



Press Release

Eurely and iNavSat consortia deliver a joint proposal for the Galileo Concession

Brussels, June 20th, 2005 – The founding members of the Eurely and iNavSat consortia have today delivered their joint proposal for the Galileo Concession to the Galileo Joint Undertaking (GJU).

The submission of this joint proposal follows the decision “that the GJU could not select a preferred bidder as the two bids were too close to separate, considering their quality and complementary options”.

Both consortia believe that the sole way to ensure a “best value for money” approach for the public sector is to merge their respective resources and experience and to combine their complementary commercial approaches to the Galileo implementation. This joint proposal enables significant improvement in the benefits for the public sector and will mean that the momentum for an overall on-time delivery of the project will be maintained.

The merger of the two consortia will significantly reduce the contributions of European taxpayers. Moreover, the market perspective for the European downstream industries is excellent with the potential creation of thousands of jobs throughout Europe.

Today’s joint proposal of the two European consortia marks a milestone in the development of one of Europe’s biggest common projects. Both consortia are expecting that this joint proposal will allow the GJU to effectively approve their merger, with a view towards entering into the next phase. It is based on the successful competitive process carried out by the Galileo Joint Undertaking, started in 2003. Therefore, Eurely and iNavSat are confident that the synergies resulting from the common offer will be recognised as the best solution for Europe and its citizens.

Both Eurely and iNavSat are jointly ready to proceed with the final Concession Contract negotiations, which will formalise the Galileo Public Private Partnership by the end of this year.

The founding members of Eurely and iNavsat are: AENA, Alcatel, EADS, Finmeccanica, Hispasat, Inmarsat, and Thales.

About AENA

Aena is a Public Business Entity entrusted with the planning, development, building, installation, operation and managing of the 44(+3) Spanish civil airports and the air navigation system for all airspace under Spanish responsibility, with 5 Area Control Centres covering 4 Flight Information Regions (FIR/UIR). Aena also manages 15 airports in Central and South America. Aena integrates all Spanish civil aeronautical infrastructure activities in one single organisation staffed by qualified professionals, with a business philosophy whilst keeping the best of public service spirit, technological innovation and safety management. Aena’s strategy is to operate as a service company offering its customers (airline companies and air transport users in general) a safe, efficient and high quality of service, fostering economic progress.

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 employees. Alcatel brings its leading position in fixed and mobile broadband networks, applications and services, to help its partners and

customers build a user-centric broadband world. With sales of EURO 12.3 billion in 2004, Alcatel operates in more than 130 countries. For more information, visit Alcatel on the Internet: <http://www.alcatel.com>

About EADS SPACE Services:

EADS SPACE Services is committed to providing and developing satellite services in the areas of telecommunications and navigation. EADS SPACE Services is a wholly owned subsidiary of EADS SPACE, which is dedicated to providing civil and defence space systems. In 2004, EADS SPACE had a turnover of €2.6 billion and 11,000 employees in France, Germany, the United Kingdom and Spain. EADS is a global leader in aerospace, defence and related services. In 2004, EADS generated revenues of €31.8 billion and employed a workforce of more than 110,000. <http://www.space.eads.net>

About Finmeccanica

Finmeccanica is Italy's leading high-tech company, operating in the design and manufacture of helicopters, civil and military aircraft, aerostructures, space satellites and infrastructure, satellite services, command and control systems, defence electronics and systems, communications, security and IT. Finmeccanica participates in some of the largest international programmes in the sector through well-established alliances with European and American partners. Finmeccanica also boasts significant manufacturing assets and skills in the transport and energy sectors. With operations in Italy and abroad, it employs around 51,000 staff in total. Finmeccanica spends 16 % of its revenues on research and development. For more information, please visit <http://www.finmeccanica.it>

About Hispasat

Hispasat is a Spanish group of companies that started in 1989 as satellite system operator for commercial and governmental/military communication services, provision of engineering solutions and new advanced projects. Its satellite fleet is located at 30 W and 61 W orbital positions to provide all types of communication services at both sides of the Atlantic. Hispasat has proven experience in satellite engineering, procurement, launch, testing and operations, with satellite ground control and monitoring premises in Spain, Brazil, Argentina and Mexico as well as appropriate knowledge in Security. HISPASAT has been cleared by the Spanish Ministry of Defence (SMOD) since 1990.

About Inmarsat Ventures Ltd

Inmarsat plc (LSE: ISAT) is the leading provider of global mobile satellite communications. Since 1979, Inmarsat has been providing reliable voice and high-speed data communications to governments, enterprises and other organisations, with a range of services that can be used on land, at sea or in the air. The company's services are delivered through a world-class network of leading telecoms groups. For the year ended 31 December 2004, group revenue was \$480.7 million, with operating profit of \$159.1 million. More information can be found at www.inmarsat.com.

About Thales

Thales is an international electronics and systems group, serving defence, aerospace, services and security markets. The group employs 60,000 people worldwide and generated revenues of 10.3 billion in 2004. Thales is a pioneer in satellite navigation technology and is the only European company with end-to-end satellite navigation capability, from signals to products, to systems and services delivery. www.thalesgroup.com

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