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Ideal Power Secures Multi-Year Purchase Agreement With Sharp Electronics

AUSTIN, TX -- (Marketwired) -- 07/30/14 -- Ideal Power Inc. (NASDAQ: IPWR), a developer of a disruptive power conversion technology, is pleased to announce that it has signed a multi-year purchase agreement with Sharp Electronics Corporation (hereafter "Sharp") whereby Sharp will utilize Ideal Power's 30kW battery converter in its SmartStorage systems. Ideal Power has received an initial order from Sharp under this agreement, and it expects order volumes to scale along with Sharp's SmartStorage business.

Sharp's SmartStorage systems use onsite battery energy storage that can reduce monthly utility demand charges for commercial and industrial building owners. Demand charges are the fastest growing part of utility bills for commercial customers and in some cases can reach half of a company's monthly utility bill. Both California and New York are already positioned as attractive early markets for the SmartStorage solution, with other states expected to follow. GreenTech Media projects that 600MW of new commercial storage will be installed in the United States by 2020 with the primary benefit of reducing demand charges. For additional information on Sharp's SmartStorage systems, which was announced formally yesterday, please visit <https://www.sharpsmartstorage.com/>.

"After evaluating a number of power converter options for Sharp's SmartStorage System, we ultimately selected Ideal Power's 30kW battery converter based on its favorable combination of features and performance. We have been testing the converters for some time both in laboratory and commercial deployment settings, and are very pleased with the performance, reliability and ease of use," said Carl Mansfield, General Manager of Sharp's Energy Systems and Services Group.

Ideal Power's 30kW battery converter provides both battery charger and inverter functions at high efficiency in a compact, modular and easy-to-install solution that lowers installed system cost. It is based on the company's patented Power Packet Switching Architecture™ (PPSA) that provides electrical isolation without the use of a bulky and expensive transformer. Among the many benefits of PPSA is the unique ability to reduce the weight, size, cost and efficiency loss compared to conventional systems.

"Sharp is a global leader in photovoltaic systems whose entry into the market for commercial battery energy storage systems is a meaningful validation for both the potential size and relative timing of this market opportunity," said Dan Brdar, Chief Executive Officer, Ideal Power. "We are pleased to support Sharp's SmartStorage system in delivering cost effective solutions for commercial buildings in order to reduce utility demand charges, and believe this multi-year purchase agreement is confirmation of Ideal Power's leading technology competence in this burgeoning vertical."

About Ideal Power Inc.

Ideal Power Inc. (NASDAQ: IPWR) has developed a novel, patented power conversion technology called Power Packet Switching Architecture™ (PPSA). PPSA improves the size, cost, efficiency, flexibility and reliability of electronic power converters. PPSA can scale across several large and growing markets, including solar photovoltaic generation, electrified vehicle charging, and commercial grid storage. Ideal Power also has a licensing-based, capital-efficient business model that can enable it to address these markets simultaneously. Ideal Power has won multiple grants for its PPSA technology, including a \$2.5 million grant from the Department of Energy's Advanced Research Projects Agency - Energy (ARPA-E) program, and market-leading customers are incorporating PPSA as a key component of their systems. For more information, visit www.IdealPower.com.

Safe Harbor Statement

All statements in this release that are not based on historical fact are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. While management has based any forward looking statements included in this release on its current expectations, the information on which such expectations were based may change. These forward looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of our control that could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, whether the patents for our technology provide adequate protection and whether we can be successful in maintaining, enforcing and defending our patents, whether demand for our products, which we believe are disruptive, will develop and whether we can compete successfully with other manufacturers and suppliers of energy conversion products, both now and in the future, as new products are developed and marketed. Furthermore, we operate in a highly competitive and rapidly changing environment where new and unanticipated risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. We disclaim any intention to, and undertake no obligation to, update or revise forward-looking statements.

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