

Kongsberg Maritime Sells its Underwater Technology Company Hydroid



Kongsberg Maritime AS has signed an agreement to sell its underwater technology company Hydroid, Inc. for USD 350 million to Huntington Ingalls Industries (HII), the largest supplier of vessels to the US Navy. The agreement provides that, as of closing, the parties will enter into a strategic alliance agreement concerning underwater technology and maritime solutions.

Kongsberg Maritime acquired Hydroid for USD 80 million in 2007 and is now selling this US subsidiary for USD 350 million on a debt-free and cash-free basis and as adjusted off an agreed-upon working capital. "Kongsberg Maritime has driven technology development and created considerable value during the 12 years it has owned Hydroid, and we are capitalizing on this now. We have positioned Hydroid as a leading supplier of small and

medium-sized autonomous underwater vessels in the market. We now look forward to working together with HII on new, maritime solutions and, at the same time, strengthening our world-leading underwater environment in Horten," says Geir Håøy, President and CEO of the KONGSBERG Group.

Sensor and Sonar Technology and Hydroacoustics

Kongsberg Maritime delivers globally sensor and sonar technology and hydroacoustics from Horten in Norway. According to the agreement, the parties will enter into a strategic alliance. It will combine the two companies' complementary experience, expertise and technology. The aim of the agreement is to strengthen both parties' abilities to sell their products and solutions to both US and global customers in the underwater segments.

"Kongsberg Maritime will continue to aggressively develop technology, including that related to our underwater expertise. We are the global leader in civilian-sector maritime technology, while HII is the world's largest supplier of navy vessels. This alliance will allow a wider range of our maritime solutions for both naval and civilian usage in the United States and the rest of the world," says Egil Haugsdal, President of Kongsberg Maritime.

Hydroid, Inc. is a wholly-owned indirect subsidiary of Kongsberg Maritime AS and has its head office in Pocasset, Massachusetts in the USA. Hydroid builds autonomous underwater vessels and sells them to military and commercial markets, with the US Navy as its biggest customer. The transaction is expected to be completed in Q1 2020 and is subject to customary closing conditions, such as approval by the relevant authorities.