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## Gevo shares tumble after biofuel maker misses Street's 4Q forecasts

The biofuel maker Gevo (NASDAQ:GEVO) missed the Street's forecasts for fourth-quarter revenue and earnings, sending shares lower in response.

The company's revenue for the three months ended December 31, came to \$6.6 million, compared to \$6.7 million in the year-ago period, which fell short of analysts' estimate of \$8.02 million.

Its net loss, meanwhile, amounted to \$7.46 million, or \$0.87 per share, missing analysts' estimate of a loss of \$0.66 per share.

The results disappointed investors who sent Gevo shares down 13.8% to \$1.93 in pre-market trade Thursday.

**READ:** Gevo surges after announcing isooctane agreement with HCS valued at up to \$180M

On the list of recent highlights was Gevo's move in February to strike a long-term supply agreement for renewable isooctane, worth up to \$180 million, with HCS Group. Under the deal's terms Gevo will supply HCS with this low-carbon blending component for gasoline - for use in solvents and specialty fuels.

Gevo's isooctane has the potential to reduce greenhouse gases by as much as 70%, according to the company.

The HCS deal will help to fund the expansion of Gevo's production facility in Luverne, Minnesota.

"We plan to focus our immediate attention on entering into additional off-take agreements for the remainder of the projected capacity in order to secure debt financing for the build out of our Luverne facility," Gevo said in its release.

In other news, the Colorado company has also moved a step closer to selling advanced biofuels in California. Working with a San Francisco International Airport Consortium to Advance Sustainable Aviation Fuel, Gevo signed an agreement in January to work with eight airlines and certain fuel producers to expand the use of sustainable fuels.

Looking ahead, Gevo expects to push ahead in marketing its renewable isooctane, jet fuel and isobutanol products made from isobutanol and ethanol, including animal feed and protein products.

It also plans to decarbonize its Luverne facility in a bid to reduce the carbon footprint of the products it produces.

To help finance the build-out of its Luverne facility, Gevo is also planning to enter into supply contracts for jet fuel and on-road gasoline with isooctane, and isobutanol.

Based in Englewood, Colorado, Gevo is a "low-carbon" fuel company focused on the production of renewable

**Price:** 0.7907

**Market Cap:** \$11.56 m

### 1 Year Share Price Graph



April 2019    October 2019    April 2020

### Share Information

**Code:** GEVO

**Listing:** NASDAQ

|                |             |             |
|----------------|-------------|-------------|
| <b>52 week</b> | <b>High</b> | <b>Low</b>  |
|                | <b>3.59</b> | <b>0.61</b> |

**Sector:** Chemicals

**Website:** [www.gevo.com](http://www.gevo.com)

### Company Synopsis:

*Gevo is a next generation "low-carbon" fuel company focused on the development and commercialization of renewable alternatives to petroleum-based products. Low-carbon fuels reduce the carbon intensity, or the level of greenhouse gas emissions, compared to standard fossil-based fuels across their lifecycle. The most common low-carbon fuels are renewable fuels.*

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alternatives to petroleum products.

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