
Airbus Group To Sell Defence Electronics To KKR for € 1.1bn

Amsterdam, 18 March 2016 – Airbus Group SE (stock exchange symbol: AIR) has reached agreement with KKR, a leading global investment firm, to sell its defence electronics business (Defence Electronics), a leading global provider of mission-critical sensors, integrated systems and services for premium defence and security applications based in Ulm, Germany.

This is a significant step forward in the portfolio reorganisation announced by the Airbus Defence and Space Division in September 2014. The transaction is expected to close in the first quarter of next year and is subject to customary closing conditions, including regulatory approvals and employee consultation.

Bernhard Gerwert, Chief Executive Officer of Airbus Defence and Space, said: “This is an excellent outcome for our Orlando process which aimed at repositioning Defence Electronics for the future with an excellent outcome for all stakeholders. Defence Electronics is a strong, profitable business with significant growth potential and we are convinced that KKR and the Defence Electronics management team and employees will continue to strongly develop the business going forward.”

KKR has valued the defence electronics business at an enterprise value of approximately € 1.1bn. Airbus Group may maintain a minority stake to ensure a smooth and seamless transition for the business, its employees and partners.

Johannes Huth, Member and Head of KKR Europe, Middle East and Africa, said: “We are delighted to have been chosen as the best partner for the defence electronics business. KKR will support the growth and development of the company with its financial resources, international network, long-standing expertise in the global industrial sector and its extensive experience building successful industrial companies in Germany, such as MTU Aero Engines, Demag Cranes and Kion.”

Defence Electronics includes around 4,000 employees worldwide, with annual revenues of around € 1 bn. The perimeter of the new company comprises military sensors, electronic warfare, avionics and optronics. Since January 2016, the unit has operated under the management team as one business within Airbus Defence and Space.

About Airbus Group

Airbus Group is a global leader in aeronautics, space and related services. In 2015, the Group – comprising Airbus, Airbus Defence and Space and Airbus Helicopters – generated revenues of € 64.5 billion and employed a workforce of around 136,600.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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