

Electro Energy, Inc. (NASDAQ: EEEI)



Electro Energy, Inc., founded in 1992 and headquartered in Danbury, CT, engages in the development, manufacturing and marketing of advanced rechargeable battery technologies for a wide range of applications for the military, aerospace, transportation, utility power and consumer electronics markets.

The company's efforts center on the development and commercialization of specialty bipolar nickel-metal hydride (NiMH) and lithium-ion (Li-ion) batteries utilizing its patented flat wafer cell design, which allows stacking the wafer cells into any shape to create multi-cell batteries with specific energy capacity and voltage. Having supplied prototypes to commercial and government customers, Electro Energy is initially targeting the proprietary batteries for the aerospace industry applications, particularly for powering aircraft of the U.S. Air Force, and the automotive industry, focusing on a plug-in hybrid electric vehicle (PHEV). The company recently demonstrated its technology by adapting a Toyota Prius from a hybrid electric vehicle into a PHEV with additional battery capacity and an external electrical outlet charging function.

The company also manufactures, in its Colorado Springs, CO facility, legacy specialty nickel-cadmium (NiCd) battery products sold to the U.S. military and government agencies for satellites and aircraft applications. The Colorado Springs operation is one of two organizations worldwide that produce specialty NiCd batteries for satellites and one of three that is qualified for U.S. government applications. Finally, the company also offers prismatic and cylindrical cell battery products. It is preparing to launch an industry-standard 18650 Li-ion cell early this year from its Gainesville, FL facility, becoming the sole domestic supplier of this product.

CURRENT PRICE: \$0.73
52-WEEK RANGE: \$0.25 - \$1.53
AVG DAILY VOLUME (90-DAY): 161,675
FLOAT: 25.1 million
OUTSTANDING SHARES: 28.8 million
INSTITUTIONAL HOLDINGS: 3.0%
MARKET CAPITALIZATION: \$21.0 million

INCOME STATEMENT HIGHLIGHTS

REVENUE: \$4.1 million
GROSS PROFIT: \$106.0 thousand
EBITDA: (\$8.9 million)
NET INCOME: (\$11.8 million)
EPS (Diluted): (\$0.51)

All figures twelve months trailing as of September 30, 2007

BALANCE SHEET HIGHLIGHTS

CASH & EQUIVALENTS: \$659.7 thousand
WORKING CAPITAL: \$481.9 thousand
TOTAL ASSETS: \$25.7 million
TOTAL DEBT: \$9.1 million
NET WORTH: \$15.1 million

All figures as of September 30, 2007

RECENT NEWS HEADLINES

Mon, Jan 7, 2008

Electro Energy announced that the fiscal 2008 Department of Energy (DOE) budget, approved by the U.S. Congress and signed by President Bush, appropriates \$1 million in funding to the company to advance its patented bipolar wafer cell NiMH and Li-ion battery technologies targeting the development of a Plug-In Hybrid Electric Vehicle (PHEV) and other vehicle applications.

Tue, Dec 11, 2007

Electro Energy completed an \$18 million private placement of 10% Senior Secured Convertible Debentures and common stock warrants to the Quercus Trust, which resulted in redemption of \$9.9 million of outstanding 8.5% Senior Secured Convertible Notes and proceeds to the company of \$8.1 million.

HEADQUARTERS

Electro Energy, Inc.
 30 Shelter Rock Road
 Danbury, CT 06810
 Phone: 203-797-2699 Fax: 203-797-2697
 Web Site: www.electroenergyinc.com
 Email: info@electroenergyinc.com



The information presented herein is not to be construed as an offer to sell, nor a solicitation of an offer to purchase, any securities. This corporate profile is not a research report, but a compilation of information available to the public, which has been furnished by the featured company or gathered from other sources, in each case without independent verification, and no representations are made as to the accuracy or validity thereof. The information may include certain forward-looking statements within the meaning of Section 21E of the SEC Act of 1934, which may be affected by unforeseen circumstances or certain risks. Any investment in securities contains inherent risks and should only be done after consulting an investment professional. For complete disclaimer information, the reader is hereby referred to the Disclaimer Page of the Flaherty Financial News / WallStreet Research Small Cap Conference Book or the www.WallStreetResearch.org website.