

## **Dais Analytic Corporation Announces Third Quarter and Nine-Month Financial Results for the Period Ended September 30, 2010**

### **Quarterly revenues up 130% and nine-month revenues up 115% on year-over-year basis**

TAMPA, FL--(Marketwire – 11/17/10) - Dais Analytic Corporation (OTC.BB:[DLYT](#) - [News](#)) today announced its financial results for the third quarter ended September 30, 2010.

#### **Three-Month Financial Results**

Quarterly net sales were \$952,374, an increase of \$538,360, or 130% on a year-over-year basis. Core Unit sales to third parties increased by \$180,000 and ConsERV system sales increased by \$357,000, respectively.

Third quarter gross profit, excluding license fees, was \$176,840, compared to \$146,619 for the same period last year. Gross margins were 19.0% and 37.3%, respectively. The negative variance in gross profit and related gross margins was due primarily to growth related manufacturing and supply chain related issues for the ConsERV product, which the Company believes are close to being resolved. In addition, the Company did not record any NanoClear (waste water clean-up) revenues in this quarter consistent with the project schedule.

Net loss for the quarter ended September 30, 2010 was \$555,692, or (\$0.02) per diluted share, compared to a net loss of \$436,927, or (\$0.02) per diluted share for the same period last year. The increase in net loss was due primarily to higher SG&A expenses and cost of goods sold.

Accounts receivable as of September 30, 2010 were \$923,492, compared to \$1,187,263 as of June 30, 2010 and \$187,434 as of December 30, 2009. Cash and cash equivalents was \$249,056, \$411,439 and \$1,085,628, respectively.

#### **Nine-Month Financial Results**

Net sales for the nine-month period ended September 30, 2010 were \$2,369,828, an increase of \$1,270,107, or 115% on a year-over-year basis. The positive variance was due to recognition revenues from the Company's nanotechnology clean water process with CAST/Genertec-America, and increased ConsERV sales.

Gross profit, excluding license fees was \$681,742, compared to \$345,710 for the same period last year. Gross margins were 29.5% and 33.3%, respectively.

Net loss for the nine-month period ended September 30, 2010 was \$1,700,410, or (\$0.06) per diluted share, compared to a net loss of \$1,430,110, or (\$0.08) per diluted share for the same nine-month period last year.

#### **Business Discussion and Outlook**

Tim Tangredi, President & CEO of Dais Analytic Corporation, said, "We continue to make strong progress validating our nanotechnology's ability to offer 'disruptive' performance in three sectors of the clean technology markets. We recently demonstrated scalability of our water treatment process (NanoClear) in China by operation of a larger configuration yielding similar water processing throughput as today's generally available materials while being able to clean the waste water to the 'parts per billion' level which is 1000 times cleaner than most other processes, including reverse osmosis. We believe this is an important milestone that Dais plans to leverage for more business in the coming quarters."

Dais plans to construct a NanoClear installation near its headquarters in Florida in 2011 demonstrating its material's wide range of abilities in water cleaning applications including wastewater, desalination, and ultra filtration.

David Longacre, Vice President of ConsERV Sales and Marketing added, "Our ConsERV energy recovery business continues to see increasing demand believed created in part by better pre-sales support, growing awareness for the product's enhanced performance provided by Dais's nano-structured materials, and increased quality of the independent representative sales force. In addition, we expect increasing volume will also play a key role going forward. We are in the process of broadening our sales and marketing efforts for ConsERV into other targeted growth markets including South America, Europe and the Middle East, and look forward to reporting further progress on these fronts."

Craig Ducharme, General Manager of Operations and Manufacturing stated, "In the last quarter we took important steps to improve our manufacturing efficiencies and supply chain practices which we believe will drive greater profitability, more reliable delivery times, and higher quality product."

Scott Ehrenberg, Chief Technology Officer of Dais shared, "The ARPA-E program awarded by the US Department of Energy this past quarter is a poignant use of our materials for energy efficient heating, cooling, and refrigeration products such as our NanoAir application. The materials - in this configuration - create an incredibly disruptive, game-changing approach to for the heating, cooling, and refrigeration industry in terms of cost, efficiency and reduction of carbon emissions found when compared to today's most advanced HVAC or refrigeration systems."

The Company plans to put a pilot unit into operation by the end of 2010, projects in 2011 it will achieve the goals of the ARPA-E program, and it believes it will be integrating the techniques and knowledge learned as it introduces NanoAir commercially in 2012.

#### **Key Operational Highlights**

- In the third quarter, Dais was awarded a \$681,322 grant from the Department of Energy's, Advanced Research Project Agency – Energy (ARPA-E) for the further development of NanoAir. The Grant is contingent upon the Company's cost-share contribution of \$171,500 of the proposed total project cost \$852,822.
- Demonstrated 'first water' on Inner Mongolia water treatment project with NanoClear technology, showing large surface area evaporators and condensers will function per expectations delivering 'parts-per-billion' clear water.

Please visit [sec.gov](http://sec.gov) (searching 'Dais Analytic' or on 'DLYT') to obtain the full text of the 10Q filing.

#### *About Dais Analytic Corporation*

Dais Analytic Corporation (OTC.BB:[DLYT](http://DLYT) - [News](#)) is commercializing its nanotechnology materials and processes into break-through products becoming a leading participant in the applied nanotechnology industry with a specialized focus on the needs of the energy and water industries. Products incorporating Dais's nanotechnology ([www.daisanalytic.com](http://www.daisanalytic.com)) minimize consumption of irreplaceable natural resources and stop degradation of our environment. To find out more about ConsERV (energy recovery for HVAC) please log onto [www.conserv.com/](http://www.conserv.com/)

#### *For Dais Analytic Corporation Investors:*

This release contains forward-looking statements which are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. The forward-looking statements in this release do not constitute guarantees of future performance. Those statements involve a number of factors that could cause actual results to differ materially, including risks associated with the company's business involving the company's products, their development and distribution, economic and competitive factors and the company's key strategic relationships and other risks detailed in the company's filings with the Securities and Exchange Commission. Dais Analytic Corporation assumes no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

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