



PRESS RELEASE

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STRONG GROWTH IN REVENUE AND EARNINGS

Montréal, May 9, 2006 - Logibec Groupe Informatique Ltd. (TSX: LGI) announced today the results of its quarter ended March 31, 2006. All monetary amounts are expressed in Canadian dollars.

HIGHLIGHTS

- Acquisition on March 23, 2006, of Monette Information Systems Corporation, by our American subsidiary MDI, increased the number of facilities served by MDI to over 1,800, representing an increase of 20%.
- Revenue up 32% for the second quarter ended March 31, 2006, to stand at \$10.8 million, compared to \$8.2 million for the same period in the previous fiscal year. Revenue of \$21.1 million for the last six months, representing an increase of 40%, compared to \$15.1 million for the same period in the previous fiscal year.
- Net earnings of \$1.8 million, up 36% for the quarter, compared to net earnings of \$1.3 million for the same period in the previous fiscal year. Net earnings for the six months ended March 31, 2006 were \$3.4 million, up 47% from \$2.3 million for the same period in the previous fiscal year.
- Net earnings per share for the quarter reached \$0.20 per share, compared to \$0.18 per share for the same quarter in the previous fiscal year, despite an increase of 26% in the average number of outstanding shares. Net earnings per share for the six months ended March 31, 2006 stand at \$0.38 per share ((\$0.38 per fully-diluted share), compared to \$0.34 (\$0.32 per fully-diluted share) for the same period in the previous fiscal year.
- Recurring revenue for the quarter up 35% to \$7.8 million or 72% of total revenue.
- Operating margin for the six months ended March 31, 2006 increased to 42% of total revenue, compared to 40% of total revenue for the same period in the previous fiscal year, and this despite a very competitive market in Quebec.
- Net margin for the quarter increased to 17% of total revenue, compared to 16% of total revenue for the same period in the previous fiscal year. The net margin for the six months ended March 31, increased from 15% in 2005 to 16% in 2006.

OPERATING RESULTS

REVENUE

Revenue for the second quarter of fiscal year 2006 stood at \$10.8 million, an increase of 32% compared to \$8.2 million for the same period in the previous fiscal year.

Revenue for the six months ended March 31, 2006 stands at \$21.1 million, representing an increase of 40%, compared to \$15.1 million for the same period in the previous fiscal year. This increase is primarily due to the activities of our American subsidiary MDI whereas our Canadian activities increased by 7%. The acquisition, on March 23, 2006, of Monette by MDI had a negligible impact on the financial results of the second quarter. The Company believes that this acquisition will have a favourable impact on our revenue and earnings during the current fiscal year.

The weak growth generated by Canadian activities can be explained in part by an increase of \$0.5 million of discounts granted for the large number of calls for tenders organized following the restructuring of the Quebec health and social services network. Aggressive pricing of products and services allowed us to substantially increase our market share in our various business sectors. Furthermore, \$0.8 million of invoicing for professional services provided during the last six months were posted as deferred revenue and costs were recorded as work in progress. A significant amount of this deferred revenue will be recognized as of May 2006 when a regional version of our Clinibase software is launched by one of our clients. This situation temporarily decreased the growth of our products and operating margin.

OPERATING INCOME

Operating income before depreciation, amortization, loss on disposal of fixed assets, income from temporary investments, financial expenses and taxes for the quarter ended March 31, 2006 stood at \$4.5 million, representing an increase of \$1.3 million or 39% over the same period last year. Operating income before depreciation, amortization, loss on disposal of fixed assets, income from temporary investments, financial expenses and taxes for the six months ended March 31, 2006 stood at \$8.6 million, representing an increase of \$2.8 million or 48% over the same period last year.

OPERATING EXPENSES

Operating expenses for the quarter, composed of service costs and selling, general and administrative expenses, stood at \$6.3 million or 58% of revenue, a decrease of 2% compared to the operating expenses ratio for the same period of the previous fiscal year. Operating expenses for the six months ended March 31, 2006 stood at \$12.5 million, compared to \$9.3 million for the same period of the previous fiscal year.

The main component of operating expenses, that is service costs, stood at \$4.2 million, of which \$3.5 million is attributable to Canadian activities. Canadian service costs decreased by \$0.1 million for the second quarter of 2006 compared to the same period in the previous fiscal year. This is mainly a result of a decrease in salaries related to the professional services for a major client that were capitalized.

Selling, general and administrative expenses were \$2.1 million or 19% of revenue for the quarter, compared to \$1.3 million or 17% of revenue for the same period last year. The \$0.7 million increase is mainly a consequence of including MDI's expenses. However, MDI's selling, general and administrative expenses for the second quarter of fiscal year 2006 decreased by \$0.4 million, compared to the previous quarter. This is due to the expiry on December 31, 2005, of the management contracts of two former MDI executives. The consolidated selling, general and administrative expenses also include an expense of \$0.1 million related to 134,000 stock options granted in the third quarter of the 2005 fiscal year.

For the six months ended March 31, 2006, service costs stood at \$8.0 million and selling, general and administrative expenses stood at \$4.5 million, representing an increase of 19% and 75% respectively compared to the same period in the previous fiscal year. Of the \$3.2 million increase for these two items, \$2.9 million is a consequence of adding MDI's operating expenses.

AMORTIZATION OF FIXED ASSETS, INTANGIBLE ASSETS AND OTHER LONG-TERM ASSETS

Amortization of fixed assets, intangible assets and other long-term assets for the quarter ended March 31, 2006 rose to \$1.6 million, representing an increase of 26% compared to the same period in the previous fiscal year. Amortization of fixed assets increased \$0.1 million for the quarter, entirely due to the amortization of MDI's fixed assets. Amortization of intangible assets also increased, up \$0.3 million to stand at \$1.3 million. This increase is also due to MDI, namely to the amortization of acquired software and technology.

FINANCIAL EXPENSES

Financial expenses were \$0.2 million for the quarter, representing a significant increase of 215% compared to financial expenses for the same period last year. Financial expenses for the second quarter are mainly composed of interest charges related to the credit facilities obtained to finance the takeover bid for MDI and the subsequent merger. For the same period in the previous fiscal year, the Company had no borrowings under its credit facilities.

NET EARNINGS

Net earnings for the second quarter ended March 31, 2006 increased by 36% to \$1.8 million or \$0.20 per share (\$0.20 per fully-diluted share), compared to \$1.3 million or \$0.18 per share (\$0.18 per fully-diluted share) for the same period in the previous year.

Net earnings for the six-month period ended March 31, 2006 increased by 47% or \$1.1 million to stand at \$3.4 million or \$0.38 per share (\$0.38 per fully-diluted share), compared to \$2.3 million or \$0.34 per share (\$0.32 per fully-diluted share) for the same period in the previous year. The increase in net earnings results from the addition of MDI's activities as well as from profitable growth of the Company's Canadian activities, despite the highly competitive context.

LIQUIDITY AND SOURCES OF FINANCING

OPERATING ACTIVITIES

For the second quarter ended March 31, 2006, operating activities generated cash flows of \$0.8 million, compared to cash flows of \$0.1 million generated by these activities in the same period of the previous fiscal year. The increase is mainly explained by the increase in internally-generated funds following MDI's contribution to operating activities.

INVESTING ACTIVITIES

The Company used \$2.1 million for investing activities during the quarter ended March 31, 2006. The main investing activity was the acquisition of all the shares of Monette for cash consideration of US\$1.3 million, or CA\$1.5 million, and a promissory note of US\$1.2 million or CA\$1.4 million. The cash consideration of US\$1.3 million was generated entirely by MDI operations. The cash flow statement for the three months ended March 31, 2006, presents the cash consideration net of acquired cash.

The amount of promissory note is subject to certain adjustments and becomes due once an audited balance sheet is finalized for Monette and dated March 22, 2006. As of the preparation of this MD&A, the promissory note is estimated at US\$1.1 million or CA\$1.2 million.

During the second quarter of fiscal year 2006, the Company invested \$0.2 million in fixed assets, and \$0.5 million in intangible assets, which were mainly capitalized software development costs.

FINANCING ACTIVITIES

The Company's primary debt financing objective is to use this method of financing to facilitate acquisitions and other major projects while ensuring that borrowed amounts are promptly repaid from the significant cash flow generated by its operations and from the proceeds of from issued shares. All excess cash flow generated by the Company in Canada between June and December 2005 was applied against the bank loan of \$28.3 million used to acquire MDI. The quarter from January to March is the quarter during which the Canadian operating unit generates the least cash flow since most of the recurring revenue is billed annually on April 1st. These two facts contributed to the Company's need to borrow \$3.1 million under its credit facilities during the second quarter in order to finance its operations and stock repurchases.

During the second quarter, the Company repurchased 52,000 common shares through a normal course issuer bid announced on December 16, 2005. These shares were repurchased for cash consideration of \$0.7 million at the average price per share of \$12.72. Since the bid began, 64,100 shares have been repurchased.

The Company also made monthly payments under its revolving reducing term loans which totalled \$1.1 million. Management believes that the revolving reducing term loans will be repaid in full during the current fiscal year.

ABOUT LOGIBEC

LOGIBEC is among the ten largest Canadian companies specializing in the development, marketing, implementation and support of information systems for the health and social services sector. Over 400 healthcare facilities in Canada and over 750 clients representing 1,800 facilities throughout the U.S. use our products and services delivered by an experienced team of over 250 employees as at March 31, 2006. The Company has its head office in Montreal as well as offices in Quebec City, Edmonton, St. Louis, Missouri and Smithfield, Virginia.

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Source:

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This news release contains forward-looking statements reflecting Logibec Groupe Informatique Ltd. objectives, estimates and expectations. Such statements may be marked by the use of verbs such as "believe", "anticipate", "estimate" and "expect" as well as the use of the future or conditional tense. By their very nature, such statements involve risks and uncertainty. Actual results may differ significantly from the Company's forecasts or expectations.

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED STATEMENTS OF EARNINGS
(unaudited)

	Three months ended March 31		Six months ended March 31	
	2006	2005	2006	2005
	\$	\$	\$	\$
Revenue	10 790 388	8 165 248	21 139 917	15 132 480
Operating expenses				
Services costs	4 216 084	3 584 766	8 044 018	6 738 453
Selling and administrative expenses	1 977 829	1 347 626	4 268 281	2 546 747
Stock-based compensation	88 944	-	177 888	-
	6 282 857	4 932 392	12 490 187	9 285 200
Earnings before the following items	4 507 531	3 232 856	8 649 730	5 847 280
Amortization of fixed assets	268 704	216 804	539 805	426 568
Amortization of intangible assets and other long-term assets	1 335 044	1 060 585	2 636 389	1 929 570
Loss on disposal of fixed assets	18 493	-	18 493	-
Income on temporary investments	(27 053)	(4 908)	(42 526)	(26 883)
Financial expenses	195 246	61 962	387 171	179 990
Earnings before income taxes	2 717 097	1 898 413	5 110 398	3 338 035
Income taxes	912 000	569 500	1 670 000	1 001 500
Net earnings	1 805 097	1 328 913	3 440 398	2 336 535
Net earnings per share				
Basic	0,20	0,18	0,38	0,34
Diluted	0,20	0,18	0,38	0,32
Weighted average number of common shares outstanding				
Basic	9 032 335	7 192 238	8 959 766	6 958 356
Diluted	9 068 591	7 590 429	9 054 995	7 326 554

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED STATEMENTS OF RETAINED EARNINGS
(unaudited)

	Three months ended		Six months ended	
	March 31		March 31	
	2006	2005	2006	2005
	\$	\$	\$	\$
Retained earnings, beginning of period	10 970 445	6 156 513	9 445 516	5 148 891
Net earnings	1 805 097	1 328 913	3 440 398	2 336 535
	12 775 542	7 485 426	12 885 914	7 485 426
Premium on redemption of common shares	(497 317)	(228 690)	(607 689)	(228 690)
Retained earnings, end of period	12 278 225	7 256 736	12 278 225	7 256 736

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED BALANCE SHEETS

	March 31, 2006	September 30, 2005
	\$ (unaudited)	\$ (audited)
Assets		
Current assets		
Cash and cash equivalents	2 185 954	3 191 839
Accounts receivable	6 586 348	4 692 909
Income tax credits receivable	1 823 258	1 602 641
Income tax receivable	898 356	1 147 663
Future income taxes	107 456	106 968
Prepaid expenses and other current assets	638 531	385 051
	12 239 903	11 127 071
Fixed assets		
Goodwill	4 373 085	4 637 194
Intangible assets and other long-term assets	33 580 682	30 494 988
	23 127 260	24 757 115
	73 320 930	71 016 368
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	5 143 660	4 700 357
Promissory note	1 236 198	-
Income taxes	2 080 847	257 965
Future income taxes	135 000	135 000
Current portion of long-term debt	4 575 633	4 572 065
Current liabilities, excluding deferred revenue	13 171 338	9 665 387
Deferred revenue	2 836 237	8 337 960
	16 007 575	18 003 347
Long-term debt	8 095 130	7 773 180
Future income taxes	9 816 735	9 795 561
	33 919 440	35 572 088
Shareholders' equity		
Share capital	28 742 367	27 755 214
Warrants	-	189 837
Contributed surplus	355 776	177 888
Retained earnings	12 278 225	9 445 516
Currency translation adjustment	(1 974 878)	(2 124 175)
	39 401 490	35 444 280
	73 320 930	71 016 368

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31		Six months ended March 31	
	2006	2005	2006	2005
	\$	\$	\$	\$
Operating activities				
Net earnings	1 805 097	1 328 913	3 440 398	2 336 535
Adjustments for:				
Amortization of fixed assets	268 704	216 804	539 805	426 568
Amortization of intangible assets and other long-term assets	1 335 044	1 060 585	2 636 389	1 929 570
Stock-base compensation	88 944	-	177 888	-
Loss on disposal of fixed assets	18 493	-	18 493	-
	3 516 282	2 606 302	6 812 973	4 692 673
Changes in non-cash operating working capital items	(2 765 096)	(2 554 918)	(5 618 349)	(6 918 751)
	751 186	51 384	1 194 624	(2 226 078)
Investing activities				
Business acquisition, net of cash and cash-equivalents acquired	(1 442 804)	-	(1 442 804)	-
Acquisition of long-term investment	-	(710 842)	-	(710 842)
Decrease in advance to a related company	-	141 501	-	341 676
Proceeds from disposal of fixed assets	32 326	-	32 326	-
Acquisition of fixed assets	(191 882)	(112 223)	(295 779)	(257 046)
Increase in intangible assets and other long-term assets				
net of investment tax credits	(467 549)	(360 481)	(949 719)	(956 589)
	(2 069 909)	(1 042 045)	(2 655 976)	(1 582 801)
Financing activities				
Increase in long-term debt	3 100 000	-	3 100 000	-
Repayment of long-term debt	(1 143 017)	-	(2 786 037)	(2 751 158)
Redemption of shares	(662 865)	(299 115)	(811 373)	(299 115)
Issuance of shares	-	167 500	1 001 000	1 700 000
	1 294 118	(131 615)	503 590	(1 350 273)
Effect of exchange rate changes on cash denominated in foreign currency	(13 377)	-	(48 122)	-
Decrease in cash and cash equivalents	(37 983)	(1 122 276)	(1 005 885)	(5 159 152)
Cash and cash equivalents, beginning of year	2 223 937	2 529 056	3 191 839	6 565 935
Cash and cash equivalents, end of year	2 185 954	1 406 780	2 185 954	1 406 783