

## **Safran completes the acquisition of L-1 Identity Solutions Becomes world leader in biometric identity solutions**

**Paris, July 26, 2011**

After completing all required approval procedures, Safran (NYSE Euronext Paris: SAF) today announced that it has finalized the acquisition of L-1 Identity Solutions, Inc., a leading identity management solutions provider in the United States, for a total cash amount of \$1.09 billion (\$12 per share), which was originally announced in the press release on September 20, 2010. Following this transaction, Safran becomes the world leader in biometric identity solutions.

L-1's businesses (biometric and identity management solutions: access control, secure credentialing and enrollment services) generated sales exceeding USD 450 million in 2010. L-1's financial results will be included in Safran's consolidated financial statements, effective today.

L-1 will join Safran's existing security business, operating as Morpho, and will be renamed MorphoTrust. The new company will be partly managed as a proxy structure, thus providing appropriate protection for U.S. national security. Run-rate operating cost synergies are expected to represent approximately \$30 million per year, and are expected to be fully realized within 18 to 24 months after closing.

Assuming this acquisition had been completed in 2010, Safran's security business sales would have totalled Euro 1.4 billion in 2010, with a total of more than 7,200 employees of which 2 200 are in the United States.

Jean-Paul Herteman, Chairman and CEO of Safran, said: *"We are delighted to have finalized this transaction, which is perfectly aligned with the Group's development strategy in the security business. L-1 is a very impressive company, which has become a major player in the identification market in just a few years, especially in the United States. L-1 offers an excellent fit with our own security business, in terms of both technologies and geographic footprint, clearly enhancing our product offering and customer service in this dynamic sector, and consolidating our global leadership in the market for high-tech security solutions."*

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Safran will host today a conference call open to analysts and investors at 10:30 am CET which can be accessed at +33 1 70 77 09 35 from France, +44 203 367 9459 from the UK and +1 866 907 5924 from the US. A replay will be available at +33 1 72 00 15 00, +44 203 367 9460 and +1 877 642 3018 (access code 273951#).

The press release and presentation are available on the website at  
[www.safran-group.com](http://www.safran-group.com).

**Safran** is a leading international high-technology group with three core businesses: Aerospace (propulsion and equipment), Defence and Security. Operating worldwide, the Safran group has more than 54,000 employees and generated sales of 10.8 billion euros in 2010. 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 expenditures of 1.2 billion euros in 2010. Safran is listed on NYSE Euronext Paris and its share is part of the CAC Large 60 index.

For more information, [www.safran-group.com](http://www.safran-group.com)

**Morpho**, a high-technology company in the Safran group, is one of the world's leading suppliers of identification, detection and e-document solutions. Morpho is specialized in personal rights and flow management applications, in particular based on biometrics, a sector in which it is the world leader, as well as secure terminals and smart cards. Morpho's integrated systems and equipment are deployed worldwide and contribute to the safety and security of transportation, data, people and countries.

For more information: [www.morpho.com](http://www.morpho.com)

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**Press**

Catherine Malek +33 (0)1 40 60 80 28 [catherine.malek@safran.fr](mailto:catherine.malek@safran.fr)

**Investor Relations**

Pascal Bantegnie +33 (0)1 40 60 80 45 [pascal.bantegnie@safran.fr](mailto:pascal.bantegnie@safran.fr)  
Antoine-Pierre de Grammont +33 (0)1 40 60 80 47 [antoine-pierre.degrammont@safran.fr](mailto:antoine-pierre.degrammont@safran.fr)

Safran group  
2, bd du Général Martial Valin  
75724 Paris Cedex 15 - France