



PRESS RELEASE

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FOR IMMEDIATE RELEASE

HÉROUX-DEVTEK COMPLETES ACQUISITION OF BEAVER AEROSPACE & DEFENSE INC.

Longueuil, Quebec, July 3, 2018 - Héroux-Devtek Inc. (TSX: HRX) (“Héroux-Devtek” or the “Corporation”), a leading international manufacturer of aerospace products, is pleased to announce that it has successfully completed the acquisition of all the shares of Beaver Aerospace & Defense Inc. and its wholly-owned subsidiary PowerTHRU Inc. (“Beaver”), from Phillips Service Industries Inc. for a purchase price of US\$23.5 million including a US\$3.5 million balance of sale payable over the next two years and, subject to final working capital adjustments. The transaction was funded through the Corporation’s available cash on hand.

“We are very pleased to have completed this acquisition which will allow us to broaden our existing aerospace and product offering into ball screws and actuation systems and will expand our footprint in North America,” said Héroux-Devtek President & CEO, Gilles Labbé. “More specifically, we expect to leverage Beaver’s relationships with industry-leading OEMs and benefit from cross-selling and operating efficiencies. We are proud to welcome the Beaver team to the Héroux-Devtek family and expect to successfully continue to grow the business together.”

Founded in 1952, Beaver is a vertically integrated manufacturer with a growing portfolio of company-designed products. It designs and manufactures custom ball screws from a variety of materials based on customer and application requirements as well as designs, manufactures, assembles and tests electromechanical actuators. Beaver operates three facilities totalling 82,200 square feet in Livonia, Michigan and employs approximately 100 people. It generates annual revenues of approximately US\$30 million, of which about two thirds are derived from the defence sector.

PROFILE

Héroux-Devtek Inc. (TSX: HRX) is an international company specializing in the design, development, manufacture and repair and overhaul of landing gear and actuation systems and components for the Aerospace market. The Corporation is the third largest landing gear company worldwide, supplying both the commercial and defence sectors of the Aerospace market with new landing gear systems and components, as well as aftermarket products and services. The Corporation also manufactures hydraulic systems, fluid filtration systems and

electronic enclosures. Approximately 90% of the Corporation's sales are outside Canada, including about 65% in the United States. The Corporation's head office is located in Longueuil, Québec with facilities in the Greater Montreal area (Longueuil, Laval and St-Hubert); Kitchener, Cambridge and Toronto, Ontario; Springfield and Strongsville, Ohio; Wichita, Kansas; Everett, Washington; Livonia, Michigan; and Runcorn, Nottingham and Bolton, United Kingdom.

FORWARD-LOOKING STATEMENTS

Except for historical information provided herein, this press release contains information and statements of a forward-looking nature concerning the future performance of the Corporation. Forward looking statements are based on assumptions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Corporation's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results. Please see the Guidance section in the Corporation's MD&A for the fiscal year ended March 31, 2018, for further details regarding the material assumptions underlying the forecasts and guidance. Such forecasts and guidance are provided for the purpose of assisting the reader in understanding the Corporation's financial performance and prospects and to present management's assessment of future plans and operations, and the reader is cautioned that such statements may not be appropriate for other purposes.