

THALES

Economic Trade Workshop Trading in a Flat World

CANADIAN RAIL SUMMIT 2016
MAY 12, 2016

OPEN



DUAL MARKETS Military & Civil



AEROSPACE



DEFENCE



SECURITY



SPACE



**GROUND
TRANSPORTATION**

TRUSTED PARTNER FOR A SAFER WORLD

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Worldwide operations

GLOBAL REACH, LOCAL EXPERTISE



Employees
62,000

(workforce under management at 31 Dec. 2015)



Global presence
56 countries



Self Funded R&D*
2015

1.04+ billion \$CAD

(* Does not include therefore R&D undertaken with external funding)



Revenues in 2015

20.7 billion \$CAD

A balanced revenue structure

Defence
50%

Civil
50%

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Urban Transportation: a net exporter - Thales Worldwide Footprint

80 metro lines over 40 major cities and 2,200 km of track secured by Thales SelTrac® CBTC systems



- China**
- Beijing
 - Guangzhou
 - Hefei
 - Nanjing
 - Nanchang
 - Qingdao
 - Shanghai
 - Shenzhen
 - Shijiazhuang
 - Wuhan
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Sample of language in trade acts / local content language

■ **Federal Railroad Administration (FRA) High Speed Rail Program 49 U.S.C. Chapters 244, 246; § 24405 (100% Domestic Content of items below) - See more at:**

<https://www.transportation.gov/highlights/buyamerica#sthash.SlIK3Z65.dpuf>

- **Waivers**The Secretary of Transportation may waive the requirement if the Secretary finds that:(1) It would be inconsistent with the public interest;(2) The steel, iron, and goods produced in the United States are not produced in a sufficient and reasonably available amount or are not of a satisfactory quality;(3) Rolling stock or power train equipment cannot be bought and delivered in the United States within a reasonable time; or(4) Including domestic material will increase the cost of the overall project by more than 25 percent. - See more at: <https://www.transportation.gov/highlights/buyamerica#sthash.SlIK3Z65.dpuf>

■ **Federal Transit Administration (FTA) 49 U.S.C. § 5323(j); 49 C.F.R. Part 661 (Buy America Requirements); (See 60% Domestic Content for buses and other Rolling Stock)**

- (a) The Buy America provisions do not apply to the procurement of buses and other rolling stock (including train control, communication, and traction power equipment), if the cost of components produced in the United States is more than 60 percent of the cost of all components and final assembly takes place in the United States.

How Thales does it

- Thales has a network of KAMs;
- KAM, General Business Units, Business Lines and Centre of competence work together;
- Strategy determined based on all factors;
- Does it make sense?



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