



# News Release

## IWG ANNOUNCES THIRD QUARTER RESULTS – FISCAL 2008

July 23, 2008

**Burnaby, BC, Canada** - International Water-Guard Industries Inc. today announced the financial results of the quarter ended June 30, 2008.

“We are pleased to report that the anticipated recovery in sales has taken place during this quarter as predicted,” said David Fox, IWG’s president & CEO. “We are deep into our accelerated product development schedule, which will continue to impact overall profitability this year but is positioning us well for future revenue and earnings growth.”

The Company reported sales during the third quarter of fiscal 2008 of \$1,292,745, a 24% increase from \$1,042,882 in the same quarter of the previous year. Third quarter net earnings were \$46,338 compared to net earnings of \$91,368 in the prior year’s third quarter. Nine month sales to June 30<sup>th</sup> were \$3,003,193 compared to \$3,206,203 in the prior year. The nine month net loss was \$137,113 compared to earnings of \$403,111 a year earlier.

In both the current quarter and the nine month period, the Company has been executing new product development programs to meet emerging requirements for complementary products in aircraft water treatment and systems. The related expenditures have reduced the Company’s net income in this period, which will continue for the balance of the fiscal year. Also, in what has become common to Canadian exporters since the middle of 2007, the impact of the stronger Canadian dollar on the Company’s sales and earnings have continued to be felt while adjustments are being implemented.

The results for the quarter provided 0.1¢ net earnings per share in the current quarter (net loss of 0.4¢ year to date), compared to net earnings of 0.3¢ per share in the third quarter of the prior year (1.2¢ year to date) on both a basic and fully diluted basis.

The full version of the Company’s financial statements can be viewed at [www.sedar.com](http://www.sedar.com) and on IWG’s website.

International Water-Guard is a Canadian aerospace company focusing on aircraft potable water treatment and full water system solutions. IWG has expertise in all aspects of water treatment, and has the products and know-how to provide high quality water for passengers and crew, and light weight, space saving solutions for the aircraft operator.

On behalf of the Board of Directors  
International Water-Guard Industries Inc.

“David C. Fox”  
President and CEO

***This news release contains certain forward looking statements that reflect the current views and/ or expectations of IWG with respect to its performance, business and future events. Such statements are subject to a number of risks, uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied. IWG assumes no future obligation to update these forward looking statements.***

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

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