RMTI (NasdaqGM) **$5.18**

Rating: **Buy**

Price Target: **L/T** **$7.00**

Report Type INITIATION OF COVERAGE **May 6, 2009**

Rockwell Medical Technologies

COMPANY PROFILE

Rockwell Medical Technologies is a biopharmaceutical company offering products and services initially targeting end-stage renal disease (ESRD), chronic kidney disease (CKD) and iron deficiency anemia.

MARKET DATA

52-Week High/Low	$7.49/$1.06
Ave. Daily Volume	21,000 sh
Shares Outstanding (approx)	14.13 mil sh
Fully Diluted (approx)*	16.2 mil sh
Public Float (approx)	11.95 mil sh
Short Position/Ratio (of float) (approx)	192,000 sh/1.6%

*By our calculations fully diluted shares are approx 16.2 mil sh.

FINANCIAL DATA

Market Capitalization (Fully Diluted approx)	$84 mil
Cash & Equivalents (12/31)	$5.6 mil
Book Value (approx)	$0.73
Short-term Debt (approx 12/31)*	$176,850
Long-term Debt (approx 12/31)	$41,203
Total Debt (approx 12/31)*	$218,053
Total Debt/Equity (approx)	1.8%
Total Debt/Total Capitalization	1.8%

*Debt exclusive of additional liabilities of approx $6.92 mil.

	Revs	EPS	Oper Cash Flow
2006	$ 28.64 mil	$ (0.41)	$ (493,517)
Q1	$ 9.47 mil	$ (0.14)	$ (2,578,246)
Q2	$ 10.55 mil	$ (0.04)	$ (562,988)
Q3	$ 11.07 mil	$ (0.04)	$ (659,584)
Q4	$ 11.95 mil	$ (0.09)	$ 402,207
2007	$ 43.04 mil	$ (0.32)	$ (3,398,611)
Q1	$ 12.41 mil	$ (0.09)	$ (121,974)
Q2	$ 12.18 mil	$ (0.08)	$ (489,730)
Q3	$ 13.53 mil	$ (0.18)	$ (1,842,808)
Q4	$ 13.54 mil	$ (0.22)	$ (1,823,986)
2008	$ 51.67 mil	$ (0.57)	$ (4,268,498)

EPS numbers might not add exactly due to rounding.

INITIATING COVERAGE WITH A BUY RATING

HIGHLIGHTS

- **The company has demonstrated excellent revenue growth.** 2008 revenues were $51.67 mil, up 20% y-t-y, 2007 revenues were $43.04 mil, up 50% y-t-y. On a valuation basis the stock is currently trading at approx. one and a half times their 2008 rev's.
- **The co. sees various growth opportunities** including expanding their product offerings, expanding their distribution channels, increasing their global market share and developing a pipeline of drug candidates to establish themselves as a specialty pharmaceutical drug company focused on renal drug therapies.
- **The company's lead drug therapy candidate, SFP, is currently undergoing FDA clinical trials.** SFP is an iron maintenance therapy that has exhibited a strong safety profile and which the co. has high expectations for.
- **Initiate coverage with a Buy rating.**

www.rockwellmed.com

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PLEASE READ THE IMPORTANT DISCLOSURES AND CERTIFICATIONS AT THE END OF THIS REPORT

INITIATING COVERAGE OF ROCKWELL MEDICAL TECHNOLOGIES, INC. WITH A BUY RATING

We are initiating coverage of Rockwell Medical Technologies, Inc. with a Buy rating.

COMPANY SUMMARY

Rockwell Medical Technologies is a biopharmaceutical company offering products and services targeting end-stage renal disease (ESRD), chronic kidney disease (CKD) and iron deficiency anemia. The company is one of only four major hemodialysis concentrate manufacturers/distributors in the US.

The company's corporate office is located at 30142 Wixom Rd, Wixom, MI 48393, their phone number is 248-960-9009 and their website is *www.rockwellmed.com*. The company has a total of three manufacturing facilities and also has a delivery/transportation subsidiary, Rockwell Transportation, Inc.

Rockwell Medical was founded in 1995 by Robert Chioini, the current CEO, President and Chairman of the company. The company was incorporated in 1996 and went public in 1998.

THE COMPANY

Rockwell Medical Technologies is a biopharmaceutical company offering products and services initially targeting end-stage renal disease (ESRD), chronic kidney disease (CKD) and iron deficiency anemia. The company manufactures, sells and distributes hemodialysis concentrate solutions and dialysis kits to hemodialysis providers (kidney dialysis providers) primarily in the US, Latin America, Europe and Asia. The company also offers a variety of ancillary products including blood tubing, fistula needles, dressings, cleansing agents, filtration salts and other supplies used by hemodialysis providers. The company's dialysis solution is known as dialysate, which is used for the treatment of dialysis patients with iron deficiency, common in kidney dialysis patients.

The company's products are marketed through company salespeople, distributors and independent sales agents. The company's products are sold to hemodialysis providers, including independent hemodialysis providers and regional and national hemodialysis providers. The company's marketing efforts also include advertising in trade publications, distribution of product literature and attendance at industry trade shows and conferences.

The company's products are used to cleanse kidney dialysis patients' bloodstreams and replace nutrients lost during the dialysis process. Hemodialysis is used to duplicate kidney function for patients that suffer from ESRD. There are approximately 375,000 ESRD patients in the US, estimated to be increasing by approximately 4% annually, and there are approximately 2 million ESRD patients globally, estimated to be increasing by approximately 6% annually. The three major global dialysis markets are the US, the European Union and Japan, comprising approximately 55%-60% of the total number for global treatments. ESRD is an advanced stage of chronic kidney disease (CKD) characterized by the irreversible loss of kidney function. Without properly functioning kidneys, a patient's body cannot get rid of excess water and toxic waste products. For these patients their only choices are dialysis or a kidney transplant.

In the US alone there are approximately 90,000 deaths annually from diseases of the kidney and urinary tract. Primary causes of kidney disease are diabetes and high blood pressure. A kidney transplant is the best option for an ESRD patient. However, more than 50% of patients with end-stage kidney disease do not meet the requirements for a kidney transplant. In the US there are approximately 30,000 people on the waiting list for a kidney transplant, with the wait varying anywhere from a few weeks to two years or more. Generally less than half that number of patients will actually receive a transplant. Even with a transplant, rejection rates range from 10% to 25%. For all those patients who cannot qualify for a kidney transplant, or for those who are waiting for a transplant, dialysis, either peritoneal dialysis or hemodialysis, is basically the only choice to replace kidney function. Hemodialysis, also referred to as kidney dialysis, is the treatment used by the majority of dialysis patients. Hemodialysis can be performed at home, however most patients are dialyzed in a hospital or at one of thousands of dialysis clinics.

Rockwell has also licensed and begun developing unique, proprietary renal drug therapies for both iron delivery and carnitine/vitamin-delivery, utilizing dialysate as the delivery mechanism, designed to support disease management initiatives to improve the quality of life and care of dialysis patients as well as decreasing drug administration costs

and improving patient convenience. The company is developing a pipeline of potential drug therapies, including extensions of their SFP therapy, for indications outside of hemodialysis.

The company is currently conducting FDA Phase 2b (IIb) clinical trials for SFP, an iron deficiency anemia drug, soluble ferric pyrophosphate, also referred to as dialysate iron. The company has licensed the exclusive worldwide rights to SFP and has secured patents for SFP in several countries, including the three largest dialysis markets in the world, the US, Japan and the European Union. The company will also be seeking foreign market approval of SFP. SFP is an iron maintenance therapy designed to treat or prevent iron deficiency anemia in ESRD patients by delivering iron supplementation. Iron supplementation is routinely administered to more than 90% of patients receiving treatment for anemia. SFP is a proprietary, water-soluble form of iron that travels directly to the bloodstream and transfers iron at a cellular level, similar to normal healthy iron uptake. SFP is designed as a continuous maintenance treatment consisting of small doses administered with every dialysis session to maintain iron status tests stable within target recommendations. SFP has shown excellent progress to date and has exhibited a strong safety profile in FDA clinical trials. The clinical trials that have been administered up to this point suggest that SFP delivered during each dialysis treatment, via the company's dialysate, has the ability to maintain optimal iron balance and avoid liver toxicity while decreasing associated pharmaceutical intravenous (IV) iron administration costs. The company believes that SFP will substantially improve iron maintenance therapy. Recent academic studies have shown that more frequent maintenance doses of iron improve the therapeutic response and benefits of recombinant erythropoietin treatments. The total US market alone for IV iron therapy is approximately $500 million annually, and the total global market is estimated to be approximately $850 million annually.

The 2b study is a six month, multi-center, double-blind study, currently consisting of 130 hemodialysis patients at multiple dialysis centers in the US and Canada. Subjects are randomized to receive one of several concentrations of SFP or a placebo in dialysate during their normal three times a week dialysis regimen. The primary objectives of the study are to evaluate both safety and efficacy of SFP at varying dose levels and to determine the optimal concentration of SFP that will maintain iron balance within the target hemoglobin range. The company anticipates having study data available in Q4 of 2009, and they hope to commence Phase 3 clinical trials shortly thereafter, or approximately Q4 2009/Q1 2010. There is also an NIH (National Institutes of Health) study currently underway on SFP. The successful completion of the SFP development program is currently the company's primary priority. The company will explore future opportunities in the specialty pharmaceutical market, with an emphasis on renal drug therapies.

The company has high expectations for SFP. We would note however that the FDA clinical trial and approval process can be long and arduous, and the company might not see an FDA approval for a number of years, or conceivably might not even receive FDA approval. However, FDA approval of SFP could not only prove to be an additional substantial revenue stream for the company, but it could also begin the company's transition to also become a specialty pharmaceutical company and could potentially greatly increase awareness of the company.

The company has been expanding their scientific advisory board by appointing additional iron and renal failure experts in order to further strengthen their expertise in anemia and iron deficiency, and have been hiring key executives to further their clinical development efforts.

The company has also entered into a licensing agreement related to a patent for the delivery of carnitine and vitamins via the company's hemodialysis solutions, a product which will also require FDA approval. The company is planning on adding additional renal therapies to their drug therapy pipeline. Both the SFP and the carnitine/vitamins are planned to be additives to the company's dialysate product. The SFP combined with their dialysate will be known as iron supplemented dialysate.

The company in 2007 achieved a substantial revenue and market share gain over 2006, increasing their revenues by 50% from $28.64 million in 2006 to $43.04 in 2007. This was primarily due to a major competitor, Gambro, exiting the hemodialysis concentrate market. As a result of this Rockwell was able to increase their customer base substantially and gain as clients many chain and independent hemodialysis clinics previously served by Gambro. Many of these clinics were owned by DaVita, Inc., the second largest dialysis provider in the US. The number of clinics serviced by Rockwell increased by 50% in 2007 over 2006.

The company's 2008 revenues were up 20% over 2007, to $51.7 million. This growth was due to increasing international business, and increased domestic business primarily due to the continuing effects of Gambro exiting the concentrate market.

RECENT ANNOUNCEMENTS

On April 29, 2009, the company announced that patient enrollment is complete for their SFP Phase 2b dose ranging study.

On April 16, 2009, the company announced updated DSMB (Data Safety Monitoring Board) interim results. The DSMB is providing oversight for the current SFP Phase 2b clinical trials. The DMSB reviewed the interim study data and informed the company that it had no safety concerns. The DMSB also determined that there was no need to add an additional higher dose group and recommended the continuation of the study with the current five dose groups.

On March 16, 2009, the company issued their Q4 and full-year 2008 financial results.

COMPANY GOALS/EXPANSION PLANS

The company's goals are to develop their dialysis concentrate and supply business and to develop drugs, nutrients and vitamins to be delivered by their dialysis concentrate products. The company's long-term objectives are to increase their market share, expand their product line, expand their geographic and global distribution capabilities and improve their profitability. The company is planning on achieving these results by various means including the following:

Expand and diversify the company's product offerings.

Become a sole source supplier to their customers for all the products necessary to support hemodialysis services.

Expand the company's distribution network:

The company intends to broaden their distribution channel in order to increase their penetration into the dialysis provider market and increase their global market share.

Expand their senior management team:

The company is planning on hiring additional key executives to aid in establishing an identity within the specialty pharmaceutical market.

Develop and gain FDA approval of a pipeline of specialty pharmaceutical product offerings:

The company is currently in Phase 2b FDA clinical trials of their lead drug therapy candidate, SFP. The company is planning on pursuing additional renal therapies and hopes to establish itself as a specialty pharmaceutical company.

FINANCIALS

The company will be releasing their Q1 2009 results on May 11, 2009 and will be holding a conference call to discuss those results.

We would note that we would like to see additional detail posted in the company's financial statements, especially in the company's income statement. Although additional detail is provided in the "Notes" to the financials section and the "Management's Discussion and Analysis" section, we would like to see additional line items listed in the actual financial statements as well.

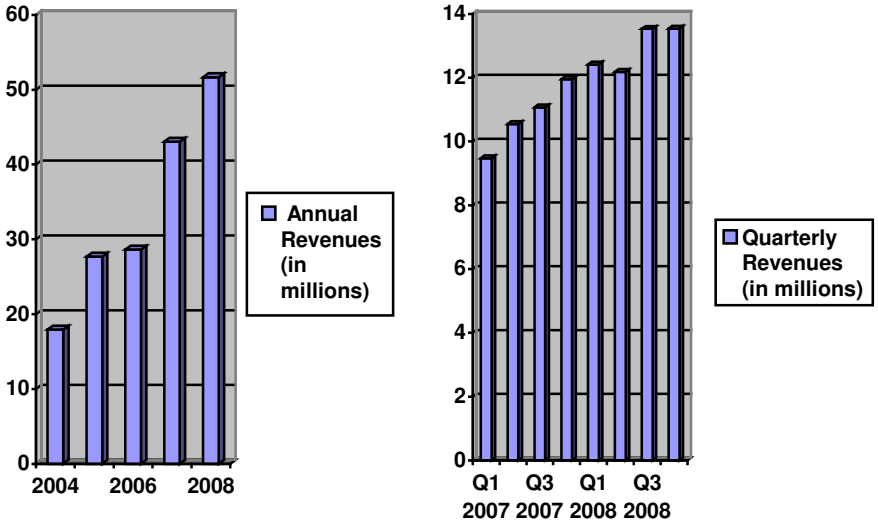
Q4/2008 YEAR-END RESULTS

Q4 RESULTS

The company's Q4 revenues were $13.54 mil. vs. $11.95 mil. for their Q4 of 2007, up 13% year-to-year. Their net loss was $(3.03) mil. vs. $(1.16) mil. for their Q4 of 2007. Their EPS loss was $(0.22) vs. $(0.09) for their Q4 of 2007. Their operating cash flow (ocf) loss was $(1.82) mil. vs. positive ocf of $402,207 for their Q4 of 2007.

2008 RESULTS

The company's 2008 revenues were $51.67 mil. vs. $43.04 mil. for 2007, up 20% year-to-year. Their net loss was $(7.86) mil. vs. $(3.72) mil. for 2007. Their EPS loss was $(0.57) vs. $(0.32) for 2007. Their operating cash flow (ocf) loss was $(4.27) mil. vs. $(3.4) mil. for 2007.



MARGINS

The company's gross profit margin for Q4 was 2.1% and for 2008 was 5.8%, vs. 7.3% for their Q4 of 2007 and 7% for 2007.

The company's gross margins were negatively impacted in 2008, and especially in their Q4, by a variety of factors including higher costs for raw materials, (primarily chemicals), packaging materials and fuel costs. The company anticipates higher gross margins in 2009 due to price increases they've implemented and plan to implement, lower costs on various materials, including chemicals, and lower fuel costs.

EXPENSES

The company's primary expenses are S,G&A and R&D. 2008 SG&A costs were $7.3 million and included "non-cash" charges of $1.45 million for equity related compensation, which were added back to operating cash flow (ocf). There were also approximately $912,000 in depreciation and amortization charges that were added back to ocf. The company also had extraordinary litigation charges in 2008 of $925,000. The company in 2008 also made substantial investments in investment technology as well as increasing expenditures for public relations and investor relations. The company's actual cash outlay for SG&A in 2008 was approximately $4.3 million. The company's net interest expense in 2008 was approximately $221,000. The company also had capital expenditure costs of approximately $1.3 million.

However, the company's other primary expenses are their R&D costs, which in 2008 were $3.83 million. The company's primary expense has been, and will continue to be for the next few years, their R&D expenses associated with their ongoing FDA clinical trials for their SFP iron maintenance drug therapy. The company has been spending approximately $3½ million annually for R&D the past two years, they anticipate spending approximately $3.5-$4 million in 2009, and they anticipate spending approximately $15 million or more through SFP's commercialization. So the company's actual total cash outlay in 2008 was approximately $9.6 million.

The company's 2008 bottom-line income and EPS were thus impacted by several items, including a low gross margin due to the high costs of a variety of materials and fuel, R&D costs of $3.8 million, litigation costs of approximately $925,000 and SG&A (cash) costs of approximately $4.3 million.

OPERATING CASH FLOW

The company's primary 2008 ocf items were "add-backs" ("non-cash" charges that were deducted from income on the Income Statement, and then added back to operating cash flow) of Depreciation and Amortization, Share Based Compensation—Non-employee warrants, Share Based Compensation—Employee, Increase in Accounts Payable and Increase in Other Liabilities, and expense items of Increase in Accounts Receivable and Decrease in Inventory.

FUNDING

As of December 31, the company had $5.6 million in cash and equivalents. Their debt was $218,053, exclusive of approximately $6.92 in additional liabilities including accounts payable, accrued liabilities and customer deposits.

The company is forecasting positive operating cash flow for 2009, however, this is purely on an operational basis and exclusive of their R&D costs for SFP. The company is anticipating spending approximately $3.5-$4 million in 2009 and a total of $15 million or more over the next few years in continued R&D costs for SFP. In order to bring SFP to commercialization the company is anticipating that they will need to raise additional funding as early as 2010 (potentially in 2009), and/or seek other alternatives such as forging partnerships and/or pursuing licensing or sub-licensing agreements with other parties.

UPCOMING CATALYSTS/BENCHMARKS

May 11	Q1 financial results and conference call.
N/A	Company's execution of goals including increased distribution channels, increased senior mgmt positions filled, increased geographic distribution and FDA approval of SFP.
Q4	Study data available of SFP Phase 2b clinical trials.
Q4/Q1 2010	Initiation of SFP Phase 3 clinical trials.
N/A	Increased market awareness of the company.

SUMMARY/OPINION

Rockwell Medical is an established company in the healthcare/medical products industry, supplying various specialty products for the kidney disease market. We believe the company is an example of a substantial company that is flying under Wall Street's radar and is deserving of increased recognition. The company has many catalysts on the longer-term horizon, and we believe the company will generate increased attention.

The current market capitalization of the company is approximately $84 million (using our diluted share count of approximately 16.2 million shares). On a valuation basis the stock is currently trading at approximately one and a half times their 2008 revenues. The company has generated revenue growth of 20% and 50% the past two years, although the company will not likely see this type of growth spurt in the near-term. The company is forecasting improved gross margins in 2009, due to both price increases as well as lower costs, and the company is pursuing additional distribution channels, additional products and increased market share.

Based on growth initiatives, increasing market share, increasing revenues and increased market awareness, we are initiating the company with a buy rating and an initial long-term price target of $7.00, or approximately two times a relatively conservative estimate of the company's 2009-2010 revenues. This is an approximate 35% return from current price levels, and we believe that this is a relatively conservative price forecast.

We would add that our current price target does not yet include a contribution from the company's SFP IV iron maintenance drug therapy that is currently in FDA clinical trials and which can potentially receive FDA approval within the next few years. We are also for the time being excluding additional drug development initiatives, although the company is pursuing the development of a pharmaceutical drug pipeline which has the potential to reinvent the company and serve to not only broaden the scope of the company's product offerings, but to also greatly increase market awareness of the company. We would also add that these drug development efforts could potentially become a prime catalyst that could boost market awareness of the company, as well as its stock price.

Additional information is available upon request.

ROCKWELL MEDICAL TECHNOLOGIES, INC. AND SUBSIDIARY

CONSOLIDATED INCOME STATEMENTS

For The Years Ended December 31, 2008 and 2007
(Whole Dollars)

	2008	2007
Sales	$ 51,666,033	$ 43,045,304
Cost of Sales	48,649,478	40,015,466
Gross Profit	3,016,555	3,029,838
Selling, General and Administrative	7,271,617	3,374,458
Research and Product Development	3,830,134	3,263,733
Operating Income (Loss)	(8,085,196)	(3,608,353)
Interest (Income) Expense, net	(221,139)	110,542
Income (Loss) Before Income Taxes	(7,864,057)	(3,718,895)
Income Tax Expense	—	—
Net Income (Loss)	$ (7,864,057)	$ (3,718,895)
Basic And Diluted Earnings (Loss) Per Share	$ (.57)	$ (.32)

	For the Year Ended December 31,				
	2008	2007	2006	2005	2004
Net sales	$ 51,666,033	$ 43,045,304	$ 28,638,859	$ 27,694,955	$ 17,944,710
Cost of sales	48,649,478	40,015,466	25,837,294	24,689,912	15,139,215
Gross profit	3,016,555	3,029,838	2,801,565	3,005,043	2,805,495
Income from continuing operations before interest expense and income taxes	(8,085,196)	(3,608,353)	(4,637,830)	274,903	409,180
Interest expense, net	(221,139)	110,542	(62,851)	198,095	197,658
Income from continuing operations before income taxes	(7,864,057)	(3,718,895)	(4,574,979)	76,808	211,522
Income taxes	—	—	—	—	—
Net income	(7,864,057)	(3,718,895)	(4,574,979)	76,808	211,522
Earnings per common share:					

Basic	$ (0.57)	$ (0.32)	$ (0.41)	$ 0.01	$ 0.02
Diluted	$ (0.57)	$ (0.32)	$ (0.41)	$ 0.01	$ 0.02
Weighted average number of common shares and common share equivalents					
Basic	13,836,435	11,771,381	11,189,001	8,674,651	8,546,302
Diluted	13,836,435	11,771,381	11,189,001	9,356,990	9,305,123

ROCKWELL MEDICAL TECHNOLOGIES, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

For The Years Ended December 31, 2008 and 2007
(Unaudited)

	2008	2007
Cash Flows From Operating Activities:		
Net (Loss)	$ (7,864,057)	$ (3,718,895)
Adjustments To Reconcile Net Loss To Net Cash Used In Operating Activities:		
Depreciation and Amortization	911,718	949,739
Share Based Compensation — Non-employee warrants	339,987	85,911
Share Based Compensation — Employees	1,115,231	57,938
Loss (Gain) on Disposal of Assets	(7,534)	17,710
Changes in Assets and Liabilities:		
(Increase) in Accounts Receivable	(542,427)	(1,212,827)
(Increase) Decrease in Inventory	(602,574)	101,047
(Increase) in Other Assets	(133,412)	(39,142)
Increase in Accounts Payable	2,228,073	62,641
Increase in Other Liabilities	286,497	297,267
Changes in Assets and Liabilities	1,236,157	(791,014)
Cash (Used) In Operating Activities	(4,268,498)	(3,398,611)
Cash Flows From Investing Activities:		
Purchase of Equipment	(1,268,498)	(924,608)
Proceeds on Sale of Assets	9,555	—
Purchase of Intangible Assets	(903)	(8,189)
Cash (Used) In Investing Activities	(1,259,846)	(932,797)
Cash Flows From Financing Activities:		
Proceeds From Borrowings on Line of Credit	—	1,800,000
Payments on Line of Credit	—	(1,800,000)
Issuance of Common Shares and Purchase Warrants	232,140	13,161,959
Payments on Notes Payable	(204,243)	(396,332)
Cash Provided By Financing Activities	27,897	12,765,627
Increase (Decrease) In Cash	(5,500,447)	8,434,219
Cash At Beginning Of Period	11,097,092	2,662,873
Cash At End Of Period	$ 5,596,645	$ 11,097,092
Supplemental Cash Flow disclosure		
Interest Paid	$ 52,361	$ 159,444
Non-Cash Investing and Financing Activity — Equipment Acquired Under Capital Lease Obligations	$ 23,220	$ 99,812

ROCKWELL MEDICAL TECHNOLOGIES, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

As of December 31, 2008 and December 31, 2007

	December 31, 2008	December 31, 2007
ASSETS		
Cash and Cash Equivalents	$ 5,596,645	$ 11,097,092
Accounts Receivable, net of a reserve of $97,000 in 2008 and $69,000 in 2007	5,229,656	4,687,229
Inventory	3,161,625	2,559,051
Other Current Assets	440,765	302,573
Total Current Assets	14,428,691	18,645,945
Property and Equipment, net	3,249,003	2,840,331
Intangible Assets	240,656	270,446
Goodwill	920,745	920,745
Other Non-current Assets	120,887	125,667
Total Assets	$ 18,959,982	$ 22,803,134
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes Payable & Capitalized Lease Obligations	$ 176,850	$ 194,239
Accounts Payable	5,210,972	2,982,899
Accrued Liabilities	1,464,828	1,122,737
Customer Deposits	245,186	337,396
Total Current Liabilities	7,097,836	4,637,271
Long Term Notes Payable & Capitalized Lease Obligations	41,203	204,837
Shareholders' Equity:		
Common Shares, no par value, 14,104,690 and 13,815,186 shares issued and outstanding	34,799,093	33,415,106
Common Share Purchase Warrants, 2,114,169 and 1,204,169 warrants issued and outstanding	3,378,398	3,038,411
Accumulated Deficit	(26,356,548)	(18,492,491)
Total Shareholders' Equity	11,820,943	17,961,026
Total Liabilities And Shareholders' Equity	$ 18,959,982	$ 22,803,134

Rockwell Medical Technologies, Inc. and Subsidiary
Consolidated Income Statements
For the three and twelve months ended December 31, 2008 and December 31, 2007
(Whole dollars)(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2008	2007	2008	2007
Sales	$13,537,674	$11,948,905	$51,666,033	$43,045,304
Cost of Sales	13,248,807	11,073,295	48,649,478	40,015,466

Gross Profit	288,867	875,610	3,016,555	3,029,838
Selling, General and Administrative	2,087,942	1,084,987	7,271,617	3,374,458
Research and Product Development	1,272,416	944,281	3,830,134	3,263,733
Operating (Loss)	(3,071,491)	(1,153,658)	(8,085,196)	(3,608,353)
Interest Expense (Income), net	(38,657)	9,185	(221,139)	110,542
Net (Loss)	($3,032,834)	($1,162,843)	($7,864,057)	($3,718,895)
Basic Earnings (Loss) per Share	($ .22)	($ .09)	($ .57)	($ .32)
Diluted Earnings (Loss) per Share	($ .22)	($ .09)	($ .57)	($ .32)

RISKS

-The company has been investing substantial effort into becoming a pharmaceutical company and the development of their SFP intravenous iron maintenance therapy, which is currently undergoing FDA clinical trials. The company is spending approximately $3.5 million or more annually on R&D costs and has made this effort their primary focus. The company anticipates that they will need additional funding, as early as 2010 or possibly 2009, in order to continue to pursue the commercialization of SFP.
-The company could pursue additional financings that would be dilutive to current shareholders.
-The company's drug candidates, including SFP, are not their own, but are licensed from third parties, though the company does currently have multi-year licenses. The company's carnitine/vitamin product's licensing rights extend until approximately 2023, and the company's SFP product's licensing extends until 2016 in the US, although it may be extended.
-Customer concentration. For 2008, one customer, DaVita, Inc., accounted for approximately 51% of the company's sales. In addition, as of December 31, 2008, the accounts receivable from DaVita were $2.6 million.
-General equity and business risks including equity market risk, domestic and global economic conditions and geo-political concerns.

Recommendation History: Pro-Active Research Group, a division of Pro-Active Capital Group, LLC, initiated coverage of Rockwell Medical Technologies, Inc. on May 6, 2009 with a Buy recommendation and the following price target:
L/T $7.00
Rating System: Pro-Active Research has a three-tier rating system: Buy, Hold, Sell. Pro-Active Research also issues non-rated informational reports.
Coverage Universe: 100% Buy

intended as recommendations of particular securities or strategies to particular investors. The recipients of our reports must make their own independent decisions regarding any securities mentioned in our reports.

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This report was created on May 6, 2009 from information publicly known as of May 6, 2009. Material developments may have occurred in the interim. Neither Pro-Active Research Group nor the analyst accepts any responsibility for any material change concerning the company since this report was prepared.

DISCLOSURES

Pro-Active Capital Group will be receiving $4,000/month from a third party, contracted for a minimum of six months, for a comprehensive set of services including equity research provided by Pro-Active Research Group.

Pro-Active Capital, its representatives, and affiliated companies may beneficially own 1% or more of a class of common stock or other securities of Rockwell Medical Technologies, Inc. ("RMTI"), and may also be short the common stock or other securities of Rockwell Medical Technologies.

Analyst Certification

The analysts named in this report hereby certify that their views about the company are accurate and they have not and will not receive direct compensation in exchange for providing specific recommendations in this report.

PRO-ACTIVE RESEARCH GROUP, INC.

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