

## News Release

### **ST Engineering Invests In Robotics Business Acquires Aethon, Inc. For Its Land Systems Sector**

**Singapore, 17 July 2017** – Singapore Technologies Engineering Ltd (ST Engineering) today announced that Vision Technologies Land Systems, Inc. (VTLS), and its wholly-owned subsidiary, VT Robotics, Inc. (VT Robotics) have entered into a definitive agreement (Merger Agreement) with Aethon, Inc. (Aethon or the Company) for the acquisition of 100% interest in Aethon. This acquisition will be carried out by way of a merger (Proposed Transaction). VT Robotics is a special purpose vehicle newly incorporated for the Proposed Transaction.

Pursuant to the Proposed Transaction, VT Robotics and Aethon will be merged, with Aethon being the surviving entity. Upon the completion of the Proposed Transaction, Aethon will be a subsidiary of VTLS, and will be part of the Group's Land Systems sector which is led by Singapore Technologies Kinetics Ltd (ST Kinetics).

Under the Merger Agreement, a consideration based on an enterprise value of US\$36m (approximately S\$50m) will be payable by VTLS, subject to post closing adjustments. The consideration will be satisfied in cash on closing, and was arrived at after negotiations between the parties, taking into account Aethon's current financial performance and future growth prospects.

ST Engineering has identified several growth areas in which it will invest to grow or scale up its capabilities and technologies. The acquisition of Aethon, a leading provider of autonomous mobile robots for material transportation and delivery, is in line with its focus to strengthen the Group's robotics business.

Based in Pittsburgh, PA, Aethon is best known for its TUG® smart autonomous mobile robot which helps automate intra-logistics in industrial, healthcare, hospitality and other

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commercial environments. Its robots are used to deliver goods, materials, meals, medication and other supplies up to a load of 635 kg per robot. TUG robots have been deployed in more than 164 customer sites (including hospitals, hotels and manufacturing plants) across the globe.

Aethon complements ST Kinetics' robotics technologies to better serve the varying needs of customers in both the indoor and outdoor environments. Going forward, Aethon will leverage ST Kinetics' technological capabilities and market access to develop the Asia Pacific markets for the industrial, healthcare and hospitality segments. Aethon will further consolidate its leading position in the US healthcare segment, expand its footprint in the industrial and hospitality segments and concurrently penetrate the European market.

Subject to certain closing conditions, the Proposed Transaction is anticipated to complete by the third quarter of 2017.

The Proposed Transaction is not expected to have any material impact on the consolidated net tangible assets (NTA) per share and earnings per share of ST Engineering for the current financial year. The estimated NTA of Aethon at closing is negative US\$1.0m (approximately negative S\$1.4m).

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**VT Systems** (Vision Technologies Systems, Inc) is an engineering company providing integrated solution to the commercial and government markets in the aerospace, electronics, land systems and marine sectors. VT Systems' innovative solutions, products and services include aircraft maintenance, repair and modification; software solutions in training and simulation; satellite-based IN communications technology; network solutions that integrate data, voice and video; rugged computers and computer peripheral equipment; specialized truck bodies and trailers; weapons and munitions system; road construction equipment; and ship design and shipbuilding. Headquartered in Alexandria, Va., VT Systems operates globally and is wholly owned subsidiary of ST Engineering. Please visit [www.vt-systems.com](http://www.vt-systems.com) for more information.

**ST Kinetics** (Singapore Technologies Kinetics Ltd) is the land systems arm of ST Engineering, an integrated engineering group. With 50 years of engineering expertise behind us, we are driven by a passion for innovation and work with partners and customers to deliver customised land systems and security solutions that meet the stringent operational requirements of defence, homeland security and commercial customers. Headquartered in Singapore, ST Kinetics employs a skilled workforce of some 5,000 people, 70% of whom are in engineering and technical roles, to support customers in over 40 countries. We are the world leader in niche products such as 40mm munitions. In FY2016, ST Kinetics recorded revenue of S\$1.3b. Please visit [www.stengg.com](http://www.stengg.com) for more information.

**ST Engineering** (Singapore Technologies Engineering Ltd) is an integrated engineering group specialising in the aerospace, electronics, land systems and marine sectors. It has global presence with offices in Asia, the Americas, Europe and the Middle East and employs about 22,000 employees. Across the globe, its employees bring innovation and technology together to create smart engineering solutions for its customers in the defence, government and commercial segments. Headquartered in Singapore, the Group reported revenue of \$6.68b in FY2016 and ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, MSCI Singapore and the SGX Sustainability Leaders Index. Please visit [www.stengg.com](http://www.stengg.com) for more information.

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