

UNITED SOLAR OVONIC awarded \$9.1 million contract from Air Force Research Laboratory

The contract will continue funding the development of lightweight and high-efficiency solar cells and solar modules for airship and space applications

AUBURN HILLS, Mich., March 15, 2007 – UNITED SOLAR OVONIC LLC, the world leader in thin-film amorphous-silicon solar technology and a wholly owned subsidiary of Energy Conversion Devices, Inc. (ECD) (NASDAQ: ENER), announced today that the Air Force Research Laboratory (AFRL) in Kirtland AFB, New Mexico, has exercised an 18-month contractual option for \$9.1 million with UNITED SOLAR OVONIC to develop new solar cell technology to be used in space and airship vehicles addressing defense and homeland security applications.

Today's announcement builds upon the success of earlier contracts with the Air Force. Since May 2003, UNITED SOLAR OVONIC has been working with the Advanced Space Power Generation Group in the Space Vehicles Directorate of AFRL to develop ultralightweight solar arrays on thin stainless steel foils and polymers for use in space and airship vehicles. Solar cells on thin stainless steel foil are already being tested in AFRL experimental missions such as TacSat-2 satellite, which was launched in December, 2006.

UNI-SOLAR® space photovoltaic (PV) products offer an ultralight, low-cost alternative to conventional space PV modules made of crystalline silicon or gallium arsenide. UNI-SOLAR® triple-junction modules, originally developed for terrestrial applications, are made of amorphous silicon-based thin-film alloys, which are deposited on a 5 mm flexible stainless steel substrate. By utilizing a polymeric substrate, space cells have already been developed that have a specific power greater than 1000 Watts per kilogram (W/kg), which is significantly higher than what is currently available. A high specific power is required for airship application. The radiation hardness and superior high-temperature performance of amorphous silicon make it an attractive material for space application.

"Next generation solar arrays for Air Force missions need to be cheaper, lighter and more stowable than what are currently available," said John Merrill, Program Manager of the AFRL Advanced Power Generation Program at Kirtland AFB. "We are impressed with the work that UNITED SOLAR OVONIC has been carrying out under AFRL contracts to address these goals."

"We are delighted to collaborate with AFRL to develop products for this rapidly expanding market," said Subhendu Guha, President and Chief Operating Officer of UNITED SOLAR OVONIC. "The new funding will accelerate our commercial goal of supplying solar cells for satellite and airship applications."

About UNITED SOLAR OVONIC

UNITED SOLAR OVONIC, building on technology invented and pioneered by ECD, is the world leader in thin-film amorphous photovoltaics. Because of characteristics unique to the UNITED SOLAR OVONIC solar cell technology, such as lightweight, ruggedness and flexibility, it is ideal as building-integrated photovoltaic roofing systems for residential and industrial customers. ECD and UNITED SOLAR OVONIC hold the basic patents covering the continuous roll-to-roll manufacturing of thin-film amorphous-silicon alloy multi-junction solar cells and related products. More information is available at www.uni-solar.com.

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