

FOR IMMEDIATE RELEASE  
MAY 7, 2002

## **Maxwell Technologies Provides Guaranteed Source of Supply Program for Space-Qualified Microcircuits**

*EEPROM Die Bank Guarantees Availability of Product for Lifetime of Program*

**San Diego, CA** – Maxwell Technologies, Inc. today announced a new *Guaranteed Source of Supply Program*, assuring its customers continued availability of Maxwell's EEPROM products, along with its complete line of other microelectronic components.

According to Dr. Richard Balanson, president of Maxwell's Electronic Components Group, Maxwell is able to meet its customers' demand for its microelectronic products for the "life of the program" through a combination of customer-supplied forecasting and strategic relationships with die suppliers. Maxwell then purchases a corresponding number of die necessary to support the forecasted requirements, while not passing the associated costs on to the customer.

"Maxwell's EEPROM die bank is consistent with the company's new product strategy of guaranteed performance, guaranteed radiation tolerance, and guaranteed life-of-the-application availability for the space and military markets, and exemplifies the latter," said Balanson.

Maxwell's awareness of the costs associated with procurements of excess microelectronic components to protect companies against unplanned obsolescence has prompted the company to introduce a new *Guaranteed Source of Supply Program*. In this program, Maxwell bears the cost of banking any die necessary to build a finished component, module, or even board-level product in order to shield their customers from these costs.

"An example of this process is our purchase of die for our EEPROM products, precipitated by an EOL notice issued by Hitachi in June of 2001," said Larry Longden, Maxwell's Senior Director of Technology and Marketing. "This buy guarantees

availability of products such as our EEPROM components to our customers, and shifts the cost of 'Lifetime Buys', or 'die banking' from the customer, to Maxwell."

This die purchase represents the negotiation of an exclusive extended EOL period from Hitachi, making Maxwell a source for technical support on behalf of Hitachi for the space community. Several major aerospace contractors have already taken advantage of this program by choosing to supply Maxwell with their projected needs, and have thus frozen the purchase price (subject to a small annual escalation) over the life of the agreement. Maxwell expects this trend to continue as aerospace contractors cope with the high risk and high cost of component obsolescence.

For Maxwell, the purchase of over 100,000 die to support the its customers' needs for the next five to seven years represents a solution to a problem not otherwise adequately addressed in the space market. This new program further enables Maxwell to solidify its role as a strategic supplier to the space market.

#### **ABOUT MAXWELL TECHNOLOGIES**

Maxwell Technologies manufactures and markets high-reliability power and computing components and automated test instruments. The company's microelectronic products include power modules, integrated circuits and single board computers that combine commercial-off-the-shelf (COTS) components and Maxwell's proprietary radiation shielding technology to provide optimal performance and reliability in aerospace, military and other applications. Maxwell's PowerCache ultracapacitors are high-density energy storage cells that deliver bursts of high power on demand in applications such as automotive electrical systems and powertrains, wireless communications and consumer and industrial electronic devices. The company's instrument products include automated accelerated reliability test systems (AARTS) for RF and photonic components. To learn more about Maxwell Technologies, please visit our website: [www.maxwell.com](http://www.maxwell.com).

This news release contains forward-looking statements that are subject to risks and uncertainties. These include development and acceptance of products based on new technologies, demand for original equipment manufacturers' products reaching anticipated levels, general economic conditions in the markets served by the

companies' products, cost-effective manufacturing of new products and the impact of competitive products and pricing. These and other risks are detailed from time-to-time in Maxwell Technologies' SEC reports, including their reports on Form 10-K for the fiscal year ended December 31, 2001. Actual results may differ materially from those projected. These forward-looking statements represent the Company's judgment as of the date of this news release. The Companies disclaims any intent or obligation to update these forward-looking statements.

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