

For Immediate Release

**Day4 Energy Revenues Increase 1008%
on 5.4 MW Shipped in 2007**

Secured contracts now at 153.2 MW for 2008 through 2010

Burnaby, British Columbia — March 31, 2008— Day4 Energy Inc. (TSX: DFE), a manufacturer of superior performance solar electric modules, today reported its 2007 fourth quarter and year-end financial results.

For the twelve months ended December 31, 2007, Day4 produced and shipped a total of 5.4 MW, or \$22.0 million worth, of product to customers in Europe and North America including \$8.0 million in Q4 alone. Due to the fourth quarter acquisition of the Company's European distributor, resulting recognizable revenue for fiscal 2007 in accordance with Canadian GAAP was \$20.9 million compared to \$1.9 million for the prior year. The balance of the value of the product shipments was recognized as finished goods inventory on a consolidated basis as of December 31st, 2007.

Following five years of research and development and commercial preparation, 2007 was the first full year of commercial production and sales for the Company. In 2007 the Company established its first product, the 48MC photovoltaic module for grid-tie solar electric systems as a leading performance product in North American and European markets. By December 31, 2007 Day4 had received contracts for 103 MW for delivery in 2008 through 2010. This total has since risen to 153.2 MW as of March 30, 2008.

2007 Highlights

- 5.4MW total produced in first full year of commercial production
- Revenue increased ten times to \$20.9 million from \$1.9 million in 2006
- Secured significant sales contracts for delivery through 2010
- Completed three financings totaling \$128 million
- \$105M working capital at December 31, 2007
- Finalized plans for 28MW expansion in 2008 (Phase I) to 40MW of annual production capacity, and further 50MW (Phase II) for 90MW total annual capacity by the end of 2008
- Created a foundation of a robust, diversified sales channel partner distribution network in both Europe and North America
- Operating loss of \$11.0 million, or 53% of revenue, compared to an operating loss of \$3.8 million, or 203% of revenue, for 2006

Fourth Quarter Highlights

- Shipped \$8.0 million worth of product from Burnaby, BC
- Revenues increased 590% to \$6.9 million from \$1.0 million for the fourth quarter of 2006
- Supplied 1.1MW to German electrical utility, Day4's largest installation to date
- Expanded to full utilization of existing 12 MW of annual capacity
- Completion of \$100 million IPO on the Toronto Stock Exchange in December 2007
- Acquired German distributor, Day4 Systems GmbH, providing strong access to European markets

- Substantial reduction in adjusted gross loss during the quarter and at year end, average finished goods inventory below average selling prices

Highlights Subsequent to Year End 2007

- Transitioning towards positive gross margins
- Secured sales contracts for additional 3 MW deliverable in 2008
- Total pre-sold deliveries for 2008 reaches 32.2 MW, at March 28, 2008
- Secured additional contracts for 2009 and 2010 of 16MW and 31MW respectively
- Total contracts as of March 28, 2008 reaches 153.2 MW for delivery in 2008 through 2010
 - 32.2 MW deliverable in 2008
 - 55 MW deliverable in 2009
 - 66 MW deliverable in 2010
- Commenced occupancy of new Phase I 28 MW expansion facility
- Negotiations underway to lease additional facilities for Phase II 50 MW expansion facility

“In 2007 we made the successful transition from R&D to commercialization,” stated George Rubin, Day4’s President and COO. “At the beginning of 2007 we laid out three core objectives. I am pleased to report that we successfully achieved each of them. First, we generated significant interest in our unique PV technology and established a foundation of a robust sales channel partner network in both the North American and European markets, creating a substantial order book. Second we increased production levels to fully utilize our existing capacity by year end, and advanced our proprietary manufacturing processes to the point where we can proceed with a rapid scale up through near term internal production build-up but most importantly via third party outsourced manufacturing strategy. Third, we successfully completed three financings, raising over \$128 million to fund our growth targets. Phase I expansion of our new production facility has commenced and is on track. We have further commenced discussions with a number of manufacturing partners as per outsourced production of PV modules based on our proprietary technology.”

2007 Financial Review

For the year ended December 31, 2007, total recognized revenue increased ten times, to \$20.9 million, as compared to \$1.9 million, in 2006. The substantial growth in PV module sales reflected both increased demand and a full year of operations, as opposed to the five month commercial production period during the start-up phase in 2006, Day4’s first commercial production period. Geographically sales revenues were split by 65% to Europe and 35% to North America.

By year end the Company had a large backlog of sales contracts for 2008 deliveries and production capacity of 12MW fully utilized. The successful completion of UL and IEC product certifications during 2007 also assisted the Company’s ability to sell into new markets. Day4’s total module production for 2007 was 5.4MW compared to 0.5MW in the last five months of 2006.

Gross margin improved consistently throughout 2007. Year over year gross margin improved by nearly three times from a loss of 62% in 2006 to a loss of 22% for 2007. Volume production increases, improved production processes, machine efficiencies, and production staff training and experience are all contributing to gross margin improvements. The strengthening of the Canadian dollar against both the Euro and the US dollar during the year had a negative impact on gross margin. A foreign exchange hedging program has been implemented to mitigate such impacts.

Gross margin improvements continued in the fourth quarter. After adjusting for a one time fourth quarter write down for accumulated volume of 18 months of off-specification inventory of \$0.9M, fourth quarter gross margin was a loss of 13%. Management anticipates a transition towards positive gross margin in early 2008.

“As we grow our annual volume purchases with our suppliers, we will be able to facilitate larger commitments that enable the use of dedicated production lines to produce exclusive Day4 PV cell designs,” said Mr. Rubin. “With dedicated PV cell lines we will be able to economically facilitate the production of our higher efficiency, generation II PV cell designs which, when incorporated into our module technology, could offer up to 20% greater average efficiency and a cost reduction of similar magnitude on a per rated watt basis. Accumulating evidence of superior field performance of our products further helps the market to recognize the value of our proprietary technology that can go far beyond the measured watts of production rated power.”

Total operating expenses increased significantly, reflecting the increased investment in manufacturing expansion and resources to support the Company’s growth, including marketing, sales, and administration. Sales and marketing expenses rose to \$1.9 million in 2007, compared to \$0.2 million for the prior year. 2007 was the first year of significant sales and marketing activity as we expanded our staff and resources to execute our business plans and strategy. G&A expenses were \$3.2 million for 2007, versus \$1.0 million for the prior year.

Capital expenditures for fiscal 2007 were \$5.5 million compared to \$1.9 million for the prior year. Substantially all of the capital expenditures for the year were incurred for production machinery and equipment.

Day4 Energy reported an EBITDA loss of \$10.2 million, or \$0.51 per share. Adjusted for a total of \$2.9 million of non-cash expenses of fair value accounting for the September 2007 convertible debenture and settlement thereof, and expenses not expected to recur, including financing costs and a September 30th net realizable value write down of inventory, the Company’s adjusted net loss was \$11.0 million, or \$0.55 per share.

The net loss for fiscal 2007 was \$13.9 million, or \$0.70 per share, compared to \$3.9 million, or \$0.27 per share, for 2006.

The expected losses for the year reflect firstly, the increased gross losses from product sales, and secondly from increased overheads reflecting growth in staff and operational resources, financing costs, inventory write-downs and non-cash accretion expenses incurred in the year. Losses are expected to continue until the end of 2008 at which time the Company aims to have completed its 2008 production expansion plans and move towards positive EBITDA.

At December 31, 2007 cash and short term investments were \$93.3 million, compared to \$0.2 million at December 31, 2006. Working capital at December 31, 2007 was \$105 million. This increase during the year reflects three financings completed during the year providing proceeds of \$128.1 million, after financing issuance costs totaling \$9.3 million. These cash inflows were offset by operating and investing activities of \$67.9 million.

A third generation of proprietary manufacturing machines was placed into production in the third quarter of 2007, improving process cycle time by 30%. Manufacturing efficiency improvements continue in 2008 where Day4 is undertaking a two phase production capacity expansion. The first phase will increase annual capacity from 12MW to 40MW by the end of the second quarter. The second phase will increase annual production capacity to 90MW by the end of the fourth quarter 2008.

In 2007 Day4 expanded its supply contracts for PV cells by increasing commitments to suppliers, and by expanding the number of suppliers to three by year end. The Company is continuing to expand the number of suppliers, and the volume of PV cells purchased from suppliers to meet projected sales requirements. For 2008 through 2009 Day4 already has sufficient supply contracted to substantially meet its sales contract commitments.

At November 30, 2007 Day4 closed the acquisition of its distributor in Europe, Day4 Systems GmbH. The acquisition streamlines Day4's sales and distribution channel in Europe through a strong local presence and direct access to customers. This acquisition is also expected to improve gross margins.

Detailed financial results and management's discussion and analysis can be found on SEDAR at: www.sedar.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 and future profitability; our expectations of transitioning towards positive gross margins in early 2008; our expectations of moving towards positive EBITDA by the end of 2008; our plans for and timing of expanding our manufacturing capacity; our ability to proceed with a rapid scale-up through build-up and third party outsourcing of manufacturing; our ability to mitigate the impact of foreign exchange through hedging; our ability to access dedicated production lines to economically facilitate production of higher efficiency PV cell designs; and our expectations of improving gross margins and obtaining strong access to European markets through the acquisition of Day4 Systems.

The forward-looking statements contained in this news release are based on assumptions, which include, but are not limited to, our ability to expand our annual PV module manufacturing capacity; our ability to secure raw materials at acceptable prices and qualities; our ability to achieve increased PV cell and PV module efficiencies; our ability to expand our existing product line; our ability to attract customers and develop and maintain customer and supplier relationships; our ability to diversify our suppliers; our ability to effectively manage foreign exchange risks; our ability to protect our intellectual property rights and to not infringe on the intellectual property rights of third parties; and our ability to comply with applicable governmental regulations and standards going forward.

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; our limited operating history; the current industry-wide shortage of high-purity silicon; 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; we may be unable 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.



About Day4 Energy

Headquartered near Vancouver, British Columbia, Day4 Energy Inc. designs, manufactures and sells photovoltaic (PV) modules based on its patented Day4 Electrode technology, a proprietary method of contacting and interconnecting solar cells. The Day4 Electrode produces PV panels of high power density, increased lifetime and uncompromised aesthetic appearance. The advanced solar module construction method increases the performance of conventional silicon panels and enables the next-generation of PV innovation. Day4 partners with the industry's leading PV cell producers to deliver IEC and UL certified commercial and residential solar products to customers throughout Europe and North America. Day4 is listed on the Toronto Stock Exchange under the symbol "DFE".

For more information, please visit www.day4energy.com.

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Please see the audited financial statements at www.sedar.com for the accompanying notes to the financial statements following below:

Day4 Energy Inc.
Consolidated Balance Sheets
As at December 31, 2007 and 2006

	2007 \$	2006 \$
Assets		
Current assets		
Cash and cash equivalents	53,093,136	233,773
Restricted cash	1,322,140	-
Short-term investments	40,232,996	-
Accounts receivable	3,559,391	104,764
Investment tax credits receivable	1,165,000	515,000
Other receivables	2,486,811	483,592
Inventory	15,168,541	4,600,009
Prepaid expenses	547,444	356,573
	<hr/> 117,575,459	<hr/> 6,293,711
Intangible assets	828,969	-
Property, plant and equipment	<hr/> 7,078,998	<hr/> 2,293,304
	<hr/> 125,483,426	<hr/> 8,587,015
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	10,438,525	4,211,480
Income taxes payable	830,000	-
Short-term debt	821,213	-
Deferred revenue - current	89,442	-
	<hr/> 12,179,180	<hr/> 4,211,480
Long-term debt	-	870,271
Deferred revenue	102,186	-
Deferred lease inducement	<hr/> 11,245	<hr/> 33,739
	<hr/> 12,292,611	<hr/> 5,115,490
Shareholders' Equity		
Share capital		
Authorized		
Unlimited number of common shares		
Unlimited number of preferred shares		
Issued and outstanding		
36,373,116 (2006 - 14,950,500) common shares	129,935,370	9,175,744
Contributed surplus	1,439,491	731,879
Warrants	2,633,987	687,306
Deficit	<hr/> (20,818,033)	<hr/> (7,123,404)
	<hr/> 113,190,815	<hr/> 3,471,525
	<hr/> 125,483,426	<hr/> 8,587,015

Day4 Energy Inc.

Consolidated Statements of Operations, Comprehensive Loss and Deficit

For the years ended December 31, 2007 and 2006

	2007 \$	2006 \$
Revenue		
Sales	20,955,792	1,890,679
Cost of goods sold	25,333,450	3,068,346
Gross loss	<u>(4,377,658)</u>	<u>(1,177,667)</u>
Expenses		
General and administrative	3,232,635	1,035,888
Research and development	1,815,343	1,361,474
Less: Investment tax credits and government assistance	(650,000)	(199,734)
Selling and marketing	1,914,956	236,718
Depreciation	304,077	227,846
Amortization	23,685	-
	<u>6,640,696</u>	<u>2,662,192</u>
Loss before other income (expense)	<u>(11,018,354)</u>	<u>(3,839,859)</u>
Other income (expense)		
Foreign exchange gain (loss)	40,355	(127,288)
Interest and other income	415,246	53,997
Interest expense	(518,197)	(3,743)
Financing issuance cost	(1,049,268)	-
Accretion expense on convertible debentures	(1,351,348)	-
Accretion expense on IRAP-TPC loan	(131,643)	-
Fair value on IRAP-TPC Loan	67,799	-
Fair value loss on warrants	(344,785)	-
	<u>(2,871,841)</u>	<u>(77,034)</u>
Loss and comprehensive loss for the year	(13,890,195)	(3,916,893)
Deficit - Beginning of year	(7,123,404)	(3,206,511)
Fair value adjustment on IRAP-TPC loan	195,566	-
Deficit - End of year	<u>(20,818,033)</u>	<u>(7,123,404)</u>
Net loss per share - basic and diluted	<u>(0.70)</u>	<u>(0.27)</u>
Weighted average number of shares outstanding - basic and diluted	<u>19,934,029</u>	<u>14,338,788</u>



Day4 Energy Inc.
 Consolidated Statements of Cash Flows
 For the years ended December 31, 2007 and 2006

	2007	2006
Cash flows from operating activities		
Loss and comprehensive loss for the year	(13,890,195)	(3,916,893)
Items not affecting cash		
Stock-based compensation	1,029,616	424,463
Accretion expense	1,351,348	-
Accretion - IRAP-TPC loan	131,643	-
Fair value - IRAP-TPC loan	(67,799)	-
Fair value loss on warrants	344,785	-
Unrealized foreign exchange (gain) loss	(524,800)	108,266
Depreciation and amortization	782,622	451,385
Deferred lease inducement	(22,494)	(22,494)
Changes in non-cash working capital items		
Accounts receivable	(1,009,768)	(59,918)
Investment tax credits receivable	(650,000)	97,539
Other receivables	(2,212,146)	(216,684)
Inventory	(9,629,659)	(4,547,471)
Prepaid expenses	(190,871)	258,134
Accounts payable and accrued liabilities	5,328,535	3,711,203
Deferred revenue	(600,275)	-
Taxes payable	830,000	-
	<u>(18,999,458)</u>	<u>(3,712,470)</u>
Cash flows from investing activities		
Purchase of short-term investments	(40,000,000)	2,900,000
Restricted cash	(1,322,140)	-
Purchase of property, plant and equipment	(5,181,831)	(1,937,826)
Business acquisition - net of cash acquired	(2,396,921)	-
	<u>(48,900,892)</u>	<u>962,174</u>
Cash flows from financing activities		
(Repayment of) proceeds from shareholder loan	(203,440)	203,440
Proceeds from IRAP loan	556,034	546,589
Proceeds from convertible debentures	16,827,000	-
Proceeds from issuance of common shares	102,992,370	1,675,000
Proceeds from conversion of warrants	218,750	400,000
Proceeds from exercise of options	351,727	-
	<u>120,742,441</u>	<u>2,825,029</u>
Impact of foreign exchange on cash and cash equivalents	17,272	60,253
Increase in cash and cash equivalents	52,859,363	134,986
Cash and cash equivalents - Beginning of year	233,773	98,787
Cash and cash equivalents - End of year	<u>53,093,136</u>	<u>233,773</u>
Supplemental cash flow information		
Cash paid for interest	452	-
Cash received for interest	100,191	52,369
Non-cash transactions		
Conversion of warrants to common shares	325,763	287,591
Issuance of common shares on stock options exercised	329,450	-
Conversion of convertible debenture to common shares	16,241,566	-
Issuance of shares for equipment	300,000	-