



INTERNATIONAL  
Water·Guard

# News Release

## IWG ANNOUNCES FISCAL 2006 ANNUAL RESULTS

December 14, 2006

Burnaby, BC, Canada - International Water-Guard Industries Inc. is reporting revenue in fiscal 2006 of \$3,662,460, an increase of 17% above the prior year's sales of \$3,134,809. Fiscal 2006 net earnings of \$404,545 compared to earnings from operations of \$163,597 (before special items) in the prior year.

These results for FY2006 provided \$0.012 net earnings per share compared to net earnings of \$0.035 per share in the prior year including special items, on both a basic and fully diluted basis. FY2005 net earnings of \$914,111 included special items of \$750,514 from the sale of the company's industrial/commercial division assets and from the settlement of debts, less certain asset write-downs related to a move to a new manufacturing facility.

"This has been another successful growth year for IWG, bringing us up to eight profitable quarters in a row. It is especially noteworthy that in 2006 our revenue increase came after the divestiture of IWG's industrial division. Our actual aviation sales have increased by some 28%," said David Fox, IWG's President and CEO. "A number of accomplishments lie behind this success, including a long-term procurement agreement with Dassault Falcon Jet Corporation, and our certification to the AS 9100 quality standard. Both of those developments are also major building blocks in our long-term plan for continued growth."

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

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

### **TSX VENTURE: IWG**

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