
PRESS RELEASE



FOR IMMEDIATE RELEASE

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Sutron Reports Third Quarter Operating Results

November 13, 2008, Sterling, VA...Sutron Corporation (NASDAQ: STRN), a leading provider of hydrological, meteorological and oceanic monitoring products, systems and services, announced today its financial results for the three months and nine months ended September 30, 2008.

Financial Highlights

Net income for the third quarter ended September 30, 2008 was \$186,867 or \$.04 per share compared to net income of \$1,218,335 or \$.27 per share for the same quarter last year. Net income for the nine months ended September 30, 2008 was \$692,667 or \$.15 per share compared to net income of \$1,651,712 or \$.37 per share for the nine month period last year. Revenues for the third quarter ended September 30, 2008 were \$4,395,775 compared to \$6,607,220 in the third quarter of 2007. Revenues for the nine months ended September 30, 2008 were \$12,239,838 compared to \$13,971,836 in the same nine month period of 2007.

"In the third quarter of 2007, we shipped two large projects that totaled \$3.2 million. These large project shipments enabled us to achieve record quarterly revenues and earnings. Our 2008 third quarter results, while profitable, underscore our dependence on winning projects to maintain growth," said Raul McQuivey, CEO of Sutron. "We are pleased to report that we have had 20 consecutive profitable quarters and that our balance sheet is strong. As of September 30, 2008, we had cash and cash equivalents of approximately \$5.1 million. Our working capital increased to approximately \$12.4 million at September 30, 2008 as compared with approximately \$11.6 million at December 31, 2007. We do not have any long-term debt. We believe that we are in a sound financial position given the turmoil in today's credit markets."

"Our quarterly results not only vary significantly based on the timing of project awards but they are also dependent upon the product mix. In the third quarter of 2007, our projects consisted primarily of standard products that carry high margins. Our 2008 projects had less standard product content resulting in lower margins. Our 2008 third quarter operating results were also impacted by foreign currency losses of approximately \$106,000 as compared to foreign currency gains of approximately \$70,000 in the third quarter of 2007. Foreign currency losses for the nine months ended September 30, 2008 were approximately \$145,000 as compared to a gain of approximately \$159,000 in same period of 2007. We are optimistic about our systems business and continue to see many project opportunities. We are currently tracking anticipated tenders that total over \$50 million."

About Sutron Corporation

Headquartered in Sterling, Virginia, Sutron designs, manufactures and sells hydrological, meteorological and oceanic monitoring products, systems and services to a diversified customer

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PRESS RELEASE



base of federal, state, local and foreign governments, engineering companies, universities and hydropower companies. Sutron is a project driven business and the Company's quarterly results may fluctuate substantially based upon large contract awards that are difficult to project in terms of timing and may be delayed due to the differing time frames in securing government approvals.

Safe Harbor Statement

The statements in this press release that relate to future plans, events or performance are "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. Forward-looking statements include without limitation any statements regarding our expected future financial position, results of operations, cash flows, financing plans, business strategy, products and services, competitive positions, growth opportunities, plans and objectives of management for future operations, as well as statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "should" and other similar expressions are forward-looking statements. All forward-looking statements involve risks, uncertainties and contingencies which may cause actual results, performance, or achievements to differ materially from anticipated results, performance, or achievements. Factors that may cause actual results to differ materially from those in the forward-looking statements include those set forth in our filings with the SEC, including the disclosure under the heading "Business" and "Management's Discussion and Analysis" in the Company's Annual Report on Form 10-KSB filed on March 31, 2008. We are under no obligation to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.

SUTRON CORPORATION FINANCIAL SUMMARY (UNAUDITED)

HIGHLIGHTS OF OPERATING RESULTS	For the Three Months Ended September 30,	
	2008	2007
Revenues	\$ 4,395,775	\$ 6,607,220
Cost of sales	2,856,044	3,498,248
Gross profit	1,539,731	3,108,972
Operating expenses	1,225,088	1,180,305
Operating income	314,643	1,928,667
Interest income	22,224	24,668
Income before income taxes	336,867	1,953,335
Income tax expense	150,000	735,000
Net income	\$ 186,867	\$ 1,218,335
PER SHARE AMOUNTS:		
Basic income per share	\$.04	\$.27
Diluted income per share	\$.04	\$.24

HIGHLIGHTS OF OPERATING RESULTS	For the Nine Months Ended September 30,	
	2008	2007



PRESS RELEASE



Revenues	\$ 12,239,838	\$ 13,971,836
Cost of sales	7,865,910	8,041,655
Gross profit	4,373,928	5,930,181
Operating expenses	3,405,914	3,418,285
Operating income	968,014	2,511,896
Interest income	88,653	73,816
Income before income taxes	1,056,667	2,585,712
Income tax expense	364,000	934,000
Net income	\$ 692,667	\$ 1,651,712
PER SHARE AMOUNTS:		
Basic income per share	\$.15	\$.37
Diluted income per share	\$.14	\$.33

	September 30, 2008	December 31, 2007
CONDENSED BALANCE SHEETS		
Assets		
Current Assets:		
Cash and cash equivalents	\$ 5,106,823	\$ 5,299,904
Restricted cash and cash equivalents	1,069,483	134,241
Accounts Receivable, net	3,694,392	3,614,532
Inventory, net	3,711,353	4,114,014
Other current assets	1,205,244	789,754
Total Current Assets	14,787,295	13,952,445
Property, Plant and Equipment, net	452,473	579,282
Other Assets	83,591	99,308
Total Assets	\$ 15,323,359	\$ 14,631,035

Liabilities and Stockholders' Equity

Current Liabilities:		
Notes payable	\$ 8,592	\$ 38,381
Accounts Payable and other current liabilities	2,395,129	2,350,514
Total Current Liabilities	2,403,721	2,388,895
Long-term notes payable	-	2,075
Other long-term liabilities	51,000	84,000
Total Liabilities	2,454,721	2,474,970
Stockholders' Equity	12,868,638	12,156,065
Total Liabilities and Stockholders' Equity	\$ 15,323,359	\$ 14,631,035