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ATS to Acquire KMW to Strengthen its Position in the Electric Vehicle (EV) Market

Cambridge, Ontario (September 13, 2018) - ATS Automation Tooling Systems Inc. (TSX: ATA) ("ATS" or the "Company") an industry-leading automation solutions provider, today announced that it has entered into a definitive agreement to acquire KMW Konstruktion, Maschinen- & Werkzeugbau GmbH & Co. KG and KMW GmbH (collectively, "KMW"), a German-based supplier of custom micro-assembly systems and test equipment solutions. The addition of KMW's micro-assembly technology and expertise are expected to strengthen ATS' current offerings in the EV market.

Micro-assembly systems are critical elements in the assembly of various components used in electric vehicles, including motors, power storage systems, braking, steering, and electronic modules. KMW is expected to provide ATS with an internal source for complimentary conveyORIZED micro-assembly and test capabilities, further enabling the company to provide full automation solutions and meet customer demands for a complete turnkey offering.

"The EV market is one of strategic significance to ATS," said Andrew Hider, ATS CEO. "Having the capabilities that KMW offers, in-house, will enhance our offering in the EV market, while reducing supplier risk," Hider continued, "I look forward to welcoming KMW's customers and employees to the ATS family."

Established in 1993 and headquartered in Koblenz, Germany, KMW, has 68 employees and offers complete custom micro-assembly machines and solutions; clamps and tooling; and in-process test systems.

In its fiscal year ended March 31, 2018, KMW had revenues of approximately €14 million and an EBITDA margin of over 20%.

ATS will pay €19.5 million for KMW in an all-cash transaction and expects the deal to close in the third quarter of its fiscal 2019, subject to customary closing conditions.

About ATS

ATS is an industry-leading automation solutions provider to many of the world's most successful companies. ATS uses its extensive knowledge base and global capabilities in custom automation, repeat automation, automation products and value-added services, including pre-automation and after-sales services, to address the sophisticated manufacturing automation systems and service needs of multinational customers in markets such as life sciences, chemicals, consumer products, electronics, food, beverage, transportation, energy, and oil and

gas. Founded in 1978, ATS employs approximately 3,800 people at 20 manufacturing facilities and over 50 offices in North America, Europe, Southeast Asia and China. The Company's shares are traded on the Toronto Stock Exchange under the symbol ATA. Visit the Company's website at www.atsautomation.com.

About KMW

KMW is a German based supplier of micro-assembly and test solutions, clamping and tooling devices to leading Tier-1 automotive component manufacturers and leading international companies in other industrial sectors. Founded in 1993 as a spin-off from TRW, Koblenz, founder Wolfgang Olbrich, together with partner Matthias Thieroff, developed the Company into a provider of tailor-made, highly automated, micro-assembly solutions to the automotive industry.

Note to Readers:

Non-IFRS Measures:

This document uses the non-IFRS measures EBITDA and EBITDA margin to evaluate the performance of KMW. 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 margin is an expression of KMW's EBITDA as a percentage of revenues. 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. Management believes that ATS shareholders and potential investors in ATS use these non-IFRS financial measures in making investment decisions and measuring operational results.

Forward-Looking Statements:

This news release of ATS contains certain statements that may 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' 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 strengthening and enhancement of ATS' current offerings in the EV market; expectations relating to KMW as an internal source for complimentary conveyORIZED micro-assembly and test capabilities; reduction of supplier risk and improvement of margins; and the expected timing of closing the transaction and conditions in relation thereto. 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 KMW 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 the new customer programs; that this acquisition is not integrated as quickly or effectively as planned or expected and, as a result, anticipated benefits, enhancements and synergies are not realized; that KMW's business does not perform as expected; 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 KMW has contracted, experience insolvency or bankruptcy with resulting delays, costs or losses; political, labour or supplier disruptions; that we are unable to strengthen and enhance ATS' current offerings in the EV market, reduce supplier risk, or improve margins as expected; risks relating to legal proceedings to which KMW 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' 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.

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