AUTOMATION

(519) 653-6500
730 Fountain Street North, Cambridge, Ontario N3H 4R7

ATS REPORTS FOURTH QUARTER AND FISCAL 2021 RESULTS

Cambridge, Ontario (May 20, 2021) - ATS Automation Tooling Systems Inc. (*TSX: ATA*) ("ATS" or the "Company") today reported its financial results for the three and 12 months ended March 31, 2021.

Fourth quarter highlights:

- Revenues increased 4.7% year over year to $399.9 million.
- Earnings from operations were $42.8 million (10.7% operating margin), compared to $24.9 million (6.5% operating margin) a year ago. Adjusted earnings from operations[1] were $49.5 million (12.4% margin), compared to $39.3 million (10.3% margin) a year ago.
- EBITDA[1] was $60.2 million (15.1% EBITDA margin), compared to $43.2 million (11.3% EBITDA margin) a year ago.
- Earnings per share were 26 cents basic and diluted compared to 14 cents a year ago.
- Adjusted basic earnings per share[1] were 34 cents compared to 26 cents a year ago.
- Order Bookings were $463 million, 30.1% higher than a year ago, primarily reflecting organic growth.
- Order Backlog increased 23.1% to $1,160 million at March 31, 2021 compared to $942 million a year ago and included $166 million of CFT Order Backlog acquired in March 2021.

"Fourth quarter performance featured record Order Bookings and Order Backlog as well as strong operating margins despite a challenging environment," said Andrew Hider, Chief Executive Officer. "ATS starts the new fiscal year with a solid base of business and balance sheet strength to execute our Build, Grow and Expand value creation strategy."

Year-to-date highlights:

- Revenues were $1,430.0 million compared to $1,429.7 million last year.
- Earnings from operations were $119.6 million (8.4% operating margin), compared to $95.6 million (6.7% operating margin) in the prior year. Adjusted earnings from operations[1] were $163.2 million (11.4% margin), compared to $157.4 million (11.0% margin) in the prior year.
- EBITDA[1] was $190.6 million (13.3% EBITDA margin), compared to $167.0 million (11.7% EBITDA margin) in the prior year.
- Earnings per share were 70 cents basic and 69 cents diluted compared to 57 cents in the prior year.
- Adjusted basic earnings per share[1] were $1.07 compared to $1.06 a year ago.
- Order Bookings were $1,626 million, compared to $1,468 million a year ago.

Mr. Hider added, "The pandemic environment highlighted the resiliency of our business and I am very proud of how our people mobilized to creatively serve our customers. At the same time, we set the stage for additional growth through our M&A strategy with the acquisition of CFT in late March and a definitive agreement to acquire BioDot in the new fiscal year. CFT joins our MARCO operations to serve the regulated food and beverage equipment market. BioDot will expand our Life Sciences capabilities in precise, low volume fluid dispensing and enhances our position in the point-of-care and clinical diagnostics lab automation end-markets. We look forward to the contributions of these businesses and driving improvement across all operations through the ATS Business Model. Our focus remains on bringing value to our customers and value to our shareholders."

[1] Non-IFRS measure: see "Notice to Reader: Non-IFRS Measures and Additional IFRS Measures".

Financial results

(In millions of dollars unless otherwise stated)

	Q4 2021	Q4 2020	**Fiscal 2021**	Fiscal 2020
Revenues	**$ 399.9**	$ 382.1	**$ 1,430.0**	$ 1,429.7
Earnings from operations	**$ 42.8**	$ 24.9	**$ 119.6**	$ 95.6
Adjusted earnings from operations[1]	**$ 49.5**	$ 39.3	**$ 163.2**	$ 157.4
EBITDA[1]	**$ 60.2**	$ 43.2	**$ 190.6**	$ 167.0
Net income	**$ 23.8**	$ 13.1	**$ 64.1**	$ 52.9
Adjusted basic earnings per share[1]	**$ 0.34**	$ 0.26	**$ 1.07**	$ 1.06
Basic earnings per share	**$ 0.26**	$ 0.14	**$ 0.70**	$ 0.57
Diluted earnings per share	**$ 0.26**	$ 0.14	**$ 0.69**	$ 0.57

[1] Non-IFRS measure: see "Notice to Reader: Non-IFRS Measures and Additional IFRS Measures".

Fourth quarter summary

Fiscal 2021 fourth quarter revenues were 4.7% higher than in the corresponding period a year ago and included $0.9 million of revenues earned by acquired companies. Excluding acquired companies, fourth quarter revenues increased $16.9 million, or 4.4%, compared to the corresponding period a year ago. Revenues from services increased 12.5% with broad-based strength across ATS' businesses. Revenues from the sale of goods increased 20.2% due primarily to increased after-sales spare parts sales. Revenues generated from construction contracts increased $0.2 million.

By market, revenues generated in life sciences increased 14.5% on higher Order Backlog entering the fourth quarter of fiscal 2021. Revenues in transportation decreased 42.1% on lower Order Backlog entering the fourth quarter of fiscal 2021. This was due to a slowdown in the transportation market and the implementation of a reorganization plan that reduced exposure to certain aspects of the market and created alignment with market demand. Revenues generated in consumer products increased 69.6%, primarily on higher Order Backlog entering the fourth quarter of fiscal 2021 related to warehouse and personal care automation projects. Revenues in energy increased 36.5% due to higher Order Backlog entering the fourth quarter of fiscal 2021.

Fiscal 2021 fourth quarter earnings from operations were $42.8 million (10.7% operating margin) compared to $24.9 million (6.5% operating margin) in the fourth quarter a year ago. Earnings from operations included: $8.1 million related to amortization of acquisition-related intangible assets, down from $8.5 million a year ago; $4.2 million of incremental costs related to the Company's acquisition activity, up from $0.1 million last year, and $5.6 million in adjustments to contingent consideration related to the acquisition of MARCO. Fiscal 2020 fourth quarter earnings included $5.8 million of restructuring charges incurred as part of the Company's reorganization activity.

Excluding these items in both quarters, adjusted earnings from operations were $49.5 million (12.4% margin), compared to $39.3 million (10.3% margin) a year ago. Higher fourth quarter fiscal 2021 adjusted earnings from operations reflected a higher gross margin due to efficiency gains made in the Company's cost structure, improved program execution and increased revenues from after-sales services. In the fourth quarter, the Company benefited from recoveries under the Canadian Emergency Wage Subsidy ("CEWS") program of $2.6 million.

Depreciation and amortization expense was $17.4 million in the fourth quarter of fiscal 2021, compared to $18.3 million a year ago. The decrease primarily reflected the disposal of assets executed as part of the Company's reorganization activity.

EBITDA was $60.2 million (15.1% EBITDA margin) in the fourth quarter of fiscal 2021 compared to $43.2 million (11.3% EBITDA margin) in the fourth quarter of fiscal 2020. Higher EBITDA reflected an improved cost structure as well as the absence of restructuring expenses in the fourth quarter of fiscal 2021 compared to the prior year.

Order Backlog Continuity
(In millions of dollars)

	Q4 2021	Q4 2020	**Fiscal 2021**	Fiscal 2020
Opening Order Backlog	**$ 985**	$ 939	**$ 942**	$ 904
Revenues	**(400)**	(382)	**(1,430)**	(1,430)
Order Bookings	**463**	356	**1,626**	1,468
Order Backlog adjustments[1]	**112**	29	**22**	—
Total	**$ 1,160**	$ 942	**$ 1,160**	$ 942

[1] Order Backlog adjustments include incremental Order Backlog of $166 million acquired with CFT, foreign exchange adjustments, scope changes and cancellations.

Order Bookings
Fourth quarter fiscal 2021 Order Bookings were $463 million, a 30.1% increase compared to the fourth quarter of fiscal 2020. Organic growth in Order Bookings was 31.0% and bookings from acquired companies amounted to 0.3% of the increase. Foreign exchange rates negatively impacted the translation of Order Bookings from foreign-based ATS subsidiaries by approximately 1.2% compared to the corresponding period a year ago, primarily reflecting the strengthening of the Canadian dollar relative to the U.S. dollar. By market, higher Order Bookings in life sciences primarily related to medical device programs and critical life sciences products to aid in the fight against COVID-19. Fourth quarter fiscal 2021 Order Bookings included large Order Bookings related to COVID-19 point-of-care rapid testing. Order Bookings in transportation increased due to a large EV program win and timing of customer orders. Higher Order Bookings in consumer products primarily reflected programs related to warehouse automation. Bookings in energy decreased due to timing of customer projects, primarily in the nuclear market.

Order Backlog
At March 31, 2021, Order Backlog was $1,160 million, 23.1% higher than at March 31, 2020. Order Backlog growth was primarily driven by higher Order Bookings in the life sciences and consumer products markets, as well as Order Backlog from acquired businesses. Foreign exchange rate changes negatively impacted the translation of Order Backlog from foreign-based ATS subsidiaries by approximately 6.9% compared to the corresponding period a year ago, primarily reflecting the strengthening of the Canadian dollar relative to the U.S. dollar and the Euro.

Outlook
The Company's funnel (which includes customer requests for proposal and ATS identified customer opportunities) remains significant; however, the timing to convert opportunities into Order Bookings is more variable during the pandemic as some customers delay their planned project timing.

By market, the life sciences funnel remains robust, as activity in medical devices, pharmaceuticals and radiopharmaceuticals has improved and is being supplemented by opportunities related to the fight against COVID-19. In transportation, some strategic opportunities related to new technologies such as electric vehicles have proceeded. Funnel activity in energy is variable and this market provides niche opportunities for ATS. Funnel activity in consumer products has improved; however, management expects some customers to remain cautious in deploying capital in the current economic environment. The addition of CFT has increased the Company's exposure to opportunities in regulated food and beverage equipment markets. Organic growth in the Company's fourth quarter Order Bookings and the addition of CFT resulted in an Order Backlog of $1,160 million that will help mitigate the impact of quarterly variability in Order Bookings on revenues in the short term.

The Company's Order Backlog includes several large enterprise programs that have longer periods of performance and therefore longer revenue recognition cycles. In the first quarter of fiscal 2022, management expects the conversion of Order Backlog to revenues to be in the higher end of the 35% to 40% range based on project mix and the addition of CFT.

The Company's sales organization continues to work to engage customers on enterprise-type solutions. Enterprise orders are expected to provide ATS with more strategic customer relationships, better program control, workload predictability and less short-term sensitivity to macroeconomic forces. This approach to market and the timing of customer decisions on larger opportunities is expected to cause variability in Order Bookings from quarter to quarter and lengthen the performance period and revenue recognition for certain customer programs. The Company is working to grow after-sales service revenues as a percentage of overall revenues over time, which is expected to provide some balance to the capital expenditure cycle of the Company's customers. Improvements were made in generating revenues from the Company's after-sales service business in the third and fourth fiscal quarters compared to the first half of the fiscal year; however, the Company continues to be impacted by ongoing travel restrictions and some limitations on customer facility access.

Management is pursuing several initiatives with the goal of expanding its adjusted earnings from operations margin over the long term, including: growing the Company's higher margin after-sales service business; improving global supply chain management; increasing the use of standardized platforms and technologies; growing revenues while leveraging the Company's current cost structure; and developing the ATS Business Model ("ABM.") The Company benefitted from the CEWS program in fiscal 2021 due to lower revenues in its Canadian operations. The Canadian government has extended the CEWS program until June 2021, albeit at a lower recovery rate and the recent federal budget proposed extending it until September 2021.

Over the long term, the Company generally expects to continue investing in non-cash working capital to support the growth of its business, with fluctuations on a quarter-over-quarter basis. The Company's goal is to maintain its investment in non-cash working capital as a percentage of annualized revenues 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: provide additional liquidity should the economic impacts of the COVID-19 pandemic persist for an extended period; fund its requirements for investments in non-cash working capital and capital assets; and fund strategic investment plans including some potential acquisitions. Acquisitions could result in additional debt or equity financing requirements.

On April 14, 2021, the Company announced it entered into a definitive agreement to acquire BioDot, Inc. ("BioDot"), a leading manufacturer of automated fluid dispensing systems. The transaction is expected to close in the second quarter of calendar 2021, pending the completion of customary regulatory filings. The acquisition of BioDot will give ATS increased exposure to attractive and growing end markets in point-of-care and clinical diagnostics automation end markets and expand its Life Sciences capabilities. The purchase price of U.S. $84.0 million will be funded by drawing on the Company's revolving credit facility.

The outbreak of COVID-19 resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel restrictions, quarantine periods and physical distancing requirements have affected economies and disrupted business operations for ATS and its customers. It is difficult to predict the ultimate duration or severity of the pandemic or its affect on the business, financial results and conditions of the Company.

At the outset of the pandemic, management implemented several countermeasures designed to: protect employees (including work from home protocols, in-plant physical distancing requirements and shift work); ensure work on customer projects progresses; and, enable continued customer service through digital tools and regional support networks. These responses allowed the Company to maintain operations, although with less efficiency.

Quarterly Conference Call

ATS' quarterly conference call begins at 8:30 a.m. eastern on Thursday, May 20, 2021 and can be accessed live at www.atsautomation.com or on the phone by dialing (647) 427-7450 five minutes prior. A replay of the conference will be available on the ATS website following the call. Alternatively, a telephone recording

of the call will be available for one week (until midnight May 27, 2021) by dialing (416) 849-0833 and entering passcode 8276801 followed by the number sign.

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, food & beverage, transportation, consumer products, and energy. Founded in 1978, ATS employs over 5,000 people at 28 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.

For more information, contact:
Shereen Zahawi, Director Investor Relations
519 653-6500
szahawi@atsautomation.com

Consolidated Revenues

(In millions of dollars)

Revenues by type	**Q4 2021**	Q4 2020	**Fiscal 2021**	Fiscal 2020
Revenues from construction contracts	**$ 258.1**	$ 257.9	**$ 895.1**	$ 884.9
Services rendered	**109.7**	97.5	**413.3**	423.2
Sale of goods	**32.1**	26.7	**121.6**	121.6
Total revenues	**$ 399.9**	$ 382.1	**$ 1,430.0**	$ 1,429.7

Revenues by market	**Q4 2021**	Q4 2020	**Fiscal 2021**	Fiscal 2020
Life sciences	**$ 228.7**	$ 199.8	**$ 805.4**	$ 770.2
Transportation	**67.3**	116.2	**272.3**	385.0
Consumer products	**69.9**	41.2	**238.2**	172.7
Energy	**34.0**	24.9	**114.1**	101.8
Total revenues	**$ 399.9**	$ 382.1	**$ 1,430.0**	$ 1,429.7

Revenues by customer location	**Q4 2021**	Q4 2020	**Fiscal 2021**	Fiscal 2020
North America	**$ 198.5**	$ 172.3	**$ 687.6**	$ 588.3
Europe	**140.3**	175.0	**567.8**	709.4
Asia/Other	**61.1**	34.8	**174.6**	132.0
Total revenues	**$ 399.9**	$ 382.1	**$ 1,430.0**	$ 1,429.7

Consolidated Operating Results

(In millions of dollars)

	Q4 2021	Q4 2020	**Fiscal 2021**	Fiscal 2020
Earnings from operations	**$ 42.8**	$ 24.9	**$ 119.6**	$ 95.6
Amortization of acquisition-related intangible assets	**8.1**	8.5	**33.5**	33.7
Restructuring charges	**—**	5.8	**14.3**	26.6
Acquisition-related transaction costs	**4.2**	0.1	**6.7**	1.5
Gain on sale of facility	**—**	—	**(5.3)**	—
Contingent consideration adjustment	**(5.6)**	—	**(5.6)**	—
Adjusted earnings from operations[1]	**$ 49.5**	$ 39.3	**$ 163.2**	$ 157.4

[1] See "Notice to Reader: Non-IFRS Measures and Additional IFRS Measures."

	Q4 2021	Q4 2020	Fiscal 2021	Fiscal 2020
Earnings from operations	**$ 42.8**	$ 24.9	**$ 119.6**	$ 95.6
Depreciation and amortization	**17.4**	18.3	**71.0**	71.4
EBITDA[1]	**$ 60.2**	$ 43.2	**$ 190.6**	$ 167.0

[1] See "Notice to Reader: Non-IFRS Measures and Additional IFRS Measures."

Order Bookings by Quarter

(In millions of dollars)

	Fiscal 2021	Fiscal 2020
Q1	**$ 325**	$ 423
Q2	**403**	321
Q3	**435**	368
Q4	**463**	356
Total Order Bookings	**$ 1,626**	$ 1,468

Order Backlog by Market

(In millions of dollars)

As at	March 31, 2021	March 31, 2020
Life sciences	**$ 585**	$ 467
Transportation	**197**	273
Consumer products	**282**	90
Energy	**96**	112
Total	**$ 1,160**	$ 942

Reconciliation of Non-IFRS Measures to IFRS Measures

(In millions of dollars, except per share data)

The following table reconciles EBITDA to the most directly comparable IFRS measure (net income):

	Fiscal 2021	Fiscal 2020	Fiscal 2019
EBITDA	**$ 190.6**	$ 167.0	$ 157.2
Less: depreciation and amortization expense	**71.0**	71.4	42.4
Earnings from operations	**$ 119.6**	$ 95.6	$ 114.8
Less: net finance costs	**40.1**	28.1	20.9
Provision for income taxes	**15.4**	14.6	23.1
Net income	**$ 64.1**	$ 52.9	$ 70.8

	Q4 2021	Q4 2020
EBITDA	**$ 60.2**	$ 43.2
Less: depreciation and amortization expense	**17.4**	18.3
Earnings from operations	**$ 42.8**	$ 24.9
Less: net finance costs	**16.7**	7.8
Provision for income taxes	**2.3**	4.0
Net income	**$ 23.8**	$ 13.1

The following table reconciles adjusted earnings from operations and adjusted basic earnings per share to the most directly comparable IFRS measure (net income and basic earnings per share):

	Three Months Ended March 31, 2021			Three Months Ended March 31, 2020		
	IFRS	**Adjustments**	**Adjusted (non-IFRS)**	IFRS	Adjustments	Adjusted (non-IFRS)
Earnings from operations	**$ 42.8**	**$ —**	**$ 42.8**	$ 24.9	$ —	$ 24.9
Acquisition-related transaction costs	**—**	**4.2**	**4.2**	—	0.1	0.1
Amortization of acquisition-related intangible assets	**—**	**8.1**	**8.1**	—	8.5	8.5
Restructuring costs	**—**	**—**	**—**	—	5.8	5.8
Contingent consideration adjustment	**—**	**(5.6)**	**(5.6)**	—	—	—
	$ 42.8	**$ 6.7**	**$ 49.5**	$ 24.9	$ 14.4	$ 39.3
Less: net finance costs	**$ 16.7**	**$ —**	**$ 16.7**	$ 7.8	$ —	$ 7.8
Less: adjustment to net finance costs[1]	**—**	**(9.1)**	**(9.1)**	—	—	—
Income before income taxes	**$ 26.1**	**$ 15.8**	**$ 41.9**	$ 17.1	$ 14.4	$ 31.5
Provision for income taxes	**$ 2.3**	**$ —**	**$ 2.3**	$ 4.0	$ —	$ 4.0
Adjustment to provision for income taxes[2]	**—**	**8.7**	**8.7**	—	3.9	3.9
	$ 2.3	**$ 8.7**	**$ 11.0**	$ 4.0	$ 3.9	$ 7.9
Net income	**$ 23.8**	**$ 7.1**	**$ 30.9**	$ 13.1	$ 10.5	$ 23.6
Basic earnings per share	**$ 0.26**	**$ 0.08**	**$ 0.34**	$ 0.14	$ 0.12	$ 0.26

[1] Adjustments to net finance costs relate to non-recurring finance costs associated with the redemption of the U.S. $250.0 million 6.5% senior notes that were due in 2023 (see "Liquidity, Cash Flow and Financial Resources").
[2] Adjustments to provision for income taxes include $4.4 million of income tax effects on adjustment items that are excluded for the purposes of calculating non-IFRS based adjusted net income, and a non-recurring provision for income taxes amount of $4.3 million primarily related to the impact of tax planning opportunities which were implanted in the fourth quarter of fiscal 2021.

	Twelve Months Ended March 31, 2021			Twelve Months Ended March 31, 2020		
	IFRS	**Adjustments**	**Adjusted (non-IFRS)**	IFRS	Adjustments	Adjusted (non-IFRS)
Earnings from operations	**$ 119.6**	**$ —**	**$ 119.6**	$ 95.6	$ —	$ 95.6
Acquisition-related transaction costs	**—**	**6.7**	**6.7**	—	1.5	1.5
Amortization of acquisition-related intangible assets	**—**	**33.5**	**33.5**	—	33.7	33.7
Restructuring costs	**—**	**14.3**	**14.3**	—	26.6	26.6
Gain on sale of facility	**—**	**(5.3)**	**(5.3)**	—	—	—
Contingent consideration adjustment	**—**	**(5.6)**	**(5.6)**	—	—	—
	$ 119.6	**$ 43.6**	**$ 163.2**	$ 95.6	$ 61.8	$ 157.4
Less: net finance costs	**$ 40.1**	**$ —**	**$ 40.1**	$ 28.1	$ —	$ 28.1
Less: adjustment to net finance costs[1]	**—**	**(9.1)**	**(9.1)**	—	—	—
Income before income taxes	**$ 79.5**	**$ 52.7**	**$ 132.2**	$ 67.5	$ 61.8	$ 129.3
Provision for income taxes	**$ 15.4**	**$ —**	**$ 15.4**	$ 14.6	$ —	$ 14.6
Adjustment to provision for income taxes[2]	**—**	**18.7**	**18.7**	—	16.9	16.9
	$ 15.4	**$ 18.7**	**$ 34.1**	$ 14.6	$ 16.9	$ 31.5
Net income	**$ 64.1**	**$ 34.0**	**$ 98.1**	$ 52.9	$ 44.9	$ 97.8
Basic earnings per share	**$ 0.70**	**$ 0.37**	**$ 1.07**	$ 0.57	$ 0.49	$ 1.06

[1] Adjustments to net finance costs relate to non-recurring finance costs associated with the redemption of the U.S. $250.0 million 6.5% senior notes that were due in 2023 (see "Liquidity, Cash Flow and Financial Resources").
[2] Adjustments to provision for income taxes include $14.4 million of income tax effects on adjustment items that are excluded for the purposes of calculating non-IFRS based adjusted net income, and a non-recurring provision for income taxes amount of $4.3 million primarily related to the impact of tax planning opportunities which were implanted in the fourth quarter of fiscal 2021.

Liquidity, Cash Flow and Financial Resources

(In millions of dollars, except ratios)

As at	**March 31, 2021**	March 31, 2020
Cash and cash equivalents	**$ 187.5**	$ 358.6
Debt-to-equity ratio[1]	**0.59:1**	0.86:1
Cash flows provided by operating activities	**$ 185.2**	$ 20.3

[1] Debt is calculated as bank indebtedness, long-term debt and lease liabilities. Equity is calculated as total equity less accumulated other comprehensive income.

ATS AUTOMATION TOOLING SYSTEMS INC.
Consolidated Statements of Financial Position
(in thousands of Canadian dollars)

As at	Note		March 31 2021		March 31 2020
ASSETS	16				
Current assets					
Cash and cash equivalents		**$**	**187,467**	$	358,645
Accounts receivable			**285,947**		291,126
Income tax receivable			**8,158**		3,720
Contract assets	22		**272,847**		231,531
Inventories	6		**134,978**		68,436
Deposits, prepaids and other assets	7		**37,807**		31,149
			927,204		984,607
Non-current assets					
Property, plant and equipment	10		**191,169**		136,284
Right-of-use assets	8		**72,570**		61,156
Other assets	9		**5,882**		20,220
Goodwill	11		**671,057**		608,243
Intangible assets	12		**264,691**		220,169
Deferred income tax assets	18		**11,087**		2,725
Investment tax credit receivable	18		**52,440**		64,569
			1,268,896		1,113,366
Total assets		**$**	**2,196,100**	$	2,097,973
LIABILITIES AND EQUITY					
Current liabilities					
Bank indebtedness	16	**$**	**1,106**	$	4,572
Accounts payable and accrued liabilities			**367,303**		293,022
Income tax payable			**32,938**		3,084
Contract liabilities	22		**218,290**		117,757
Provisions	14		**29,034**		28,417
Current portion of lease liabilities	8		**15,197**		15,696
Current portion of long-term debt	16		**79**		133
			663,947		462,681
Non-current liabilities					
Employee benefits	15		**34,110**		26,247
Long-term lease liabilities	8		**57,764**		47,209
Long-term debt	16		**430,634**		597,965
Deferred income tax liabilities	18		**74,437**		86,821
Other long-term liabilities	9		**22,548**		8,037
			619,493		766,279
Total liabilities		**$**	**1,283,440**	$	1,228,960
Commitments and contingencies	16, 20				
EQUITY					
Share capital	17	**$**	**526,446**	$	521,884
Contributed surplus			**11,170**		11,680
Accumulated other comprehensive income			**59,830**		92,585
Retained earnings			**297,818**		242,076
Equity attributable to shareholders			**895,264**		868,225
Non-controlling interests			**17,396**		788
Total equity			**912,660**		869,013
Total liabilities and equity		**$**	**2,196,100**	$	2,097,973

ATS AUTOMATION TOOLING SYSTEMS INC.
Consolidated Statements of Income
(in thousands of Canadian dollars, except per share amounts)

Years ended March 31	Note		2021		2020
Revenues					
Revenues from construction contracts		**$**	**895,086**	$	884,913
Services rendered			**413,323**		423,252
Sale of goods			**121,643**		121,569
Total revenues	21, 22		**1,430,052**		1,429,734
Operating costs and expenses					
Cost of revenues			**1,045,795**		1,067,599
Selling, general and administrative			**236,013**		233,653
Restructuring costs	14		**14,355**		26,624
Stock-based compensation	19		**14,280**		6,245
Earnings from operations			**119,609**		95,613
Net finance costs	23		**40,152**		28,074
Income before income taxes			**79,457**		67,539
Income tax expense	18		**15,354**		14,588
Net income		**$**	**64,103**	$	52,951
Attributable to					
Shareholders		**$**	**64,092**	$	52,898
Non-controlling interests			**11**		53
		$	**64,103**	$	52,951
Earnings per share attributable to shareholders					
Basic	24	**$**	**0.70**	$	0.57
Diluted	24	**$**	**0.69**	$	0.57

ATS AUTOMATION TOOLING SYSTEMS INC.
Consolidated Statements of Cash Flows
(in thousands of Canadian dollars)

Years ended March 31	Note		2021		2020
Operating activities					
Net income		**$**	**64,103**	$	52,951
Items not involving cash					
Depreciation of property, plant and equipment	10		**14,820**		14,675
Amortization of right-of-use assets	8		**16,111**		15,913
Amortization of intangible assets	12		**39,987**		40,814
Deferred income taxes	18		**(29,054)**		(951)
Other items not involving cash			**7,282**		3,270
Stock-based compensation	19		**14,280**		6,245
Gain on disposal of property, plant and equipment	10		**(6,505)**		—
			121,024		132,917
Change in non-cash operating working capital			**64,135**		(112,570)
Cash flows provided by operating activities		**$**	**185,159**	$	20,347
Investing activities					
Acquisition of property, plant and equipment	10	**$**	**(21,541)**	$	(45,448)
Acquisition of intangible assets	12		**(10,031)**		(11,119)
Business acquisitions, net of cash acquired	5		**(68,523)**		(53,367)
Proceeds from disposal of property, plant and equipment	10		**11,963**		139
Cash flows used in investing activities		**$**	**(88,132)**	$	(109,795)
Financing activities					
Bank indebtedness		**$**	**(3,585)**	$	2,546
Repayment of long-term debt			**(742,091)**		(17,087)
Proceeds from long-term debt			**504,315**		250,183
Proceeds from exercise of stock options			**6,111**		5,985
Repurchase of common shares	17		**(8,662)**		(4,785)
Principal lease payments			**(15,204)**		(14,533)
Cash flows provided by (used in) financing activities		**$**	**(259,116)**	$	222,309
Effect of exchange rate changes on cash and cash equivalents			**(9,089)**		1,244
Increase (decrease) in cash and cash equivalents			**(171,178)**		134,105
Cash and cash equivalents, beginning of year			**358,645**		224,540
Cash and cash equivalents, end of year		**$**	**187,467**	$	358,645
Supplemental information					
Cash income taxes paid		**$**	**6,528**	$	10,807
Cash interest paid		**$**	**38,428**	$	30,365

Notice to reader: Non-IFRS measures and additional IFRS measures

Throughout this document, management uses certain non-IFRS measures to evaluate the performance of the Company. The terms “operating margin”, “EBITDA”, “EBITDA margin”, “adjusted net income”, “adjusted earnings from operations”, “adjusted basic earnings per share”, “non-cash working capital”, “Order Bookings” and “Order Backlog” do not have any standardized meaning prescribed within IFRS and therefore may not be comparable to similar measures presented by other companies. Such measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. In addition, management uses “earnings from operations”, which is an additional IFRS measure, to evaluate the performance of the Company. Earnings from operations is presented on the Company’s consolidated statements of income as net income excluding income tax expense and net finance costs. Operating margin is an expression of the Company’s earnings from operations as a percentage of revenues. EBITDA is defined as earnings from operations excluding depreciation and amortization (which includes amortization of intangible assets and right-of-use assets). EBITDA margin is an expression of the Company’s EBITDA as a percentage of revenues. Adjusted earnings from operations is defined as earnings from operations before items excluded from management’s internal analysis of operating results, such as amortization expense of acquisition-related intangible assets, acquisition-related transaction and integration costs, restructuring charges, and certain other adjustments which would be non-recurring in nature (“adjustment items”). Adjusted basic earnings per share is defined as adjusted net income on a basic 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 and adjusted for other significant items of a non-recurring nature. Non-cash working capital is defined as the sum of accounts receivable, contract assets, inventories, deposits, prepaids and other assets, less accounts payable, accrued liabilities, provisions and contract liabilities. Order Bookings represent new orders for the supply of automation systems, services and products that management believes are firm. Order Backlog is the estimated unearned portion of revenues on customer contracts that are in process and have not been completed at the specified date.

Earnings from operations and EBITDA are used by the Company to evaluate the performance of its operations. Management believes that earnings from operations is an important indicator in measuring the performance of the Company’s operations on a pre-tax basis and without consideration as to how the Company finances its operations. Management believes that EBITDA is an important indicator of the Company’s ability to generate operating cash flows to fund continued investment in its operations. Management believes that adjusted earnings from operations and adjusted basic earnings per share (including adjusted net income) are important measures to increase comparability of performance between periods. The adjustment items used by management to arrive at these metrics are not considered to be indicative of the business’ ongoing operating performance. Management uses the measure “non-cash working capital as a percentage of revenues” to evaluate the Company’s management of its investment in non-cash working capital. Management calculates non-cash working capital as a percentage of revenues using period-end non-cash working capital divided by trailing two fiscal quarter revenues annualized. Order Bookings provide an indication of the Company’s ability to secure new orders for work during a specified period, while Order Backlog provides a measure of the value of Order Bookings that have not been completed at a specified point in time. Both Order Bookings and Order Backlog are indicators of future revenues that the Company expects to generate based on contracts that management believes to be firm. Management believes that ATS shareholders and potential investors in ATS use these additional IFRS measures and non-IFRS financial measures in making investment decisions and measuring operational results.

A reconciliation of (i) earnings from operations and EBITDA to net income, and (ii) adjusted earnings from operations to earnings from operations, adjusted net income to net income and adjusted basic earnings per share to basic earnings per share, in each case for the three- and 12-month periods ended March 31, 2021 and March 31, 2020, is contained in this news release (see “Reconciliation of Non-IFRS Measures to IFRS Measures”). A reconciliation of Order Bookings and Order Backlog to total Company revenues for the three- and 12-month periods ended March 31, 2021 and March 31, 2020 is also contained in this news release (see “Order Backlog Continuity”).

Note to Readers: Forward-Looking Statements

This news release and results of operations of ATS contain 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 strategic framework; the Company's strategy to expand organically and through acquisition; the ATS Business Model ("ABM"); conversion of opportunities into Order Bookings; the Company's Order Backlog partially mitigating the impact of volatile Order Bookings; rate of Order Backlog conversion; the expected benefits where the company engages with customers on enterprise-type solutions and the potential impact on Order Bookings, performance period, and timing of revenue recognition; expected benefits with respect to the Company's efforts to expand its services revenues; initiatives having the goal of expanding adjusted earnings from operations margin over long-term; the CEWS program; non-cash working capital levels as a percentage of revenues; expectation in relation to meeting liquidity and funding requirements for investments; potential to use leverage to support growth strategy; expected closing of the BioDot transaction; the potential impact of COVID-19 and government emergency measures; and the Company's belief with respect to the outcome of certain lawsuits, claims and contingencies. The risks and uncertainties that may affect forward-looking statements include, among others: the progression of COVID-19 and its impacts on the Company's ability to operate its assets, including the possible shut-down of facilities due to COVID-19 outbreaks; the severity and duration of the COVID-19 pandemic in all jurisdictions where the Company conducts its business; the nature and extent of government imposed restrictions on travel and business activities and the nature, extent, and applicability of government assistance programs, in both cases related to the COVID-19 pandemic, as applicable in all jurisdictions where the Company conducts its business; the impact of the COVID-19 pandemic on the Company's employees, customers, and suppliers; impact of COVID-19 on the global economy; general market performance including capital market conditions and availability and cost of credit; performance of the markets 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; inability to successfully expand organically or through acquisition, due to an inability to grow expertise, personnel, and/or facilities at required rates or to identify, negotiate and conclude one or more acquisitions, or to raise, through debt or equity, or otherwise have available, required capital; that acquisitions made are not integrated as quickly or effectively as planned or expected and, as a result, anticipated benefits and synergies are not realized; that some or all of the sales funnel is not converted to Order Bookings due to competitive factors or failure to meet customer needs; timing of customer decisions related to large enterprise programs and potential for negative impact associated with any cancellations or non-performance in relation thereto; variations in the amount of Order Backlog completed in any given quarter; that the Company is not successful in growing its service offering or that expected benefits are not realized; that efforts to expand adjusted earnings from operations margin over long-term is unsuccessful, due to any number of reasons, including less than anticipated increase in after-sales service revenues or reduced margins attached to those revenues, inability to achieve lower costs through supply chain management, failure to develop, adopt internally, or have customers adopt, standardized platforms and technologies, inability to maintain current cost structure if revenues were to grow, and failure of ABM to impact margins; that the CEWS program ceases to be available, that the Company ceases to qualify, or that the benefits under the program are other than expected; non-cash working capital as a percentage of revenues operating at a level other than as expected due to reasons, including, the timing and nature of Order Bookings, the timing of payment milestones and payment terms in customer contracts, and delays in customer programs; that the BioDot transaction does not close, is delayed, or is prohibited as a result of the completion of the regulatory filing process; risk that the ultimate outcome of lawsuits, claims, and contingencies give rise to material liabilities for which no provisions have been recorded; 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 and/or professional 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.