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Tecogen Raises Over \$2.9 Million

Proceeds to Be Used to Fund Growth and Product Development

WALTHAM, Mass., Dec. 2, 2011 /PRNewswire/ -- Tecogen Inc., a leading manufacturer of advanced modular Combined Heat and Power (CHP) systems, today announced that it has sold in separate transactions of restricted common stock an aggregate of \$2,937,750 at \$0.80 per share. The proceeds of the private placement will be used to aid in company growth and continued product development.

"A lot of great things have been happening for Tecogen," said Robert Panora, President and Chief Operating Officer of Tecogen. "We are gaining momentum and validation for our latest innovations. Our ultra-low emissions system has borne scrutiny time and time again. Even government agencies are beginning to offer their enthusiastic confirmations helping to open up markets that were once difficult or even impossible. The InVerde with its utility interconnection certification, microgrid capabilities, black start and efficient variable speed operation is enjoying success especially in the northeast region of the US. Our newest product, the Ilios High-Efficiency Water Heater, has entered the manufacturing stage and has already sold its first unit."

"Tecogen is dedicated to advancing the cogeneration market through research and product development coupled with exceptional service and expertise," said John Hatsopoulos, Chief Executive Officer of the Company. "We felt the need to raise this capital to help Tecogen expand their operations and product development while ensuring that Tecogen remains aggressive in their business plan during this period of growth."

About Tecogen

Tecogen manufactures highly efficient, ultra-clean Combined Heat and Power (CHP) products including natural gas engine-driven cogeneration and air conditioning systems for industrial and commercial use. Tecogen has an installed base of more than 2,100 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com.

Press Contacts:

Melinda Furse
Tecogen Inc.
Ph: 781-466-6444
E: melinda.furse@tecogen.com

Pat Arcand
Arcand & Madison PR
P: 617-251-7778

E: pat@am-pr.com

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