

Key Statistics

(as of June 15, 2010)

Symbol	PEFF.OB
Price	\$0.20
Shares Outstanding	45.06M
Market Cap	\$8.97M
Avg. Daily Volume	26,872
52 wk Range	\$0.11 - \$0.45
Fiscal Year End	December 31st

Management

Steven Strasser
Chairman and CEO

Scott Johnson
EVP and COO

BJ Lackland
CFO

Investor Relations

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Company Overview

Power Efficiency is a clean tech company focused on efficiency technologies for electric motors. The company designs, develops, markets, and sells motor efficiency controllers (MEC) that reduce energy consumption in alternating current (AC) induction motors.

Power Efficiency has developed a proprietary technology platform, called E-Save Technology®, which has been demonstrated in independent testing to deliver energy savings up to 35% in constant-speed motor applications. Power Efficiency estimates that E-Save Technology® can save the U.S. manufacturing industry alone \$1.7 billion in annual electricity costs.

According to the Department of Energy, electric motors are the largest end users of electricity in the U.S., and many motors waste energy. When motors are lightly loaded, or operate under variably loaded environments, they tend to be inefficient. For example, elevators utilize the same amount of energy whether they carry one person or ten people. E-Save Technology® reduces the power delivered to motors by working much like automobile cruise control – adjusting energy usage according to the load.

Power Efficiency's mission is to be a high-value technology company that utilizes existing channels – including original equipment manufacturers (OEMs), distributors, and independent reps – to market its products and technologies. Power Efficiency, which won a Frost & Sullivan 2009 Innovation of the Year Award for E-Save Technology®, was incorporated in 1994 and is based in Las Vegas, Nevada.

Products

Power Efficiency has developed two lines of products based on E-Save Technology®:

- 3-Phase Motor Efficiency Controllers for large motors in industrial and commercial buildings, such as escalators, MG elevators, crushers, shredders, conveyors, and more. The product can be included in new equipment or retrofitted onto existing equipment.
- 1-Phase Motor Efficiency Controllers for the millions of small appliance motors in applications such as residential air conditioning, clothes washers, and dryers. The company is working with manufacturers to incorporate this technology directly into new motors and appliances.

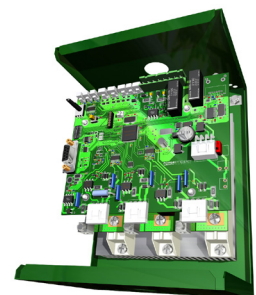
Power Efficiency's products have been installed at retail chains, hotels, airports, transit systems, mining, plastics, and manufacturing companies. The following end users and OEMs have purchased Power Efficiency's MECs: Denver Airport, Los Angeles Metro, Las Vegas Convention Center, Westfield Malls, Otis Elevator, Schindler Elevator Berry Plastics, Barrick Gold, Bloomingdales, Macy's, and Yankee Stadium. Their products provide customers with the following benefits:

- Saves energy
- Reduces motor operating temperatures, which lengthens motor life
- Reduces green house gas emissions from electricity production

Numerous electric utilities have tested and approved Power Efficiency's products for incentive rebates, including NV Energy in Nevada, Xcel Energy in Colorado, Southern California Edison, San Diego Gas and Electric, and others.



E-SAVE
TECHNOLOGY.



Investment Highlights

- Company “restart” story – Strong new management team. Personnel overhaul. Substantial capital infusion
- Poised for accelerated growth – Recently completed multi-year development cycle. New digital products certified and sales-ready. Internal sales and independent rep network expansion underway
- Significant OEM agreements recently signed with KONE and ThyssenKrupp, global leaders in vertical transportation (elevators/escalators).
- \$9 billion annual market opportunity in large and growing markets
 - » Segments include new 3-Phase motor starters (\$3 billion), replacement 3-Phase motor starters (\$4 billion) and new 1-Phase motors (\$2 billion)
 - » Target applications for the 3-Phase MEC include escalators and elevators. Other applications include granulators, grinders, conveyors, crushers, saws, stamping, presses, and many other types of industrial equipment
 - » Target applications for the 1-Phase MEC include clothes washers and dryers. Over fifteen million washers and dryers were sold in the U.S. alone in 2008 – millions more internationally
- Patented technology - Saves up to 35% of the electricity used by motors in appropriate applications
- High margin, scalable business model – Firmware-based solutions. Substantial licensing potential. Manufacturing outsourced
- Large insider ownership - 25% of shares (from \$4 million invested)

Management Team

Steven Strasser, Chairman and Chief Executive Officer

- Founder, managing director, and majority owner of Summit Energy Ventures LLC, a private equity firm that is the largest shareholder in PEFF
- 2001-2005 Summit tenure spent evaluating and investing in energy technology companies and serving on the boards of portfolio companies
- 1984-2000, Founder and CEO of Northwest Power Enterprises, involved in multiple aspects of the energy development business
- Law degrees from McGill University and the University of Washington

Scott Johnson, Executive Vice President & Chief Operating Officer

- Former President of TrakitGPS, an early stage venture backed provider of location-based services to the construction materials industry
- Served as Director of TrakitGPS parent company, BMG Controls, Inc., then exclusively a producer of process controls and enterprise software for the bulk construction materials industry
- Held senior executive positions at leading motor/motion control and factory automation companies, including CEO of AutomationSolutions International, CEO of Industrial Devices Corporation, Group Vice President of Parker Hannifin Corporation, General Manager of Compumotor Division of Parker Hannifin, and Vice President of Sales/Marketing of Warner Electric

BJ Lackland, Director, Chief Financial Officer, and Secretary

- Former Vice President and Director of Summit Energy Ventures
- Prior to Summit, Mr. Lackland was the Director of Strategic Relations at Encompass Globalization and the Director of Strategic Planning and Corporate Development at an Internet business development consulting company
- Worked at the National Bureau of Asian Research, an internationally acclaimed research company focusing on U.S. policy toward Asia
- MBA from the University of Washington Business School and an MA in International Studies (Asian Studies) from the University of Washington

Brian Taylor, Senior Vice President

- Former Business Manager, Standard Drives of Rockwell Automation, responsible for the \$360M global standard drives business
- During nearly twenty years with Rockwell Automation, held various positions of increasing responsibility, including management positions in the company's Industrial Controls and Presence Sensing Businesses
- BA in Computer Engineering from Case Western Reserve University and an M.B.A. from Northeastern University

Alan Taylor, Vice President of Business Development

- Former associate at HKA Elevator Consulting Inc. and Principal at Barker Mohandas LLC
- Held numerous positions in the elevator/escalator industry, including V.P. International Technical Services (ITS) China, at ThyssenKrupp Elevator (TKE); Chief Technology / Production Officer for a TKE joint venture in Seoul Korea; and Operations Manager / Regional Trainer
- Over thirty years of professional experience in the elevator and escalator industry in over thirty countries.
- Post graduate studies in Lift Engineering at Northampton University in England; presently writing dissertation.

Recent News

- May 18, 2010** Power Efficiency Corporation to Present at the Source Capital Group Small Cap Virtual Conference
- April 26, 2010** Power Efficiency Featured on Canada's Business News Network (BNN)
- April 20, 2010** The KONE EcoStart® with Power Efficiency's E-Save Technology® Installed at the U.S. Capitol Visitor Center to Save Energy
- March 22, 2010** Sands China Resorts in Macau to Save Energy with Power Efficiency's Motor Efficiency Controllers
- October 20, 2009** McCarran International Airport to Save Energy by Installing the KONE EcoStart® on Escalators
- October 14, 2009** Power Efficiency Bolsters Sales Force, Management Team
- September 30, 2009** Power Efficiency Sales Network Expansion Under Way
- September 29, 2009** Power Efficiency Corporation Insiders Purchase Additional Shares

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