



INTERNATIONAL ROAD DYNAMICS INC.

CORPORATE OFFICES: Canada: 702 - 43rd St. E. Saskatoon, SK S7K 3T9

U.S.: 2402 Spring Ridge Drive, Suite E Spring Grove, IL 60081

CHILE: Maria L. Santander 0360, Providencia, Santiago, Chile

INDIA: B1/F8, MOHAN CO-OPERATIVE INDUSTRIAL ESTATE, MATHURA ROAD, NEW DELHI, INDIA 110044

BRAZIL: Rua Coriolano, 2030 – Cj. 20 – V.Romana 05047-002 Sao Paulo SP Brazil

For Immediate Release

IRD ANNOUNCES THIRD QUARTER 2011 RESULTS

Saskatoon, October 14, 2011 - 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 results for the three and nine months ended August 31, 2011.

Sales for the third quarter of fiscal 2011 were \$10.1 million compared to \$13.3 million for the same period last year. For the nine months ended August 31, 2011 sales were \$29.8 million compared to \$33.7 million for the same period last year. The reduction in sales in the third quarter of fiscal 2011 compared to the third quarter of 2010 is primarily due to the slowing global economy and the resulting delayed investment by governments in highway and roadway infrastructure. During fiscal 2011 the Company's Indian subsidiary has experienced delays in project deliveries and completion caused by delays in site readiness, the receipt of customer acceptance of work completed, and the receipt of customer payments. As a result, revenues from the Indian subsidiary were lower by \$1.6 million through the nine months ended August 31, 2011 compared with the previous year. The strengthening of the Canadian dollar against the U.S. dollar also resulted in a decrease in the Canadian dollar value of the Company's U.S. dollar-denominated sales of approximately \$0.5 million in the third quarter and \$1.3 million through the first nine months of fiscal 2011 compared to the same prior year periods. Approximately 72% of the Company's sales through the first nine months of fiscal 2011 were denominated in U.S. dollars.

Offshore sales through the first nine months of fiscal 2011 reduced to \$11.2 million from \$11.6 million last year due primarily to lower product sales to the Company's partner in China, the reduction in sales at the Company's Indian subsidiary discussed above, and the negative impact of the strong Canadian dollar on the recognition of offshore revenues. Management expects offshore revenues will be marginally lower in fiscal 2011 from those achieved in fiscal 2010. Sales in the United States for the nine months ended August 31, 2011 were \$15.9 million compared to \$16.3 million in the prior year. Management expects revenues from the U.S. market in fiscal 2011 will be consistent with fiscal 2010 due primarily to recent extensions to the U.S. Transportation Funding Bill. In Canada, sales declined to \$2.7 million in the first nine months of fiscal 2011 from \$5.8 million for the same period last year due to significant commercial vehicle system deliveries in the prior year. Management expects sales in Canada in fiscal 2011 will be lower than in fiscal 2010.

"Our third quarter results generally reflect the economic slowdown and reduced government infrastructure investments currently being experienced in our North American and offshore markets," stated Terry Bergan, President and CEO. "Over the longer term, our outlook remains positive as we are well positioned as the supplier of choice for innovative ITS solutions and maintenance contracts in our key global markets. We are also continuing to implement effective cost savings and operating efficiency programs to reflect the impact of the economic slowdown on our business."

Gross margin as a percentage of sales was 29.7% in the third quarter of fiscal 2011 compared to 32.8% in the third quarter of the prior year. For the nine months ended August 31, 2011 gross margin was 24.0% compared to 30.2% in the same period last year. In addition to the impact of the stronger Canadian dollar, the reduction in gross margin in the third quarter of 2011 compared with the third quarter of 2010 was due to a sales mix which includes a lower proportion of higher margin proprietary systems and products. The lower gross margin in the first nine months of 2011 was also the result of the lower revenues and the accrued losses on projects recorded by the Company's subsidiary in India as discussed above. Lower than normal gross margins will continue to be realized by the Indian subsidiary until early fiscal 2012 when many of the current projects will be completed. The Company expects that the management and organizational changes in India undertaken during the first nine months of the year will result in improved efficiency and profitability going forward.

As a result of the Company's increased emphasis on cost controls, administrative and marketing expenses declined 8.3% to \$2.5 million in the third quarter of fiscal 2011 from \$2.7 million in the same period last year. For the nine months ended August 31, 2011, administrative and marketing expenses were \$7.4 million, slightly lower than in the same period last year. Net research and development costs have increased in fiscal 2011 as the Company continues its active program of technology development aimed primarily at adding to the functionality of its products, and expects research and development expenditures to remain at current levels through the balance of the year. Interest expense has declined in fiscal 2011 compared to the prior year period primarily due to a reduced level of debt.

The Company generated earnings before interest, taxes, depreciation and amortization (EBITDA) of \$0.6 million in the third quarter of fiscal 2011 compared to \$1.5 million in the same prior year period. For the nine months ended August 31, 2011 EBITDA was a loss of \$(0.7) million compared to earnings of \$2.3 million in the same period last year. The decrease in EBITDA is primarily due to the reduced revenues and lower gross margin, partially offset by increased equity earnings at the Company's investment in China in fiscal 2011. The Company generated net earnings of \$0.2 million or \$0.01 per common share in the third quarter of fiscal 2011 compared to net earnings of \$0.7 million or \$0.05 per share for the same period last year. For the nine months ended August 31, 2011 the Company generated a net loss of \$(1.2) million or \$(0.09) per share compared to net profit of \$0.8 million or \$0.06 per share in the same prior year period.

The Company's balance sheet remained solid at August 31, 2011 with working capital of \$9.1 million, a current ratio of 1.6 times, and a debt to equity ratio of 50%. In July 2011 the Company amended its credit facilities agreement and is in compliance with its total liabilities to tangible net worth quarterly covenant as at August 31, 2011, and expects to be in compliance with its fixed charge coverage annual covenant which becomes effective November 30, 2012. As a result, \$0.4 million of debt that had previously been recorded as short-term has been classified as long-term debt.

In April 2011 the Company completed the sale of its head office and manufacturing facility located in Saskatoon, Saskatchewan for net proceeds of approximately \$6.5 million. The Company also entered into a twelve-year net lease agreement with the purchaser of the property with two options to renew the lease for additional five-year terms. The Company recorded a gain of approximately \$3.0 million which will be amortized over the term of the lease. Net cash proceeds from the sale, after the retirement of the \$2.6 million mortgage on the property and other costs related to the transaction, were used to reduce the Company's operating line of credit.

Financial Highlights (financial statements are available on the Company's web site www.irdinc.com)

| Period ended August 31, | Three Months | | Nine Months | |
|--|------------------|-----------|-------------------|-----------|
| | 2011 | 2010 | 2011 | 2010 |
| (in \$000's except per share amounts) | | | | |
| Sales | \$ 10,119 | \$ 13,294 | \$ 29,753 | \$ 33,740 |
| EBITDA | \$ 574 | \$ 1,491 | \$ (680) | \$ 2,330 |
| Net Earnings (Loss) | \$ 220 | \$ 708 | \$ (1,236) | \$ 785 |
| Net Earnings (Loss) per Common Share (Basic) | \$ 0.01 | \$ 0.05 | \$ (0.09) | \$ 0.06 |
| Total Assets | | | \$ 36,194 | \$ 39,738 |
| Total Long-Term Financial Liabilities | | | \$ 1,300 | \$ 6,546 |
| Working Capital | | | \$ 9,137 | \$ 8,628 |
| Shareholders' Equity per Share | | | \$ 1.23 | \$ 1.37 |
| Common Shares Outstanding | | | 13,998 | 13,998 |

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 can differ from the methods by which other companies calculate EBITDA and, accordingly, EBITDA cannot be comparable to measures used by other companies. The following is a reconciliation of EBITDA to net earnings:

| Period ended August 31, | Three Months | | Nine Months | |
|-------------------------------|---------------|----------|-------------------|----------|
| | 2011 | 2010 | 2011 | 2010 |
| (in \$000's) | | | | |
| EBITDA | \$ 574 | \$ 1,491 | \$ (680) | \$ 2,330 |
| Amortization Expense | (191) | (241) | (582) | (677) |
| Interest Expense | (111) | (166) | (431) | (501) |
| Income Tax Recovery (Expense) | (52) | (376) | 457 | (367) |
| Net Earnings (Loss) | \$ 220 | \$ 708 | \$ (1,236) | \$ 785 |

Certain statements contained in this news release constitute forward-looking information within the meaning of securities laws. Implicit in this information, particularly in respect of future operating results and economic performance of the Company, are assumptions regarding projected revenue and expenses. These assumptions, although considered reasonable by the Company at the time of preparation, can prove to be incorrect. Readers are cautioned that actual future operating results and economic performance of the Company are subject to a number of risks and uncertainties, including general economic, market and business conditions and could differ materially from what is currently expected. For more exhaustive information on these risks and uncertainties, please refer to our most recently filed annual information form, available at www.sedar.com. Forward-looking information contained in this report is based on management's current estimates, expectations and projections, which management believes are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we can elect to do so, we are under no obligation and do not undertake to update this information at any particular time unless required by applicable securities law.

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.

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

FOR MORE INFORMATION PLEASE CONTACT:

Terry Bergan, President & CEO

Phone: (306) 653-6600

U.S. (303) 355-5998

Francine Senecal-Lepage, Investor Relations

Phone: (306) 653-6603

Fax: (306) 653-6609

Email: irdir@irdinc.com

IRD is listed on the TSX - trading symbol - IRD

www.irdinc.com