



SCANNER TECHNOLOGIES ANNOUNCES RESULTS FOR FISCAL 2006

MINNEAPOLIS--(BUSINESS WIRE)--Thursday April 5, 9:00 am ET--Scanner Technologies Corporation (OTCBB:SCNI - News) with headquarters in Minneapolis, MN today announced the results for its fiscal year 2006 and filed its annual report on Form 10-KSB with the Securities and Exchange Commission.

- Revenues for the year ended December 31, 2006 were \$2,497,150
- The net loss for the year ended December 31, 2006 was \$1,084,305

Revenues for the year ended December 31, 2006, were \$2,497,150 compared to \$1,595,912 for the year ended December 31, 2005. The sales increase in 2006 relates primarily to increased sales of the Company's VisionFlex robotic inspection systems. Since the Company sells relatively few of its devices each year, its business is characterized by uneven quarterly results that are dependent on the timing, nature and mix of sales. The Company sold five of its VisionFlex robotic inspection systems during the seven months ended July 31, 2006; but during the last five months of 2006 and the first two months of 2007, the Company did not sell any of its VisionFlex robotic inspection systems.

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 and has a manufacturing facility in Tempe, Arizona. 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 CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|---|---------------------|---------------------|
| | 2006 | 2005 |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 688,251 | \$ 1,168,532 |
| Accounts receivable, less allowances of \$15,000 and \$18,000 | 343,926 | 331,085 |
| Inventories | 795,721 | 1,620,027 |
| Prepaid expenses | 36,564 | 29,174 |
| TOTAL CURRENT ASSETS | 1,864,462 | 3,148,818 |
| PROPERTY AND EQUIPMENT, net | 14,494 | 29,763 |
| PATENT RIGHTS, less accumulated amortization of \$272,734 and \$210,983 | 97,772 | 159,523 |
| OTHER | 7,199 | 7,199 |
| | \$ 1,983,927 | \$ 3,345,303 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Bank line of credit | \$ — | \$ 490,000 |
| Accounts payable | 111,700 | 107,643 |
| Accrued expenses | 128,653 | 45,177 |
| TOTAL CURRENT LIABILITIES | 240,353 | 642,820 |
| 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; 12,216,068 shares issued and outstanding | 7,261,644 | 7,188,182 |
| Deferred financing costs, net | — | (51,934) |
| Note receivable for common stock | (153,900) | (153,900) |
| Accumulated deficit | (5,364,170) | (4,279,865) |
| | 1,743,574 | 2,702,483 |
| | \$ 1,983,927 | \$ 3,345,303 |

SCANNER

TECHNOLOGIES CORPORATION

SCANNER TECHNOLOGIES CORPORATION AND SUBSIDIARY CONSOLIDATED STATEMENTS OF OPERATIONS

| | Year Ended December 31, | |
|---|-------------------------|----------------|
| | 2006 | 2005 |
| REVENUES | \$ 2,497,150 | \$ 1,595,912 |
| COST OF GOODS SOLD | 1,486,407 | 723,744 |
| GROSS PROFIT | 1,010,743 | 872,168 |
| OPERATING EXPENSES | | |
| Selling, general and administrative | 1,861,857 | 1,899,034 |
| Research and development | 38,150 | 146,937 |
| Legal fees | 151,742 | 662,401 |
| | 2,051,749 | 2,708,372 |
| LOSS FROM OPERATIONS | (1,041,006) | (1,836,204) |
| OTHER INCOME (EXPENSE) | | |
| Interest expense | (55,517) | (62,881) |
| Miscellaneous | 15,018 | 8,368 |
| LOSS BEFORE INCOME TAXES | (1,081,505) | (1,890,717) |
| INCOME TAXES | 2,800 | 1,900 |
| NET LOSS | \$ (1,084,305) | \$ (1,892,617) |
| NET LOSS PER SHARE - BASIC AND DILUTED | \$ (0.09) | \$ (0.16) |
| WEIGHTED AVERAGE SHARES OUTSTANDING - BASIC AND DILUTED | 12,216,068 | 12,149,422 |