



## **CANTRONIC THIRD QUARTER REVENUES INCREASE 92% WITH NET EARNINGS**

**Vancouver, British Columbia** – January 02, 2008. **Cantronic Systems Inc.** (“**Cantronic**”) (TSXV-CTS) is pleased to announce its third quarter revenues of \$1.37 million as compared to \$0.72 million for the same period last year, which resulted in a 92% revenue growth. Net earnings for the quarter were \$99,763 as compared to a loss of \$313,585 for the comparable quarter last year. Gross margins for the quarter increased to 46% from 45% for the comparable period.

The nine months period revenues for Cantronic were \$4.23 million compared with \$1.80 million for the same period last year. This represented an increase of 135%. The nine months period recorded net earnings of \$223,058 as compared to a loss of \$820,879 for the same period last year. Gross margins for nine months increased to 47% from 33%.

In announcing these results, Cantronic President/CEO James Zahn said that “These results are a healthy reflection of strong growth potentials, and are in line with our plans for sales expansion.” Mr. Zahn also pointed out that Cantronic has now recorded four consecutive quarters of net earnings, marking a solid turnaround in our operations.

Cantronic is also pleased to announce that it has granted, pursuant to corporate advisory and financial services agreements recently signed, a total of 500,000 incentive stock options (“Options”) under Cantronic’s Stock Option Plan at a price of \$0.50 for a period of four (4) years. The Options are subject to regulatory approval and will be governed by Cantronic’s Stock Option Plan as approved by the shareholders.

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### **About Cantronic Systems Inc.**

Cantronic is a leader in infrared night vision technology, specializing in passive and active Infrared cameras, infrared illuminators, low light infrared sensitive CCD cameras and long-range night vision surveillance systems for demanding homeland security applications. Cantronic's products have achieved breakthrough performance characteristics, including viewing distances of 800 meters for its active infrared night vision camera. Cantronic serves a rapidly expanding worldwide base of military, government, commercial and residential customers. Cantronic has also been approved by



Health Canada as a Medical Device manufacturer and is working on using imaging as a diagnostic tool for breast cancer screening.

Cantronic, through its US subsidiary QWIP Technologies, Inc. ("QWIPTECH"), holds a worldwide exclusive license from the California Institute of Technology ("Caltech") to produce and sell infrared detectors and sensors based on Caltech's Quantum Well Infrared Photodetector technology. This technology, developed by the renowned NASA Jet Propulsion Laboratory in Pasadena, California, has many applications in defense as well as in the field of security and surveillance. QWIPTECH is currently developing an aerial land mine detection system for the US Army Research Laboratory. It has also been contracted by SELEX (formerly BAE Systems), a world-renowned leader in infrared systems, to supply infrared detectors for their Sigma Hunter large format infrared camera.

Cantronic is a Tier 1 issuer on the TSX.V exchange, trading under the symbol **CTS**. For further information about Cantronic and QWIPTECH, please visit their websites at [www.cantronics.com](http://www.cantronics.com) and [www.quip.com](http://www.quip.com).

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