Securitas agrees to acquire Kratos Public Safety and Security division

Securitas has agreed to acquire the division Kratos Public Safety and Security from Kratos Defense & Security Solutions, Inc. (NASDAQ:KTOS). The purchase price is approximately MSEK 550 (MUSD 69) on a cash and debt-free basis. The acquisition is expected to be neutral to Securitas earnings per share in 2018 and 2019, and accretive as of 2020.

Kratos Public Safety and Security (KPSS) is ranked as a top 10 system integrator in the United States. The operation has annual sales of approximately MSEK 1 100 (MUSD 135) and includes 400 employees. The primary focus is electronic security projects for commercial customers with special expertise in transportation, petrochemical, healthcare, and education vertical markets. The business provides design, engineering, installation and service of advanced integrated security technology and systems. KPSS has a wide breadth of capabilities including access, video, intrusion, and fire solutions supported by on-going maintenance, inspections, and monitoring services.

KPSS, which is to be combined with Securitas Electronic Security, Inc., aligns well with Securitas Electronic Security’s current operations and strategic focus. The acquisition will expand Securitas’ electronic security platform in the United States by strengthening field operation capabilities and adding local branch infrastructure with highly skilled employees. It supports Securitas’ strategy of providing protective services across the entire Securitas North American customer base, and brings increased value to our customers.

“This acquisition supports Securitas’ global strategy and strengthens our position as the global knowledge leader in protective services,” says Alf Göransson, President and CEO Securitas AB. “The market dynamics in the United States are strong and Securitas is growing faster than the US security market. The marketplace is rewarding Securitas’ focus on offering a complete range of protective services that includes on-site, mobile and remote guarding, electronic security, fire and safety, and corporate risk management. This acquisition will further strengthen our position as the leader in protective services in the United States,” says Santiago Galaz, Divisional President Securitas Security Services North America.

Closing of the acquisition is subject to regulatory approval, and is expected during second quarter of 2018, from which point it will be consolidated in Securitas.
This press release is also available at: www.securitas.com

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SPECIAL NOTE: Please refer to Kratos Defense & Security Solutions press release also issued today, for related information.