

Photon Control Reports Fourth Quarter and Year End 2012 Financial Results

Burnaby, B.C., March 22, 2013 ~ Photon Control Inc. (“Photon Control” or the “Company”) (TSX-V: **PHO**), a leading developer of optical measurement technologies, released its audited financial results for the fourth quarter and the fiscal year ended December 31, 2012.

In fiscal year 2012, Photon Control recorded sales of \$10.4 million, approximately 10% lower than sales of \$11.5 million in fiscal 2011. However, the Company saw improvement in both profitability and operating expenses during 2012. Photon Control’s net earnings both before and after tax was \$1.7 million, a 143% increase compared to \$0.7 million in 2011.

Photon Control’s product sales in Q4 2012 were \$2.1 million, representing an increase of \$0.1 million or approximately 5% compared with \$2.0 million during the same period last year. This increase in sales is due primarily to delivery rescheduling. Net earnings before taxes for Q4 2012 was \$136,011 as compared to a loss before taxes of \$516,957 for the same period in 2011.

During 2012, Photon Control continued to identify and evaluate opportunities to enhance its operational results and to diversify its product range. The Company dedicated more efforts to assessing and analyzing the market for the purpose of improving the effectiveness of sales and to further improve its capability to open new market opportunities and revenue streams. In 2012, Photon Control began 5 new distributorship relationships for Spectrometers, Optical Sensors, and Optical Flow Meters in the following markets: China, Hong Kong, Korea, and Germany.

In Q4 2012, Photon Control participated in the Semicon Europa trade exhibition in Dresden, Germany. The Company presented its Spectrometer and Optical Sensor product lines, with demonstrations of the new FluoTemp GT-HT temperature converter, as well as promoting its OEM manufacturing capabilities. In addition, Photon Control met with potential distributors and customers at the trade exhibition to identify and discuss new market opportunities and expansion strategies.

The fourth quarter of 2012 continued to demonstrate a solid sales order backlog. At December 31, 2012 Photon Control’s sales order backlog stood at \$1.2 million. This represents the value of sales orders already fulfilled in Q1 2013 and/or waiting to be fulfilled in 2013. As at the date of this news release, Photon Control’s sales order backlog stood at \$2.2 million.

Photon Control’s financial results and MD&A are available at www.sedar.com and will be posted on Photon Control’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.



200 -8363 Lougheed Highway, Burnaby, BC, Canada V5A 1X3
Tel: 604.422.8861 | Fax: 604.422.8418
Email: info@photon-control.com | Web: www.photon-control.com

About Photon Control Inc. www.photon-control.com

Photon Control Inc. designs and manufactures a wide range of optical sensors and instruments to measure temperature, pressure, position, and flow. These products are used by original equipment manufacturers (OEM) as well as end-users in the Semiconductor, Oil and Gas, Power, Life Science, and Manufacturing industries. Photon Control's products provide high accuracy and reliability in extreme conditions and are supported by a team of experts that offer onsite installation, training, and support. Photon Control Inc. also provides engineering services for customized optical measurement systems. Headquartered in an ISO 9001:2008 manufacturing facility in Burnaby, BC, Photon Control Inc. is listed on the TSX Venture Exchange, trading under the symbol "PHO". Additional information about the company can be found at <http://www.photon-control.com/investorrelations.html>

Company Contact: Helena Rebec, Chief Administrative Officer
604.422.8861 x 101
hrebec@photon-control.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

News Release 02-13