BALLARD®

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Smarter Solutions for a Clean Energy Future

Corporate Presentation

February 22, 2012

Forward Looking Statements

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This presentation contains forward-looking statements, including: estimated revenue; cash operating costs; gross margins; product cost reductions; adjusted EBITDA, funding requirements; market size and growth projections; customer value propositions; and expected sales and product shipments. These forward-looking statements reflect Ballard's current expectations as contemplated under section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any such forward-looking statements are based on Ballard's assumptions relating to our financial forecasts and expectations regarding our product development efforts, manufacturing capacity, and market demand.

These forward-looking statements involve risks and uncertainties that may cause our actual results to be materially different, including, general economic and regulatory changes, detrimental reliance on third parties, successfully achieving our business plans and achieving and sustaining profitability. For a detailed discussion of these and other risk factors that could affect Ballard's future performance, please refer to our most recent Annual Information Form. Readers should not place undue reliance on Ballard's forward-looking statements and Ballard assumes no obligation to update or release any revisions to these forward looking statements, other than as required under applicable legislation.

All amounts are consolidated to include Dantherm Power's results and are in U.S. dollars, unless otherwise noted.

Who We Are

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- **Ballard Power Systems, Inc. is a recognized global leader** in the design & manufacture of clean energy, zero-emission PEM fuel cells
- **Successful transformation of the company since 2007** - from high-cost, automotive fuel cell R&D company, to leading supplier of fuel cell solutions **with strong commercial value propositions**
- Leveraging product leadership & building key channel partnerships to establish **first-mover advantage**

Multi-Market Focus

Ballard's multi-market focus ➔ "putting fuel cells to work" in **backup power, distributed generation, material handling** and **bus markets**

Market Opportunity

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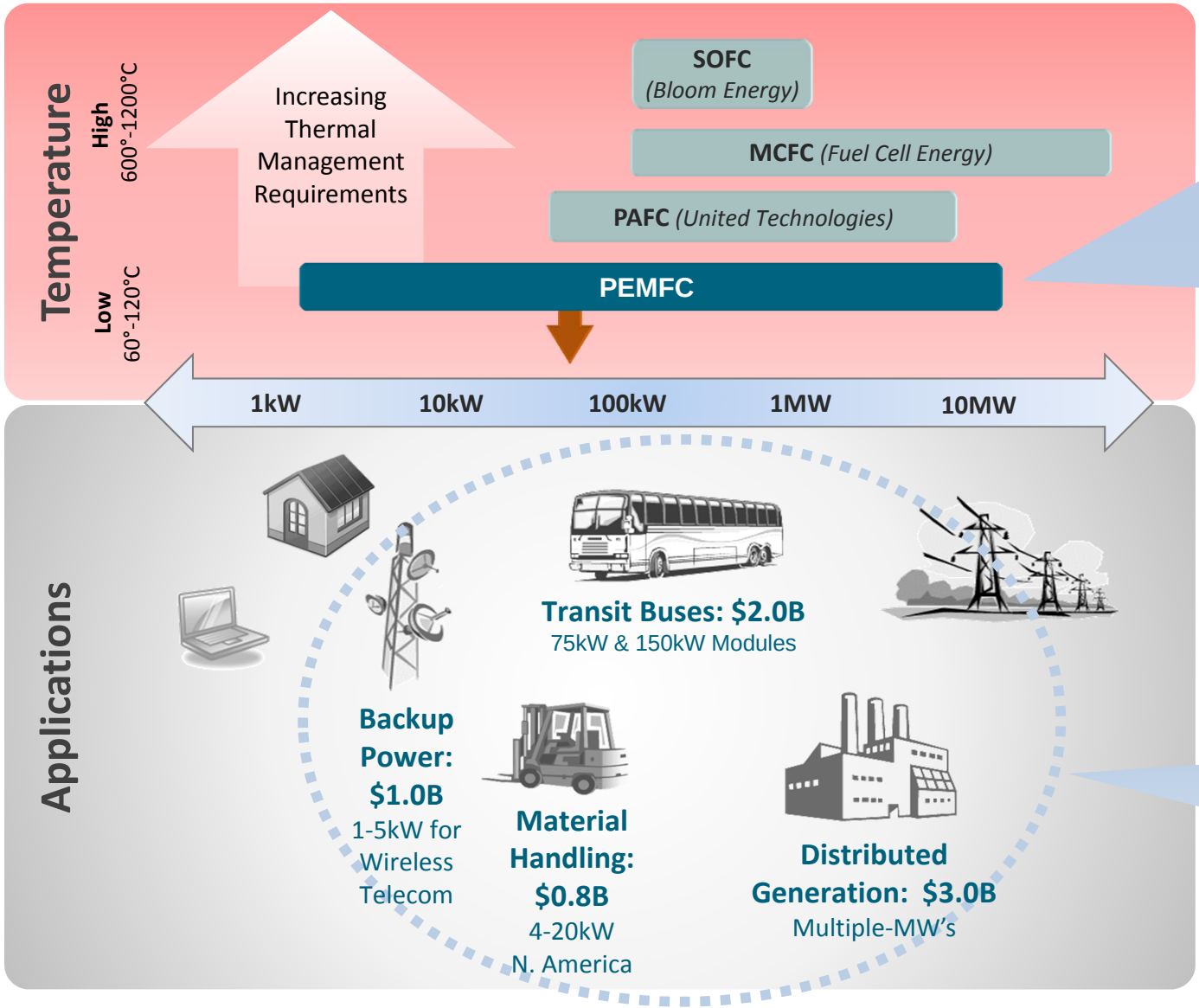

Proton Exchange Membrane (PEM) **fuel cell technology accounted for 97% of global fuel cell shipments in 2010 ... and 74% of total megawatts** (MW's)

Source: Fuel Cell Today Industry Review 2011

Ballard's Current Total Addressable Market Opportunity: $6.8B+

PEM Product Portfolio

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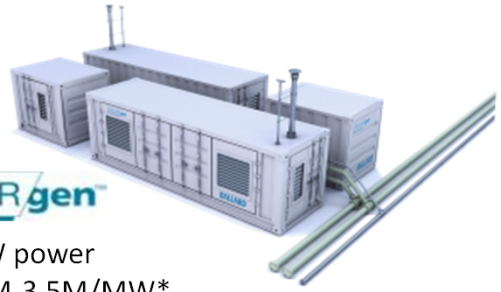
Fuel Cell Stacks	 FCgen®-1020ACS • Power 500W-2kW • Operating life 2.5K-4K hrs • ASP $650 2,600/stack*	 FCgen®-1300 • Power 2-8kW • Operating life 20k- 30k hrs • ASP $2,800-11,200/stack*	 FCvelocity®-9SSL • Power 4-20 kW • Operating life 8k-12k hrs • ASP $2,000-10,000/stack*	 FCvelocity®-1100 • Power 100 kW • Operating life >5k hrs • ASP $90,000-150,000/stack*
Fuel Cell Modules	FCvelocity®-HD6		• Power 75-150 kW • Operating life 12,000 hours • ASP $337,500-675,000/module*	
Complete Fuel Cell Systems	Dantherm Power  *(Ballard has controlling interest in Dantherm Power)* • DBX2000 (2kW) • ASP $8,500-10,000/system*	Dantherm Power  *(Ballard has controlling interest in Dantherm Power)* • DBX5000 (5kW) • ASP $14,500-16,000/system*	CLEARgen  • Multi-MW power • ASP $2.5M-3.5M/MW*	

* As of end 2011; dependent on power level & volume commitment

- Ballard product portfolio includes fuel cell stacks, fuel cell modules and complete system solutions
- Aggressive product cost reductions averaging 50%+ over 2008-11 period
- Continuing to reduce product costs and COGS to improve margins & customer ROI

PEM Fuel Cell Technology

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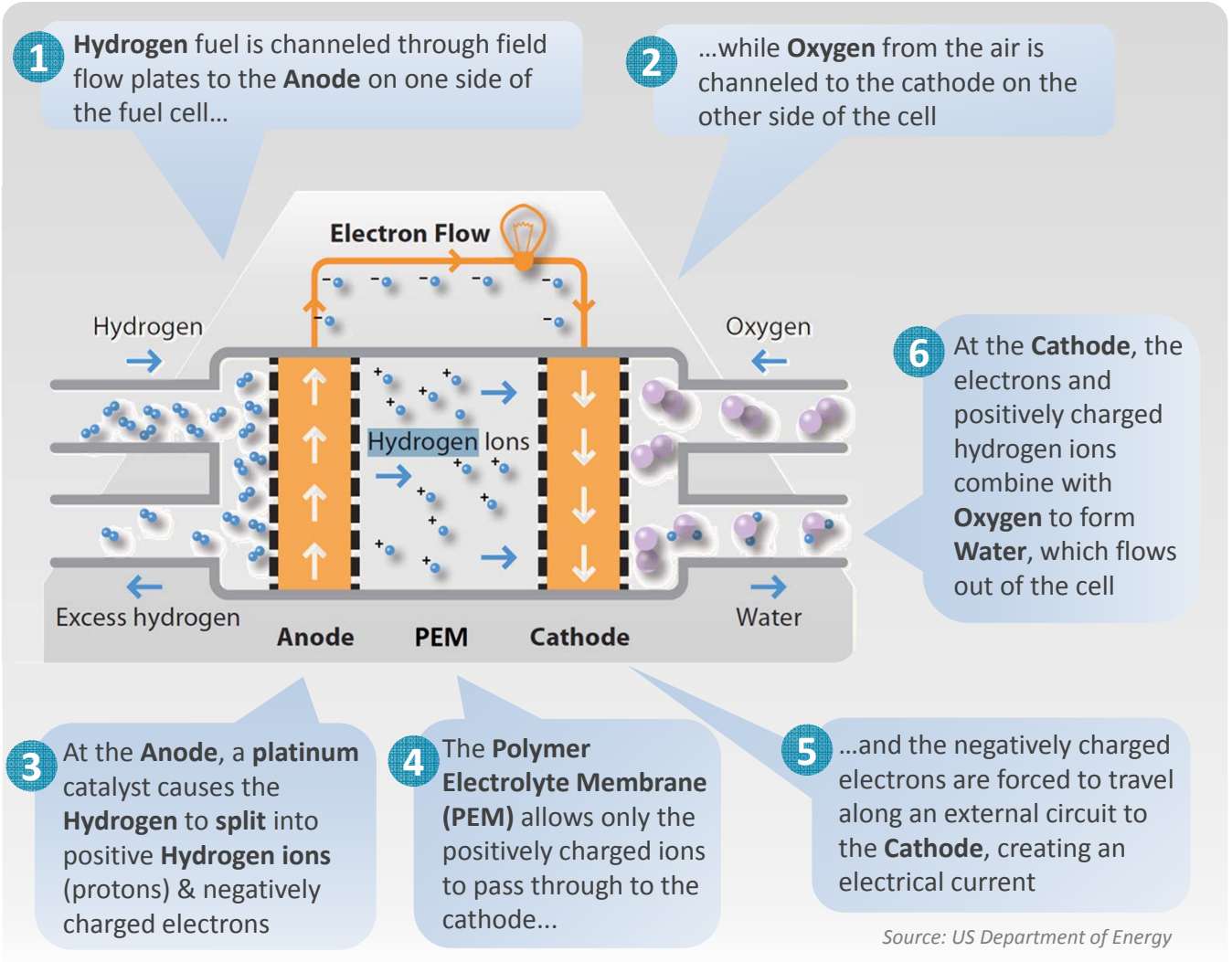
- Compact & scalable
- Fuel flexibility
- Efficient, reliable & safe
- Fast start-up & low temperature
- Rapid responses to changes in power needs
- Durable across wide range of duty cycles
- Clean: emissions are electricity, water & heat



Competitive Advantage

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- Sustainable leadership position in technology & product development
- Extensive R&D work over past 15 years, including joint development programs with Daimler & Ford
- >200 patents & patent applications owned … and license rights to >700 patents & patent applications owned by Daimler AG & The Ford Motor Company
  - In strategic areas, such as membrane electrode assembly (MEA) designs, plate designs, catalyst coated membranes (CCM), gas diffusion layer (GDL) materials, manufacturing processes
- Fundamental 'know-how' in key areas of stack operation, system integration and fuel processing
- Commercial opportunities to license/cross-license patents

Backup Power Market

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- Focus on backup power for wireless telecom industry
- Compelling value proposition driven by extended runtime & reliability at competitive lifecycle cost
  - Payback (vs. lead-acid batteries, diesel generators) in under 2-years

Dual Channel Access

Direct via Dantherm Power

Fuel Cell Stacks & Systems → Network / Service Providers → End Users

BALLARD Dantherm Power

Indirect via System Integrators

Fuel Cell Stacks → System Integrators → Network / Service Providers → End Users

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Progress

- Dantherm Power shipments of larger units, including 50kW and 150kW systems, underpinned 2011 revenue growth
- Q4-11 strategic sales by Dantherm Power:
  - 30 systems to Idea Cellular, under a collaboration agreement with Delta Power Solutions (India)
  - 150 kW system to Anglo American Platinum in South Africa … significant profile at COP17 global climate change conference in Durban

Backup Power Case Study

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- FCgen™-1020ACS fuel cell stack
- Low cost, air cooled product facilitates simplified system design
- High reliability, even in harsh operating conditions

FCgen™-1020ACS
Fuel Cell Stack

Dantherm Power

- Ballard SI & direct channel
- Integration of fuel cells into complete systems
- 10-year life with low maintenance requirement
- Provisioning & servicing

Dantherm Power DBX2000 System

WIND

- Fuel cell systems installed at off-grid sites
- Used for primary power until grid is connected, then as emergency backup, with 2-year payback
- Clean, quiet power suitable for urban locations
- Carbon footprint reduced

Telecom
Tower

Backup Power – Sample of Customers

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WIND

Dantherm Power systems provides continuous power at off-grid sites in Canada … converted to backup role once grid is connected

Nokia Siemens Networks

Dantherm Power systems deployed at >120 TETRA base stations throughout Denmark's SINE public safety mobile radio network

IdaTech

>500 ElectraGen™ systems deployed with Hutchison Telecom in Indonesia

IdaTech ElectraGen™ System

Distributed Generation Market

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- Focus on applications with available low-cost hydrogen in markets with FIT and/or SGIP support
- CLEARgen™ system *"Levelized Cost of Energy"* ~$0.06-$0.13 per kilowatt hour (reflecting available Federal & California government incentives)

Dual Channel Access

Direct via Delivery of Complete System

Fuel Cell Systems → Chemical Plant/ DG System Operators

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Indirect via System Integrators

Fuel Cell Stacks → System Integrators → Chemical Plant/ DG System Operators

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Progress

- Commissioned the first 1MW CLEARgen™ site at FirstEnergy in Ohio during 2011
- Establishing key reference sites at Toyota and K2 Pure Solutions in 2012
- Pipeline of opportunities for 2012+ in Europe, North America, Asia and South Africa

Distributed Generation Case Study

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- Complete CLEARgen™ system powered by FCgen®-1300 fuel cell stacks
- High efficiency, liquid cooled product with 20,000 hour lifetime
- System provides dependable clean power at a low lifecycle cost and high efficiency
- ~$0.06-0.13 'Levelized Cost of Energy'

FCgen™-1300
Fuel Cell Stack

1 MW CLEARgen™
Fuel Cell System

k2 Pure Solutions

- Fuel cell system will convert by-product hydrogen from bleach production into clean, load-following electricity
- Electricity will partially offset baseload power demand at state-of-the-art plant
- Will displace ~220 tons of CO_2 emissions annually
- Supported by California's Self Generation Incentive Program

Rendering of K2 Pure Solutions state-of-the-art Chlor-alkali plant at Pittsburg, CA

Distributed Generation – Sample of Customers

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FirstEnergy — 1MW CLEARgen™ system for peak load management at Eastlake, Ohio facility

TOYOTA — 1MW CLEARgen™ system to provide peak power and heat at Toyota's 5,000-employee California campus

k2 Pure Solutions — CLEARgen™ system will convert by-product hydrogen from bleach production into load-following electricity

RTE — System integrator will produce a 1MW generator for deployment in Singapore

FirstEnergy 1MW CLEARgen™ System

Material Handling Market

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- Focus on battery replacement in N/American forklift trucks at high volume distribution centers & warehouses
- Value proposition driven by productivity gains vs. battery-power
  - Target installed base and new shipments of Class 1-3 trucks
  - Payback less than 1-year
- Exclusive stack supplier to Plug Power (85% market share in N/America)

Channel Access

Progress

- Strong shipment growth of 29% to 1,422 units in 2011 … expect 2012 shipments to approx. double in line with Plug Power guidance of 3,400-4,400 GenDrive systems
- In Q4, Plug Power announced a 200 system order for 3 Proctor & Gamble manufacturing facilities
- Plug Power's recently announced joint-venture 'Hypulsion' with Axane (subsidiary of Air Liquide) … an important enabler for European sales under our exclusive supply agreement

Material Handling Case Study

BALLARD
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BALLARD

- FC*velocity*™-9SSL fuel cell stack
- Highly durable product, based on cost-reduced auto technology
- Operating life up to 12,000 hours
- Offers dynamic response to changes in power demand

FC*velocity*™-9SSL Fuel Cell Stack

plug power

- GenDrive® fuel cell systems for forklifts
- Improved productivity, lower costs vs. battery power
- > 1,500 Ballard stacks have operated in systems in the field with 5M+ hours runtime

Plug Power GenDrive® System

RAYMOND

- Leading North American forklift OEM
- Independent distributor for sale, rental and lease of GenDrive® fuel cells in N/America
- Provides ongoing service and support

Raymond Class 1, 2 & 3 Forklift Trucks

BMW

- 85 GenDrive® forklifts deployed at manufacturing plant in South Carolina
- Improved forklift productivity
- Saves 1.8M kWhrs/year of electricity (vs. lead-acid batteries)
- Avoids 1,200 tons of CO_2 emissions / year

BMW Fuelling Station

Material Handling
Plug Power - Sample of Customers

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Replaced entire Class 1 sit-down counterbalanced lift truck fleet at Texas facility with 32 Plug Power GenDrive® units

8 sites, including Houston warehouse fleet of 72 pallet trucks and 26 forklifts powered by Plug Power GenDrive® units

3 sites, including Calgary distribution centre with almost 100 Plug Power GenDrive® units; savings of $150,000 expected annually

New Illinois distribution center uses only Plug Power GenDrive® units – 220 systems in service

Plug Power GenDrive® System in Crown Lift Truck

Central Grocers' Yale Pallet Jacks Equipped With Plug Power GenDrive® Systems

Bus Market

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- Focus on government supported zero-emission transit programs in South America, North America & Europe
- Product cost reductions moving fuel cell hybrid buses to competitive position versus diesel hybrids
- 375,000+ new buses manufactured / year
  - Emerging segment of clean transit alternatives

Channel Access

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*FC*velocity*™-HD6 modules incorporate fuel cell stacks, humidification, fuelling and power control components – delivering "plug and play" capability

Progress

- Shipments increased to 19 power modules in 2011, however, delay of 12 modules from Q4 into 2012
- Foundation for significant progress in commercialization in 2012, as evidenced by recent announcements:
  - ***South America*** Letter of Intent for FC*velocity*™-HD6 modules for Sao Paulo – now in negotiations
  - ***Europe*** Supply agreement for 21 modules with Van Hool – first 5 modules shipped in Q4-11
  - ***India*** Non-binding MOU for 10 FC*velocity*™-1100 stacks to Tata Motors announced in January
  - ***North America*** Successful deployment of first 'Buy America' bus for SunLine Transit … expands addressable market

Bus Case Study

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- FC*velocity*™-HD6 fuel cell power module
- Balance-of-plant components fully integrated
- System integration expertise
- Most experienced supplier of fuel cell bus systems

FC*velocity*™-HD6
Fuel Cell Power Module

VANHOOL

- Major European bus OEM and system integrator … 4th largest OEM in Europe
- Supply agreement for FC*velocity*™–HD6 modules
- More than 10-years' experience with fuel cell hybrid bus design & reputation for innovation

Van Hool Fuel Cell Bus (In Development)

Ruter#

- Transit authority in Oslo, Norway
- Public & government pressure to improve air quality, lower GHG emissions & reduce noise
- Funded with national and EU money, to cover incremental costs of cleaner technology

Oslo Fuel Cell Bus Deployment

Bus – Sample of Customers

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SYSTEM INTEGRATORS & OEM's

BAE SYSTEMS

Global leader in bus hybrid drive propulsion systems, used in U.S., Canada & UK

NEW FLYER

Leading manufacturer of heavy-duty transit buses in N/America

VANHOOL

Supply agreement for 21 modules with major European bus OEM and system integrator, based in Belgium

TuttoTrasporti – the largest Brazilian integrator of hybrid transit buses

TRANSIT AGENCIES

BCTransit

20 fuel cell buses – world's largest fleet – recently surpassed 1 million miles in revenue service in Whistler, BC

Transport for London

8 fuel cell buses operating on London's Covent Garden-Tower Gateway route

HYNOR

5 fuel cell buses to service greater Oslo from 2012

BC Transit Fuel Cell Bus
Whistler, BC

Transport for London Fuel Cell Bus
London, UK

Path to Profitability

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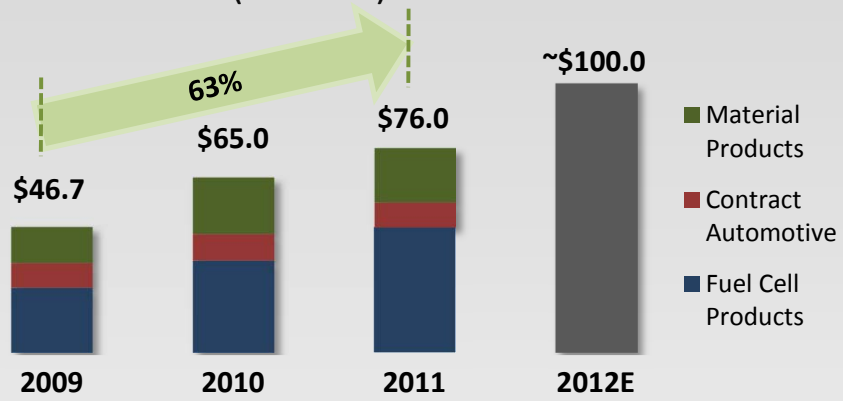
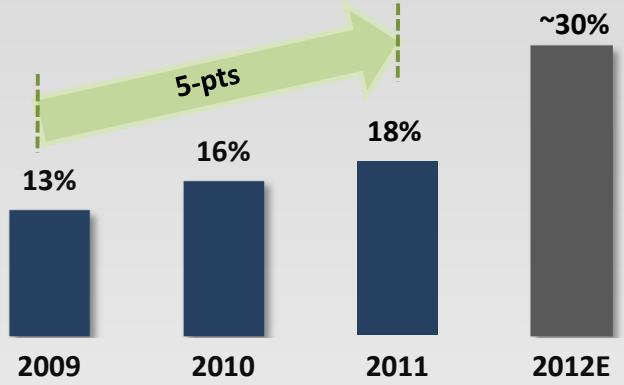
Revenue (millions)



- 2011 revenue growth of 17%
- Expect revenue of approximately $100M in 2012
- Underpinned by strongest ever 12-month rolling order book of $45.3M at end-2011

Gross Margin (%)



- 2011 gross margin of 18%
- Expect continued gross margin improvement to approximately 30% in 2012
  - Driven by shift in product mix towards bus and helped by reductions in products costs and COGS
  - ASPs broadly flat, year-over-year

Expectations*

- Revenue growth to approximately $100M in 2012
- Continued gross margin improvement to approximately 30% in 2012

** The primary risks to this outlook relate to timing of major orders and shipments for fuel cell bus modules and backup power systems*

Path to Profitability (cont'd)

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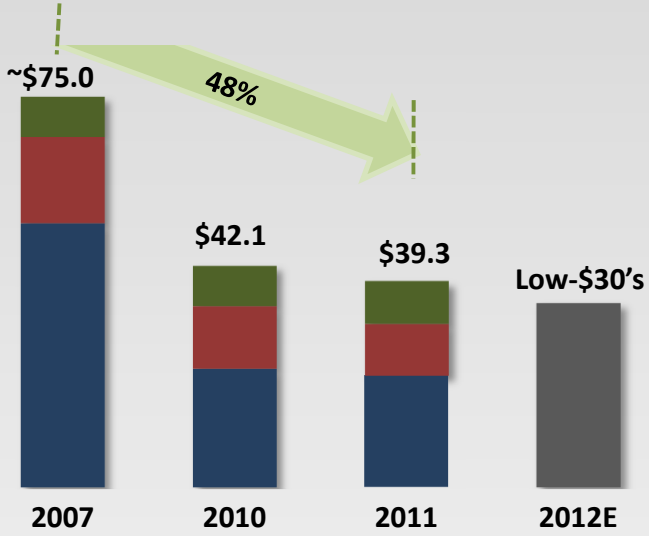
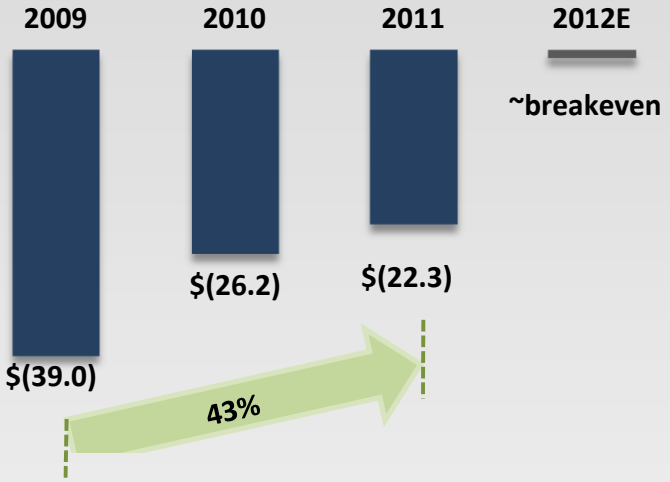
Cash Operating Cost Base (millions)



Measures operating expenses excluding stock-based compensation expense, depreciation and amortization, restructuring charges and acquisition costs.

- Cash operating cost base improvement of 7% in 2011, despite $2M negative FX impact
- Expect further improvements from ~$36M run rate exiting 2011, to low-$30M's in 2012

Adjusted EBITDA (millions)



Measures EBITDA adjusted for stock-based compensation, transactional gains and losses, investment and other income and acquisition costs.

- Improvement of 15% in 2011, despite $2M negative FX impact & $1.4M restructuring charges
- Expect further improvements in 2012 to Adjusted EBITDA of approximately breakeven

Expectations*

- Continued reductions in cash operating cost base in 2012
- Adjusted EBITDA of approximately breakeven in 2012

** The primary risks to this outlook relate to timing of major orders and shipments for fuel cell bus modules and backup power systems*

Path to Profitability (cont'd)

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2005

- Focus: Automotive R&D programs
- Cash operating costs: $84M
- Gross margin: 15%
- **Breakeven level of revenue: ~$500M**

2012

- Focus: Commercial fuel cell markets
- Cash operating costs: Low-$30M's
- Gross margin: approximately 30%
- **Breakeven level of revenue: ~$100M**

Revenue required for breakeven on an adjusted EBITDA basis has been dramatically reduced to approximately $100M

Path to Profitability (cont'd)

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Liquidity & cash reserves at end-2011

- Cash reserves of $46.2… $41.6M net of $4.6M drawn on C$10M bank line to assist in financing short-term working capital requirements

Liquidity is sufficient to reach profitability without additional public market financing…

however, we may choose to access additional capital under circumstances advantageous to the Company

Key Takeaways

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- Large addressable market opportunity
- Multi-market growth focus & first-mover strategy
- Technology & product leadership in PEM fuel cells
- Strong revenue growth; aggressively moving towards profitability
- Healthy liquidity of $51.6M
- Management track record of strong execution

Contact Us

BALLARD
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Investor Relations

Lori Rozali or
Guy McAree

Email:
investors@ballard.com

Phone:
+1.604.412.3195

Media Relations

Guy McAree

Email:
media@ballard.com

Phone:
+1.604.412.7919

Social Media

Linked In: Ballard Power Systems

Twitter: @BallardPwr

Facebook: Ballard Power Systems

You Tube: BallardPowerSystems

Corporate Headquarters

9000 Glenlyon Parkway
Burnaby, BC V5J 5J8
Canada