

Ceres Power Holdings plc (or "the Company")

Result of AGM

Annual General Meeting held on Friday 2nd December 2011

Chief Executive Officer's Address

‘As you know, I have been in the role as Chief Executive for 12 weeks. In that time I have reviewed the current position of the technology, the effectiveness of the organisation, the robustness of this commercial opportunity and the plan to launch a wall-mounted natural gas Combined Heat and Power (‘CHP’) product.

Taking each of these in turn, and starting with technology.

First, I would like to underline what I said a few weeks ago at the time of the full year results. The core fuel cell technology works. Ceres has achieved a tremendous amount to get to this point.

As previously reported, a number of issues were identified in our initial field trials, which we have addressed in the period since March 2011. I am pleased to report that we continue to make excellent progress in the validation testing of the solutions we have implemented for each of these issues; this rigorous testing is an on-going programme of work. I look forward to keeping you informed about our continuous progress in preparation for field trials commencing in H2 2012.

Ceres is now transitioning into a product-led business, with increased focus on driving our product programmes to meet the launch milestone dates in 2014 and 2016. I am in the process of transitioning the organisation to achieve this.

This focus and rigour will ensure delivery. Each of the Company's core functions will provide the required resources to support multi-disciplined project teams, and in addition we will increasingly leverage the capabilities of our partners. I am in the process of finalising this structure and will provide further updates in due course.

As I said in October, we are developing the next phase of strategic partner collaborations to enable Ceres to leverage world class brands, existing customer footprints in our target markets and additional technical and engineering expertise. We view this as a crucial step change for the business; further de-risking our product development journey to launch, and reducing our market entry risk. This is something I am working on at this moment and will provide you updates going forward.

Our revised plan is simple. I have put significant emphasis on conducting extensive product testing to ensure that both product durability and reliability meet the required level of performance. Next year is therefore about conducting extensive internal testing prior to commencing in-home field trials. 2013 is about successfully completing this in-home field trial programme, and 2014 is when we shall launch our first generation product.

This first generation product breaks new ground. It integrates a boiler and fuel cell module in a single wall mounted unit, and demonstrates a commercially distinctive size, weight and value proposition to customers, which our UK market partner, British Gas, believes are pre-requisites for a product to achieve widespread consumer adoption. The first generation product launch will validate the concept

of a boiler-replacement consumer appliance that can be installed in the majority of the UK's homes and deliver significant energy bill savings, payments from the Feed-in Tariff and carbon reductions.

From the beginning of next year, in parallel we will commence the development programme for our second generation product. We shall fully leverage our knowledge of our first generation product and through a process of value engineering, supported by our partners, deliver a cost effective product compatible with mass market uptake that will provide a highly attractive payback on the price premium over the existing condensing boiler.

I recognise that the timeframe for mass market launch has been extended more than most of you would have anticipated. However I am convinced that this is the right plan with an achievable timeframe, providing maximum assurance and value for all stakeholders. I have reviewed our cost base and identified what is needed to support the activities in the plan. Cutting costs materially at this stage will only further elongate the programme and will increase our risk of successful delivery of the two product launches. Accordingly, the new plan involves raising further funding during 2012.

As I have said upfront, the core technology works and we are making real progress in validating a reliable and durable product. My focus is very much on delivering today and ensuring Ceres effectively equips itself to deliver great products in the future. Our product will create new markets; it will enable our customers to cut their energy costs and their carbon footprint. Distributed generation is the future; our product will be highly competitive and just gaining a small share of a massive worldwide market is very achievable and very valuable.

Thank you for your continued support for Ceres Power and I look forward to updating you on our progress and achievements during the next 12 months.'

David Pummell

Ceres Power Holdings plc also announces that all of the resolutions proposed at the Annual General Meeting were duly passed on a show of hands.

Full details of the proxy votes lodged by post for each resolution is stated below:

Ordinary Resolutions	Votes in favour	Votes against	Votes withheld	Total proxies cast
1. To receive and consider the accounts of the Company for the financial year ended 30 June 2011, together with the reports of the Directors of the Company and auditors of the Company on those accounts.	44,348,361	761	2,500	44,349,122
2. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company and authorise the Board, through the Audit Committee, to fix their remuneration.	44,338,228	10,544	2,850	44,348,772
3. To elect David Pummell as a Director of the Company.	41,450,794	2,897,290	3,538	44,348,084

4. To re-elect Sir David Brown, who is retiring by rotation, as a Director of the Company.	40,746,699	2,904,985	699,938	43,651,684
5. To re-elect Rex Vevers, who is retiring by rotation, as a Director of the Company.	41,436,099	2,901,985	13,538	44,338,084
6. That the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, in accordance with section 551 of the Companies Act 2006.	43,790,885	531,621	29,116	44,322,506
Special Resolution				
7. That the Directors be and are hereby given power to allot equity securities for cash, in accordance with sections 570 and 573 of the Companies Act 2006.	44,195,978	127,528	28,116	44,323,506

For further information contact:

Ceres Power Holdings plc

Tel. +44 (0)1403 273 463

David Pummell, Chief Executive Officer

Rex Vevers, Finance Director

Morgan Stanley & Co International Limited

Tel. +44 (0)20 7677 5044

Peter Moorhouse

Jefferies International Limited

Tel. +44 (0)20 7029 8000

Chris Snoxall

Kreab Gavin Anderson & Company

Tel. +44 (0)20 7074 1800

Ken Cronin/Deborah Walter

www.cerespower.com