



Axis IT&T, CADES to Merge into Axis Aerospace & Technologies (AAT) To Create a Leading Aerospace & Defence Technology Company

Bangalore 12th September'11: Axis IT&T Ltd a leading Engineering Design Services Company announced today that its Board has approved the scheme of arrangement to restructure its businesses whereby different entities catering to Engineering Design Services, Aerospace and Defence Technology businesses will be merged to create a single entity.

Commenting on this development, S.Ravi Narayanan, Chairman & CEO said: "The proposed structure is in line with our vision of providing a holistic solution in Aerospace and Defence Technology businesses with unmatched quality and value so that we become the first choice partners to global majors. We are confident that the new structure would offer compelling value proposition to all stakeholders.

The new structure brings in valuable partnerships with global Aerospace & Defence Companies (ADC) majors with years of corporate and technical level engagements. This simple and focussed structure would provide us a jump start and a first mover advantage among private companies.

Rationale & Benefits

The resultant listed entity, post merger, to be known as "Axis Aerospace & Technologies Limited" (AAT) will benefit from **unique positioning, resultant entry barriers, strong financials and impressive and growing customer list, who are predominantly global majors.**

This will enable the resulting entity to create a stronger platform to grow aggressively & inorganically in the niche segments and emerge as a significant global player to capitalise the emerging opportunities in market.

Scheme of Arrangement & Share Swap Ratio

Axis IT&T, Cades Digitech Pvt. Ltd (Cades) and Tayana Digital Pvt. Ltd (TDPL), the holding company of Axis IT&T will merge with Axis Aerospace & Technologies Ltd (AAT). Pursuant to the scheme and on receipt of all necessary approvals, the shares will be listed on BSE & NSE and hence the shareholders of Axis IT&T will continue to hold shares of the resultant listed entity.



The appointed date for restructuring shall be 1st April 2011, subject to the approval of the High Courts' and the scheme of arrangement will be effective only on receipt of all the requisite statutory approvals.

Based on independent professional valuations and on the fairness opinion expressed, the recommended share swap ratio is 1 share of AAT of face value of Rs 4/- each for every 1 share of Axis IT&T of Face Value Rs 5/- each.

Consequently, the promoter holding in the resulting entity will be about 80.38%. Accordingly, the promoters will give an undertaking to the stock exchanges to do the needful to comply with the listing regulations.

PwC, Bangalore, acted as transaction advisors to the restructuring.

This press release is being jointly released by AAT, Cades, Axis IT&T and Jupiter Aviation Services.

About AAT

Axis Aerospace and Technologies (AAT), based in Bangalore, is one of the premier Aerospace Companies in India. AAT offers solutions for Aerospace & Defence, Life Cycle Solutions & manufacturing support including obsolescence handling and system integration. AAT is also the principal Indian Offset partner for many global OEMs.

About Cades

CADES, headquartered in Bangalore and having 60+ customers, is a leading Aerospace product design and engineering services company with emphasis on domain and innovation; provides Product design, Engineering and R&D services to aerospace, automotive & transportation sectors.

About Axis IT&T

Axis IT&T Limited is an Engineering Design Services ("EDS") Company that delivers design based solutions to global engineering majors, with development centres in North America, Europe and Asia. The company is a significant design services provider to Caterpillar, one of the largest heavy engineering companies in the world.



For AXIS IT&T LIMITED

Director