



## INTERNATIONAL ROAD DYNAMICS INC.

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**For Immediate Release**

### **IRD ANNOUNCES STRONG GROWTH AND RECORD 2009 RESULTS**

**Saskatoon, February 24, 2010** - International Road Dynamics Inc. (TSX: IRD), the world's largest provider of Weigh-In-Motion systems and solutions for the global Intelligent Transportation Systems (ITS) market, today announced strong results for the three months and year ended November 30, 2009.

#### **2009 HIGHLIGHTS:**

- Revenues up 26.7% to a record \$49.0 million
- Offshore sales grow 43.2% on strength in Asia and Latin America
- U.S. sales rise 23.2% on strong product, weigh station, maintenance and data collection revenues
- Operating and overhead costs reduce as percentage of sales
- EBITDA more than doubles to \$3.4 million on strong revenue growth
- Net earnings increase to \$0.09 per share

"2009 was a record year for IRD on a number of fronts. We achieved our highest sales levels ever as a result of our decision seven years ago to leverage our strong reputation and installed base to enter new overseas markets. We also experienced continuing strong demand in our North American markets as our innovative Application Service Provider (ASP) offering gained traction. Most importantly, we generated record earnings for the Company, and we expect to build on this progress in 2010 and beyond," stated Terry Bergan, President and CEO.

The Company generated increased sales across the majority of its revenue streams in fiscal 2009. The Company's recurring service and maintenance revenues grew 8.8% in 2009 and represented 21.4% of total revenues for the year.

Sales for the fourth quarter of fiscal 2009 increased 3.9% to \$12.8 million compared to \$12.3 million for the same period last year. For the year ended November 30, 2009, sales were up 26.7% to a record \$49.0 million compared to \$38.7 million last year. The Company generated increased sales across the majority of its geographic regions and product lines during the fiscal year.

For fiscal 2009, offshore sales rose 43.2% to \$20.0 million compared to \$14.0 million in the prior fiscal year, due primarily to increased revenues from toll systems in India and significant product and weigh station deliveries in Latin America and Asia. Sales in the United States in the fourth quarter of fiscal 2009 increased 14.7% to \$7.6 million compared to \$6.6 million in the prior year's fourth quarter. For the fiscal year ended November 30, 2009, sales in the U.S. were up 23.2% to \$24.8 million due to higher revenue from maintenance contracts, weigh station systems, data collection systems and product sales. In Canada, sales were down marginally to \$1.2 million in the quarter compared to \$1.6 million for the same period last year. For fiscal 2009, Canadian sales were \$4.2 million compared to \$4.6 million in the previous fiscal year.

Gross margin as a percentage of sales improved to 29.6% in the fourth quarter compared to 27.4% in the prior year. For fiscal 2009, gross margin increased to 29.2% compared to 28.8% last year. The increases are primarily due to the higher levels of sales, the impact of a weaker Canadian dollar, as well as a sales mix of higher-margin products.

Administrative and marketing expenses increased in the fourth quarter and year ended November 30, 2009 due primarily to the higher levels of business during the year. However, as a percentage of sales administrative and marketing expenses improved to 20.5% in 2009 compared to 22.6% in the prior year. Research and development costs were 1.1% of sales in the fourth quarter of fiscal 2009 compared to 2.2% in the prior year, and 1.2% for fiscal 2009 compared to 2.2% in fiscal 2008. Amortization expense decreased in fiscal 2009, while interest expense was also lower as the Company capitalized on the current low interest rate environment.

With the higher sales and improved gross margins, earnings before interest, taxes, depreciation and amortization (EBITDA) increased to \$1.1 million in the fourth quarter of fiscal 2009 compared to \$0.6 million in the same prior year period. For the year ended November 30, 2009 EBITDA grew significantly to \$3.4 million compared to \$1.2 million in fiscal 2008.

Profitability in fiscal 2009 was impacted by foreign exchange losses related to the Company's assets and liabilities denominated in foreign currencies. For the year ended November 30, 2009, these foreign exchange losses amounted to approximately \$0.8 million compared to a gain of \$0.2 million in the prior fiscal year.

With the higher sales levels, enhanced gross margin, and improved cost structure, the Company generated net earnings of \$377,000 or \$0.03 per common share in the fourth quarter of fiscal 2009 compared to break-even performance in the comparable prior-year period. For fiscal 2009, net earnings were \$1.3 million or \$0.09 per share compared to a net loss of \$541,000 or \$(0.04) per share in fiscal 2008.

The Company's balance sheet remained strong as at November 30, 2009. Working capital increased to \$8.3 million compared to \$4.2 million as at November 30, 2008 while cash flow from operating activities grew to \$4.1 million in fiscal 2009 compared to a use of cash of \$2.2 million last year. Capital expenditures in fiscal 2009 were \$0.6 million compared to \$0.4 million in the prior year.

"Looking ahead, we are very excited about our future. With strong and established subsidiaries and partners in major overseas markets, a leading presence in North America, and a state-of-the-art product and service offering, we are well positioned to capitalize on growing demand for solutions that enhance the efficiency and effectiveness of transportation infrastructure around the world," Mr. Bergan concluded.

Financial Highlights (financial statements are available on the Company's web site [www.irdinc.com](http://www.irdinc.com) )

Period Ended November 30,	Three Months		Year	
	2009	2008	2009	2008
(in \$000's except per share amounts)				
Sales	\$ 12,794	\$ 12,308	\$ 49,018	\$ 38,675
EBITDA	1,127	610	3,378	1,220
Foreign Exchange Gain (Loss)	(87)	89	(759)	195
Net Earnings (Loss)	377	1	1,265	(541)
Net Earnings (Loss) per Common Share (basic)	\$ 0.03	\$ 0.00	\$ 0.09	(\$ 0.04)
Working Capital			\$ 8,335	4,150
Shareholders' Equity per Share			\$1.32	\$1.26
Common Shares Outstanding			13,998	13,977

...3

As used herein, "EBITDA" means earnings before interest, income taxes, depreciation, and amortization, and includes gains or losses from foreign exchange and earnings or losses from the Company's equity investments. EBITDA is not a recognized measure under Canadian generally accepted accounting principles ("GAAP"). Management believes that EBITDA is a useful supplemental measure to net earnings (loss), as it provides investors with an indication of operating performance prior to debt service, capital expenditures and income taxes. Investors should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings (loss) determined in accordance with GAAP as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. The Company's method of calculating EBITDA may differ from the methods by which other companies calculate EBITDA and, accordingly, EBITDA may not be comparable to measures used by other companies. The following is a reconciliation of EBITDA to net earnings:

Period Ended November 30, (in \$000's)	Three Months		Year	
	2009	2008	2009	2008
EBITDA	\$ 1,127	\$ 610	\$ 3,378	\$ 1,220
Amortization expense	(230)	(236)	(1,003)	(1,058)
Interest expense	(179)	(275)	(742)	(840)
Income tax expense	(341)	(98)	(368)	137
Net earnings (loss)	\$ 377	\$ 1	\$ 1,265	(\$ 541)

Certain statements in this discussion may include "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of International Road Dynamics Inc. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this discussion, such statements use such words as "may", "will", "expect", "anticipate", "project", "believe", "plan", and other similar terminology. The risks and uncertainties are detailed from time to time in reports filed by the Corporation with the securities regulatory authorities in applicable provinces and territories of Canada. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of the Corporation to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

IRD is a highway traffic management technology company specializing in supplying products and systems to the global Intelligent Transportation Systems (ITS) industry. IRD is a North American company based in Saskatoon, Saskatchewan Canada with sales and service offices throughout the United States and overseas. Private corporations, transportation agencies and highway authorities around the world use IRD's products and advanced systems to manage and protect their highway infrastructures.

- 30 -

The Company's shares trade on the Toronto Stock Exchange under the symbol IRD.

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IRD is listed on the TSX - trading symbol - IRD

[www.irdinc.com](http://www.irdinc.com)