

Plug Power Inc.
Financial Highlights

Balance Sheets:

(unaudited)

Assets

Current assets:

	December 31, 2006	December 31, 2005
Cash and cash equivalents	\$ 26,899,866	\$ 21,877,726
Restricted cash	-	385,000
Marketable securities	242,223,202	75,685,634
Accounts receivable	892,641	1,516,969
Inventory	5,558,710	4,692,515
Prepaid expenses and other current assets	3,706,400	1,524,004

Total current assets	279,280,819	105,681,848
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Restricted cash	-	3,580,274
Property, plant and equipment, net	18,048,254	19,826,111
Goodwill	10,388,980	10,388,980
Other assets	201,859	307,164

Total assets	<u>\$ 307,919,912</u>	<u>\$ 139,784,377</u>
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Liabilities and Stockholders' Equity

Current liabilities:

Accounts payable	\$ 1,989,983	\$ 2,660,130
Accrued expenses	2,514,990	3,835,973
Due to broker	5,000,000	-
Deferred revenue	2,692,320	3,148,048
Current portion of capital lease obligation and long-term debt	82,000	526,806

Total current liabilities	12,279,293	10,170,957
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Long-term debt	-	3,603,641
Other liabilities	1,112,427	1,054,888

Total liabilities	13,391,720	14,829,486
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Stockholders' equity	294,528,192	124,954,891
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Total liabilities and stockholders' equity	<u>\$ 307,919,912</u>	<u>\$ 139,784,377</u>
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Statements of Operations:
(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2006	2005	2006	2005
Revenue				
Product and service revenue	\$ 380,517	\$ 1,040,748	\$ 2,656,475	\$ 4,880,505
Research and development contract revenue	659,829	1,687,611	5,179,275	8,605,900
Total revenue	1,040,346	2,728,359	7,835,750	13,486,405
Cost of revenue and expenses				
Cost of product and service revenue	1,514,181	1,618,609	4,832,994	4,097,647
Cost of research and development contract revenue	1,413,159	2,541,063	7,636,662	12,075,731
Research and development expense:				
Noncash stock-based compensation	726,242	437,970	2,819,368	1,574,101
Other research and development	10,261,389	8,810,867	38,757,866	34,745,181
General and administrative expense:				
Noncash stock-based compensation	361,047	647,478	1,446,762	1,526,166
Other general and administrative	3,020,888	1,591,422	10,821,100	7,446,840
Operating loss	(16,256,560)	(12,919,050)	(58,479,002)	(47,979,261)
Interest income	2,987,239	941,834	8,340,250	2,166,740
Interest expense	(12,549)	(37,464)	(170,835)	(145,583)
Loss before equity in losses of affiliates	(13,281,870)	(12,014,680)	(50,309,587)	(45,958,104)
Equity in losses of affiliates	-	(4,438,355)	-	(5,785,358)
Net loss	\$ (13,281,870)	\$ (16,453,035)	\$ (50,309,587)	\$ (51,743,462)
Loss per share: Basic and diluted	(0.15)	(0.19)	(0.58)	(0.66)
Weighted average number of common shares outstanding	86,264,500	85,754,511	86,100,326	78,463,236

Statements of Cash Flows Data:

	Three months ended December 31,		Twelve months ended December 31,	
	2006	2005	2006	2005
(unaudited)				
Net loss	\$ (13,281,870)	\$ (16,453,035)	\$ (50,309,587)	\$ (51,743,462)
Adjustments to reconcile net loss to net cash	1,863,347	5,639,894	8,113,560	12,715,481
Changes in assets and liabilities	(1,901,566)	1,030,427	(3,911,085)	(841,091)
Net cash used in operating activities	\$ (13,320,089)	\$ (9,782,714)	\$ (46,107,112)	\$ (39,869,072)
Purchase of property, plant and equipment	\$ (160,000)	\$ 630,577	\$ (1,274,794)	\$ (999,582)
Proceeds from disposal of property, plant and equipment	-	-	-	5,000
Loan to potential investee	(1,000,000)	-	(1,000,000)	-
Due to broker	5,000,000	-	5,000,000	-
Proceeds from maturities of marketable securities	177,950,622	83,371,710	852,968,512	177,351,026
Purchases of marketable securities	(184,931,926)	(104,193,498)	(1,019,319,441)	(204,938,727)
Net cash used in investing activities	\$ (3,141,304)	\$ (20,191,211)	\$ (163,625,723)	\$ (28,582,283)
Proceeds from issuance of stock, net	\$ 83,858	\$ (37,784)	\$ 214,442,129	\$ 70,580,736
Proceeds from shares issued for stock option exercises and employee stock purchase plan	175,024	204,816	396,019	890,835
Cash released from (placed in) escrow	3,965,274	365,000	3,965,274	365,000
Principal payments on long-term debt and capital lease obligations	(3,906,641)	(433,762)	(4,048,447)	(484,257)
Net cash (used in) provided by financing activities	\$ 317,515	\$ 98,270	\$ 214,754,975	\$ 71,352,314