

Attention Business/Financial Editors:

Evertz Technologies Reports Results for the Second Quarter Ended October 31, 2010.

Burlington, December 07, 2010, Evertz Technologies Limited (TSX:ET), a leading equipment provider to the television broadcast industry, today reported its results, for the second quarter ended October 31, 2010, of its fiscal 2011 year.

Quarterly Highlights

- Sales were \$82.3 a 13% increase year-over-year for the quarter
- Sales in the international region increased by 42% year over year for the quarter
- Gross margin was 57.9%
- Cash and instruments held for trading increased to \$151.7 million
- Net earnings were \$20.9 million for the quarter as compared to \$17.5 million a year ago
- Diluted earnings per share were \$0.28 for the year as compared to \$0.23 a year ago

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q2 '11</u>	<u>Q2 '10</u>
Sales	\$ 82,327	\$ 72,984
Gross margin	47,639	42,354
Earnings from operations	31,279	24,940
Net income	20,908	17,512
Fully-diluted earnings per share	\$ 0.28	\$ 0.23

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q2 '11</u>	<u>YE ' 10</u>
Cash and instruments held for trading	\$ 151,661	\$ 145,029
Working capital	300,026	264,161
Total assets	374,227	345,787
Shareholders' equity	344,917	312,169

Sales

For the quarter ended October 31, 2010, sales were \$82.3 million, an increase of \$9.3 million or 13% as compared to sales of \$73.0 million for the quarter ended October 31, 2009. For the quarter, sales in the United States/Canada region decreased by \$3.2 million or 8% when compared to the same quarter last year. The International region grew by \$12.6 million or 42% for the quarter ended October 31, 2010 when compared to the same quarter last year.

Gross Margin

For the quarter ended October 31, 2010 gross margin was \$47.6 million compared to \$42.4 million in the same quarter last year. Gross margin percentage was approximately 58% similar to the quarter ended October 31, 2009.

Earnings

For the quarter ended October 31, 2010 net earnings were \$20.9 million as compared to \$17.5 million in the corresponding period last year.

For the quarter ended October 31, 2010, earnings per share on a fully-diluted basis were \$0.28 as compared to \$0.23 in the same period in 2009.

Operating Expenses

For the quarter ended October 31, 2010 selling and administrative expenses increased negligibly as compared to the prior year. Selling and administrative expenses represented approximately 11.2% of sales in the quarter ended October 31, 2010.

For the quarter ended October 31, 2010 gross research and development expenses decreased by \$0.9 million or 9% as compared to the corresponding period in 2009. Gross research and development expenses represented approximately 10% of sales for the quarter as compared to approximately 12% for the same period last year.

Liquidity and Capital Resources

The Company's working capital as at October 31, 2010 was \$300.0 million as compared to \$264.2 million on April 30, 2010.

Cash and instruments held for trading were \$151.7 million as at October 31, 2010 as compared to \$145.0 million on April 30, 2010.

Cash provided by operations was \$9.7 million for the quarter ended October 31, 2010 as compared to \$6.8 million for the quarter ended October 31, 2009. Before taking into account the changes in non-cash working capital, the Company generated \$27.2 million from operations for the quarter ended October 31, 2010 compared to \$22.6 million for the same period last year.

For the quarter ended October 31, 2010, the Company spent \$0.9 million on the purchase of equipment offset by the proceeds from the sale of capital assets of \$0.6 million.

For the quarter ended October 31, 2010, the Company used cash from financing activities of \$5.9 million which was principally a result of the payment of dividends offset by the issuance of capital stock pursuant to the Company Stock Option Plan of \$1.7 million.

Shipments and Backlog

Purchase order backlog at the end of November 2010 was in excess of \$30 million and shipments during the month of November 2010 exceeded \$30 million.

Dividend Declared

Evertz Board of Directors declared a dividend on December 07, 2010 of \$0.10.

The dividend is payable to shareholders of record on December 16, 2010 and will be paid on or about December 23, 2010.

Subsequent Event

The Company, on December 3, 2010, entered into an agreement to purchase the shares of an international technology based company for under \$5 million.

Selected Consolidated Financial Information (Unaudited)

(in thousands of dollars, except earnings per share and share data)

Consolidated Statement of Earnings Data					
	Three month period ended		Six month period ended		
	October 31,		October 31,		
	2010	2009	2010	2009	
Sales	\$ 82,327	\$ 72,984	\$ 156,143	\$ 145,005	
Cost of goods sold	34,688	30,630	65,506	59,235	
Gross margin	\$ 47,639	\$ 42,354	\$ 90,637	\$ 85,770	
Gross margin %	57.9%	58.0%	58.0%	59.1%	
Expenses					
Selling and administrative	9,194	9,125	17,581	17,786	
Research and development	8,221	9,076	16,243	16,341	
Investment tax credits	(1,876)	(2,014)	(3,881)	(4,025)	
Foreign exchange (gain) loss	(423)	(642)	(1,103)	3,471	
Amortization of intangibles	219	402	438	803	
Stock-based compensation	1,025	1,467	1,959	3,004	
	16,360	17,414	31,237	37,380	
Earnings from operations	\$ 31,279	\$ 24,940	\$ 59,400	\$ 48,390	
Interest and other income	\$ (1,975)	\$ 438	\$ (1,055)	\$ 775	
Non-controlling interest	(194)	(140)	(336)	(231)	
Earnings before income taxes	\$ 29,110	\$ 25,238	\$ 58,009	\$ 48,934	
Net earnings	\$ 20,908	\$ 17,512	\$ 41,470	\$ 34,589	
Net earnings per share:					
Basic	\$ 0.28	\$ 0.24	\$ 0.56	\$ 0.47	
Fully-diluted	\$ 0.28	\$ 0.23	\$ 0.56	\$ 0.46	

Consolidated Balance Sheet Data				
	As at		As at	
	October 31, 2010		April 30, 2010	
Cash and instruments held for trading	\$	151,661	\$	145,029
Inventory	\$	107,071	\$	91,745
Working capital	\$	300,026	\$	264,161
Total assets	\$	374,227	\$	345,787
Shareholders' equity	\$	344,917	\$	312,169
Number of common shares outstanding:				
Basic		73,876,906		73,607,506
Fully-diluted		78,263,806		77,703,006
Weighted average number of shares outstanding:				
Basic		73,663,050		73,324,244
Fully-diluted ¹		74,102,527		74,223,642

Note:

⁽¹⁾ Based on weighted average number of Common Shares outstanding using the treasury stock method as per Canadian GAAP.

Forward-Looking Statements

The report contains forward-looking statements reflecting Evertz's objectives, estimates and expectations. Such forward looking statements use words such as "may", "will", "expect", "believe", "anticipate", "plan", "intend", "project", "continue" and other similar terminology of a forward-looking nature or negatives of those terms.

Although management of the Company believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors. Accordingly, there are or will be a number of significant factors which could cause the Company's actual results, performance or achievements, or industry results to be materially different from any future results performance or achievements expressed or implied by such forward-looking statements.

Conference Call

The Company will hold a conference call with financial analysts to discuss the results on December 07, 2010 at 5:00 p.m. (EDT). Media and other interested parties are invited to join the conference call in listen-only mode. The conference call may be accessed by dialing 1-416-849-6166 or toll-free (North America) 1-866-250-6267.

For those unable to listen to the live call, a rebroadcast will also be available until January 07, 2011. The rebroadcast can be accessed at 1-416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 329631.

About Evertz

Evertz Technologies Limited (TSX: ET) designs, manufactures and markets video and audio infrastructure equipment for the production, post production, broadcast and internet protocol television ("IPTV") industry. The Company's solutions are purchased by content creators, broadcasters, specialty channels and television service providers to support their increasingly complex multi-channel digital and high definition television ("HDTV") broadcast environments and by telecommunications companies to roll-out IPTV. The Company's products allow its customers to generate additional revenue while reducing costs through the more efficient signal routing, distribution, monitoring and management of content as well as the automation of previously manual processes.