



iPrecision Systems for Critical Operations

Orolia announces strategic acquisition of Kannad, a world leader in positioning systems for extreme environments

Paris, July 29th 2009 – Orolia SA (NYSE Alternext Paris - FR0010501015 - ALORO), group specialized in high-precision timing, positioning and synchronization electronics systems, announced today the signing of an agreement with Airtek Capital Group to acquire Kannad SAS, a key global supplier of maritime, aeronautical and land-based distress positioning beacons. Headquartered in Guidel, France, Kannad is a market leader in positioning systems for severe environments and with pro-forma sales of 17.7 M€ in 2008 (excluding the scientific instrumentation business divested in late 2008), it is one of the world's largest providers of COSPAS-SARSAT locator beacons.

As an integral part of Orolia's overall strategy, this acquisition establishes a strong beachhead in a growth market segment adjacent to its core time & frequency businesses. Together with these operations and worldwide presence, this transaction advances Orolia's ambition to build a strong industry leadership position in positioning, navigation and timing for critical operations and clearly confirms its niche markets consolidation strategy.

Jean-Yves Courtois, Chairman and CEO of the Orolia Group, said "For many years, we have been providing our customers with systems to deliver and control the time and frequency information required by their vital applications, at any time and under any circumstances. In today's world where traceability is critical and expansion of geolocation services is prolific, it appeared natural to strengthen our product portfolio with solutions that allow our customers to track in real time and in any environment the position of their key assets. Thus, we have decided to extend our "Timing" expertise to the global Positioning, Navigation, Timing (PNT) segment that is closely linked to Global Navigation Satellite Systems where Orolia is already a renowned player". Courtois added, "Given the formative stage of markets for time and location applications and our focus on high-end, niche markets, we believe the 'Search & Rescue' sector is a particularly attractive area to advance this mission. The acquisition of Kannad, which has both a strong brand and business in this field, is for us a great opportunity to enter this market in a favorable position and expand new business as the PNT market structure solidifies".

Jean-Pierre Bardon, CEO of Kannad, declared: "Joining the Orolia Group will provide Kannad with an ideal environment to deploy its development strategy: an established international presence in many key countries, a mid-term industrial vision, a strong financial structure and a real know-how in terms of acquisition and integration processes. Thanks to this strengthening of our positions, we now expect to be in a position to seize rapidly consolidation and strategic partnerships opportunities."



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The transaction valued at 10 M€ entirely paid in Orolia shares is expected to be closed in September 2009. It will be immediately accretive and will have a positive contribution to the cash flow of the Group.

About Kannad

The French Company KANNAD specializes in the design of positioning systems for hostile environment. For over 20 years, KANNAD has been one of the world leaders in distress beacons for marine, aviation and land applications. KANNAD has gained strong positions on niche markets such as tracking by satellite (fleet or individuals) thanks to its technical and marketing know-how. Headquartered in Guidel, Brittany, the company employs more than 60 persons mainly dedicated to Research and Development, Marketing and Sales activities as well as Customer Support. KANNAD has built a strong international network with distributors and service stations in more than 60 countries.

For more information, visit www.kannad.com

About Orolia

Orolia is a high-technology group specialized in precise timing, positioning and synchronization. Orolia provides high-precision electronics equipments that help determine the 'where and when' of people, objects or events in large and growing markets such as Defense & Security, Space & Navigation and Telecom & Broadcasting. High-precision timing, positioning and synchronization solutions are vital for satellites navigation systems, space exploration and military operations. They are also required for day life applications in public safety with synchronizing call taking, dispatching and operations between police, fire, and Emergency Medical Services, or in telecommunications for wireless telecom networks or Digital Terrestrial Broadcasting or mobile TV. In addition, the measurement and analysis of time and frequency signals is critical to organizations as diverse as telecom operators, metrology, laboratories, R&D centers, or armies all around the world. The Orolia group deploys its systems worldwide through four companies: Pendulum Instruments, Spectracom, SpectraTime and T4Science. The group has committed to an organic growth strategy boosted by acquisitions. Orolia's headquarters are located in Les Ulis, (France). The company also has main offices in Neuchâtel (Switzerland), Stockholm (Sweden), and Rochester (New York), Basingstoke (UK).

For more information, visit www.orolia.com

Contact Press:

Amélie Rabisse, Groupe Orolia,

Tél. +33(0)4.92.90.70.42,

amelie.rabisse@orolia.com