

Paris La Défense, 25 October 2017

Thales: arbitral award in a commercial dispute

Thales (Euronext Paris: HO) has taken note of the arbitral award notified on 25 October 2017 in relation to a commercial dispute, described in the note on legal risks contained in its registration document (page 94), between the Republic of China and a group of three French industrial companies, which includes Thales Systèmes Aéroportés, a subsidiary of Thales.

This award, concerning a contract signed in 1992, leads to financial findings against the companies.

The total amount of the award, including interests, is 227 million Euros. The share to be paid by Thales Systèmes Aéroportés amounts to 64 million Euros.

As a result, Thales will book a charge in its 31 December 2017 financial statements, with no impact on EBIT or adjusted net income for the year.

The industrial companies are considering the steps to be taken following this decision.

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 32,000 engineers and researchers, Thales has a unique capability to design and deploy equipment, systems and services to meet the most complex security requirements. Its exceptional international footprint allows it to work closely with its customers all over the world.

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