Bloom Energy Corp

Takeaways from Special Report published by BE on Powering Data Centers using DC

Equities

United States

Electric Components & Equipment

12-month rating	**Buy**
12m price target	**US$325.00**
Price (16 Sep 2026)	**US$270.02**

RIC: BE.N **BBG:** BE US

Trading data and key metrics

52-wk range	US$345.85-68.69
Market cap.	US$77.6b
Shares o/s	287m (COM)
Free float	96%
Avg. daily volume ('000)	3,087
Avg. daily value (m)	US$738.1
Common s/h equity (12/26E)	US$2.07b
P/BV (12/26E)	37.7x
Net debt to EBITDA (12/26E)	NM

EPS (UBS, diluted) (USD)

	12/26E	
	UBS	**Cons.**
Q1	0.43	0.44
Q2	0.74	0.41
Q3E	0.67	0.67
Q4E	0.73	0.84
12/26E	2.58	2.71
12/27E	2.95	4.90
12/28E	5.56	7.74

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We summarize some of the main takeaways from BE's latest report on how DC power is changing what it takes to build and scale AI

- As highlighted in a BE report, power demand per AI rack is expected to surge from around 10 kW in 2020 to nearly 600 kW by 2027, underscoring the escalating energy requirements of next-generation AI workloads.
- The rapid increase in AI rack power density is exposing the limitations of conventional AC infrastructure, which requires disproportionate space, expensive electrical equipment, and impractical amounts of copper to scale effectively.
- Continued dependence on grid-supplied power requires substantial AC-to-DC conversion capacity, with key electrical equipment facing severe supply chain constraints and lead times extending as long as three to four years.
- To address emerging power distribution constraints, the data center industry is increasingly adopting 800V DC power architectures.
- NVIDIA is adopting this standard and will require 800V DC starting with its 2027 Rubin Ultra and Kyber systems.
- Native on-site DC power generation eliminates the need for complex AC-to-DC conversion infrastructure, improving electrical efficiency while increasing the amount of space available for computing equipment.
- While solar and batteries operate on DC, they cannot independently provide the continuous, uninterrupted power required at a gigawatt scale.
- The company believes fuel cells are uniquely positioned within the DC power ecosystem, as they are currently the only DC-native generation technology capable of delivering continuous power at the scale required by next-generation AI data centers.

The economic advantage of deploying BE 800 VDC compactable solution

- BE believes the adoption of native 800V DC fuel cell architectures has the potential to materially improve the economics of AI infrastructure development.
- As per the report, for a 1-gigawatt facility, this streamlined approach can lower the five-year total cost of ownership by ~$5.5 billion, or 9%.
- This approach has the potential to reduce non-compute capital expenditures, including electrical infrastructure, cooling systems, and building shell costs, by approximately 27%.
- The resulting $3.6 billion in capital savings can be strategically redirected to

Highlights (US$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Revenues	1,333	1,474	2,024	4,044	5,789	8,917	9,332	9,768
EBIT (UBS)	18	108	221	878	1,311	2,401	2,582	2,712
Net earnings (UBS)	(21)	65	198	833	962	1,826	1,974	2,082
EPS (UBS, diluted) (US$)	(0.09)	0.28	0.82	2.58	2.95	5.56	5.97	6.25
DPS (net) (US$)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net (debt) / cash	(221)	(223)	(211)	552	1,439	3,190	5,090	7,096
Profitability/valuation	**12/23**	**12/24**	**12/25**	**12/26E**	**12/27E**	**12/28E**	**12/29E**	**12/30E**
EBIT (UBS) margin %	1.4	7.3	10.9	21.7	22.7	26.9	27.7	27.8
ROIC (EBIT) %	1.5	8.4	17.0	53.0	66.1	116.2	120.1	121.5
EV/EBITDA (UBS core) x	43.3	19.2	43.0	81.4	54.6	30.2	27.5	25.5
P/E (UBS, diluted) x	NM	46.9	59.8	NM	91.4	48.5	45.2	43.2
Equity FCF (UBS) yield %	(13.6)	1.2	0.5	0.8	1.1	2.3	2.4	2.6
Dividend yield (net) %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company accounts, LSEG Eikon, UBS estimates. Metrics marked as (UBS) have had analyst adjustments applied. Valuations: based on an average share price that year, (E): based on a share price of US$ 270.02 on 16-Sep-2026

This report has been prepared by UBS Securities LLC. **ANALYST CERTIFICATION AND REQUIRED DISCLOSURES, INCLUDING INFORMATION ON THE QUANTITATIVE RESEARCH REVIEW PUBLISHED BY UBS, BEGIN ON PAGE 7.**

purchase about 8% more revenue-generating compute equipment for the exact same overall investment, as per the report issued by BE.

- Beyond the potential cost savings, 800V DC-ready facilities may offer greater operational flexibility by enabling operators to deploy successive generations of higher-density AI chips without requiring significant infrastructure modifications. This capability can accelerate deployment timelines and enhance the overall economic value of the data center.

Stock thoughts

We view the industry's transition toward higher-density AI infrastructure as a significant inflection point for power architecture design. The AI racks expected to be deployed from 2027 onward are increasingly being designed around power requirements that many existing facilities were not built to accommodate. Consequently, developers face a strategic choice between proactively upgrading infrastructure or retrofitting facilities as new compute generations are introduced. With 800V DC adoption expected to gain momentum in 2028 and 2029, we believe early infrastructure investment decisions will become increasingly important. In this environment, BE's SOFC technology appears well positioned, given its ability to deliver continuous native 800V DC power at gigawatt scale.

Benefits of on site generation - UBS view

As we highlighted in our report 2 weeks ago, investors should focus on the total delivered cost of power rather than headline generation LCOE, as behind-the-meter solutions can avoid transmission, distribution, congestion, and reliability costs that are ultimately embedded in utility power prices. We believe hyperscalers evaluate behind-the-meter power solutions based on the total delivered cost of electricity, rather than standalone generation LCOE. While utility-scale generation may appear inexpensive on an LCOE basis, traditional LCOE metrics exclude many costs ultimately borne by end users, including transmission and distribution expenses, line losses, congestion charges, and reliability-related costs. By contrast, behind-the-meter generation is located at or near the load, allowing customers to avoid much of this infrastructure and many of these grid-related charges. As a result, the relevant comparison is not generation LCOE versus generation LCOE, but rather the fully burdened cost of on-site power versus the fully delivered cost of utility-supplied electricity. When evaluated on this basis, distributed generation technologies such as solid oxide fuel cells can be significantly more competitive than implied by conventional LCOE comparisons. In our view, this focus on delivered-cost economics, rather than generation cost alone, is an increasingly important driver of hyperscaler interest in behind-the-meter power solutions.

Bloom Energy Corp (BE.N)

Income Statement (US$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Revenues	**1,333**	**1,474**	**2,024**	**4,044**	*99.8*	**5,789**	*43.1*	**8,917**	**9,332**	**9,768**
Gross profit	198	405	587	1,356	*130.8*	2,034	*50.1*	3,334	3,548	3,714
EBITDA (UBS)	**81**	**161**	**272**	**951**	*250.1*	**1,403**	*47.6*	**2,493**	**2,674**	**2,804**
Depreciation & amortisation	(63)	(53)	(51)	(73)	*-44.4*	(92)	*-26.0*	(92)	(92)	(92)
EBIT (UBS)	**18**	**108**	**221**	**878**	*297.2*	**1,311**	*49.3*	**2,401**	**2,582**	**2,712**
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	(9)	(12)	(137)	(3)	*97.9*	2	-	2	2	2
Net interest	(88)	(37)	(20)	(26)	*-33.6*	(202)	*NM*	(202)	(202)	(202)
Exceptionals (incl goodwill)	(227)	(85)	(148)	(175)	*-18.0*	(120)	*31.4*	(120)	(120)	(120)
Pre-tax profit	**(306)**	**(26)**	**(84)**	**674**	-	**991**	*47.1*	**2,081**	**2,262**	**2,392**
Tax	(2)	(1)	(3)	(6)	*-115.9*	(149)	*NM*	(374)	(407)	(431)
Profit after tax	**(308)**	**(27)**	**(87)**	**668**	-	**842**	*26.2*	**1,706**	**1,854**	**1,962**
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	6	(2)	(1)	(2)	*-24.0*	8	-	8	8	8
Extraordinary items	0	0	0	0	-	0	-	0	0	0
Net earnings (local GAAP)	**(302)**	**(29)**	**(88)**	**666**	-	**850**	*27.7*	**1,714**	**1,862**	**1,970**
Net earnings (UBS)	**(21)**	**65**	**198**	**833**	*320.5*	**962**	*15.5*	**1,826**	**1,974**	**2,082**
Tax rate (%)	0.0	0.0	0.0	0.9	-	15.0	*NM*	18.0	18.0	18.0

Per Share (US$)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
EPS (UBS, diluted)	(0.09)	0.28	0.82	2.58	*212.7*	2.95	*14.7*	5.56	5.97	6.25
EPS (local GAAP, diluted)	(1.34)	(0.13)	(0.37)	2.06	-	2.61	*26.7*	5.22	5.63	5.91
EPS (UBS, basic)	(0.10)	0.28	0.82	2.91	*252.7*	3.33	*14.4*	6.26	6.72	7.03
DPS (net) (US$)	0.00	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00
Cash EPS (UBS, diluted) [1]	0.19	0.52	1.03	2.80	*171.0*	3.24	*15.5*	5.84	6.25	6.52
Book value per share	2.38	2.47	3.25	7.16	*120.5*	10.46	*46.0*	16.64	23.24	30.09
Average shares (diluted)	225	227	240	323	*34.5*	326	*0.8*	328	331	333

Balance Sheet (US$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Cash and equivalents	665	803	2,454	3,085	*25.7*	3,972	*28.8*	5,723	7,622	9,629
Other current assets	1,029	1,241	1,276	1,923	*50.7*	1,923	*0.0*	1,923	1,923	1,923
Total current assets	**1,693**	**2,044**	**3,731**	**5,008**	*34.2*	**5,895**	*17.7*	**7,646**	**9,546**	**11,552**
Net tangible fixed assets	493	403	399	485	*21.7*	568	*17.1*	651	734	817
Net intangible fixed assets	0	0	0	0	-	0	-	0	0	0
Investments / other assets	227	210	268	595	*122.3*	595	*0.0*	595	595	595
Total assets	**2,414**	**2,657**	**4,397**	**6,088**	*38.5*	**7,058**	*15.9*	**8,892**	**10,874**	**12,964**
Trade payables & other ST liabilities	431	625	573	1,061	*85.3*	1,061	*0.0*	1,061	1,061	1,061
Short term debt	39	12	51	62	*20.9*	62	*0.0*	62	62	62
Total current liabilities	**470**	**637**	**624**	**1,123**	*80.0*	**1,123**	*0.0*	**1,123**	**1,123**	**1,123**
Long term debt	847	1,014	2,614	2,471	*-5.5*	2,471	*0.0*	2,471	2,471	2,471
Other long term liabilities	576	421	366	394	*7.6*	394	*0.0*	394	394	394
Preferred shares	0	0	0	0	-	0	-	0	0	0
Total liabilities (incl pref shares)	**1,893**	**2,072**	**3,604**	**3,988**	*10.7*	**3,988**	*0.0*	**3,988**	**3,988**	**3,988**
Common s/h equity	**502**	**562**	**769**	**2,071**	*169.5*	**3,041**	*46.8*	**4,875**	**6,858**	**8,948**
Minority interests	19	23	24	29	*17.9*	29	*0.0*	29	29	29
Total liabilities & equity	**2,414**	**2,657**	**4,397**	**6,088**	*38.5*	**7,058**	*15.9*	**8,892**	**10,874**	**12,964**

Cash Flow (US$m)	12/23	12/24	12/25	12/26E	%ch	12/27E	%ch	12/28E	12/29E	12/30E
Net income (before pref divs)	(302)	(29)	(88)	666	-	850	*27.7*	1,714	1,862	1,970
Depreciation & amortisation	63	53	51	73	*44.4*	92	*26.0*	92	92	92
Net change in working capital	(440)	(73)	(73)	(129)	*-76.3*	0	-	0	0	0
Other operating	307	142	225	196	*-13.2*	120	*-38.6*	120	120	120
Operating cash flow	**(373)**	**92**	**114**	**805**	*NM*	**1,062**	*31.9*	**1,926**	**2,074**	**2,182**
Tangible capital expenditure	(84)	(59)	(57)	(165)	*-191.3*	(175)	*-5.9*	(175)	(175)	(175)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) & disposals	0	0	0	0	-	0	-	0	0	0
Other investing	0	0	(36)	(23)	*37.7*	0	-	0	0	0
Investing cash flow	**(84)**	**(59)**	**(93)**	**(188)**	*-101.9*	**(175)**	*6.9*	**(175)**	**(175)**	**(175)**
Equity dividends paid	0	0	0	0	-	0	-	0	0	0
Share issues / (buybacks)	312	12	59	23	*-60.8*	0	-	0	0	0
Other financing	0	0	0	0	*0.0*	0	*0.0*	0	0	0
Change in debt & pref shares	417	(229)	(11)	(12)	*-4.9*	0	-	0	0	0
Financing cash flow	**729**	**(217)**	**48**	**11**	*-76.7*	**0**	-	**0**	**0**	**0**
Cash flow inc/(dec) in cash	**273**	**(184)**	**68**	**628**	*NM*	**887**	*41.2*	**1,751**	**1,899**	**2,006**
FX / non cash items	43	322	1,583	2	*-99.9*	0	*-89.3*	0	0	0
Balance sheet inc/(dec) in cash	**316**	**138**	**1,651**	**630**	*-61.8*	**887**	*40.8*	**1,751**	**1,899**	**2,007**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.[1] Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.



Bloom Energy Corp (BE.N)

Valuation (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
P/E (local GAAP, diluted)	NM	NM	NM	NM	NM	51.7	47.9	45.7
P/E (UBS, diluted)	NM	46.9	59.8	NM	91.4	48.5	45.2	43.2
P/CEPS	NM	25.7	47.7	NM	74.1	41.1	38.4	36.8
Equity FCF (UBS) yield %	(13.6)	1.2	0.5	0.8	1.1	2.3	2.4	2.6
Dividend yield (net) %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
P/BV	6.9	5.4	15.2	37.7	25.8	16.2	11.6	9.0
EV/revenues (core)	2.6	2.1	5.8	NM	NM	8.4	7.9	7.3
EV/EBITDA (UBS core)	43.3	19.2	43.0	81.4	54.6	30.2	27.5	25.5
EV/EBIT (core)	>100	28.7	52.9	88.2	58.4	31.3	28.4	26.4
EV/OpFCF (core)	-	-	-	81.4	54.6	30.2	27.5	25.5
EV/op. invested capital	2.9	2.4	9.0	46.7	38.6	36.4	34.2	32.0

Enterprise value (US$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Market cap.	3,352	2,863	11,472	77,574	77,574	77,574	77,574	77,574
Net debt (cash)	151	222	217	(170)	(995)	(2,315)	(4,140)	(6,093)
Buy out of minorities	0	0	0	0	0	0	0	0
Pension provisions/other	0	0	0	0	0	0	0	0
Total enterprise value	**3,503**	**3,086**	**11,689**	**77,403**	**76,578**	**75,259**	**73,434**	**71,481**
Non core assets	0	0	0	0	0	0	0	0
Core enterprise value	**3,503**	**3,086**	**11,689**	**77,403**	**76,578**	**75,259**	**73,434**	**71,481**

Growth (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Revenue	11.2	10.5	37.3	99.8	43.1	54.0	4.7	4.7
EBITDA (UBS)	181.8	98.8	69.0	NM	47.6	77.7	7.3	4.9
EBIT (UBS)	-	NM	105.4	NM	49.3	83.1	7.5	5.1
EPS (UBS, diluted)	77.4	-	190.0	NM	14.7	88.3	7.3	4.6
Net DPS	-	-	-	-	-	-	-	-

Margins & Profitability (%)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Gross profit margin	14.8	27.5	29.0	33.5	35.1	37.4	38.0	38.0
EBITDA margin	6.1	10.9	13.4	23.5	24.2	28.0	28.7	28.7
EBIT (UBS) margin	1.4	7.3	10.9	21.7	22.7	26.9	27.7	27.8
Net earnings (UBS) margin	NM	4.4	9.8	20.6	16.6	20.5	21.2	21.3
ROIC (EBIT)	1.5	8.4	17.0	53.0	66.1	NM	NM	NM
ROIC post tax	1.5	NM	NM	41.7	50.1	NM	NM	NM
ROE (UBS)	(4.9)	12.1	29.8	58.7	37.6	46.1	33.7	26.3

Capital structure & Coverage (x)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Net debt / EBITDA	2.7	1.4	0.8	(0.6)	(1.0)	(1.3)	(1.9)	(2.5)
Net debt / total equity %	42.4	38.2	26.6	(26.3)	(46.9)	(65.0)	(73.9)	(79.1)
Net debt / (net debt + total equity) %	29.8	27.6	21.0	(35.6)	(88.2)	NM	NM	NM
Net debt/EV %	4.3	7.2	1.9	(0.2)	(1.3)	(3.1)	(5.6)	(8.5)
Capex / depreciation %	133.7	110.9	112.2	NM	190.2	190.2	190.2	190.2
Capex / revenue %	6.3	4.0	2.8	4.1	3.0	2.0	1.9	1.8
EBIT / net interest	0.2	2.9	11.2	33.2	6.5	11.9	12.8	13.4
Dividend cover (UBS)	-	-	-	-	-	-	-	-
Div. payout ratio (UBS) %	-	-	-	-	-	-	-	-

Revenues by division (US$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Others	1,333	1,474	2,024	4,044	5,789	8,917	9,332	9,768
Total	**1,333**	**1,474**	**2,024**	**4,044**	**5,789**	**8,917**	**9,332**	**9,768**

EBIT (UBS) by division (US$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Others	18	108	221	878	1,311	2,401	2,582	2,712
Total	**18**	**108**	**221**	**878**	**1,311**	**2,401**	**2,582**	**2,712**

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

Forecast returns

Forecast price appreciation	20.4%
Forecast dividend yield	0.0%
Forecast stock return	20.4%
Market return assumption	9.7%
Forecast excess return	10.7%

Company Description

Bloom Energy Corporation is a provider of commercially viable solid oxide fuel-cell based power generation platforms that provide power to businesses, essential services, and critical infrastructure. Its technology produces electricity and hydrogen. The company's fuel-flexible Bloom Energy Servers can use biogas and hydrogen, in addition to natural gas, to create electricity at significantly higher efficiencies than traditional, combustion-based resources. Its solid oxide platform powers its fuel cells that can be used to create hydrogen.

Valuation Method and Risk Statement

Our price target is based on a 10.75x EV/Sales multiple on our 2028 sales estimate of $8,917M less net debt and less NCI, which equals $325 per share.
Raw material cost inflation is the biggest near-term risk. If BE decides to materially increase capex that would delay FCF inflection and be negative for the stock. If major projects that plan to deploy BE's fuel cell are delayed that would create a risk to near-term guidance. We are seeing other solutions coming to the market that also have time to power advantage.

Quantitative Research Review

UBS Global Research publishes a quantitative assessment of its analysts' responses to certain questions about the likelihood of an occurrence of a number of short term factors in a product known as the 'Quantitative Research Review'. The views for this month can be found below. Views contained in this assessment on a particular stock reflect only the views on those short term factors which are a different timeframe to the 12-month timeframe reflected in any equity rating set out in this note. For previous responses please make reference to (i) previous UBS Global Research reports; and (ii) where no applicable research report was published that month, the Quantitative Research Review which can be found at https://neo.ubs.com/quantitative, or contact your UBS sales representative for access to the report or the Quantitative Research Team on ubs-quant-answers@ubs.com. A consolidated report which contains all responses is also available and again you should contact your UBS sales representative for details and pricing or the Quantitative Research Team on the email above.

Bloom Energy Corp

Question	Response
1. Is the industry structure facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting worse, 3 = no change, 5 = getting better, N/A = no view)	3
2. Is the regulatory/government environment facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting tougher 3 = no change, 5 = getting better, N/A = no view)	3
3. Over the last 3-6 months in broad terms have things been improving/no change/getting worse for this stock? Rate on a scale of 1-5 (1 = getting a lot worse, 3 = not much change, 5 = getting a lot better, N/A = no view)	3
4. Relative to the current CONSENSUS EPS forecast, is the next company EPS update likely to lead to: (1 = negative surprise vs consensus, 3 = in-line with consensus, 5 = positive surprise vs consensus expectations, N/A = no view)	3
5. What's driving the difference?	
6. Relative to YOUR current earnings forecast, is there relatively greater risk at the next earnings result of:(1 = downside skew risk to earnings, 3 = equal upside or downside risk to earnings, 5 = upside skew risk to earnings, N/A = no view)	3
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst
9. Is there an actual or approximate date for the catalyst?	
10. Is the catalyst date an actual or approximate date?	
11. What is the catalyst?	