

FARO Acquires Global Technology Rights from Dimensional Photonics International

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LAKE MARY, Fla., April 30 /PRNewswire-FirstCall/ -- FARO Technologies, Inc., (Nasdaq: FARO) the world leader in portable computer-aided measurement hardware and software, announced that the Company has acquired an exclusive license from Dimensional Photonics International, Inc., a leading provider of high-speed, high-accuracy digital shape scanners, for global rights to develop, manufacture and sell the company's technology and products. Terms of the agreement were not disclosed.

"This is a perfect fit for FARO, both strategically and operationally," FARO President and CEO Jay Freeland said. "I have been very open about my desire to expand our non-contact capabilities and DPI's technology provides us with a one-of-a-kind platform to do so. Their current products are highly applicable to all the existing industrial markets we currently serve, and we will continue to enhance and refine the technology as we move forward."

Olaf Krohg, Chairman and CEO of DPI, agreed: "FARO is a great match for this technology given their significant market presence, depth of technical knowledge, and history of making small technology-driven acquisitions highly successful."

FARO expects the transaction to be mildly dilutive to earnings in 2008 and 2009. The license covers:

- Technology and products only -- no personnel or facilities are involved
- Rights to more than 20 existing and pending patents
- Rights to certain technology developed and patented by the Massachusetts Institute of Technology
- FARO as the exclusive owner of global rights for a broad mix of industrial applications

FARO will establish a new Technology Center of Excellence in the Boston area, close to the existing DPI team, in order to ensure successful technology transfer as well as to draw upon the vast technical talent available in that geographic area. The new R&D team will fall under FARO's current Engineering organization headed by Jim West, Senior Vice President of Engineering and Chief Technology Officer.

DPI's proprietary technology, Accordion Fringe Interferometry (AFI), creates a 3-D digital model of a physical object's surface by immersing it in patterns of light, then recording how the light reflects. Its ability to achieve accuracy of 25 microns or better in a 500 mm field of view is world class for a non-contact technology.

AFI is also highly scalable technology, with inherent design flexibility between accuracy, speed and field of view. It is capable of 3-D scanning objects from nano-scale to several meters in size.

The technology is complementary to FARO's existing non-contact offerings. The FARO Laser Scanner LS is capable of significantly larger volume, but with lower accuracy. The FARO ScanArm is more portable than the existing DPI product, but is also less accurate.

"This is game-changing technology for FARO," Freeland concluded. "When combined with our significant level of expertise in three-dimensional measurement, imaging and optics, it will enable us to positively impact more industries and applications than ever."

For additional information on DPI, please visit www.faro.com/dpi-3d.

This press release contains forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995) that are subject to risks and uncertainties, such as statements about our plans, objectives, projections, expectations, strategies, or future events. Statements that are not historical facts or that describe the Company's plans, objectives, projections, expectations, assumptions, strategies, or goals are forward-looking statements. In addition, words such as "may," "believes," "anticipates," "expects," "intends," "plans," "seeks," "estimates," "will," "should," "could," "projects," "forecast," "target," "goal," and similar expressions or discussions of our strategy or other intentions identify forward-looking statements. Other written or oral statements, which constitute forward-looking statements, also may be made by the Company from time to time. Forward-looking statements are not guarantees of future performance and are subject to various known and unknown risks, uncertainties, and other factors that may cause actual results, performances, or achievements to differ materially from future results, performances, or achievements expressed or implied by such forward-looking statements. Consequently, undue reliance should not be placed on these forward-looking statements.

Factors that could cause actual results to differ materially from what is expressed or forecasted in forward-looking statements include, but are not limited to:

- development by others of new or improved products, processes or technologies that make our products obsolete or less competitive;
- our inability to achieve expected benefits from the license of the DPI technology;
- the other risks detailed in the Company's Annual Report on Form 10-K and other filings from time to time with the Securities and Exchange Commission.

Forward-looking statements in this release represent the Company's judgment as of the date of this release. The Company undertakes no obligation to

update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

About FARO

With approximately 17,000 installations and 7,600 customers globally, FARO Technologies, Inc. designs, develops, and markets portable, computerized measurement devices and software used to create digital models -- or to perform evaluations against an existing model -- for anything requiring highly detailed 3-D measurements, including part and assembly inspection, factory planning and asset documentation, as well as specialized applications ranging from surveying, recreating accident sites and crime scenes to digitally preserving historical sites.

FARO's technology increases productivity by dramatically reducing the amount of on-site measuring time, and the various industry-specific software packages enable users to process and present their results quickly and more effectively.

Principal products include the world's best-selling portable measurement arm -- the FaroArm; the world's best-selling laser tracker -- the FARO Laser Tracker X and Xi; the FARO Laser ScanArm; FARO Photon Laser Scanners; the FARO Gage, Gage-PLUS and PowerGAGE; and the CAM2 Q family of advanced CAD-based measurement and reporting software. FARO Technologies is ISO-9001 certified and ISO-17025 laboratory registered.

About Dimensional Photonics International, Inc.

DPI is a technology leader in the field of 3D scanning and measurements. In addition to the advanced 3D scanners for industrial applications, DPI is currently engaged in the development of an intra-oral 3D scanner. Advanced users of industrial metrology tools have determined that DPI's technology is the overall most accurate available in the market. DPI is the licensee to a portfolio of patents from the Massachusetts Institute of Technology, and has also established its own proprietary portfolio of intellectual property. DPI is headquartered in Wilmington, Massachusetts.

SOURCE: FARO Technologies, Inc.

CONTACT:

Darin Sahler of FARO Technologies, Inc., Global Public Relations Manager, +1-407-333-9911, sahlerd@faro.com