



## NEWS RELEASE

### Roctest Reports Increased Sales for First Quarter 2010

**St-Lambert, Quebec, May 7<sup>th</sup>, 2010** – 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-month period ended March 26<sup>th</sup> 2010. All results are reported in Canadian dollars.

“We achieved significant revenue growth in our civil engineering segment in the first quarter, led by the strong performance of our European subsidiaries,” said François Cordeau, President and CEO, Roctest. “This growth was offset by weaker results in our industrial segment. As we disclosed last quarter, our largest industrial customer has changed its inventory policy, leading to decreased sales during an adjustment period which we expect to last until July. We expect sales to that customer to increase during the second half of the year, since their underlying demand for our fiber optic sensors is as strong as ever.”

#### Financial Results

For the first quarter ended March 26<sup>th</sup>, 2010, revenues increased 4.6% to \$6.06 million, compared to \$5.79 million in the first quarter of 2009. The increase was attributable to 20% growth in sales in the civil engineering sector, which represents approximately 76% of Roctest’s total revenues. Partially offsetting this growth was a 25.5% decrease in sales in the Company’s industrial sector due to a major customer’s decision to reduce its inventory levels.

Gross margin was 37.3% in the first quarter compared to 40.0% for the comparable period last year. The decrease is mainly due to a shift in currency exchange rate in the past year, and to a less favourable mix of revenues as the industrial sector generates higher margins.

For the first quarter of 2010, earnings before interest, taxes, depreciation and amortization (“EBITDA”) amounted to \$219,913 compared to \$419,572 in the same period in 2009. This decrease was mainly due to an increase in S&A expenses of \$0.14 million and a decrease of \$0.06 million in gross margin.

Roctest recorded a net loss of \$0.06 million or (\$0.01) per share, compared to net earnings of \$0.15 million or \$0.03 per share in the first quarter of 2009.

#### Liquidity and Capital Resources

On March 26<sup>th</sup>, 2010, cash, cash equivalents and temporary investments, was \$0.99 million compared to \$1.41 million at the end of the fiscal 2009. The decrease was mainly due to the use of additional cash to support increases in accounts receivable associated with the growth in sales in the civil engineering sector. Roctest’s working capital decreased by \$120,689 to \$6.27 million at March 26<sup>th</sup> 2010 compared to \$6.39 million on December 25<sup>th</sup>, 2009.

As at May 7<sup>th</sup>, 2010, the Company had 5,563,071 common shares outstanding.

#### Outlook

“The great start to the year for our civil engineering segment is consistent with our expectation that we would benefit from a worldwide increase in infrastructure investment driven by stimulus spending,” said François Cordeau. “We expect the setback in our industrial segment to be a temporary one. We have been pleased with our ability to deliver consistent profitability in recent quarters, and it is our intention to resume that performance very soon.”



Further information relating to Roctest's first quarter 2010 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 civil engineering and energy, healthcare and industrial control applications in the industrial sector. 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 please visit [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, economic and geopolitical changes. As a result, readers are advised that actual results may differ from expected results. The Company is not required to update or revise publicly its forward-looking statements, except as may be required under applicable law.

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