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

ATS REPORTS FIRST QUARTER FISCAL 2022 RESULTS

Cambridge, Ontario (August 11, 2021) - ATS Automation Tooling Systems Inc. (*TSX: ATA*) ("ATS" or the "Company") today reported its financial results for the three months ended June 27, 2021.

First quarter highlights:

- Revenues increased 57.2% year over year to $510.6 million.
- Earnings from operations were $52.0 million (10.2% operating margin), compared to $21.1 million (6.5% operating margin) a year ago. Adjusted earnings from operations[1] were $65.4 million (12.8% margin), compared to $29.7 million (9.1% margin) a year ago.
- Adjusted EBITDA[1] was $77.9 million (15.3% adjusted EBITDA margin), compared to $39.2 million (12.1% adjusted EBITDA margin) a year ago.
- Earnings per share were 37 cents basic and diluted compared to 11 cents a year ago.
- Adjusted basic earnings per share[1] were 48 cents compared to 17 cents a year ago.
- Order Bookings were $637 million, 96.0% higher than a year ago, reflecting a mix of organic growth and contributions from acquired companies.
- Order Backlog increased 37.3% to $1,248 million at June 27, 2021 compared to $909 million a year ago.

"First quarter performance featured strong organic revenue growth, contributions from strategic acquisitions, record Order Bookings and progress toward our margin expansion objective," said Andrew Hider, Chief Executive Officer. "These results reflected good execution, and compared to a year ago, a more stable economic environment. We are proud of the ongoing efforts of the ATS team worldwide to address customer needs during the pandemic while maintaining our focus on continuous improvement through the ATS Business Model. Looking ahead, our record Order Backlog provides good revenue visibility, our balance sheet enables us to pursue our M&A strategy and we are positioned well to create long-term shareholder value."

Financial results

(In millions of dollars, except per share data)

	Three Months Ended June 27, 2021	Three Months Ended June 28, 2020
Revenues	**$ 510.6**	$ 324.9
Earnings from operations	**$ 52.0**	$ 21.1
Adjusted earnings from operations[1]	**$ 65.4**	$ 29.7
EBITDA[1]	**$ 75.8**	$ 39.2
Adjusted EBITDA[1]	**$ 77.9**	$ 39.2
Net income	**$ 33.9**	$ 9.8
Adjusted basic earnings per share[1]	**$ 0.48**	$ 0.17
Basic and diluted earnings per share	**$ 0.37**	$ 0.11

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

First quarter summary
Fiscal 2022 first quarter revenues were 57.2% higher than in the corresponding period a year ago and included $114.4 million of revenues earned by acquired companies. Organic growth, excluding contributions from acquired companies and impact from foreign exchange fluctuations was $90.9 million, or 28.0% higher compared to the first quarter of fiscal 2021. Acquired companies contributed $114.4 million or 35.2%, and foreign exchange negatively impacted revenues by $19.6 million or 6.0% primarily reflecting the strengthening of the Canadian dollar relative to the U.S. dollar and Euro. Revenues generated from construction contracts increased 61.0% due to a combination of revenues earned by acquired companies and organic revenue growth. Revenues from services increased 15.9% due to improved customer site access and reduced travel restrictions related to COVID-19 compared to the first quarter of fiscal 2021 and revenues earned by acquired companies. Revenues from the sale of goods increased 166.3% due primarily to increased after-sales spare parts sales and revenues earned by acquired companies.

By market, revenues generated in life sciences increased 27.1% year over year on higher Order Backlog entering the first quarter of fiscal 2022 and revenues earned by BioDot acquired in June 2021 (first quarter fiscal 2022). Revenues generated in food & beverage, which were previously reported under consumer products, increased 1,505.6%, primarily due to the acquisition of CFT in the fourth quarter of fiscal 2021. Revenues in transportation increased 11.9%, due to the timing of project performance. Revenues generated in consumer products increased 49.6% on higher Order Backlog entering the first quarter of fiscal 2022. Revenues in energy increased 4.6% due to the timing of project performance.

Fiscal 2022 first quarter earnings from operations were $52.0 million (10.2% operating margin) compared to $21.1 million (6.5% operating margin) in the first quarter a year ago. Earnings from operations included: $11.3 million related to amortization of acquisition-related intangible assets, up from $8.6 million a year ago and $2.1 million of incremental costs related to the Company's acquisition activity.

Excluding these items in both quarters, adjusted earnings from operations were $65.4 million (12.8% margin), compared to $29.7 million (9.1% margin) a year ago. Contributions from acquired companies were $9.4 million. Higher first quarter fiscal 2022 adjusted earnings from operations reflected higher gross margin due to efficiency gains made in the Company's cost structure, improved program execution, increased revenues from after-sales services as well as reduced travel restrictions, temporary closures and entry restrictions at customer sites related to COVID-19 compared to a year ago. In the first quarter of fiscal 2022, the Company benefited from recoveries under the Canadian Emergency Wage Subsidy ("CEWS") program of $0.4 million compared to $7.5 million a year ago.

Depreciation and amortization expense was $23.8 million in the first quarter of fiscal 2022, compared to $18.1 million a year ago, primarily due to the addition of identifiable intangible assets recorded on the acquisitions of CFT and BioDot.

EBITDA was $75.8 million (14.8% EBITDA margin) in the first quarter of fiscal 2022 compared to $39.2 million (12.1% EBITDA margin) in the first quarter of fiscal 2021. EBITDA for the first quarter of fiscal 2022 included $2.1 million of incremental costs related to the Company's acquisition activity. Excluding these costs, adjusted EBITDA was $77.9 million (15.3% adjusted EBITDA margin), compared to $39.2 million (12.1% adjusted EBITDA margin) a year ago. Higher EBITDA margin reflected an improved cost structure and more pronounced pandemic inefficiencies in the same period a year ago.

Order Backlog Continuity
(In millions of dollars)

As at	**June 27, 2021**	June 28, 2020
Opening Order Backlog	**$ 1,160**	$ 942
Revenues	**(511)**	(325)
Order Bookings	**637**	325
Order Backlog adjustments[1]	**(38)**	(33)
Total	**$ 1,248**	$ 909

[1] Order Backlog adjustments include incremental Order Backlog of $24 million acquired with BioDot, foreign exchange adjustments, scope changes and cancellations.

Order Bookings
First quarter fiscal 2022 Order Bookings were a record $637 million. The 96.0% year-over-year increase reflected organic growth of 74.3% and 29.7% from acquired companies, partially offset by an 8.0% decrease due to foreign exchange rate translation of Order Bookings from foreign-based ATS subsidiaries, primarily reflecting the strengthening of the Canadian dollar relative to the U.S. dollar and Euro. By market, higher Order Bookings in life sciences primarily related to a previously announced $120 million Order Booking from a global medical device company for a fully automated manufacturing solution. Order Bookings in food & beverage increased due to the addition of CFT. Order Bookings in transportation increased due to a large EV program win and timing of customer orders. Higher Order Bookings in consumer products were due to timing of customer projects. Bookings in energy decreased due to timing of customer projects, primarily in the nuclear market.

Order Backlog
At June 27, 2021, Order Backlog was $1,248 million, 37.3% higher than at June 28, 2020. Order Backlog growth was primarily driven by higher Order Bookings in life sciences, food & beverage and transportation markets, and Order Backlog from acquired businesses. Foreign exchange rate changes negatively impacted the translation of Order Backlog from foreign-based ATS subsidiaries by approximately 4.2% compared to the corresponding period a year ago, primarily reflecting the strengthening of the Canadian dollar relative to the U.S. dollar and 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 currently more variable as some customers manage their responses to the pandemic by delaying planned project timing.

By market, the life sciences funnel remains robust as a result of strong activity in medical devices, pharmaceuticals and radiopharmaceuticals, and augmented by some opportunities related to the fight against COVID-19. In transportation, the funnel includes some strategic opportunities related to new technologies such as electric vehicles. 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. Funnel activity in food & beverage is robust and with the addition of CFT, the Company has increased exposure to opportunities in this market. Organic growth in first quarter Order Bookings and the addition of CFT and BioDot resulted in an Order Backlog of $1,248 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 second 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.

The Company's sales organization continues to work to engage customers on enterprise 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. The Company continues to be impacted by the COVID-19 pandemic as a result of 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: achieving cost synergies and revenue synergies in acquired businesses; 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 the ongoing deployment of the ABM.

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 expected 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.

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 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 have allowed the Company to maintain operations, although with less efficiency.

Quarterly Conference Call

ATS will host a conference call and webcast at 8:30 a.m. eastern on Wednesday, August 11, 2021 to discuss its quarterly results. The listen-only webcast can be accessed live at www.atsautomation.com. The conference call can be accessed live by dialing (416) 764-8659 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 August 18, 2021) by dialing (416) 764-8677 and entering passcode 269964 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.

For more information, contact:

Shereen Zahawi, Director Investor Relations
519 653-6500
szahawi@atsautomation.com

Consolidated Revenues
(In millions of dollars)

Revenues by type	**Three Months Ended June 27, 2021**	Three Months Ended June 28, 2020
Revenues from construction contracts	**$ 343.0**	$ 213.0
Services rendered	**100.5**	86.7
Sale of goods	**67.1**	25.2
Total revenues	**$ 510.6**	$ 324.9

Revenues by market	**Three Months Ended June 27, 2021**	Three Months Ended June 28, 2020
Life Sciences	**$ 230.6**	$ 181.5
Food & Beverage	**114.0**	7.1
Transportation	**75.1**	67.1
Consumer Products	**61.5**	41.1
Energy	**29.4**	28.1
Total revenues	**$ 510.6**	$ 324.9

Consolidated Operating Results
(In millions of dollars)

	Three Months Ended June 27, 2021	Three Months Ended June 28, 2020
Earnings from operations	**$ 52.0**	$ 21.1
Amortization of acquisition-related intangible assets	**11.3**	8.6
Acquisition-related transaction costs	**2.1**	—
Adjusted earnings from operations[1]	**$ 65.4**	$ 29.7

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

	Three Months Ended June 27, 2021	Three Months Ended June 28, 2020
Earnings from operations	**$ 52.0**	$ 21.1
Depreciation and amortization	**23.8**	18.1
EBITDA[1]	**$ 75.8**	$ 39.2
Acquisition-related transaction costs	**2.1**	—
Adjusted EBITDA[1]	**$ 77.9**	$ 39.2

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

Order Backlog by Market
(In millions of dollars)

	Three Months Ended June 27, 2021	Three Months Ended June 28, 2020
Life Sciences	**$ 741**	$ 524
Food & Beverage	**140**	8
Transportation	**192**	211
Consumer Products	**97**	71
Energy	**78**	95
Total	**$ 1,248**	$ 909

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):

	Three Months Ended June 27, 2021	Three Months Ended June 28, 2020
Adjusted EBITDA	**$ 77.9**	$ 39.2
Acquisition-related transaction costs	**2.1**	—
EBITDA	**$ 75.8**	$ 39.2
Less: depreciation and amortization expense	**23.8**	18.1
Earnings from operations	**$ 52.0**	$ 21.1
Less: net finance costs	**7.5**	8.2
Provision for income taxes	**10.6**	3.1
Net income	**$ 33.9**	$ 9.8

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 June 27, 2021			Three Months Ended June 28, 2020		
	IFRS	**Adjustments**	**Adjusted (non-IFRS)**	IFRS	Adjustments	Adjusted (non-IFRS)
Earnings from operations	**$ 52.0**	**$ —**	**$ 52.0**	$ 21.1	$ —	$ 21.1
Acquisition-related transaction costs	**—**	**2.1**	**2.1**	—	—	—
Amortization of acquisition-related intangible assets	**—**	**11.3**	**11.3**	—	8.6	8.6
	$ 52.0	**$ 13.4**	**$ 65.4**	$ 21.1	$ 8.6	$ 29.7
Less: net finance costs	**$ 7.5**	**$ —**	**$ 7.5**	$ 8.2	$ —	$ 8.2
Income before income taxes	**$ 44.5**	**$ 13.4**	**$ 57.9**	$ 12.9	$ 8.6	$ 21.5
Provision for income taxes	**$ 10.6**	**$ —**	**$ 10.6**	$ 3.1	$ —	$ 3.1
Adjustment to provision for income taxes[1]	**—**	**3.6**	**3.6**	—	2.3	2.3
	$ 10.6	**$ 3.6**	**$ 14.2**	$ 3.1	$ 2.3	$ 5.4
Net income	**$ 33.9**	**$ 9.8**	**$ 43.7**	$ 9.8	$ 6.3	$ 16.1
Basic earnings per share	**$ 0.37**	**$ 0.11**	**$ 0.48**	$ 0.11	$ 0.06	$ 0.17

[1] Adjustments to provision for income taxes relate to the income tax effects of adjustment items that are excluded for the purposes of calculating non-IFRS based adjusted net income.

Liquidity, Cash Flow and Financial Resources
(In millions of dollars, except ratios)

As at	**June 27, 2021**	March 31, 2021
Cash and cash equivalents	**$ 216.4**	$ 187.5
Debt-to-equity ratio[1]	**0.73:1**	0.59:1

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

For the three months ended	**June 27, 2021**	June 28, 2020
Cash flows provided by operating activities	**$ 48.4**	$ 47.0

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

As at	Note		**June 27 2021**		March 31 2021
ASSETS					
Current assets	11				
Cash and cash equivalents		**$**	**216,440**	$	187,467
Accounts receivable			**431,906**		285,947
Income tax receivable			**6,005**		8,158
Contract assets	17		**325,620**		272,847
Inventories	5		**143,018**		134,978
Deposits, prepaids and other assets	6		**48,770**		37,807
			1,171,759		927,204
Non-current assets					
Property, plant and equipment			**196,169**		191,169
Right-of-use assets	7		**82,761**		72,570
Other assets	8		**8,215**		5,882
Goodwill			**742,602**		671,057
Intangible assets			**306,834**		264,691
Deferred income tax assets			**10,549**		11,087
Investment tax credit receivable			**46,735**		52,440
			1,393,865		1,268,896
Total assets		**$**	**2,565,624**	$	2,196,100
LIABILITIES AND EQUITY					
Current liabilities					
Bank indebtedness	11	**$**	**952**	$	1,106
Accounts payable and accrued liabilities			**432,637**		367,303
Income tax payable			**34,902**		32,938
Contract liabilities	17		**362,022**		218,290
Provisions	10		**27,516**		29,034
Current portion of lease liabilities	7		**20,422**		15,197
Current portion of long-term debt	11		**2,611**		79
			881,062		663,947
Non-current liabilities					
Employee benefits			**33,618**		34,110
Long-term lease liabilities	7		**62,619**		57,764
Long-term debt	11		**532,338**		430,634
Deferred income tax liabilities			**80,029**		74,437
Other long-term liabilities	8		**27,418**		22,548
			736,022		619,493
Total liabilities		**$**	**1,617,084**	$	1,283,440
Commitments and contingencies	11, 15				
EQUITY					
Share capital	12	**$**	**529,036**	$	526,446
Contributed surplus			**10,914**		11,170
Accumulated other comprehensive income			**59,904**		59,830
Retained earnings			**331,107**		297,818
Equity attributable to shareholders			**930,961**		895,264
Non-controlling interests			**17,579**		17,396
Total equity			**948,540**		912,660
Total liabilities and equity		**$**	**2,565,624**	$	2,196,100

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

For the three months ended	Note		June 27 2021		June 28 2020
Revenues					
Revenues from construction contracts		**$**	**343,007**	$	213,011
Services rendered			**100,486**		86,629
Sale of goods			**67,122**		25,227
Total revenues	17		**510,615**		324,867
Operating costs and expenses					
Cost of revenues			**366,698**		245,624
Selling, general and administrative			**83,195**		56,498
Stock-based compensation	14		**8,773**		1,636
Earnings from operations			**51,949**		21,109
Net finance costs	18		**7,505**		8,194
Income before income taxes			**44,444**		12,915
Income tax expense	13		**10,564**		3,161
Net income		**$**	**33,880**	$	9,754
Attributable to					
Shareholders		**$**	**33,336**	$	9,699
Non-controlling interests			**544**		55
		$	**33,880**	$	9,754
Earnings per share attributable to shareholders					
Basic and diluted	19	**$**	**0.37**	$	0.11

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

Three months ended	Note		June 27 2021		June 28 2020
Operating activities					
Net income		**$**	**33,880**	$	9,754
Items not involving cash					
Depreciation of property, plant and equipment			**5,059**		3,652
Amortization of right-of-use assets	7		**5,276**		4,120
Amortization of intangible assets			**13,473**		10,286
Deferred income taxes	13		**(3,131)**		(1,593)
Other items not involving cash			**5,462**		(668)
Stock-based compensation	14		**283**		1,636
			60,302		27,187
Change in non-cash operating working capital			**(11,889)**		19,802
Cash flows provided by operating activities		**$**	**48,413**	$	46,989
Investing activities					
Acquisition of property, plant and equipment		**$**	**(10,998)**	$	(3,997)
Acquisition of intangible assets			**(3,272)**		(1,741)
Business acquisition, net of cash acquired			**(114,793)**		—
Purchase of non-controlling interest			**(85)**		—
Proceeds from disposal of property, plant and equipment			**94**		2,647
Cash flows used in investing activities		**$**	**(129,054)**	$	(3,091)
Financing activities					
Restricted cash		**$**	**—**	$	(51)
Bank indebtedness			**(147)**		177
Repayment of long-term debt			**(1,209)**		(55,035)
Proceeds from long-term debt			**114,405**		55,080
Proceeds from exercise of stock options			**2,051**		2,269
Principal lease payments			**(5,398)**		(3,771)
Cash flows provided by (used in) financing activities		**$**	**109,702**	$	(1,331)
Effect of exchange rate changes on cash and cash equivalents			**(88)**		(2,655)
Increase in cash and cash equivalents			**28,973**		39,912
Cash and cash equivalents, beginning of period			**187,467**		358,645
Cash and cash equivalents, end of period		**$**	**216,440**	$	398,557
Supplemental information					
Cash income taxes paid		**$**	**4,721**	$	2,886
Cash interest paid		**$**	**10,430**	$	13,689

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 EBITDA", "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. 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 EBITDA is defined as adjusted earnings from operations excluding depreciation and amortization. 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, EBITDA and adjusted 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 and adjusted EBITDA are important indicators of the Company's ability to generate operating cash flows to fund continued investment in its operations. Management believes that adjusted earnings from operations, adjusted EBITDA 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) adjusted EBITDA and EBITDA to earnings from operations, (ii) adjusted earnings from operations to earnings from operations, (iii) adjusted net income to net income and (iv) adjusted basic earnings per share to basic earnings per share, in each case for the three-month periods ended June 27, 2021 and June 28, 2020 is contained in this MD&A (see "Reconciliation of Non-IFRS Measures to IFRS Measures"). A reconciliation of Order Bookings and Order Backlog to total Company revenues for the three-month periods ended June 27, 2021 and June 28, 2020 is also contained in this MD&A (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; 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; 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; 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; 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.