



News release

N°JCS-09-01

FOR IMMEDIATE RELEASE

CONTACTS: Johnson Controls Rebecca Fitzgerald (414) 524-2945 <u>Rebecca.K.Fitzgerald@jci.com</u>

> Azure Dynamics Pat Liebler 248-229-4418 Pat@lieblergroup.com

Saft Jill Ledger + 33 1 49 93 17 77 Jill.Ledger@saftbatteries.com

Fleet of commercial trucks to be powered by Johnson Controls-Saft and Azure Dynamics advanced hybrid technology

Milwaukee, Wisconsin, Jan. 13, 2009 – Johnson Controls-Saft and Azure Dynamics Inc (AZD) today announced a new supply agreement that will provide some of the world's most advanced lithium-ion (Li-Ion) hybrid battery technology to power commercial vehicles in North America. The five-year supply agreement signals progress in the development of a U.S. supply base to help build an infrastructure for development and manufacture of hybrid electric vehicles.

"As more and more consumers demand energy-efficient vehicles, it is also critical that commercial fleets do their part to reduce their reliance on foreign oil while also improving the impact they have on the environment," said Mary Ann Wright, who leads the Johnson Controls-Saft joint venture and is vice president and general manager of Johnson Controls hybrid business. "This is great progress for the U.S. supply base."

Most current hybrid electric vehicle (HEV) technology uses nickel metal hydride batteries. Lithium-ion offers a lighter, more powerful design with a longer life than most current technologies and is viewed as the technology of choice to power plug-in hybrid electric vehicles in the near future. Johnson Controls-Saft is the world's leading independent supplier of Li-Ion batteries for hybrid electric vehicles with multiple production and development contracts with global automakers.

The battery pack supplied by Johnson Controls-Saft complements Azure's leadership and extensive experience in the growing hybrid electric commercial vehicle market. Azure is committed to the development and production of hybrid electric and electric components and powertrain systems for commercial vehicles. The resultant turnkey battery solution offers a lighter, more powerful design with





News release

a longer life than most current technologies, enabling Azure to deliver measurable performance and emission improvements to its customers.

The 345-volt battery system will utilize advanced Li-Ion cell technology optimized for life, power, and reliability. The cell design was supported through Johnson Controls-Saft's partnership with the United States Advanced Battery Consortium and the Department of Energy to develop advanced energy storage technology for electrified powertrain vehicles. The robust battery pack is designed to mount under the vehicle body and can withstand road debris and water spray and submersion. Azure will utilize the pack on its current Balance[™] Hybrid Electric and future hybrid platforms. The company's vehicles are in operation for major fleet customers like AT&T, Con Edison, FedEx Express and Purolator Couriers.

"All indicators point to continued growth in the hybrid electric vehicle commercial sector," said Curt Huston, Azure's Chief Operating Officer. "Industry-wide, the requisite battery packs have been a constraint. Now, via this agreement, Azure is assured of high-quality battery packs with predictable deliveries and a cost structure that will appeal to both current and potential customers."

In addition to fuel savings and environmental benefits, Azure's Balance[™] Hybrid Electric technology can reduce vehicle maintenance costs by approximately 30 percent, further reducing overall fleet operating costs.

Increased public pressure and government attention on more efficient, environmentally-friendly vehicles is propelling the HEV marketplace. Commercial transportation in an urban environment accounts for only 12 percent of total miles driven, yet is responsible for 25 percent of total greenhouse emissions. Azure is focused on HEV commercial delivery vehicles as well as HEV shuttle buses that run in urban settings. The new battery pack is designed to also be compatible for service upgrades to Azure's existing vehicles.

The complete battery systems, including electronics, electrical and mechanical components will be assembled at the Johnson Controls-Saft facility in Milwaukee, WI.

About Azure Dynamics

Azure Dynamics Corporation (TSX: AZD) (LSE: ADC) (OTCQX: AZDDF) is a world leader in the development and production of hybrid electric and electric components and powertrain systems for commercial vehicles. Azure is strategically targeting the commercial delivery vehicle and shuttle bus markets and is currently working internationally with various partners and customers. The Company is committed to providing customers and partners with innovative, cost-efficient, and environmentally friendly energy management solutions. For more information, please visit <u>www.azuredynamics.com</u>.

About Johnson Controls-Saft

Johnson Controls-Saft is a joint venture that has brought together Johnson Controls -- the world's leading supplier of automotive batteries and a company deeply experienced in integrated automotive systems solutions -- with Saft, an advanced energy storage solutions provider with extensive Li-ion battery expertise.





News release

About Saft

Saft (Euronext: Saft) is a world specialist in the design and manufacture of high-tech batteries for industry. Saft batteries are used in high performance applications such as industrial infrastructure and processes, transportation, space and defence. Saft is the world's leading manufacturer of nickel-cadmium batteries for industrial applications and of primary lithium batteries for a wide range of end markets. The group is also the European leader for specialised advanced technologies for the defence and space industries. With approximately 4,000 employees worldwide, Saft is present in 18 countries. Its 15 manufacturing sites and extensive sales network enable the group to serve its customers worldwide. Saft is listed on the Paris Stock Market. The stock is listed in the SBF 120 index.

For more information, visit Saft at www.saftbatteries.com

About Johnson Controls

Johnson Controls (NYSE: JCI) is the global leader that brings ingenuity to the places where people live, work and travel. By integrating technologies, products and services, we create smart environments that redefine the relationships between people and their surroundings. Our team of 140,000 employees creates a more comfortable, safe and sustainable world through our products and services for more than 200 million vehicles, 12 million homes and one million commercial buildings. Our commitment to sustainability drives our environmental stewardship, good corporate citizenship in our workplaces and communities, and the products and services we provide to customers. For additional information, please visit <u>www.johnsoncontrols.com</u>.