

DAIS ANALYTIC CORP

Form S-1

September 19, 2011

As filed with the Securities and Exchange Commission on September 19, 2011

Registration No. 333-_____

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

DAIS ANALYTIC CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

New York
(State or other jurisdiction
of
incorporation or
organization)

3990
(Primary Standard
Industrial
Classification Code
Number)

14-1760865
(I.R.S. Employer
Identification Number)

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APPROXIMATE DATE OF PROPOSED SALE TO THE PUBLIC: From time to time after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/> o	Accelerated filer	<input type="checkbox"/> o
Non-accelerated filer	<input type="checkbox"/> o (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/> x

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(6)
Common stock, \$0.01 par value per share(2)	4,312,500	\$ 21,562,500	\$ 2,503.41
Underwriter Warrant(3)(4)(5)	1 warrant	\$ 100	—
Shares of Common Stock underlying Underwriter's Warrant	431,250	\$ 2,587,500	\$ 300.41
Amount Paid			\$ 2,753.75
Balance Due			\$ 50.07

- (1) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
- (2) Includes 562,500 shares of our common stock that the underwriter has the option to purchase to cover over-allotments, if any.
- (3) No registration fee required pursuant to Rule 457(g) under the Securities Act of 1933.
- (4) Pursuant to Rule 416 under the Securities Act of 1933, this registration statement shall be deemed to cover the additional securities (i) to be offered or issued in connection with any provision of any securities purported to be registered hereby to be offered pursuant to terms which provide for a change in the amount of securities being offered or issued to prevent dilution resulting from stock splits, stock dividends, or similar transactions and (ii) of the same class as the securities covered by this registration statement issued or issuable prior to completion of the distribution of the securities covered by this registration statement as a result of a split of, or a stock dividend on, the registered securities.
- (5) Represents a warrant granted to the underwriter to purchase up to 431,250 shares of common stock.
- (6) Previously paid \$2, 753.75

THE COMPANY HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE COMPANY SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED SEPTEMBER 19, 2011

PRELIMINARY PROSPECTUS

3,750,000 Shares of Common Stock

This is a firm commitment public offering of 3,750,000 shares of our common stock.

The public offering price for the common stock offered hereby is estimated to be between \$3.00 and \$5.00 per share. Our common stock is quoted on the OTC Bulletin Board under the symbol "DLYT.OB". On September 15, 2011, the last reported sale price for our common stock was \$0.49 per share. Immediately after the effectiveness of the registration statement of which this prospectus is a part, and prior to closing of this offering, we will effect a reverse stock split anticipated to be on a 10-for-1 basis. The proposed aggregate price of the shares offered hereby assuming a midpoint price of \$4.00 per share and excluding shares that may be sold on exercise of the underwriter's over-allotment option, is \$15,000,000.

We have applied for listing of our common stock on the NYSE AMEX Equities ("AMEX", formerly known as the American Stock Exchange) under the symbol "DLYT", which we expect to occur on or immediately prior to the date of this prospectus. No assurance can be given that our application will be approved. If the application is not approved, we will not complete this offering, and the shares of our common stock will continue to be quoted on the OTC Bulletin Board.

Investing in our securities involves certain risks, including those set forth in the "Risk Factors" section beginning on page 15 of this prospectus as well as those set forth in any prospectus supplement that should be considered in connection with an investment in our securities.

	Per Share	Total
Public Offering Price per share	\$	\$
Underwriting discounts and commission (1)	\$	\$
Offering Proceeds to Dais, before expenses(2)	\$	\$

(1) Excludes underwriter expenses of up to \$125,000 which would be reimbursable according to the underwriting agreement.

(2) We estimate that the total expenses of this offering, excluding the underwriter's discount and commission will be approximately \$. We have granted to the underwriter a 45-day option to purchase up to 562,500 additional shares of common stock solely to cover over-allotments, if any. We have also agreed to issue to the underwriter a warrant to purchase up to a total of 431,250 shares of common stock at an exercise price of \$ (120% of the public offering price). The underwriter warrant is exercisable at any time, in whole or in part, for five years from the date of effectiveness of the registration statement of which this prospectus is a part, subject to a one year lock-up.

The underwriter expects to deliver our shares to purchasers in the offering on or about , 2011.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

MDB Capital Group LLC

The date of this prospectus is _____, 2011

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Unless otherwise stated or the context otherwise requires, the terms “Dais Analytic,” “we,” “us,” “our” and the “Company” refer to Dais Analytic Corporation.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with additional or different information. The information contained in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

No dealer, salesperson or any other person is authorized in connection with this offering to give any information or make any representations about us, the securities offered hereby or any matter discussed in this prospectus, other than those contained in this prospectus and, if given or made, the information or representations must not be relied upon as having been authorized by us. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the securities offered by this prospectus, or an offer to sell or a solicitation of an offer to buy any securities by anyone in any circumstance in which the offer or solicitation is not authorized or is unlawful.

CAUTIONARY STATEMENT REGARDING
FORWARD-LOOKING STATEMENTS

This prospectus, including the sections titled “Prospectus Summary”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Description of Business”, “Risk Factors” and other sections generally, contains certain statements that constitute “forward-looking statements”. These forward-looking statements include certain statements regarding intent, belief or current expectations about matters (including statements as to “beliefs,” “expectations,” “anticipations,” “intentions” or similar words). Forward-looking statements are also statements that are not statements of historical fact. Because these statements are based on factors that involve risks and uncertainties, actual results may differ materially from those expressed or implied by the forward-looking statements. These factors include, among others:

- our ability to achieve and maintain profitability;
- the price volatility of the Common Stock;
- the historically low trading volume of the Common Stock;
- our ability to manage and fund our growth;
- our ability to attract and retain qualified personnel;
- litigation;
- our ability to compete with current and future competitors;
- our ability to obtain additional financing;
- general economic and business conditions;
- our ability to continue as a going concern;
- our ability to do business overseas;
- other risks and uncertainties included in the section of this document titled “Risk Factors”; and
- other factors discussed in our other filings made with the Commission.

The subsequent forward-looking statements relating to the matters described in this document and attributable to us or to persons acting on our behalf are expressly qualified in their entirety by such factors. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various factors, including, without limitation, the risks outlined under “Risk Factors” and matters described in this prospectus generally. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this prospectus will in fact occur. We have no obligation to publicly update or revise these forward-looking statements to reflect new information, future events, or otherwise, except as required by applicable laws, and we caution you not to place undue reliance on these forward looking statements.

Third Party Data

This prospectus also contains estimates, statistical, industry-related and market-related data, and other information concerning our industry, including market size and growth rates, which are based on industry publications, surveys and forecasts, based on or derived from third party sources which we believe are reliable. This information involves a number of limitations and assumptions which may or may not be or become true, and for the foregoing reasons you are cautioned not to give undue weight to the estimates presented in these third party materials. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in “Risk Factors”.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus and does not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus before deciding whether to invest in the common stock. You should pay special attention to the “Risk Factors” section of this prospectus to determine whether an investment in the common stock is appropriate for you.

This registration statement, including the exhibits and schedules thereto, contains additional relevant information about us and our capital stock. We file annual, quarterly, and current reports, proxy statements, and other information with the SEC. You may read and copy any document we file at the SEC’s public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can also request copies of the documents, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC’s web site at www.sec.gov.

Unless otherwise indicated, all share amounts and prices assume the consummation of the anticipated 10-for-1 reverse stock split to be effected immediately following the effectiveness of the registration statement of which this prospectus is a part.

About Dais Analytic Corporation

We have developed and are commercializing specialty nano-structured polymer materials (Aqualyte™). Using Aqualyte™ materials we are creating value added products which are designed to: (i) improve the energy efficiency in Heating, Ventilation and Air Conditioning (HVAC) equipment, (ii) replace the chemical refrigerants used in today’s HVAC systems as well as most all forms of refrigeration systems; (iii) remove impurities in contaminated water (such as waste water and seawater); and (iv) allow the storage of electrical energy in a device called an “ultracapacitor.”

Dais’ first commercial product, ConsERV™, is a fixed plate energy recovery ventilator unit that attaches to most all forms of HVAC equipment. Through use of the Aqualyte™ materials, ConsERV™ assists building and home-owners to increase ventilation thereby improving indoor air quality while saving energy, lowering CO2 emissions, and allowing for smaller HVAC systems to be installed through the management of moisture and temperature content in the air.

Several applications that use the Aqualyte™ platform are under development. These potential applications include:

NanoAir™, a water based packaged HVAC system that is potentially capable of achieving improvements in energy efficiency over traditional AC and refrigeration systems,

NanoClear™, a water clean-up process that has been demonstrated to provide parts per billion potable water from most forms of contaminated water, including salt, brackish or wastewater, and

NanoCap™, an energy storage device (ultracapacitor) we are currently researching and developing that uses the attributes of the Aqualyte™ material to potentially provide significantly greater energy density and power than conventional capacitors or batteries.

We are a New York corporation established on April 8, 1993 as Dais Corporation. We subsequently changed our name to Dais Analytic Corporation on December 13, 1999. Our principal executive offices are located at 11552 Prosperous Drive, Odessa, FL 33556. Our telephone number is (727) 375-8484. Our website can be accessed at www.daisanalytic.com and www.conserv.com. Information contained in our website is not a part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

Our Proprietary Technologies

We have multiple pending and issued patents in the U.S., China, Hong Kong and Europe, and under the Patent Cooperation Treaty (PCT). In addition, we co-own two PCT applications with Aegis Biosciences LLC, a biomaterials drug delivery technology company. These patents relate to, or are applications of, our nano-structured polymer materials that perform functions such as ion exchange and modification of surface properties. The polymers are selectively permeable to polar materials, such as water, in molecular form. Selective permeability allows these materials to function as a nano-filter in various transfer applications. These materials are made from base polymer resins available from commercial firms worldwide and possess what we believe to be some unique and controllable properties, such as:

Selectivity: Based on our research, we believe that when the polymer is made there are small channels created that are 5 to 30 nanometers in diameter. There are two types of these channels: hydrophilic (water permeable), and hydrophobic (water impermeable). The channels can be chemically tuned to be selective for the ions or molecules they transfer. The selectivity of the polymer can be adjusted to efficiently transfer water molecules from one face to the other using these channels.

¹ Testing performed by the Pasco County Water District as reported 3/8/10, and Constellation Technology laboratory as reported 1/5/10 and 1/7/10

High transfer rate: Based on in-house testing protocols and related results, we have found that the channels created when casting the materials into a nano-structured membrane have a transfer rate of water molecules, or flux, greater than 90% of an equivalent area of an open tube. This feature is fundamental to the material's ability to transfer moisture at the molecular level while substantially allowing or disallowing the transfer of certain other substances at a molecular level.

Unique surface characteristics: The materials offer a surface characteristics that we believe inhibit the growth of bacteria, fungus and algae and prevent adhesives from attaching.

The molecular selectivity, transfer rate and surface coating properties, coupled with our ability to produce the nano-structured materials at what we believe is an affordable price, distinguishes our technology and value-added products. By incorporating our nano-structured materials into our products, we strive to address current real-world market needs by offering what we believe to be higher efficiencies and improved price performance, compared to, for example, other energy recovery mechanisms available for HVAC that use coated paper or desiccant materials instead of our nano-structured polymer materials. For further details about our technology, please refer to our "Description of Business" in this prospectus.

Our Target Markets

We are currently focusing our efforts on applications of our nano-structure polymer technology materials in the following areas:

Energy Recovery Ventilators

ConsERV™ is a heating, ventilation and air conditioning (HVAC) energy conservation product which after reviewing the results of various third party tests, we believe will save an average of up to 30% on HVAC ventilation air operating costs and allow HVAC equipment to be up to 30% smaller, reducing peak energy usage by up to 20% while simultaneously improving indoor air quality by increasing the level of fresh air ventilation. This product makes HVAC systems operate more efficiently, and in many cases results in energy and cost savings. ConsERV™ may be added to most existing HVAC systems, typically in commercial buildings, to provide ventilation within the structure. It pre-conditions the incoming air by passing the air through our nano-technology polymer which has been formed into a filter, known in the market as a fixed plate core. The nano-technology core uses the stale building air that is simultaneously exhausted to transfer heat and moisture into or out of the incoming air. For summer air conditioning, the core removes some of the heat and humidity from the incoming air, transferring it to the exhaust air stream thereby, under certain conditions, saving energy. For winter heating, the core transfers a portion of the heat and humidity into the incoming air from the exhaust air stream thereby often saving energy.

We believe that there is significant demand for energy recovery ventilators in the U.S. and international markets. As reported by Frost and Sullivan in 2007, the North American market for energy recovery ventilators (ERVs) was estimated to be approximately \$1.1 billion. Projections made at that time were for 200% growth from that level by 2012. Market drivers behind this growth include higher ventilation standards, greater end user awareness, LEED (Leadership in Energy Efficiency and Design) certification points or incentives, and integration into the products of original equipment manufacturers (OEMs). Sales of ConsERV™ in 2010 increased to \$2,949,814 from \$1,439,041 in 2009. We believe the combination of high efficiency and low maintenance requirement as well as rapid ERV market expansion is driving this sales growth.

Our ConsERV™ product is the primary focus of our resources and commercialization efforts. When compared to similar competitive products and based on test results conducted by the Air-Conditioning, Heating and Refrigeration Institute (AHRI), a leading industry association in 2008, we believe ConsERV™ is twice as effective in managing a combination of latent and sensible heat as other fixed plate cores. This study is publicly available and was not prepared for our benefit or funded by us.

Residential and Commercial Heating, Air-Conditioning and Refrigeration

Our water-based packaged HVAC system, NanoAir™, which is in the early beta stage of development, dehumidifies and cools air in warm weather, or humidifies and heats air in cold weather. NanoAir™ may be capable of replacing a traditional refrigerant loop-based heating, cooling, and refrigeration system. We have a number of small prototype units showing fundamental heating, cooling, humidification, and dehumidification operations of this evolving application.

Based on our lab results to date, NanoAir™ may have the potential to reduce energy consumption by up to 50%, and is projected to be up to 3 times more energy efficient than current refrigerant gas-based technologies on the market today. Since heating and cooling costs account for approximately 19% of all energy consumed in the U.S. (second only to transportation), as stated by Dr. Steven Chu of the U.S. Department of Energy in 2010, we believe NanoAir™ may have the ability to provide significant energy savings. Further, since NanoAir™ uses no ozone-depleting refrigerants such as CFCs and HCFCs, the use of our nano-structured polymer technology may provide additional environmental and health benefits. We believe that there is a substantial market for HVAC systems that conserve energy without the use of conventional refrigerants.

*projected

Projected NanoAir™ Benefit Comparison

NanoAir™ is being partially funded by a \$681,322 grant from the U.S. Department of Energy's Advanced Research Projects Agency – Energy (ARPA-E) awarded to us in September of 2010, and a \$254,500 grant from Pasco County, Florida in December of 2010. The grant from Pasco County requires us to pay the county 2% of the gross sales of products using a certain unique pump assembly for 5 years, or a total of \$1,000,000 whichever occurs first.

Water Clean-Up

According to water quality evaluated by the Pasco County Technical Services in March 2010, and the China Academy of Environmental Science in December 2010, our NanoClear™ prototype system has demonstrated the ability to remove salt and other impurities from water to produce potable water using what we believe is an environmentally friendly design projected to be more energy efficient, reduce capital costs, and lower operating expenditures up to 50% over the market leading technology in use today (Reverse Osmosis). We have developed a number of functional demonstration units of various sizes, which highlight the basics of how this system works to produce potable water. These demonstration units are being used as the basis for the application's next planned inflection point: the construction and operation of a 10 cubic meter (approximately 26,500 gallons per day) pilot plant to be located near our office outside of Tampa, Florida at a Pasco County off-line waste water treatment facility where the local municipal government has granted Dais permission to construct and operate the pilot NanoClear™ facility. The NanoClear™ application is currently in the early stages of beta development.

We believe significant market opportunities for the NanoClear™ process exist in water cleanup including waste water (e.g. pharmaceutical, electronics, and other industrial uses as well as municipal applications), water desalination (salt and brackish water clean-up), and an array of consumer applications. Unlike other water desalination technologies, we believe the NanoClear™ process may have the ability to handle high concentrations of salt with no lasting damage to the base membrane materials. The benefit of such a technological advancement in the water desalination industry may mean higher outputs of clean water per volume of contaminated water, and we believe the ability to produce a near zero discharge of contaminants from the process. The world market for water and wastewater amounted to \$346.9 billion in 2008. According to 360 Consultancy/Acon AG, World-Wide water market profile dated May 2009, the market is expected to expand further with high growth rates to \$374.4 billion by 2009, and \$412 billion by 2010. The Central Government of China, on January 30, 2011 announced a \$608 billion government-mandated program citing that it is a 'national priority' for China to improve water conservation in the next decade. As a part of this initiative the Chinese government also said that it would increase its efforts to improve water quality and irrigation, and that it aims to eradicate the problem of unsafe drinking water in rural areas by 2015.

Further, based on our projections, we believe certain facility and mechanical layouts of the NanoClear™ process for water clean-up may be able to accomplish 90-95% water capture vs. 40-60% for traditional Reverse Osmosis (RO) systems clean water using NanoClear™ has a projected energy/water cost of \$0.25 to \$0.33 per cubic meters, (desalination) vs. \$0.50-\$1 per cubic meters for Reverse Osmosis. 2

Energy Storage

Based on initial material tests conducted by General Electric's Global Research and Development Center in 2008, and the University of Florida in 2010 and 2011, we believe that by applying a combination of our nano-material in a process which exercises key attributes of the material's properties, we may be able to construct an energy storage device akin to an ultracapacitor. An ultracapacitor is a device which stores energy similar to a battery but in this case with projected increases in energy density and lifetimes. We call this application NanoCap™. We believe the key application for NanoCap™ would be in transportation. We signed a research agreement with the University of Florida to conduct materials testing for the time period from July 2010 through September 2011. Although very early in the development path, preliminary results obtained in research by both GE and the University of Florida suggest that a NanoCap™ ultracapacitor, if fully developed, may possess an energy density comparable to that of gasoline.

2 Produced internally by Dais using test results of the materials, and the materials in application in laboratory settings.

The market size for ultracapacitors, worldwide, is projected to be \$500 million by 2012 as estimated by Greentech Media in January 2010 and includes electric vehicles, various electronics, smart grid and other applications.

Other

We have identified other potential products for our nano-materials and processes. Some have basic data to support additional functionality and market differentiation of a product based on our nano-technology inventions. These other products are based, in part, upon the known functionality of our materials and processes. Management anticipates that many of these other applications will be developed in the future with partners already in a given sales channel or line of business with us, as we grow and are able to internally fund such activities, development, manufacturing, and sales.

We expect ConSERV™ to continue to be the focus of our commercial product sales through 2011 with a growing emphasis on moving the development of the NanoClear™ and NanoAir™ technologies towards commercialization. However, we cannot provide assurance that any of the ongoing projects under development will ultimately be successful or commercially viable.

Proposed Reverse Stock Split and Conversion of Debt

Immediately following the effectiveness of the registration statement which this prospectus is a part of, and prior to closing of this offering, we will effect a 10-for-1 reverse stock split.

In connection with the closing of this offering, we intend to have all convertible notes outstanding in the aggregate principal amount of \$2,500,000 plus accrued interest, discharged by conversion or repayment using proceeds from the offering. As of September 12, 2011 we estimate that approximately \$1.51 million of net proceeds from the offering will be used to repay convertible notes, and that approximately 474,200 shares of common stock will be issued in the conversion of notes.

We have entered into an agreement with our CEO, Tim Tangredi, that provides that upon closing of the offering Mr. Tangredi's accrued compensation through the closing date in the approximate amount of \$1.05 million shall be paid with a combination of (a) cash, which we estimate at this time to be approximately \$380,000, which is intended to cover payment of income and other taxes due from the payment of such accrued compensation, and (b) shares of restricted common stock at a price equal to the price per share paid by investors in the public offering, for the remainder (which is assumed for purposes of this calculation to be \$4.00 per share after giving effect to the anticipated 10-for-1 reverse stock split, and based on this assumption would consist of approximately 166,971 shares of common stock). In addition, net proceeds from the offering will be used to pay approximately \$358,000 in accrued compensation to two employees, Patricia Tangredi and David Longacre.

For additional details regarding the above, see "Use of Proceeds" below in this prospectus.

Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described under "Risk Factors" beginning on page 15 of this prospectus, as well as other information included in this prospectus, including our financial statements and the notes thereto, before making an investment decision.

The Offering

The following summary contains basic information about the offering and our common stock and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of our common stock, please refer to the section of this prospectus entitled "Description of Capital Stock."

Issuer	Dais Analytic Corporation, a New York corporation.
Common stock offered by us	3,750,000 shares of common stock, par value \$0.01 per share. (1)
Over-allotment option	We have granted the underwriter an option to purchase up to an additional 562,500 shares of common stock within 45 days of the date of this prospectus in order to cover over-allotments, if any.
Common Stock outstanding before this offering	3,683,474 shares of common stock (1) (2)(3)
Common stock outstanding after this offering	7,433,474 shares of common stock (1)(2)(3)
Use of Proceeds	We intend to use the net proceeds from the sale of our common stock in this offering for working capital, to pay certain outstanding note obligations, to pay accrued salaries, and for general corporate purposes. For additional details concerning the use of proceeds see the section below in the prospectus titled "Use of Proceeds."
Market and trading symbol for the common stock	Our common stock is quoted on the Over-the-Counter Bulletin Board under the symbol "DLYT," and we have applied to list on AMEX.
Proposed AMEX listing symbol for our common stock	"DLYT"

Underwriter common stock
purchase warrant

In connection with this offering, we have also agreed to grant MDB Capital Group LLC a warrant to purchase up to a number of the shares of common stock equal to 10% of the shares sold in this offering. If this warrant is exercised, each share may be purchased by MDB Capital Group LLC at \$ _____ per share (equal to 120% of the price of the shares sold in this offering.)

Lockup Agreements

We intend to have each of our officers and directors agree that for a period of 180 days from the date of the underwriting agreement, they will be subject to a lock up prohibiting any sales, transfers or hedging transactions in our securities that are held by them. See section titled "Lockup Agreements" in this prospectus.

- (1) We have, for purposes of disclosure in this prospectus, assumed consummation of a 10-for-1 reverse stock split immediately following the effectiveness of the registration statement of which this prospectus is a part, and have assumed an offering price of \$4.00 per share (which is the midpoint of our expected offering range of \$3.00 to \$5.00 per share).
- (2) The number of shares of our common stock outstanding before and after this offering is based on the number of shares outstanding as of September 12, 2011, after giving effect to the anticipated 10-for-1 reverse stock split, and excludes:
 - 1,734,609 shares of our common stock issuable upon exercise of stock options under our stock plans,
 - 2,782,533 shares of our common stock reserved for issuance under various outstanding warrant agreements,
 - Shares of our common stock issuable upon conversion of our convertible promissory notes in the aggregate principal amount of \$2,500,000 plus accrued interest as of the closing date of the offering, which (as of September 12, 2011) if fully converted into shares would result in the issuance of approximately 1,055,848 shares. The conversion of these notes are subject to limitations on conversion, and because of these limitations we estimate that as of September 12, 2011 approximately \$1.51 million of net proceeds from the offering will be used to repay principal and interest under these notes, and that approximately 474,200 shares of common stock will be issued in the conversion of the notes (see sections titled "Use of Proceeds" and "Capitalization" below in this prospectus);
 - 950,500 shares of our common stock reserved for future issuance under our stock plans; and,
 - Shares of our common stock issuable upon conversion of a portion of the accrued salary of our CEO to common stock; as of September 12, 2011 the CEO's total accrued unpaid compensation was \$1,047,884, which would be converted at the closing date of the offering into approximately 166,971 shares of common stock (based on an assumed public offering price of \$4.00 per share, and assuming \$380,000 of such accrued compensation will be paid to the CEO in cash).

Unless otherwise specifically stated, information throughout this prospectus assumes that none of our outstanding options or warrants to purchase shares of our common stock have been exercised, and that none of our convertible securities have been converted.

- (3) Unless otherwise indicated, the number of shares of common stock presented in this prospectus excludes shares issuable pursuant to the exercise of the underwriter's over-allotment option and underwriter's warrant.

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SUMMARY FINANCIAL DATA

The table below includes historical selected financial data for each of the years ended December 31, 2010 and 2009 (as restated), derived from our audited financial statements included elsewhere in this prospectus. The table below also includes historical financial data for the three and six month periods ending June 30, 2010 (as restated) and 2011, derived from our unaudited financial statements included elsewhere in this prospectus.

You should read the historical selected financial information presented below in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and our financial statements and the notes to those financial statements included elsewhere in this prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period.

	For the Years Ended December 31,		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2010	2009 as restated	2011	2010 as restated	2011	2010
STATEMENT OF OPERATIONS:						
Revenues	\$3,342,468	\$ 1,531,215	\$1,124,079	\$ 1,010,142	\$1,982,773	\$ 1,417,454
Cost of goods sold	(2,290,041)	(1,071,098)	(806,674)	(550,196)	(1,507,564)	(871,522)
Operating expenses	(2,931,274)	(3,224,592)	(803,725)	(1,029,394)	(1,728,058)	(1,588,914)
Loss from operations	(1,878,847)	(2,764,475)	(486,320)	(569,448)	(1,252,849)	(1,042,982)
Change in fair value of warrant liability	618,801	(3,731,694)	1,694,170	1,835,094	(657,937)	327,066
Interest and other expense	(173,547)	(620,907)	(416,265)	(55,233)	(579,774)	(101,736)
Net loss	\$(1,433,593)	\$(7,117,076)	\$791,585	\$ 1,210,413	\$(2,490,560)	\$ (817,652)
Net loss per common share, basic	\$(0.05)	\$ (0.36)	\$0.02	\$ 0.04	\$(0.07)	\$ (0.03)
Net loss per common share, diluted	\$(0.05)	\$ (0.36)	\$0.02	\$ 0.03	\$(0.07)	\$ (0.03)
Weighted average common shares outstanding, basic	29,985,632	19,960,150	35,089,169	29,800,194	34,335,348	29,577,797