



December 6, 2002

To Our Valued Customer:

Subject: Acquisition of DB Microware

Today we are pleased to announce Neptune's acquisition of DB Microware. DB Microware provides a suite of field management tools including meter reading, service work orders, and route optimization software to many of the largest utility companies in the United States.

In 2001 DB Microware introduced FieldNet™, a client/server application based on Oracle or SQL Server. All network communications use Ethernet and are TCP/IP compliant. FieldNet is currently in operation at Allegheny Power and Northeast Utilities and is being deployed at Progress Energy (Carolina Power & Light) and PacificCorp. Most recently, DB Microware was awarded a contract for FieldNet from American Electric Power (AEP). AEP is a major U. S. electric utility with more than 5 million customers.

Founded in 1988, DB Microware specializes in software development for the utility industry. During its 14-year history, DB Microware has implemented ARCS (Automated Route Control System) to the largest gas, electric, and water utilities nationwide. ARCS is a proven software tool that enables reading department personnel to better manage available resources.

From our customers' perspective and as a pioneer of Automatic Meter Reading (AMR) technology nearly 40 years ago, Neptune continues to be the leading provider of data collection systems and water measurement products. Since 1892 we have continually focused on the evolving needs of the water utility — revenue optimization, customer service, and operational efficiencies. The interest in DB Microware further enhances Neptune's systems capabilities and strengthens Neptune's position in the growing AMR market.

Tim Weidner, President of DB Microware, had this to say, "The Neptune acquisition represents what we feel is a perfect blend of ideas, skill sets, and culture. DB Microware's current and future position in the market with FieldNet is significantly strengthened with Neptune as its parent company. DB Microware's present and future customers also benefit as continuing support, long term growth, and product development can now take on a new and exciting dimension".

We are proud of our longstanding relationships with the more than 55,000 water utilities, distributors, and consultants serving the industry throughout North America. We wish to thank you for your continued relationship with Neptune.

Sincerely,

Charles C. DiLaura,
President and CEO