

CAUTIONARY NOTES

This presentation has been prepared by Power Solutions International, Inc. (PSI) for investors, solely for informational purposes. The information contained in this presentation does not purport to be all-inclusive or to contain all of the information a prospective or existing investor may desire. All of the financial information and other information regarding PSI contained in this presentation (including any oral statements transmitted to the recipients of this presentation) is qualified in its entirety by PSI's filings with the Securities and Exchange Commission (SEC), including the financial statements and other financial disclosure contained in those filings. PSI makes no representation or warranty as to the accuracy or completeness of the information contained in this presentation (including any oral statements transmitted to the recipients of this presentation).

This presentation (including any oral statements transmitted to the recipients of this presentation) contains forwardlooking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding PSI's current expectations about its future operating results, prospects and opportunities. PSI has tried to identify these forward looking statements by using words such as "expect," "anticipate," "estimate," "plan," "will," "would," "should," "believe" or similar expressions, but these words are not the exclusive means for identifying such statements. PSI cautions that a number of risks, uncertainties and other important factors could cause PSI's actual results, prospects and opportunities to differ materially from those expressed in, or implied by, the forward-looking statements, including, without limitation, the development of the market for alternative fuel systems, technological and other risks relating to PSI's development of its new 8.8 liter engine, introduction of other new products and entry into on-road markets (including the risk that these initiatives may not be successful), changes in environmental and regulatory policies, significant competition, PSI's dependence on key suppliers and general economic conditions. For a detailed discussion of factors that could affect PSI's future operating results, prospects and opportunities, please see PSI's Form 10-K for the year ended December 31, 2011, as filed with the SEC, and PSI's other SEC filings, including the disclosures under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the SEC filings. You should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, PSI undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason.



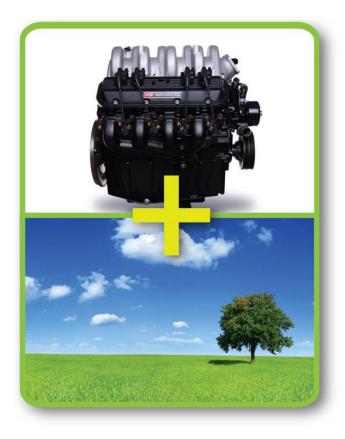
WHO WE ARE

Power Solutions International, Inc. (PSI) is a leader in the design, engineering and manufacture of emissions-certified, alternative-fuel engines.

- Founded by CEO Gary Winemaster in 1985
- Went public in 2011: OTCBB: PSIX
- 2011 year-end revenue: \$155M
- Over 30,000 engines sold annually
- Global customer base of 70+ OEMs
- A workforce of over 300

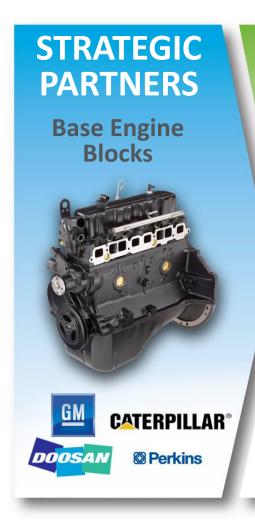
PSI operates primarily through two main subsidiaries:

- Power Solutions Inc. makes alternative fuel engines and contributed an estimated 85% of 2011 total revenue.
- Power Great Lakes is a diesel engine distributor and contributed an estimated 15% of 2011 total revenue.





WHAT WE DO



PSI SYSTEMS & COMPONENTS

Certified Engines & Complete Power Systems





END-MARKET OEMs

Applications





INVESTMENT HIGHLIGHTS

INDUSTRY LEADER

One of the largest North American off-road alternative engine suppliers



FAVORABLE MARKET TRENDS

Environmental & economic trends favor alternative fuel and certified engines



ORGANIC REVENUE GROWTH

2011 sales of \$155M, up 54%, net income of \$4.1M up 159%, over 2010



PIPELINE OF NEW PRODUCTS

New engines to expand forklift market sales and a new 8.8L engine to extend into on-road



EXPERIENCED MANAGEMENT

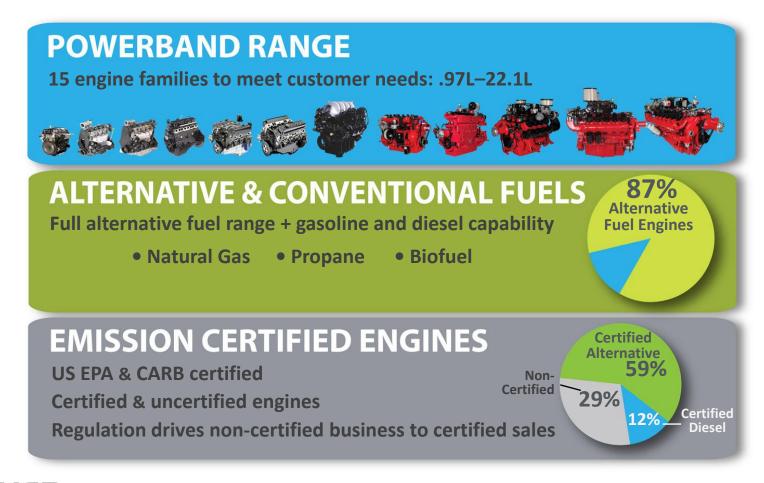
Seasoned management with deep industry knowledge and project specific talent





PSI PRODUCT PORTFOLIO

A broad product portfolio and diversified customer base provides stability and demonstrates product leadership.





CURRENT MARKETS SERVED

A broad range of end-use markets and a diversified customer base

- Diversification provides stability against cycles or downturns
- Longstanding customer base of well-known OEMs across markets



We estimate that over 70% of the power systems that we supply are provided to our major OEM customers on a sole-source basis



CUSTOMER-FOCUSED PRODUCT LEADER

PSI differentiates itself from competitors and adds value for customers through five core competencies. Customers choose PSI because we:

- Design and engineer with end-use application in mind
- Hold EPA & CARB certificates as Manufacturer of Record
- Provide worldwide sourcing and integrated supply chain
- Offer rapid product delivery through flexible, high-quality manufacturing
- Provide sophisticated post sales service and support

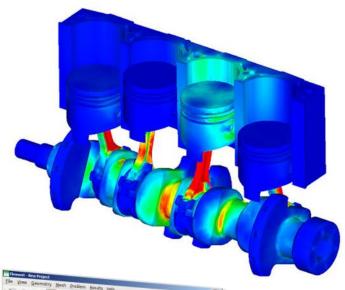


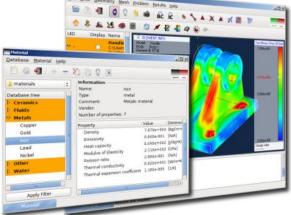


MARKET-DRIVEN DESIGN & ENGINEERING

PSI is a recognized innovator that can design and engineer custom turn-key power solutions to meet a wide range of OEM applications.

- In-house, multi-disciplinary design and engineering expertise
- Award-winning product development
- 3-D modeling, rapid prototyping and testing
- Product flexibility through "open source" engineering architecture that integrates best-in-class technology







ADVANCED MANUFACTURING

PSI's manufacturing facility is built for quality, speed and flexibility, delivering engines to customers on-time and on-spec.

- 400,000+ sq. ft. operations provide capacity for growth
- Sophisticated enterprise software, process automation, wire guided racking and assembly line schematics
- Six Sigma, 5S and ISO 9001:2008 certification ensure product quality, lower costs and operational efficiency





EMISSION COMPLIANT CERTIFICATION

Comprehensive emission expertise creates a barrier to entry for competitors and provides customers with an invaluable service.

- Complex and costly compliance hurdles drive OEMs to outsource services that PSI provides
- PSI is Manufacturer of Record (MOR) for alternative fuel/gasoline engines

 PSI holds 25 US EPA and nine CARB emission certificates*

IMPORTANT EMISSION CONTROL INFORMATION

THIS ENGINE COMPLIES WITH U.S. EPA REGULATIONS FOR 2009 LARGE EMERGENCY STATIONARY SI ENGINES.

FOR STATIONARY EMERGENCY USE ONLY.
THIS ENGINE IS CERTIFIED TO 4.0 G/HP-HR OF CO AND 2.0 G/HP-HR OF NOX
AND 1.0 G/HP-HR OF VOC FOR A COMPLIANCE PERIOD OF 5000 HOURS.

ENGINE FAMILY: 9PSIB8.10EMT THIS ENGINE IS CERTIFIED TO OPERATE ON LPG OR NG

EXHAUST ECS: MFI, H02S, MIXER, TWO

SPARK PLUG: AC DELCO R42LT SPARK PLUG GAP: .035" C OIL FILTER: 30100010 OIL: 0° F OR HIGHER – 10W-30

L: 0° F OR HIGHER – 10W-3 0° F OR BELOW – 5W-30



JSE IN CONSTANT SPEED APPLICATIONS ONLY

PLEASE REFER TO THE OWNER'S MANUAL FOR MORE DETAILED INFORMATION REGARDING MAINTENANCE SPECIFICATIONS AND ADJUSTMENTS.

DANGER: TURN ENGINE OFF BEFORE REFUELING AND MAINTENANCE.

POWER SOLUTIONS INC.

MADE IN USA

LABEL PN 36000157



^{* &}quot;EPA" is Environmental Protection Agency and "CARB" Is California Air Resources Board.

GLOBAL SUPPLY CHAIN MANAGEMENT

Worldwide sourcing capabilities and supply chain integration deliver cost-competitive products and consolidate suppliers for customers.

- Worldwide sourcing of proprietary and third party components
- Aggregation of components = purchasing power
- Economies of scale and volume discounts
- Supplier consolidation adds value for OEMs





AFTERMARKET SALES, SERVICE & SUPPORT

PSI provides direct aftermarket sales, product service and support to customers, extending the PSI-customer relationship.

- Sophisticated aftermarket parts, service and integrated warranty programs for OEMs
- Proprietary components drive strong high-margin sales
- Sales of aftermarket components represent roughly 10% of total revenues and a consistent and growing revenue stream





FAVORABLE MARKET TRENDS

PSI is positioned to capitalize on environmental and industry trends that favor our core strengths in emission compliance and customization.

Environmental

Stringent Emission Regulation

Eco-consciousness

Alternative Fuel Engines
Emission Compliance
OEM Outsourcing

Economic

Emission Compliance
Rising Diesel Costs
Alternative Fuel Reserves

PSI Products



GROWTH DRIVERS

PSI will capitalize on existing growth drivers, new offerings and emerging market trends to grow current customers and capture new markets.

CONTINUING GROWTH DRIVERS

NEW GROWTH DRIVERS





NGE Engines



Expansion into Global Forklift Market



Introduce New 2.0L & 2.4L Offering to Forklift Market



Introduce 8.8L Engine Off-road & On-road



Shift to
Alternative
Fuels from
Diesel



Hybrid Systems Development

EXISTING CUSTOMER BASE

2008 20

2009

2010

2011

2012 •

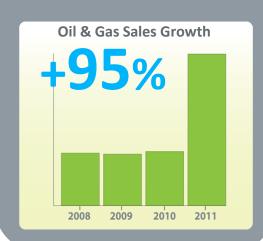


CONTINUING GROWTH DRIVERS

PSI will continue to realize organic growth with existing customers, boosted by past product launches and strategies.

Oil & Gas Applications

PSI technology, along with increasing certification requirements, will continue to drive our growth in this market.



NGE Engines

PSI created NGE Engines in 2008 to target a need for certified, large alternative fuel power systems in various industrial sectors.



Continuing Expansion into Global Forklift Market

PSI has leveraged its existing product offerings to further penetrate this market.



^{*} Percentage increases are from 2010 to 2011.



INTRODUCTION OF 2.0–2.4 ENGINES

PSI is targeting the large 1.5 – 3 ton forklift market with a low-cost, high-performance engine backed by an exclusive supply agreement.

2.0L & 2.4L FORKLIFT ENGINES

With the new 2.0L & 2.4L engines, PSI is targeting the largest global forklift market with alternative fuel solutions.

- Emission regulations are leading longtime engine providers to reevaluate their participation in this market
- Exclusive engine block supply agreement with a Mitsubishi engine block JV
- PSI is the MOR (EPA & CARB certifications)
- Producing certified and non-certified products



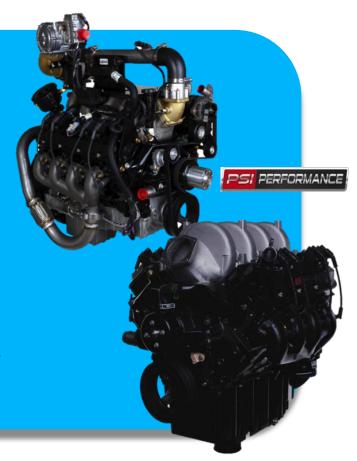


8.8L "BIG BLOCK" ENGINES

PSI's 8.8L offers significant growth potential by extending our highperformance turnkey solutions to both off- and on-road markets.

OFF- AND ON-ROAD CAPABILITY

- Purpose-built engine fills key market gap
- Cost-effective and fuel-flexible
- Proprietary technology engine block designed in-house
- PSI's entrance into on-road fleet markets
- Fills immediate need in current customer base for multiple applications
- Superior performance: 20% more power and torque, increased fuel efficiency, lower emissions compared to big block predecessor

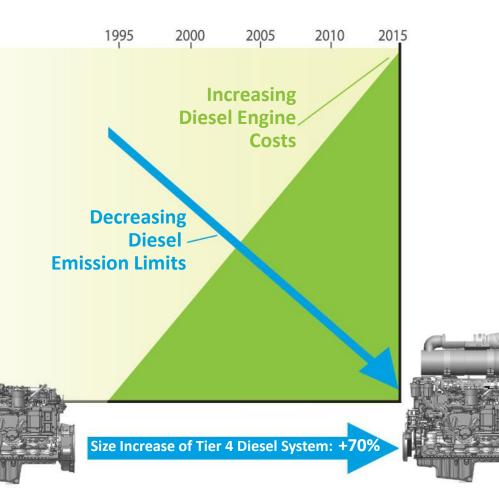




RISING EMISSION COMPLIANCE COSTS

As emission regulations tighten, diesel users face increased costs, while OEMS face complex certification hurdles.

- Tier 4 regulations will require OEMs to use engines with costly after-treatment:
 - Increased costs of up to 60% or more for end-users*
 - As much as 70% larger than current footprint
- Cost, expertise and sizing requirements driving demand toward alternative fuel solutions
 - * Percentages based on change from Tier 3 to Tier 4





HYBRID SYSTEMS

PSI is already positioned to provide hybrid solutions in

the off- and on-road markets.

HYBRID SYSTEMS

Began prototype development in 2009

- Strategic relationships established
- Leverages current technologies, products and customer base
- Customer benefits:
 - Lower fuel consumption and operating costs
 - Increased torque and efficiency
 - Fewer mechanical components





2011 FINANCIAL HIGHLIGHTS

Strong financial results in 2011

- SALES \$155M for 2011, up 54% from 2010.
- OPERATING INCOME \$9.8M for 2011, up 141% from \$4.1M last year.
- NET INCOME \$4.1M for 2011, up 159% from 2010.
- **EARNINGS PER SHARE** \$0.44 per common share, for 2011, up from \$0.19 per share in 2010.
- COMMON SHARES 9.046M shares outstanding





2012 FINANCIAL HIGHLIGHTS

Continued strong results in first quarter 2012

- SALES \$48.1 million up 53% from Q1 2011, 6% increase sequentially.
- OPERATING INCOME \$3.0 million up 32% from Q1 2011, 17% increase sequentially.
- NET INCOME \$1.1 million compared to \$1.1 million in Q1 2011. Adjusted net income of \$1.7 million compared to \$1.1 million in Q1 2011.
- EARNINGS PER SHARE \$0.13 compared to \$0.13 in Q1 2011. Adjusted EPS of \$0.19 from \$0.13 in Q1 2011.
- COMMON SHARES 9.047M shares outstanding





FINANCIAL INFORMATION

BALANCE SHEET As of March 31, 2012	
Total Assets	\$79M
Total Liabilities	\$63M
Line of Credit	\$21M
Shareholders' Equity	\$16M

OTHER INFORMATION Estimated 2012	
Depreciation & Amortization	\$1.3M
Capital Expenditures	\$4.0M
Effective Income Tax Rate (Excluding warrant impact)	37%



INVESTMENT HIGHLIGHTS

Strong financial results are underpinned by the improving economic conditions of our customer base, favorable market trends and the successful implementation of our business strategy. Highlights include:

Significant Growth Opportunities

Worldwide off-road alternative fuel engine demand expected to grow, with tremendous upside in new on-road markets.

Favorable Market Drivers

More stringent environmental standards, conventional fuel equipment hit by increased fuel and emission compliance costs, OEMs outsourcing engine certification.

Superior Market Position and Core Competencies

As one of the only customer-focused product leaders in the alternative fuel, fully-integrated engine space, PSI is poised to capitalize on growth opportunities.

Barriers to Entry

1) Strong OEM customer relationships with sole-sourced products; 2) Substantial investment in EPA/CARB certification over a broad product portfolio; 3) Competitive cost advantages deriving from strong global sourcing and aggregation; 4) Significant, ongoing investment in proprietary engine technology and in-house engineering.

Proven Product Roll-Out & Market Strategy Execution

Since 1985 PSI has successfully launched comprehensive power solutions ranging from .97L–22.1L engines and is now focused on the 8.8L on-road and 2.0/2.4L forklift growth markets, while expanding natural gas, propane and hybrid powered engines to remain ahead of the curve.



