



EnerSys Enhances Lithium-Based Capabilities with Expansion of Design, Assembly and Sales Operations

READING, Pa., June 26 -- EnerSys®, the world's largest manufacturer, marketer and distributor of industrial batteries, enhanced its lithium-based capabilities with the launch of an EnerSys Advanced Systems (EAS) unit in Budapest, Hungary, in addition to an existing EAS unit located in Horsham, Pa., near Philadelphia. These enhancements are in response to the growing demand for lithium-ion batteries.

The new EAS unit in Budapest, led by Dr. Laszlo Nagy, provides customers with additional resources for the design and assembly of advanced lithium-ion batteries. It also employs a team of engineers for customer assistance in lithium-based applications.

New lithium-based battery products for defense applications have been developed and launched at EAS in Horsham since its acquisition as the former ATK Power Sources Center. In addition, EnerSys' joint venture with Modular Energy Devices Inc. develops small-format lithium-ion products for customers, including those in the telecommunications industry.

EnerSys previously established a marketing alliance with GAIA, a German unit of LTC Corp., to develop large-format lithium-ion products, primarily for defense and industrial applications.

As telecommunications technology advances, end users seek ways to upgrade their facilities quickly, without retrofitting existing structures. Among the advantages that lithium-ion batteries offer is lighter weight and smaller volume than lead or nickel batteries, which eliminates the need to make architectural enhancements to accommodate their installation on rooftops and in tight spaces. For example, a 1,600 amp-hour, 48-volt lead calcium battery typically weighs 3,045 kg (6,700 pounds) and requires 5.75 square meters (62 square feet) of floor space, while an equivalent, 48-volt lithium-ion battery typically weighs 986 kg (2,170 pounds) and requires 1.86 square meters (20 square feet) of floor space; this represents a three-fold reduction in weight and floor space needs. In addition to being smaller and lighter, lithium-ion batteries do not require venting, making them advantageous for use in distributed power architecture that incorporates DC power sources and batteries with newly installed equipment. The higher energy density of lithium-ion batteries makes them useful for

powering applications, including digital television operations, in both land-line and fiber-optic applications, and a host of other uses, including defense applications.

"Our investment in lithium-ion technology demonstrates the commitment to meeting the ever growing, worldwide demand for small- and large-format lithium products," said EnerSys Chairman, President and CEO John Craig. "While this technology is more expensive than our existing nickel and lead-acid battery solutions, there are applications where the premium can be justified.

"We will continue to invest in advanced solutions to meet our customer's needs. In the quickly changing environment for energy storage, we are convinced that there are good growth opportunities for lithium, nickel and advanced lead solutions. All of these technologies bring some unique performance characteristics valued by our customers in cost, power, energy, cycle life and ease of recycling, so we will keep investing."

Lead-based battery products continue to dominate EnerSys' sales to industrial and specialty markets, with growth driven in part by its product line of thin plate pure lead (TPPL) batteries, which provides more than 20 percent of improvement in performance over that of existing lead-based products. Recent expansion of EnerSys' product portfolio accommodates the widening and changing demands of the industrial energy storage market. This expansion included the acquisition of GAZ in Zwickau, Germany for nickel-based battery products, as well as the aforementioned investments and alliance for lithium-based battery products.