

Building *THROUGH PEOPLE, PROCESS & PERFORMANCE* Value



Comecer S.p.A. Acquisition

ATS AUTOMATION | TSX:ATA

Forward Looking Statements & Non-IFRS Measures



This presentation and the oral statements made during this meeting contain certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of ATS, or developments in ATS's business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. ATS cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements relate to, among other things: the sources of funding for the acquisition; the purchase price and expected timing of the closing of the transaction and adjustments and conditions in relation thereto; expectations relating to Comecer revenue and EBITDA margin; strategic rationale and expectations relating to capabilities, segment penetration and industry growth; types of agreements and clients; growth drivers and revenue synergies; proforma leverage; expectations relating growth and margins; financial metrics, including, ATS' earnings per share, and return on invested capital associated with this investment; markets, industries and product offering; expectations regarding deployment of the ATS Business Model; growth and financial profile; earnings and return metrics. The risks and uncertainties that may affect forward-looking statements include, among others: impact of the global economy and general market performance including capital market conditions and availability and cost of credit; performance of the market sectors that Comecer and ATS serve; foreign currency and exchange risk; the relative strength of the Canadian dollar; impact of factors such as increased pricing pressure and possible margin compression; the regulatory and tax environment; failure or delays associated with new customer programs; that the deployment of the ATS Business Model is not completed as quickly or effectively as planned or expected and, as a result, anticipated benefits, enhancements and synergies are not realized; that Comecer's business does not perform as expected, negatively impacting revenue and EBITDA margin, leverage, ATS earnings per share and return on invested capital and other financial metrics; inability to close the acquisition, or delays in closing it, resulting from failure or delays in relation to satisfying conditions of closing or other unanticipated factors; that one or more customers, or other persons with which Comecer has contracted, experience insolvency or bankruptcy with resulting delays, costs or losses; political, labour or supplier disruptions; imposition of new duties, tariffs or other legal barriers that impact Comecer's markets; that targeted industries are not as attractive or do not grow as anticipated, resulting in lower than expected revenue growth and margins; risks relating to legal proceedings to which Comecer and/or ATS is or may become a party; exposure to product liability claims; risks associated with greater than anticipated tax liabilities or expenses; and other risks detailed from time to time in ATS's filings with Canadian provincial securities regulators. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and other than as required by applicable securities laws, ATS does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Non-IFRS Measures: This presentation uses the non-IFRS measures EBITDA, adjusted EPS, and ROIC. These terms do not have any standardized meanings prescribed within IFRS and therefore may not be comparable to similar measures presented by other companies. These measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA is defined as earnings from operations excluding depreciation and amortization (which includes amortization of intangible assets). EBITDA is used by the Company to evaluate the performance of operations. Management believes that EBITDA is an important indicator of ability to generate operating cash flows to fund continued investment in operations. Adjusted EPS, or adjusted earnings per share, is defined as adjusted net income on a per share basis, where adjusted net income is defined as adjusted earnings from operations less net finance costs and income tax expense, plus tax effects of adjustment items. Management believes that ATS shareholders and potential investors in ATS use this non-IFRS financial measure in making investment decisions and measuring operational results. ROIC, or return on invested capital associated with this investment, as used herein, means in respect of any fiscal year, the net income of Comecer in such fiscal year, divided by the purchase price for the acquisition. ROIC, as used herein, is used by ATS to evaluate the efficiency of the allocation of ATS' capital.

Comecer At A Glance



Business Overview

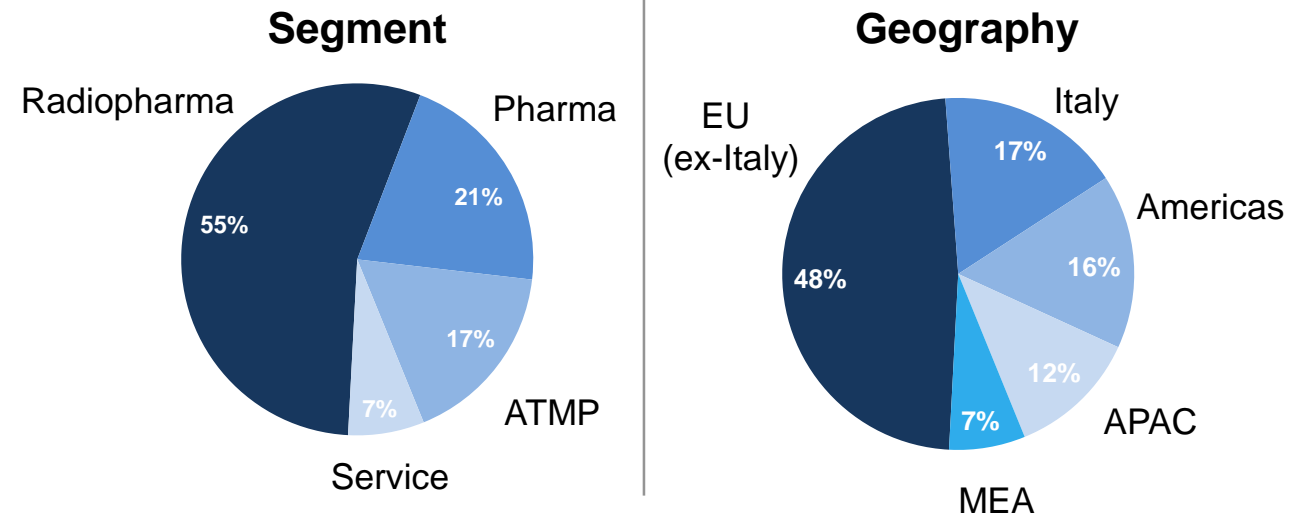
- Leading manufacturer of isolators, hot cells, incubation modules, and associated equipment for the aseptic production and packaging of radioactive drugs, highly potent active pharmaceutical ingredients (HPAPIs), and regenerative medicine
- HQ in Castel-Bolognese, Italy
- Production in Italy and the Netherlands with additional sales offices in Europe, Asia and North America
- Strong focus on R&D and innovation
- 320 employees
- Financials: est. 2018 revenues of €67 million with low double-digit EBITDA margins



Segment Overview

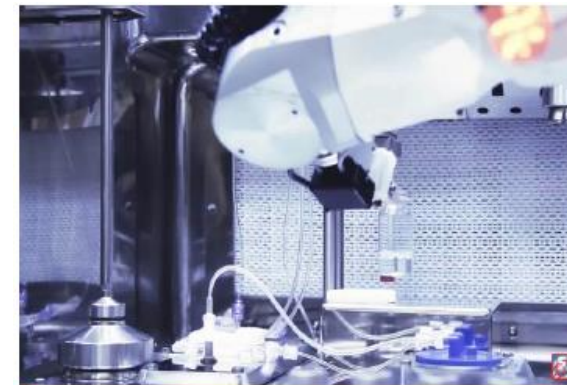
- **Radiopharmaceutical:** Radiation-shielded containment and automation equipment used in the processing, dispensing and handling of nuclear diagnostic and therapeutic medicinal products
- **Pharmaceutical:** Aseptic containment and automation equipment used in the processing, filling and handling of liquid and solid dose pharmaceuticals
- **Advanced Therapy Medicinal Production:** Aseptic cell-culture equipment used in regenerative medicine

2018 Sales Breakdown



Acquisition Rationale

- **New & Highly Complementary Capabilities**
 - Comecer: Strong in isolator technologies
 - ATS: Strong in robotics and automation
 - Complementary geographic presence
- **Expands Life Science Segment Penetration**
 - Radiopharmaceutical sector is increasing automation upgrades/standards
 - Additional customer relationships
 - Aseptic filling technology
- **Access To Attractive Markets**
 - Radiopharmaceutical is a niche but growing market
 - Exposure to large, established pharmaceutical market and emerging, high growth ATMP market
 - High regulatory barriers and high cost of equipment failure



Stand-alone products

- Standard-design
- Isolators
- Restricted access barrier systems
- Radiation monitors, multi-dose calibrated injectors, and more



Integrated machines

- Custom-design
- Containment system with custom automation embedded internally and software to manage the automation
- Machines to be integrated into a larger production line



End-to-end production lines

- Custom-design
- Series of integrated machines and software
- Manages the entire production process for the customer



After-sale services

- Maintenance
- Warranty
- Spare parts
- Lifecycle services
- Consumable materials



Customization level and embedded services



Customer Base

- Serves a mix of blue-chip and small/medium enterprises
- Long-term agreements with anchor clients
- 80/20 mix of end users and system integrators



Life Science Segments

Radiopharmaceutical

Equipment to produce: PET/SPECT radioisotopes, Alpha & Beta emitters

Growth drivers:

- Growing importance of early detection of cancer
- Introduction and adoption of new radiotherapies

Pharmaceutical

Equipment to produce: antibiotics, antibodies, vaccines

Growth drivers:

- Development of new HPAPI drugs
- Advancements in manufacturing technology & development of personalized medicines

ATMP

Equipment to produce: stem cells, T-cells, dendritic cells

Growth drivers:

- Uptick in new ATMP clinical trials and drug approvals
- More automated solutions starting to be adopted due to reduced contamination risks and higher throughput

Transaction Details

- Purchase price of €113 million or ~C\$172 million*
- Acquiring 100% of outstanding shares
- Purchase price subject to customary adjustments
- To be financed with cash-on-hand and credit facilities
- Expected to close in first calendar quarter of 2019
- Transaction subject to customary regulatory approvals

**using spot rate of 1.52 EUR:CAD*

Financial Impact

- Proforma leverage of ~1.0x net debt / TTM EBITDA
- Adjusted EPS and CFPS accretive in first full year
- Attractive growth and margins
- ROIC expected to achieve double digits by year 5
- Revenue growth opportunities
 - Cross-selling / deeper penetration with existing customer base
 - New customer acquisition and wider geographic coverage
 - Leverage core technologies to improve and enhance competitiveness of product offering

Acquisition Summary

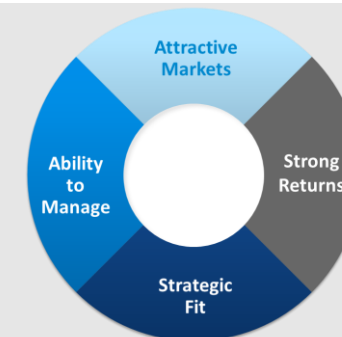
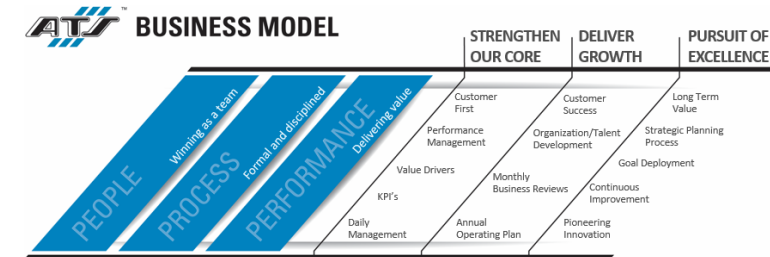
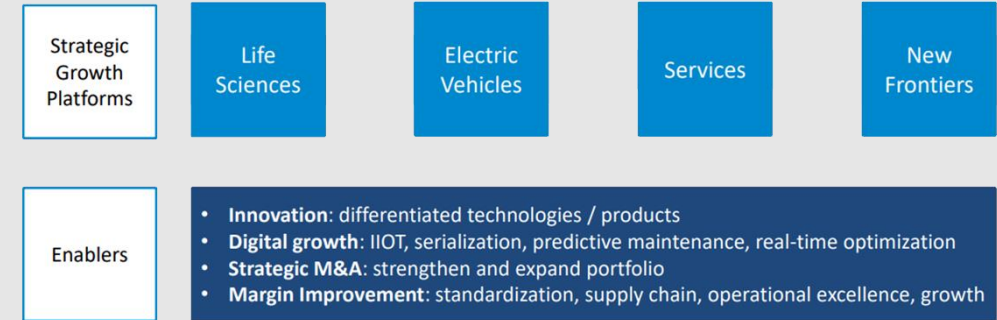
Key Takeaways

- On target with capability expansion strategy in core Life Sciences market
- Attractive end market exposure and complementary to current segments served
- Enhanced and more comprehensive combined product offering

- Opportunity to deploy the ATS Business Model to drive efficiencies and profitable growth

- Attractive growth and financial profile
- Earnings accretive and expected to meet return metrics

ATS Strategy (September 2018 Investor Day)



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