



PRESS RELEASE

BERETTA HOLDING ACQUIRES TWO COMPANIES IN US, STS AND DIFFRACTION LTD

- **The two U.S. companies sell highly specialized products and systems mainly utilized for night vision applications**
- **The Group increases its presence in the United States, where it already generates more than 50% of revenues**
- **The two acquisitions will be part of the Electro-Optics Division**

Gardone Valtrompia (BS), January 4, 2016 – Beretta Holding, through its German subsidiary Steiner, announces the acquisition of **STS**, based in Beavercreek, Ohio (USA), and **Diffraction Ltd**, based in Burlington Vermont (USA), both held by The O'Gara Group. The companies offer leading edge solutions in the field of night vision and related technologies relying on the strength of a solid and multifunctional team of highly skilled engineers. The two acquisitions represent an important strategic step in increasing the Group's product offering in the field of electro-optics.

STS and Diffraction's products utilize advanced technology recognized worldwide and primarily **used by Western countries' special forces**, including the United States (all branches of the US military, government and law enforcement agencies) to many other agencies around the world (including Canada, UK, France, Germany, Italy, France, Switzerland, Norway, etc.).

The acquisition was completed on December 31st **using the Group's own financial resources** without any external funding.

STS and Diffraction allow a **further strengthening of Beretta Holding into the electro-optics sector**, which currently accounts for approximately 15% of the total revenue of the Group, with offerings that includes a range of products and solutions in the electro-optics field, including aiming devices, binoculars, laser pointers and portable illumination systems.

This partnership is expected to drive a significant increase of **technology and production synergies** in the design and marketing of new products and solutions in an industry characterized by a high technological content, where the Group will continue to analyze the possibilities of further growth and integration.

An additional strategic benefit of the transaction for the Beretta Group is the ability to **strengthen its presence in the US**, where the Group currently generates more than 50% of sales and where investments for the transfer of the activities of Beretta USA to a new production facility located in Tennessee are currently being completed.

Pietro Gussalli Beretta, President and CEO of Beretta Holding, said: "Through the acquisition of STS and Diffraction, our Group achieves a fundamental step in its growth plan to achieve a leadership position in the field of electro-optics. We will continue our process of internationalization and investment in R&D to support the growth of all the companies of the group and to design products and solutions that are always innovative and competitive".

Beretta Holding

Beretta Holding SpA is an international industrial group (94% of turnover is made abroad), with approximately 3,000 employees, active in the production and distribution of light firearms, used for sports, hunting and self-protection, clothing, accessories and advanced systems in the field of electro-optics. It is based in Gardone Val Trompia (Brescia) and coordinates the activities of 26 companies operating in the main European countries, the United States (where it accounts for about 50% of sales) and in the major countries of other continents. Since inception to date the turnover and the number of subsidiaries is growing as a result of a careful policy of investments and strategic acquisitions, carried out in order to gradually expand the range of products offered and to ensure a direct commercial presence in the most important markets where it operates. Consolidated revenues in 2014 amounted to Euro 623 million, EBITDA to Euro 89.3 million and net income to Euro 40 million.

For more information:

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