



Thales launches a friendly takeover bid for CMT Medical Technologies Ltd.

Neuilly-sur-Seine, 18 December 2008 - Thales has filed administrative documents with the French market authority AMF with a view to acquiring all the issued capital of CMT Medical Technologies Ltd. (Euronext Paris: CMD). Under the terms of the offer, CMT shareholders would receive €5.65 in cash for each CMT share, valuing the company at approximately €21.5 million on a diluted basis. Such offer is recommended by the board of CMT Medical Technologies Ltd.

Headquartered in Yoqneam, Israel, CMT is a major supplier of imaging products to medical equipment OEMs, mainly in Asia and the United States. The company generated approximately \$22 million in revenues in 2007.

The acquisition of CMT is part of Thales's growth strategy in the market for medical imaging solutions as a critical partner to OEM providers. The Israeli company would complement Thales's medical detectors offering, in particular by adding capabilities in clinical image processing and by inducing easy integration into medical X-Ray equipment. Thales values CMT's management and employees, providing proven and state-of-the-art digital imaging solutions, complementary to Thales's expertise. Thales intends to leverage Yoqneam facility, in parallel to its existing facilities in Moirans and Shanghai, for the benefit of its customers.

"The acquisition of CMT will enable us to combine the capabilities of both our companies to provide our OEM customers with an expanded range of medical imaging products. The operation confirms our investment strategy in fast-growing markets," said Olivier Houssin, Thales's Executive Vice President, in charge of Security and Services.

This Offer and the draft offer memorandum are still subject to review by the French *Autorité des marchés financiers* (AMF). A press release describing the characteristics of the Offer is published simultaneously.

About Thales

Thales is a leading international electronics and systems group, addressing defence, aerospace and security markets worldwide. Thales's leading-edge technology is supported by 22,000 R&D engineers who offer a capability unmatched in Europe to develop and deploy field-proven mission-critical information systems. To this end, the group's civil and military businesses develop in parallel and share a common base of technologies to serve a single objective: the security of people, property and nations. The group builds its growth on its unique multi-domestic strategy based on trusted partnerships with national customers and market players, while leveraging its global expertise to support local technology and industrial development. Thales employs 68,000 people in 50 countries with 2007 revenues of €12.3 billion.

Press contacts:

Caroline Philips
Thales, Corporate Communications
Tel: + 33 1 57 77 86 26
caroline.philips@thalesgroup.com

NEWS

DIRECTION DE LA COMMUNICATION | CORPORATE COMMUNICATIONS