



FuelCell Energy

Ultra-Clean, Efficient, Reliable Power



Company Update

January 2015

Ultra-Clean | Efficient | Reliable Power

This presentation contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the development and commercialization of fuel cell technology. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The forward-looking statements speak only as of the date of this presentation. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statements are based. The Company may refer to non-GAAP (generally accepted accounting principles) financial measures in this presentation. The Company believes that this information is useful to understanding its operating results and the ongoing performance of its underlying business.

Integrated Fuel Cell Company

Research & Development

Design megawatt-class distributed power generation solutions

- *Global fuel cell platform*
- *Robust intellectual property portfolio*
- *Developing hybrid applications of existing technology for new markets*



Sales, Manufacture & Project Execution

Project development

- *Direct sales*

Global manufacturing profile

- *North America*
- *Asia via partner*
- *Europe*

Engineering, Procurement and Construction

- *Project Financing*



Services

Operate & Maintain power plants

- *Over 100 DFC® plants operating at more than 50 sites in 9 countries*
- *>3 billion kWh ultra-clean power produced*
- *> 300 MW installed/backlog*



Providing turn-key distributed power generation solutions

NASDAQ: FCEL

Global platform – scale enhances economics



**Individual fuel cell
&
350 kW fuel cell stack**



**Completed module
1.4 megawatts**



**Four-Stack Module
1.4 megawatts**



**59MW fuel
cell park**

- Utilizes 21
DFC3000
plants



**2.8 MW
DFC3000®**

- Utilizes two modules
- Adequate to power
2,800 homes



**1.4 MW
DFC1500®**

- Utilizes one module
- Adequate to power
1,400 homes

Global Industry Challenges

- **Growth & Asset return**
 - Industry transitioning
- **Cleaner power generation**
 - Reduce criteria pollutants
 - Reduce CO₂
- **Energy quality & security**
 - Need for improved grid resiliency
 - Manage intermittent renewables

- **Affordable**
 - ROI above hurdle rates
 - Emerging markets for distributed hydrogen and carbon capture
- **Ultra-clean**
 - Virtually zero No_x, SO_x, PM¹⁰
 - Low CO₂ - ¼ of grid w/ CHP
- **Distributed power generation**
 - Enhanced grid resiliency
 - Avoids transmission costs/permitting



59 MW fuel cell park



14.9 MW fuel cell park



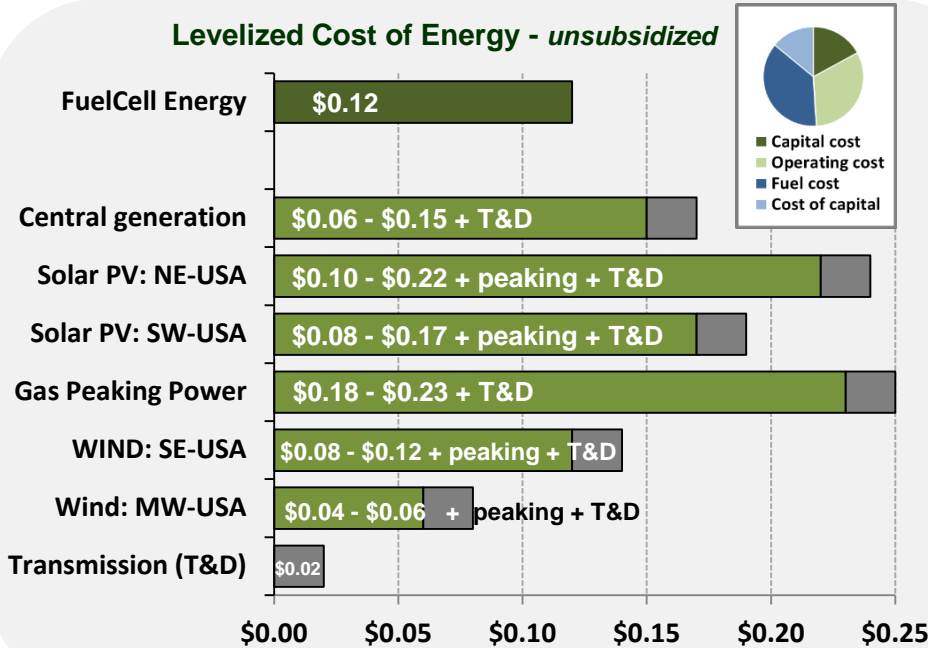
5.6 MW fuel cell park



1.4 MW On-site CHP

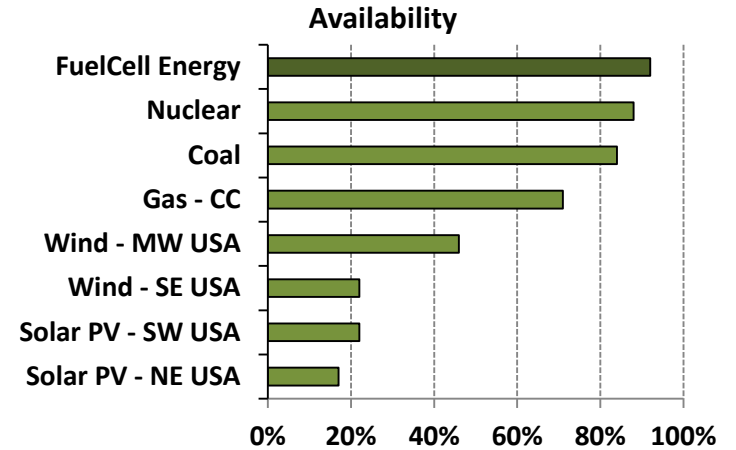
Affordability and Importance

Levelized Cost of Energy - unsubsidized



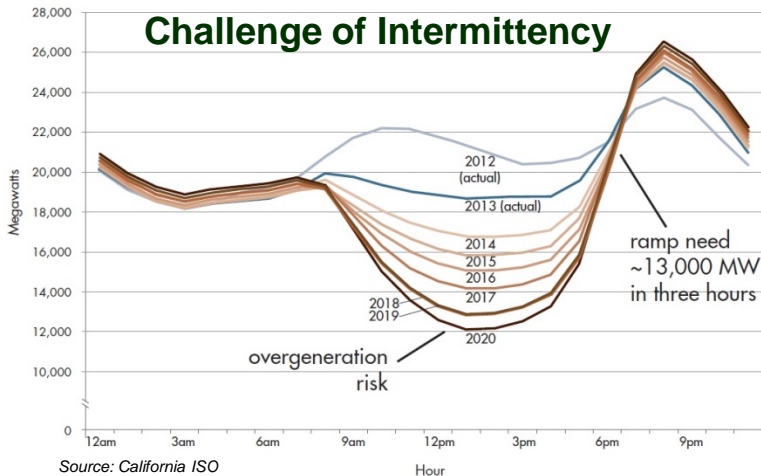
Based on \$4.50 mm/Btu gas cost; Each \$2/mmBtu change equates to one penny for FCE LCOE
Source: Company estimates, Lazard LCOE v. 8.0, EIA, Oak Ridge National Lab

High fuel cell availability drives economics

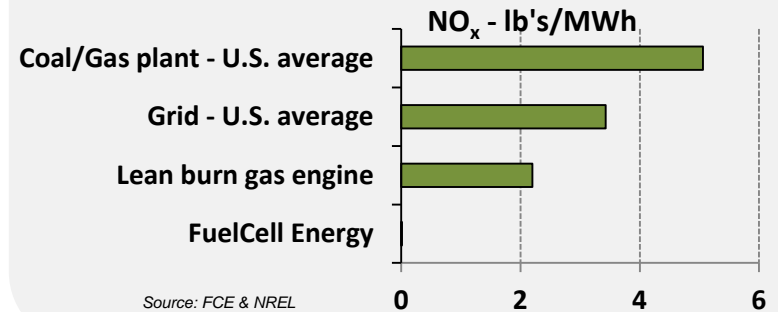


Source: FCE & NREL

Challenge of Intermittency



Lack of fuel cell pollutants benefits public health



Source: FCE & NREL

Large & growing market

- \$6 billion market for MW-class DFC® power plants
- \$9 billion for Services
- 7 distinct markets for natural gas
- 4 distinct markets for renewable biogas

Multiple revenue streams

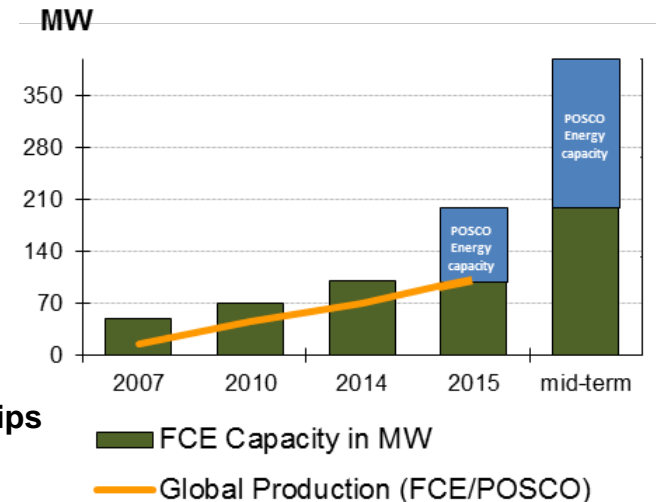
- Power plants
- Fuel cell kits
- Engineering & turn-key Installation
- Services
- Advanced Technology

Global power industry adoption

- Leveraging global partners
 - Manufacturing
 - Project finance
 - R&D
- Endorsement of partner & customer relationships

Global operations platform

- Volume drives material cost reductions
 - Global integrated supply chain
 - Below-grid pricing (unsubsidized) leading to broader markets with ~210 MW annual production
- Attractive projects for financing
 - Strong customer credit profiles
 - Manufacturing redundancy
 - Rapid project execution
- Local demand drives local job creation



Partners

North America



- Largest IPP in N. America owns 53,000 MW generation capacity
- \$40 million project finance facility for FCE
- Owns ~6% FCEL stock
- Purchased FCE-developed project
- Marketing to NRG customers

Customers: Utilities and IPP's



On-site Power (behind the meter):



Asia



- Largest IPP in S. Korea
- POSCO 2013 sales: \$56 billion
- Owns ~11% FCEL stock
- License/royalty for Asian market development
- Similar contribution margin royalty vs. fuel cell kit sales
- Sizable opportunity in S. Korea, developing Japan & Indonesia



Europe



- Leveraging FCE R&D
- €4.9 million R&D funding from German gov't
- Extensive contacts in Gov't and industry
- Near-term opportunity in Germany, UK, and Italy



Type: Behind the meter
Size: 1.4 MW
Owner: Project investor



- High efficiency drives savings
- CHP for heating and absorption chilling
- Ultra-clean emission profile supports sustainability goals
- Micro-grid enhances energy security
- Private capital providing public benefits

*“CCSU’s **power costs** will be **reduced annually by more than \$100,000** -- a savings for both the university and Connecticut taxpayers.”*

Jack Miller, President, Central Connecticut State University

Type: Utility grid support
Size: 14.9 MW
Owner: Utility owned



- Power sold to grid
- Improved power reliability from distributed generation
- Renewable baseload power
- Easy to site – clean, quiet, vibration free with modest footprint

*“The Dominion Bridgeport Fuel Cell Park is another important step in our efforts to identify and develop opportunities to produce clean energy that is **reliable and cost effective**”*

Thomas F. Farrell II, Chairman, President and Chief Executive Officer, Dominion

Type: Grid support w/ thermal
Size: 59 MW CHP
Owner: Utility owned/consortium



- Power sold to grid
- Heat sold to district heating system
- Occupies only 5.2 acres
- Installed in only 14 months
- Powers ~140,000 homes
- World’s largest fuel cell park

*“The scale of this installation is contributing to the power and heating needs of an urban population and generating the electricity in a **highly efficient and ultra-low emission** profile that supports our National renewable portfolio standard”*
Tae-Ho Lee, Chief Executive Officer
Gyeonggi Green Energy

Expanding Market Opportunities

DFC[®] carbonate fuel cells

Distributed Generation

On-site CHP



Multi-MW grid support



Supply and emissions reduction

Distributed Hydrogen

Industrial



Transportation



Compression



Supply, Recovery & Compression

Carbon Capture

Natural Gas Combined cycle plant



Coal-fired



Emission reduction / Power & CO₂

Solid Oxide fuel cells

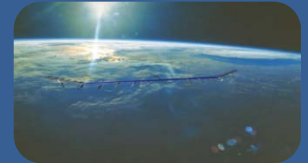
Distributed Generation & Storage

Stationary Sub-MW



On-site CHP

Storage Reversible SOFC



Power & Hydrogen

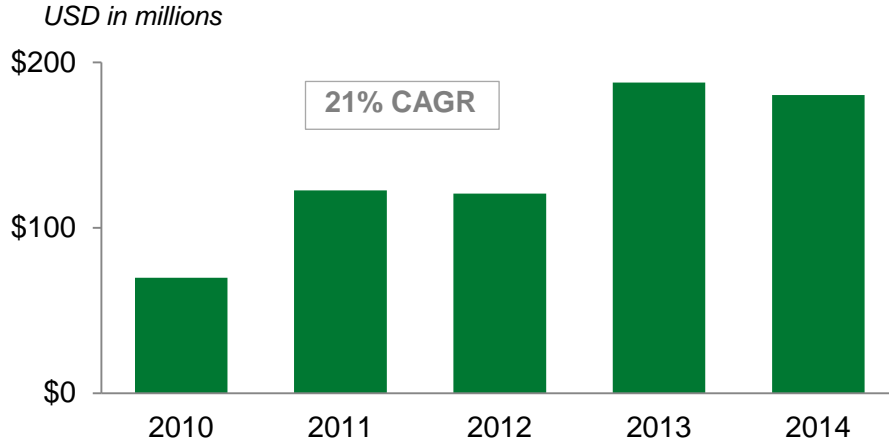
Specialized Applications
Unmanned vehicles



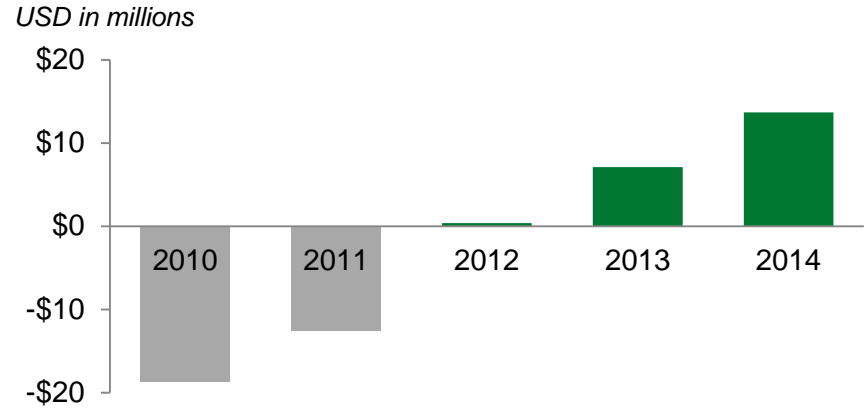
Power & Energy Storage

Financial Highlights

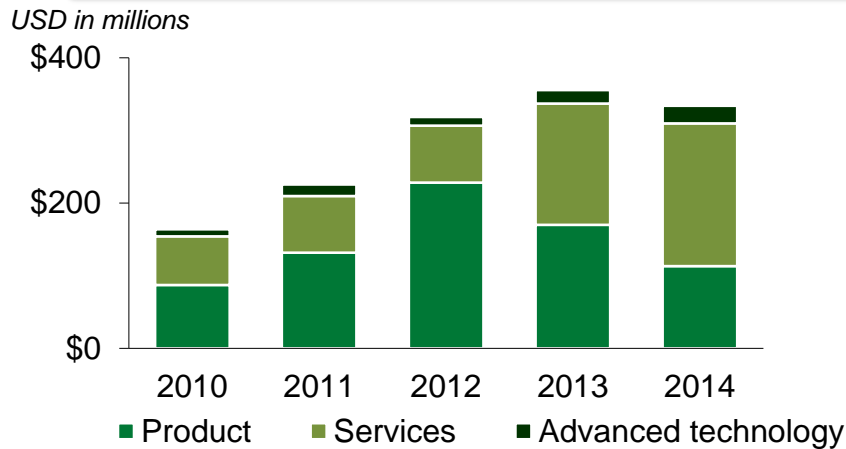
Revenue



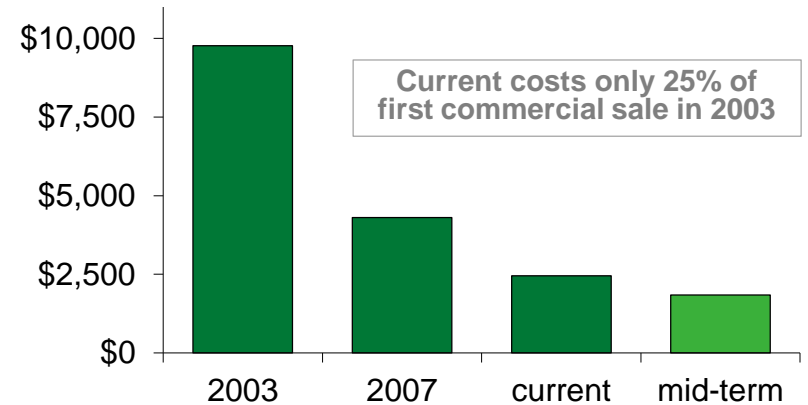
Gross Profit



Revenue Backlog



Product Cost per kW



Foundation for Profitable Growth

- **Growing global demand for efficient and clean distributed generation**
 - Versatile products suitable for new applications
- **Optimizing global capacity to support profitability and below-grid pricing**
 - Volume will enable below-grid pricing, without incentives

