



ESCO Announces Acquisition Of Global Utility Solutions Provider

05/25/17

ST. LOUIS, May 25, 2017 - ESCO Technologies Inc. (NYSE: ESE) today announced that it has acquired the assets of Morgan Schaffer Inc. (Morgan Schaffer) (www.morganschaffer.com), a global utility solutions provider. Morgan Schaffer's solutions are sold in over 90 countries to both electrical utilities with generation and transmission assets and original equipment manufacturers of large transmission transformers. ESCO expects to maintain the operations of Morgan Schaffer at its current location in Montreal, Quebec, Canada.

Morgan Schaffer, founded in 1965, designs, develops, manufactures and markets an integrated offering of dissolved gas analysis (DGA), oil testing, and data management solutions which enhance the ability of electric utilities to accurately monitor the health of critical power transformers.

Morgan Schaffer was the first to develop a commercially available DGA service in North America and further developed a leading expertise in DGA monitoring equipment. Today, Morgan Schaffer markets the most reputable offering of premium DGA equipment, and related software and services for monitoring the health of critical oil-filled transformers.

The business, which will join Doble Engineering and NRG Systems as part of ESCO's Utilities Solutions Group (USG) operating segment, has annualized sales of approximately (USD) \$25 million. The terms of the transaction were not disclosed.

Bryan Saylor, President of Doble, commented, "The addition of Morgan Schaffer provides ESCO a more comprehensive line of test capabilities that significantly strengthens our group's product, service and software offerings by adding a highly differentiated, market leading DGA solution. Large transformers are critical to the generation, transmission and distribution of electrical power, and Morgan Schaffer's solutions play a vital role in maintaining the health of these important, expensive, and aging assets. DGA solutions are essential in detecting and diagnosing incipient faults in these critical assets to ensure peak power capacity, extend the asset's life, provide condition-based maintenance savings, and avoid catastrophic power grid failure. This acquisition not only fits strategically with Doble but also complements the recent addition of NRG Systems by offering capable solutions supporting renewable energy generation."

Vic Richey, Chairman and Chief Executive Officer, commented, "I'm very excited about our newly expanded product, service and software offerings now available to support our electric utility customers. With Doble, NRG Systems and Morgan Schaffer joining forces, we can now offer a wide range of world-class solutions which, I'm confident will create additional market opportunities to enhance our corporate-wide growth strategies and further our ability to create additional shareholder value. The three companies within our USG segment create a unique and exciting growth opportunity for ESCO as each company leads their respective market with an exceptional brand, reputation, customer service focus, and strong management team."

Forward-Looking Statement

Statements in this release regarding sales, growth and benefits resulting from the acquisition, and 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 and speak only as of the date of this release, and the Company undertakes no duty to update them except as may be required by applicable laws or regulations. The Company's actual results in the future may differ materially from those projected in the forward-looking statements. Factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, include: customer demand, technical issues, success of integration efforts, and the factors described in Item 1A, Risk Factors, of the Company's annual report on Form 10-K for the year ended September 30, 2016.

ESCO, headquartered in St. Louis: Manufactures highly-engineered filtration and fluid control products for the aviation, space and process markets worldwide; is the industry leader in RF shielding and EMC test products; provides diagnostic instruments, software and services for the benefit of the electric utility industry and industrial power users; and, produces custom thermoformed packaging, pulp based packaging, and specialty products for medical and commercial markets. Further information regarding ESCO and its subsidiaries is available on the Company's website at www.escotechnologies.com.

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