

**Telit Communications Plc**  
**(“Telit” or the “Company”)**

**Acquisition**

***Acquisition of NXP’s Automotive Telematics Onboard unit Platform (“ATOP”) to expand Telit’s M2M Automotive Leadership***

**December 23, 2013** – Telit Wireless Solutions Srl, a fully owned subsidiary of Telit Communications Plc, has entered into an agreement, subject to closing, with NXP B.V., a fully owned subsidiary of NXP Semiconductors N.V. (Nasdaq: NXPI) to purchase NXP’s ATOP business.

ATOP is an automotive grade solution for vehicle manufacturers enabling them, amongst other features, to implement telematics services like eCall, the European initiative to bring rapid assistance to motorists involved in a collision anywhere in the EU, on a single compact and cost efficient package, whilst reducing complexity and minimizing costs in vehicle designs.

The consideration payable is \$9 million (the “Total Consideration”) to be settled by approximately \$2 million in cash and up to 3,300,000 Telit shares (the “Consideration Shares”), subject to certain adjustments that will be made upon closing. The number of the Consideration Shares will be determined by reference to the weighted average price of Telit shares in the 5 business days prior to closing, such that, the higher the price of Telit shares, the lower the number of Consideration Shares that will be issued. To the extent there is any shortfall in value between the Total Consideration and the value of the Consideration Shares, Telit shall have the discretion to pay such shortfall in shares or in cash.

The acquisition of ATOP includes sales, engineering and support staff, to be integrated into Telit’s automotive organization and will extend the Company’s market reach with solutions leveraging the expanded engineering and sales expertise to better address Automotive and Telematics customers. Telit already achieved automotive-critical global ISO/TS16949 certification in July 2012 and maintains one of the industry’s largest product portfolios for the automotive sector with particular emphasis on advanced technologies such as LTE and HSPA+.

Telit has agreed, subject to completion of appropriate due diligence, to appoint an individual from NXP’s automotive business unit as a non-executive director of Telit on closing.

Oozi Cats, Chief Executive of Telit, said “the ATOP acquisition provides Telit with additional expertise in automotive platforms which are becoming increasingly dependent on advanced software engineering, as well as a significant customer base which has already designed systems with ATOP. The multi-service capable ATOP platform provides support for a range of features from its single package, including vehicle location & tracking, remote starting and diagnostics as well as business applications such as fleet management. The acquisition also delivers our teams a high level of competence in system security, necessary for protecting not only vehicle but also the increasingly important elements of driver privacy under such applications”.

“This acquisition will take the ATOP technology to the next level, by embedding it in a sustainable ecosystem for innovative and high-quality automotive solutions. We’re confident that our expertise will continue to grow under Telit’s leadership in combination with continued cooperation from NXP”, said Lars Reger, Vice President New Business and R&D Automotive at NXP Semiconductors. “NXP will stay involved in the future of ATOP by becoming a shareholder in Telit and with a seat on the Company’s board of directors.”

The transaction is expected to be closed during the first quarter of 2014.

**For further information please contact:**

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**Notes to readers**

Telit is a global leader in the development and manufacture of wireless machine-to-machine ("m2m") communication modules for a variety of applications. Through its 30 sales offices and 59 distribution channels, Telit covers more than 80 countries supporting about 5,000 customers.

Telit is the third largest supplier of m2m modules in the world with a market share of approximately 22% and one of the few companies in the industry with full control over the underlying technologies in its products. It boasts strong in-house technology and research and development expertise.

Telit is listed on AIM (Ticker: TCM) and is an enabler of machine-to-machine (M2M) communications worldwide providing wireless module technology enhanced by managed and value added services, including connectivity. Exclusively dedicated to M2M for over 12 years and constantly advancing technological leadership from six R&D centers around the globe, Telit offers an extensive portfolio of quality cellular, short-range, and GNSS modules, available in over 80 countries. By supplying business scalable products interchangeable across families, technologies, and generations, Telit is able to keep development costs low and uniquely protect customers' design investments. More information on Telit can be found on its website: [www.telit.com](http://www.telit.com)

Value added services from Telit's m2mAíR unit combine solutions for module, SIM, and subscription management with M2M connectivity, delivering business value through enhanced network performance, cost control, security, and troubleshooting. Addressing the critical element of end-to-end connecting of m2m assets, m2mAíR offers an innovative business approach cloud-connecting devices to enterprise systems, enabling applications and eliminating unnecessary layers in the information chain. These services are hardware agnostic linking any device to any application, enabling real-time information transfer, transaction logging, and bidirectional control. Further information on these services can be found at [www.m2mAíR.com](http://www.m2mAíR.com)