

NEWS

Advanced Digital completes Pathlight acquisition

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Redmond-based Advanced Digital Information Corp. has completed its acquisition of Pathlight Technology Inc. of New York, issuing 10.3 million Advanced Digital shares in exchange for all of Pathlight's assets, the company said Friday. The data storage companies previously announced their intention to merge in late January.

Based on Advanced Digital's closing stock price of \$23.81 on Friday, the deal is worth \$245.2 million. That's a bit lower than the value at the time of the announcement of \$265 million, based on a stock price of \$24.25.

Privately held Pathlight had revenues of approximately \$20 million for the 12 months ended Oct. 31, 2000, and pretax earnings of approximately \$5 million, the companies said.

Net sales at Advanced Digital increased 21 percent during fiscal 2000 to \$270.9 million from \$223.4 million in fiscal 1999. Net income for the year was \$27.2 million, or 51 cents per diluted share, excluding one-time gains. ADIC expects to report one-time acquisition costs of approximately \$10 million to \$12 million during its second quarter ending April 30, 2001.

Said Rahmani, co-founder of Pathlight, has become executive vice president of research and development for Advanced Digital.

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