

Q2-F08 Financial Results

November 8, 2007

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CAUTION REGARDING FORWARD-LOOKING INFORMATION

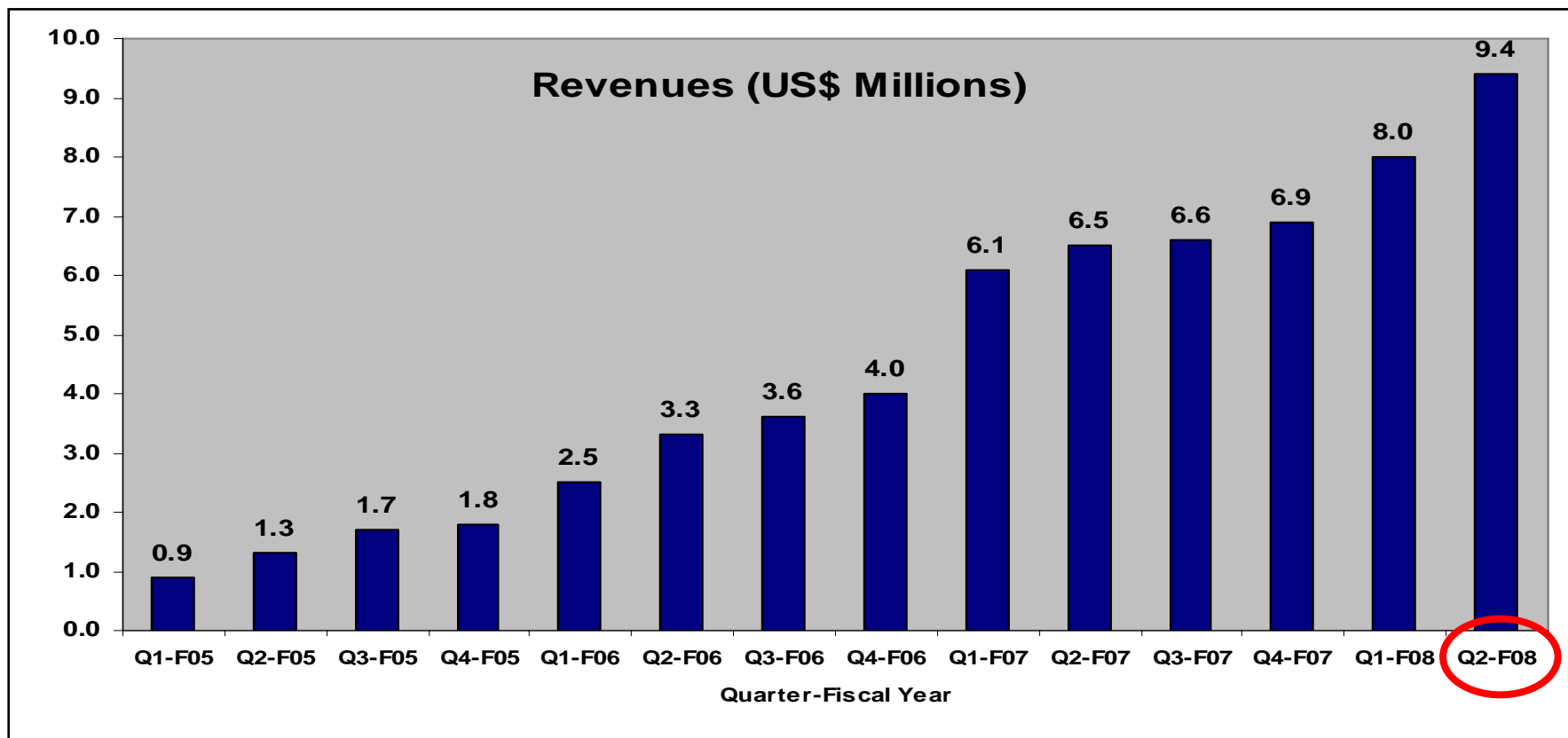
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Additional risk factor discussion can be found in the Company's MD&A, in the section entitled "Risk Factors" and in the Company's continuous disclosure filings, reports and other filings with securities commissions and regulatory authorities in Canada and filed under the Company's profile at www.sedar.com.

Changed Reporting Currency to US\$

- Majority of Company's business conducted in US\$
- Better reflection of how business operates and financial position
- Easier comparison to US based companies



- **Q2-F08 revenue of \$9.4 million was 13th consecutive record quarter**
 - Up 44% over prior year
 - Up 17% over prior quarter
 - 2nd consecutive quarter of near 17% sequential growth

	Three Months Ended September 30 (US\$000s)			Change	Six Months Ended September 30 (US\$000s)			Change
	2007 (Q2-F08)	2006 (Q2-F07)	%		2007 (YTD-F08)	2006 (YTD-F07)	%	
Purchase Orders	\$9,215	\$6,427	+43.4%	\$17,886	\$12,614	+41.8%		

- **Q2-F08** customer purchase orders of **\$9.2 million** established new company record; up **43%** over prior year
- **YTD-F08** purchase orders came in at **\$17.9 million** as compared to **\$12.6 million** for the prior year, representing an increase of **42%**

MARKET	Three Months Ended September 30 (US\$ millions)			Six Months Ended September 30 (US\$ millions)		
	2007 (Q2-F08)	2006 (Q2-F07)	Change %	2007 (YTD-F08)	2006 (YTD-F07)	Change %
Electric Power	\$6.8	\$3.9	+72.8%	\$11.8	\$7.8	+50.8%
Transportation	\$1.3	\$1.4	-1.6%	\$2.7	\$2.7	-0.5%
Industrial	\$0.7	\$0.6	+23.1%	\$1.7	\$1.2	+47.2%
Military	\$0.5	\$0.6	-24.4%	\$1.1	\$0.8	+33.2%
Other	\$0.0	\$0.0	0%	\$0.2	\$0.1	+121.0%
Total	\$9.4	\$6.5	+44.4%	\$17.4	\$12.6	+38.6%

- **6th consecutive record quarter (up 73%) for Electric Power sector – up 51% YTD**
–Driven by substation automation applications across all regions
- **Transportation sector flat for 2nd consecutive quarter – down 0.5% YTD**
–Impacted by project and funding cycles in USA region which comprises 79% of sector
- **Industrial sector showing continued growth – up 47% YTD**
–Driven by process control and industrial automation applications in all regions
- **Military sector showing typical quarterly volatility – up 33% YTD**
–Small customer base concentrated primarily in US market

REGION	Three Months Ended September 30 (US\$ millions)			Six Months Ended September 30 (US\$ millions)		
	2007 (Q2-F08)	2006 (Q2-F07)	Change %	2007 (YTD-F08)	2006 (YTD-F07)	Change %
North America	\$4.4	\$3.8	+14.7%	\$7.8	\$6.9	+13.1%
Latin America	\$0.7	\$0.3	+122.1%	\$1.3	\$0.5	+159.2%
Asia Pacific (APAC)	\$0.9	\$0.8	+7.1%	\$1.9	\$1.6	+20.3%
Europe, Middle East & Africa (EMEA)	\$3.4	\$1.6	+119.3%	\$6.3	\$3.5	+81.0%
Total	\$9.4	\$6.5	+44.4%	\$17.4	\$12.6	+38.6%

- **North America is up with 15% quarterly and 13% YTD growth**
 - Driven by Electric Power and Transportation sectors
- **Latin America is up with strong 122% quarterly and 159% YTD growth**
 - Driven primarily by Electric Power sector
- **APAC is up with 7% quarterly and 20% YTD growth**
 - Driven primarily by Electric power sector
- **EMEA is up with strong 119% quarterly and 81% YTD growth**
 - Driven primarily by Electric Power sector
- **Sales in North America, Latin America and EMEA set new record quarters in Q2-F08.**

Customers	Three Months Ended September 30 (US\$000s)			Change	Six Months Ended September 30 (US\$000s)			Change
	2007 (Q2-F08)	2006 (Q2-F07)	%		2007 (YTD-F08)	2006 (YTD-F07)	%	
Customers	302	275	+9.8%	415	332	+25.0%		
New Customers	78	66	+18.2%	155	135	+14.8%		

- **302 customers for Q2-F08 compared to 275 in Q2-F07, an increase of 10%**
 - 415 customers YTD compared to 332 in the prior year; up 25%
 - 48% (200 of 415) from the Electric Power sector

- **78 new customers for Q2-F08 compared to 66 in Q2-F07, up 18%**
 - 155 new customers YTD compared to 135 in the prior year; up 15%
 - 42% (65 of 155) from the Electric Power sector

- **Top 10 customers YTD-F08**
 - Comprised 47% of revenues
 - Includes customers from all of our key target markets

Revenue, GM and Net Income	Three Months Ended September 30 (US\$000s)			Six Months Ended September 30 (US\$000s)		
	2007 (Q2-F08)	2006 (Q2-F07)	Change %	2007 (YTD-F08)	2006 (YTD-F07)	Change %
Revenue	\$9,370	\$6,489	+44.4%	\$17,401	\$12,557	+38.6%
Gross Margins	\$5,143	\$3,543	+45.2%	\$9,531	\$6,657	+43.2%
GM %	54.9%	54.6%	+0.3 pts	54.8%	53.0%	+1.8 pts
Net Income	\$1,054	\$431	+144.5%	\$1,218	\$1,025	+18.8%

- **Growth in Revenues**
 - Q2-F08 revenues up 44%; YTD revenues up 39%
- **Gross Margins:**
 - GM% holding steady, YTD up 1.8 pts
 - Driven by combination of favourable product and sector mix
- **Net Income:**
 - Q2-F08 Net Income up 145%
 - Impacted by prior years' SR&ED tax credits (\$0.3 million)
 - Would have increased 87% without SR&ED tax credits

Operating Expenses	Three Months Ended September 30 (US\$000s)			Six Months Ended September 30 (US\$000s)		
	Q2-F08	Q2-F07	Change %	YTD-F08	YTD-F07	Change %
Research & Development	\$607	\$524	+15.8%	\$1,309	\$1,011	+29.5%
Selling & Marketing	\$1,849	\$1,187	+55.8%	\$3,590	\$2,392	+50.1%
General & Admin.	\$1,282	\$660	+94.2%	\$2,519	\$1,232	+104.5%
Amortization	\$187	\$127	+47.2%	\$384	\$237	+62.0%
Total OpEx	\$3,925	\$2,498	+57.1%	\$7,802	\$4,872	+60.1%

- **Research & Development:**
 - Increased staff from 21 to 32 (from a year ago)
 - Removing effect of SR&ED credits, R&D expenditures would represent 10.7% and 10.2% of revenues for Q2-F08 and F08 YTD periods, respectively.
- **Sales and Marketing:**
 - Increased staff from 24 to 32 (from a year ago)
- **General & Administrative:**
 - Increase in staff from 12 to 18 (from a year ago)
 - Impacted by \$0.5M of one time costs incurred mainly in Q1-F08.

Balance Sheet Highlights (US\$000s)			
	As at September 30, 2007	As at March 31, 2007	Change (%)
Cash (1) (US\$000s)	\$43,668	\$3,316	+1,217%
Working capital (US\$000s)	\$47,368	\$6,169	+668%
Working capital ratio	8.9	2.3	+6.6
Days sales in A/R	45 days	47 days	- 2 days
Inventory turns	5.0 turns	4.5 turns	+ 0.5 turns
Capital assets, net (US\$000s)	\$2,059	\$1,716	+20%

(1) Includes cash, cash equivalents and short-term investments

- Continued investment in product development
 - Increased staff from 21 to 32 (up 52%) from a year ago
 - Released new Wireless and Ethernet over VDSL products – expansion of family
 - Received US patent related to power supply design used across entire product basket
- Continued investment in sales and marketing
 - Increased sales and marketing staff from 24 to 32 (up 33%) from a year ago
 - Recent ARC market study on Industrial Ethernet shows RuggedCom was leader in Electric Power market and increased its overall market share in 2006
- Continue to evaluate acquisition opportunities
 - Complementary technology or product offering
 - Increase share of existing customer base spend

Key Highlights for Q2-F08

- 44% revenue growth
- 73% increase in sales for Electric Power market
- 145% increase in Profitability
- Increase in Gross Margins
- Increase in Customer Base

Expecting continued annual growth and profitability.

Thank You.

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