
Project of partnership with Faurecia

Parrot announces that it has entered into exclusive discussions in relation to a project of partnership between its subsidiary, Parrot Automotive, and Faurecia, one of the world's leading automotive equipment suppliers. This partnership would provide the best conditions to develop connected vehicles of the highest quality and benefit from Faurecia's industrial power and complementary expertise.

On December 6, 2016, Faurecia submitted an offer for a strategic and capital partnership relating to Parrot Automotive, on the basis of which Parrot accepted to enter into exclusive negotiations.

Initially, Faurecia would subscribe to a share capital increase in Parrot Automotive, which would grant Faurecia a 20% shareholding, based on an enterprise value of Parrot Automotive of EUR 100 million. The proceeds from the share capital increase would be used for the company's business and in particular to strengthen the R&D and pursue joint strategic development.

Faurecia would simultaneously subscribe to a bond issued by Parrot SA. This bond, with a maturity of 5 years, could be converted into existing Parrot Automotive shares as from the year 2019. In the event that such conversion into Parrot Automotive shares were to be exercised, Faurecia's shareholding would increase to 50.01% of the share capital of the Parrot group's automotive subsidiary.

In addition, at the initiative of either party – by means of a mechanism of put and call options – by 2022, Faurecia could hold the entire share capital of Parrot Automotive, on the basis of the economic value of the company at the time when the options are exercised.

This project will be subject to the information and consultation of Parrot group's employee representative bodies. If it were to materialize, its completion would take place during the first quarter of 2017.

This project would be the outcome of the actions undertaken by Parrot at the beginning of 2015 in order to grant the OEM Automotive business the best potential for development.

"The partnership between Parrot Automotive and Faurecia would create a leading player in the connected vehicle industry. Together our strengths would be further multiplied in order to serve our existing customers and attract new customers. It could be the culmination of our efforts to develop our automotive businesses on a broader scale and could constitute a strong recognition of the quality of our technologies and our position within the infotainment market", adds Henri Seydoux, Parrot's Chairman, CEO and main shareholder.

ABOUT PARROT

Founded in 1994 by Henri Seydoux, Parrot creates, develops and markets advanced technology wireless products for consumers and professionals. The company builds on a common technological expertise to innovate and develop in three primary markets:

- Civil drones: With recreational drones and solutions for professional use.
- Automotive: With the most extensive range of hands-free communication and infotainment systems for vehicles on the market.
- Connected objects: With a focus on audio and gardening.

Headquartered in Paris, Parrot currently employs more than 1,000 people worldwide and generates the majority of its sales overseas. Parrot has been listed on Euronext Paris since 2006. (FR0004038263 – PARRO). For more information: www.parrot.com

PARROT CONTACTS

Investors, analysts, financial media

Marie Calleux - T.: +33(0) 1 48 03 60 60
parrot@calyptus.net

Tech and consumer media

Vanessa Loury - T.: +33(0) 1 48 03 60 60
vanessa.loury@parrot.com