



## **ESCO Announces Contract for AMI System Expansion in Puerto Rico**

December 12, 2007

ST. LOUIS, Dec. 12 /PRNewswire-FirstCall/ -- ESCO Technologies Inc. (NYSE: ESE) today announced that The Puerto Rico Electric Power Authority (PREPA) has signed a contract with DCSI for the purchase of additional TWACS(R) meter modules and associated substation equipment. This hardware will be delivered to PREPA through the placement of purchase orders with the total value expected to be \$27 million for approximately 300,000 units over the next two-and-a-half years, with approximately \$15 million of hardware sales expected within the contract's first year.

This AMI hardware is being added to PREPA's existing, fully functional fixed network AMI system which includes over one million metering endpoints deployed to date. The existing TWACS system installation has proven to be very cost efficient by offering proven-at-scale meter reads.

This system expansion enables the utility to address the remainder of its current service territory requirements, while enhancing its ability to provide state-of-the-art meter reading data and customer service related efficiencies to all customers.

Vic Richey, ESCO's Chairman and Chief Executive Officer, commented, "We are very excited about PREPA's decision to expand their AMI system with our TWACS technology. Our system has proven itself over time with this customer, and the confidence that PREPA's Management team is showing in us based on this decision further validates my belief that ESCO continues to have the most reliable, fully scalable AMI solutions in the market today. Once this expansion is completed, PREPA, along with Pennsylvania Power and Light (PPL), will have the two largest, fully functional fixed network AMI solutions deployed worldwide, with over one million meter endpoints each."

Robert Barto, ESCO Communications Segment Vice President of International Business Development, added, "We are extremely pleased that PREPA has decided to expand its TWACS system island wide. ESCO has a long standing, valued relationship with this important customer, and over the past several years, has partnered with PREPA in delivering efficient, cost-effective and reliable power to the residents of Puerto Rico."

### **Forward-Looking Statement**

Statements in this press release regarding the timing, value and likelihood of PREPA purchase orders under the Contract, resulting DCSI sales, and other statements that 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, changes in customer demands, termination of PREPA's Contract and associated purchase orders, intellectual property rights, and the risk factors identified in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2007.

ESCO, headquartered in St. Louis, is a proven supplier of special purpose communications systems for electric, gas and water utilities, including hardware and software to support advanced metering applications. In addition, the Company provides engineered filtration products to the transportation and process markets worldwide and is the industry leader in RF shielding and EMC test products. Further information regarding ESCO and its subsidiaries is available on the Company's website at <http://www.escotechnologies.com>.

SOURCE ESCO Technologies Inc.

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