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**ONPOINT TECHNOLOGIES MAKES INVESTMENT IN
A123 SYSTEMS, INC.**

MAITLAND, FLORIDA – **June 29, 2004** – OnPoint Technologies, a strategic private equity firm funded by the U.S. Army, today announced that it has invested in A123 Systems, Inc. (“A123 Systems” or “A123”), a developer of advanced Lithium-Ion based cells for rechargeable battery packs. Other Series B investors included Motorola Ventures (lead), Sequoia Capital, North Bridge Venture Partners, Qualcomm, MIT and YankeeTek Ventures.

"A123's proprietary technology solves safety issues that have prohibited the use of Lithium-Ion chemistries in high-power applications," said John Trbovich, Principal of OnPoint Technologies. "This management team has the experience and know-how to capitalize on the fundamental performance and cost advantages of its underlying technology."

Founded in 2001, A123 Systems is a developer of advanced Lithium-Ion based cells for rechargeable battery packs. Using technology exclusively licensed from MIT, A123's initial rechargeable cells will provide higher power, greater energy and faster recharge rates than products currently available. The company's initial target market includes next generation technology for portable devices.

"A123 approached OnPoint as a new co-investor in this transaction due to their strategic nature," said David Vieau, CEO of A123 Systems. "In accordance with OnPoint's mission, A123's products also fulfill pressing Army needs for development of advanced rechargeable battery packs."

A123 Systems marks OnPoint's fifth investment in the growing mobile power and energy market. OnPoint continues to actively invest in companies that focus on technologies with the potential to address the requirements of both the US Army and the commercial market.

About OnPoint Technologies

OnPoint Technologies, a strategic private equity firm funded by the US Army, has a mission to discover, invest in and support companies developing innovative mobile power and energy technology at the intersection of the defense and commercial markets. For more information on OnPoint, please visit www.onpoint.us, or call (407) 838-1400.

About A123 Systems

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