



Ilios Announces Distribution Agreement with TriState Building Systems Integrators LLP

Waltham, MA - January 9, 2012 - Ilios Dynamics Inc., a majority owned subsidiary of Tecogen Inc., today announced the signing of a distribution agreement for the Ilios High Efficiency Water Heater (HEWH-500-AS) with Pennsylvania based TriState Building Systems Integrators LLP, a leading HVAC representative and integrator of commercial HVAC mechanical systems and related equipment serving Delaware, New Jersey and Pennsylvania.

TriState Building Systems Integrators LLP is a growing \$90 million company representing over 40 innovative manufacturers. With over 90 employees, they are committed to evolving with the changing technologies in the industry to benefit their clients of the commercial, industrial and institutional markets.

“TriState is always looking for innovative technology that will provide our customers with reliable service and savings,” said Ed Ciechon, Senior Mechanical Systems Integrator at TriState. “We appreciate Tecogen’s commitment to sustainable technology, providing performance while reducing both energy costs and carbon footprints for a greener tomorrow. We are excited to be at the forefront, representing the advanced technology of the Ilios Ultra Efficient Water Heater.”

“We look forward to working with TriState and expanding sales in the tri-state area,” said Martin McDonough, president and COO of Ilios Dynamics. “We believe that the Ilios Water Heater represents a tremendous opportunity for reducing heating costs and carbon footprints for HVAC projects.”

For locations with a gas demand of at least 4000 Therms/month, such as water parks, swimming pools, hotels, hospitals, apartment buildings & recreation centers, the Ilios High Efficiency Water Heater is a tremendous alternative to conventional systems. With a heating capacity of 500,000 BTU/hour, it employs a combination of technologies designed to boost efficiency, save money, and reduce impact on the environment. This natural gas fueled water heater combines traditional boiler technology with the power of an engine driven heat pump to cut fuel consumption and carbon emissions in half. Free waste heat from the engine is captured and repurposed which adds to the unit's capacity and efficiency. The synergy of advanced heat pump and engine technology results in twice the efficiency of a gas fired boiler. The Ilios units are modular and scalable to serve larger thermal loads.

Ilios will be exhibiting at AHR Expo in Chicago (January 23-25, 2012). For a first-hand look at the actual unit, we invite you to visit us in Chicago.

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.

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. This press release does not constitute an offer to buy or sell securities by the Company, its subsidiaries or any associated party and is meant purely for informational purposes. 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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Editorial Contacts:

Melinda Furse, Tecogen Inc.

P: 781-466-6444

E: melinda.furse@tecogen.com

Pat Arcand, Arcand & Madison PR

P: 617-251-7778

E: pat@am-pr.com