



SBE, Inc.

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SBE, Inc. reports its 1st Quarter, 2005 Results, and an update on New Technology Development

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Barre, Vermont: Today, May 6th, 2005, SBE, Inc. (dba SB Electronics) is announcing its results for the 1st quarter of 2005. SBE recorded its 6th consecutive quarter of steadily increasing sales for the first quarter of 2005 with sales of \$815,453. This is a 33% increase over the same period in 2004. In fact, March 2005 was the 18th consecutive month of steadily increased sales for the company. "SBE saw sales increases across many of its market segments and was able to post a healthy increase in sales for the quarter, despite the cooling off of Taser International's remarkable growth rate of the past year" commented Edward Sawyer, President and CEO of SBE, Inc.

The company posted profits of \$4,327 for the 1st quarter of 2005 vs. a loss of (\$2,418) for the same period last year. The profit was expected and on budget.

SBE, Inc. has begun a market rollout of its new technologies, which will be on-going for the next number of months. The technologies being marketed include: Pulse Power Capacitors, High Voltage Capacitors, and the exciting new Power Ring™ technology. R&D has been steady in these areas and the company is expecting to accelerate these efforts in the near future. Numerous patents have been filed and many more are expected as a result of this activity.

Market acceptance of the technology being presented has been very high. Industries where we expect to see design wins occur include Electric Utilities, Industrial Power Generation equipment, Homeland Security, High Energy Physics, and the Electric and Hybrid Vehicle Markets. "In March we exhibited at the Applied Power Electronics Conference in Austin, Texas where we attracted the interest of General Motors, Osram-Sylvania, Cooper Power Systems and Northrop Grumman" explains Mark Browning, VP of Sales and Marketing for SBE. He continued, "There was tremendous intrigue associated with the Power Ring product, especially in relation to the Hybrid/Electric vehicle market, where its innovation now allows power-train system engineers to take a radically different approach to transmission design."

SBE, Inc. continues to invest in these exciting and innovative developments. "In addition to being a growing manufacturing company, we have established ourselves in the Energy Storage and Control Markets as an innovative developer of new technology. We are committed to this part of our business model and see exciting times ahead if we can continue to lead technology advances in our core business".

SBE, Inc. designs and manufactures Capacitors and Capacitor Assemblies for the Electrical and Electronics Industries from its facilities in Barre, Vermont. Originally a Sprague Electric Plant, SBE has been a leader in the Film Capacitor market for over 50 years producing more than Two Billion Capacitors over the years in the facility. The company continues to produce many of its industry leading standard Orange Drop® products while developing exciting new technology in the field of High Energy, Pulse, and High Voltage Capacitors. More information is available on our website at: www.SBElectronics.com