



Luna Innovations Acquires Optical Test & Measurement Company

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Blacksburg, VA – Luna Innovations Incorporated, a technology development company focused on sensing, advanced materials and systems integration, has acquired Luna Technologies, Inc., a venture capital-backed developer and manufacturer of test and measurement systems for fiber-optic components and assemblies.

Luna Technologies was formed in 2000 after receiving funding from several outside investors. Since 2002, Luna Technologies has been acknowledged in the communications test and measurement industry, receiving numerous awards for excellence in technological innovation and strategic leadership. The Company's award-winning products provide advances in optical component analysis that increase user productivity through improved component characterization while reducing the development process and production costs.

"Both companies share technologies and will benefit from synergies created by combining resources," said Dr. Kent Murphy, Luna Innovations Founder and CEO. "This acquisition brings a wealth of additional optical sensing technology and talent into the Luna Innovations fold."

In the quest for high speed, highly reliable networks there exists an increasing need for fast, accurate measurements, which Luna Technologies has provided. "Our goal is to continue driving the technology curve and to be actively developing solutions that increase our customer's bottom line," said John Goehrke, CEO of Luna Technologies. "Through this acquisition, we take advantage of the complementary strengths to improve market reach and visibility in the optical test and measurement industry." The companies intend to integrate their technologies, product lines and personnel creating a fluid, customer-responsive organization. Luna Technologies, now a division of Luna Innovations, will keep its name and brand identity. Luna Technologies concentrates on the telecommunications market space and has sales both domestic and abroad through various international channels. Luna Innovations' products and services are sold to industrial, government and academic customers mainly in the United States.

Luna Technologies was funded by venture capital investments in 2000 and 2003 totaling approximately \$12 million with Columbia Capital, Envest Ventures, Novak Biddle Venture Partners and SoundView Technology as lead investors. The Luna Technologies acquisition closed on September 30, 2005.

ABOUT LUNA INNOVATIONS:

Headquartered in Blacksburg, Virginia, Luna Innovations is a certified small business and HubZone company that identifies significant market opportunities, builds promising intellectual property portfolios and prototypes, and delivers them into highly differentiated commercial applications. Core technologies of the company reside in sensing, advanced materials, and systems integration.

Within the past five years, Luna Innovations has spun out four new companies that make optical communications systems faster, enhance energy production, provide remote asset management, and enable drug discovery. Companies ready to take flight will improve and speed the diagnosis and treatment of disease.

For more information see www.lunainnovations.com or email

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