



ESCO Announces \$68.3 Million New York Water AMI Contract

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ST. LOUIS, July 23 /PRNewswire-FirstCall/ -- ESCO Technologies Inc. (NYSE: ESE) today announced that the City of New York's Department of Environmental Protection (DEP) has selected and formally contracted with ESCO's Aclara RF Systems Inc. to provide its "Citywide Advanced Metering Infrastructure Program" (AMI) solution for the city's entire water service territory.

The total value of purchase orders anticipated to be issued under this contract is approximately \$68.3 million and the system is expected to be deployed over a three-year period with the initial orders expected later this month.

This contract will allow the City of New York to automate its meter reading capabilities and to improve customer service for its approximately 875,000 metered endpoints serving nearly eight million customers, representing the largest municipal water utility in North America.

The City of New York is purchasing the industry's most advanced fixed network water meter modules, utilizing Aclara's STAR(R) Network system to collect interval data for current billing needs and to support other programs that are designed to allow the city and its customers to better manage water consumption, identify leaks and equipment problems, and effectively control other related operating costs. The STAR Network AMI system also will provide New York City's water customers with enhanced account information and accurate usage data.

The STAR Network system will operate within a 307-square-mile area encompassing the City's five boroughs and will work on the New York City Wireless Network (NYCWIn), a secure, 2.5-Ghz wireless system being installed by the city's Department of Environmental Protection. The city developed NYCWiN as part of a comprehensive upgrade of its communications infrastructure to meet its growing operational and security requirements.

Gary Moore, President of Aclara RF Systems, commented, "Aclara appreciates the opportunity to work with the City of New York and implement a seamless solution that provides additional benefits to the City with the STAR Network AMI system."

Vic Richey, ESCO's Chairman and Chief Executive Officer, commented, "I am very proud that we have been selected by the City of New York for this significant contract with such a valued customer. The technology piloting process and the performance criteria established by New York were very rigorous and well planned. I'm happy to say that our industry leading STAR Network system performed exceptionally well and successfully met the high standards of read reliability in a very challenging environment."

Mr. Richey continued, "Winning this large AMI water contract, on top of our earlier announcement regarding our power-line AMI win and in addition to our recent announcement of our RF electric AMI pilot, has further validated my conclusion that our Aclara product offering is one of the most capable AMI industry solutions available in the market today, with the ability to satisfy all customer requirements across the full breadth of utilities, electric, gas and water."

Forward-Looking Statements

Statements in this press release regarding the value and timing of anticipated purchase orders issued by the City of New York, the location and timing of deployments and any other written or oral 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. 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: the risk factors described in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2007, and in Part II, Item 1A of the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2008; the timing and content of purchase order releases under the New York contract; the Company's successful performance of the New York contract; weakening of economic conditions in served markets; changes in customer demands or customer insolvencies; competition; intellectual property rights; technical difficulties; delivery delays or defaults by customers; termination for convenience of customer contracts; performance issues with key customers, suppliers and subcontractors; and changes in laws and regulations.

About Aclara

The Aclara brand represents the industry's leading fixed-network AMI/AMR technologies and MDM software serving water, gas, and electric utilities worldwide. While Aclara is the singular brand and identity, the Company retains the known technology brands of DCSI (TWACS(R)), Hexagram, Inc. (STAR(R) Network), and Nexus Energy Software (Energy Vision and ENERGYprism). These three companies operate as Aclara Power-Line Systems Inc., Aclara RF Systems Inc., and Aclara Software Inc., respectively. Further information regarding Aclara is available on the Company's web site at <http://www.AclaraTech.com>.

About ESCO

ESCO, headquartered in St. Louis, is a proven supplier of special purpose utility solutions for electric, gas, and water utilities, including hardware and software to support advanced metering applications and fully automated intelligent instrumentation. In addition, the Company provides engineered filtration products to the aviation, space 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 web site at <http://www.escotechnologies.com>.

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