

PRESS RELEASE

## **Baxi Innotech and Ballard Power Systems sign exclusive agreement for Callux Project**

**Hamburg / Frankfurt, 11 March 2009.**

Baxi Innotech GmbH, the leading European manufacturer of fuel cell heating units has announced a supply, licence and cooperation agreement with Ballard Power Systems (TSX: BLD-T; NASDAQ: BLD), a world leader in the design, development, manufacture and sale of clean energy fuel cell products under which Ballard will be the exclusive supplier of fuel cell stacks to Baxi Innotech for use in their fuel cell heating units delivered to Phase 1 & 2 of the German Callux Project, a practical demonstration of fuel cells for the home, funded by the German federal government and industry. The exclusive supply and use of Ballard stacks in the Callux Project lays the groundwork for collaboration beyond that timeframe.

Ballard brings a wealth of expertise in fuel cell design, manufacture and operation for use in heating units, which the company has developed through experience in the Japanese residential heating market. The performance and durability Ballard's products have demonstrated in Japan will prove invaluable in Europe, where Baxi Innotech will lead the market as system integrator and fuel cell heating specialist. John Sheridan, President and CEO of Ballard, stated *"We are very pleased to be working with Baxi, a strong system integrator and respected leader in the European heating industry. This partnership represents a win-win way for both parties to successfully participate in the Callux Project."*

### **Developing solutions to meet European demands - Move to increase "Made-in-Germany" content of stacks**

Ballard will provide its FCgen-1030 fuel cell stack to Baxi Innotech for use in their new GAMMA 1.0 pilot production series, designed to meet the hot water and power needs of European homeowners. Under the agreement, Baxi Innotech has committed to purchase an annual quota of fuel cell stacks from Ballard. The parties intend to move to manufacturing of stacks and/or stack components in Germany. As such, the supply agreement provides for collaborative joint development efforts, including future development and sourcing of components in Germany and an option of licensing Baxi Innotech for fuel cell stack-assembly in Germany.

The relationship will provide Ballard with the opportunity to enter the European micro combined heat and power (mCHP) market through the Baxi Group, parent company to Baxi Innotech. As one of the leading manufacturers of heating equipment in Europe, the Baxi Group places a high priority on the use of mCHP technology. The Group is currently market leader with the successful Senertec Dachs mCHP system. However, new mCHP technologies, such as the EcoGen - Stirling mCHP system and the Baxi Innotech fuel cell heating unit, are also urgently required across Europe. *"The cooperation in such a high level and especially Ballards position as the world wide most experienced fuel cell maker*

*will set a benchmark for all other fuel cell technologies and system manufacturers,”* said Guido Gummert, Managing Director of Baxi Innotech.

### **About the companys**

\* **Ballard Power Systems:** Ballard Power Systems (TSX: BLD; NASDAQ: BLDP) is recognized as a world leader in the design, development, manufacture and sale of clean energy fuel cell products. Ballard's mission is to accelerate fuel cell product adoption. To learn more about what Ballard is doing with Power to Change the World(R), visit [www.ballard.com](http://www.ballard.com). Ballard, the Ballard logo and Power to Change the World are registered trademarks of Ballard Power Systems Inc.

\* **BAXI INNOTECH GmbH:** Baxi Innotech has been a subsidiary of the British Baxi Group – one of the leading heating equipment manufacturers in Europe – since 2002. Baxi Innotech is the brain pool of the Group for innovative product developments based on combined heat and power technology. Since it was founded ten years ago, the company has been developing a fuel cell heating unit for single family homes – in close dialogue and in partnership with suppliers, utility companies and the specialist trade – to meet the needs of the European market. Additionally, since September 2008, this Hamburg-based company has been participating in the Callux Project, the practice test of the German Federal government and industry in preparation for the market launch of fuel cell heating units.  
[www.baxi-innotech.de](http://www.baxi-innotech.de)

### **PRESS PHOTO 2\_ish2009, caption:**

PP, description: “BI\_Gumm\_fuelcellstack(1)“

PP, caption: Guido Gummert with new fuel cell stack

**Good reasons to rest on the new cooperation:** Guido Gummert, Managing Director of Baxi Innotech, with the new powerful fuel cell stack developed by Ballard Power Systems.

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