



**WORLD LEVERAGE 2002
REDEMPTION FORM**

Identification number:
Account number:

Name / First name :
Address :

Country :

Thales SA All Employee Share Plan – 2002 Offer

Dear Madam/ Sir,

In December 2002 you subscribed to the 2002 share offer and you invested in the "Leveraged" formula. As a result you currently hold units in the "World Leverage 2002" compartment of the Thales FCPE. This formula matures on 2nd April 2007.

For your information, on the basis of a provisional asset value determined on 29th December 2006, your assets amounted at that date to€.

In accordance with the Plan Rules you now have to choose what you want to do with your leverage assets from one of the following:

Either

- **Automatic transfer of your assets** into the "World Classic 2002" compartment of the Thales FCPE. All your assets will be automatically transferred in cash on 3rd April 2007 into that compartment. You will then hold Classic units invested in THALES shares, available at any time. Such units will qualify for the Thales Dividend in 2007 (if one is declared and paid in 2007) and the dividend will be reinvested into further Classic units for you. **To choose this option you need take no action** and you will incur no costs in this transfer.

or

- **Redemption in cash:** all your units held in the World Leverage 2002 compartment will be converted into cash on 2nd April 2007 (see Appendix for example calculation). The net cash amount, in Pounds Sterling, will be credited after banking charges to your bank account within 7 working days of 2nd April (see Appendix for details of possible charges). **To choose this option, you must return the section below by post to reach HBOS by 28th February 2007.** If no return section is received by HBOS by 28th February 2007 your leverage assets will automatically be transferred to the World classic compartment. You are advised to post the return section below as early as possible to ensure it is received by this date.

Please contact your bank or refer to your bank statement to obtain your bank's IBAN (International Bank Account Number) code and SwiftBIC code. Failure to provide the correct codes will result in a delay in receiving your cash proceeds from CREELIA.

For redemption in cash, please return this section FULLY completed in CAPITALS and signed by 28 February 2007 to HBOS at the address below

Please credit the net amount (after charges) of my assets in the World Leverage 2002 compartment into my bank account. For this purpose I give details of my bank account below including my bank's IBAN number and Swift / BIC code. I have read and noted the information in the Appendix.

Surname:
First name:
Address:

Signature:
My NI number is:
Telephone number:

Identification n°:
Account n°:

Account nameAccount number
Bank name and address
.....Bank sort code Swift / BIC code
IBAN

PLEASE REMEMBER TO SIGN & FILL IN A DAYTIME TELEPHONE NUMBER BEFORE POSTING

**Please return this slip to: Thales Leverage Redemption, HBOS Employee Equity Solutions,
PO Box 1310, 69 Park Lane, Croydon, CR9 1TQ**

APPENDIX

(i) Calculation of the net asset value of the World Leverage 2002 FCPE

In accordance with the provisions of the Fund's by-laws, the following definitions apply:

Initial reference price (share price before 20% discount): € 26.70

Initial price after discount: € 21.36

Based on an average stock market price, (the arithmetic average of opening and closing prices of the Thales share in each of the stock market sessions between 4th September 2006 and 28th February 2007) the asset value is determined as of 2nd April 2007, adding to the initial contribution a participation to performance of 10 times 72% of the realized capital gain.

An example of valuation is presented below for information purposes (simulation):

If the average of prices observed during the period from 4th September 2006 through 28th February 2007 is 36 euros (assumption) the participation to performance would be 72% (36€ - 26.70€) x 10 = 66.96 €.

As a consequence, for a personal initial investment of one unit (21.36 €), the estimated asset value on maturity would be: Discounted price (21.36 €) + participation to the performance (66.96 €) = 88.32 €

(ii) Possible choices

Automatic transfer of your assets into World Classic 2002 compartment

Assuming the above value of a unit (€ 88.32) we will transfer (via consolidation subject to AMF's approval) your assets to the World Classic 2002 fund on 3rd April 2007.

Value of one unit of the World Classic 2002 fund as of 3rd April 2007 (assumption) = € 35

Acquisition on 3rd April 2007 of € 88.32 € / 35 € = 2.5234 units

Redemption in cash by returning the enclosed section

In this case, in accordance with your request, your bank account will be credited with the proceeds (after charges) of your units within 7 working days of 2nd April. You will be sent a closing statement of your leverage account in due course.

ADDITIONAL INFORMATION

Tax and charges

- I have duly noted that Capital Gains Tax may apply.
- I have duly noted that usual banking charges applying to foreign currency conversion and international transfers may be deducted.

Action by default

- I have duly noted that the choices of cash or reinvestment cannot be combined.
- If the return section is not received within the specified time frame or in case of any error or omission on my part when completing the return section, I note that my assets will be transferred into the World Classic 2002 compartment following the merger of the two compartments.
- I have duly noted that if the return section is not signed it will be null and void unless I rectify the situation within the specified deadline.

Law relative to IT and personal freedom

- I have duly noted that, under the provisions of the French Law relative to IT, computer files and personal freedom (law n° 78-17 of 17th January 1978), I can exercise my right of access and correction of any information concerning me by completing a change of circumstance form and sending it to: **HBOS Employee Equity Solutions, PO Box 1310, 69 Park Lane, Croydon, CR9 1TQ**