

News Release

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Erhardt+Leimer and AVT Announce Signing of Strategic Alliance Agreement to Provide Wider Range of Integrated Automation Solutions for the Printing and Converting Industries

AVT acquires Erhardt+Leimer's print inspection products; E+L and AVT to offer both Helios and NyScan solutions to both companies' customers

Augsburg, Germany and Hod-Hasharon, Israel – **Erhardt+Leimer**, a leader in system solutions and process control equipment to web-based industries and **AVT** (Advanced Vision Technology), a leader in print inspection, print process control, and quality assurance, have announced signing and closing of the Alliance agreement between the two companies that will broaden product portfolios and strengthen services for customers of both companies, including end users and OEMs, through solutions born of the two companies' combined experience and technological skills.

As announced by the two companies last month, in a first step AVT will acquire E+L's automatic print inspection solutions and will assume the responsibility to develop and manage these solutions for both companies' customers in the Label and Packaging applications, including the corrugated segment. In return E+L will be entitled to future earn outs and a cash payment as per the set terms. As part of the agreement, Dr. Michael Proeller, E+L's CEO, will be appointed Chairman of AVT's Advisory Board and serve as an observer on AVT's Board of Directors.

The agreement makes AVT the official inspection and press control provider for E+L, including both current products and ongoing product developments in the printing sector. In the label market, AVT and E+L will continue to offer both Helios and Nyscan platforms and support them. In the future, AVT intends to merge the capabilities of these two platforms and offer both Nyscan and Helios customers an upgrade path to this integrated platform for optimal protection of their initial investment.

Being an integration specialist, E+L is the ideal partner for the realization of complex automation and inspection solutions. Each company will then offer solutions from both AVT and E+L to all customers.

Combined Technological Expertise Benefits Customers & OEMs

One major achievement of this strategic alliance will be the level of technological know-how it unites. E+L's expertise in web, press and vision systems combined with AVT's inspection, press control and workflow management capabilities will enable the companies to offer unsurpassed end-to-end quality control solutions. The new joint portfolio includes comprehensive solutions such as:

- **Label & Narrow Web Inspection:** E+L's NYSCAN and AVT's Helios platforms will be enhanced through combined support expertise and the increased potential for joint innovation.
- **Vision & Viewing:** The alliance leverages E+L's view/vision technologies to enhance both view and inspection solutions and capabilities.
- **Comprehensive End-to-end:** The alliance creates a one-stop-shop for total quality assurance and process control solutions, from web guides and vision systems through press control and automation.
- **Corrugated:** The alliance instantly becomes a leading supplier and innovator for the corrugated industry's fast-developing quality control needs. Existing products for corrugated printing will be further enhanced, and plans are in the works to introduce several additional offerings.

Many of the advantages to which customers will be privy also will be enjoyed by original equipment manufacturers (OEMs) that partner with either AVT or E+L. OEMs will benefit from the one-stop-shop created by the alliance, providing everything from web guides, measurement systems and viewers to press control solutions, workflow management set-ups and automation.

"Now that the agreement is signed we are eager to start working together, combining the skills and technological assets of both companies to bring even better solutions to our customers," said Jaron Lotan, CEO of AVT.

Dr. Michael Proeller, CEO of E+L: "This partnership stems from decades of mutual respect between our two companies, including each other's products, technology and personnel. Our combined strengths will be unparalleled in the industry, with our current and future worldwide customers enjoying a variety of benefits."

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About AVT

AVT is the global leader in print process control, quality assurance, and press control for the packaging, labels, and commercial print industries. Backed by state-of-the-art technology and field-proven solutions, more than 7,000 AVT systems are installed at customer sites worldwide.

AVT is headquartered in Hod-Hasharon, Israel with sales, marketing, and support offices in the United States, Europe and China. For more information, visit www.avt-inc.com.

About E+L

E+L is the worldwide leading company in web guiding, web viewing and web tension control. E+L sells averagely 15000 of these systems annually through its extensive international network and is the undisputed market leader in this field.

E+L is headquartered in Augsburg, Germany and employs 1500 dedicated employees worldwide. E+L has factories and subsidiaries all over Europe, the US, Canada, Brazil, India, China, Taiwan, Korea and Japan. For more information visit www.erhardt-leimer.com.