

ITM Power PLC

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ITM Power CEO says company "in the right place at the right time" as it delivers strong trading update

ITM Power PLC (LON:ITM) "is undoubtedly in the right place at the right time", chief executive Graham Cooley told investors as the energy storage and clean fuel company provided an upbeat assessment of current trading and prospects.

In the update, the company said it had seen a significant increase in completed projects in the second half of the year to April 30, which means the group is expected to book total income of around £17m, up 20% year-on-year. The underlying (EBITDA) loss of £6.7m was in line with forecasts.

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The firm's total financial assets at the period-end were £19.8m, made up of £5.2m of cash, £1.7m of cash on guarantee and deployed working capital (debtors less creditors) of £12.9m.

ITM said its "contracts backlog" stands at a record £45.1m, an increase of 26% since February. The tender opportunity pipeline, meanwhile, is up to £330m, another record. It comprises 46 active commercial tender responses over the last 12 months with an average project size of £7.2m - up from £6.5m and reflecting strong industrial demand for larger systems.

Attractive products

"This trading and pipeline update demonstrates the attractiveness of our products around the world and the hard work of our team," said CEO Cooley.

"Total recognised revenue, our contracts backlog and quotations against tenders are all showing strong growth and the world outlook for green hydrogen demand and electrolyzers is very encouraging."

ITM has developed and commercialised a cutting-edge power to gas storage technology, which also helps create hydrogen refuelling stations being rolled out by petrol and diesel retailers such as Shell.

Demand for its product is strong, particularly electrolyzers, with some large international projects paving the way for what ITM does. Public and political opinion, meanwhile, appears to be behind renewable companies such as ITM, with focus on finding the best ways to optimise green electricity sources such as wind.

In early morning trading, ITM Power shares were 1.5% higher at 32/50p.

-- Adds share price --

Price: 101.5

Market Cap: £478.39 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: ITM

Listing: AIM

52 week High Low
129 18.5351

Sector: Hardware & electrical equipment

Website: www.itm-power.com

Company Synopsis:

ITM Power specialise in the manufacture of integrated hydrogen energy systems. Founded in June 2001, the company floated on the Alternative Investment Market (AIM) in 2004 and was the first United Kingdom-based fuel cell company to go public. ITM Power operates out of two premises in Sheffield, UK with further offices in Germany, France the USA and Canada.

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