Proton Power Systems PLC

Investor Presentation

February 2012

Board Members

- John Wall, Chairman
- Faiz Francois Nahab Ph.D., Chief Executive Officer
- Thomas Melczer, Business Development Director
- Achim Loecher, Group Financial Director
- Helmut Gierse, Non-Executive Director

Company Structure

PROTON MOTOR
Proton Power Systems plc Group

- Founded in 1998
- Expert in industrial fuel cells and hybrid systems
- Development started 1994
- 50 employees (> 50 % in Engineering)
- Based near Munich, Germany

Proton Power Systems PLC

- Holding Company, founded 2006
- Listed on AIM, October 2006
- 100% owner of Proton Motor Fuel Cell GmbH

Available Products and Solutions

FC Stacks

Development and manufacturing of fuel cell stacks with power range from 2,5 to 20kW for mobile and stationary applications.

Systems

Development and manufacturing of fuel cell systems (for example APU's for stationary power) with 5kW / 20kW / 50kW / 100kW and more.

Applications

Range Extender and battery as Hybrid Drive systems for light duty vehicles and buses. Current battery solution up to 80kWh, Hybrid Drive up to 240kWh.

Triple Hybrid ® Drive concept with power range from 50 to 100kW consisting of fuel cell system, li-ion batteries and super capacitors.

Hybrid drive systems and power supply for ships and harbors up to 200kW.

Development → **Engineering** → **Integration** → **Implementation** → **Service**

Market Size

Europe	Annual Production	Fuel cell applicability (2013-20) Average	Application Volume (2013-20) Accumulated	Power/Unit Average	Potential addressable market [1] (2013-20) Accumulated
	Units	*%*	*Units*	*kW*	*€ million*
LD Vehicles [2] & Buses	170.000	5,0%	68.000	12	408
UPS/APU [3]	70.000	4,0%	22.400	25	280
Vessels [4]	125	5,0%	50	150	23
Total	**240.125**	**4,7%**	**90.450**		**711**

[1] 500€/kW for System (LDV & UPS)

[2] 1.000 to 4.000 kg payload

[3] 25 kW average

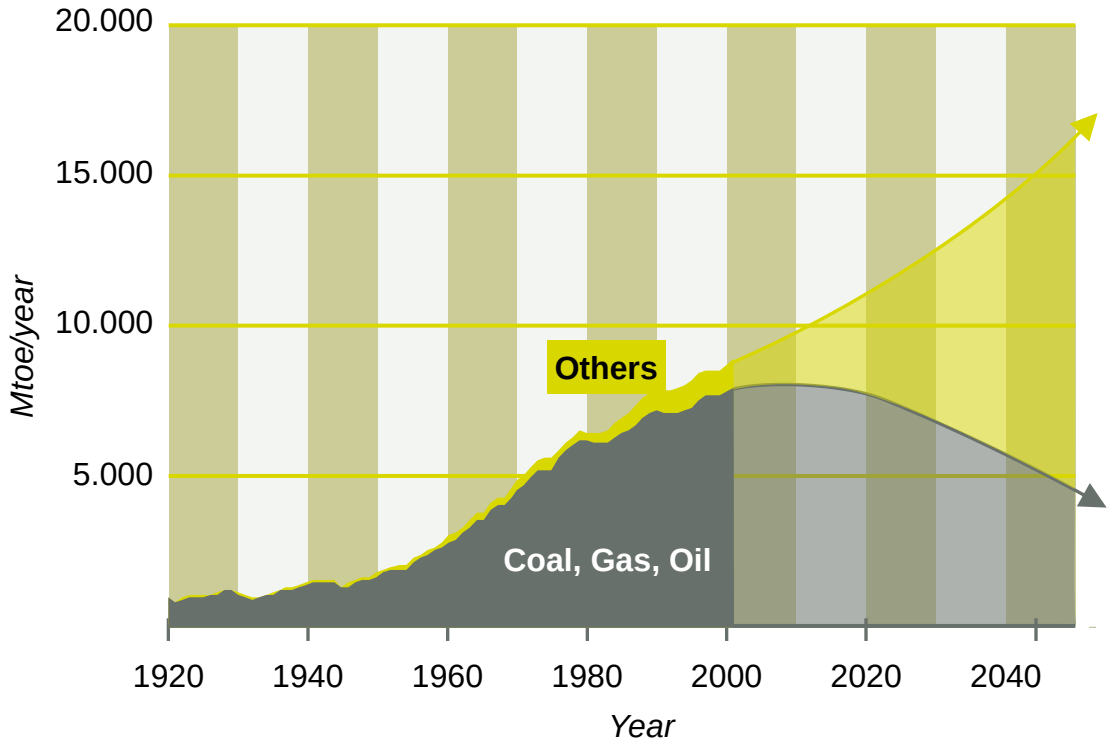
[4] 50-200 kW with 3.000 €/kW hybrid system

Accumulated addressable Market until 2020
Europe 711 M€
Worldwide 2'100 M€

Source: Estimates of the Company and Equity Development from February 2012. LDV: ACEA and German Kraftfahrt Bundesamt. Marine application volume and average power/unit are the Company's own market research.

Need For Clean Energy

Total primary energy supply



Development implied by economic growth (e.g. IEA)

PM focus: zero emission products to close the gap

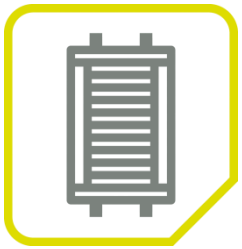
Emission reduction necessary to mitigate climate change (e.g. IPCC)

Source: Estimates of the Company

Market Drivers

Company Expertise

- Stack and System IP
- More than 50 % of Headcount in Engineering
- Expert in Industrial Fuel Cells and Hybrid Systems > 14 years
- Main Applications: Stationary-, Mobil- and Maritime Power
- Integration of Battery, Ultra Cap and Fuel Cell → Triple Hybrid ®
- Established Partnerships with OEMs
  - e.g. Smiths Electric Vehicles, Skoda Electric, Magna
- Established Partnerships with Contract Manufacturers



2011 Operational Highlights

- Market introduction of new PM Module S5 and first orders for UPS applications
- Successful integration phase on Range Extender System (REX) within a partnership with Smith Electric Vehicles (SEV) and Magna Steyr
- Very positive discussions with other potential customers to buy the Range Extender system (REX) for buses
- Successful day to day operation of ZEM passenger ship in Hamburg with > 750 hours of operation in 2011
- Negotiations with other ship operators to use our maritime hybrid drive
- Successful day to day operation of Triple Hybrid® Bus in Czech Republic
- First very positive test results of new PM 400 stack generation (20kW)
- Organisation further improved and optimized

2012 Outlook and Order Pipeline

- Orders expected in 2012 of new PM Module in the range of 50 units (TEUR 1.250)
- Presentation of fully integrated Range Extender System into SEV Newton vehicle at the end of February 2012
- Start to manufacture first of 20 vehicles SEV Newton with REX, funded by German Government NIP program in 2012
- Presentation of first 12m Bus with Electric Hybrid Battery/REX system with a well known UK Bus manufacturer in the second half 2012
- Negotiations with other ship operators to use our maritime hybrid drive similar to Alsterwasser in Hamburg
- Successful development of of new PM 400 stack generation (20kW) until the end of 2012

Investment Summary

- Unlimited Energy storage via Hydrogen and the permanent availability of Energy via a Hydrogen Fuel Cell has no alternative
- Regulatory and moral shift towards clean energy and electric vehicles are strong market drivers with large potential
- Existing product and solutions with a proven track record
- Products and solutions for a variety of applications for example: Harbor, Airport, Datacenter, Telecom, Logistic, Public Transport etc.
- Significant economies of scale to come via modular product platform

Investment Summary (cont.)

- Strong presence in Germany, well placed to tap into this leading market for green applications
- Development of partnerships with industrial partners
- Accumulated investment in technology of EUR 52.0 million
- Market Capitalisation GBP 24.0 million at current share price of 3.75P (as at 10 February 2012)
- Required investment for third party to catch up with our IP roughly EUR 200.0 million

Appendix - A look into the Market

Name	Country	Electrolyzer	Stack		System					Turnover	Net Income	Market Cap
			<10kW	>10kW	Passenger V.	Light Duty V.	Bus	Ship	Stationary	2010	2010	Feb 12
Ballard	CAN	No	Yes	Yes	Yes *	No	Yes *	No	No	£42,390	-£22,770	£75,280
Hydrogenics	CAN	Yes	Yes	Yes	No	No	Yes	Yes	Yes	£13,640	-£5,570	£23,370
Proton Motor	UK/GER	No	Yes	Yes	No	Yes	Yes	Yes	Yes	£0,720	-£3,020	£23,960
ITM Power	UK	Yes	Yes	No	No	No	No	No	No	£0,008	-£5,700	£52,030

all Values in Million GBP

* - with Daimler

EX Rate Can $ to GBP 0,633

Appendix - Funding of Development Projects

- Proton Motor has received support for non-refundable grant funding from the National Innovation Programme (NIP) of the German Government
- NIP funding for the development of a new PM400 stack generation with a performance up to 20 kW for applications from 20 to 100 kW. Higher per-formance will allow major cost reduction for the overall system, available in 2012
- NIP funding for the development of a Fuel Cell Range Extender Solution for light duty vehicles to double the range of operation comparing to a pure battery powered electric vehicle, available in 2012
- NIP funding for the market introduction of the Fuel Cell Range Extender solution for up to 20 vehicles or a value of MEUR 3.8 of which 48% will be grant funded to the buyer of the vehicles in 2012/13

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