Press release

Alcatel’s wireless train control system steers Las Vegas down a new track

Paris, July 15, 2004 – Alcatel (Paris: CGEP.PA and NYSE: ALA) today announced the completion of a three-year project to provide radio-based train control to the first fully automated, line haul, urban rapid transit system in the US. With the official inauguration of the Las Vegas Monorail (LVM) today, Alcatel marks a transport industry milestone and confirms its position as the leading provider of advanced technology for automatic train control. The LVM will be used to safely, reliably and securely transport passengers to their favorite stops on the world-famous strip.

Alcatel’s SelTrac® communications-based train control (CBTC) system was selected for its proven performance and operational flexibility, as well as for its recent advances related to ease of installation and maintenance, expandability, fault tolerance and rapid recovery capability.

Covering a distance of 4 miles, the LVM will operate 20 hours a day, 6 a.m. to 2 a.m. 365 days a year, transporting approximately 20 million passengers a year. The fleet will be operated in nine four-car trains providing direct service to nine major resort properties and to the Las Vegas Convention Center. With a four-minute interval between trains, the end-to-end scheduled travel time is approximately 14 minutes, including all intermediate station stops. Currently, the maximum vehicle operating speed is 50 mph.

The SelTrac S40 solution provides fully automatic train protection, operation, supervision and central control. It employs spread-spectrum radio technology for data communication between trains and wayside, which results in a simpler infrastructure. The track-side equipment is reduced, along with the opportunity for vandalism and other nuisances. Operators can also offer many additional services over the same broadband communications backbone, such as on-board video surveillance, travel information, special announcements, advertising and video.

“Urban communities around the world are looking for safe, reliable and efficient transportation solutions to address issues associated with increasing commuter congestion,” said John Brohm, President of Alcatel’s transport automation solution activities in the US. “The successful launch of the Las Vegas Monorail on one of the world’s busiest and best-known boulevards further establishes Alcatel’s advanced radio-based SelTrac solution as the choice for progressive transit authorities.”

“Thanks to advances in wireless communication technology, the Alcatel CBTC feature selected for the Las Vegas Monorail provides both reliability and security at off-the-shelf prices, and availability. Advantages of CBTC with radio over inductive loop include significant cost reduction; redundancy, that eliminates a single point of failure; ease of maintenance and reduced repair time; and increased communication capacity,” added Lloyd Welch, Vice President, Las Vegas Monorail Company.

SelTrac is the leading signalling and train control solution for reliable and high-performance urban rail transit. The SelTrac family of solutions are in commercial operation or under deployment on more than 500 kilometers of urban rail transit lines worldwide, including Toronto, Vancouver, San Francisco, Newark, Tampa, Jacksonville, Detroit, and New York in North-America; as well as in other major cities in the world, like London, Hong Kong, Paris, Dusseldorf, Kuala Lumpur, Wuhan and Guangzhou.
About LVMC
The privately funded $650 million Las Vegas Monorail is the most technologically advanced public transportation system in the world. It connects nine major Las Vegas resorts with more than 24,000 hotel rooms, from the Sahara to the MGM Grand hotel-casinos on opposite ends of the Strip, with stops at the Las Vegas Hilton, Las Vegas Convention Center, Harrah’s/Imperial Palace, the Flamingo/Caesars Palace and Paris/Bally’s. Plans call for the monorail to eventually connect downtown Las Vegas and McCarran International Airport.
The monorail system is owned and operated by the Las Vegas Monorail Company, a non-profit corporation whose board is appointed by Nevada’s governor. The monorail company has engaged Transit Systems Management, LLC to administer all monorail-related contracts for the non-profit corporation. For more visit www.lvmonorail.com.

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 Alcatel Transport Automation Solutions
To meet the challenge of increased mobility, Alcatel offers a host of advanced urban rail transit solutions to move people safely through the network in a comfortable, reliable and cost-effective way. Drawing on broad international experience in all aspects of transport automation, Alcatel is a leading worldwide supplier of train control, signaling, train routing, control center and integrated rail communications technologies. For urban line operators, Alcatel’s offering includes proven SelTrac® communications-based train control, NetTrac MT network management, and LockTrac electronic interlocking system solutions. For more information, visit us on the Internet: http://www.alcatel.com/tas

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