



Fiscal 2013
Second Quarter Conference Call
Three Months Ended October 31, 2012

December 14, 2012

Forward-Looking Statements

In addition to historical information, this presentation contains forward-looking statements that are based on assumptions made by management regarding future circumstances over which the company may have little or no control and involve risks, uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors include, among others, the following: future financial performance indicating expected cash flow; the ability to reduce costs and improve operational efficiencies; revenue growth and increased sales volume; success in key markets; our ability to enter into relationships with partners and other third parties; delivery and deployment of PowerBuoys®; increasing the power output of our PowerBuoys; hiring new key employees; the expected costs of our PowerBuoy product; and building strong long-lasting customer relationships. Many of these risks are discussed in our recent filings with the Securities and Exchange Commission.

Summary of Recent Developments

- Formed Autonomous PowerBuoy business unit to focus on burgeoning market opportunities
- Hired Dr. Mike Mekhiche as Vice President of Engineering
- Terence J. Cryan elected to Board of Directors
- Won additional contract from Mitsui Engineering & Shipbuilding
- Continued work with Lockheed Martin towards potential 19MW project in Australia
- Seeing increased activity for 2013



Artist's Impression of PowerBuoy
Wave Power Station

Financial Summary – Operating Results

US\$ 000's	Three Months Ended October 31		Six Months Ended October 31	
	2012	2011	2012	2011
Revenues	\$1,360	\$1,515	\$2,343	\$3,426
Cost of revenues	<u>1,246</u>	<u>1,483</u>	<u>2,226</u>	<u>3,385</u>
Gross profit	114	32	117	41
Product development costs	2,938	2,063	4,865	5,163
Selling, general and administrative costs	<u>2,105</u>	<u>2,015</u>	<u>4,489</u>	<u>4,035</u>
Operating loss	(4,929)	(4,046)	(9,237)	(9,157)
Interest income	35	126	90	247
Foreign exchange gain (loss)	<u>103</u>	<u>29</u>	<u>(6)</u>	<u>20</u>
Net loss	(4,791)	(3,891)	(9,153)	(8,890)
Less: Net loss attributable to the noncontrolling interest in Ocean Power Technologies (Australasia) Pty, Ltd	39	9	65	13
Net loss attributable to OPT	<u><u>(\$4,752)</u></u>	<u><u>(\$3,882)</u></u>	<u><u>(\$9,088)</u></u>	<u><u>(\$8,877)</u></u>

Financial Summary – Financial Condition

US \$ (millions)	October 31, 2012	July 31, 2012
Cash, cash equivalents, restricted cash and marketable securities	\$26.4	\$29.4
Current and long-term debt	\$0.4	\$0.4
Stockholders' equity	\$23.5	\$28.2

Oregon Update

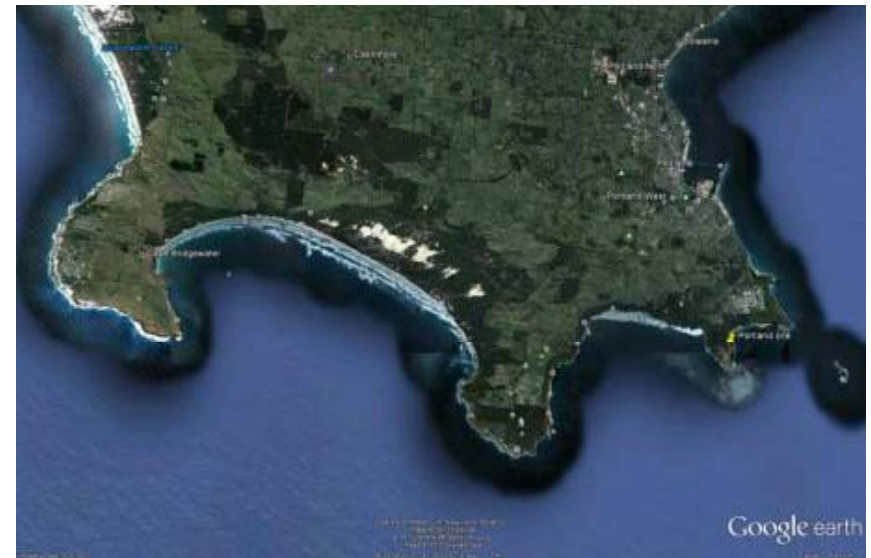
Utility PowerBuoy – Reedsport, Oregon

- Received FERC approval last quarter
- Deployment delayed due to risks associated with weather conditions and related costs
- Seeking additional external grants and funding to support project and ensure success



Japan & Australia

- Won ¥70 million contract in Japan with Mitsui Engineering and Shipbuilding
- In Australia, working on many financing options for Stage 1 deployment
- ARENA meeting this month to review grant status
- Key markets for OPT – Expect further developments in both Japan and Australia in 2013



Autonomous PowerBuoy Activities

- Formed strategic business unit targeting Autonomous PowerBuoy Market
- Focus on three primary areas
 - Oil & Gas
 - Defense/ Homeland Security
 - Academic (oceanographic studies, etc.)
- Speaking with several multinational oil companies
 - Identified specific remote field applications for environmental monitoring
 - Responding to Requests for Information
- Progress with “CRADA” for Homeland Security
 - Technology enhancements complete
 - Working through permits with various government agencies
 - Planning first deployment in 2013

