



PRESS RELEASE

Stockholm, October 24, 2016
Enea (NASDAQ OMX Nordic: ENEA)

Enea acquires Network Intelligence software specialist Qosmos

Strengthening the capabilities to address next generation virtualized networks

STOCKHOLM, Sweden, October 24, 2016. Enea has signed an agreement to acquire Qosmos, a privately held company with leading positions in IP traffic classification and network intelligence. The total consideration amounts to approximately 52.7 MEUR and will be financed through cash and bank loans. Qosmos is headquartered in Paris and is estimated to generate sales of approximately 14.2 MEUR in 2016.

Closing of the transaction is subject to approvals from French government authorities and is expected to be completed beginning December 2016.

"I am proud to announce this highly complementary acquisition, which provides a significant and attractive extension of our portfolio. The combination of our companies will benefit the joint customer base, open up new market segments, and accelerate Enea's growth going forward while maintaining a healthy profit margin" says Anders Lidbeck, President and CEO of Enea.

Qosmos is a supplier of Network Intelligence software based on Deep Packet Inspection ("DPI") and commands a dominating share of its market. The company's software provides detailed real-time traffic visibility, which is a critical component for applications such as mobile traffic management, cyber security, and network analytics. More than 100 telecom networks worldwide use solutions powered by Qosmos.

Network intelligence and IP traffic classification will also play a central role in next generation virtualized network nodes and functions. As an example, Qosmos has successfully shown how telecom operators can leverage real-time traffic classification to automatically create any type of service combination in an open, virtualized architecture. Together, Enea and Qosmos are building a stronger offering in the area of Software Defined Networking (SDN) and Network Function Virtualization (NFV).

"I am very happy to join forces with Enea, a larger and well-established organization with a strong reputation in our adjacent markets," says Thibaut Bechetoille, CEO of Qosmos. "In the new virtualized networks, application awareness is key for operators to deliver new, more personalized,



and more secure services to their customers. The combined entity is well positioned to deliver products and services in this significant industry transition.”

Key figures and facts regarding Qosmos

Qosmos is a leading software supplier in the market for IP traffic classification and network intelligence technology. The company supplies software to vendors who embed real-time application visibility in their products for traffic optimization, service chaining, quality of service, analytics, cyber security and more.

- 90 employees
- Founded in 2000 and a leader in the network intelligence software market since 2006
- Headquartered in Paris, regional offices in Silicon Valley and Singapore
- Revenues: 14.2 MEUR in 2016 (est.)
- Main product: ixEngine, the market’s most deployed DPI engine
- Customer types: vendors in the telecom, networking and security industries

Qosmos is a privately held company backed by venture capital firms Alven Capital and Draper Esprit, the GfK Group, one of the world’s largest market research companies, and the public investment bank, Bpifrance.

For more information about Qosmos, see www.qosmos.com

Further financial information

Of the total purchase price of approximately 52.7 MEUR, approximately 16.3 MEUR is related to net cash and cash equivalents, leaving approximately 36.4 MEUR as the enterprise value. The acquisition will be financed by cash-on-hand and a 165 MSEK bank loan. The parties have agreed that 10.0 MEUR of the purchase price is a deferred payment to be paid 24 months after closing.

For 2017, Enea estimates that the acquisition will be EPS positive, while slightly dilutive to the EBIT margin.

Pending government approval, the acquisition is estimated to close and be consolidated into Enea Group accounts beginning of December 2016, and hence, will have limited effect on revenue and earnings for the full year 2016.



Webinar

Investors, financial analysts, and press are invited to attend a webinar where Anders Lidbeck, President and CEO of Enea will present the acquisition and answer questions.

Time: Monday October 24 at 10:00 am CEST.

Link: <https://wonderland.videosync.fi/enea-press-conference>

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About Enea

Enea is a global supplier of network software platforms and world class services, with a vision of helping customers develop amazing functions in a connected society. We are committed to working together with customers and leading hardware vendors as a key contributor in the open source community, developing and hardening optimal software solutions. Every day, more than three billion people around the globe rely on our technologies in a wide range of applications in multiple verticals – from Telecom and Automotive, to Medical and Avionics. We have offices in Europe, North America and Asia, and are listed on Nasdaq Stockholm. Discover more at www.enea.com and start a conversation at info@enea.com.

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