# Plug Power Fourth Quarter and Full Year 2016 Financial Results

**Andy Marsh, CEO**
**Paul Middleton, CFO**

March 9, 2017

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# Safe Harbor Statement

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that involve significant risks and uncertainties about Plug Power Inc. (“PLUG”), including but not limited to statements about PLUG’s potential sales growth, margin growth and entry into new markets, PLUG achieving positive cash flow and maintaining SG&A expenses, and PLUG’s expectations for 2016 and 2017 revenue, bookings, gross margin and GenKey and GenFuel installations. You are cautioned that such statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will have been achieved. Such statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in these statements. In particular, the risks and uncertainties include, among other things, the risk that we continue to incur losses and might never achieve or maintain profitability; the risk that we will need to raise additional capital to fund our operations and such capital may not be available to us; the risk that our lack of extensive experience in manufacturing and marketing products may impact our ability to manufacture and market products on a profitable and large-scale commercial basis; the risk that unit orders will not ship, be installed and/or converted to revenue, in whole or in part; the risk that pending orders may not convert to purchase orders, in whole or in part; the risk that a loss of one or more of our major customers could result in a material adverse effect on our financial condition; the risk that a sale of a significant number of shares of stock could depress the market price of our common stock; the risk that negative publicity related to our business or stock could result in a negative impact on our stock value and profitability; the risk of potential losses related to any product liability claims or contract disputes; the risk of loss related to an inability to maintain an effective system of internal controls or key personnel; the risks related to use of flammable fuels in our products; the cost and timing of developing, marketing and selling our products and our ability to raise the necessary capital to fund such costs; the ability to achieve the forecasted gross margin on the sale of our products; the risk that our actual net cash used for operating expenses may exceed the projected net cash for operating expenses; the cost and availability of fuel and fueling infrastructures for our products; market acceptance of our products, including GenDrive, GenSure and GenKey systems; the volatility of our stock price; our ability to establish and maintain relationships with third parties with respect to product development, manufacturing, distribution and servicing and the supply of key product components; the cost and availability of components and parts for our products; our ability to develop commercially viable products; our ability to reduce product and manufacturing costs; our ability to successfully expand our product lines; our ability to successfully expand internationally; our ability to improve system reliability for our GenDrive, GenSure and GenKey systems; competitive factors, such as price competition and competition from other traditional and alternative energy companies; our ability to protect our intellectual property; the cost of complying with current and future federal, state and international governmental regulations; risks associated with potential future acquisitions; and other risks and uncertainties referenced in our public filings with the Securities and Exchange Commission (the “SEC”).

For additional disclosure regarding these and other risks faced by PLUG, see disclosures contained in PLUG's public filings with the SEC including, the "Risk Factors" section of PLUG's Annual Report on Form 10-K for the year ended December 31, 2015. You should consider these factors in evaluating the forward-looking statements included in this presentation and not place undue reliance on such statements. The forward-looking statements are made as of the date hereof, and PLUG undertakes no obligation to update such statements as a result of new information.

# 2016 Highlights

- Continued sales momentum with new and repeat customers

| | | | | |
|---|---|---|---|---|
| Walmart | Home Depot | BMW | Wegmans | Colruyt* |
| Newark Farmers Market | Carrefour* | FM Logistic* | Young's Market* | |
| Plus 3 others which have not yet been announced | | | | * Denotes new customers |

- Strong bookings momentum; deals closed in Q4 for 2017+ delivery suggesting modest pricing concessions without ITC
- Continued progress on cost reductions drives year over year improvements in product and service margins
- ProGen fuel cell engines driving move into new markets including on-road applications
- Significant progress in China; signed MOU with two key players in electric vehicle and fueling markets

# 2017 Guidance: Improving Operational and Financial Performance

| Metric | 2017 Guidance | | |
|---|---|---|---|
| Revenue (GAAP) | Total: | $130 million | |
| Shipments | | Total | PPA |
| | GenDrive | 5,600 | 1,800 |
| | GenFuel Sites | 25 | 9 |
| | ProGen Mods. | 100 | N/A |
| Gross Margin (GAAP) | • 8% - 12% | | |
| Bookings | • $325 million | | |
| Cash | • $25-$35 million of net cash used in operating and investing activities | | |

# 2016 Results

| | Q4 2016 | FY 2016 | FY 2015 |
|---|---|---|---|
| GAAP Revenues | *$32.6 million* | *$85.9 million* | *$103.3 million* |
| GAAP Gross Margin | *9.2%* | *4.6%* | *(9.6%)* |
| EBITDAS(1) | *($7.5) million* | *($37.0) million* | *($48.2) million* |
| EPS(2) | *($0.11)* | *($0.32)* | *($0.32)* |
| Contract Bookings | *$110 million* | *$280 million* | *$205 million* |
| GenDrives Deployed | *1,204* | *4,010* | *3,431* |
| CFOA | *Breakeven* | *($29.6) million* | *($47.3) million* |
| Value of PPA Systems Deployed (3) | *$16.6 million* | *$66.2 million* | *N/A* |
| Cash at year end of $46 million (Unrestricted) | | | |

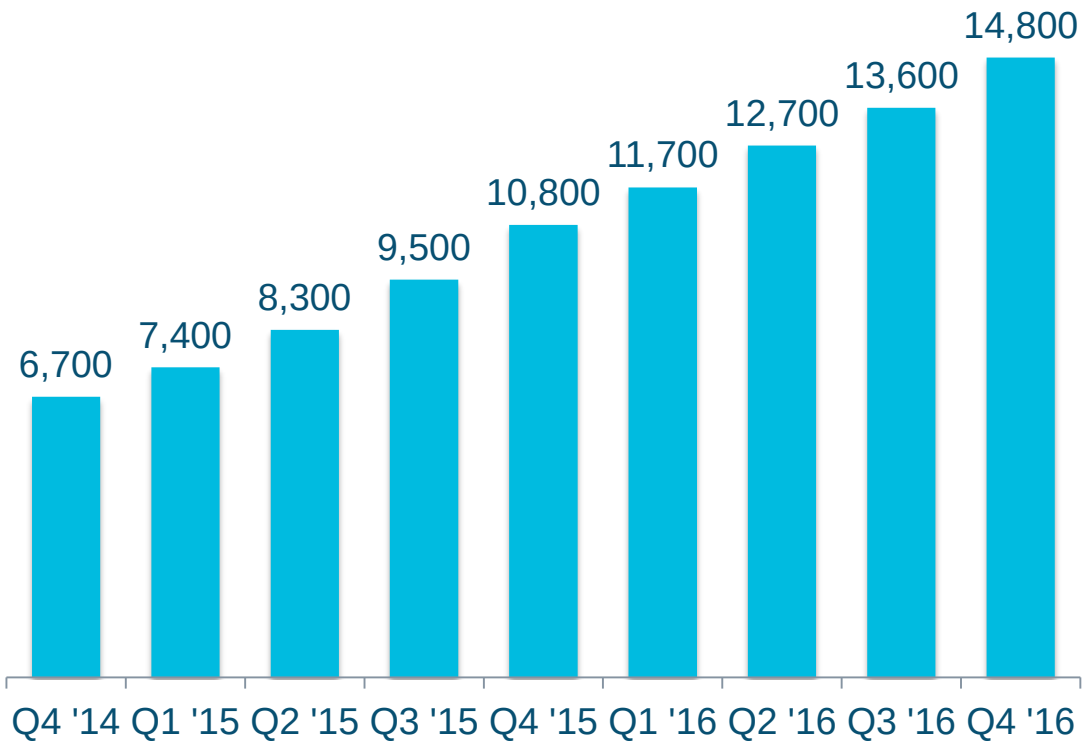
(1) EBITDAS is defined as net income before interest expense, provision for income taxes, depreciation and amortization expense and stock compensation expense. Please refer to relevant press releases for reconciliation of non-GAAP measures

(2) Net loss attributable to common shareholders for Q4 2016 and full year 2016 includes a $5.0 million, or $0.03 per diluted share, impact from recapitalization of corporate debt.

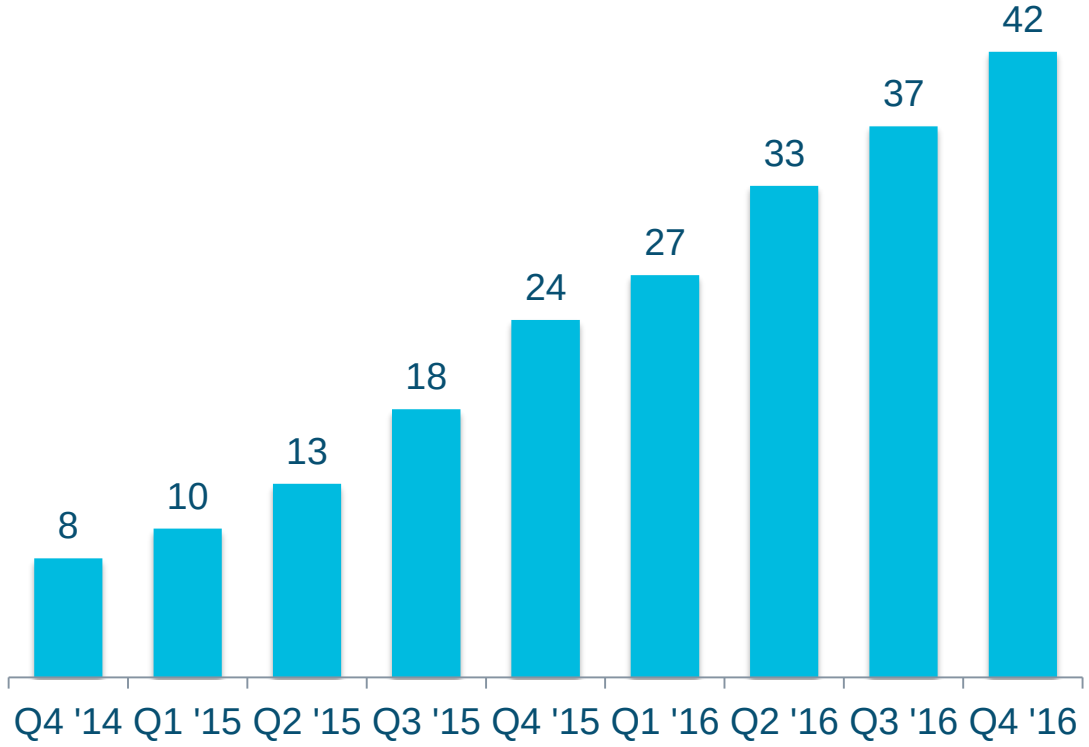
(3) Value of PPA Systems is a metric showing the value of the systems shipped under PPA contracts calculated as if they were financed similarly to structures used in 2015. We provide this metric to show a relative comparison of activity year over year.

# Continued Growth in Deployments and Sites

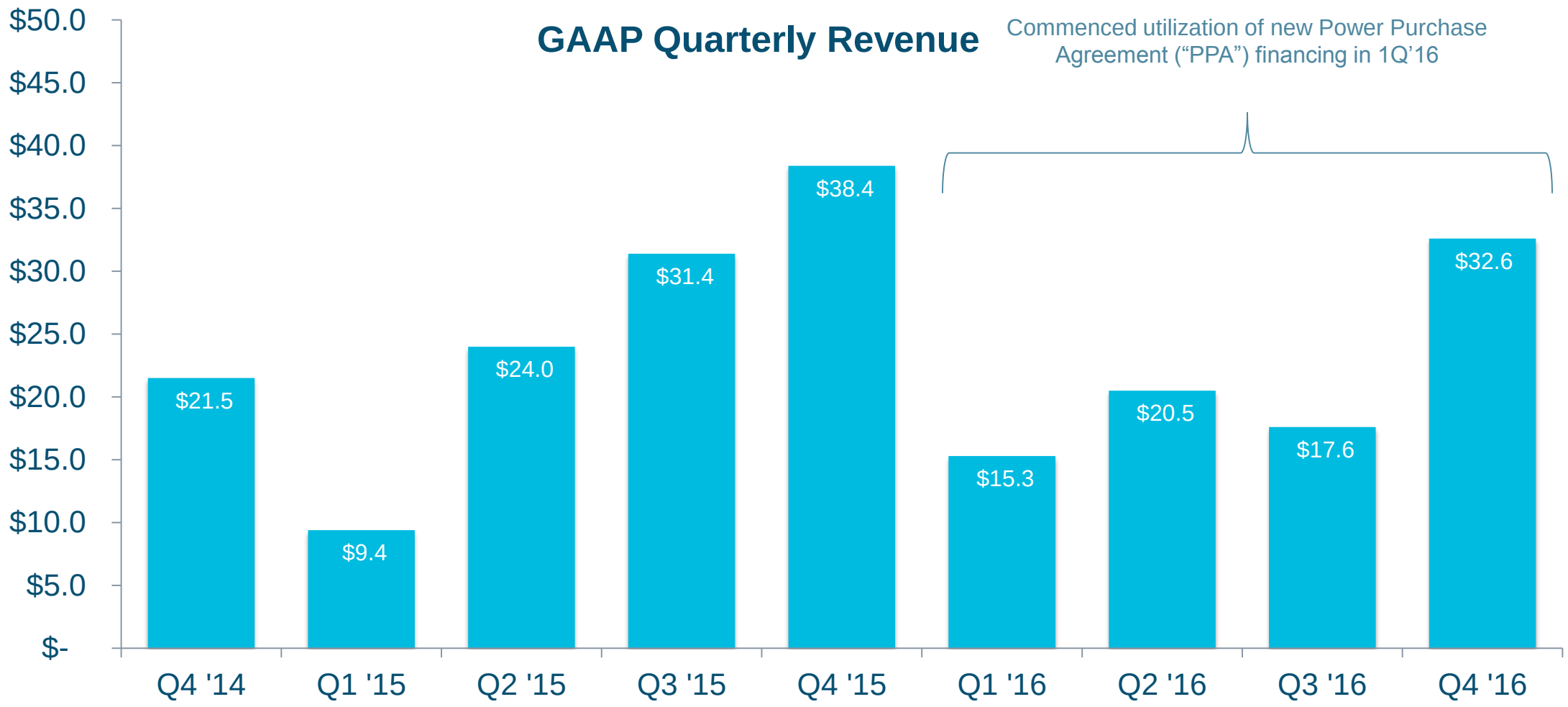
## Cumulative GenDrive Deployments



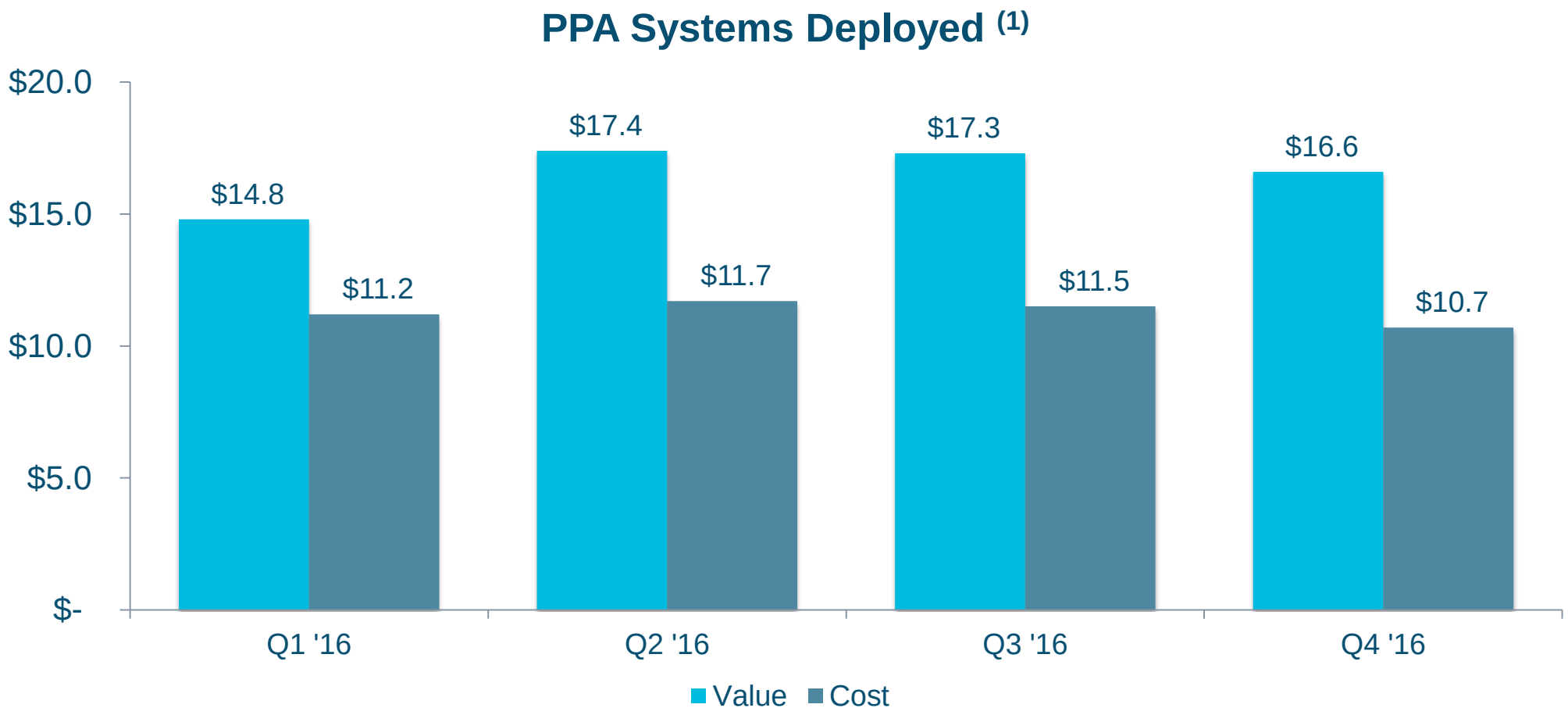

## Cumulative GenKey Sites Installed



# Increased Visibility with Recurring Revenue Mix



# Improving Performance in PPA Deployments



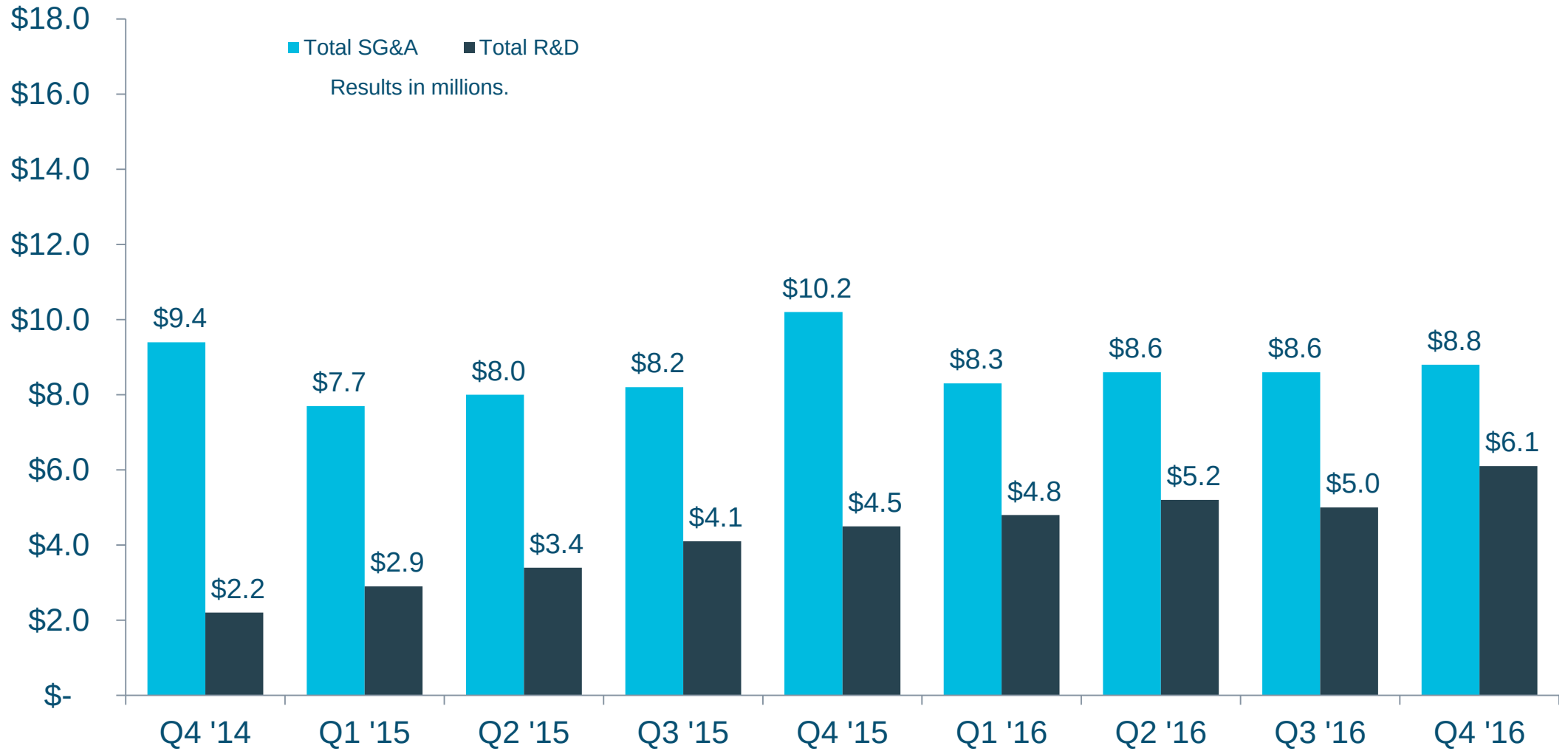

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# Overall Gross Margin Expansion

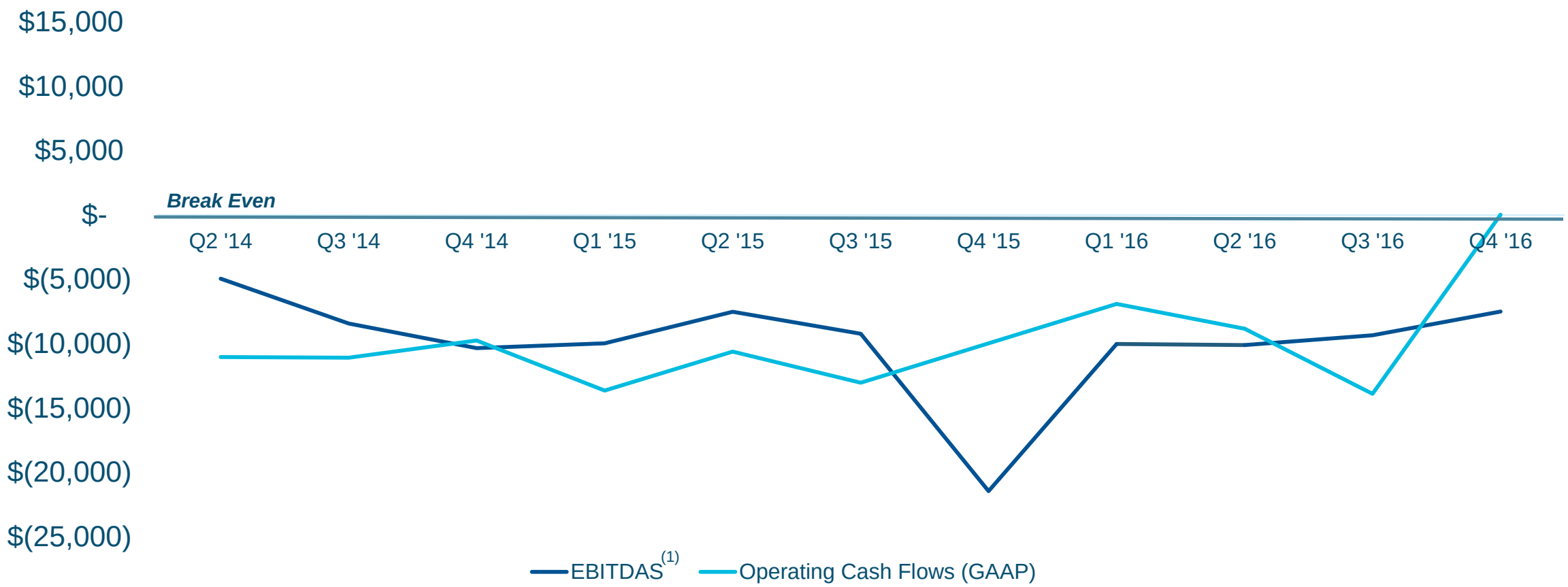



| | | | | | |
|---|---|---|---|---|---|
| GenDrive Gross Margin | 24% | 36% | 24% | 38% | 37% |

# Administrative Expenses Remain In-Line



# Operating Cash Flow Breakeven in Q4



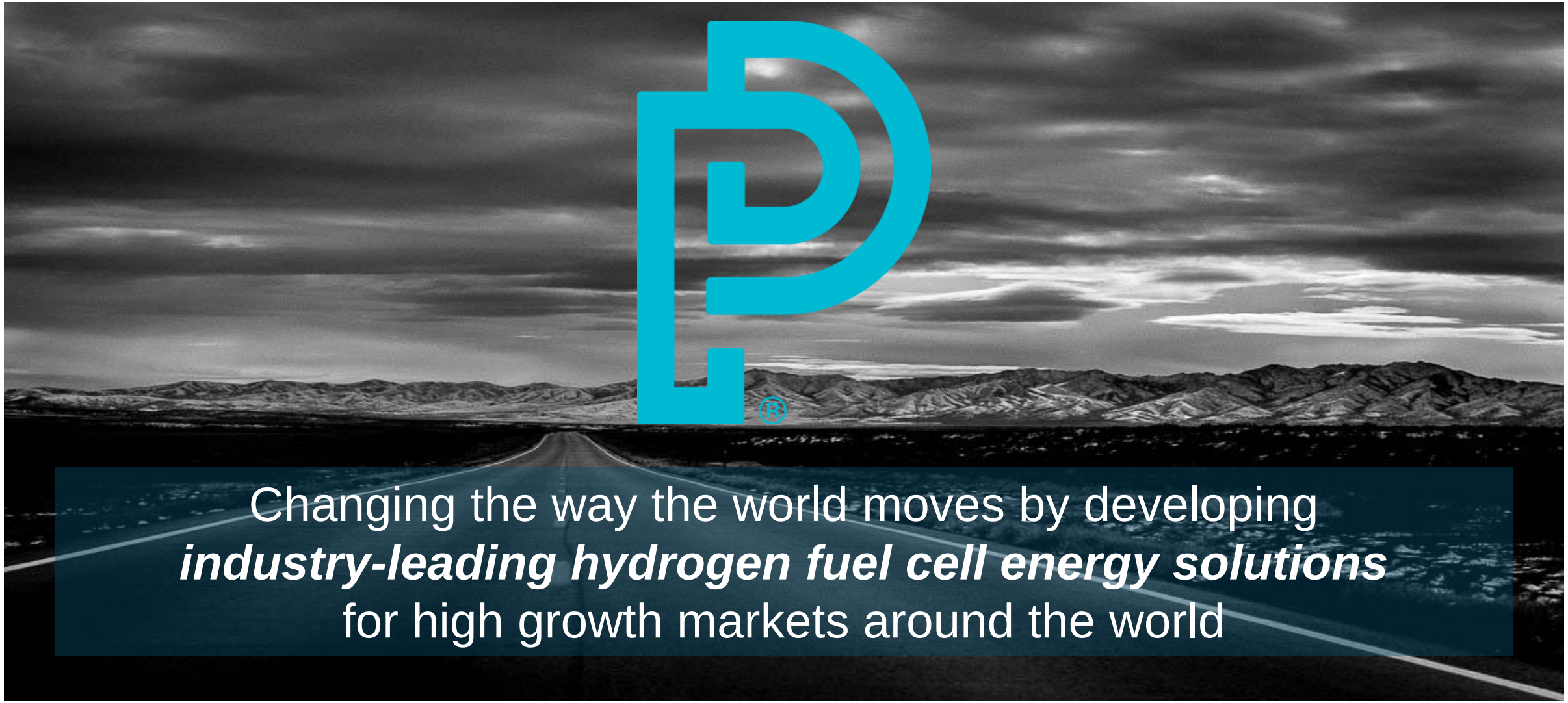

Results in thousands.

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# Questions?


Changing the way the world moves by developing
industry-leading hydrogen fuel cell energy solutions
for high growth markets around the world

# A High Growth Technology Company with a Vision for the Future of Mobility

- We are poised to expanded into industrial vehicle applications
- We will continue our success:
  - >3x revenue growth since 2013
  - 14k+ units in the field with 122mm operating hours
  - Reduced costs and improved performance and reliability
  - Multi-site opportunities with blue chip customer base
- Strong performance in 2016 supports continued growth and margin expansion for material handling market
- ProGen and new markets will drive to sustainable growth in 2017 and beyond



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