

## Success of Thales offer for Gemalto shares

- 85.58% of Gemalto shares have been tendered to the Offer
- All Offer Conditions are now satisfied or waived, making the Offer unconditional
- Settlement of tendered Shares will take place on 2 April 2019
- Remaining Shares can be tendered during the Post-Closing Acceptance Period which will start on Monday 1 April 2019 and end on Monday 15 April 2019
- Gemalto will be consolidated as of 1 April 2019 in Thales's financial statements

Reference is made to the joint press release by Thales (Euronext Paris: HO) and Gemalto (Euronext Amsterdam and Paris: GTO) dated 27 March 2018 in relation to the launch of the recommended all-cash offer by Thales for all the issued and outstanding shares of Gemalto (the **Offer**), the publication of the Offer Document, and the joint press release of Thales and Gemalto dated 14 March 2019 in relation to the Acceptance Closing Time.

Terms not defined in this press release will have the meaning set forth in the Offer Document.

Upon expiration of the Acceptance Period at 17:40 (CET) yesterday, approximately 85.58% of the Gemalto shares have been tendered to the Offer. As a result, all Offer Conditions described in the Offer Document have now been satisfied or waived. Thales and Gemalto are therefore pleased to announce that Thales declares the Offer unconditional (*doet gestand*).

*“The integration of Gemalto marks the start of a bold new chapter in the history of Thales. Together, Thales and Gemalto will have the ability to cover the digital needs of all clients, in civilian and defence businesses, across all Thales market segments, with a unique portfolio of advanced technologies in the fields of digital security and the Internet of Things.”*

**Patrice Caine, Chairman and Chief Executive Officer of Thales**

### Acceptance

During the Acceptance Period, that expired at 17:40 (CET) yesterday, 79,889,388 Shares (including Shares represented by American depositary shares) have been tendered to the Offer, representing approximately 85.58% of the aggregate issued and outstanding share capital of Gemalto (on a fully diluted basis), and an aggregate value of approximately EUR 4,074 million (for an Offer Price of EUR 51.00 (*cum dividend*) per Share).

### Settlement

In accordance with the Offer Document published on 27 March 2018, holders of Ordinary Shares who accepted the Offer will be paid an amount in cash of EUR 51.00 (the **Offer Price**) per Share and holders of ADS who accepted the Offer will be paid an amount in U.S. dollar corresponding to 50% of the Offer Price, or EUR 25.50 (the **ADS Offer Price**) per ADS, the U.S. dollar equivalent being calculated by Thales using the spot market exchange rate for the U.S. dollar against the euro published on Bloomberg at 12:00 p.m. New York time, on the day immediately prior to the date on which funds are received by American Stock Transfer & Trust

Co., LLC (the **ADS Tender Agent**), to pay the ADS Offer Price to the holders of all Tendered ADS.

Payment of the Offer Price and the ADS Offer Price will occur on 2 April 2019 (the **Settlement Date**). Thales currently does not hold any Shares. Following the Settlement of the Offer, Thales will hold 79,889,388 Shares, representing 85.58% of the issued and outstanding share capital of Gemalto (on a fully diluted basis).

### **Post-Closing Acceptance Period**

Thales hereby announces that Shareholders who have not tendered their Shares during the Acceptance Period will have the opportunity to tender their Shares under the same terms and conditions applicable to the Offer, in a Post-Closing Acceptance Period (*na-aanmeldingstermijn*) which will start at 09:00 (CET) on Monday 1 April 2019 and end at 17:40 (CET) on Monday 15 April 2019 (the **Post-Closing Acceptance Period**).

A notice of guaranteed delivery will not be an effective means of tendering ADS during the Post-Closing Acceptance Period and no notice of guaranteed delivery will be accepted following the Acceptance Closing Time. The Offer Price paid to ADS holders in the Post-Closing Acceptance Period shall be converted to U.S. dollars using the Applicable Exchange Rate. In all cases, fluctuations in the euro to the U.S. dollar exchange rate are at the risk of holders of Tendered ADS.

Thales will publicly announce the results of the Post-Closing Acceptance Period and the total number and total percentage of Shares held by it in accordance with Article 17, paragraph 4 of the Decree ultimately on the 3<sup>rd</sup> Dutch Business Day following the last day of the Post-Closing Acceptance Period.

Thales shall continue to accept for payment all Shares validly tendered (or defectively tendered, provided that such defect has been waived by Thales) during the Post-Closing Acceptance Period and shall pay for such Shares within 5 Business Day following the last day of the Post-Closing Acceptance Period.

During the Post-Closing Acceptance Period, Shareholders have no right to withdraw Shares from the Offer, regardless whether their Shares have been validly tendered (or defectively tendered, provided that such defect has been waived by Thales) during the Acceptance Period or the Post-Closing Acceptance Period.

### **Buy-Out**

If, following the settlement of the Shares tendered during the Post-Closing Acceptance Period, Thales and its Affiliates hold at least 95% of the issued ordinary share capital (*geplaatst gewoon aandelenkapitaal*) of Gemalto, Thales intends to commence (i) a compulsory acquisition procedure (*uitkoopprocedure*) in accordance with article 2:92a or 2:201a of the Dutch Civil Code, and/or (ii) a takeover buy-out procedure in accordance with article 2:359c of the Dutch Civil code in order to buy out the Shareholders who have not tendered their Shares.

**Delisting**

Thales and Gemalto intend to as soon as possible procure the delisting of the Shares from Euronext Amsterdam and Euronext Paris and terminate the listing agreement between Gemalto and Euronext. Gemalto also intends to terminate the Deposit Agreement effective as per the delisting of the Shares. These actions may adversely affect the liquidity and market value of any listed Shares not tendered. Reference is made to Section 6.13 (*Liquidity and Delisting*) and Section 6.14 (*Termination of the ADS Deposit Agreement*) of the Offer Document.

**Further implications of the Offer being declared unconditional**

Remaining Shareholders who do not wish to tender their Shares during the Post-Closing Acceptance Period should carefully review the sections of the Offer Document that further explain the intentions of Thales, such as (but not limited to) Sections 6.12 (*Intentions following the Offer being declared unconditional*) up to and including Section 6.15.5 (*Other measures*), which describe certain implications to which such Shareholders will be subject if the Offer is declared unconditional.

**Announcements**

Any further announcements in relation to the Offer will be issued by press release. Any joint press release issued by Thales and Gemalto will be made available on the websites of Thales ([www.thalesgroup.com](http://www.thalesgroup.com)) and Gemalto ([www.gemalto.com](http://www.gemalto.com)). Subject to any applicable requirements of the applicable rules and without limiting the manner in which Thales may choose to make any public announcement, Thales will have no obligation to make any public announcement other than as described above.

**Further information**

This announcement contains selected and condensed information regarding the Offer and does not replace the Offer Document and/or the Position Statement. The information in this announcement is not complete and additional information is contained in the Offer Document and the Position Statement.

Digital copies of the Offer Document and its French summary are available on the websites of Thales ([www.thalesgroup.com](http://www.thalesgroup.com)) and Gemalto ([www.gemalto.com](http://www.gemalto.com)). Such websites do not constitute a part of, and are not included or referred to in, the Offer Document. Copies of the Offer Document are also available free of charge from the 4 Agents listed below.

The Settlement Agent for Ordinary Shares:

**ING BANK N.V.**

Address: Bijlmerplein 888, 1102 MG Amsterdam, The Netherlands

Telephone: +31 20 56 36 619

E-mail: [iss.pas@ing.nl](mailto:iss.pas@ing.nl)

The ADS Tender Agent:

**AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC**

Address: 6201 15th Avenue, Brooklyn, New York, 11219, United States

Telephone: +1 (877) 248 6417

E-mail: dapisa@astfinancial.com

The Information Agent for Ordinary Shares:

**IPREO**

Address: 10, rue du Colisée, 75008 Paris, France

Telephone: +33 (0)1 79 73 12 12

E-mail: Thales-Gemalto@ipreo.com

The U.S. Information Agent for ADS:

**D.F. KING & CO., INC**

Address: 48 Wall Street, 22nd Floor, New York, New York, 10005, United States

Telephone: +1 (877) 536 1556

Email: GTO@dfking.com

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*This is a joint press release by Thales and Gemalto pursuant to Section 16, paragraph 1 and 2, Section 17, paragraph 1 of the Dutch decree on public takeover bids (Besluit openbare biedingen Wft) in connection with the recommended all-cash offer by Thales for all the issued and outstanding shares in the capital of Gemalto, including all American depositary shares (ADS). This announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in Gemalto. Any offer is only made by means of the Offer Document dated 27 March 2018, which is available on the website of Thales at [www.thalesgroup.com/en/investors](http://www.thalesgroup.com/en/investors) and on the website of Gemalto at [www.gemalto.com/investors](http://www.gemalto.com/investors).*

## About Thales

The people we all rely on to make the world go round – they rely on Thales. Our customers come to us with big ambitions: to make life better, to keep us safer.

Combining a unique diversity of expertise, talents and cultures, our architects design and deliver extraordinary high technology solutions. Solutions that make tomorrow possible, today. From the bottom of the oceans to the depth of space and cyberspace, we help our customers think smarter and act faster - mastering ever greater complexity and every decisive moment along the way.

With 66,000 employees in 56 countries, Thales reported sales of €15.9 billion in 2018.

[www.thalesgroup.com](http://www.thalesgroup.com)

## About Gemalto

Gemalto is the global leader in digital security, with 2017 annual revenues of €3 billion and customers in over 180 countries. We bring trust to an increasingly connected world.

From secure software to biometrics and encryption, our technologies and services enable businesses and governments to authenticate identities and protect data so they stay safe and enable services in personal devices, connected objects, the cloud and in between.

Gemalto's solutions are at the heart of modern life, from payment to enterprise security and the internet of things. We authenticate people, transactions and objects, encrypt data and create value for software – enabling our clients to deliver secure digital services for billions of individuals and things.

Our 15,000 employees operate out of 112 offices, 43 personalization and data centers, and 30 research and software development centers located in 48 countries.

[www.gemalto.com](http://www.gemalto.com)

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**Notice to U.S. holders of Gemalto Shares**

The Offer is made for the securities of Gemalto, a public limited liability company incorporated under Dutch Law, and is subject to Dutch disclosure and procedural requirements, which are different from those of the United States of America. The Offer is made in the United States of America in compliance with Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), and the applicable rules and regulations promulgated thereunder, including Regulation 14E (subject to any exemptions or relief therefrom, if applicable) and otherwise in accordance with the requirements of Dutch law. Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to the Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and laws.

The receipt of cash pursuant to the Offer by a U.S. holder of Gemalto Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Gemalto shares is urged to consult his independent professional advisor immediately regarding the tax consequences of accepting the Offer.

To the extent permissible under applicable laws and regulations, including Rule 14e-5 under the U.S. Exchange Act, and in accordance with normal Dutch practice, Thales and its affiliates or its broker and its broker's affiliates (acting as agents or on behalf of Thales or its affiliates, as applicable) may from time to time after the date of the joint press release by Thales and Gemalto dated 17 December 2017, and other than pursuant to the Offer, directly or indirectly purchase, or arrange to purchase Shares or any securities that are convertible into, exchangeable for or exercisable for such Shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In no event will any such purchases be made for a price per Share that is greater than the Offer Price. To the extent information about such purchases or arrangements to purchase is made public in The Netherlands, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of Gemalto of such information. No purchases will be made outside of the Offer in the United States of America by or on behalf of the Thales or its affiliates. In addition, the financial advisors to Thales may also engage in ordinary course trading activities in securities of Gemalto, which may include purchases or arrangements to purchase such securities. To the extent required in The Netherlands, any information about such purchases will be announced by press release in accordance with Section 5 paragraph 4 or Section 13 of the Dutch decree on public takeover bids (*Besluit openbare biedingen Wft*) and posted on the website of Thales at [www.thalesgroup.com](http://www.thalesgroup.com).

**Restrictions**

The distribution of this press release may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, Thales and Gemalto disclaim any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Neither Thales, nor Gemalto, nor any of their advisors assumes any responsibility for any violation by any of these restrictions. Any Gemalto shareholder who is in any doubt as to his position should consult an appropriate professional advisor without delay.

**Forward Looking Statements**

This press release may include "forward-looking statements" and language indicating trends, such as the words "anticipate", "expect", "approximate", "believe", "could", "should", "will", "intend", "may", "potential" and other similar expressions. These forward-looking statements are only based upon currently available information and speak only as of the date of this press release. Such forward-looking statements are based upon management's current expectations and are subject to a significant business, economic and competitive risks, uncertainties and contingencies, many of which are unknown and many of which Thales and Gemalto are unable to predict or control. Such factors may cause Thales and/or Gemalto's actual results, performance or plans with respect to the transaction between Thales and Gemalto to differ materially from any future results, performance or plans expressed or implied by such forward-looking statements. Neither Thales nor Gemalto, nor any of their advisors accepts any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.