

## **ACORN ENERGY, INC ANNOUNCES YEAR END RESULTS AND HIGHLIGHTS**

**MONTCHANIN, DE, April 17, 2008** -- ACORN ENERGY, INC. (NasdaqGM: ACFN), a holding company focused on intelligent energy infrastructure, today announced that it has filed its Annual Report on Form 10-K for the year ended December 31, 2007. The Form 10-K provides full disclosure and an analysis of the result of operations for the year.

Highlights during and following the fourth quarter include:

- The Company created CoaLogix, Acorn's new platform for participating in the burgeoning market for clean coal solutions and acquired SCR-Tech, a leader in catalyst cleaning and regeneration for coal and other fossil fueled plants in November, 2007. SCR-Tech is the cornerstone of Coal Vision 360, CoaLogix's blueprint for improving the environmental footprint and efficiency of coal-fired generation plants. In March 2008, CoaLogix announced that EnerTech III has taken a 15% position in CoaLogix.
- The Company raised \$29 million through the sale of a portion of its Comverge shares in a Citigroup/Goldman Sachs led secondary follow-on offering in December 2008. This gave Acorn the liquidity to further develop its existing business, eliminate debt and finance future acquisitions, while remaining Comverge's largest shareholder.
- The Company demonstrated renewed financial vigor by returning to the NASDAQ in December 2007 and by upgrading its listing to the more prestigious NASDAQ Global Market in February 2008.
- The Company completed its acquisition of a significant minority interest in GridSense in January 2008, providing the Company a strong foothold in Asia and the emerging field of remote monitoring and control systems for electrical utilities
- In January 2008 the Company completed the redemption of its outstanding convertible debentures and as a result has virtually no debt.
- Also in February, the Company's DSIT subsidiary, a leader in the field of threat detection for underwater energy infrastructure, announced \$1.4 million in new contracts involving the integration of subsystems developed by DSIT into systems built by customers and opportunities to expand the projects in the future.
- The CoaLogix subsidiary announced in March that in the first two months of 2008 it had secured new contracts from major U.S. utilities potentially representing more than twice its entire 2007 sales.
- Acorn signed a letter of intent in March 2008 to acquire Software Innovation, the

developer of Coreworx™, a world-leading software tool for collaboration for energy and other infrastructure for capital projects.

John A. Moore, President and Chief Executive Officer of Acorn Energy remarked: “In 2007 we began to implement Acorn’s strategy of accelerating the growth of emerging ventures that promise meaningful improvement in the environmental and economic efficiency of energy infrastructure. We have used the proceeds of the sale of a portion of our Comverge shares to clean-up our capital structure and begin planting new acorns -- with our purchase of SCR-Tech and acquisition of significant positions in Gridsense and Local Power -- that we hope will become tomorrow’s oaks. In the months ahead we look forward to continued growth in our CoaLogix business and completion of our due diligence on the Software Innovation acquisition. We are also engaged in serious discussions regarding additional clean coal and other energy intelligence sector opportunities.”

### **About Acorn Energy, Inc.**

Acorn Energy is a publicly traded holding company focused on improving the efficiency of the energy grid and reducing the environmental impact of the energy sector. Acorn Energy’s operating companies leverage advanced technologies to transform the existing energy infrastructure. Acorn’s strategy is to take primarily controlling positions in companies led by great entrepreneurs and add value by supporting those companies with marketing, strategy and business development. Acorn Energy is a global company with equity interests in Comverge, CoaLogixDSIT, Gridsense, Local Power and Paketeria. For more information visit [www.acornenergyinc.com](http://www.acornenergyinc.com).

### **Safe Harbor Statement**

This press release includes forward-looking statements, which are subject to risks and uncertainties. There is no assurance that CoaLogix will continue to grow its business. The completion of the acquisition of Software Innovation Inc. referred to in this release is subject to completion by Acorn Energy, Inc. of its due diligence and execution of a definitive purchase agreement and any conditions to closing. There is no assurance Acorn Energy will be able to complete its acquisition of Software Innovation. A complete discussion of the risks and uncertainties which may affect Acorn Energy's business generally is included in "Risk Factors" in the Company's most recent Annual Report on Form 10-K as filed by the Company with the Securities and Exchange Commission.

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TABLES FOLLOW

**ACORN ENERGY, INC.**  
**(FORMERLY KNOWN AS ACORN FACTOR, INC.)**  
**AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)**

ASSETS	As of December 31,	
	2006	2007
Current assets:		
Cash and cash equivalents	1,521	19,644
Accounts receivable, net	1,373	1,775
Unbilled work-in-process	393	1,784
Inventory	--	119
Other current assets	316	1,391
Total current assets	3,603	24,713
Property and equipment, net	445	1,335
Available for sale - Investment in Comverge	--	55,538
Investment in Paketeria	1,212	1,439
Other investments	--	668
Funds in respect of employee termination benefits	1,568	1,607
Restricted cash	--	1,517
Other intangible assets, net	48	5,987
Goodwill	97	3,945
Other assets	285	218
Total assets	7,258	96,967
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CAPITAL DEFICIENCY)</b>		
Current liabilities:		
Short-term bank credit	462	590
Current maturities of long-term debt and Note payable - related party	326	171
Convertible debt, net	--	4,237
Accounts payable	378	910
Accrued payroll, payroll taxes and social benefits	478	1,118
Other current liabilities	1,700	3,844
Total current liabilities	3,344	10,870
Long-term liabilities:		
Investment in Comverge, net	1,824	--
Liability for employee termination benefits	2,545	2,397
Long-term debt	--	12
Deferred income taxes	--	16,038
Other liabilities	6	325
Total long-term liabilities	4,375	18,772
Commitments and contingencies		
Shareholders' equity (capital deficiency):		

Common stock - \$0.01 par value per share:		
Authorized – 20,000,000 shares; Issued –10,276,030 and 11,134,795 shares at December 31, 2006 and 2007	102	111
Additional paid-in capital	43,987	49,306
Warrants	888	1,330
Accumulated deficit	(41,904)	(9,692)
Treasury stock, at cost – 777,371 shares for December 31, 2006 and 2007	(3,592)	(3,592)
Accumulated other comprehensive income	58	29,862
Total shareholders' equity (capital deficiency)	<u>(461)</u>	<u>67,325</u>
Total liabilities and shareholders' equity (capital deficiency)	<u><u>\$7,258</u></u>	<u><u>\$96,967</u></u>

**ACORN ENERGY, INC.**  
**(FORMERLY KNOWN AS ACORN FACTOR, INC.)**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(IN THOUSANDS, EXCEPT NET INCOME (LOSS) PER SHARE DATA)**

	<b>Year ending December 31,</b>	
	<b>2006</b>	<b>2007</b>
Sales:		
Projects	\$3,186	\$4,061
Catalytic regeneration services	--	797
Services	863	730
Other	68	72
Total sales	<u>4,117</u>	<u>5,660</u>
Cost of sales:		
Projects	2,022	2,891
Catalytic regeneration services	--	681
Services	741	676
Other	--	--
Total cost of sales	<u>2,763</u>	<u>4,248</u>
Gross profit	1,354	1,412
Operating expenses:		
Research and development expenses, net	324	415
Selling, marketing, general and administrative expenses		
	<u>4,658</u>	<u>5,390</u>
Total operating expenses	<u>4,982</u>	<u>5,805</u>
Operating loss	(3,628)	(4,393)
Finance expense, net	(30)	(1,585)
Gain on sale of shares in Comverge	--	23,124
Gain on Public offering of Comverge	--	16,169
Loss on private placement in Paketeria	--	(37)
Other income - settlement of a claim	330	--
Income (loss) before taxes on income	<u>(3,328)</u>	<u>33,278</u>
Income tax benefit (expense)	(183)	445
Income (loss) from operations of the Company and its consolidated subsidiaries	(3,511)	33,723
Share in losses of Paketeria	(424)	(1,206)
Share in losses of Comverge	(210)	--
Net income (loss) from continuing operations	<u>(4,145)</u>	<u>32,517</u>
Loss on sale of discontinued operations and contract settlement, net of tax	(2,069)	--
Net income from discontinued operations, net of tax	78	--
Net income (loss)	<u>(\$6,136)</u>	<u>\$32,517</u>

Basic net income (loss) per share:		
Income (loss) per share from continuing operations	(\$0.48)	\$3.30
Discontinued operations	(0.23)	--
Net income (loss) per share	<u>(\$0.71)</u>	<u>\$3.30</u>
Weighted average number of shares outstanding – basic	<u>8,689</u>	<u>9,848</u>
Diluted net income (loss) per share:		
Income (loss) per share from continuing operations	(\$0.48)	\$2.80
Discontinued operations	(0.23)	--
Net income (loss) per share	<u>(\$0.71)</u>	<u>\$2.80</u>
Weighted average number of shares outstanding –diluted	<u>8,689</u>	<u>12,177</u>