

Hudson Technologies (NASDAQ:HDSN) is a leading provider of refrigerants and reclamation services for commercial refrigeration and air conditioning systems. The company also provides on-site decontamination services and energy efficiency assessments.

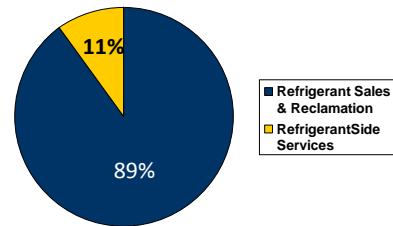
Stock Price:	\$1.40
Market Capitalization:	\$33 million
Insider Ownership:	31%
Institutional Ownership:	22%
Shares Outstanding:	23.8M

Company & Industry Overview

Refrigerants are necessary in the operation of a variety of cooling applications, including residential/mobile air conditioners and large scale air conditioning/refrigeration systems for industrial and corporate buildings. Hudson sells and reclaims all refrigerants including, CFCs, HCFCs and HFCs.

Hudson derives revenue from the following operations:

- Refrigerant sales and the reclamation of refrigerants
- Service work on large process and comfort cooling systems:
 - Predictive: providing services to optimize energy efficiency
 - Emergency: response solutions to owners and large mechanical contractors



Hudson's Growth Opportunity

Customer Focus on Sustainability Provides Long Term Growth Opportunities Across Hudson's Business

- Historical annual organic growth rate of 14%
- Seeking additional growth through acquisitions and joint ventures
- Expanding international presence; recently established Hudson Technologies Europe

Refrigerant Sales:

- Estimated U.S. refrigerant aftermarket: \$1 Billion
- Majority of organic growth has been from core business of supplying all refrigerants in the aftermarket
- Significant opportunity to capture additional market share through growing presence in the domestic and international markets

Reclamation Services:

- Estimated international reclamation market: \$100+ Million
- Leader in the U.S. reclamation market for the collection, recycling and resale of refrigerants
- Multiple refrigerants are expected to be phased out by the EPA
- Phase outs expected to cause a supply gap; anticipate gap to be filled with reclaimed refrigerant
- Refrigeration equipment is expensive to replace, typically having a life span of 15-20 years, and not easily switched to replacement gases in the event of phase out

Energy Optimization Services:

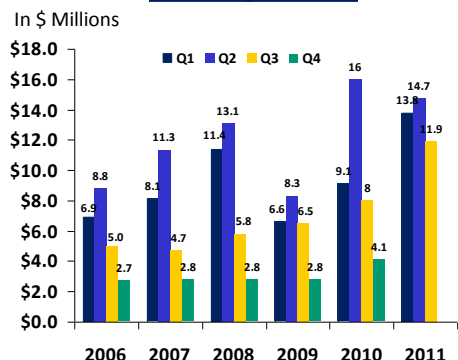
- Estimated international energy efficiency market: \$20+ Billion
- High energy costs and focus on emissions control are creating demand for Hudson's energy optimization services
- Ability to optimize energy consumption of both steam and refrigeration systems and to provide money saving, carbon reducing solutions
- Providing onsite recovery, preventative services and emergency repairs to optimize operating systems
- Recently established Hudson Technologies Europe, joint venture to access markets in Europe, Middle East and North Africa

High Margin Carbon Credit Opportunity:

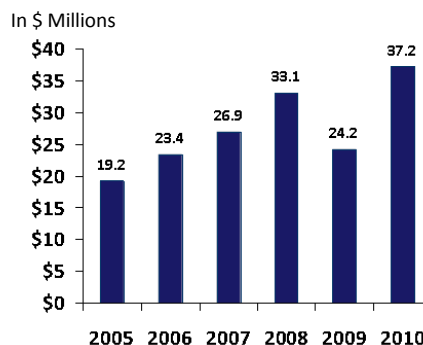
- Estimated international carbon credit market: \$100+ Billion
- Ozone depleting gases, such as refrigerants, have high value in the carbon credit market
- Hudson has superior access to these gases through reclamation activity
- Partnering with EOS for access to carbon credit markets

Revenue Growth

Quarterly Revenue



Annual Revenue



A more than five-year growth trend was interrupted in 2009 due largely to economic uncertainty and unprecedented cold summer temperatures in the northern and northeastern areas of the U.S.

- 2010 saw a return to double-digit revenue growth
- Record revenue growth in first nine months of 2011

Select Financial Information

Selected Consolidated Statements of Operation (in 000s, except per share data)

	Three Months Ended		Nine Months Ended	
	<u>9/30/2011</u>	<u>9/30/2010</u>	<u>9/30/2011</u>	<u>9/30/2010</u>
	(Unaudited)		(Unaudited)	
Revenues	\$11,935	\$7,996	\$40,465	\$33,133
Gross Profit	1,470	1,804	7,879	6,678
Operating Income (loss)	7	398	3,526	2,676
Net Income (loss)	(\$113)	\$200	\$1,756	\$1,257
Net Income (loss) Per Common Share - Basic	(\$0.00)	\$0.01	\$0.07	\$0.06
Net Income (loss) Per Common Share - Diluted	(\$0.00)	\$0.01	\$0.07	\$0.05
Weighted average number of shares outstanding-Basic	23,780,606	23,780,606	23,780,606	21,904,828
Weighted average number of shares outstanding-Diluted	23,780,606	25,228,525	24,921,835	23,363,760

Selected Consolidated Balance Sheet data (in 000s)

	As of <u>9/30/2011</u> (Unaudited)	As of <u>12/31/2010</u> (Audited)
Cash & Cash Equivalents	\$5,189	\$3,926
Total Current Assets	21,595	24,280
Total Assets	27,436	31,096
Total Current Liabilities	7,531	12,055
Long Term Debt, less current maturities	150	1,018
Total Stockholders' Equity	19,755	18,023

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Statements contained herein, which are not historical facts constitute forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, changes in the markets for refrigerants (including unfavorable market conditions adversely affecting the demand for, and the price of refrigerants), the Company's ability to source refrigerants, regulatory and economic factors, seasonality, competition, litigation, the nature of supplier or customer arrangements which become available to the Company in the future, adverse weather conditions, possible technological obsolescence of existing products and services, possible reduction in the carrying value of long-lived assets, estimates of the useful life of its assets, potential environmental liability, customer concentration, the ability to obtain financing and other risks detailed in the Company's periodic reports filed with the Securities and Exchange Commission. The words "believe", "expect", "anticipate", "may", "plan", "should" and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made.