

CANADREAM CORPORATION

Price (June 23, 2009)	\$0.16
52-Week Range	\$0.55-\$0.12
Shares O/S	16.6 million
Market Cap	\$2.6 million
Enterprise Value (Jan 31/09)	\$31.9 million
Enterprise Value Per Share	\$1.93
50-day Avg Volume	6,400
200-day Avg Volume	14,100
Fiscal Year-End	April 30
Symbol	TSX-V: CDN



Source: www.bigcharts.com

Financial Data

Selected Balance Sheet (\$000s)	At Apr 07	At Apr 08	At Jan 09
Cash (& Equivalents)	\$2,140	\$686	\$807
Total Debt	\$20,648	\$16,314	\$25,469
Shareholders' Equity	\$5,046	\$4,858	\$7,150
Total Assets	\$28,583	\$24,640	\$35,166
Market Cap	\$5,449	\$7,446	\$7,267
Enterprise Value	\$23,957	\$23,074	\$31,929
Working Capital	\$1,752	\$359	\$380
Working Capital Ratio	2.41x	1.26x	1.40x
Selected Income/Cash Flow (\$000s)	12 Months Apr-07	12 Months Apr-08	Last 12 Mos Mar-09
Revenue	\$13,655	\$14,544	\$15,902
Operating Profit	\$8,531	\$8,705	\$10,478
Net Income	\$16	(\$8)	\$924
Cash Flow (CF) From Operations	\$3,416	\$3,238	\$5,185
Key Statistics			
Operating Profit Margin	62.5%	59.9%	65.9%
Gen & Admin ("Burn")	\$3,392	\$3,566	\$3,557
Gen & Admin ("Burn") : Monthly	\$283	\$297	\$296
Cash/Monthly Burn (months)	8	2	3
Per Share Statistics			
Operating Profit Per Share	\$0.52	\$0.53	\$0.63
Net Income Per Share	\$0.00	(\$0.00)	\$0.06
Shareholders' Equity Per Share	\$0.31	\$0.29	\$0.43
Cash Per Share	\$0.13	\$0.04	\$0.05
Enterprise Value Per Share	\$1.45	\$1.39	\$1.93
Multiples			
Price/Shareholders' Equity	1.08x	1.53x	1.02x
Price/Cash	2.55x	10.85x	9.01x

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Note: Report prepared with public information only.

PROFILE

CanaDream Corporation rents recreational vehicles, such as camper units and motor-homes from its fleet of approximately 700 units through six Company-operated locations across Canada: Calgary, Vancouver, Whitehorse, Toronto, Montreal and Halifax. The Company also has associate dealer franchise locations in Kelowna and Victoria, B.C.

Of lesser significance, the Company sells units from its fleet inventory to both wholesale and retail customers. The latter activities accounted for 5%, or less, of total operating income in each of the past four years.

The Company's core vehicle rental operations are seasonal with the majority of its revenue being generated in the first half of its fiscal year, (i.e., the six summer months from May 1 to October 31).

The Company began operations in 1995 when its founders bought Canada Campers, a company that was in receivership.

CanaDream went public in December 1998.

OPERATIONS

The Company rents a variety of motor-homes and truck campers to customers for periods primarily ranging from 7 to 13 nights. In the summer, the minimum rental is 7 nights; this drops to 5 nights for the balance of the year. It has a trip planning service that provides customers with details of selected trips, highlighting the attractions of the particular area in which the customer is interested. These include recommended campgrounds, tourist attractions and suggested driving times. Some of the trips are focused on seasonal highlights such as fall foliage trips in eastern Canada and "Northern Lights" viewing trips in the summer in northern Canada.

The Company also offers early summer specials at some locations. If a customer is flexible and does not require a specific type of unit, advantage may be taken of the Company's "Run of Fleet" specials. Under this program, the customer takes whatever vehicle is available at the processing location on the first day of the trip. The customer can receive a discount of up to 20% from the normal rate under this promotion.

Customers are required to take an insurance package on their units with the cost being added to the price of the rental. They also pay a refundable security deposit, which is returned if the unit is returned in satisfactory, and undamaged and unmarked condition.

COMPETITIVE ADVANTAGE

The Company's key competitive strengths are: (1) its investment in proprietary technology which is used for a number of applications; (2) its investment in an updated and well-maintained rental fleet; and (3) an emphasis on well-trained and experienced staff at all its locations.

CanaDream's proprietary technology has been developed for a variety of systems ranging from its booking and reservation system to other applications such as fleet management, general management and cost control. This enables management to utilize its fleet better and, therefore, generate higher profit margins.

OUTLOOK

For 2009, a Travel Industry of America survey is forecasting a 1.3% decline in personal leisure trips as a result of the recession. Business travel is expected to decline at a greater rate; however, consumers are more reluctant to eliminate totally their vacation plans. Thus, two trends which have developed recently are: (1) plans by consumers to take their vacations closer to home; and (2) an increased emphasis on lower cost vacations.

COMMENT: We believe that both these trends are likely to impact the Canadian travel industry and we expect that they will be beneficial to RV rental companies such as CanaDream.

The U.S. Recreational Vehicle Rental Association estimates that a one week vacation for a family of four using a RV or motor-home is approximately 57% less expensive than a conventional vacation with flights, car rental, motel, and meal expenses.

In this environment, we are estimating that CanaDream should generate earnings of about \$0.03 to \$0.05 per share for both fiscal 2009 and 2010, (year ending April 30).

Over the longer term, we expect the Company to continue to grow its existing operations, as well as to expand through additional associate dealer franchises and possible acquisitions in the tourism industry as these opportunities become available.

THIRD QUARTER FINANCIALS

For the third quarter of fiscal 2009, the Company reported a loss of 10.1 cents per share, slightly better than the 10.5 cent per share loss incurred in the same period in fiscal 2008. Rental revenues increased 84% to \$79,000 in this traditionally weak quarter for the Company. However, this was more than offset by a 36% decline in fleet sales revenue. Most notably, the operating margin declined considerably.

Third Quarter Results	%	3 Months 3 Months	
(000s)	Change	Jan 31/09	Jan 31/08
Revenue	-30.3%	\$675	\$968
Operating Income	-59.7%	(\$215)	(\$534)
Operating Margin		-31.9%	-55.2%
Net Income	-5.0%	(\$1,693)	(\$1,782)
Net Margin		-250.8%	-184.1%
EPS	-9.1%	(\$0.10)	(\$0.11)
Shares Outstanding	-0.4%	16,547	16,617

Source: eResearch and Company

NINE MONTHS FINANCIALS

These quarterly results brought earnings for the first nine months of fiscal 2009 to 13.8 cents per share, a 68% gain from the 8.2 cents per share earned in the first three quarters of fiscal 2008. Rental revenues increased 8% to a record \$15.4 million for the latest nine month period. The strong performance reflected the benefit of increased fleet utilization and higher revenues per night combined with lower expenses. Overall revenues rose 6.8% to \$20.4 million.

Nine Months Results (000s)	%	9 Months	
		9 Months Jan 31/09	9 Months Jan 31/08
Revenue	7.1%	\$20,424	\$19,066
Operating Income	19.9%	\$10,669	\$8,896
Operating Margin		52.2%	46.7%
Net Income	67.3%	\$2,316	\$1,384
Net Margin		11.3%	7.3%
EPS	75.0%	\$0.14	\$0.08
Shares Outstanding	-0.2%	16,516	16,548

Source: eResearch and Company

MANAGEMENT

Brian Gronberg, President & CEO since November 1998;

KariAnn Burmaster, CFO since January 2007.

DIRECTORS

Brian Gronberg, Blaine Nicholson, Gerry Wood, Scott Graham and Todd Nicholson.

FULL YEAR FINANCIALS

The following table shows salient financial statistics for the past two years: 2007 and 2008.

Fiscal Year Ending: (000s)	Apr 30 2007	Apr 30 2008	12 Months Jan-09
Revenue	\$13,655	\$14,544	\$15,902
Operating Income	\$8,531	\$8,705	\$10,478
Operating Margin	62.5%	59.9%	65.9%
Net Income	\$16	(\$8)	\$924
Net Margin	0.1%	-0.1%	5.8%

Current Assets	\$2,993	\$1,727	\$1,330
Current Liabilities	\$1,241	\$1,368	\$950
Working Capital	\$1,752	\$359	\$380
Working Capital Ratio	2.41	1.26	1.40
Cash	\$2,140	\$686	\$807
Operating Cash Flow	\$3,416	\$3,238	\$5,185
Total Assets	\$28,583	\$24,640	\$35,166
Shareholders' Equity	\$5,046	\$4,858	\$7,150

Shares O/S (End of Year)	16,511	16,547	16,516
Shares O/S (Wtd Avg)	16,559	16,529	16,516
Revenue Per Share	\$0.82	\$0.88	\$0.96
Operating Income Per Share	\$0.52	\$0.53	\$0.63
Net Income Per Share	\$0.00	(\$0.00)	\$0.06
Cash Per Share	\$0.13	\$0.04	\$0.05
Operating Cash Flow PS	\$0.21	\$0.20	\$0.31
Total Assets Per Share	\$1.73	\$1.49	\$2.13
Book Value Per Share	\$0.31	\$0.29	\$0.43

Source: eResearch and Company

CORPORATE INFORMATION

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