



Ocean Power Technologies Signs Agreement for Development of Wave Power Station in Japan

October 8, 2009

PENNINGTON, N.J.--(BUSINESS WIRE)--Oct. 8, 2009-- Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) ("OPT" or "the Company") is pleased to announce it has signed an exclusive agreement with a consortium of three leading Japanese companies to develop a demonstration wave power station in Japan. The Japanese consortium comprises Idemitsu Kosan Co., Mitsui Engineering & Shipbuilding Co., and Japan Wind Development Co. (the "Consortium"). Further, OPT has been invited to become a member of the Tokyo Wave Power Initiative, a committee including the city of Tokyo, regional governments and national agencies involved in the promotion of new energy sources.

This agreement is the Company's first project in Japan and is in line with OPT's global strategy to form alliances with strategic partners in key markets. OPT now has a range of power generation projects globally, including those in Oregon and Hawaii, USA; Scotland and Southwest England; Spain; Australia; and Japan.

The initial phase of the project will be for OPT and the Consortium to work with the Japanese government to increase the recognition of wave power in Japanese energy policy, and to identify favorable sites for OPT wave power stations and assess their commercial prospects. Subject to the successful identification of a project site and completion of economic assessments, the parties plan to enter into an agreement to build a demonstration plant with up to three of the Company's PowerBuoys®. The trial plant would provide the basis for the expected building of a commercial-scale OPT wave power station with an initial capacity of 10MW or more. Total output from the wave power station would be sold to electric utilities, and at 10MW, could provide power for up to 3,000 households in Japan.

Under the anticipated agreement to build the demonstration plant, OPT will sell the equipment for the power station to the Consortium. For subsequent wave power stations, the Consortium will provide manufacturing and maintenance of the power stations and on-going plant operations, while OPT will provide its PowerBuoy technology under license and also sell certain subsystems of the plant to the Consortium.

Idemitsu Kosan is a leading Japanese energy company; Mitsui Engineering & Shipbuilding is a major industrial business focused on machinery and shipbuilding; and Japan Wind Development primarily develops and operates wind power stations.

Commenting on the agreement, OPT's Executive Chairman, Dr. George W. Taylor, said, "We are delighted to be working with three of Japan's leading companies in forging a new way forward for wave energy in Japan. As one of the world's largest economies, with a dense urban population and a coastline almost as long as Canada, Japan plays a significant regional role in promoting technical innovation and clean energy. We look forward to working with this group to make an important contribution to achieving Japan's targeted reductions in carbon emissions."

Japan's recently elected Prime Minister, Yukio Hatoyama, has pledged to target a 25 percent cut in green-house gas emissions from 1990 levels by 2020. The government also plans to introduce a "feed in" tariff, or other financial reward, for renewable energy production as part of its intentions to boost renewable energy sources to about 10 percent of primary energy supply by 2020.

Mr. Akira Kurosaki, of the Business Development and Innovation Headquarters of Mitsui Engineering & Shipbuilding, said, "OPT's in-ocean experience and technical strength make it a strong partner. Wave power is a very concentrated and predictable source of renewable energy that has great potential for Japan. We believe that OPT's PowerBuoy technology will be an important part of our common vision of reducing dependence on imported fossil fuels."

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, 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, Inc. (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 the advancement of wave energy and participates in a \$150 billion annual power generation equipment market. The Company's proprietary PowerBuoy® system is based on modular, ocean-going buoys that capture and convert predictable wave energy into low-cost, clean electricity. The Company is widely recognized as a leading developer of on-grid and autonomous wave-energy generation 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.

About Mitsui Engineering & Shipbuilding Co.

The principal business of Mitsui Engineering & Shipbuilding ("MES") is machinery and shipbuilding. With annual revenues in excess of \$6.5 Billion, MES' activities include manufacturing and sales of various types of industrial machinery, such as engines, boilers, gas turbines and robotic systems,

and plant construction for water and waste treatment facilities, bridges, and watergates. Its shipbuilding business comprises a broad array of natural resource carriers and hull tankers. MES is a publicly-held company with over 10,000 employees.

About Idemitsu Kosan Co.

Idemitsu Kosan Co. is a diversified energy business. The focus of its business development is energy, food and the environment. In addition to its activities in the petroleum products sector, Idemitsu has extensive interests in basic chemicals, plastics, other natural resources, geothermal energy, electronic materials, agri-business and engineering. The company has over 7,800 employees and annual revenues in excess of \$38.0 Billion, and is publicly-held.

About Japan Wind Development Co.

Japan Wind Development Co. focuses on the wind power generation-related business, with two business segments. The Wind Power Generation Station Development segment is engaged in the development and operation of wind power stations, as well as the agent sale of wind power generators and accumulators. The Wind Power Generation segment is engaged in the sale of electric power in Japan and overseas markets. The Company is listed on the Tokyo Stock Exchange, with annual sales over \$70.0 million.

Source: Ocean Power Technologies, Inc.

Ocean Power Technologies, Inc.

Mark R. Draper, Chief Executive Officer, +1 609 730 0400

Charles F. Dunleavy, Chief Financial Officer, +1 609 730 0400

or

Nomura Code Securities Limited

Juliet Thompson, Richard Potts, +44 20 7776 1200

or

Media Contact:

Corfin Communications

Neil Thapar, Martin Sutton, Claire Norbury, +44 20 7977 0020