



## **ESCO Announces Acquisition of an Energy Data Management Company**

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ST. LOUIS, Nov. 30 /PRNewswire-FirstCall/ -- ESCO Technologies Inc. (NYSE: ESE) today announced the acquisition of Nexus Energy Software, Inc. (Nexus). The acquisition was accomplished through an all-cash for shares merger transaction. The initial consideration paid was \$28.5 million. The acquisition agreement also provides for contingent consideration during the four year period following the merger if Nexus exceeds certain sales targets. The acquisition is not expected to have a material impact on earnings in fiscal 2006.

Nexus is a rapidly growing software company headquartered in Wellesley, Massachusetts. The company was founded in 1997 and has grown to an annual revenue level in excess of \$10 million. Through its Meter Data Management products, Nexus supports several critical operations including forecasting, distribution asset optimization, complex billing, revenue protection, customer service and demand-response. More than 80 energy companies currently utilize Nexus software solutions.

Nexus will be led by the existing management team and will operate as a stand-alone subsidiary of ESCO reporting to the CEO. Nexus will continue to serve all its customers as it has in the past as well as collaborating with DCSI, ESCO's utility communications business, where Nexus' expertise can enhance the value proposition for DCSI's customers.

In making the announcement, Vic Richey, Chairman and Chief Executive Officer, commented, "The acquisition of Nexus is an important step in our drive to extend our reach in Advanced Metering. The information management capability that Nexus brings to the data collected in Advanced Metering is the key to unlocking the value. With this acquisition we have added not only an important capability but also an extraordinary team of dedicated and experienced people. We are excited about the opportunities created by this combination."

Harvey Michaels, Nexus co-founder and CEO, stated, "We are excited to be part of the ESCO family of companies. As part of a larger corporate environment, we expect to be able to expand our leadership role and complement theirs in maximizing the value of energy meter information for utility operations, asset management and customer service."

Statements in this press release regarding the Nexus acquisition's impact on fiscal 2006 earnings, future growth of Nexus, the impact of the acquisition on the Company's success in the Advanced Metering market and any other statements which are not strictly historical are "forward-looking" statements within the meaning of the safe harbor provisions of the Federal Securities Laws. Investors are cautioned that such statements are only predictions, speak only as of the date of this release and the Company undertakes no duty to update. The Company's actual results in the future may differ materially from those projected in the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment, including but not limited to: technical difficulties, competition, changes in customers demands, intellectual property rights and the Company's successful execution of internal operating plans.

ESCO, headquartered in St. Louis, is a leading supplier of engineered filtration products to the process, health care and transportation markets worldwide. In addition, the Company markets proprietary, special purpose communications systems and is the industry leader in RF shielding and EMC test products.

SOURCE ESCO Technologies Inc.

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