

## Press Release

October 7, 2004

### **HiRel Systems acquires magnetics manufacturer Zman Magnetics**

**MINNETONKA, MN** - HiRel Systems LLC, a leading supplier of specialty magnetics and power assemblies, announced today that it has acquired Zman Magnetics

With production facilities in Kent, WA and Hillsboro, OR, Zman is a first-class provider of custom power magnetics. Operations will continue from Zman's current facilities and communications with engineering, sales, customer service, administration and production personnel will remain unchanged.

"We are very excited about the combination of HiRel Systems with Zman" commented Paul Larkin, HiRel Systems' Chief Executive Officer. "Zman provides exceptional levels of quality, delivery and support to its industry-leading customers. The combination with HiRel will allow us to leverage further our collective expertise in automation, lean manufacturing and provide a global manufacturing structure to further enhance the overall value to our combined customer base."

I am also pleased to have Mark Mennella, President of Zman and his management team joining ours. They bring extensive knowledge and expertise in a variety of industries and applications. Mennella commented "The entire management team is very excited about the synergies between our two organizations and believe it will give us greater geographic coverage, scope, engineering support and manufacturing efficiencies to better meet our customers' global requirements."

HiRel Systems has manufacturing locations throughout North America and Asia. Corporate contact information for HiRel Systems is: 11100 Wayzata Boulevard, Suite 501, Minnetonka, MN 55305. They can also be reached at 952-544-1344 or at [www.hirelsystems.com](http://www.hirelsystems.com).