

FuelCell Energy Announces Asian Market Expansion With Sale of Ultra-Clean Fuel Cell Module for Installation in Indonesia

Sub-Megawatt Power Plant to Demonstrate Stationary Fuel Cell Benefits at a Showcase Installation in Indonesia

DANBURY, Conn., Sept. 7, 2011 (GLOBE NEWSWIRE) -- FuelCell Energy, Inc. (Nasdaq:FCEL) a leading manufacturer of ultra-clean, efficient and reliable power plants, today announced market expansion into Indonesia with the sale of a sub-megawatt Direct FuelCell® (DFC®) module to partner POSCO Power for installation at a showcase location in Indonesia. POSCO Power will combine the fuel cell module with locally manufactured balance of plant and install the complete fuel cell power plant at a heavily visited waterpark resort in Jakarta, Indonesia. This high exposure installation will demonstrate the benefits of ultra-clean, efficient and reliable power generation as POSCO Power develops a market for megawatt class power plants in Southeast Asia, starting with Indonesia and to be followed by Thailand, Malaysia and Singapore.

"Establishing a presence in Jakarta, Indonesia with a Direct FuelCell power plant is the first overseas expansion for POSCO Power and is the first commercial stationary fuel cell power plant to be installed in Southeast Asia outside of South Korea," said Soung-Sik Cho, Chief Executive Officer for POSCO Power. "I am pleased to be leading POSCO Power as the organization moves from a technology importer to a green and high-tech ambassador of ultra-clean and efficient fuel cell power generation in Asia."

Indonesia is the fourth most populous country in the world with a population of approximately 245 million and is the world's eighth largest producer of natural gas. With growing power needs from an expanding urban middle class, Indonesian utilities need scalable baseload distributed generation. The virtual lack of emissions combined with quiet operation of DFC plants, facilitates their siting in populated areas. The scalable nature of DFC plants permits utilities to add power in cost effective increments as demand warrants. Distributed generation also improves energy security and energy reliability while reducing the need to build and maintain costly transmission and distribution.

"POSCO Power has ordered 140 megawatts of ultra-clean Direct FuelCell power plants and fuel cell components since 2007," said Chip Bottone, President and CEO for FuelCell Energy, Inc. "With this strong market development base of expertise and having developed strong ties with the Indonesian Government, POSCO Power is well positioned to build on their success in South Korea with fuel cell power plant exports throughout Indonesia and Southeast Asia."

DFC plants are fuel flexible, operating on natural gas or renewable biogas. Given Indonesia's abundant supplies of domestic natural gas and desire to reduce pollutants and carbon emissions, DFC plants are an attractive power generation solution for Indonesian utilities and independent power producers. Fuel cells generate electricity cleanly and efficiently using an electrochemical process that does not involve combustion. The lack of combustion eliminates almost all pollutants such as NOx, SOx or particulate matter.

DFC plants are 47 percent electrically efficient, which is higher than any other power generation of a similar size. High efficiency results in fuel savings as a greater amount of electricity is generated from each unit of fuel and high efficiency also reduces carbon emissions, helping customers reach sustainability goals. In addition to ultra-clean power, DFC plants generate usable high quality heat suitable for generating steam and can achieve efficiencies up to 90 percent in a combined heat and power (CHP) configuration. The heat from this power plant is expected to be used for facility heating and cooling.

As the market in Indonesia and Southeast Asia develops, FuelCell Energy will build and export the core fuel cell components to South Korea where POSCO Power will stack the components to create fuel cell modules. The modules will be combined with locally built or sourced balance of plant and the completed DFC plant will be shipped to Indonesia. In addition to the revenue generated from the sale of components, POSCO Power will pay a royalty to FuelCell Energy for each complete power plant built under a 2009 licensing agreement.

The 300 kilowatt DFC300 power plant is expected to be operating by the end of 2012 at Ancol Dreamland resort in Jakarta, Indonesia, one of the most highly visited tourist destinations in Southeast Asia.

About FuelCell Energy

Direct FuelCell® power plants are generating ultra-clean, efficient and reliable power at more than 50 locations worldwide. The

Company's power plants have generated over 850 million kWh of power using a variety of fuels including renewable biogas from wastewater treatment and food processing, as well as clean natural gas. With over 180 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. For more information please visit our website at www.fuelcellenergy.com

This news release contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the continuing development, commercialization and financing of its fuel cell technology and business plans. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Factors that could cause such a difference include, without limitation, general risks associated with product development, manufacturing, changes in the regulatory environment, customer strategies, potential volatility of energy prices, rapid technological change, competition, and the Company's ability to achieve its sales plans and cost reduction targets, as well as other risks set forth in the Company's filings with the Securities and Exchange Commission. The forward-looking statements contained herein speak only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based.

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