

Photon Control Reports First Quarter 2014 Financial Results

- **Quarterly Sales of \$5.8 Million**
- **Net Earnings of \$2.1 Million**

Burnaby, B.C., May 14, 2014 ~ Photon Control Inc. (“Photon Control” or the “Company”) (TSX-V: **PHO**), a leading developer of optical measurement technologies, released its unaudited financial results for the first quarter ended March 31, 2014.

“The significant progress achieved during fiscal 2013 made a positive impact on the start of Photon Control’s current fiscal year,” said Christopher Weston, President of Photon Control. “In Q1 2014, the Company experienced a continuation of the strong level of sales and profitability achieved in 2013. Our Q1 2014 results almost equalled our record-breaking Q4 2013 results and represent approximately 33% and 45%, respectively, of the sales and earnings for the entire 2013 year.”

Photon Control recorded sales of \$5.8 million, an increase of approximately 107% compared with \$2.8 million recorded during the same period last year, with sales to the semiconductor sector contributing significantly. In addition, the continued inflow of orders from the non-semiconductor sector increased by approximately 33% compared to its Q1 2013 sales level, which includes the sales of analytical products, flare gas meters, fibre optic temperature sensors and spectrometers.

Photon Control’s Q1 2014 profit before taxes was \$2,072,111, an increase of \$1,680,884 or approximately 430% increase compared with a profit before taxes of \$391,227 reported in the same quarter of 2013. Earnings per share for Q1 2014 was \$0.02 per share, with working capital at March 31, 2014 of approximately \$12.9 million.

In Q1 2014, Photon Control continued to build brand presence locally and in international markets through stronger on-line initiatives, direct sales in local markets and strengthening communication procedures with distributors. As announced in January 2014, Photon Control unveiled the PalmSense², its next generation of portable, handheld fiber optic temperature measurement systems, enabling measurement in high RF environments or EMI applications in labs and field service. The PalmSense² is designed for applications where mobility is important, giving the freedom to move around critical sensing points. With the system’s 24 hour battery life, the PalmSense² provides flexibility to Research and Life Science applications as well as in EMI, RF, X-ray, microwave and harsh chemical environments. In addition, the Company participated in the Photonics West trade exhibition in San Francisco, California, presented its Spectrometer product line, Optical Temperature Sensors, unveiled the new PalmSense² and promoted its OEM manufacturing capabilities. Photon Control also participated in the 58th annual Biophysical Society Conference & Exhibition in San Francisco, California, and participated in Pittcon Conference & Exhibition in Chicago, Illinois.

Subsequently in Q2 2014, Photon Control participated at Analytica in Munich, Germany. The Company presented its Spectrometer product line, Optical Temperature Sensors, the new PalmSense², promoted its OEM manufacturing capabilities, and met with potential distribution companies for the European market. The Company will also be participating at the Global Petroleum show in Calgary in June 2014.

The first quarter of 2014 continued to demonstrate a solid sales order backlog. As of March 31, 2014, Photon Control’s sales order backlog stood at \$2.9 million, an increase of approximately 39% compared with \$2.2 million reported in Q1 2013.

During Q1 2014, Photon Control purchased 850,000 common shares under the Normal Course Issuer Bid (the “NCIB”), which were cancelled on April 1, 2014. During the NCIB period, that terminated on May 7, 2014, a total of 1,950,000 common shares of the Company were repurchased and cancelled.

About Photon Control Inc.

Photon Control Inc. designs, manufactures and distributes a wide range of optical sensors & 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 www.photon-control.com/investorrelations.html

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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. Such statements include, but are not limited to, statements with respect to the Company's objectives, goals, liquidity, sources of capital, expectations of sales and continued development of technologies and products.

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, risks and uncertainties as to the following: the Company's ability to successfully complete new purchase orders along the timelines expected; the Company's need for funds to achieve its goals and the availability and cost of financing the Company; the continued and future demand for the Company's products; the Company's present reliance on four major customers for the majority of its sales; the Company's reliance on the financial health of the semiconductor industry; the Company's ability to continue and further enhance revenue diversification and open new market opportunities; the development of competing technologies and the possibility of increased competition; the effect of slow growth in the United States, its principal market, as well as in Canada and other economies generally and other economic trends and conditions in the markets that the Company and its customers serve; risks associated with technical difficulties or delays in product introductions, improvements, implementation, product pricing or other initiatives of the Company and its competitors; factors that may result in a reduction in capital expenditures and/or delayed buying decisions affecting demand for the Company's products; currency fluctuations particularly between the Canadian and United States dollars; and risks in pursuing additional development projects to support existing customers or pursue other business opportunities.

Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and the Company may, but does not assume any obligation to, update its forward-looking statements if those beliefs, opinions or expectations, or other circumstances, should change except as may be required by applicable securities laws. Readers should not place undue reliance on forward-looking statements.

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