Governments and enterprises have deployed Thales's Datacryptor product line for many years in their new SONET/SDH and Gigabit Ethernet networks. Thales's Layer 2 encryption technologies provide superior throughput and lower latency than IPSec-based Layer 3 solutions. Layer 3 (IPSec) adds additional overhead that can create performance issues for high bandwidth applications. Governments and enterprises that need to secure a point-to-point link for connectivity or disaster recovery applications are achieving better performance by shifting from traditional IPSec to Layer 2 encryption solutions by Thales.

Alcatel-Lucent and Thales had already demonstrated the ability to secure a specific Dense Wavelength Division Multiplexing (DWDM) stream. This new achievement further strengthens the cooperation between Alcatel-Lucent and Thales to deliver safeguarded optical networks that offer high-performance, high-bandwidth capacity and resiliency to keep large enterprises and public institutions running around the clock.

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About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) provides solutions that enable service providers, enterprise and governments worldwide, to deliver voice, data and video communication services to end-users. As a leader in fixed, mobile and converged broadband networking, IP technologies, applications and services, Alcatel-Lucent offers the end-to-end solutions that enable compelling communications services for people at home, at work and on the move. With operations in more than 130 countries, Alcatel-Lucent is a local partner with global reach. The company has the most experienced global services team in the industry, and one of the largest research, technology and innovation organizations in the telecommunications industry. Alcatel-Lucent achieved revenues of Euro 17.8 billion in 2007 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 world leader in the provision of cryptographic security products and solutions for all critical infrastructures including governments, the military, satellite networks, enterprises and the finance industry. Thales has 40 years of unrivalled track record in protecting networks up to TOP SECRET and a complete portfolio of products, which includes network encryption, access control and remote user solutions. In the financial world, Thales secures value bearing transactions, data preparation for card and PIN issuing, and provides advanced user and message authentication solutions supported by secure identity management and token issuing. Over half of the world's banks, together with the majority of the busiest exchanges, currently use Thales technology and services.

Thales is a leading international electronics and systems group, serving defense, aerospace and security markets worldwide, supported by a comprehensive services offering. Thales offers unmatched capability in the development and deployment of critical information systems. The group's civil and military businesses develop in parallel to serve a single objective: the security of people, property and nations. Thales group employs 68,000 people in 50 countries with forecast 2007 revenues in excess of \$13 billion.

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