

News Release

Xantrex™ Technology Inc. Reports 2008 Second Quarter

VANCOUVER, B.C., July 29, 2008 – Xantrex Technology Inc. (TSX:XTX) reported financial results for the second quarter ended June 30, 2008.

On July 27, 2008, Xantrex announced that it has entered into a definitive agreement to be acquired by Schneider Electric for a purchase price of \$15.00 per share. The all-cash transaction has an equity value of approximately \$500 million. As a condition to the sale of Xantrex to Schneider Electric, Xantrex also entered into a definitive agreement for the sale of its Programmable Power business to AMETEK, Inc.

Revenue for the second quarter rose 42.5 percent to \$84.4 million from \$59.2 million a year ago. Renewable Power revenue rose 151 percent, which, together with a modest increase in Mobile revenues, more than offset lower Programmable revenue.

Gross margin increased to 33.1 percent from 31.5 percent a year ago. The improvement was a result of higher margins on Renewable products introduced during the past twelve months, and leverage from higher manufacturing volume, which offset a \$656,000 charge for the consolidation of manufacturing facilities. We do not expect any further charges for this manufacturing facilities consolidation. Excluding the charge, gross margin would have been 33.8 percent.

Net income was \$4.0 million, or \$0.13 per share, compared with a loss a year ago of \$1.2 million, or \$0.04 per share. Adjusted net income was \$5.7 million, or \$0.19 per share, compared with \$843,000, or \$0.03 per share, a year ago. Net income and adjusted net income benefited from strong growth in revenue, higher gross margin, and the containment of operating expenses. Adjusted EBITDA was \$10.2 million compared with \$4.2 million a year ago. (Please see table below for a reconciliation of the non-GAAP measures to net income.)

Mr. Mossadiq S. Umedaly, Chairman, stated, "We have begun to consistently execute on our growth strategy with Renewable Power showing exceptionally strong growth, and Programmable Power and Mobile Power positioned for improved second half performance with modest growth for the full year. Improved manufacturing and supply chain operations, higher gross margin, and contained operating expenses helped bring the revenue acceleration to the bottom line."

Mr. John Wallace, CEO of Xantrex, commented, "A strong order book in solar and wind products, and a successful step-up in production and deliveries combined to yield record Renewable Power revenue during the second quarter. Programmable revenues were lower compared with a year ago reflecting timing of large orders, deferrals in capital spending by semiconductor manufacturers, and long product lead times from our recently integrated manufacturing facility in San Diego, California. Within Mobile Power, growth in commercial products offset reduced revenue in recreational products. With regard to improved profitability, our overall gross margin benefited from redesigned Renewable Power products that carry higher margins, while cost of goods and operating expenses benefited from operating leverage."

Mr. Wallace concluded, "For the second half of 2008, we expect revenue from Renewable Power products to remain strong but somewhat below the run rate achieved in the second quarter. This is due to recent changes in Spanish renewable energy incentives which may have the effect of reducing sales in Spain, offset to some extent by increasing sales in other markets.

We expect Programmable Power product revenues to increase from the second half of 2007, and to increase over the first half of this year, as a result of stronger bookings outlook and improved product delivery lead times to our customers. Within Mobile Power, our two primary objectives are realizing the full potential from our Duracell® partnership and sustaining our growth in the commercial vehicle market to offset the slowdown in the recreational market. We anticipate that revenue from mobile power applications will increase modestly in the second half of 2008. Overall, we expect higher revenue, improved gross margin, and contained operating expenses to enable us to exceed our stated objective of doubling our 2007 adjusted EBITDA and net income per share."

	Three months ended June 30			Six months ended June 30		
	2008	2007	% change	2008	2007	% change
Revenue	\$84,371,000	\$59,215,000	42%	\$146,361,000	\$99,121,000	48%
Net income (loss)	\$3,964,000	(\$1,182,000)	n/a	\$4,505,000	(\$1,290,000)	n/a
Adjusted net income	\$5,651,000	\$843,000	570%	\$8,083,000	\$1,370,000	490%
Net income (loss) per share (diluted)	\$0.13	(\$0.04)	n/a	\$0.15	(\$0.04)	n/a
Adjusted net income per share (diluted)	\$0.19	\$0.03	533%	\$0.27	\$0.05	440%
Fully diluted avg. shares outstanding	29,910,654	29,441,933	2%	29,465,669	29,234,581	1%

Note: On June 30, 2008, the Bank of Canada's exchange rate for one Canadian dollar was \$0.98 compared with \$0.94 on June 30, 2007.

Our complete second quarter 2008 Management's Discussion and Analysis and Financial Statements are available on the Xantrex web site at www.xantrex.com.

Cautionary Note on Forward-looking Information

Some of the statements contained in this report are forward-looking statements. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. These forward looking statements can be identified by the use of words such as "expect", "may", "intend", "believe" and similar expressions. Actual results, including Xantrex's growth rate, could differ materially from those currently anticipated in forward looking statements, based on regional and global economic growth, electricity supply and demand, government regulations and incentives, technological advances by Xantrex and others, our ability to execute on our plans, and other factors, including those discussed in our 2007 Annual "Management's Discussion and Analysis". Readers should not place undue reliance on Xantrex's forward-looking statements. No forward-looking statement is a guarantee of future results.

Non-GAAP Financial Measure

For the quarter June 30, 2008 we are disclosing adjusted EBITDA and adjusted net income, non-GAAP financial measures, as supplemental indicators of operating performance. We define adjusted EBITDA as net income before interest, income taxes, depreciation, amortization, stock option compensation expense and manufacturing plant consolidation costs, and we define adjusted net income as net income excluding the after-tax impact of stock option compensation expense, intangible asset amortization and manufacturing plant consolidation costs. We are presenting the non-GAAP financial measures in our filings because we use them internally to make strategic decisions, forecast future results and evaluate our performance and because we believe that our current and potential investors and many analysts use these measures to assess our current and future operating results and to make investment decisions. In addition, management believes that these measures are useful to investors in enabling them to better assess changes in our business across different time periods. Investors should not consider adjusted EBITDA or adjusted net income as alternatives to net income, nor to cash provided by operating activities, nor to any other indicators of performance or liquidity which have been determined under GAAP. Adjusted EBITDA and adjusted net income do not have any standardized meaning prescribed by GAAP and may be different from and therefore not

comparable to similar measures presented by other companies. See below for a reconciliation of adjusted EBITDA and adjusted net income to net income.

	Three months ended June 30		Six months ended June 30	
	2008	2007	2008	2007
Net income (loss)	\$ 3,964	\$ (1,182)	\$ 4,505	\$ (1,290)
Interest income	(50)	(47)	(97)	(650)
Interest expense	885	1,104	2,125	1,323
Income taxes	2,111	297	2,440	787
Depreciation and amortization	2,474	3,097	5,032	4,217
Stock-based compensation	327	470	736	836
Manufacturing plant consolidation costs (1)	533	454	1,254	454
Adjusted EBITDA	\$ 10,244	\$ 4,193	\$ 15,995	\$ 5,677

	Three months ended June 30		Six months ended June 30	
	2008	2007	2008	2007
Net income (loss)	\$ 3,964	\$ (1,182)	\$ 4,505	\$ (1,290)
Net income (loss) per share, diluted	0.13	(0.04)	0.15	(0.04)
Adjustments				
Add:				
Stock-based compensation	327	470	736	836
Intangible asset amortization (2)	1,635	2,032	3,269	2,466
Manufacturing plant consolidation costs (1)	533	454	1,254	454
Deduct:				
Tax recovery for intangible asset amortization	(621)	(772)	(1,242)	(937)
Tax recovery for manufacturing plant consolidation costs	(187)	(159)	(439)	(159)
Non-GAAP net income	5,651	843	8,083	1,370
Non-GAAP net income per share, diluted	\$ 0.19	\$ 0.03	\$ 0.27	\$ 0.05
Shares used to calculate non-GAAP net income per share, diluted	29,910,654	29,441,933	29,465,669	29,234,581

(1) Manufacturing plant consolidation costs are the costs associated with the closure of the Burnaby, British Columbia and Arlington, Washington manufacturing facilities as we consolidate the manufacture of programmable products in our San Diego facility, and solar commercial products in our Livermore facility. In the second quarter of 2008 these costs included a \$123,000 gain on sale of manufacturing assets, included in other income.

(2) Intangible asset amortization is primarily for the intellectual property acquired as part of the acquisition of Elgar Electronics Corporation.

Conference Call

Xantrex has scheduled a conference call for Wednesday, July 30, 2008 at 6:00 am Pacific Time (9:00 am Eastern Time) to discuss the second quarter 2008 financial results. To access the conference call by telephone, please call 416-644-3426 or 604-677-8677. Alternatively, the audio webcast of the conference call may be accessed through the Xantrex web site at <http://www.xantrex.com/invevents.asp>. The audio replay will be available on the web or by telephone at 416-640-1917 (passcode 21277796#) shortly after the conclusion of the conference call.

About Xantrex

Xantrex Technology Inc. (www.xantrex.com) is a world leader in the development, manufacturing and marketing of advanced power electronic products and systems for the renewable, programmable, and mobile power markets. The company's products convert and control raw electrical power from any central, distributed, renewable, or backup power source into high-quality power required by electronic and electrical equipment. Xantrex is headquartered in Vancouver, Canada, with facilities in Arlington, Livermore, San Diego, and Elkhart, United States; Barcelona, Spain; Reading, England; Berlin, Germany; and a joint venture in Shanghai, China. Xantrex is listed on the Toronto Stock Exchange under the ticker symbol "XTX".

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