

# EMPLOYEE SHARE PLAN 2002



## INFORMATION NOTICE

**INFORMATION NOTICE**  
**for the multi-compartment fonds commun de placement d'entreprise**  
**(company collective employee shareholding plan-FCPE):**

**ACTIONNARIAT SALARIE THALES**

COB code no.: 8220

Compartments: yes  no  ]

6 compartments:

**OUVERTURE THALES Compartment** (COB code 6998)  
approved by the *Commission des Opérations de Bourse* on 13-09-2002  
Feeder FCPE compartment:    yes        no

**ACTIONS THALES Compartment** (COB code 8221)  
approved by the *Commission des Opérations de Bourse* on 13-09-2002  
Feeder FCPE compartment:    yes        no

**CLASSIQUE FRANCE 2002 Compartment** (COB code 8222)  
approved by the *Commission des Opérations de Bourse* on 13-09-2002  
Feeder FCPE compartment:    yes        no

**LEVIER FRANCE 2002 Compartment** (COB code 8223)  
approved by the *Commission des Opérations de Bourse* on 13-09-2002  
Feeder FCPE compartment:    yes        no

**WORLD CLASSIC 2002 Compartment** (COB code 8224)  
approved by the *Commission des Opérations de Bourse* on 13-09-2002  
Feeder FCPE compartment:    yes        no

**WORLD LEVERAGE 2002 Compartment** (COB code 8225)  
approved by the *Commission des Opérations de Bourse* on le 13-09-2002  
Feeder FCPE compartment:    yes        no

A fonds commun de placement d'entreprise (company collective employee shareholding plan—FCPE) is an undertaking for collective investment in transferable securities (OPCVM), i.e. an investment product that allows several investors to hold jointly a portfolio of securities. The FCPE is reserved for the employees and, if applicable, the corporate officers designated in Article L. 443-1 of the French Labor Code, and is intended to receive and invest their payroll savings. It is managed by a management company.

Management of the FCPE is monitored by a supervisory board composed of representatives of the employees and representatives of the company. The primary duty of this board is to review the management report and the annual financial statements of the OPCVM, to review the financial, administrative and accounting management of the OPCVM, to exercise the voting rights attached to the equity securities held in the portfolio, to approve the contribution of securities in the event of a public offer, to approve merger, split or liquidation operations, and to give its prior approval to any amendments to the regulations of the FCPE. In addition, the supervisory board of an FCPE adopts an annual report that is made available to each unitholder.

Membership in this FCPE implies acceptance of the provisions of its regulations. Subscribers may obtain a copy of the regulations free of charge on request from CREDIT LYONNAIS EPARGNE ENTREPRISE (hereinafter referred to as the "Transfer Agent").

The French *Commission des Opérations de Bourse* draws subscribers' attention to the fact that French labor law provides that an investment choice always be offered to French employees concurrently with the possibility of subscribing to units of an FCPE invested in Company shares.

The "ACTIONNARIAT SALARIE THALES" FCPE is an individualized Group FCPE open to employees and former employees of the THALES Group to whom the subscription of shares is not made directly or via a specific FCPE.

The FCPE is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets is invested in company securities.

**Created for the application:**

- of the THALES Group Savings Plan, formerly the Thomson-CSF Actionnariat Salarié plan, established by THALES and the French and foreign subsidiaries of the THALES Group (formerly THOMSON-CSF) for their employees;
- profit-sharing agreements signed by the companies of the THALES Group and their employees.

**The Supervisory Board is composed of:**

- 9 (nine) unitholder employee members, representing unitholding current and former employees of the French subsidiaries of the THALES Group, directly elected by the unitholders;
- up to 9 (nine) members, who are employee unitholders, the number to be determined in the same proportion as for the 9 members representing the current and former employees of the French subsidiaries of the THALES Group, i.e. on the basis of assets held, representing the current and former employee unitholders of the foreign subsidiaries of the THALES Group, directly elected by the unitholders;
- and 2 (two) members representing the company who are appointed by the management of the company.

The Supervisory Board shall have at least one unitholder of each compartment and shall have a maximum of 20 members.

The FCPE shall be invested in shares of the THALES Group listed for trading on a Regulated Market.

**Listing location and market:**

The THALES shares are listed on the Premier Marché of Euronext Paris SA.

**Investment choice** (which, due to specific constraints applicable in certain countries, can only be proposed to certain employees or former employees):

- Epargne Prudente THALES.
- Epargne Dynamique THALES.

**Names and addresses of the entities participating in the FCPE:**

- Management Company:  
**Crédit Lyonnais Asset Management,**  
168, rue de Rivoli, 75001 Paris ;
- Custodian: **Crédit Lyonnais,**  
19, boulevard des Italiens, 75002 Paris ;
- Transfer Agent:  
**Crédit Lyonnais Epargne Entreprise,**  
26956 Valence Cedex 9 ;
- Auditor:  
KPMG AUDIT, 1, cours Valmy, 92923 Paris-la-Défense Cedex.

**Last update of the Notice: September 13, 2002**

# OUVERTURE THALES Compartment

**Due to the concentration of risk in this compartment associated with holding the securities of only one company, the *Commission des Opérations de Bourse* recommends that the subscribers evaluate their own needs to proceed with a diversification of risks as part of their financial planning.**

## **Compartment Management Strategy:**

The "OUVERTURE THALES" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext Paris SA).

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to preserve and/or achieve the management objective: none.

## **Operation of the Compartment:**

The net asset value shall be calculated on the 8th, 15th, 23rd and last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and on the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The composition of the compartment's assets** shall be published every six months, transmitted to the company and to the Supervisory Board and made available to the unitholders who may request a copy from the Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

### **Subscription and redemption terms:**

- **Contributions:** in securities.
- **Withdrawals:** in cash.

### **Method and terms of execution:**

• Subscriptions are made exclusively by contribution of Thomson CSF shares acquired under the THOMPLUS plan. Subscribers entitled to a bonus allotment for the shares contributed to the compartment irrevocably undertake to contribute the bonus shares to the compartment. Cash payments for fractional shares shall be contributed to the ACTIONS THALES compartment.

- Redemptions are executed on the first net asset value following the request, provided that the request is received by the Transfer Agent no later than 3 business days before calculation of the net asset value (5 business days for redemption on July 1, 2003 and 2005).

### **Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

### **Redemption fee:** 0.30%.

This fee is paid by the employee and accrues to the FCPE.

### **Transfer fee:** None.

### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

### **Allocation of the compartment's revenues:**

Revenues must be paid or contributed to the "ACTIONS THALES" compartment.

### **Accounting fees:** To be paid by the company.

These fees shall be paid by unitholders who have left the company (including employees who have taken early and normal retirement), as of one year after the termination date of their employment contract.

### **Lock-in period:**

Five (5) years, except in the cases of early withdrawal stipulated by French legislation. The income from and gains on sums paid to the FCPE shall be exempt from income tax, but shall be subject, at the time of redemption, to the various social taxes (CSG, CRDS, social security withholding).

### **Availability of the units:**

The last day of the sixth month of the fifth year after the close of the fiscal year in which the payments were made, or on July 1 for the 2003 and 2005 maturities. Before expiration of this period in the cases provided for by French law.

### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

Unitholders must transmit to the Transfer Agent, at the address provided on the 2nd page of the notice, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation.

When the assets are available, the employees shall be notified and the redemption request shall be sent directly to the Transfer Agent.

### **Value of the unit when the compartment is created:**

This value shall be equal to the sale price of the THALES shares to the employees in the offering made to them under the THOMPLUS plan in 1998.

# ACTIONS THALES Compartment

**Due to the concentration of risk in this compartment associated with holding the securities of only one company, the *Commission des Opérations de Bourse* recommends that the subscribers evaluate their own needs to proceed with a diversification of risks as part of their financial planning.**

## **Compartment Management Strategy:**

The "ACTIONS THALES" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext Paris SA).

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to preserve and/or achieve the management objective: none.

## **Operation of the Compartment:**

The net asset value shall be calculated on the 8th, 15th, 23rd and last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The composition of the compartment's assets** shall be published every six months, transmitted to the company and to the Supervisory Board and made available to the unitholders who may request a copy to the Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

### **Subscription and redemption terms:**

• **Contributions:** in cash.

In addition, the compartment shall receive:

- the revenues, income or rights of any kind (allotment or subscription rights, etc.) from the "OUVERTURE THALES" compartment as well as the bonus fractional shares from the State contributed to the "OUVERTURE THALES" compartment;

- the dividend tax credits from the "LEVIER FRANCE 2002" compartment.

• **Withdrawals:** in cash.

### **Method and terms of execution:**

• Subscription requests are to be sent to the Transfer Agent and shall be executed on the first net asset value following the request, provided that the request is received before 12:00 noon no later than the business day preceding the calculation of the net asset value.

• Redemption requests are to be sent to the Transfer Agent and shall be executed on the net asset value following their receipt, provided that the Transfer Agent receives the corresponding orders no later than 3 business days before the calculation of the net asset value (5 business days for redemption on July 1, 2003 and 2005).

**Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

**Redemption fee:** 0.30%.

This fee is paid by the employee and accrues to the FCPE.

**Transfer fee:** None.

### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

### **Allocation of the compartment's revenues:**

Revenues shall be reinvested in the compartment.

**Accounting fees:** To be paid by the company.

These fees shall be paid by unitholders who have left the company (including employees who have taken early and normal retirement), as of one year after the termination date of their employment contract (if applicable: the date of the release of the last rights acquired by the employees under profit-sharing).

### **Lock-in period:**

Five (5) years, except in the cases of early withdrawal stipulated by French legislation. The income from and gains on sums paid to the FCPE shall be exempt from income tax, but shall be subject, at the time of redemption, to the various social taxes (CSG, CRDS, social security withholding).

### **Availability of the units:**

- At the expiration of the legal 5-year lock-in period, as of the 1st day of the 4th month (profit-sharing) or the last day of the 6th month (Company Savings Plan) following the close of the fiscal year in which the rights were created.

- As of the same dates as the units of the "OUVERTURE THALES" compartment from which they come for the units created from revenues, income of any kind, and rights generated by the "OUVERTURE THALES" compartment.

- As of the same dates as the units of the "LEVIER FRANCE 2002" compartment from which they come for the units created from the dividend tax credits generated by the "LEVIER FRANCE 2002" compartment.

### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

Unitholders must transmit to the Transfer Agent, at the address provided on the 2nd page of the notice, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation.

When the assets are available, the employees shall be notified and the redemption request shall be sent directly to the Transfer Agent.

### **Value of the unit when the compartment is created:**

This value shall be equal to the net asset value of the THOMCTIONS 2 FCPE on the date of the merger with the ACTIONS THALES compartment.

# CLASSIQUE FRANCE 2002 Compartment

**Due to the concentration of risk in this compartment associated with holding the securities of only one company, the *Commission des Opérations de Bourse* recommends that the subscribers evaluate their own needs to proceed with a diversification of risks as part of their financial planning.**

## **Compartment Management Strategy:**

The "CLASSIQUE FRANCE 2002" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext Paris SA).

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to preserve and/or achieve the management objective: none.

## **Operation of the Compartment:**

The net asset value shall be calculated on the 8th, 15th, 23rd and last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and on the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The composition of the compartment's assets** shall be published every six months, transmitted to the company and the Supervisory Board and made available to the unitholders who may request a copy from the Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

### **Subscription and redemption terms:**

- **Contributions and withdrawals:** in cash.

### **Method and terms of execution:**

- Subscriptions correspond to the unrevoked reservation commitments given during the period from October 3, 2002 to October 17, 2002 and shall be executed on the initial net asset value.

- Redemptions are executed on the first net asset value after the request, provided that the request is received by the Transfer Agent no later than 3 business days before calculation of the net asset value (5 business days for redemption on April 2, 2007).

### **Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

### **Redemption fee:** 0.30%.

This fee is paid by the employee and accrues to the FCPE.

### **Transfer fee:** None.

### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets, with a minimum of EUR 10,000. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

### **Allocation of the compartment's revenues:**

Revenues must be reinvested in the compartment.

### **Accounting fees:** To be paid by the company.

These fees shall be paid by unitholders who have left the company (including employees who have taken early and normal retirement), as of one year after the termination date of their employment contract.

### **Lock-in period:**

Five (5) years, except in the cases of early withdrawal stipulated by French legislation. The income from and gains on sums paid to the FCPE shall be exempt from income tax, but shall be subject, at the time of redemption, to the various social taxes (CSG, CRDS, social security withholding).

### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

Unitholders must transmit to the Transfer Agent, at the address provided on the 2nd page of the notice, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation.

When the assets are available, the employees shall be notified and the redemption request shall be sent directly to the Transfer Agent.

### **Availability of units:** April 2, 2007.

Before this date, in the cases provided for by French law.

### **Value of the unit when the compartment is created:**

Subscription price to the THALES capital increase reserved for employees.

# LEVIER FRANCE 2002 Compartment

## Compartment Management Strategy:

The "LEVIER FRANCE 2002" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext Paris SA).

The objective of the compartment is to offer an investment product invested only in THALES shares (hereinafter the "Shares" in the notice for this compartment) guaranteeing a unitholder that he will recover the capital he has invested plus a share in the positive performance of the THALES shares based on ten times his initial contribution.

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to protect and/or achieve the management objective: none, with the exception of the swap agreement signed when the compartment is created in order to achieve the management objective.

The FCPE benefits from a Guarantee Agreement from Deutsche Bank that expires on April 2, 2007 (the "Guarantor").

## Terms and Conditions of the Guarantee:

The Guarantor grants the "LEVIER FRANCE 2002" compartment a guarantee, before income and social security taxes ("the Guarantee Agreement"), which shall include a guaranteed net asset value (the "Guaranteed Net Asset Value") for each unit of the compartment and all redemption values calculated through April 2, 2007, the expiration of the five-year lock-in period.

**1 - At the end of the five-year period on April 2, 2007**, the Guaranteed Net Asset Value of the units of the "LEVIER FRANCE 2002" compartment shall be equal, before tax, to the total of the following:

- 100% of the personal contribution for a unit,
- and the "Participation in Performance on the Maturity Date" as determined below:

The Participation in Performance on the Maturity Date shall be 70% of the increase of the trading price of 10 Shares, which is measured by the difference between:

- the Adjusted Reference Price of the Share, and
- the Final Price.

If the Final Price is lower than the Adjusted Reference Price, the Participation in Performance on the Maturity Date shall be zero.

**2 - For valuation dates prior to April 2, 2007**, the Guaranteed Net Asset Value of the units of the "LEVIER FRANCE 2002" compartment shall be equal, before taxes, to the total of the following:

- 100% of the personal contribution for a unit, and
- the "Participation in Performance before the Maturity Date" as determined below:

The Participation in Performance before the Maturity Date shall be 70% of the increase of the trading price of 10 Shares, which is measured by the difference between:

- the Adjusted Reference Price of the Share, and
- the Interim Price.

If the Interim Price is lower than the Adjusted Reference Price, the Participation in Performance before the Maturity Date shall be zero.

These percentages may be changed in order to offset for each party the consequences of any change in the legislative, regulatory or tax system, other than a change in the dividend tax credit rate in France or abroad (or a change in the official interpretation thereof) which has an economic impact on the value of the assets held by the "LEVIER FRANCE 2002" compartment. Unitholders of this compartment shall be informed thereof as soon as possible.

If, at the time of redemption of the units before the end of the five-year lock-in period or at the expiration of this period on April 2, 2007, the net asset value of the units of the compartment is less than the Guaranteed Net Asset Value, the Guarantor undertakes to pay the "LEVIER FRANCE 2002" compartment, in respect of each unit of the compartment, an amount equal to the difference between the Guaranteed Net Asset Value and the net asset value of this unit.

In the event of:

- a tender offer or combined offer in which the price to be paid in consideration for the Shares consists primarily of cash, and if the Shares held by the compartment are definitively contributed to the initiator of the offer;

- if proceedings are initiated for an out-of-court settlement or liquidation or any other similar proceeding, or proceedings for court-ordered receivership or liquidation, or any other similar proceeding affecting THALES, including the bankruptcy of THALES;

- or in the event that THALES is nationalized;

- or in the event of a public withdrawal offer (squeeze-out);

the Swap Agreement and the Guarantee Agreement shall be cancelled, in accordance with the terms and conditions set forth in the Swap Agreement.

In the event that:

- a Restructuring takes place and due to this operation the compartment receives mostly securities,

- or a public exchange offer, or a mixed public offer and that the price payable in return for the Shares consists mostly of securities, the Management Company shall substitute the shares received in exchange for the Shares. The Swap Agreement and the Guarantee Agreement shall continue to apply.

In the event of an issue of securities giving rights to the Company's capital that carry a pre-emptive subscription right, a bonus allotment of any listed financial instrument to the Company's shareholders, an extraordinary distribution to the Company's shareholders, or any payment to shareholders designed to compensate for an operation that has had a diluting effect on the share price, the Adjusted Reference Price shall be rectified by calculating an Adjustment factor as defined in the Swap Agreement.

## Cost of the Guarantee Agreement:

The Guarantee Agreement cannot be separated from the Swap Agreement; therefore, no fee or other compensation is due by the compartment to the Guarantor in respect of the Guarantee Agreement. The Swap Agreement shall imply a waiver by unitholders of the "LEVIER FRANCE 2002" compartment of the economic value of dividends, the 20% discount granted on the Share subscription price and, through April 2, 2007, any difference between the appreciated value of the Share and the Participation in Performance.

## Expiration of the Guarantee Agreement:

The Guarantee Agreement shall expire on April 2, 2007.

## DEFINITIONS

**Company:** refers to THALES, a French société anonyme (joint-stock company), with registered offices at 173, boulevard Haussmann, 75008 Paris, and registered in the Paris Trade Registry under No. 552 059 024.

**Agent:** refers to DEUTSCHE BANK A.G. or, if applicable, the Replacement Agent named, if necessary, pursuant to the provisions of the Swap Agreement entered into by DEUTSCHE BANK and the Management Company on behalf of the "LEVIER FRANCE 2002" compartment.

**Trading Day:** means any trading day on the stock market, other than a day on which the trading session is scheduled to end before the normal weekday closing time.

**Final Price:** refers to the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA or, if applicable, any other company playing an equivalent role that may be substituted for Euronext Paris SA; this average to be calculated by the Agent) for each of the Trading Days included within a period that begins on September 4, 2006 and ends on February 28, 2007; it is understood that if a Market Disruption Event occurs on one of these Trading Days, the closing price shall be taken on the next Trading Day on which no Market Disruption Event has occurred, up to a maximum period of fifteen calendar days from the Final Reference Date and, at the expiration of said 15-day period, the closing price in question shall be determined in good faith by the Agent using standard market practices on that date. The corrections necessary shall also be made if one of the events cited in paragraph (a) or (b) of the Reference Price Definition occurs during the period in which the average is determined. The Agent and the Management Company shall consult on the steps to be taken if a Market Disruption Event occurs during ten consecutive Trading Days. In the event that the trading session hours of the Market are changed, the Agent may, in consultation with the Management Company, change the time at which all prices used to calculate the Final Price are recorded.

**Interim Price:** means

- (i) with respect to any Early Withdrawal for which the Reference Date occurs before September 4, 2006, the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA or, if applicable, any other company playing an equivalent role that may be substituted for Euronext Paris SA, and recorded by the Agent) on the first Trading Day after the 19th of the month of the corresponding Reference Date; it is understood that if a Market Disruption Event occurs on this date, the closing price shall be recorded on the next Trading Day on which no Market Disruption Event has occurred, up to fifteen calendar days from the corresponding Reference Date, at the expiration of which period the Interim Price shall be determined in good faith by the Agent;
- (ii) with respect to any Early Withdrawal for which the Reference Date occurs on or after September 4, 2006, the arithmetic mean of the opening and closing prices of the Shares used on this date to calculate the Final Price; it is understood that if a Market Disruption Event occurs on one of the Trading Days on which said closing prices should have been recorded, the Interim Price shall be the closing price of the Share on the next Trading Day on which no Market Disruption Event has occurred, up to fifteen calendar days from the corresponding Reference Date, at the expiration of which period the Interim Price shall be determined in good faith by the Agent.

In the event that the trading session hours of the market are changed, the Agent may, in consultation with the Management Company, change the time at which all prices used to calculate the Interim Price are recorded.

**Reference Date:** with respect to any Early Withdrawal, this term means

- (i) if the Management Company receives the corresponding request before 4:00 p.m. (Paris time) on the 15th of the month, the last Trading Day of this calendar month that is also a business day; and
- (ii) if the Management Company receives the corresponding request on or after 4:00 p.m. (Paris time) on the 15th day of the month, the last Trading Day of the following calendar month which is also a business day, it being understood that no Reference Date may be after the Final Reference Date.

**Final Reference Date:** April 2, 2007.

**Commencement Date:** means the Shares subscription date for the "LEVIER FRANCE 2002" compartment.

**Reference Price:** means, that on the Commencement Date, initially 125% of the subscription price to the THALES capital increase for the employee subscribers to the "LEVIER FRANCE 2002" compartment. The Reference Price shall be corrected if any of the events defined hereinafter occur:

(a) In the event that the Shares are combined or split, or there is a capital reduction because of losses, a new Reference Price shall be calculated, effective on the date of said event, by multiplying the Reference Price in force by the ratio between the number of Shares composing the capital stock of the Company before said event and the number of Shares composing the capital stock of the Company after said event.

(b) In the event of a Restructuring or an exchange offer at the end of which the Shares held by the Compartment are definitively contributed to the offeror and if, as a result of this operation, the compartment primarily receives new shares ("New Shares") as consideration for the Shares, i.e., the sums in cash do not exceed 50% of said consideration:

- the New Shares and the issuer of the New Shares shall be subsequently deemed to be the "Shares" and the "Company" respectively;

- the Reference Price shall be corrected, with effect as of the effective date of the Share transfer, by assuming that the corresponding cash sums have been immediately invested by the Management Company in New Shares at the average of the closing prices for the 20 Trading Days following the Trading Day on which the New Shares are listed after this event.

**Adjusted Reference Price:** refers to the Reference Price, corrected as applicable; it being understood that, in case of the following events:

- an issue of securities giving rights to the Company's capital that include a pre-emptive subscription right; or
- a bonus allotment to shareholders of any listed financial instrument;

a new Adjusted Reference Price shall be established as of the first date on which the Shares are listed after detaching the corresponding subscription or allotment rights. This Price shall equal the product obtained by multiplying the Adjusted Reference Price in force on the date in question by the corresponding adjustment factor calculated in accordance with the rules applied by Euronext Paris SA for options traded on MONEP (and cited in the Swap Agreement).

In the event of an extraordinary distribution to the Company's shareholders, in any form whatsoever, which implies an adjustment to the options traded on MONEP, or in the event of an extraordinary distribution to shareholders made to offset the effects of a diluting operation, a new Adjusted Reference Price shall be calculated as of the first day on which the Shares are listed on the stock market after said distribution. This new Adjusted Reference Price shall be equal to the product of the Adjusted Reference Price in force before the distribution multiplied by the ratio between the first market price of the Share immediately after this distribution and the last price immediately before.

**Restructuring:** refers to a merger of the Company with another entity, or consolidation of the Company by another entity (unless the Company is the entity that results from such a reorganization, merger or consolidation), or a split of the Company.

**Market Disruption Event:** For the purposes of calculating the Interim Price and the Final Price, this term refers to any event which the Agent reasonably believes may abnormally affect the listing of the Shares on the Paris Bourse. For example, the following events shall be considered Market Disruption Events if the Agent so decides: suspension of trading in the Shares on the market during the first hour of listing on the Bourse, or a drop of more than 50 percent, during one of these Trading Days, in the trading volume of Shares from the average trading volume observed during the preceding calendar month. For the purposes of this definition: (1) a limit on the hours and number of trading days shall not be considered a Market Disruption Event if said limit is the result of a change in the normal business hours of the Bourse announced in advance; (2) the limitation of trading resulting from operations that affect the Company shall not constitute a Market Disruption Event; and (3) a limit on trading imposed during a Trading Day because of price movements that exceed the levels authorized by the Paris Bourse shall constitute a Market Disruption Event.



## **Operation of the Compartment:**

The net asset value shall be calculated on the last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and on the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The asset's composition** shall be published every six months, transmitted to the company and the Supervisory Board and made available to the unitholders who may request a copy from Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

### **Subscription and redemption terms:**

- **Contributions:** in cash.
- **Withdrawals:** in cash.

### **Terms and conditions of execution:**

- Subscriptions correspond to the unrevoked reservation commitments made during the period from October 3, 2002 to October 17, 2002 and shall be executed on the initial net asset value.
- Before the expiration of the five-year lock-in period: Redemption requests received by the Transfer Agent before the 15th of the month shall be executed on the net asset value of the last Trading Day of the month in Paris, or the preceding Trading Day if the last day of the month is not a Trading Day or is a legal holiday in France, as set forth in the Terms and Conditions of the Guarantee Agreement in this Information Notice.
- At the expiration of the five-year lock-in period for the units on April 2, 2007 (Maturity Date):

Unitholders shall be advised of their option to redeem their units two (2) months before the Maturity Date.

For unitholders who have requested redemption of their units before the end of February 2007, their units shall be liquidated on the Maturity Date, and the amount of their assets shall be valued in accordance with the Terms and Conditions of the Guarantee Agreement set forth in this Notice.

If no redemption request has been made before the end of February 2007, the assets of each unitholder of the "LEVIER FRANCE 2002" compartment shall be transferred to the "ACTION THALES" compartment of the ACTIONNARIAT THALES FCPE on the business day following the Maturity Date. On this date, an exceptional net asset value shall be calculated. For this exceptional net asset value of the "LEVIER FRANCE 2002" compartment, the Shares will be valued on the basis of the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA) for the 20 trading days preceding the business day that follows the Maturity Date. For each unitholder the transfer shall take place through a contribution of securities, and the Shares contributed shall be valued using the formula for calculating the exceptional net asset value defined above.

**Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

**Redemption fee:** None.

**Transfer fee:** None.

### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets, excluding the swap agreement. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

### **Allocation of the compartment's revenues:**

Dividends must be reinvested in the compartment and used in the swap agreement. Dividend tax credits shall be assigned to the ACTIONS THALES compartment and shall result in the creation of units.

**Accounting fees:** To be paid by the company.

### **Lock-in period:**

Five (5) years, except in the cases of early withdrawal stipulated by French legislation. The income from and gains on sums paid to the FCPE shall be exempt from income tax, but shall be subject, at the time of redemption, to the various social taxes (CSG, CRDS, social security withholding). These taxes shall also be due on the interest calculated on the initial flow of the swap agreement with the market rate for 5-year bonds.

**Availability of the units:** April 2, 2007.

Before this date, in the cases provided for by French law.

### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

Unitholders must transmit to the Transfer Agent, at the address provided on the 2nd page of the notice, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation.

When the assets are available, the employees shall be notified and the redemption request shall be sent directly to the Transfer Agent.

### **Value of the unit when the compartment is created:**

The subscription price to the THALES capital increase reserved for employees.

## WORLD CLASSIC 2002 Compartment

**Due to the concentration of risk in this compartment associated with holding the securities of only one company, the *Commission des Opérations de Bourse* recommends that the subscribers evaluate their own needs to proceed with a diversification of risks as part of their financial planning.**

### **Compartment Management Strategy:**

The "WORLD CLASSIC 2002" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext Paris SA).

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to preserve and/or achieve the management objective: none

### **Operation of the Compartment:**

The net asset value shall be calculated on the 8th, 15th, 23rd and last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and on the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The assets's composition** shall be published every six months, transmitted to the company and the Supervisory Board and made available to the unitholders who may request a copy from the Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

### **Subscription and redemption terms:**

- **Contributions:** in cash and/or in securities.
- **Withdrawals:** in cash and/or in securities.

### **Method and terms of execution:**

- Subscriptions correspond to the unrevoked reservation commitments made during the period from October 3, 2002 to October 17, 2002 and shall be executed on the initial net asset value.

- Redemptions are executed on the first net asset value following the request, provided that the request is received by the Transfer Agent no later than 3 business days before calculation of the net asset value (5 business days for redemption on April 2, 2007).

### **Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

### **Redemption fee:** 0.30%.

This fee is paid by the employee and accrues to the FCPE.

### **Transfer fee:** None.

### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets, with a minimum of EUR 10,000. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

**Allocation of the compartment's revenues:** Revenues shall be reinvested in the compartment.

### **Accounting fees:** To be paid by the company.

These fees shall be paid by unitholders who have left the company (including employees who have taken early and normal retirement), as of one year after the termination date of their employment contract.

### **Lock-in period:**

Five (5) years, except in the cases of early withdrawal stipulated by French legislation, subject to more restrictive local requirements.

### **Availability of the units:** April 2, 2007.

Before this date in the cases provided for by French law, subject to more restrictive local requirements.

### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

With respect to early redemption of assets, unitholders must transmit to their personnel department, for validation, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation. After these documents have been validated, the Company shall forward the request to the Transfer Agent as indicated above.

When the assets are available, the employees shall be notified and the request for redemption shall be made directly to the Transfer Agent.

### **Value of the unit when the compartment is created:**

Subscription price to the THALES capital increase reserved for employees.

# WORLD LEVERAGE 2002 Compartment

## Compartment Management Strategy:

The "WORLD LEVERAGE 2002" compartment is classified as an FCPE "Invested in listed securities of the company". In this respect, the company's securities in which the compartment invests shall be exclusively THALES securities listed for trading on a regulated market (*Premier Marché* of Euronext SA).

The objective of the compartment is to offer an investment product invested only in THALES shares (hereinafter the "Shares" in the notice for this compartment) guaranteeing a unitholder that he will recover the capital he has invested plus a share in the positive performance of the THALES shares based on ten times his initial contribution.

The compartment is governed by the provisions of Article L. 214-40 of the French Monetary and Finance Code and, therefore, more than one-third of its assets shall be invested in securities of the company.

Operations on futures markets in order to preserve and/or achieve the management objective: no, with the exception of the swap agreement signed when the compartment is created in order to achieve the management objective.

The FCPE benefits from a Guarantee Agreement from Deutsche Bank that expires on April 2, 2007 (the "Guarantor").

## Terms and Conditions of the Guarantee:

The Guarantor grants the "WORLD LEVERAGE 2002" compartment a guarantee, before income and social security taxes ("the Guarantee Agreement"), which shall include a guaranteed net asset value (the "Guaranteed Net Asset Value") for each unit of the compartment and all redemption values calculated through April 2, 2007, the expiration of the five-year lock-in period.

**1 - At the end of the five-year period on April 2, 2007,** the Guaranteed Net Asset Value of the units of the "WORLD LEVERAGE 2002" compartment shall be equal, before tax, to the total of the following:

- 100% of the personal contribution for a unit,
- and the "Participation in Performance on the Maturity Date" as determined below:

The Participation in Performance on the Maturity Date shall be 70% of the increase of the trading price of 10 Shares, which is measured by the difference between:

- the Adjusted Reference Price of the Share, and
- the Final Price.

If the Final Price is lower than the Adjusted Reference Price, the Participation in Performance on the Maturity Date shall be zero.

**2 - For valuation dates prior to April 2, 2007,** the Guaranteed Net Asset Value of the units of the "WORLD LEVERAGE 2002" compartment shall be equal, before taxes, to the total of the following:

- 100% of the personal contribution for a unit, and
- the "Participation in Performance before the Maturity Date" as determined below:

The Participation in Performance before the Maturity Date shall be 70% of the increase of the trading price of 10 Shares, which is measured by the difference between:

- the Adjusted Reference Price of the Share, and
- the Interim Price.

If the Interim Price is lower than the Adjusted Reference Price, the Participation in Performance before the Maturity Date shall be zero.

These percentages may be changed in order to offset for each party the consequences of any change in the legislative, regulatory or tax system, other than a change in the dividend tax credit rate in France or abroad (or a change in the official interpretation thereof) which has an economic impact on the value of the assets held by the "WORLD LEVERAGE 2002" compartment. Unitholders of this compartment shall be informed thereof as soon as possible.

If, at the time of redemption of the units before the end of the five-year lock-in period or at the expiration of this period on April 2, 2007, the net asset value of the units of the compartment is less than the Guaranteed Net Asset Value, the Guarantor undertakes to pay the "WORLD LEVERAGE 2002" compartment, in respect of each unit of the compartment, an amount equal to the difference between the Guaranteed Net Asset Value and the net asset value of this unit.

In the event of:

- a tender offer or combined offer in which the price to be paid in consideration for the Shares consists primarily of cash, and if the Shares held by the compartment are definitively contributed to the initiator of the offer;
- if proceedings are initiated for an out-of-court settlement or liquidation or any other similar proceeding, or proceedings for court-ordered receivership or liquidation, or any other similar proceeding affecting THALES, including the bankruptcy of THALES;
- or in the event that THALES is nationalized;
- in the event of a public withdrawal offer (squeeze-out);

the Swap Agreement and the Guarantee Agreement shall be cancelled, in accordance with the terms and conditions set forth in the Swap Agreement.

In the event that:

- a Restructuring takes place and due to this operation the compartment receives mostly securities,
  - or a public exchange offer, or a mixed public offer and that the price payable in return for the Shares consists mostly of securities,
- the Management Company shall substitute the shares received in exchange for the Shares. The Swap Agreement and the Guarantee Agreement shall continue to apply.

In the event of an issue of securities giving rights to the Company's capital that carry a pre-emptive subscription right, a bonus allotment of any listed financial instrument to the Company's shareholders, an extraordinary distribution to the Company's shareholders, or any payment to shareholders designed to compensate for an operation that has had a diluting effect on the share price, the Adjusted Reference Price shall be rectified by calculating an Adjustment factor as defined in the Swap Agreement.

## Cost of the Guarantee Agreement:

The Guarantee Agreement cannot be separated from the Swap Agreement; therefore, no fee or other compensation is due by the compartment to the Guarantor in respect of the Guarantee Agreement. The Swap Agreement shall imply a waiver by unitholders of the "WORLD LEVERAGE 2002" compartment of the amounts of dividends, the 20% discount granted on the Share subscription price and, through April 2, 2007, any difference between the appreciated value of the Share and the Participation in Performance.

## Expiration of the Guarantee Agreement:

The Guarantee Agreement shall expire on April 2, 2007.

## DEFINITIONS

**Company:** refers to THALES, a French société anonyme (joint-stock company), with registered offices at 173, boulevard Haussmann, 75008 Paris, and registered in the Paris Trade Registry under No. 552 059 024.

**Agent:** refers to DEUTSCHE BANK A.G. or, if applicable, the Replacement Agent named, if necessary, pursuant to the provisions of the Swap Agreement entered into by DEUTSCHE BANK and the Management Company on behalf of the "WORLD LEVERAGE 2002" compartment.

**Trading Day:** means any trading day on the stock market, other than a day on which the trading session is scheduled to end before the normal weekday closing time.

**Final Price:** refers to the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA or, if applicable, any other company playing an equivalent role that may be substituted for Euronext Paris SA; this average to be calculated by the Agent) for each of the Trading Days included within a period that begins on September 4, 2006 and ends on February 28, 2007; it is understood that if a Market Disruption Event occurs on one of these Trading Days, the closing price shall be taken on the next Trading Day on which no Market Disruption Event has occurred, up to fifteen calendar days from the Final Reference Date and, at the expiration of said 15-day period, the closing price in question shall be determined in good faith by the Agent using standard market practices on that date. The corrections necessary shall also be made if one of the events cited in paragraph (a) or (b) of the Reference Price Definition occurs during the period in which the average is determined. The Agent and the Management Company shall consult on the measures to be taken if a Market Disruption Event occurs during ten consecutive Trading Days. In the event that the trading session hours of the Market are changed, the Agent may, in consultation with the Management Company, change the time at which all prices used to calculate the Final Price are recorded.

**Interim price:** means

- (i) with respect to any Early Withdrawal for which the Reference Date occurs before September 4, 2006, the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA or, if applicable, any other company playing an equivalent role that may be substituted for Euronext Paris SA, and recorded by the Agent) on the first Trading Day after the 19th of the month of the corresponding Reference Date; it is understood that if a Market Disruption Event occurs on this date, the closing price shall be recorded on the next Trading Day on which no Market Disruption Event has occurred, up to fifteen calendar days from the corresponding Reference Date, at the expiration of which period the Interim Price shall be determined in good faith by the Agent;
- (ii) with respect to any Early Withdrawal for which the Reference Date occurs on or after September 4, 2006, the arithmetic mean of the opening and closing prices of the Shares used on this date to calculate the Final Price; it is understood that if a Market Disruption Event occurs on one of the Trading Days on which said closing prices should have been recorded, the Interim Price shall be the closing price of the Share on the next Trading Day on which no Market Disruption Event has occurred, up to fifteen calendar days from the corresponding Reference Date, at the expiration of which period the Interim Price shall be determined in good faith by the Agent.

In the event that the trading session hours of the market are changed, the Agent may, in consultation with the Management Company, change the time at which all prices used to calculate the Interim Price are recorded.

**Reference Date:** with respect to any Early Withdrawal, this term means

- (i) if the Management Company receives the corresponding request before 4:00 p.m. (Paris time) on the 15th of the month, the last Trading Day of this calendar month that is also a business day; and
- (ii) if the Management Company receives the corresponding request on or after 4:00 p.m. (Paris time) on the 15th day of the month, the last Trading Day of the following calendar month which is also a business day, it being understood that no Reference Date may be after the Final Reference Date.

**Final Reference Date:** April 2, 2007.

**Commencement Date:** means the Shares subscription date for the "WORLD LEVERAGE 2002" compartment.

**Reference Price:** means that on the Commencement Date, initially 125% of the subscription price to the THALES capital increase for the employee subscribers to the "WORLD LEVERAGE 2002" compartment. The Reference Price shall be corrected if any of the events defined hereinafter occur:

- (a) In the event that the Shares are combined or split, or there is a capital reduction because of losses, a new Reference Price

shall be calculated, effective on the date of said event, by multiplying the Reference Price in force by the ratio between the number of Shares composing the capital stock of the Company before said event and the number of Shares composing the capital stock of the Company after said event.

- (b) In the event of a Restructuring or an exchange offer at the end of which the Shares held by the Compartment are definitively contributed to the offeror and if, as a result of this operation, the compartment primarily receives new shares ("New Shares") as consideration for the Shares, i.e., the sums in cash do not exceed 50% of said consideration:

- the New Shares and the issuer of the New Shares shall be subsequently deemed to be the "Shares" and the "Company" respectively;

- the Reference Price shall be corrected, with effect as of the effective date of the Share transfer, by assuming that the corresponding cash sums have been immediately invested by the Management Company in New Shares at the average of the closing prices for the 20 Trading Days following the Trading Day on which the New Shares are listed after this event.

**Adjusted Reference Price:** refers to the Reference Price, corrected as applicable; it being understood that, in case of the following events:

- an issue of securities giving rights to the Company's capital that include a pre-emptive subscription right; or
- a bonus allotment to shareholders of any listed financial instrument;

a new Adjusted Reference Price shall be established as of the first date on which the Shares are listed after detaching the corresponding subscription or allotment rights. This Price shall equal the product obtained by multiplying the Adjusted Reference Price in force on the date in question by the corresponding adjustment factor calculated in accordance with the rules applied by Euronext Paris SA for options traded on MONEP (and cited in the Swap Agreement).

In the event of an extraordinary distribution to the Company's shareholders, in any form whatsoever, which implies an adjustment to the options traded on MONEP, or in the event of an extraordinary distribution to shareholders made to offset the effects of a diluting operation, a new Adjusted Reference Price shall be calculated as of the first day on which the Shares are listed on the stock market after said distribution. This new Adjusted Reference Price shall be equal to the product of the Adjusted Reference Price in force before the distribution multiplied by the ratio between the first market price of the Share immediately after this distribution and the last price immediately before.

**Restructuring:** refers to a merger of the Company with another entity, or consolidation of the Company by another entity (unless the Company is the entity that results from such a reorganization, merger or consolidation), or a split of the Company.

**Market Disruption Event:** For the purposes of calculating the Interim Price and the Final Price, this term refers to any event which the Agent reasonably believes may abnormally affect the listing of the Shares on the Paris Bourse. For example, the following events shall be considered Market Disruption Events if the Agent so decides: suspension of trading in Shares on the market during the first hour of listing on the Bourse, or a drop of more than 50 percent, during one of these Trading Days, in the trading volume of Shares from the average trading volume observed during the preceding calendar month. For the purposes of this definition: (1) a limit on the hours and number of trading days shall not be considered a Market Disruption Event if said limit is the result of a change in the normal business hours of the Bourse announced in advance; (2) the limitation of trading resulting from operations that affect the Company shall not constitute a Market Disruption Event; and (3) a limit on trading imposed during a Trading Day because of price movements that exceed the levels authorized by the Paris Bourse shall constitute a Market Disruption Event.

### **Operation of the Compartment:**

The net asset value shall be calculated on the last Trading Day of each month in Paris, or the last day preceding said dates if said dates are not Trading Days or are legal holidays in France.

#### **Location and method for publication of the net asset value:**

Pursuant to the provisions of Article 24 of Regulation No. 89-02 of the French *Commission des opérations de bourse*, the net asset value shall be transmitted to the *Commission des opérations de bourse*. It shall be provided to the Supervisory Board as of the first business day after it is determined, and shall be displayed on the premises of the company and its establishments. The Supervisory Board may obtain the latest net asset values calculated at its request and on the Management Company's Internet site ([www.pacteo.com](http://www.pacteo.com)).

**The composition of the compartment's** assets shall be published every six months, transmitted to the company and made available to the Supervisory Board and unitholders who may request a copy from the Management Company. The Management Company shall hold available for each unitholder a copy of the annual report which may be replaced, with the agreement of the Supervisory Board, by a simplified report containing a note stating that the FCPE annual report is available to each employee who requests it from the company. In addition, an annual report shall be distributed electronically and made available to the companies and the unitholders who may request a copy from the Management Company.

#### **Institution responsible for unit subscriptions and redemptions:**

Crédit Lyonnais Epargne Entreprise.

#### **Subscription and redemption terms:**

- **Contributions:** in cash and/or in securities.
- **Withdrawals:** in cash and/or in securities.

#### **Terms and conditions of execution:**

- Subscriptions correspond to the unrevoked reservation commitments made during the period from October 3, 2002 to October 17, 2002 and shall be executed on the initial net asset value.
- Before the expiration of the five-year lock-in period: Redemption requests received by the Transfer Agent before the 15th of the month shall be executed on the net asset value of the last Trading Day of the month in Paris, or the preceding Trading Day if the last day of the month is not a Trading Day or is a legal holiday in France, as set forth in the Terms and Conditions of the Guarantee Agreement in this Information Notice.
- At the expiration of the five-year lock-in period for the units on April 2, 2007 (Maturity Date):

Unitholders shall be advised of their option to redeem their units two (2) months before the Maturity Date.

For unitholders who have requested redemption of their units in cash before February 2007, their units shall be liquidated on the Maturity Date, and the amount of their assets valued under the Terms and Conditions of the Guarantee Agreement set forth in this notice.

For unitholders who have requested redemption of their units in shares before the end of February 2007, their units shall be liquidated on the business day following the Maturity Date. On this date, an exceptional net asset value shall be calculated. For the exceptional net asset value of the "WORLD LEVERAGE 2002" compartment, the Shares will be valued on the basis of the arithmetic mean of the opening and closing prices of the Shares (as published by Euronext Paris SA) for the 20 trading days preceding the business day that follows the Maturity Date.

If no redemption request has been made before the end of February 2007, the assets of each unitholder of the "WORLD LEVERAGE 2002" compartment shall be transferred to the "WORLD CLASSIC 2002" compartment of the ACTIONNARIAT THALES FCPE. For each unitholder the transfer shall take place through a contribution of securities on the business day following the Maturity Date, and the Shares contributed shall be valued using the formula for calculating the exceptional net asset value defined above.

**Subscription fee:** 0.10%.

This fee is paid by the company and accrues to the Management Company.

**Redemption fee:** None.

**Transfer fee:** None.

#### **Compartment management fees:**

0.10% per year, excluding taxes, of the compartment's net assets, excluding the swap agreement. These fees are paid by the company.

The management fees include the auditor's fees which shall be published in the annual report.

#### **Allocation of the compartment's revenues:**

Dividends must be reinvested in the compartment and used in the swap agreement.

**Accounting fees:** To be paid by the company.

#### **Lock-in period:**

Five (5) years except in the cases of early withdrawal stipulated by French law and subject to more restrictive local requirements.

**Availability of the units:** April 2, 2007.

Before this date, in the case stipulated by French law, subject to more restrictive local requirements.

#### **Conditions for requesting early redemption and redemption at the end of the five-year lock-in period:**

With respect to early redemption of assets, unitholders must transmit to their personnel department, for validation, the duly completed "redemption request" form from the statement they have received, accompanied by the required supporting documentation. After these documents have been validated, the Company shall forward the request to the Transfer Agent as indicated above.

When the assets are available, the employees shall be notified and the redemption request shall be sent directly to the Transfer Agent.

#### **Value of the unit when the compartment is created:**

The subscription price to the THALES capital increase reserved for employees.

This information notice must be provided to unitholders prior to any subscription