



A U T O M A T I O N

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ATS PROVIDES UPDATE ON INVESTMENT IN WORKING CAPITAL

Cambridge, Ontario (December 29, 2015): ATS Automation Tooling Systems Inc. (TSX: ATA) ("ATS" or the "Company") today announced an update to previous disclosure regarding its investment in non-cash working capital. As previously disclosed, during the first two quarters of fiscal 2016 the Company increased its investment in non-cash working capital by approximately \$68 million.

The Company does not expect to make significant progress against its goal of reducing its overall investment in non-cash working capital, both in absolute terms and as a percentage of revenues, in its fiscal third quarter ending December 27, 2015. Over time, the Company's goal remains to operate its investment in non-cash working capital as a percentage of annualized revenue at a level below 15%.

The Company expects that continued cash flows from operations, together with cash and cash equivalents on hand and credit available under operating and long-term credit facilities, will be sufficient to fund its requirements for investments in working capital and capital assets and to fund strategic investment plans including some potential acquisitions. This is only an update on the Company's investments in non-cash working capital and working capital levels. The Company's financial results for the third quarter ended December 27, 2015, including its complete Interim Consolidated Statement of Cash Flows are expected to be released on February 3, 2016.

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 3,500 people at 25 manufacturing facilities and 51 offices in North America, Europe, Southeast Asia and China.

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Note to Readers: Forward-Looking Statements:

This news release 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 Company's expectations with respect to its overall investment in non-cash working capital, both in absolute terms and as a percentage of revenues, in its fiscal third quarter ending December 27, 2015; the Company continuing to seek to reduce its investment in non-cash working capital back to a level below 15 percent of annualized revenue; and expectation in relation to meeting funding requirements for investments. The risks and uncertainties that may affect forward-looking statements include, among others: that the overall investment in non-cash working capital, both in absolute terms and as a percentage of revenues, as at the end of its fiscal third quarter ending December 27, 2015, is other than expected; that the Company is unable to reduce its investment in non-cash working capital back to a level below 15% of annualized revenues due to reasons, including without limitation, increased customer demand for longer payment terms, lower than expected Order Bookings, incurrence of unexpected new red programs, changes to project build schedules and milestone invoicing schedules, changes to the mix of new customer milestone and invoice payment terms, project change orders, and the impact of changes to foreign exchange rates on reported working capital and on recorded revenues; impact of the global economy; general market performance including capital market conditions and availability and cost of credit; performance of the market sectors that ATS serves; 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; potential for greater negative impact associated with any non-performance related to large enterprise programs; variations in the amount of Order Backlog completed in any given quarter; that one or more customers, or other entities with which the Company has contracted, experience insolvency or bankruptcy with resulting delays, costs or losses to the Company; political, labour or supplier disruptions; the development of superior or alternative technologies to those developed by ATS; the success of competitors with greater capital and resources in exploiting their technology; market risk for developing technologies; risks relating to legal proceedings to which 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.