

Energy Focus, Inc. Announces \$12.3 million in Lighting Retrofit Contracts Awarded to Stones River Companies, LLC

Solon, OH – January 12, 2010 – Energy Focus, Inc. (NASDAQ: EFOI), a leader in providing turnkey energy efficient lighting solutions, today announced that its wholly owned subsidiary Stones River Companies, LLC (“SRC”) was recently awarded seven lighting energy services contracts totaling \$12.3 million.

Rob Wilson, VP of SRC commented. “Two of the seven projects are multi-million dollar contracts through a leading energy services company (“ESCO”) for projects at a public school district and a public University. Both projects are already underway and we anticipate completing them by the end of the year. Five other projects totaling \$5.9 million are through Woodstone Energy Services, LLC, SRC’s recently announced commercial ESCO alliance partner. As with all of SRC’s lighting retrofits, completion of these projects will dramatically reduce energy usage and maintenance costs and improve the client’s lighting quality. These projects are underway as well and are expected to be completed in 2010.”

Joseph Kaveski, CEO, Energy Focus Inc. said: “We are pleased to announce this great start in 2010. I can only applaud the efforts of Rob and his team in securing these projects. Energy Focus will recognize about \$7.2 million of the \$12.3 million since certain project work began just prior to the completion of the SRC acquisition. However, Energy Focus will receive the cash benefit of the \$12.3 million in receivables generated by these secured contracts.” Mr. Kaveski continued, “With these contracts secured and more already on the horizon for 2010 we see our new lighting solutions business playing an important role in Energy Focus achieving both growth and becoming cash flow positive in 2010.”

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.

About Stones River Companies, LLC

SRC is wholly owned subsidiary of Energy Focus, Inc., recently acquired from TLC Investments, LLC. As a lighting solution and design firm it provides services to both public and private sector clients focusing on the design and implementation of energy efficient lighting measures. SRC has been offering lighting retrofit projects in

support of Energy Services Companies serving the public sector existing building market since 2002.

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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