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Ilios High Efficiency Water Heaters Enter the Australian Market

Ilios Dynamics, a Majority Owned Subsidiary of Tecogen, Sells its first Unit in Australia and Signs a Distribution Agreement with Environmental Control Services Pty Ltd.

WALTHAM, Mass., Oct. 15, 2013 /PRNewswire/ -- Tecogen Inc., a pioneer in combined heat and cooling systems, and Ilios Dynamics, a majority owned subsidiary of Tecogen, today announced that Ilios Dynamics Inc. has signed a distribution agreement with Environmental Control Services Pty Ltd. (ECS). ECS is an Australian company headquartered in Melbourne, has been established for over 25 years, and operates a successful mechanical services and building automation energy management services business in Australia.

(Logo: <https://photos.prnewswire.com/prnh/20130409/NE91281LOGO>)

ECS will have exclusive distribution rights to New South Wales and Victoria, Australia. With the signing of this agreement, ECS has purchased an Ilios High Efficiency Water Heater which will be shipping in November of this year as a show unit in preparation for next year's Australia's International Air Conditioning, Refrigeration and Building Services (ARBS) trade exhibition. The unit will be placed in operation following this tradeshow. With twice the efficiency of traditional boilers, this natural-gas-engine-driven heat pump offers an economically compelling alternative for the Australian marketplace as Australian gas prices have nearly doubled in the past few years (Source: BREE – Australian Bureau of Resources and Energy Economics).

"In comparison to other water heating products we consider the Ilios High Efficiency Water Heater to be second to none, truly a world first technical innovation that will be able to offer the highest level of energy efficiency for all building owners," said William Oldjohn, President and CEO of Environmental Control Services Pty Ltd. "Based on the current natural gas costs and anticipated rises over the next few years we estimate that the Ilios High Efficiency Water Heater will be able to achieve a return of investment varying between 1.5 and 3 years."

The Ilios High Efficiency Water Heater, which can operate on either natural gas or propane, is an excellent alternative to conventional water heating systems. Ideal for locations with a gas demand of at least 4000 therms/month, such as swimming pools, hotels, schools, colleges, hospitals, apartment buildings & recreation centers, the system provides a nominal heating capacity of 500,000 Btu/hour. The Ilios High Efficiency Water Heater is designed to boost heating efficiency, save money, and reduce impact on the environment through reduced pollutant emissions (CO and NO_x) as well as CO₂.

About Environmental Control Services Pty Ltd.

Environmental Control Services has for more than 25 years focused on the design, maintenance, installation and service of mechanical services and building automation/energy management monitoring and control systems for commercial building owners, end users, and facility managers. A premier building services company, ECS assists large property owners in saving energy by means of implementing intelligent building controls and other energy efficiency measures. For more information visit www.ecgroup.net.au.

About Ilios

Ilios Dynamics, a subsidiary of Tecogen Inc., was formed in April 2009 to develop and distribute a line of Ultra high-efficiency heating products for commercial and industrial applications utilizing advanced thermodynamic principles. Products incorporate mechanical work to extract heat from the environment to supplement chemical energy available from natural gas. The result is a significant boost in efficiency and reduced carbon emissions relative to conventional heating systems. For more information please visit www.iliosdynamics.com.

About Tecogen

Tecogen manufactures, installs and maintains high efficiency, *Ultra*-clean Combined Heat and Power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for industrial and commercial use. Tecogen has shipped more than 2,000 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com.

FORWARD-LOOKING STATEMENTS This press release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Important factors could cause actual results to differ materially from those indicated by such forward-looking statements, as disclosed on the Company's website and in Securities and Exchange Commission filings. The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

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