Teledyne Technologies to acquire DALSA Corporation

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Pursuant to the transaction, Teledyne will acquire all of the outstanding common shares of DALSA for CAD $18.25 per share payable in cash. The aggregate value for the transaction is approximately CAD $341 million, taking into account DALSA's stock options and net cash as of September 30, 2010.

Headquartered in Waterloo, Ontario, DALSA is an international leader in high performance digital imaging and microelectromechanical systems (MEMS) with approximately 1,000 employees worldwide. Established in 1980, DALSA designs, develops, manufactures and markets digital imaging products and solutions, in addition to manufacturing custom MEMS products. DALSA's imaging products and services include high-resolution, high-performance CCD and CMOS imaging sensors, electronic digital cameras and image processing software for use in industrial machine vision, advanced medical imaging and high resolution aerial and satellite imagery. For the twelve months ended September 30, 2010, DALSA had sales of approximately CAD $201 million.

"*Teledyne and DALSA are each acknowledged leaders in digital imaging technology but our product lines and customer bases are almost entirely complementary. For example, DALSA produces among the world's most advanced visible light imaging sensors and cameras for commercial applications, while Teledyne produces extreme resolution infrared sensors and subsystems primarily for government applications*," said **Dr. Robert Mehrabian**, Chairman, President and Chief Executive Officer of Teledyne. "*The combined strengths of Teledyne's and DALSA's leading imaging technologies will allow us to develop new infrared and visible light products that serve our respective markets and customers. Furthermore, DALSA's custom MEMS capabilities will be augmented by having access to Teledyne's extensive MEMS research activities and advanced process technologies*.

"*With the acquisition of DALSA, Teledyne is making a substantial commitment to Canada. We are especially attracted to strong support for research and*

development and advancement of technology provided by both the Canadian Federal and Provincial Governments of Ontario and Quebec. Finally, following the acquisition of DALSA, and the previously announced divestiture of Teledyne Continental Motors, Teledyne will be transformed into a pure-play electronics, instrumentation and engineering focused company."

"*I view this transaction as a natural evolution for DALSA and a positive development for all DALSA stakeholders including shareholders, employees, executives, local communities, customers and vendors*," commented **Dr. Savvas Chamberlain**, Chairman of the Board and Founder of DALSA. "*The decision to be a part of a larger organization recognizes that in order for DALSA to become a billion dollar company, we need to team up with an industry leader with complementary technologies. Finally, as the founder of the company, I am pleased to see DALSA's name live on, in its new incarnation as Teledyne DALSA*."

"*Being part of the Teledyne team will provide many opportunities for accelerated growth for DALSA*," said **Brian Doody**, Chief Executive Officer of DALSA. "*I am looking forward to working with my existing management and executive team, along with the Teledyne team, as we move forward together in the next stage of the company's development. As envisioned in the agreement with Teledyne, our principal operations will continue to function in their existing locations. Moreover, Teledyne expects to continue to invest in our technology and business*."

Additional Information About the Transaction
The purchase price payable by Teledyne of CAD $18.25 per common share represents a premium of 27.7 percent over the twenty-day volume weighted average trading price of CAD $14.29 for DALSA common shares on the Toronto Stock Exchange for the period ending December 21, 2010. Holders of approximately 6.4 million DALSA common shares, representing approximately 34.7 percent of DALSA's outstanding common shares, have entered into support agreements with Teledyne pursuant to which they have agreed to support and vote in favor of the transaction.

The transaction will be carried out by way of a statutory plan of arrangement under the Business Corporations Act (Ontario). The completion of the transaction is subject to, among other things, the approval of shareholders of DALSA representing at least two-thirds of the common shares of DALSA represented at a special meeting of shareholders of DALSA to be called to consider the transaction and Court approval. In addition, the transaction is subject to a number of additional closing conditions, including receipt of required regulatory approvals, as well as other customary closing conditions.

The transaction has been reviewed by a Special Committee of the Board of Directors of DALSA and has been unanimously approved by the Board of Directors of DALSA following the unanimous recommendation of the Special Committee. The Board of Directors of DALSA unanimously recommends that the shareholders of DALSA vote in favor of the transaction. Canaccord Genuity Corp acted as financial advisor to DALSA, and the Special Committee and the Board of Directors have received an opinion from Canaccord Genuity that the consideration offered under

the transaction is fair, from a financial point of view, to DALSA's shareholders.

The definitive agreement contains a termination fee in the amount of approximately CAD $10.2 million, which is payable by DALSA to Teledyne in certain circumstances if the transaction is not completed. The definitive agreement provides that DALSA will call and hold a special meeting of the DALSA shareholders for the purposes of considering the transaction. If all necessary approvals are obtained and the conditions contained in the definitive agreement are satisfied, DALSA and Teledyne expect that the transaction will close in February 2011.

DALSA anticipates declaring a quarterly dividend, consistent with previous practices, prior to the closing date.

Full details of the arrangement and certain other matters will be included in the management information circular of DALSA (the "Information Circular") which will be filed with the regulatory authorities and mailed to DALSA shareholders in accordance with applicable securities laws. Shareholders may obtain a copy of the definitive agreement, Information Circular of DALSA, and other meeting materials when they become available at www.sedar.com [1].

This press release is for informational purposes only. It does not constitute an offer to purchase shares of DALSA Corporation or a solicitation or recommendation statement under the rules and regulations of the United States Securities and Exchange Commission.

About Teledyne Technologies
Teledyne Technologies is a leading provider of sophisticated electronic subsystems, instrumentation and communication products, engineered systems, aerospace engines, and energy and power generation systems. Teledyne Technologies' operations are primarily located in the United States, the United Kingdom and Mexico. For more information, visit Teledyne Technologies' website at www.teledyne.com [2].

About DALSA Corporation
DALSA Corporation is an international leader in high performance digital imaging and semiconductors with approximately 1,000 employees worldwide, headquartered in Waterloo, Ontario, Canada. Established in 1980, the company designs, develops, manufactures and markets digital imaging products and solutions, in addition to providing MEMS products and services. For more information, visit DALSA's website at www.dalsa.com [3].

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