

## **Energy Focus, Inc. receives awards worth \$ 1.6 Million to develop LED lighting for DARPA and NASA**

**Solon, OH** – January 26, 2010 – Energy Focus, Inc. (NASDAQ: EFOI), a leader in providing energy efficient lighting solutions, announced today that its research and development team recently received three LED lighting awards totaling \$1.6 million. Two of these awards, “Explosion-Proof Solid State Lighting for Extreme Environments” and “A Spectrally Dynamic Berth Light for Active Circadian Cycle Management” are Phase 2 Small Business Innovation Research (“SBIR”) grants from the Defense Research Projects Agency (“DARPA”). The third award, “Innovative Solid State Lighting Replacements for Industrial and Test Facility Locations,” is a Phase 1 Small Business Technology Transfer (“STTR”) program grant received from the National Aeronautics and Space Administration (“NASA”).

Roger Buelow, Energy Focus CTO commented. “We’re excited about the two additional awards from DARPA continuing our longstanding relationship. The STTR award is particularly exciting since it’s the first grant we’ve received from NASA. The first DARPA award, for the development of explosion-proof lights for shipboard use, also covers advanced driver development. These lights will be able to qualify for Class 1 Division 1 explosion proof standards for civilian use, which opens up a significant new market for Energy Focus. The second DARPA award is for development of circadian rhythm enhanced lights for the Navy. These lights adjust their spectrum throughout the day to improve sleep patterns and productivity. For the military, this is especially important for warfighters whose duties include 24-hour operational readiness. The third award, from NASA, is to replace existing test stand and parking lot fixtures with high performance LED lighting including high performance explosion-proof lights.”

Joseph Kaveski, CEO, Energy Focus added: “We are pleased to announce the additional \$1.6 million in grants landed by Roger and his team. While significant, this new funding is only a fraction of the government sponsored R&D we’ve already received for work in 2010. We’re especially pleased to begin the development of a new generation of lighting products that enhance health and wellness as well as provide energy efficiency. Energy Focus is proud to support our country with these significant projects. In addition, we expect the results of these projects to lead to both increased product sales as well as increased specification opportunities for our lighting retrofit business.”

About Energy Focus, Inc.

Energy Focus, Inc. is a leading provider of turnkey energy efficient lighting solutions. These solutions provide energy savings, aesthetics, safety and maintenance cost benefits over conventional lighting. Our long-standing relationship with the U.S. Government includes numerous research and development projects for the DOE and DARPA, creating energy efficient LED lighting systems for the U.S. Navy fleet and the next generation Very High Efficiency Solar Cell. Customers include supermarket chains, the US government, state and local governmental agencies, retail stores, museums, theme parks and casinos, hotels, swimming pool builders and many others. Company headquarters are

located in Solon, OH, with additional offices in Nashville, TN, Pleasanton, CA, and the United Kingdom. For more information, see [www.energyfocusinc.com](http://www.energyfocusinc.com).

Forward-looking statements in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements regarding our future business outlook, our products, our solutions, and our work with leading customers including governmental agencies. Investors are cautioned that all forward-looking statements involve risks and uncertainties. Actual results may differ materially from the results predicted. For more information about potential factors that could affect Energy Focus financial results, please refer to the Company's SEC reports, including its Annual Reports on Form 10-K and its quarterly reports on Form 10-Q. These forward-looking statements speak only as of the date hereof. Energy Focus disclaims any intention or obligation to update or revise any forward-looking statements.

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