

Regulatory Story

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Company	AEA Technology Group PLC
TIDM	AAT
Headline	COMPLETION OF EASTERN RESEARCH GROUP, INC. ("ERG")
Released	07:00 09-Nov-2010
Number	8475V07

RNS Number: 8475V
AEA Technology Group PLC
09 November 2010

AEA TECHNOLOGY GROUP PLC ("AEATG")

COMPLETION OF EASTERN RESEARCH GROUP, INC. ("ERG") ACQUISITION

The Board of AEATG is pleased to announce that all of the conditions of the Acquisition Agreement between AEATG, AEA Technology plc ("AEA"), AEA Technology Acquisition Limited, ERG and the shareholders of ERG, including the conditions relating to the US Hart-Scott-Rodino Antitrust Improvements Act 1976, the conditions relating to the US Committee on Foreign Investment in the United States and admission of the AEATG shares to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange, have been satisfied or waived and the Acquisition has completed.

ERG is an environmental consulting firm, headquartered in Lexington, Massachusetts. It has been acquired for approximately US\$83 million (£52.5 million) through a combination of cash and shares.

The acquisition of ERG furthers AEA's strategy of building a group with the customer relationships and expertise to provide high level consultancy services to the US Federal Government sector and then extending those services into the US and UK private sectors. The successful acquisition of PPC in 2008 and subsequent contract awards to the AEA Group by the US Department of Energy ("DoE") and other US federal agencies have confirmed the significant market opportunity for energy and environmental consultancy services open to the AEA Group within the US. ERG, as a key contractor for the US Environmental Protection Agency ("EPA") and other US federal agencies, will provide the Enlarged Group with a strong platform from which to take advantage of this market opportunity. The Board believes that these agencies will continue to redirect their resources towards greater energy efficiency, improved sustainability and building a low carbon future, areas where AEA has world leading experience and expertise.

Importantly, the acquisition of ERG will add significant expertise to the AEA Group in the water market. This, combined with ERG's position as a prime contractor on the EPA's water scarcity programme will allow the Enlarged Group to provide the full spectrum of energy, climate change and water consultancy services to both sets of existing clients.

Commenting on today's announcement, Andrew McCree, Group Chief Executive of AEATG, said:

"This acquisition is transformational for the AEA Group. The enlarged Group has the breadth and depth of capability to bring science backed by data and economic analysis to help customers make the optimal investment choice in these tough times. We are now in a position to compete for larger opportunities in the exciting US market and deliver on our priority of organic growth. Through this we will reward the faith our shareholders have shown in us."

ENDS

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The company news service from the London Stock Exchange

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