

Leidos to acquire L3Harris Technologies' Security Detection and Automation businesses

February 4, 2020

Reston, Va., Feb. 4, 2020 - Leidos Holdings, Inc. (NYSE: LDOS) ("Leidos"), a FORTUNE® 500 science and technology leader, today announced that it has entered into a definitive agreement to acquire L3Harris Technologies' (NYSE: LHX) ("L3Harris") Security Detection and Automation businesses, for \$1 billion in cash. The Boards of Directors of both companies unanimously approved the transaction.

L3Harris' Security Detection and Automation businesses provide airport and critical infrastructure screening products, automated tray return systems and other industrial automation products. With headquarters in Tewksbury, Mass. and Luton, England, the combined businesses have 1,200 employees and a global sales and services operations footprint with more than 20,000 systems deployed world-wide across more than 100 countries. The businesses serve customers in the aviation, transportation, government and critical infrastructure markets.

"The acquisition of these businesses will help accelerate our growth and innovation and enable us to offer the market a comprehensive security platform," said Leidos Chairman and CEO Roger Krone. "The businesses further our commitment to a diversified revenue stream, by expanding our customer penetration into 75 additional countries. This transaction is projected to be immediately accretive to revenue growth, EBITDA margins, and non-GAAP EPS upon closing."

Krone continued, "This powerful portfolio of technology and the outstanding team of employees that support it complement the Leidos team well. The work this team performs is vital to securing so many important locations – where passengers count on equipment reliability and efficiency to keep them safe. This mission is consistent with our company's goal of making the world safer, healthier and more efficient. Together, we will advance our strategy of helping secure some of the world's most critical infrastructure and the individuals who travel through it. I look forward to welcoming these L3Harris employees to Leidos and working together to continue our important work."

Link to original press release:

<https://www.leidos.com/insights/leidos-acquire-l3harris-technologies-security-detection-and-automation-businesses>