

News Release 04-09

### **Photon Control Reports Financial Results for Quarter Ended June 30, 2009**

Burnaby, B.C., August 27, 2009 ~ Photon Control Inc. (“Photon”) (TSX-V: **PHO**), a leading developer of optical sensors, released its unaudited financial results for quarter ended June 30, 2009.

Revenue for the second quarter of 2009 was \$0.7 million compared with revenue of \$0.6 million for the first quarter of 2009. Gross Margin for Q209 was 46% compared to 38% for Q208. Photon is expecting revenues to continue to increase in 2009, contributing to stronger Q309 and Q409.

The loss for the quarter ended June 30, 2009 was \$0.19 million (\$0.00 per share) as compared to the loss for the quarter ended March 31, 2009 of \$0.16 million (\$0.00 per share), primarily due to challenging global economic and business conditions and significant demand volatility across the semiconductor sector including the reduction in sales to one of the Company’s major accounts. However, Photon was able to streamline operating expenses and strengthen its industry diversification in order to mitigate the impact of lower sales volumes. This change in marketing strategy has resulted in having approximately 35% revenue from the semiconductor sector compare to close to 80% this time last year, while increasing Photon’s sales in other sectors.

As at August 27, 2009, Photon’s Sales Order Backlog stood at \$2.3 million, compared to \$0.8 million for Q209. In order to fulfil this significant 175% increase in Sales Order Backlog, Photon is returning to a five-day work week.

Interim President Michael Weston comments, “Photon continues to deliver high quality, value-added services to its customers in spite of these slowing economic conditions, and is taking additional steps to improve its operational efficiency. The three-consecutive monthly increase in sales to semiconductor sector during the second quarter of 2009 reflects improving conditions in this market. At the same time, our focus is to continue expanding and diversifying Photon’s customer base.”

Photon’s financial results and MD&A are available at [www.sedar.com](http://www.sedar.com) and will be posted on Photon’s website.

*Forward-Looking Statements: This news release contains forward looking statements, including statements regarding the business and anticipated financial performance of the Company, which involve risks and uncertainties. These risks and uncertainties may cause the Company’s actual results to differ materially from those contemplated by the forward-looking statements. Factors that might cause or contribute to such differences include, among others, competitive pressures, competing technologies and the market acceptance of the Company’s photonic-based products as a replacement to existing technologies and products. Readers are encouraged to consider the other risks and uncertainties discussed in and additional information contained in the Company’s required financial statements and filings filed on SEDAR at [www.sedar.com](http://www.sedar.com).*

**About Photon Control Inc.** [www.photon-control.com](http://www.photon-control.com)

Photon Control Inc. develops and manufactures opto-electronic products for measurement and control. All Photon’s products have competitive advantages in both performance and cost. Markets for Photon’s products include semiconductor capital equipment, oil and gas, power industry, life sciences and research.

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