

Polyfuel Cuts FY Loss, Very Positive About Outlook

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LONDON (AFX) – PolyFuel Inc, which develops engineered membranes for portable fuel cell applications, cut its net loss in 2005 to 7.9 mln usd from a loss of 9.0 mln in 2004 and said it remains very positive about its outlook.

During the year the group shipped almost 3,000 pieces of fuel cell membrane as customer orders grew significantly from tens of pieces of membrane per order to several hundred pieces per order.

As a result, revenues for the year grew to 1.04 mln usd from 358,047 usd.

Chief executive officer Jim Balcom said PolyFuel has continued to build momentum month by month on each of the customer, technical and financial fronts during 2005 and into 2006.

And as the group moves towards the commercialisation of its technology in the 2007/2008 timeframe, it said it is encouraged by the excellent progress it is making in deepening customer relationships and developing new relationships such as the partnership with Johnson Matthey.

He said the board is confident that the company's approach to the commercialisation of the membrane is the right one.

"During 2006, we plan to maintain this momentum by engaging more customers, building relationships with leading partners in the market, winning additional government contracts, securing design wins and announcing tailor-made products for our DMFC customer base."

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