

## **Safran to acquire the Aerospace Power Distribution Management Solutions and Integrated Cockpit Solutions business of Eaton, reinforcing Safran's strategy over the electrical energy chain**

**Note to the media:** *A related release has been issued by Eaton.*

**Paris, January 20, 2014** - Safran (NYSE Euronext Paris: SAF) today announces the signature of a definitive agreement to acquire the Aerospace Power Distribution Management Solutions- and the Integrated Cockpit Solutions business of Eaton.

The acquisition of the Aerospace Power Distribution Management Solutions business brings key contactor and circuit breaker technologies to Safran. As the continuation of Safran's strategy addressing the market for "more electric aircraft", it reinforces Labinal Power Systems, which consolidates the group's electrical power activities.

The acquisition of the Integrated Cockpit Solutions business allows Safran to bolster Sagem's offering and North-American presence in avionics and flight controls, bringing recognized expertise in panels and displays, including illuminated switches and cockpit controls.

The business holds strong market positions in commercial (regional, short-to medium-haul, long-haul), business and military aviation. The business generated revenues of more than USD 100 million and EBITDA in excess of USD 14 million in 2013. Aerospace Power Distribution Management Solutions account for around 60% of the activity, and Integrated Cockpit Solutions around 40%. The aftermarket (spares) business should contribute approximately 25% of overall revenue. The business employs approximately 350 people at manufacturing facilities in Costa Mesa, California and Sarasota, Florida.

*"Further to Safran's decisive step into onboard power generation with the breakthrough acquisition of Goodrich Electrical Power Systems in 2013, Eaton Aerospace Group's electrical distribution activities are a key addition bringing us comprehensive expertise over the overall electrical energy chain. Labinal Power Systems, a new Safran entity formed at the beginning of the year, affirms its position as an essential player and a world leader in electrical power systems. In addition, the acquisition of the Cockpit Integration Solutions activities will reinforce Sagem's commercial presence in the US."* declared Jean-Paul Herteman, Chairman and Chief Executive Officer.

### **Terms of the transaction**

The cash consideration for the transaction amounts to USD 270 million (approximately EUR 200 million) of which an enterprise value of USD 224 million (approximately EUR 166 million) and future tax savings of USD 46 million (approximately EUR 34 million) arising from the amortization for tax purposes of goodwill and other intangible assets acquired.

The transaction, which is expected to close in the first half of 2014, is subject to Eaton Board approval, regulatory approvals and satisfaction of other customary closing conditions.

The Aerospace Power Distribution Management Solutions activities will be consolidated within the Aircraft Equipment business. The Integrated Cockpit Solutions activities will be consolidated within the Defence business.

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## UPCOMING EVENTS

FY 2013 results	February 20, 2014
Q1 2014 revenue	April 23, 2014
AGM	May 27, 2014

*Safran is a leading international high-technology group with three core businesses: Aerospace (propulsion and equipment), Defence and Security. Operating worldwide, the Group has 68,000 employees and generated sales of 10.5 billion euros in the first nine months of 2013. Working alone or in partnership, Safran holds world or European leadership positions in its core markets. The Group invests heavily in Research & Development to meet the requirements of changing markets, including expenditure equivalent to 12% of revenue. Safran is listed on NYSE Euronext Paris and is part of the CAC40 index.*

For more information, [www.safran-group.com](http://www.safran-group.com) / Follow @SAFRAN on Twitter

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