



## NEWS RELEASE

### Roctest Reports Strong Revenue and Earnings Growth for Third Quarter 2009

**St-Lambert, Quebec, November 5<sup>th</sup>, 2009** – Roctest Ltd (“Roctest”) (TSX: RTT), a leading designer and manufacturer of high-precision sensors for the civil engineering market and applications in the energy, healthcare and process control industries, today announced its operational and financial results for the three and nine-month periods ended September 25, 2009. All results are reported in Canadian dollars.

“Revenue growth of 20% in the third quarter, combined with effective management of costs, enabled us to deliver even greater increases in both EBITDA and earnings per share,” said François Cordeau, President and CEO, Roctest. “Despite the difficult worldwide economic environment, we saw 20% growth in each of our operating segments. The increase in our industrial sector was driven by continued demand for our fiber optic sensors from OEM medical customers, while growth in the civil engineering sector was fuelled by continued infrastructure investment in Asia and the Middle East.”

Operational highlights of the third quarter included:

- Launch of SHMLive, a new and innovative web-based solution to monitor the health and status of infrastructure projects. Offered as a complete turnkey solution for a fixed monthly fee, SHMLive can save both up front capital costs and ongoing maintenance and repair costs for the owners of bridges, tunnels, high rise buildings and other infrastructure.
- The signing of D'Appolonia S.p.A. of Italy, our first engineering partner that will commercialize the SHMLive service as an integral part of its offering,
- FISO announced that a new strategic customer has received U.S. Food and Drug Administration (FDA) approval for a new trauma device in which the Company's fiber optic sensor is a key element.
- In the civil engineering sector, over \$1 million of new orders for structural health monitoring using fiber optic solutions.

#### **Financial Results**

For the third quarter ended September 25, 2009, revenue increased 20.2% to \$6.89 million compared to \$5.73 million for the same quarter of 2008. The increase was attributable to a 20% increase in sales for the industrial sector and a 20.2% increase in sales in the civil engineering sector. For the first nine months of 2009, revenues increased 13% to \$18.99 million compared to \$16.80 million for the first nine months of 2008.

Gross margins increased to 41.8% during the third quarter compared to 39.5% for the comparable period last year. This increase is mainly due to higher volume in both the industrial and the civil engineering sectors. For the first nine months of 2009, gross margins increased to 41.6% compared to 39.3% for the first nine months of 2008.

Sales and Administration (“S&A”) expense totalled \$1.85 million or 26.9% of sales, compared to \$1.53 million or 26.6% of sales for the third quarter of 2008. The increase of \$0.33 million was mainly due to increased commissions related to the higher sales and performance-based compensation. For the first nine months of 2009, S&A expenses amounted to 27% of sales, unchanged from the corresponding period of 2008.



For the third quarter of 2009, earnings before interest, taxes, depreciation and amortization (“EBITDA”) increased by 48% to \$700,000 compared to \$472,800 in the same period in 2008. For the first nine months of 2009, EBITDA increased 46% to \$1,679,947 compared to \$1,152,312 for the same period of 2008.

Net earnings were \$0.40 million or \$0.07 per share, compared to \$0.15 million or \$0.03 per share for the third quarter of 2008. For the first nine months of 2009, net earnings amounted to \$0.80 million or \$0.15 per share compared to \$0.18 million or \$0.03 per share for the corresponding period of 2008.

### **Liquidity and Capital Resources**

On September 25, 2009, cash, cash equivalents and temporary investments, net of cash advances, were \$1.22 million, compared to \$1.08 million at the end of fiscal year 2008. The increase was mainly due to the improvement in net income partly offset by the use of additional cash to support an increase in accounts receivable associated with the growth in sales. Roctest’s working capital increased by \$1.24 million or 25.5% to \$6.10 million at September 25, 2009 compared to \$4.86 million on December 26, 2008.

As at November 2, 2009, the Company had 5,563,071 common shares outstanding.

### **Outlook**

With a profitable third quarter and the benefit of a strong order book for the civil engineering sector at the end of the quarter, management remains confident that, despite ongoing difficult global economic conditions, Roctest should deliver both revenue and profit growth in 2009.

Further information relating to Roctest’s third quarter 2009 operating results and financial results may be found on the Company’s website at [www.roctest.com](http://www.roctest.com) and on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **About Roctest Ltd**

Roctest designs, manufactures and markets sensors and high-precision measuring instruments for the civil engineering market and applications in the energy, healthcare and process control industries. The Company is recognized for its leading-edge technology, the quality of its technical expertise and its product development capabilities for challenging and demanding environments. Its products are mainly sold internationally. The shares of the Company are listed on the Toronto Stock Exchange under the symbol RTT. To reach Roctest Ltd via the worldwide web log on to [www.roctest.com](http://www.roctest.com).

### **Caution concerning forward-looking statements**

*Except for historical information provided herein, this press release may contain information and statements of a forward looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management’s best possible evaluation of future events, and as such involve a number of risk factors. Such factors may include, without excluding other considerations, risks related to foreign exchange fluctuations, evolution in customer demand for the Company’s products and services, the impact of price pressure from competitors and general market trends, as well as economic and geopolitical changes. As a result, readers are advised that actual results may differ from expected results. The Company does not update or revise publicly its forward-looking statements, except as may be required under applicable law.*

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