



OPT Deploys PowerBuoy for First Commercial Wave Power Project with Iberdrola

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PENNINGTON, N.J.--(BUSINESS WIRE)--Sept. 23, 2008--Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) ("OPT") is pleased to announce that it has deployed its first PowerBuoy(R) under contract with Iberdrola S.A, one of the world's largest renewable energy companies, and its partners, at a site approximately 3 miles off the coast of Santona, Spain.

First OPT Wave Power Station in Europe

As noted by Iberdrola, the deployment of OPT's PB40 PowerBuoy is the latest milestone toward the building of the world's first commercial utility-scale wave power generation venture to supply approximately 1.39 MW of electricity into Spain's electricity grid. The PB40, incorporating OPT's patented wave power technology, is the first of what is expected to be a 10-PowerBuoy wave power station to be built out in a later phase of the project, and generating enough electricity to supply up to 2,500 homes annually.

This deployment represents an important step in OPT's commercialization of wave power as an economically-viable source of renewable energy. Other partners involved in the venture are Total S.A, the French energy giant; Sodercan, the industrial development agency of Cantabria; and IDAE, the energy agency of the Spanish government.

Mark R. Draper, Chief Operating Officer of OPT, said: "This deployment is of great significance to OPT and the wave power industry, demonstrating the commercial potential of our leading technology after a decade of in-ocean experience. We would like to thank our partners, especially Iberdrola and the Spanish authorities, for their outstanding support to this project. We now look forward to the first supplies of electricity to the grid and the expansion of the wave power station."

The project began with OPT's development of the Santona site, followed by OPT's receipt of the Engineering, Procurement and Construction (EPC) contract under which it would build and install the first PB40 PowerBuoy system, subsea power transmission cable and underwater substation and grid connection. In a subsequent agreement, OPT was also contracted for operations and maintenance (O&M) of the wave power station for up to 10 years. A special purpose company with Iberdrola as its major shareholder and OPT as a 10% shareholder has also been established for the purchase of the wave power station and the O&M services from OPT.

PowerBuoys provide a minimal visual profile due to most of their structure being submerged. They have a design life of 30 years with standard maintenance recommended every three to four years. The grid connection system for the PowerBuoys has been certified by an independent engineering firm.

The PB40 steelwork was fabricated by a local supplier in Santander, Spain, and the power take-off and control system was built at OPT's facility in New Jersey, USA. The final integration and testing of the complete PowerBuoy was also conducted in Spain. The PowerBuoy is 7 meters in diameter at the sea surface, 20 meters in length and weighs approximately 60 tonnes.

Forward-Looking Statements

This release may contain "forward-looking statements" that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company's current expectations about its future plans and performance, including statements concerning the impact of marketing strategies, new product introductions and innovation, deliveries of product, and future sales, earnings, and margins. These forward-looking statements rely on a number of assumptions and estimates which could be inaccurate and which are subject to risks and uncertainties. Actual results could vary materially from those anticipated or expressed in any forward-looking statement made by the Company. Please refer to the Company's most recent Form 10-K for a further discussion of these risks and uncertainties. The Company disclaims any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this release.

About Ocean Power Technologies

Ocean Power Technologies (Nasdaq: OPTT and London Stock Exchange AIM: OPT) is a pioneer in wave-energy technology that harnesses ocean wave resources to generate reliable, clean, and environmentally-beneficial electricity. OPT has a strong track record in harnessing wave energy and participates in a \$150 billion renewable energy market. The Company's proprietary PowerBuoy(R) system is based on modular, ocean-going buoys that capture and converts predictable wave energy into low-cost, clean electricity. The Company is widely recognized as the leading provider of on-grid and autonomous wave-energy generation with its energy systems benefiting from over a decade of in-ocean experience. OPT's technology and systems are insured by Lloyds Underwriters of London. OPT is headquartered in Pennington, New Jersey with offices in Warwick, UK. More information can be found at www.oceanpowertechnologies.com.

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