



## Day4 Energy Reports Third-Quarter 2009 Results

**Burnaby, British Columbia — November 9, 2009—** Day4 Energy Inc. (TSX: DFE), a solar electric technology developer and manufacturer of superior performance solar modules, today reported operating results for the third quarter of 2009.

“The trend we started to see at the end of the last quarter continued and strengthened through Q3 resulting in one of the most significant periods of revenue growth in the company’s history,” said George Rubin, president of Day4 Energy. “We are very encouraged by our 133% sales growth reaching \$13.3 million for the third quarter. In the face of the past very volatile 12 months we have taken clear steps to manage our working capital and preserve our cash position, implement strategies to support our sales efforts including trade insurance for customers and focus on managing our supply chain to utilize inventory and manage production. We are pleased to see these efforts paying dividends in the form of improved financial results, positive gross margin, a stable cash position and improved sales.”

Key events of the quarter and in the past month included:

- Advances in the solar project division with the announcement of the initiation of a 2.4MW project with Gunther Heiss Solar GmbH & Co. KG in Germany
- \$0.5 million in funding from the National Research Council to support Day4’s activities
- The introduction of the Day4 60MC-I featuring the Guardian Technology™ that dramatically improves the performance of the PV modules when exposed to partial shading, snow, debris and other external factors that, under normal circumstances, cause a substantial reduction in power and energy yield.
- Approval from the Australian Patent Office on our patent for our core Day4 Electrode® solar technology.

### Q3 2009 FINANCIAL RESULTS

#### Worldwide Product Revenues

Third quarter revenues of \$13.3 million increased by \$7.6 million or 133% from the prior quarter revenues and decreased by \$ 18.4 million for the same period in 2008. The increase in revenues compared to the prior quarter is due to a relatively solid recovery in demand in our primary markets. The decrease in revenue versus the same period in 2008 was primarily due to the impact of the global economic recession and financial crisis that started in the fourth quarter 2008. The annual period comparison is skewed because Q3 2008 was the strongest in the history of the company and while the trend has been increased demand over the past couple of quarters it has not reached the levels seen prior to the start of the recession.

#### Gross Margins

The gross margin of \$0.1 million for the third quarter compared to a loss of \$10.8 million in the second quarter 2009 and a gross loss of \$0.5 million in the same period in 2008. The higher gross loss in the prior quarter was primarily the result of an inventory write-down and period costs relating to low capacity utilization. There were no inventory

write-downs in the third quarter, however we did incur period costs of \$0.9 million relating to fixed overhead costs due to low capacity utilization at Jabil Circuits Inc. that unfavorably impacted our gross margin.

### **Expenses**

For the third quarter of 2009, general and administrative expenses were \$1.9 million, relatively consistent compared to the prior quarter expenses of \$2.0 million and the expenses in the third quarter of 2008 of \$2.0 million.

Sales and marketing expenses of \$0.9 million for the third quarter 2009 compared to \$1.0 million and \$0.9 million in the previous quarter and the same period in 2008 respectively.

R&D expenses in the third quarter increased to \$1.0 million from \$0.5 million in the prior quarter and \$0.7 million for the same period in 2008. The increase primarily related to the costs associated with our Burnaby facility that is now used almost exclusively for R&D purposes, following the transfer of production to Jabil. All production equipment, personnel and facility costs, with the exception of the Day4 Electrode wire production, have been reallocated from production to R&D as we focus on the development of the Day4 Electrode and new products. Staff assigned to R&D was forty-one at the end of the third quarter compared to nine for the same quarter ended in 2008.

### **Loss Per Share**

The net loss for the third quarter 2009 was \$4.2million (\$0.12) per share compared with \$14.1 million (\$0.38) per share for the prior quarter and \$1.7 million (\$0.05) per share for the same period in 2008. The net loss for the nine months ended September 30, 2009 was \$21 million (\$0.57) per share compared to \$4.9 million (\$0.13) per share for the same period in 2008. Higher net loss in the nine months ended September 30, 2009 compared to the same period in 2008 was mainly attributed to the inventory write-down, activities relating to the start up of Jabil and fixed overhead period cost due to low capacity utilization.

### **Cash and Short-Term Investments**

At September 30, 2009, we had \$21 million in cash and short term investments, including restricted cash of \$0.4 million, even with total cash and short term investments of \$21 million at June 30, 2009 and \$26 million at December 31, 2008. Cash used by operations was \$0.4 million for the third quarter 2009, compared to \$0.7 million for the second quarter of 2009 and \$8.4 million for the same period in 2008. Cash used in operating activities significantly decreased from the comparable periods in 2008 through cost reduction programs to manage working capital and preserve cash.

Detailed financial results and management's discussion and analysis can be found on our website at [www.day4energy.com](http://www.day4energy.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About Day4 Energy**

Day4 Energy Inc. is Canada's largest manufacturer of high performance photovoltaic (PV) modules for residential, commercial and utility scale installations around the world. By fundamentally improving on the design and assembly of solar modules, Day4 Energy produces unique PV panels of high power density, increased lifetime and uncompromised aesthetic appearance. Day4 Energy partners with international technology leaders to develop and deliver IEC- and UL-certified solar products to customers throughout Europe and North America. Day4 Energy is listed on the Toronto Stock Exchange under the symbol "DFE". For more information, please visit [www.day4energy.com](http://www.day4energy.com).

### **Conference Call Information**

Day4 Energy's management will conduct a conference call at 8:30am (ET) November 9, 2009 to review the company's third-quarter financial results. The call can be accessed by dialing 1-800-319-4610 (Canada and US) or 1-604-638-5340 (International) prior to the start of the call. Following the call a recording of the conference call will be archived on Day4 Energy's website, [www.day4energy.com](http://www.day4energy.com)

### **Caution Regarding Forward-Looking Statements**

This news release contains forward-looking statements that relate to our current expectations and views of future events. These forward-looking statements include, among other things, statements relating to our expectations

regarding our revenues, expenses, cash flows, operating performance and future profitability. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as “anticipate”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “could”, “plan”, “intend”, “should”, “believe”, “outlook”, “potential”, “target”, and similar words suggesting future events or future performance.

The forward-looking statements contained in this news release are based on assumptions, which include, but are not limited to, our successful implementation of outsource manufacturing with Jabil; our ability to obtain an adequate spread between our module average selling price and cost of raw materials, including PV cells; achieving increased PV cell and PV module efficiencies; expanding our existing product line; building the Day4 brand, attracting customers and developing and maintaining customer and supplier relationships; continuing our strong relationships with our suppliers; effectively managing foreign exchange risks; protecting our intellectual property rights and not infringing on the intellectual property rights of third parties; timely processing by certification agencies of new products; and complying with applicable governmental regulations and standards.

Such forward-looking statements are subject to risks, uncertainties and other factors, including those listed in our Annual Information Form filed with Canadian securities regulatory authorities, many of which are beyond our control and each of which contributes to the possibility that our forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. These risks, uncertainties and other factors include, but are not limited to, the impact of general economic, market or business conditions; risks related to the implementation of outsource manufacturing with Jabil; our limited operating history; risks relating to the protection of our intellectual property and intellectual property infringement claims by third parties; our dependence on a limited number of PV cell suppliers; government subsidies and economic incentives for PV power could be reduced or eliminated; our ability to achieve higher PV module efficiencies; our dependence on a limited number of customers and our lack of long-term purchase contracts; demand for PV modules; technological changes in the PV power industry could render our products uncompetitive or obsolete; unexpected warranty expenses; fluctuations in exchange rates; product liability claims; compliance with environmental regulations; and other factors, many of which are beyond our control.

The forward-looking statements made in this news release relate only to events or information as of the date indicated above. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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**Contacts:**

Therese Hayes

**Head, Corporate Development**

Day4 Energy Inc.

(604) 296-0434

[thayes@day4energy.com](mailto:thayes@day4energy.com)

Agnieszka Pozniak

**Media Contact**

Day4 Energy Inc.

(604) 297-0444

[media@day4energy.com](mailto:media@day4energy.com)