

Thales enters into exclusive negotiations to sell its revenue collection solutions and road tolling and car park management systems business

Corporate - Civil aerospace - Defence aerospace - Transportation - Defence - Security



©Thales

Thales (Euronext Paris: HO) has entered into exclusive negotiations with the private equity firm Latour Capital with a view to divesting its business that provides ticketing and revenue collection for transport operators as well as road tolling and car park management systems. Presented on November 16th to the Thales Group's European Works Council, the project aims to accelerate the development of this business while creating value for its customers and employees.

With close to 850 employees mainly based in France, the Netherlands, Denmark, Italy, Mexico, Hong Kong, India, New Zealand and Egypt, this business generated sales of 155 million euros in 2015.

The divestment project is in line with the Thales strategy of business portfolio optimisation.

Latour Capital is a French private equity firm with a strong entrepreneurial focus. It is mainly financed by major institutional

> Key points

- In 2015, this business generated sales of 155 million euros. It employs close to 850 people, mainly in France, the Netherlands, Mexico, Hong Kong, Denmark and Italy.
- The objective is to put in place a **business plan to grow this activity** by building on its existing teams, know-how and capabilities, and by developing innovative technological solutions.
- The divestment project is in line with the Thales strategy of permanent business portfolio optimisation.

investors. For Latour Capital, this acquisition would be an industrial development project designed to drive growth and employment.

Employee representative bodies are being consulted on the project, which is also subject to customary closing conditions.

Besides, rail signalling, communication and supervision systems activities are at the core of the Group's businesses and technologies. They account for close to 90% of the Group's Ground Transportation Systems revenues and are not affected by this project.

➤ **Note to editors about the Ground Transportation Systems Global Business Unit (not affected by this project)**

The Ground Transportation Systems Global Business Unit in 2015 generated sales of 1.5 billion euros, which represents 11% of the Thales total sales.

Thales is one of the world market leaders in rail signalling and control/supervision of urban and mainline rail networks. These complex critical systems rely on the core capabilities and technologies required to serve the Group's markets: aerospace, space, ground transportation, defence and security.

Recent milestones for Thales's Ground Transportation Systems business include a resignalling contract covering 40% of the London Underground, which will increase capacity by 33%; the inauguration of the Gotthard tunnel, the world's longest rail tunnel, which relies on Thales systems; and resignalling of seven lines of the Hong Kong metro. At 30 June 2016, the order book of this business stood at a record level of 4.5 billion euros, the equivalent of almost three years of revenues.

The global market for rail signalling is experiencing steady growth of about 4% a year as demand continues to increase in both mature and emerging markets.

Thales intends to develop its transportation activity and to make it the world market leader as one of the Group's core businesses, focusing on rail signalling and communication and supervision systems. The Group expects to further strengthen this world leadership position thanks to its unique portfolio of technologies — including cybersecurity, artificial intelligence, Big Data and connectivity — that are key to the digital transformation of the rail sector.

➤ **About Thales**

Thales is a global technology leader for the Aerospace, Transport, Defence and Security markets. With 62,000 employees in 56 countries, Thales reported sales of €14 billion in 2015. With over 25,000 engineers and researchers, Thales has a unique capability to design and deploy equipment, systems and services to meet the most complex

"The project is part of our business portfolio management and contributes to focus the Group on the areas in line with its growth strategy. By entering into exclusive negotiations with Latour Capital, we have selected an entrepreneurial project that will create value by leveraging the expertise and advanced technologies developed by this business."

Philippe Keryer, Executive Vice-President, Strategy, Research and Technologies

Please visit

➤ [Thales Group](#)

Press contacts

Thales, Media Relations

Cédric Leurquin
+33 (0)1 57 77 90 93
cedric.leurquin@thalesgroup.com

Analysts and Investors

Bertrand Delcaire
+33 (0)1 57 77 88 34
ir@thalesgroup.com

 [@ThalesPress](#)

security requirements. Its exceptional international footprint allows it to work closely with its customers all over the world.

➤ **About Latour Capital**

Latour Capital is a French independent management company set up in 2011 and mainly financed by major French institutional investors such as Bpifrance, CNP Assurances, Crédit Agricole, BRED and SCOR. It provides active support for the growth and development of high potential SMEs.