

# **FINMECCANICA**



Press release

# The consortium formed by Alcatel, Finmeccanica and VINCI Concessions has been shortlisted for the concession of the European Galileo program

**Paris, 6 February 2004** – Rainer Grohe, Executive Director of the Galileo Joint Undertaking (GJU), today announced that the consortium formed by Alcatel (Paris: CGEP.PA and NYSE: ALA), Finmeccanica and VINCI Concessions has been short-listed in the bidding for the concession for the European Galileo satellite positioning system. The GJU should award the Galileo concession early 2005.

The consortium formed by Alcatel, Finmeccanica and VINCI Concessions encompasses the full range of competencies needed to ensure the commercial and technical success of the Galileo program – concession structuring, construction, deployment, program financing, promotion and marketing of applications and services and operation and maintenance of the constellation.

The consortium was set up to bid on the invitation to tender issued by the Galileo Joint Undertaking on 9 October 2003. The joint undertaking was set up by the European Union and the European Space Agency (ESA) to oversee the development phase of the Galileo program and to select the Concession-holder that will take on responsibility for the subsequent financing, deployment and operations phases of the program.

Galileo, the first large program initiated by the European Union and the ESA, is a civilian radio-navigation system with unprecedented performance based on a constellation of thirty satellites providing global coverage. Galileo will provide unrivalled quality of service, covering the full range of institutional and commercial market requirements with regard to accurate and dependable positioning and timing. Galileo services will benefit such areas as mobile telecommunications, the full range of transport modes and safety of persons and property.

### Structuring of the concession

VINCI, world leader in concessions, construction and related services, is a pioneer in outsourced infrastructure management. VINCI Concessions, with a track record in this field going back half a century, provides its public and private sector customers with outstanding project management skills.

## Satellite and ground segment design and construction

Alcatel subsidiary Alcatel Space and Finmeccanica subsidiary Alenia Spazio are respectively number one and number three in satellite construction in Europe.

They combine the comprehensive capabilities needed to design, build and deploy the Galileo satellite system and its related ground segment (control and monitoring stations).

# Promotion of applications

The success of Galileo will hinge on its commercial development; beyond system construction, consortium members cover the full range of applications sectors, ensuring the consortium's ability to promote sales of Galileo services:

- Alcatel is a world's leading supplier of mobile and fixed telecommunications infrastructures and solutions;
- VINCI Concessions offers comprehensive expertise in the field of mobility in both roads and airports backed by the competencies of VINCI Construction in civil engineering and structure maintenance and of VINCI Energies in energy distribution and telecommunications network infrastructure management;
- Finmeccanica plays a strategic role in European aeronautics and defense programs, supported by its advanced technology capabilities in the fields of NICT, microelectronics and transport;

## Financing

The Galileo program will benefit from VINCI Concessions and Alcatel's long experience in project financing. VINCI Concessions' participation in this consortium support the project's credibility and helps guarantee the success of the Galileo concession by its ability to attract private investors.

## Satellite operation

Telespazio, a subsidiary of Finmeccanica, is currently one of the only European operators able to manage constellations of satellites in non-geostationary orbit. It is also, together with the German and Swedish space agencies, a founding partner in the Galop (Galileo Operation) consortium set up to perform in-orbit validation of the Galileo system.

#### **About Alcatel**

Alcatel provides communications solutions to telecommunication carriers, Internet service providers and enterprises for delivery of voice, data and video applications to their customers or to their employees. Alcatel leverages its leading position in fixed and mobile broadband networks, applications and services to bring value to its customers in the framework of a broadband world. With sales of EURO 12.5 billion in 2003, Alcatel operates in more than 130 countries. For more information, visit Alcatel on the Internet: http://www.alcatel.com

#### About Finmeccanica SpA

Finmeccanica in Italy's second-largest manufacturing company and its leading high-tech company. The group operates primarily in the aerospace and defence sector, but also has significant know-how and manufacturing assets in sectors such as rail transport, energy and IT. Finmeccanica's aerospace and defence activities account for around 70% of consolidated sales, and employ more than 32,000 staff. Finmeccanica also ranks as Italian number one in research and development: the group invests around EUR 1 billion a year (or 13% of its value of production) in advanced technology, notably dual technologies. Visit www.finmeccanica.it for additional information.

#### **About VINCI Concessions**

VINCI Concessions is a subsidiary of VINCI (net sales of 17.6 billion euros in 2002 and 127,000 employees), the world leader in concessions, construction and related services. VINCI is based on a network of 3,000 locations in 100 countries throughout the world. VINCI Concessions generated net sales of 1.8 billion euros and net income of 170 million euros in 2002. Its 21,100 employees work essentially in three areas: road and motorway infrastructure (1,300 km of motorways), parking (800,000 spaces managed by VINCI Park worldwide) and airports (service businesses managed by VINCI Airports and 26 airport concessions). <a href="https://www.vinci.com">www.vinci.com</a>

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