

For Immediate Release

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Lexstar Technologies may consolidate in Iowa

Incentive approved by IDED Board

November 20, 2003 (Des Moines, Iowa) - A proposal to create and retain 119 jobs by consolidating operations of Lexstar Technologies in Mason City will receive a \$1,250,000 short-term loan. The Iowa Department of Economic Development (IDED) Board today approved a float loan from the Community Economic Betterment Account (CEBA) to advance the consolidation. The agreement forgives \$350,000 of the float loan if the company completes the project.

The 37 new jobs and 82 retained jobs will pay an average wage of \$17.47 per hour.

Lexstar, which designs and manufactures rechargeable battery systems, was formed in April of 2002 from the merger of Jbro Batteries of Lisle, Illinois and Alexander Technologies of Mason City.

IDED board member Julie Carlson of Spencer said, "Iowa has an opportunity to get most of Lexstar's operations relocated to Iowa. The project moves everything here but an operation in England that would remain open."

All manufacturing would be moved to the 89,000 square foot building that Lexstar owns in Mason City. Corporate headquarters, engineering, design, distribution, sales and other operations would also be located in Mason City.

The merged entity proposes to close these operations: offices in Lisle, Illinois; a warehouse in El Paso, Texas; manufacturing in Juarez, Mexico; and assembly work in Malaysia.

Smart battery technologies from Lexstar are supplied to manufacturers of communications, mobile computing, and testing and measuring equipment.

Distributors throughout North America sell Lexstar rechargeable batteries for use in equipment made by Ericsson/GE, Federal Signal, Kenwood, Motorola, Nextel, Uniden and others.

Other projects receiving CEBA funds today are: Positech, Laurens (\$230,000); and Elkem Carbon, Keokuk (\$100,000).

IDED's Community Economic Betterment Account provides financing to cities and counties for local business expansion projects that create or retain quality jobs. That

portion of CEBA financing which is forgivable does not have to be repaid if the project proceeds as pledged.

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