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For Immediate Release

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VYCON ENTERS STRATEGIC ALLIANCE WITH MGE UPS SYSTEMS, TO PROVIDE GREEN TECH ALTERNATIVE TO BATTERY BACK UP SYSTEMS

Los Angeles – January 18, 2007 – VYCON, http://www.vyconenergy.com, a leading company in the development and manufacture of advanced, green tech, high cycling energy storage flywheel systems, today announced a strategic alliance with MGE UPS SYSTEMS, Inc. to provide an environmentally friendly, clean energy alternative to traditional Uninterruptible Power Supply systems.

Initially, the offering will include MGE's Comet and Galaxy PW models which will be integrated with VYCON's VDC flywheel system. The VYCON VDC is a flywheel based energy storage system that provides a stable, reliable, low-maintenance, extended-life DC voltage source for critical power applications. The VDC, which can be seamlessly paralleled for higher power requirements, can completely eliminate the need for maintenance-laden batteries in traditional UPS applications by providing sufficient ride-through for short duration power outages or until a standby engine-generator can come on line.

"This alliance represents an important opportunity for both companies," said Tony Aoun, President and CEO of VYCON. "MGE is a market leader in the UPS industry and working with them will allow us to bring highly reliable green technology to a greater number of companies around the world. As MGE customers are requesting higher reliability and environmentally beneficial systems, MGE will now be able to provide customers with a solution for both concerns through our VDC system"

Herve Tardy, VP Marketing of MGE UPS SYSTEMS North America added: "We were very impressed by the VYCON VDC flywheel system and are looking forward to working together to offer our customers a reliable, maintenance free system without the environmental and cost implications of batteries"

About VYCON

Established in 2002, **VYCON** is an innovator in the design and manufacture of technologically advanced, green tech, high cycling flywheel based energy storage systems. The company strives to address the needs of the crane, power quality, rail, and uninterruptable power supply (UPS) markets. VYCON's products provide a cost effective, reliable energy solution for a variety of applications. For more information, visit www.vyconenergy.com. Media inquiries: Victoria Rierdan Hurley, Grabiner/Hall, Victoria@grabinerhall.com or 310 993 1840.

About MGE UPS SYSTEMS, Inc.

MGE UPS SYSTEMS is a world leader in high quality power solutions that increase power availability and system uptime to PCs and enterprise-wide networks, mission-critical telecommunication systems, medical instrumentation and industrial/manufacturing processes. MGE's product line includes Uninterruptible Power Supplies (UPSs), inverters, power conditioners, power distribution units, power management software, active harmonic filters, and surge suppressors. To learn more visit www.mgeups.com/us.