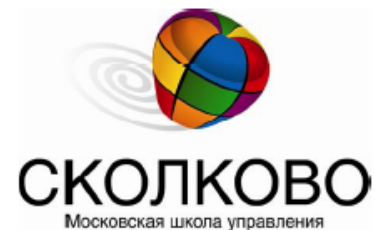




Status of Flywheel Energy Storage for Grid Scale Frequency Regulation

Technological Basis for Creation of Russia's New Energy

25-26 November, 2010



Safe Harbor Statement



This presentation contains forward-looking statements, including the Company's beliefs about its business prospects and future results of operations. These statements involve risks and uncertainties. Among the important additional factors that could cause actual results to differ materially from those forward-looking statements are risks associated with the overall economic environment, the successful execution of the Company's plan of operation, changes in the Company's anticipated earnings, continuation of current contracts, changes in energy and other applicable regulations, and other factors detailed in the company's filings with the Securities and Exchange Commission, including its most recent Forms 10-K and 10-Q. In addition, the factors underlying Company forecasts are dynamic and subject to change and therefore those forecasts speak only as of the date they are given. The Company does not undertake to update them; however, it may choose from time to time to update them and if it should do so, it will disseminate the updates to the investing public.

Generation and Load have to be
Balanced Instant by Instant
on the Electric Grid
Lack of Buffering leads to
Instability and Inefficiency

Energy Storage
can match variable Generation
To variable Load

Stored vs. Delivered Energy:

- 2.5% U.S
- 10% Europe
- 15% Japan

Which Country has most Outages?

Energy Storage provides Energy

when it is needed

just as Transmission provides Energy

where it is needed

Progress in Energy Storage Applications and Technology

IMRE GYUK, PROGRAM MANAGER
ENERGY STORAGE RESEARCH, DOE