

Teledyne Technologies to Acquire DALSA

Teledyne Technologies and DALSA (Canada) have announced that they have entered into a definitive agreement that provides for the acquisition of DALSA by a wholly-owned subsidiary of Teledyne. Headquartered in Waterloo, Ontario, DALSA is an internationally operating company in high performance digital imaging and microelectromechanical systems (MEMS) with approximately 1,000 employees worldwide.

Established in 1980, DALSA designs, develops, manufactures and markets digital imaging products and solutions, in addition to manufacturing custom MEMS products. DALSA's imaging products and services include high-resolution, high-performance CCD and CMOS imaging sensors, electronic digital cameras and image processing software for use in industrial machine vision, advanced medical imaging and high-resolution aerial and satellite imagery. For the twelve months ended 30th September 2010, DALSA had sales of approximately CAD201 million.

"Teledyne and DALSA are each acknowledged leaders in digital imaging technology but our product lines and customer bases are almost entirely complementary. For example, DALSA produces among the world's most advanced visible light imaging sensors and cameras for commercial applications, while Teledyne produces extreme resolution infrared sensors and subsystems primarily for government applications," said Dr. Robert Mehrabian, chairman, president and chief executive officer of Teledyne. "The combined strengths of Teledyne's and DALSA's leading imaging technologies will allow us to develop new infrared and visible light products that serve our respective markets and customers. Furthermore, DALSA's custom MEMS capabilities will be augmented by having access to Teledyne's extensive MEMS research activities and advanced process technologies.

"With the acquisition of DALSA, Teledyne is making a substantial commitment to Canada. We are especially attracted to strong support for research and development and advancement of technology provided by both the Canadian Federal and Provincial Governments of Ontario and Quebec. Finally, following the acquisition of DALSA, and the previously announced divestiture of Teledyne Continental Motors, Teledyne will be transformed into a pure-play electronics, instrumentation and engineering focused company."

"I view this transaction as a natural evolution for DALSA and a positive development for all DALSA stakeholders including shareholders, employees, executives, local communities, customers and vendors," commented Dr. Savvas Chamberlain, chairman of the Board and Founder of DALSA. "The decision to be a part of a larger organization recognizes that in order for DALSA to become a billion dollar company, we need to team up with an industry leader with complementary technologies. Finally, as the founder of the company, I am pleased to see DALSA's name live on, in its new incarnation as Teledyne DALSA."

Pursuant to the transaction, Teledyne will acquire all of the outstanding common shares of DALSA for CAD18.25 per share payable in cash. The aggregate value for the transaction is approximately CAD341 million, taking into account DALSA's stock options and net cash as of 30th September 2010.