Telit Wireless Solutions Completes Acquisition of Motorola Solutions' M2M Modules Business Unit

RALEIGH, N.C. -- (BUSINESS WIRE) -- Telit Wireless Solutions and Motorola Solutions have successfully completed the transaction in which Telit acquired Motorola Solutions' M2M modules business unit, and Motorola Solutions' associated employees have joined Telit. All existing Telit and Motorola products will be maintained and available as originally planned by the separate entities. Telit will continue to support and develop all products as needed, including the G24 family, G24-Light, G30 and C24.

The acquisition brings Telit's consolidated pro forma revenues to approximately $180 million for the year ended December 31, 2010. This is equivalent to a pro forma market share of approximately 20% based on the current market analysis by Beecham Research (Beecham Research Market Brief: Worldwide Cellular M2M Modules Forecast, August 2010).

The transaction has a value of $23.0 million. An additional $3.0 million will be spent on inventory in relation to the newly-acquired product line over the coming months. Telit financed the transaction by placing approximately 24 million new Shares to raise £19.0 million (before expenses). The new shareholder structure lists Boostt B.V. Group (19.8%), Algebris Investments (22.1%), Idea Capital (9.3%), Sapfi Kapital Management GmbH (5.5%), Herald (4.9%), Greylock Partners (4.3%), Sherman Capital (4.1%), Rathbone (3.9%) and Kairos Partners (3.6%) as the most significant shareholders. Currently Telit is in the final stage of transferring all Motorola M2M activities to the global Telit organization. The Telit infrastructure will assume logistical and technical support of all clients without delay.

Machine-to-machine communication is a mega trend. Interconnected devices facilitate new ranges of applications and additional business opportunities for almost any industry sector. Intelligent applications will make work processes more efficient and everyday life easier for everybody.

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