

## API Technologies Announces the Acquisition of the Kuchera Group of Companies

### **Gloucester, UK: 21<sup>st</sup> January 2010**

Specialist defence and security IT manufacturer, Secure Systems & Technologies, (SST) reports the purchase of the Kuchera Group of Companies by its parent API Technologies Corp.

The acquisition of the large U.S. based defence subcontractor specialising in sophisticated electronics and highly-engineered systems for the defence, aerospace and communications industries better positions API Technologies Corp., already a leading supplier of electronic systems and sub-systems to the aerospace, defence and communications sectors, to better serve global clients.

The announcement by API Technologies issued 21<sup>st</sup> January 2010:

The acquisition will double the size of API Technologies with combined revenues in excess of \$120 Million

API Technologies Corp. (ATNY.OB) ("API" or the "Company"), a prime contractor in secure communications, electronic components and subsystems to the global defence and aerospace industries, today announced that it has acquired substantially all of the assets of the Kuchera Group of Companies ("KGC"), including Kuchera Defense Systems, Inc. KGC is a large U.S.-based defence subcontractor specialising in sophisticated electronics and highly-engineered systems for the defence, aerospace and communications industries.

### **Kuchera Highlights**

- Founded in 1985, KGC is a leading supplier of sophisticated engineering services to the defence and communicates industries.
- KGC generated approximately \$65 million in revenues for the twelve-month period ended June 30, 2009 and has a current order book of over \$63.5 million.
- Products include unmanned aircraft, final systems integration, printed circuit boards, robotic systems, electro-mechanical assemblies and.
- Fortune 100 client base including Raytheon, Northrup Grumman and Boeing.
- Over 100,000 square foot facility in Johnstown, Pennsylvania with approximately 300 employees, including 50 design and development engineers.
- Experienced and long standing management team who will continue in their leadership roles, including Carl Sax, Executive Vice President and General Manager, George Bohrer, Director of Operations, Russ Corrente, Director of R&D Engineering, and Eugene Sitar, Director of Manufacturing.

"The acquisition of the assets of the Kuchera Group of Companies is a transformational step forward for our Company in becoming a true leader in the defence subcontracting industry," stated Stephen B. Pudles, Chief Executive Officer of API Technologies Corp. "Together with our existing business, the new combined entity will be better positioned to serve our global clients, including General Dynamics, Raytheon, Northrup Grumman and Governments around the world. This acquisition also includes a very experienced and diverse management team that we welcome to the API family."

Mr. Pudles continued, "As a result of this transaction, the founders of KGC, Bill Kuchera and Ron Kuchera, will be leaving the company to pursue other opportunities. We would like to thank them for building a truly world-class company and wish them all the best in their future endeavours."

Carl Sax, Executive Vice President and General Manager of KGC said, "We are very excited to be joining the API family. With both companies working together, we look forward to accelerating our growth, entering new markets and leveraging the core competencies of the combined API."

Phillip DeZwirek, API's Chairman, stated, "This transaction is another exciting and important step in API's growth to being one of the leading defence subcontractors in the world. It is immediately accretive and further enhances our financial strength and overall position."

#### **About API Technologies Corp.**

The Company is engaged as a prime system contractor in secure communications and a leading provider of electronic components and subsystems. API Technologies' customers include the U.S. Department of Defense (DoD) and its prime contractors, U.S. Government intelligence agencies, the U.S. Department of Homeland Security (DHS), U.S. Department of State (DoS) and U.S. Department of Justice (DoJ), including various government and prime contractors of Canada, the United Kingdom, NATO and the European Union. The Company is engaged in providing innovative design, engineering and manufacturing solutions to its customers. The Company has also developed expertise in the R&D and manufacture of nanotechnology and MEMS products. API Technologies trades on the OTC Bulletin Board under the symbol ATNY. For further information, please visit the company website at [www.apitech.com](http://www.apitech.com)

#### **Safe Harbour for Forward-Looking Statements**

Except for statements of historical fact, the information presented herein constitutes forward-looking statements. All forward-looking statements are subject to certain risks, uncertainties and assumptions which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties, which are more fully described in the Company's Annual and Quarterly Reports filed with the Securities and Exchange Commission, include but are not limited to, general economic and business conditions, the ability to acquire and develop specific projects, the ability to fund operations and changes in consumer and business consumption habits, our ability to protect our intellectual property, our ability to integrate and consolidate our operations, our ability to expand our operations in both new and existing markets, the effect of growth on our infrastructure and the effect of competition in the secure communications, electronic components, nano-optics and nanotechnology industries. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated. All information in this release is as of the date hereof. We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

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