



EnerSys Acquires Lithium Battery Business

February 28, 2011

READING, Pa., Feb. 28, 2011 /PRNewswire via COMTEX/ --

EnerSys (NYSE: ENS), the global leader in stored energy solutions for industrial applications, announced today that it has purchased the lithium-ion battery business, ABSL Power Solutions Ltd. ("ABSL") from CIP Industries L.P. Incorporated, which was represented by XMS Capital Partners in the transaction.

ABSL has been supplying lithium-ion cells and batteries for defense and aerospace applications in Europe and the United States since 2000 drawing on the scientific and industrial traditions of the United Kingdom's AEA Technology, which formed the business in the 1970s. With annual revenues in excess of \$30 million, ABSL has supplied batteries for over 70 space satellite systems along with instrumentation systems for various space missions. Additionally, ABSL batteries are used by soldiers around the world in portable communication systems. ABSL has operations in Longmont, Colorado; Thurso, Scotland and Culham, England.

"This acquisition is another step in our strategy to diversify our technology base and strengthen our prior investments in lithium systems to meet the needs of our customers," said John D. Craig, chairman, president and chief executive officer of EnerSys. "EnerSys continues to seek opportunities that offer profitable growth in our chosen markets. We believe that lithium batteries will be a significant growth engine for EnerSys in the coming years, complementing the growth of our existing business in lead and nickel based batteries."

Sanjay Deshpande, senior vice president for EnerSys Advanced Systems, who will manage the acquired business, added "EnerSys greatly values the experience and talent within ABSL. We will leverage these along with our existing lithium expertise to accelerate our development of advanced and effective lithium solutions for our customers."

About EnerSys: EnerSys, the world leader in stored energy solutions for industrial applications, manufactures and distributes reserve power and motive power batteries, chargers, power equipment, and battery accessories to customers worldwide. Motive power batteries are utilized in electric forklift trucks and other commercial electric powered vehicles. Reserve power batteries are used in the telecommunication and utility industries, uninterruptible power supplies, and numerous applications requiring stored energy solutions including aerospace and defense systems. The company also provides aftermarket and customer support services to its customers from over 100 countries through its sales and manufacturing locations around the world.

Website: <http://www.enersys.com>

Caution Concerning Forward-Looking Statements

This press release and oral statements made regarding the subjects of this release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include, but are not limited to, (i) statements regarding EnerSys' plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts, including statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning; and (ii) statements about the benefits of the ABSL acquisition, including any impact on our financial and operating results and estimates, and any impact on EnerSys' market position that may be realized from the acquisition.

These forward-looking statements are based upon management's current beliefs or expectations and are inherently subject to significant business, economic, and competitive uncertainties and contingencies many of which are beyond our control. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: (1) our ability to successfully integrate the ABSL business; (2) the possibility that EnerSys may not realize revenue benefits from the acquired businesses within expected time frames; (3) operating costs and business disruption following the acquisition, including possible adverse effects on relationships with employees, may be greater than expected; and (4) competition may adversely affect the acquired businesses and result in customer loss. The statements in this press release are made as of the date of this press release, even if subsequently made available by EnerSys on its website or otherwise. EnerSys does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date such forward-looking statement is made.

Although EnerSys does not make forward-looking statements unless it believes it has a reasonable basis for doing so, EnerSys cannot guarantee their accuracy. The foregoing factors, among others, could cause actual results to differ materially from those described in these forward-looking statements. For a list of other factors which could affect EnerSys' results, including earnings estimates, see EnerSys' filings with the Securities and Exchange Commission, including "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," including "Forward-Looking Statements," set forth in the Company's Quarterly Report on Form 10-Q for the period ended January 2, 2011. No undue reliance should be placed on any forward-looking statements.

SOURCE EnerSys