



2 April 2014

**Flowgroup plc
("Flowgroup" or the "Group")**

Release of new domestic energy tariff

Flowgroup plc (AIM: FLOW), which develops and commercialises alternative and efficient energy products, announces that its energy business, Flow Energy, will today release a competitive Fixed Rate home energy tariff into the market with the aim of winning new energy customers.

In 2013, Flow Energy launched to the home energy market with its Thames Tariff, with a target to gain 36,000 customer accounts, in order to test its systems and gain brand exposure. Due to high levels of customer response Flow Energy registered 50,000 customer accounts, far exceeding its initial target, before withdrawing the Thames Tariff in line with its plan. These customers now generate annualised revenues of £30m.

Flow Energy is now re-releasing and extending the Thames Tariff, allowing customers to fix prices on the Thames Tariff until 31st August 2015, with the aim of both attracting new customers and retaining its existing customers. Despite rising wholesale prices, Flow Energy has been able to retain the original Thames Tariff pricing structure, allowing it to remain competitive with the Big 6 energy suppliers. The Group believes that the Thames Tariff represents an attractive deal for home energy customers.

Tony Stiff, CEO of Flowgroup, comments:

"Our energy business has always exceeded expectations and we're pleased to be re-releasing and extending the popular Thames Tariff, allowing more customers to experience what Flow has to offer. Small, innovative suppliers like Flow Energy are very much at the forefront of the national debate about energy and we believe the energy market represents, again, a significant opportunity for the Group. As well as generating strong revenues, having a competitive tariff in the marketplace creates high levels of customer traffic, providing vital exposure for our game-changing Flow boiler in the run up to its launch in the second half of this year. We therefore expect our energy campaign to bring a host of benefits to the business and we're pleased to announce our re-entry into the energy market."

Flowgroup plc

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