



Fiscal 2014

Second Quarter Conference Call

Three Months Ended October 31, 2013

December 13, 2013

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.

Recent Developments

- Signed major agreement with Mitsui Engineering & Shipbuilding (“MES”) for PowerBuoy commercialization
- Awarded \$2.6 million contract from MES to supply design and components for a planned PowerBuoy deployment in Japan
- Grew backlog to \$5.8 million
- David Keller joined Board of Directors
- Hired Mark Featherstone as Chief Financial Officer – former CFO of Quaker Chemical (NYSE: KWR)
- Completed deployment and testing of APB-350 off coast of New Jersey
- Raised \$4.7 million through the sale of stock under an “At the Market” (ATM) facility with Ascendant Capital



Artist's Impression of PowerBuoy
Wave Power Station

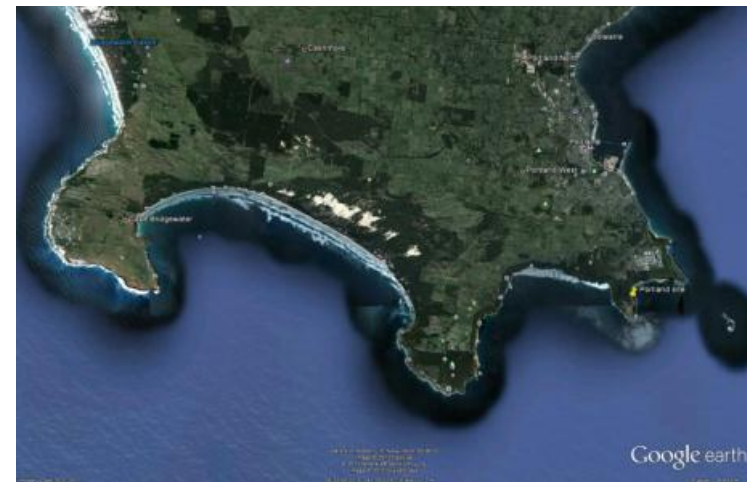
Japan Activity

- Milestone agreement reached
 - MES licensed to sell PowerBuoys in Japan, Vietnam, the Philippines, Malaysia, Mozambique, South Africa and Namibia
 - Renewable, 10-year term
 - OPT to receive royalties and supply power take-off systems
 - MES will manufacture spar, integrate the systems and leverage existing marketing network
 - MES to receive commissions and other benefits for referrals outside its territory
- Award of \$2.6 million contract for next steps toward a PowerBuoy wave power station in Japan
- Japan's renewable energy initiatives include wave energy development



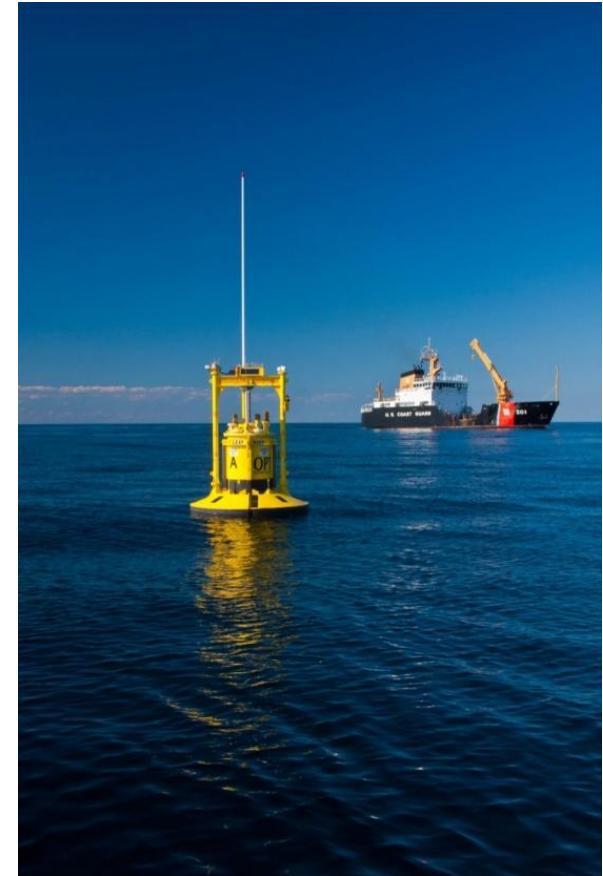
Australia Update

- Progress continues on changes to grant funding
 - Working with Australian government on favorable changes to deed regarding Au \$66.5 million grant
- Seabed survey in progress
- Active interest in Power Purchase Agreements
- Australia remains an attractive long-term market



Autonomous PowerBuoy Deployment

- Completion of APB-350 deployment and testing
 - Launched off coast of New Jersey
 - Under CRADA with US Department of Homeland Security
 - Extensive in-ocean testing over August/September
 - Results met or exceeded expectations – proved technology for various maritime surveillance applications
- APB continues to be major focus for OPT
- Expanded market opportunities



Financial Summary – Operating Results

US \$ (000's)	Three Months Ended October 31		Six Months Ended October 31	
	2013	2012	2013	2012
Revenues	\$464	\$1,360	\$925	\$2,343
Cost of revenues	<u>463</u>	<u>1,246</u>	<u>923</u>	<u>2,226</u>
Gross profit	1	114	2	117
Product development costs	1,610	2,938	2,881	4,865
Selling, general and administrative costs	<u>1,809</u>	<u>2,105</u>	<u>4,357</u>	<u>4,489</u>
Operating loss	(3,418)	(4,929)	(7,236)	(9,237)
Interest income	3	35	3	90
Foreign exchange gain (loss)	<u>107</u>	<u>103</u>	<u>129</u>	<u>(6)</u>
Net loss	(3,308)	(4,791)	(7,104)	(9,153)
Less: Net loss attributable to the noncontrolling interest in Ocean Power Technologies (Australasia) Pty, Ltd	37	39	83	65
Net loss attributable to OPT	<u><u>(\$3,271)</u></u>	<u><u>(\$4,752)</u></u>	<u><u>(\$7,021)</u></u>	<u><u>(\$9,088)</u></u>

Financial Summary – Financial Condition

US \$ (millions)	October 31, 2013	July 31, 2013	April 30, 2013
Cash, cash equivalents, restricted cash and marketable securities	\$18.7	\$18.6	\$21.7
Current and long-term debt	\$0.3	\$0.3	\$0.4
Stockholders' equity	\$14.8	\$14.7	\$18.1

Summary

- MES relationship a catalyst for growth in 2014
- Australia continues to offer opportunities for commercial development near-term
- Expansive APB market
- Strong balance sheet & increased backlog



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