



**PRESS RELEASE**

*For Immediate Distribution*

---

## **INCREASE IN REVENUE AND EARNINGS FOR 2007**

---

Montréal, November 22, 2007 – Logibec Groupe Informatique Ltd. (TSX: LGI) announced today the results of its fiscal year ended September 30, 2007. All monetary amounts are expressed in Canadian dollars.

### **HIGHLIGHTS**

- Revenue for the fiscal year 2007 increased 11% to \$45.3 million compared to \$40.8 million for the previous year.
- Revenue for the fourth quarter increased 11% to \$11.5 million compared to \$10.5 million for the same period in the previous year.
- Recurring revenue increased 10% to stand at \$36.7 million compared to \$33.2 million in 2006.
- Operating income increased 15% to stand at \$18.4 million compared to \$15.9 million in 2006.
- Operating income for the fourth quarter increased 11% to stand at \$4.7 million compared to \$4.3 million for the same period in the previous year.
- Net earnings increased 33% to \$7.5 million, or 0.85 per share, for the year ended September 30, 2007, compared to \$5.6 million, or \$0.63 per share, for the same period last year, after restatement.
- Acquisition by our subsidiary, MDI Technologies, Inc., of the business activities of Choice Systems Enterprise, Inc. and REPS Software, increasing the number of client facilities and communities using our software in the United States to 3,400.
- Acquisition on November 19, 2007, of the assets of Achieve Healthcare Technologies L.P., increasing the number of client facilities and communities using our software in the United States to approximately 6,000.
- Restatement of the 2006 consolidated financial statements so as to correct the understatement of the income tax expense, namely the recognition of additional income tax expense in the amount of \$1.1 million.

### **OPERATING RESULTS**

This press release compares the operating results for the fiscal year 2007 with those of the fiscal year 2006. The results of the fiscal year ended on September 30, 2007, include the results of REPS Software from May 14, 2007, and the acquired business activities of Choice Systems Enterprise, Inc. from March 15, 2007.

## REVENUE

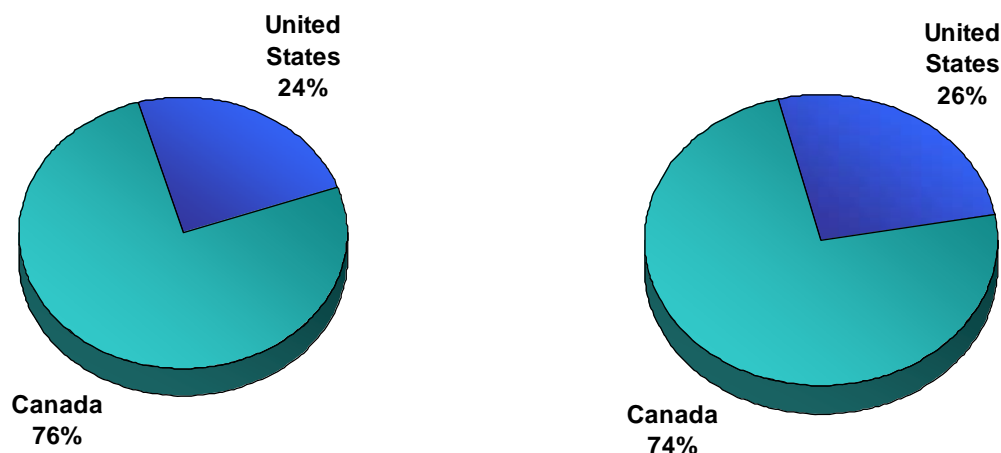
### Geographical Revenue Breakdown

(in thousands of Canadian dollars)

	2006	2007	Variation	Growth
Canada	30 982	<b>33 407</b>	2 425	8%
United States	9 774	<b>11 846</b>	2 072	21%
<b>Consolidated Revenue</b>	40 756	<b>45 253</b>	4 497	11%

In 2007, revenue reached a new high to stand at \$45.3 million compared to \$40.8 million in 2006, representing an 11% increase. Canadian activities generated \$2.4 million of the total \$4.5 million increase and American activities generated the remaining \$2.1 million. Revenue by sector is presented as follows:

### Revenue by Segment



For the fiscal year 2007, revenue from American activities represents 26% of consolidated revenue compared to 24% for the previous year. This progression stems from the Company's growth strategy that is aimed at creating significant market share for the Company in the elder care market in the United States.

### Recurring Revenue

(in thousands of Canadian dollars)

	2006	2007	Variance	Growth
Canada	24 284	<b>25 538</b>	1 254	5%
United States	8 933	<b>11 220</b>	2 287	26%
<b>Consolidated Revenue</b>	33 217	<b>36 758</b>	3 541	11%

## Revenue from Canadian activities

In Canada, revenue increased \$2.4 million, representing an increase of 8% compared to the previous year. Recurring revenue from the Canadian segment contributed \$1.3 million to this increase, due mainly to the software rights of use for clinical administrative solutions, eClinibase and Med-Echo.

Non-recurring revenue increased by \$1.2 million, or 17%, mainly due to special projects carried out in order to apply the new pay equity measures ordered by the Quebec government for civil servants and particularly for employees in health and social services facilities using the Company's payroll services.

As at September 30, 2007, the Canadian segment had \$1.8 million in current deferred license and professional services revenue and \$3.6 million in long-term deferred revenue. This revenue as well as the related costs will be recognized over the average term of the related agreements which is generally three years. As at the same date, this segment had current deferred revenue from annual rights of use and support in the amount of \$11.9 million.

## Revenue from American activities

For the fiscal year 2007, revenue from the American segment increased by \$2.1 million or 21%. This increase is due mainly to the inclusion of Monette Information Systems Corporation's results during the whole fiscal year compared to a contribution of 192 days in 2006; it is also due to the inclusion of the business activities of Choice Systems beginning March 15, 2007 and the activities of REPS Software beginning May 14, 2007. The increase in revenue from the American segment is due to an increase of \$2.3 million in recurring revenue, reflecting the importance of recurring revenue in the business model used in the United States.

As at September 30, 2007, the American segment had \$2.5 million in current deferred license and professional services revenue and \$2.3 million in non-current deferred revenue. This revenue as well as the related costs will be recognized over the average term of the related agreements which is on average five years.

## OPERATING EXPENSES

Operating expenses, which are composed of service costs and selling and administrative expenses, increased 8%, representing 59% of revenue for the fiscal year 2007 compared to 61% for the fiscal year 2006.

Service costs. Service costs increased by \$2.2 million, or 13%, and represent 41% of revenue whereas they represented 40% of revenue in 2006. An analysis of service costs is presented in the following table.

	Service Costs			Service Costs / Revenue		
	2006	2007	Variation	2006	2007	
Canada	12 829	13 501	672	41%	40%	
United States	3 439	4 962	1 523	35%	42%	
<b>Consolidated Service Costs</b>	<b>16 268</b>	<b>18 463</b>	<b>2 195</b>	<b>40%</b>	<b>41%</b>	

The increase in service costs is mainly attributable to an increase in the American segment resulting from the inclusion of Monette activities for a full year and REPS Software from May 15, 2006. Service costs for the Canadian segment went from \$12.8 million in 2006 to \$13.4 million in 2007. This increase is mainly a result of an increase in the cost of equipment intended for resale. However, service costs have decreased as a ratio of revenue. This ratio for the Canadian segment stands at 40% in 2007 compared to 41% in 2006. The improvement in this ratio is due to Management's ability to generate increased revenue despite having a stable workforce.

Selling and administrative expenses. Selling and administrative expenses for the fiscal year 2007 stood at \$8.4 million compared to \$8.5 million for the fiscal year 2006, representing a decrease of \$0.1 million. Selling and administrative expenses stood at 18% of revenue for 2007 compared to 21% for 2006.

Operating income before depreciation and amortization, loss on disposition of fixed assets, income on temporary investments, financial expenses and income tax stood at \$18.4 million for the fiscal year 2007, up 15% compared to the previous year and yielding a margin of 41% of revenue. This margin was 39% in 2006. The increase in operating income is due to the significant increase in revenue from the Canadian segment without there being a significant increase in operating expenses in this segment as well as due to improved profitability in the American segment.

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

Depreciation and amortization of fixed assets, intangible assets and other long-term assets for the year ended September 30, 2007 rose to \$6.3 million, increasing by 4% from the \$6.1 million for 2006.

The depreciation of fixed assets is similar to the amount recorded in 2006.

The depreciation of intangible assets and other long-term assets rose \$0.2 million or 5% since this charge also includes the depreciation of the customer relationships and technologies acquired from Monette for the full year, Choice Systems from March 15, 2007, and REPS Software from May 14, 2007. Depreciation of Canadian intangible assets and other Canadian long-term assets decreased by approximately \$0.1 million in 2007. This decrease is due primarily to a decrease in the depreciation of developed technology.

## **FINANCIAL EXPENSES**

Financial expenses decreased by 17% and are mainly composed of interest charges on the Company's term loans, stand-by fees for the unused portion of these credit facilities and a loss on foreign exchange. The decrease is mainly due to a decrease in interest charges on the Canadian revolving reducing term loans following repayment of these loans, despite the additional charge of interest on the American revolving term loan.

## **INCOME TAXES**

The Company provisioned income tax expense at a rate of 34.6% of its earnings before income taxes for the fiscal year 2007, that is, \$4.0 million, compared to a provision of 38.2% for the previous year.

## **NET EARNINGS**

Net earnings for the fiscal year ended September 30, 2007, increased by 33% to stand at \$7.5 million or \$0.85 per share (\$0.84 on a diluted basis), compared to \$5.6 million or \$0.63 per share (\$0.62 on a diluted basis) for the fiscal year 2006, after restatement.

The growth in net earnings is due to the contribution throughout the fiscal year 2007 of the acquired Monette operations, the contribution of Choice System's activities from March 15, 2007, the contribution of REPS Software from May 14, 2007, as well as the profitable growth of the Company's Canadian activities.

## **LIQUIDITY AND SOURCES OF FINANCING**

### **OPERATING ACTIVITIES**

For the year ended September 30, 2007, cash flow from operating activities stood at \$12.3 million compared to \$19.3 million for 2006. The significant decrease of \$7.1 million is attributable to changes in non-cash working capital items, namely the payment of income tax during the fiscal year 2007.

### **INVESTING ACTIVITIES**

The Company's main investing activities were the acquisitions of REPS Software and Choice Systems, capital expenditures and amounts capitalized as software development costs.

On March 15, 2007, the Company acquired the business activities of Choice Systems for cash consideration of \$2.7 million and a promissory note of \$0.2 million.

On May 14, 2007, the Company acquired all outstanding common shares of REPS Software for cash consideration of \$6.7 million.

The Company invested \$0.7 million in fixed assets during the fiscal year 2007 compared to an investment of \$0.6 million in 2006. The investment in 2007 includes \$0.3 million for the Canadian segment and \$0.4 million for the American segment. The increase is mainly due to the purchase of equipment and to leasehold improvements following the relocation of Smithfield (VA) offices during the fiscal year 2007.

Furthermore, Logibec invested \$2.3 million in intangible assets, \$2.0 million of which was in the form of capitalized technology development costs. The Company maintains in effect its policy for the capitalization of technology development costs to ensure that only the software packages with the greatest potential for generating future revenues are capitalized.

### **FINANCING ACTIVITIES**

The amounts redrawn by the Company on its Canadian revolving reducing term loans when operating cash flow was low totaled \$7.7 million. This generally occurs during the second quarter since most of the Canadian recurring revenue is billed annually on April 1. During the fiscal year, the Company repaid in full all amounts redrawn under these facilities.

During 2007, MDI signed an agreement for a credit facility with an American financial institution for a rotating term loan of US\$10.0 million to be used to finance the acquisitions of companies or assets in the American market. During the fiscal year 2007, US\$1.3 million was borrowed to finance the acquisition of the assets of Choice Systems and US\$6.0 million was borrowed to finance the acquisition of all the outstanding shares of REPS Software. These loans represent a total of \$8.2 million, of which \$0.8 million has been repaid.

Under a normal course issuer bid, the Company repurchased 205,600 common shares for cash consideration of \$4.0 million. Management uses the issuer bid program to counter the dilutive effects of stock option exercises.

As of September 30, 2007, the Company had cash and cash equivalents of \$7.0 million. Of the \$8.4 million available in accordance with Canadian credit facilities as at September 30, 2007, \$0.4 million was used for letters of guarantee. On this date, the Company had drawn \$6.5 million pursuant to its American rotating term loan.

On November 19, 2007, the Company amended its Canadian credit facilities to increase the total availability to \$24 million. On this date, the Company borrowed US\$20 million to partially finance the acquisition of the assets and business activities of Achieve Healthcare Technologies, L.P.

Management believes that it is able to continue to grow the Company while remaining in compliance with the covenants of its credit facilities. The Company's current cash position and its ability to generate operating cash flow from its activities in Canada as well as in the United States provide Logibec with the cash required to integrate the recent acquisition of Achieve Healthcare. However, Management is working at setting up larger credit facilities in Canada to provide the Company with the flexibility required to continue its growth.

## **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. Logibec serves over 200 clients throughout Quebec and the rest of Canada. Through its wholly-owned subsidiary MDI Technologies, Inc., Logibec also serves approximately 6,000 senior living communities and long-term care facilities throughout the United States. These services are delivered by an experienced team of some 390 employees. The Company has its head office in Montreal as well as offices in Quebec City, Edmonton, St. Louis, Minneapolis, Tampa and Smithfield (VA).

- 30 -

Source:

### **LOGIBEC GROUPE INFORMATIQUE LTD.**

Claude Roy  
President and Chief Executive Officer  
Tel: 514 766-0134

Marc P. Brunet  
Chief Financial Officer  
Tel: 514 762-3833

The TSX Venture accepts no responsibility for the truth or accuracy of this press release.

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**

	Three months ended September 30		Twelve months ended September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
		(As restated)		(As restated)
<b>Revenue</b>	<b>11 568 956</b>	10 468 451	<b>45 253 191</b>	40 756 036
Operating expenses				
Service costs	<b>4 743 715</b>	4 135 318	<b>18 463 053</b>	16 267 711
Selling and administrative expenses	<b>2 105 890</b>	2 068 651	<b>8 371 391</b>	8 540 231
	<b>6 849 605</b>	6 203 969	<b>26 834 444</b>	24 807 942
Earnings before the following items	<b>4 719 351</b>	4 264 482	<b>18 418 747</b>	15 948 094
Amortization of fixed assets	<b>274 792</b>	255 681	<b>1 066 457</b>	1 076 845
Amortization of intangible assets and other long-term assets	<b>1 271 112</b>	1 218 106	<b>5 256 244</b>	5 013 151
Loss on disposal of fixed assets	<b>9 196</b>	-	<b>134 843</b>	36 080
Income on temporary investments	<b>(70 948)</b>	(32 697)	<b>(165 619)</b>	(99 878)
Financial expenses	<b>364 975</b>	210 766	<b>645 400</b>	782 012
Earnings before income taxes	<b>2 870 224</b>	2 612 626	<b>11 481 422</b>	9 139 884
Income taxes	<b>1 174 000</b>	998 023	<b>3 976 000</b>	3 492 000
<b>Net earnings</b>	<b>1 696 224</b>	1 614 603	<b>7 505 422</b>	5 647 884
<b>Net earnings per share</b>				
Basic	<b>0,19</b>	0,18	<b>0,85</b>	0,63
Diluted	<b>0,19</b>	0,18	<b>0,84</b>	0,62
<b>Weighted average number of common shares outstanding</b>				
Basic	<b>8 726 157</b>	8 963 625	<b>8 843 608</b>	8 976 322
Diluted	<b>8 803 297</b>	9 018 411	<b>8 913 483</b>	9 049 909

**LOGIBEC GROUPE INFORMATIQUE LTD.**  
**CONSOLIDATED BALANCE SHEETS**

	2007	2006
	\$	\$ (As restated)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	6 974 398	3 098 433
Accounts receivable	4 820 699	4 252 261
Income tax credits receivable	1 565 451	2 025 471
Income taxes receivable	2 226	165 148
Future income taxes	1 746 757	388 000
Other current assets	1 526 715	1 391 897
	<b>16 636 246</b>	<b>11 321 210</b>
Fixed assets		
Goodwill	3 535 084	4 086 812
Intangible assets and other long-term assets	33 836 280	31 654 862
	<b>24 336 051</b>	<b>25 296 737</b>
	<b>78 343 661</b>	<b>72 359 621</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	4 907 036	5 668 776
Income taxes	2 424 369	4 943 774
Future income taxes	232 000	232 000
Current portion of long-term debt	1 066 406	4 236
	<b>8 629 811</b>	<b>10 848 786</b>
Deferred revenue		
	<b>14 428 909</b>	<b>11 307 157</b>
	<b>23 058 720</b>	<b>22 155 943</b>
Long-term deferred revenue		
	<b>6 072 968</b>	<b>5 823 432</b>
Long-term debt		
	<b>5 277 742</b>	<b>4 581</b>
Future income taxes		
	<b>6 910 000</b>	<b>7 714 100</b>
	<b>41 319 430</b>	<b>35 698 056</b>
Commitments and contingencies		
<b>Shareholders' equity</b>		
Share capital	27 780 598	28 435 149
Contributed surplus	474 368	415 072
Retained earnings		
	<b>15 268 966</b>	<b>11 133 490</b>
Accumulated other comprehensive loss		
	<b>(6 499 701)</b>	<b>(3 322 146)</b>
	<b>8 769 265</b>	<b>7 811 344</b>
	<b>37 024 231</b>	<b>36 661 565</b>
	<b>78 343 661</b>	<b>72 359 621</b>

**LOGIBEC GROUPE INFORMATIQUE LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Three months ended		Twelve months ended	
	September 30		September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
		(As restated)		(As restated)
<b>Operating activities</b>				
Net earnings	1 696 224	1 033 908	7 505 422	5 647 884
Adjustments for:				
Amortization of fixed assets	274 792	255 681	1 066 457	1 076 845
Amortization of intangible assets and other long-term assets	1 271 112	1 218 106	5 256 244	5 013 151
Amortization of deferred financing costs	112 752	136 966	112 752	136 966
Stock-based compensation	-	29 648	59 296	237 184
Loss on disposal of fixed assets	9 196	-	134 843	36 080
Future income taxes	(1 970 388)	(1 672 703)	(1 970 388)	(1 672 703)
	1 393 688	1 001 606	12 164 626	10 475 407
Changes in non-cash operating working capital items	(993 672)	5 156 556	128 307	8 868 595
	400 016	6 158 162	12 292 933	19 344 002
<b>Investing activities</b>				
Business acquisition, net of cash and cash-equivalents acquired	(43 943)	(614 738)	(9 025 785)	(3 223 835)
Proceeds from disposal of fixed assets	23 742	(326)	49 729	32 000
Acquisition of fixed assets	(158 584)	(160 754)	(728 308)	(588 326)
Increase in intangible assets and other long-term assets, net of investment tax credits	(660 075)	(676 384)	(2 074 931)	(2 093 982)
	(838 860)	(1 452 202)	(11 779 295)	(5 874 143)
<b>Financing activities</b>				
Increase in long-term debt	(125 212)	-	15 898 480	3 100 000
Repayment of long-term debt	(296 442)	(2 467 746)	(8 556 781)	(15 447 550)
Redemption of shares	(2 013)	(978 663)	(4 024 498)	(2 329 698)
Credit facilities financing costs	(216 654)	-	(216 654)	-
Issuance of shares	-	-	-	1 001 000
	(640 321)	(3 446 409)	3 100 547	(13 676 248)
Effect of exchange rate changes on cash denominated in foreign currency	315 781	(43 223)	261 780	112 983
Increase (decrease) in cash and cash equivalents	(763 384)	1 216 328	3 875 965	(93 406)
Cash and cash equivalents, beginning of year	7 737 782	1 882 105	3 098 433	3 191 839
<b>Cash and cash equivalents, end of year</b>	<b>6 974 398</b>	<b>3 098 433</b>	<b>6 974 398</b>	<b>3 098 433</b>