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FuelCell Energy Announces Additional Fuel Cell Sales to South Korean Partner and Highlights Asian Manufacturing

- *FuelCell Energy sells 5.6 megawatts of fuel cell modules to POSCO Energy for Asian market demand*
- *Commencement of POSCO Energy fuel cell manufacturing on schedule for fall 2015 commercial production*
- *Asian manufacturing volume supports additional cost reductions globally*

DANBURY, Conn., Aug. 10, 2015 (GLOBE NEWSWIRE) -- [FuelCell Energy, Inc.](#) (Nasdaq:FCEL), a global leader in the design, manufacture, operation and service of ultra-clean, efficient and reliable fuel cell power plants, announced the sale of 5.6 megawatts of fuel cell modules to South Korean partner POSCO Energy and provided a progress update on the local manufacturing of fuel cell components in South Korea for the Asian market. The fuel cell component manufacturing building in Pohang, South Korea is completed and is concluding pre-production testing with full production expected to begin in the fall of 2015. Raw materials have been ordered and delivered from the supply chain shared with FuelCell Energy. Increasing purchasing volumes will reduce the per-unit cost for both FuelCell Energy and POSCO Energy as the integrated global supply chain serves both companies.

"This second manufacturing site provides both flexibility of supply as well as redundancy of supply as capacity is added to support growth," said Chip Bottone, President and CEO of FuelCell Energy. "This manufacturing initiative is a key aspect for supporting global adoption and driving production volume to reduce costs, and our utilization of one common fuel cell platform worldwide enables these initiatives."

The global integrated supply chain of FuelCell Energy serves the new POSCO Energy manufacturing facility in South Korea in addition to the existing North American and European facilities. Production in Asia will lead to higher purchasing volumes, resulting in more favorable supplier pricing.

"A key aspect of our continued cost reductions is reducing the per-unit cost of raw materials and componentry, which is coming from higher production volumes," said Tony Rauseo, Chief Operating Officer, FuelCell Energy, Inc. "Our two organizations are closely coordinating purchasing, and FuelCell Energy is placing combined volume purchase orders to ensure tight purchasing integration to drive down costs, and receiving compensation from POSCO Energy for procurement services rendered."

The 5.6 megawatt sale is in addition to existing fuel cell kit sales under a previously announced multi-year contract, and will help meet growing fuel cell demand in Asia. The modules were delivered and FuelCell Energy recognized revenue from the 5.6 megawatt sale in the third fiscal quarter of 2015.

Multi-megawatt fuel cell parks solve power generation challenges for utilities as the combination of near-zero pollutants, modest land-use needs, and the quiet operating nature of fuel cell power plants facilitates their siting in urban locations. Fuel cell parks offer a multitude of advantages for utilities and neighboring communities, including:

- [Environmentally friendly](#) power generation with virtually zero nitrogen oxide (NO_x) that causes smog, sulfur dioxide (SO_x) that contributes to acid rain, or particulate matter that aggravates asthma, and the power is delivered with a low carbon footprint
- Distributed power generation places power near where it is used, enhancing the resiliency of the grid
- Highly efficient power generation process that is economical
- Continuous renewable power around the clock that is not reliant on weather or time of day
- Rapid construction of a 59 megawatt fuel cell park, the world's largest, [constructed in only 14 months](#)

POSCO Energy is a wholly owned subsidiary of POSCO, a leading global steel producer headquartered in Pohang, South Korea. POSCO Energy is an independent power producer with power generation assets in South Korea that provide power to POSCO and to the electric grid. POSCO Energy owns more than 4,000 megawatts of power generation including generation assets in Southeast Asian countries including Indonesia and Vietnam. POSCO Energy [2014 sales](#) totaled approximately \$2.2 billion supported by [total capital](#) of approximately \$1.4 billion. The parent, POSCO, is publicly traded on the Korean Stock Exchange under the symbol 005490 and on the New York Stock Exchange under the symbol PKX.

About FuelCell Energy

Direct FuelCell® power plants are generating ultra-clean, efficient and reliable power at more than 50 locations worldwide. With more than 300 megawatts of power generation capacity installed or in backlog, FuelCell Energy is a global leader in

providing ultra-clean baseload distributed generation to utilities, industrial operations, universities, municipal water treatment facilities, government installations and other customers around the world. The Company's power plants have generated over three billion kilowatt hours of ultra-clean power using a variety of fuels including renewable biogas from wastewater treatment and food processing, as well as clean natural gas. For additional information, please visit www.fuelcellenergy.com, follow us [on Twitter](#) and view our videos [on YouTube](#).

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