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U.S. Department of Energy (DoE) announced today that it has approved and signed the agreement for SBE Inc.'s grant for \$9.1 million

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SBE Inc. (dba SB Electronics), has won a matching grant of \$9.1 million as the major piece of funding for an \$18 Million project under the U.S. Department of Energy's Electrical Drive Vehicle Battery and Component Manufacturing Initiative, part of President Obama's American Recovery and Reinvestment Act, to expand its electric car technology manufacturing.

"This grant, along with matching funds from a variety of agencies and organizations in the State of Vermont, and SBE shareholders & management, will enable SBE to continue the growth of our Power Ring Film Capacitor™ technology utilized in current and future designs of hybrid, plug-in hybrid and pure electric vehicles - here in Vermont." said Ed Sawyer, President and CEO of SBE.

As soon as spring allows, SBE will break ground for its new high-volume manufacturing facility at the Wilson Industrial Park in Barre Town to produce this new generation of power ring capacitors, developed by SBE, for the power train of electric and hybrid vehicles. The plant capacity will provide supply for over 100,000 electric drive vehicles within 3 years.

"Following the initial announcement last August, we have already started hiring people. This total funding package, led by the DoE grant, will enable SBE to accelerate the funding of the company's continuing effort to produce the world class products and technology that our customers require and the market expects. The most exciting part for all of us as residents of Vermont and members of the community, is that the DoE and State funds made available give us the opportunity to do this here in Vermont, and specifically Central Vermont, employing many Vermonters and people from outside the region to meet these needs. I'd like to thank the many people, local State and local community organizations, and investors that have made that project possible." Sawyer said. "We would also like to thank the whole dedicated team here at SBE who has worked tirelessly for the past few years on this technology and capability advancement. Our entire team believes in what SBE's technology can do to enable a better environment in the future for all of us."

"I want to congratulate Ed and his entire team at SBE on winning this competitive award. It is a testament to their hard work, commitment to innovation and cutting edge products," said Governor Douglas. "I'm pleased that my administration, through the Vermont Training Program, and the Vermont Economic Progress Council were able to provide assistance and we will continue to do so."

SBE Inc. is a leading developer and manufacturer of film capacitor solutions that provide a much higher degree of reliability, higher power density, and simpler cooling infrastructure, in demanding applications, particularly for automotive/transportation, alternative energy, utilities, power supplies/laser and military/aerospace. Originally a Sprague Electric Plant, SBE has been manufacturing capacitors for over 50 years producing over a billion capacitors, including the renowned Orange Drop®. The Company's headquarters, engineering and product development center, and manufacturing operation are located in Barre, Vermont. For more information on the company's products, technologies and markets, visit its website at: www.sbelectronics.com. Inquires and requests for further information, should be directed to Ed Sawyer, President & CEO, SBE Inc. at edsawyer@sbelectronics.com or 802-476-4146.