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Ideal Power Announces Collaboration With LG Chem to Enable Integrated Battery Energy Storage Systems

Multi-Year Alliance Agreement to Accelerate Deployment of Commercial and Microgrid Storage Systems

AUSTIN, TX -- (Marketwired) -- 03/19/15 -- Ideal Power Inc., (NASDAQ: IPWR), a developer of a disruptive power conversion technology, has announced a multi-year alliance with LG Chem Ltd., one of the world's largest manufacturers of lithium-ion batteries, to supply Ideal Power's patented power conversion systems (PCS) alongside LG Chem's industry-leading battery solutions. The two companies will coordinate to jointly market and sell LG Chem's lithium-ion batteries and Ideal Power's power conversion systems for commercial demand charge reduction and microgrid applications.

Ideal Power and LG Chem will launch a joint effort using their collective resources and industry expertise to market and sell their power conversion and energy storage products in paired and tested combinations to ensure seamless integration and optimal system performance and value to system integrators. The collaboration is in response to the demand from system integrators for simple, paired sets of hardware that have been sized and matched to optimize system performance for specific applications, such as peak demand charge reduction for commercial & industrial customers.

"LG Chem is a well-respected global brand with a leading position in battery energy storage deployment," said Dan Brdar, President and CEO of Ideal Power. "This collaboration with LG Chem presents a new opportunity for our customers to buy components that are proven to work together seamlessly, and will allow Ideal Power to continue expanding our footprint in this market alongside a company with a strong reputation and global reach."

Sunghoon Jang, Senior Vice President for LG Chem, said of the collaboration with Ideal Power, "Their technology is a perfect fit for our growing base of commercial and industrial customers who demand the highest quality and performance. Ideal Power has proven the quality and efficiency of their products through repeated successful deployments in a variety of applications. Their technology is the most efficient in the industry, which made Ideal Power a natural choice for our system partner."

Ideal Power's award-winning technology is revolutionizing the power conversion industry. Their offerings include both 30kW and 125kW PCS configurations based on their patented Power Packet Switching Architecture™ (PPSA). Their software-driven technology eliminates

the need for many of the bulky components comprising conventional converters. This advancement has allowed Ideal Power to develop the lightest PCS with the smallest footprint in the industry, making it a modular and easy-to-install solution that lowers installed system costs.

About LG Chem

LG Chem Ltd. is one of the world's largest lithium-ion battery manufacturers with significant market share in consumer, automotive and stationary applications. The LG Chem Energy Solution division engineers and delivers full turnkey, utility-scale energy storage systems. LG Chem, Ltd. is a globally diversified chemical company which operates three main business units: Petrochemicals, IT & Electronic Materials, and Energy Solution. The company manufactures a wide range of products, from petrochemical goods to high-value added plastics, and extends its chemical expertise into high-tech areas such as electronic materials and rechargeable batteries. For more information, please visit www.lgchem.com.

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 multi-year Alliance Agreement will successfully accelerate deployment of commercial and microgrid storage systems and whether this agreement will allow us to expand our footprint in these markets. 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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