THALES

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Thales forges ahead in digital technologies

- €1 billion invested in digital in three years
- Launch of high-tech Digital Factory, digital technologies competence centre
- Cybersecurity lead for STATION F, the world's largest startup campus

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In the last three years, Thales has invested over €1 billion in key digital technologies and today announces the launch of its high-tech Digital Factory to accelerate the digital transformation of Thales and its customers. Thales is committed to accelerating the digital transformation across all areas of advanced technology, enabling its customers to make the right decisions in real time. The Group has also signed a strategic cybersecurity partnership with STATION F, the world's largest startup campus, located in Paris.

In today's rapidly changing world, the digital revolution is creating new opportunities for governments and businesses, which also face huge challenges. Thales supports them by offering high-level expertise in four key digital technologies: Internet of Things/connectivity, big data, artificial intelligence and cybersecurity.

In the last three years, Thales has invested over €1 billion in these key technologies, which play a crucial role in enabling airlines, satellite operators, air traffic control organisations, urban and mainline rail operators, the armed forces and security services responsible for protecting urban infrastructure and energy supplies to make the right decisions in real time. These investments include a number of strategic acquisitions devoted to self-funded research and disruptive digital innovation.

Creation of a Digital Factory

Thales today announces the creation of its Digital Factory to accelerate its digital transformation and that of all customers. This new structure is a fully-fledged digital platform for industry-focused services and will bring together the best experts in key digital technologies to serve Thales's customers on its five core markets: aerospace, space, ground transportation, defence and security. Some 150 world-class experts will be recruited internally and externally by 2018. To finance this new initiative, Thales will invest €150 million over three years.

Patrice Caine, Chairman & CEO of Thales: "*Representing an unparalleled spectrum of internal and external expertise, Thales wishes to capture the innovative potential of this new ecosystem for the benefits of its teams and customers*".

The Digital Factory will be located in Paris, in direct proximity to the capital's digital ecosystem, and will ultimately be part of an expanded network in the United Kingdom, the United States, Canada and Asia to create closer integration and synergies with the ecosystems that are guiding and shaping innovation globally. It will also host an incubator for internal and external startups as well as a digital academy to promote digital culture across the Thales organisation.

Cybersecurity expertise for STATION F

In addition, Thales has been selected by STATION F, the world's largest startup campus, that due to open the 1st of July in Paris at the initiative of French internet entrepreneur Xavier Niel, to manage its cybersecurity programme. Thales's mission is to accelerate the development of an initial 20 startups by providing advice, technical expertise and access to its technology platforms in order to co-develop the most innovative solutions with applications in the Group's markets.

Xavier Niel, founder of STATION F : *"Cybersecurity is a key sector for startups today. We are very happy to welcome Thalès on campus to host a dedicated cybersecurity program, especially as they are one of the world's leading experts in the field and have a strong dedication to the startup ecosystem."*

Patrice Caine, Chairman & CEO of Thales: *"Thales is one of the first high-tech companies to bring together world-class digital experts on a single platform in order to develop disruptive innovations on its five core markets. This is also why Thales is joining STATION F, the largest startup incubator in the world, where we will provide expertise in cybersecurity — a prerequisite for any digital transformation."*

With 25,000 engineers working in R&D, 80% of them in digital environments, Thales is already a major digital player in each of its core markets: aerospace, space, ground transportation, defence and security.

About Thales

Thales is a global technology leader for the Aerospace, Transport, Defence and Security markets. With 64,000 employees in 56 countries, Thales reported sales of €14.9 billion in 2016. With over 23,000 engineers and researchers, Thales has a unique capability to design and deploy equipment, systems and services to meet the most complex security requirements. Its unique international footprint allows it to work closely with its customers all over the world.

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