

Elster Ships Millionth AMI System Smart Meter

Milestone highlights company's world leading position in two-way RF AMI deployments

Raleigh, North Carolina, U.S.A., 24 July 2007. Elster, the world's leading manufacturer and supplier of highly accurate, superior quality, integrated metering and utilization solutions, announced today that it has shipped its millionth EnergyAxis[®] System smart meter. The EnergyAxis System is an advanced metering infrastructure (AMI) that uses powerful state-of-the-art two-way communications to manage installed devices and retrieve related metering information. It is the most widely deployed AMI system in North America featuring a true two-way RF network—a technology of choice among utility companies.

“We are pleased with the unprecedented performance and growth of the EnergyAxis System since its launch in 2003,” remarked Mark Munday, president and CEO of Elster Electricity. “As the largest, two-way RF deployment of true AMI applications in the world, the system enables customers to retrieve consumption, time-of-use, and interval data from residential, commercial, and industrial accounts on a daily basis.”

The milestone meter was shipped to Salt River Project (SRP), the third largest public power utility in the United States and the largest supplier of electricity and water to the greater Phoenix, Arizona area.

“We are excited to be the recipient of Elster’s millionth EnergyAxis System smart meter,” remarked John Soethe, manager of revenue cycle services for SRP. “The EnergyAxis System has worked well for us and we continue to deploy REX[®] meters in areas of high customer turnover, areas of concern for employee safety, and for access issues. Operating efficiencies realized in the back office and in the field make this technology very attractive.”

System installations span the globe with deployments in North America, Central America, Australia, New Zealand, and the Caribbean ranging from high density metropolitan environments to lightly populated areas including remote rural villages in Alaska. A high concentration of EnergyAxis System smart meters are also deployed throughout Ontario, Canada to meet the requirements of the Government of Ontario’s Smart Metering Initiative.

Shipping the millionth meter is only part of the events focusing on the EnergyAxis System smart meter. Elster will commemorate the milestone with a celebration at its factory in Raleigh, N.C. on July 25th. Elster will

also make presentations in the near future to customers in appreciation for a milestone reached together.

The EnergyAxis System's open and interoperable architecture enables utilities to improve revenue cycle services, customer service, delivery reliability and workforce utilization, as well as implement demand response and conservation programs, and reduce non-technical losses. The system supports electricity, water, and gas and features a flexible, standards-based architecture that is highly adaptable for future applications and communication technologies.

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About Elster

Elster Electricity is a leading provider of electricity metering products and services throughout the world. Elster's metering products include advanced high accuracy ANSI and IEC electricity meters, featuring the REX meter and the ALPHA® meter line. For more information, visit www.elsterelectricity.com.

Elster Integrated Solutions (EIS) is a leading provider of AMR and AMI systems and solutions. Core to EIS solutions is the use of intelligent mobile and fixed network communications. For more information, visit www.elster-eis.com.

Elster Group is the world's leading manufacturer and supplier of highly accurate, superior quality, integrated metering and utilisation solutions to the gas, electricity and water industries. In addition, through its subsidiary Ipsen International, it is the leading global manufacturer of high level thermo-chemical treatment equipment. The group has over 9,000 staff, operations in 38 countries and serves over 115 markets around the world. Elster's high quality products and systems reflect the wealth of knowledge and experience gained from over 170 years of dedication to measuring precious resources and energy. For more information, visit www.elster.com.