



Press Release

3S PHOTONICS and Avanex Reach Settlement

Nozay, July 15th 2008 – 3S PHOTONICS, a world leading manufacturer of laser chips, optical discrete modules and components for telecommunication networks, and Avanex today announced resolution of their contractual disputes. While neither side admits liability, the two parties have agreed to a settlement on payables, receivables, and a release by both parties of all claims asserted against each other, including the dismissal of legal actions taken in New York, California, and the Commercial Court of Evry, France. With this resolution there will be no further litigation between 3S PHOTONICS and Avanex.

“3S PHOTONICS is satisfied to have reached this settlement. We plan new business opportunities and are looking forward to starting a new collaboration with Avanex” said Alexandre Krivine, chairman and CEO of 3S PHOTONICS.

Dr. Giovanni Barbarossa, Avanex’s Interim CEO commented: *“Avanex is pleased to have reached this agreement with 3S PHOTONICS to put this matter behind us. We look forward to working with 3S PHOTONICS again in the future.”*

About 3S PHOTONICS

3S PHOTONICS – formerly Alcatel Optronic – is a leading supplier of optical discrete modules for telecommunication networks. It designs, develops, manufactures and commercializes active components powered by in-house III-V optoelectronic chips based on both Gallium Arsenide (GaAs) and Indium Phosphide (InP) technologies and passive components using Fiber Bragg Gratings (FBG).

The 3S PHOTONICS renowned optoelectronic chip manufacturing plant of Nozay is a technological feat that is unique in the world as it brings together GaAs and InP technologies under the same roof.

Its product portfolio includes four product lines:

- * Chips (lasers and detectors) and Front End Services
- * Transmission Laser and Detector Modules
- * Pump Laser Modules for terrestrial and submarine applications
- * Filters, gain equalizers and pump stabilizers based on Fiber Bragg Gratings for terrestrial and submarine applications

With over 13 years of experience, the company takes advantage of its expertise and know-how to also address new markets, providing smart solutions for defense, industrial and medical applications.

Based in Nozay (Essonne near Paris), 3S PHOTONICS is run by Alexandre Krivine and Didier Sauvage. The company employs over 160 people, whose 130 are experts in photonics industry.

www.3Sphotonics.com

Source: 3S PHOTONICS S.A.

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