



SCANNER TECHNOLOGIES ANNOUNCES THIRD QUARTER RESULTS

MINNEAPOLIS--(BUSINESS WIRE)--November 8, 2004--Scanner Technologies Corporation (OTCBB:SCNI - News):

- Revenues rose 90% to \$1,348,646
- Net income was \$252,205 or \$.02 per share

Scanner Technologies Corporation (OTCBB:SCNI - News) with headquarters in Minneapolis, MN today announced the results of the third quarter. Revenues rose 90% to \$1,348,646 in the third quarter ended September 30, 2004 from \$707,962 in the year ago period. Net income rose \$252,205 from a loss of \$180,647 in the year ago period. Earnings per share rose to \$0.02 per share from the \$0.02 loss in the year ago period.

Revenues for the nine months ending September 30, 2004 were \$4,350,589 compared to \$1,599,851 reported for the same period in 2003. Net income for the first nine months of 2004 was \$1,124,900 compared to a loss of \$594,132 for the same period last year. Earnings per share rose to \$0.09 per share from the \$0.06 loss reported in the same period last year.

About Scanner Technologies Corporation:

Scanner is a New Mexico corporation that invents, develops and markets vision inspection products that are used in the semiconductor industry for the inspection of integrated circuits. Scanner's headquarters are located in Minneapolis, Minnesota. The company has a manufacturing facility in Tempe, Arizona, and sells its products through direct sales offices in San Jose, California, Singapore and, in key geographical markets, through sales representatives and distributors throughout the world. Scanner's stock is traded on the Over-The-Counter Bulletin Board under the symbol "SCNI." For more information please visit www.scannertech.com.

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SCANNER

TECHNOLOGIES CORPORATION

**SCANNER TECHNOLOGIES CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2004	2003	2004
REVENUES	\$707,962	\$1,348,646	\$1,599,851	\$4,350,589
COST OF GOODS SOLD	194,729	363,883	466,938	1,205,870
GROSS PROFIT	513,233	984,763	1,132,913	3,144,719
GROSS PROFIT PERCENT	72%	73%	71%	72%
OPERATING EXPENSES				
Selling, General and Administration	337,760	539,668	964,277	1,632,056
Research and Development	124,312	88,066	379,951	276,358
Legal fees	90,246	92,643	311,573	225,171
	552,318	720,377	1,655,801	2,133,585
INCOME (LOSS) FROM OPERATIONS	(39,085)	264,386	(522,888)	1,011,134
OTHER INCOME	396	364	240,391	334,306
INTEREST EXPENSE	(141,958)	(12,545)	(308,835)	(218,740)
INCOME (LOSS) BEFORE INCOME TAXES	(180,647)	252,205	(591,332)	1,126,700
INCOME TAXES	0	0	2,800	1,800
NET INCOME (LOSS)	(\$180,647)	\$252,205	(\$594,132)	\$1,124,900
NET INCOME (LOSS) PER SHARE - BASIC	(\$.02)	\$.02	(\$.06)	\$.11
NET INCOME (LOSS) PER SHARE - DILUTED	(\$.02)	\$.02	(\$.06)	\$.09
WEIGHTED AVERAGE NUMBER OF SHARES - BASIC	10,413,132	11,196,948	10,221,968	10,438,054
WEIGHTED AVERAGE NUMBER OF SHARES - DILUTED	10,413,132	13,174,789	10,221,968	12,003,375

SCANNER

TECHNOLOGIES CORPORATION

SCANNER TECHNOLOGIES CORPORATION AND SUBSIDIARY CONDENSED CONSOLIDATED BALANCE SHEETS

	Dec. 31, 2003 (audited)	Sept. 31, 2004 (unaudited)
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ASSETS		
CURRENT ASSETS		
Cash	\$170,082	\$1,645,757
Accounts receivable, less allowance of \$40,000	984,338	1,322,024
Inventory, less allowance of \$20,000 and \$42,500	911,382	2,005,792
Prepaid expenses	37,418	38,946
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TOTAL CURRENT ASSETS	2,103,220	5,012,519
PROPERTY AND EQUIPMENT, net	41,294	47,850
PATENT RIGHTS, net	283,025	236,712
OTHER	17,873	9,842
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TOTAL ASSETS	\$2,445,412	\$5,306,923
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LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank line of credit	\$701,000	\$690,000
Notes payable	113,340	--
Accounts payable	804,128	232,729
Accrued expenses	157,709	213,244
Customer deposits	20,940	--
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TOTAL CURRENT LIABILITIES	1,797,117	1,135,973
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, no par value, 50,000,000 shares authorized no shares issued and outstanding	--	--
Common stock, no par value, 50,000,000 shares authorized 10,426,459 and 11,984,198 shares issued and outstanding	4,128,528	5,776,757
Warrants	411,561	863,165
Deferred financing costs, net	(176,822)	--
Notes receivable for common stock	(275,000)	(153,900)
Accumulated deficit	(3,439,972)	(2,315,072)
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TOTAL STOCKHOLDERS' EQUITY	648,295	4,170,950
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$2,445,412	\$5,306,923
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