

Nel ASA: Fourth quarter 2016 results

(Oslo, 15 February 2017) Nel ASA (Nel) reported revenues in the fourth quarter 2016 of NOK 50.6 million, compared to NOK 35.6 million in the same quarter in 2015. The company is on-track and well-positioned for the Californian market, both related to fueling stations and renewable hydrogen production.

“The fourth quarter was a strong period for Nel, with record high revenue growth, cash preservation and high business development activity in different key markets. We see increased interest in the field of hydrogen from multiple markets far outside our home base, and believe we are well positioned to take advantage of these opportunities”, says Jon André Løkke, Chief Executive Officer of Nel.

In the fourth quarter of 2016, Nel reported revenues of NOK 50.6 million, up from NOK 35.5 million in the same quarter in 2015, representing the strongest quarterly performance in 2016. The operating earnings were impacted by the full 2016 non-cash costs related to the company’s stock option- and share incentive program of NOK 10.2 million, resulting in a negative EBIT of NOK 16.0 million (-5.4). The cash balanced increased NOK 1.8 million to NOK 225.5 million during the quarter.

“The underlying project-development pipeline is strong, and the company continues to experience a high activity level for its prospects and ongoing tender processes. We are well-positioned for the Californian market, both related to fueling stations and renewable hydrogen production”, says Løkke.

The Energy Commission in California is expected to announce the Grant Funding Opportunity (GFO) in the first quarter of 2017. The full GFO award is likely to cover around 20 stations, to be installed and developed in 2017 and 2018.

“Nel has both a direct and indirect market penetration strategy for California, were our US subsidiary Everfuel has applied directly for funding. In addition, we are offering our H2Station technology to other GFO applicants which have included our equipment into their proposals. California also represents an opportunity within hydrogen production, as 33 percent of the hydrogen must be renewable, compared with today’s situation with no TRUE renewable hydrogen available in this market”, says Løkke.

Within renewable hydrogen production, Nel and SunPower Corp. have entered into a framework agreement to develop solar based renewable hydrogen facilities in California, US. The parties are exploring an initial facility in Davis, California, but are also looking at other locations. The target is to market low cost renewable hydrogen from the site at a price of around 4 USD/kg.

The presentation will be broadcast live at www.nelhydrogen.com/webcast and can also be viewed at <http://webtv.hegnar.no/presentation.php?webcastId=45446527>

The fourth quarter 2016 report and presentation will be made available through www.news-web.no and www.nelhydrogen.com.

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About Nel ASA | www.nelhydrogen.com

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store and distribute hydrogen from renewable energy. We serve industries, energy and gas companies with leading hydrogen technology. Since its foundation in 1927, Nel has a proud history of development and continual improvement of hydrogen plants. Our hydrogen solutions cover the entire value chain from hydrogen production technologies to manufacturing of hydrogen fueling stations, providing all fuel cell electric vehicles with the same fast fueling and long range as conventional vehicles today.