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SmallCAPS

Investment Research

The Energy Event Provides EuroSite Power Multiple New Sales Leads

September 17, 2016 - The **EuroSite Power (EUSP – \$0.49)** team exhibited at The Energy Event the past week in Birmingham, UK. The annual two day show brings together the key players from the supply and demand side of energy.



Paul Hamblyn, the Managing Director of EuroSite Power, was quoted saying, "This was a good event for us. Many energy professionals that manage buildings, retrofit or build new developments, stopped by at our booth to enquire about our on-site utility services. At the same time, several operational people or energy managers came by to find a solution for a specific project."

Mr. Hamblyn continued, "Now starts the crucial phase, getting to know each project really well and then putting together a proposal."

We'll have to be a bit more patient to find out if EuroSite Power can turn these leads into actual sales.

Reducing Costs & Emissions

The Energy Event is the UK's leading trade fair for energy and utilities procurement professionals. It's the key place for visitors to understand the latest policies, compliance requirements, and to find the latest technologies to drive a reduction in energy costs and improve their sustainability performance.



Shows like The Energy Event are very useful platforms for EuroSite Power to grow its business, as visitors get better acquainted with the Company's attractive offering.

EuroSite Power fits right in as its on-site utility business model delivers significant savings for end-users, while considerably reducing emissions.

When EuroSite Power installs a Combined Heat & Power (CHP) system at a customer's facility, it is entirely funded by EuroSite itself. The Company also pays for the gas to run the CHP system and its maintenance. Consequently, there is no impact on the customer's overhead and no additional staff required.

The customer simply has to pay for the generated energy by the CHP unit, which is guaranteed to be cheaper than the displaced energy from the grid. Estimated savings for a customer that installs a 125 kW unit, are in excess of US\$20,156 per year. That way, during the 15-year contract term, even excluding inflation, expected savings are approximately US\$300,000.

In addition to saving money, EuroSite Power's systems help to conserve energy, reduce emissions and improve the environment. For example, a 125 KW CHP will produce up to 1,484,021 kWh of total energy per year, while saving up to 234 tonnes of CO₂ – equivalent to taking nearly 50 cars off the road each year.

Moreover, some of EuroSite Power's CHP units can be equipped with a low-emissions technology called Ultera. This system reduces pollutant emissions, such as NO_x, CO, and HCs to a level comparable to fuel cells at a much lower cost and higher efficiency.

Conclusion

The Energy Event is a well-established and a much anticipated show in the industry, attracting exhibitors and visitors from across the globe.

In a sector marked by volatile pricing, changing regulatory frameworks and increasing financial and security risk, the Energy Event provides direct access for end-users to the latest services, solutions and best practice guidance.

These types of events are very useful platforms for EuroSite Power to grow its business, as visitors get better acquainted with the Company's attractive offering.

[Similar to what happened with Tecogen](#) a couple of weeks ago, EuroSite Power's stock price has been under pressure the past few days. Also in this case, there is no fundamental reason for the decline. The Company is in great financial shape with over \$5 million in cash at the end of the second quarter, which ended June 30, 2016. Its margins are growing almost on a quarterly basis, and with ever more CHP systems coming online EuroSite Power will become cash flow positive and ultimately profitable in the foreseeable future. We presume that, also similar to what happened with Tecogen, the stock price will quickly rebound.

We are taking advantage of this decline to add some shares to our position. Buy Recommendation.

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