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**MTI INSTRUMENTS INTRODUCES A STRATEGIC NEW PRODUCT**

*– The First System that Combine Precision Non-Contact Measurement Technology with Complete Data Acquisition and Analysis –*

**Albany, N.Y., June 18, 2007** – MTI Instruments, Inc. (MTII) of Albany, NY, a worldwide leader in precision measurement solutions, and a subsidiary of Mechanical Technology Incorporated (MTI) (NASDAQ: [MKTY](#)), announced the launch of their newest, data acquisition system branded as EVE.

EVE is designed to help users solve complex measurement problems by providing precision non-contact measurement, advanced data acquisition, data analysis, touch screen user interface, and intuitive operation. EVE is 100% compatible, out-of-the-box, with virtually all sensors from other manufacturers along with the entire line of MTII's precision non-contact displacement sensors providing a complete solution to customers.



**EVE – Newest Data Acquisition System**

“EVE is the culmination of research with end users, system integrators and distributors and representatives in our sales channel” said Gordon Reid, Senior Director of Sales and Marketing. “Our product development research indicated a strong desire for requirements including flexibility, processing speed, analysis capabilities, and ease of use. Today, I am happy to announce that we have exceeded these requirements with the introduction of EVE.”

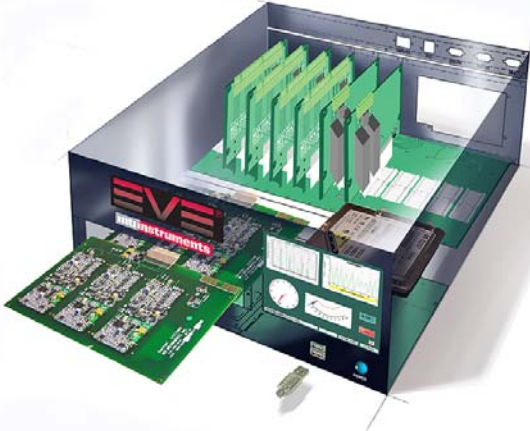
EVE is able to accept data from multiple analog and/or digital channels allowing numerous variables to be measured and correlated in real-time. The data can be stored internally, on USB memory sticks or transmitted via Ethernet to any IP address on a particular network.

Eve utilizes a powerful concept called the “recipe.” Designed for ease of use and interpretation of results, the user can configure the system based on their needs and save

the recipe for future use. The recipe guarantees exact replication of tests and dramatically reduces set-up time. Specific knowledge of software is not required as EVE's user interface guides the operator through set-up and use.

“We believe EVE is the first system that incorporates precision non-contact dimensional measurement technology within a complete and scalable data acquisition system,” said Robert Kot, Vice President and General Manager of MTII. “EVE represents our strategic approach in bringing system level products to market providing our customers with cost effective, turnkey solutions. In addition, EVE should allow us to sell more of our existing products including sensors.”

MTI Instruments is now accepting orders for EVE and will commence shipment to customers in the fourth quarter of this year.

SPECIFICATIONS	EVE
<b>Product Category:</b> Extensible data acquisition systems.	
<b>Physical:</b> 400 mm D x 442 mm W x 160 mm H	
<b>Core Processor:</b> Genuine Intel® Processor	
<b>Operating System:</b> Windows XPE	
<b>Display:</b> 6.5" diagonal color TFT VGA with touch screen control (640 x 480, 600 nits brightness, 750:1 contrast)	
<b>Data Storage:</b> Internal 60 GB hard drive	
<b>I/O: Analog:</b> <ul style="list-style-type: none"> <li>○ 2 front-panel MTI proprietary capacitance cards, enabling a total of 6 capacitive displacement channels.</li> <li>○ 4 dual-channel plug-in sensor modules permitting 8 input channels</li> </ul>	
<b>I/O: Digital:</b> 1 digital 8-channel I/O Card	
<b>External I/O:</b> <ul style="list-style-type: none"> <li>○ 4 USB ports</li> <li>○ RS-232 configurable serial port</li> <li>○ RS-485 configurable serial port</li> </ul>	

**About MTI Instruments Inc.**

*MTI Instruments, Inc. (MTII), a subsidiary of Mechanical Technology Incorporated (NASDAQ: MKTY) based in Albany, NY, is a worldwide supplier of precision non-contact physical measurement solutions, precision balancing equipment and semiconductor wafer inspection tools. MTII products use a comprehensive array of technologies to solve complex real-world applications in numerous industries including manufacturing, semiconductor, commercial/military aviation, automotive and data storage.*

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*Statements in this press release which are not historical fact including statements regarding management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, among others, future prospects and applications for MTII's products; the ability of MTII to sell EVE systems to customers; MTII's ability to deliver EVE systems that withstand testing and meet requirements and expectations of customers; MTII's future business prospects, technology and performance; and, the market share, market potential for, and progress MTII is making in developing its EVE product. All forward-looking statements are made as of today, and MTI and MTII disclaim any duty to update such statements. It is important to note that MTII's and MTI's actual results could differ materially from those projected in forward-looking statements. Factors that could cause the anticipated results not to occur include, among others, risks related to financing; uncertainties in development, manufacturing, competition and demand for non-contact measurement equipment; and the risk factors listed from time to time in MTI's SEC reports including but not limited to, the annual report on Form 10-K and Quarterly Reports on Form 10-Q.*