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VYCON® Introduces Next Generation Flywheel Energy Storage Systems

Green Energy UPS Systems Ideal for Data Centers, Hospitals, Broadcasting Stations

Los Angeles – September 24, 2008 — VYCON (<u>http://www.vyconenergy.com</u>), the designer and manufacturer of environmentally-friendly, high-speed energy storage flywheel systems, today announced its new VDC and VDC-XE Direct Connect DC power systems for UPS applications that address mission-critical application's pressing need for clean continuous backup power that is reliable, predictable and environmentally-friendly. The new VDC systems feature higher power and more energy storage in a smaller footprint than VYCON's previous generation system.

Utilizing VYCON's patented flywheel technology, the VDC unit provides up to 220kW of DC power while the VDC-XE (Xtended Energy) model supplies up to 300kW of DC power within a single cabinet. For longer run times and higher power capacities, the VDC models can be easily paralleled without needing a special communications link. For extended power outages, the VDC will seamlessly provide enough ride-through protection to transfer to a standby engine generator for a continuous power system.

Tested and compatible with all major brands of three-phase Uninterruptible Power Supply (UPS) systems and available from VYCON's channel partners, Eaton and Chloride – the new VDC units feature a 20-year life without a major service interval. Featuring optimized power electronics for significantly improved power density, the new energy storage systems replace traditional lead-acid backup batteries used with UPS systems – providing users with a smarter and greener approach to power protection. Lead-acid batteries are toxic, heavy, maintenance intensive, need frequent replacement, have special disposal requirements and demand costly cooling to maintain service life.

"Our new VDC and VDC-XE units are the ideal solution for mission-critical operations that need an extremely reliable yet green, energy storage solution," said VYCON's chief marketing officer, Frank DeLattre. "Users will especially appreciate the units' smaller footprint, simple installation and extremely low maintenance with no mechanical bearing replacement compared to other competitive units. As weather problems and the continual decline of the nation's power grid plague 'always on operations,' our flywheel systems offer users a very dependable and reliable choice in providing uncompromised power protection." DeLattre continued, "We have already received several advance orders for the VDC and VDC-XE indicating the products features and benefits are being well received with mission critical customers."

For applications without an engine generator-set or for those who still want to use batteries, the VDC and VDC-XE can operate in parallel with batteries. In this configuration, the VDC is the first line of defense against power disturbances – saving

the batteries for prolonged power outages. By absorbing the power glitches, the VDC systems significantly increase battery life by handling over 98 percent of the discharges that would normally have shortened the batteries useful life. And, with the models slim footprint, the VDC occupies only a fraction of the floor space of batteries – an important benefit for today's dense computing environments.

Martin Coulthard, International Marketing Director for Chloride Power Systems commented, "The new range of products from VYCON greatly improves the value proposition of the flywheel energy storage. Providing 'greener' back-up power solutions to our customers is a priority and offering a battery-free, lead-free alternative will allow our customers maximum choice/flexibility in selecting their back-up power system configuration."

VYCON's innovative VDC backup systems are environmentally-friendly high-speed flywheels that provide clean ridethrough back up power that is fast, predictable and seamless. Providing a lower Total Cost of Ownership (TCO) than traditional UPS systems with batteries; data centers, hospitals, broadcast facilities and other mission critical applications across the nation are depending on VYCON's innovative flywheel systems to provide reliable and environmentally-friendly on-demand power.

The new VDC and VDC-XE models are available now. For more information on VYCON's innovating green power solutions, contact VYCON at 714-386-3800 or visit their web site at: <u>www.vyconenergy.com</u>.

About VYCON

VYCON is an innovator in the design and manufacturing of technologically advanced flywheel energy storage systems that enable a highly reliable, cost-effective and "Green" energy storage solution for a variety of applications. VYCON's products are applied in the power quality markets to provide back-up power in mission critical applications and in the energy re-cycling markets for capturing and regenerating energy in crane, electric rail and distributed generation applications. VYCON is a publicly listed company on the AIM market of the London Stock Exchange and is headquartered in Orange County, Calif.

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