



TAGLICH BROTHERS

The Standard of Excellence in the Microcap Market

Member: FINRA, SIPC

Earnings Note

Investors should consider this report as only a single factor in making their investment decision.

BioForce NanoSciences Holdings

Rating: Speculative Buy

Juan Noble

BFNH \$0.15 — (BFNH: OTC BB)

August 18, 2008

BioForce Nanosciences Holdings, Inc. (BFNH.OB), headquartered in Ames, IA, markets the Nano eNabler™, a benchtop molecular printer used to produce ultraminiaturized biological sensors, biological tests and other ultraminiaturized devices. The company produces proprietary consumables – surface patterning tools and silicon chips – to support the Nano eNabler, and is developing advanced diagnostics, standard and customized patterned surfaces, a high-throughput Nano eNabler system for use by biopharmaceutical firms and a Nano eNabler for use specifically in cellular biology research.

2008 2Q results (\$ thousands), derived from an August 14, 2008 10-Q filing, and our 2Q estimates, are as follows:

	Quarter Ending June 30:			% Δ '08 vs. '07
	2008A	2008E	2007A	
Sales	212	705	185	15%
Cost of sales	161	335	156	4%
Gross profit	50	370	29	73%
Operating expenses				
R&D	306	450	292	5%
Sales/marketing	295	450	323	(9%)
G&A	353	650	674	(48%)
Reimbursement - grants	(65)	(125)	(165)	(60%)
Total	889	1,425	1,124	(21%)
Operating loss	(839)	(1,055)	(1,095)	(23%)
Other				
Interest and other income	6	19	13	(49%)
Debt forgiveness income	0			
Abandoned stock offering costs	0			
Interest expense	(53)	(2)	(4)	1286%
Net loss	(885)	(1,038)	(1,086)	(18%)
Preferred dividends				
Net loss on common stock	(885)	(1,038)		
Avg shares outstanding	25,116	31,500	24,100	
Loss per share	(0.04)	(0.03)	(0.05)	(22%)

Source: Company reports and Taglich Brothers estimates

** Please view our disclaimer located on page 5.*

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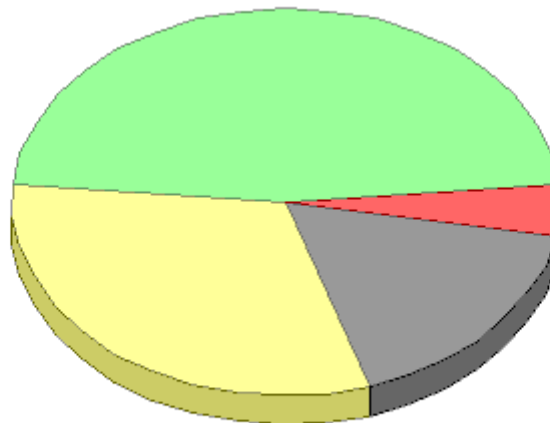
Estimate Comment: The loss for the quarter was larger than we projected. Revenue fell far short of our expectations but operating expenses were relatively well contained. The loss per share was larger, as potentially antidilutive equity financing did not take place as we projected.

Rating: Reiterate Speculative Buy

Risks: Please review our latest research report (January 14, 2008) for a summary of the principal risks underlying the stock.



Taglich Brothers Current Ratings Distribution



■ 47.14 % Buy ■ 31.43 % Hold ■ 17.14 % Not Rated ■ 4.29 % Sell

Investment Banking Services for Companies Covered in the Past 12 Months		
Rating	#	%
Buy	0	0
Hold	0	0
Sell	0	0
Not Rated	0	0

Meaning of Ratings

Buy

We believe the Company is undervalued relative to its market and peers. We believe its risk reward ratio strongly advocates purchase of the stock relative to other stocks in the marketplace. Remember, with all equities there is always downside risk.

Speculative Buy

We believe that the long run prospects of the Company are positive. We believe its risk reward ratio advocates purchase of the stock. We feel the investment risk is higher than our typical “buy” recommendation. In the short run, the stock may be subject to high volatility and continue to trade at a discount to its market.

Neutral

We will remain neutral pending certain developments.

Underperform

We believe that the Company may be fairly valued based on its current status. Upside potential is limited relative to investment risk.

Sell

We believe that the Company is significantly overvalued based on its current status. The future of the Company's operations may be questionable and there is an extreme level of investment risk relative to reward.

Some notable Risks within the Microcap Market

Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.

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As of the date of this report, we, our affiliates, any officer, director or stockholder, or any member of their families do not have a position in the stock of the company mentioned in this report. Taglich Brothers, Inc. does not have an investment banking relationship with the company mentioned in this report and was not a manager or co-manger of any offering for the company within the last three years.

All research issued by Taglich Brothers, Inc. is based on public information. In November, 2007, the company paid a monetary fee of US\$24,000 for the creation and dissemination of research reports for one year, and will, starting January, 2009, pay a monetary fee of US\$2,000 per month for the continued creation and dissemination of research reports.

I, Juan Noble, the research analyst of this report, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.