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Power Solutions International Signs Mutually Exclusive Supply Agreement with Enchanted Rock

Agreement valued at approximately \$240 to \$335 million

Natural gas microgrid genset agreement expected to lift 3Pi to new revenue high for 2017 and beyond

WOOD DALE, Ill., Jan. 17, 2017 (GLOBE NEWSWIRE) -- Power Solutions International, Inc. (PSI) (NASDAQ:PSIX), and its subsidiary Professional Power Products, Inc. (3Pi), today announced that it has signed a major multi-year supply agreement with the premier U.S. microgrid provider Enchanted Rock, Ltd. ("ERock"). The agreement is valued at approximately \$240 to \$335 million over the first five years, subject to the attainment of certain targeted volume levels.

3Pi designs, manufactures, and sells custom-engineered, integrated electrical power generation systems for standby power, demand response, microgrid and cogeneration (CHP) markets.

The new agreement expands the partnership between ERock and 3Pi, established by an earlier agreement signed in June of 2016. The mutually exclusive, multi-year agreement specifies that ERock will purchase an additional, approximate \$30 million of the new microgrid genset units from 3Pi in 2017 with volumes increasing significantly in 2018, 2019 and 2020. PSI will exclusively supply the Heavy Duty 21.9L engine to ERock for reliability microgrid applications in North America.

"This latest agreement with ERock solidifies 3Pi's shift of focus to the rapidly growing, high-value distributed generation markets (microgrid, demand response & CHP)," said Gary Winemaster, PSI's Chief Executive Officer. "Our emphasis on highly engineered solutions rather than commodity genset packaging, allows us to utilize our depth of engineering to take advantage of ongoing energy market trends. ERock is a market leader in the reliability microgrid space, and we are excited to have them as our exclusive, long-term partner."

According to Mr. Winemaster, this new agreement, combined with the original agreement has positioned 3Pi for significant revenue growth in 2017. He expects 3Pi's 2017 revenue to greatly exceed its previous high water mark of \$40 million, with continuing strong growth in the subsequent years covered by the agreement.

"The PSI Heavy Duty natural gas engine is the perfect prime mover for ERock's microgrid customers," Thomas McAndrew, Chief Executive Officer of ERock said. "It has best in class emissions, an important feature to our microgrid customers, and is incredibly robust, capable of safely and efficiently managing our customer's facilities when the electric grid is not available, whether momentarily or for weeks on end. We are very excited that PSI has partnered with us to supply this engine exclusively to ERock in its new microgrid genset."

In addition to the original design, ERock and 3Pi intend to jointly develop specialized gensets for cold weather climates in North America, targeting reliability microgrid applications that provide protection against loss of utility power and electrical energy for grid sales. 3Pi/ERock design teams' custom engineered the genset systems to optimize size, emissions, efficiency and durability, while reducing noise and lowering overall operating costs.

McAndrew added, "The PSI, 3Pi and ERock teams have collaborated closely for the last 24 months to develop a microgrid genset that provides substantial advantages over other offerings in the market. It's a game changer for us and the industry."

For more information on 3Pi, visit <http://www.professionalpowerproducts.com>. For more information on PSI, visit <http://www.psiengines.com>.

About Power Solutions International, Inc.

Power Solutions International, Inc. (PSI or the Company) is a leader in the design, engineer and manufacture of emissions-certified, alternative-fuel power systems. PSI provides integrated turnkey solutions to leading global original equipment manufacturers in the industrial and on-road markets. The Company's unique in-house design, prototyping, engineering and testing capacities allow PSI to customize clean, high-performance engines that run on a wide variety of fuels, including natural gas, propane, biogas, gasoline and diesel.

PSI develops and delivers complete industrial power systems that are used worldwide in stationary and mobile power generation applications supporting standby, prime, and cogeneration power (CHP) applications; mobile industrial applications that include forklifts, aerial lifts, industrial sweepers, aircraft ground support, arbor, agricultural and construction equipment. In addition, PSI develops and delivers power systems purpose-built for Class 3 through Class 7 medium-duty trucks and buses for the North American and Asian markets. For more information on PSI, visit www.psiengines.com.

About 3Pi

Based in Darien, Wisconsin, 3Pi designs, manufactures, and sells large, custom-engineered, integrated electrical power generation systems serving the global diesel and natural gas power generation market. 3Pi specializes in systems for both standby and prime power applications. In 2014, Power Solutions International (PSI) acquired 3Pi.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements. These forward-looking statements are covered by the "Safe Harbor for Forward-Looking Statements" provided by the Private Securities Litigation Reform Act of 1995. The Company has tried to identify these forward looking statements by using words such as "expect," "contemplate," "anticipate," "estimate," "plan," "will," "would," "should," "forecast," "believe," "outlook," "guidance," "projection," "target" or similar expressions, but these words are not the exclusive means for identifying such statements. The Company cautions that a number of risks, uncertainties and other factors could cause the Company's actual results to differ materially from those expressed in, or implied by, the forward-looking statements, including, without limitation, the continued development and expansion of the market for alternative-fuel power systems; technological and other risks relating to the Company's development of its 8.8 and 4.3 liter engines, introduction of other new products and entry into on-road markets (including the risk that these initiatives may not be successful); the timing of new products; the Company's ability to integrate acquisitions into the business of the Company successfully and the amount of time and expense spent and incurred in connection with the integration; the risk that the economic benefits, cost savings and other synergies that the Company originally anticipated as a result of acquisitions are not fully realized or take longer to realize than expected; the significant strain on the Company's senior management team, support teams, manufacturing lines, information technology platforms and other resources resulting from rapid expansion of the Company's operations (including as a result of acquisitions); volatility in oil and gas prices; changes in environmental and regulatory policies; conditions and developments in the microgrid power generation market, the financial condition and competitive position of ERock, the success of ERock's in carrying out its marketing plan and generating the estimated orders; significant competition; global economic conditions (including their impact on demand growth); and the Company's dependence on key suppliers. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason.

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