



9 April 2015

Flowgroup plc
("Flowgroup" or the "Company")

CE Type Approval and Sales Update

Flowgroup plc (AIM: FLOW), which develops and commercialises alternative and efficient energy technology products, announces that, following the establishment of the volume production line at its manufacturing partner Jabil's facility in Livingston, Scotland, it has gained CE Type Approval for the production line and for volume manufacture of its microCHP Flow boiler. The Group also announces that it has already taken reservations for Flow boilers, in line with its sales plan, for April and May.

The Group previously announced CE certification for the Flow boiler in March 2014. This stage of certification allowed a small number of units to be installed for testing in homes. The final stage of CE certification to launch a product to the mass market is to extend the testing to the production facility and, in the Group's case, the boilers manufactured in that production facility. This was successfully achieved on the 8 April 2015. The first commercial installs of the Flow boiler are expected to take place before the end of April, as planned.

As previously announced, the Flow boiler launched at the end of January 2015. Regional marketing campaigns in the North West and North East began at the start of February and were expanded to the Midlands and the South East in early March. Campaigns will now continue on an ongoing basis, achieving national coverage in June. The campaigns have driven significant levels of customer enquiries into the redesigned Flow website and the Flow call centre.

Tony Stiff, CEO of Flowgroup, commented: *"We are extremely pleased to announce that customers are responding well to the Flow offer. Our marketing and sales teams have worked hard to achieve this strong impact. We expect to begin our first commercial installs before the end of April. Our regional marketing campaigns have driven high volumes of traffic into our website and we believe we can increase these volumes still further as we target more of the country. In addition, our network of independent installers will soon begin to start pro-actively recommending the Flow boiler to their customers, opening another vital sales channel. In achieving reservations of the Flow boiler in line with our sales plan, and in gaining CE Type Approval for the Flow boiler and production line, which, while expected, still represents a major achievement, we are firmly on track to deliver a successful product into the market and to begin to establish Flow's credentials as the future of home heating and home energy."*

Flowgroup plc

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