



Contact: Bob Durstenfeld
408-585-3534
bdurstenfeld@raesystems.com

RAE SYSTEMS PROVIDES FIRST RESPONDERS PEACE OF MIND WITH GUARANTEED EQUIPMENT REPLACEMENT

Company offers guaranteed cost of ownership and fixed price maintenance programs

SUNNYVALE, Calif. – July 1, 2003 –RAE Systems, (OTC BB: RAEE.OB) a leading provider of hazardous environment detection solutions for homeland defense, today announced two new equipment programs designed to support America’s first responder community. The programs offer four-year unconditional replacement of its hazardous environment sensors and a two-tier maintenance and repair plan.

“We think that first responders have enough things to worry about, and their equipment shouldn’t be one of them,” said Bob Chen, CEO of RAE Systems. “Our equipment is rugged and built to withstand extreme conditions, but the field environment around a HazMat spill or terrorist event is stressful and dangerous. Units can be physically damaged, and our programs provide replacement and repair options that help first responders control costs and better manage equipment maintenance.”

The Guaranteed Cost of Ownership Program covers repair and replacement of any and all elements in a RAE unit—battery, sensors, lamps, pumps, and all internal components—for four years from the date of purchase of the unit. Also included is a once-a-year annual maintenance program. The Guaranteed Cost of Ownership program must be purchased within one year of the purchase of the unit, and the cost depends on the RAE model. Typically, the service agreement runs approximately 25 percent of the original purchase price.

“The cost is about the same as the components you would be expected to buy over a four-year period,” said RAE Systems’ Michael Vaggione, Director of Service. “The advantage is that it covers the cost of any items that typically have to be replaced, but it also covers all repairs that may be needed.”

Under the One Price for Service Program, customers can have a unit repaired that is no longer under warranty at a single fixed price for any and all repairs to the unit other than sensors and/or the PID lamp. The program also has an option to include sensors and the PID lamp. This program offers an expedited turnaround time, first priority for service, and the peace of mind of a fixed price for all repairs after a unit is out of warranty.



“The minimum repair cost for any item on any unit is \$150.00, while the average repair price with sensors has been about \$550.00. The average cost of our one price repair program is \$350.00 without sensors and \$500.00 with sensors, and we also will recalibrate everything in the unit,” Vaggione said.

Customers can purchase both programs through RAE sales managers or RAE distributors, or they can call RAE Systems toll-free for more information at 1-888-723-4800, from 7 a.m. to 5 p.m. PST.

About RAE Systems

RAE Systems Inc. is the leader in rapidly deployable sensing networks for homeland defense and a leading manufacturer of portable, wireless and fixed atmospheric monitors, photo-ionization detectors, radiation detectors, gas detection tubes, sampling pumps and security monitoring devices. Our customers use our products to monitor gas and other volatile organic compounds in confined spaces, to establish a perimeter security around hazardous material sites and to detect the illicit traffic of radioactive materials. RAE Systems’ customers operate in such industries as safety and security, oil and gas, pharmaceuticals, utilities, food, chemical, airlines, military and hazardous material storage and disposal, and its monitors are used in civilian and government atmospheric monitoring programs in over 50 countries. For more information about RAE Systems, please visit www.RAESystems.com.