

Safran enters into exclusive negotiations with Advent International, associated with Bpifrance, for the sale of its Identity and Security activities

POSTED ON 09.29.16

- Creation of a world champion of identification technologies
- Safran's Identity and Security businesses (Safran I&S) valued at Euro 2,425 Million
- Transaction expected to close in 2017

Following an extensive review of the different strategic options to ensure the development of its identity and security activities, Safran (Euronext Paris: SAF) announces having received from Advent International a firm and irrevocable offer to acquire Safran's Identity and Security activities and has entered into exclusive negotiations on this basis.

The industrial project consists in bringing together Safran I&S with Oberthur Technologies to create a world champion with combined revenues of Euro 2.8 billion in the domain of identity technologies, strongly rooted in France. Its headquarters will remain in France, as will its leading R&D activities and key production capacities. The complementarity of this business combination with Oberthur Technologies was an essential criteria in the choice. This transaction would bring to Safran I&S further capacity to meet customers' requirements at a time when security in the digital world and emerging needs for public security are major challenges. The complementarity of Safran I&S' strengths with Oberthur Technologies would create a common, coherent and strong business combination to the benefit of employees.

Bpifrance will take a stake and join the Board.

Safran I&S recorded revenue of approximately Euro 1.6 billion in 2015 and employs 7,800 people in over 50 countries. The enterprise value is indicative of the quality of the asset and the ambition of the industrial project envisaged with Oberthur Technologies. The transaction would result in a pre-tax capital gain for Safran.

The transaction will be submitted to the employee representative bodies and is subject to regulatory approval notably in Europe and in the United States. The transaction is expected to close during 2017.

Upon the closing of this transaction, which would follow our agreement to sell our detection activities, Safran would be a group entirely focused on aerospace and defence and concentrated on its own path of strong growth and high profitability.

Ross McInnes, chairman of Safran's Board of Directors

We examined all the options with the objective of providing new development prospects for Safran's Identity and Security activities in a world in which digitalization and connectivity are accelerating. Their best-in-class technologies and world-leading positions are complementary

to Oberthur Technologies and their combination will create a world champion in the technology, industrial and commercial domains.

Philippe Petitcolin, Safran's CEO

About IDEMIA - OT-Morpho is now IDEMIA, the global leader in Augmented Identity for an increasingly digital world, with the ambition to empower citizens and consumers alike to interact, pay, connect, travel and vote in ways that are now possible in a connected environment.

Securing our identity has become mission critical in the world we live in today. By standing for Augmented Identity, we reinvent the way we think, produce, use and protect this asset, whether for individuals or for objects. We ensure privacy and trust as well as guarantee secure, authenticated and verifiable transactions for international clients from Financial, Telecom, Identity, Public Security and IoT sectors.

OT (Oberthur Technologies) and Safran Identity & Security (Morpho) have joined forces to form IDEMIA. With close to \$3 billion in revenues and 14,000 employees around the world, IDEMIA serves clients in 180 countries.

For more information, head to www.idemia.com. And follow us @IdemiaGroup on Twitter.