



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
March 31, 2007**

HEALTHCARE SOLUTIONS



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

	Three months ended March 31		Six months ended March 31	
	2007	2006	2007	2006
	\$	\$ (As restated; note 1)	\$	\$ (As restated; note 1)
Revenue	12,309,442	9,603,231	22,279,009	19,032,213
Operating expenses				
Service costs (Note 5)	4,681,529	3,824,210	8,823,960	7,430,710
Selling and administrative expenses	2,296,164	1,948,553	4,062,720	4,188,679
Stock-based compensation	29,648	88,944	59,296	177,888
	7,007,341	5,861,707	12,945,976	11,797,277
Earnings before the following items	5,302,101	3,741,524	9,333,033	7,234,936
Amortization of fixed assets	262,881	268,704	530,083	539,805
Amortization of intangible assets and other long-term assets	1,363,226	1,259,455	2,654,420	2,483,988
Loss on disposal of fixed assets	120,281	18,493	124,691	18,493
Income on temporary investments	(9,848)	(27,053)	(33,549)	(42,526)
Financial expenses	51,666	195,246	32,878	387,171
Earnings before income taxes	3,513,895	2,026,679	6,024,510	3,848,005
Income taxes	1,209,000	555,617	2,049,000	985,110
Net earnings	2,304,895	1,471,062	3,975,510	2,862,895
Net earnings per share (Note 7)				
Basic	0.26	0.16	0.45	0.32
Diluted	0.26	0.16	0.44	0.32
Weighted average number of common shares outstanding (Note 7)				
Basic	8,909,576	9,032,335	8,920,772	8,959,766
Diluted	8,975,504	9,068,591	8,983,090	9,054,995

The notes to the consolidated financial statements are an integral part of the statements.

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

	Three months ended March 31		Six months ended March 31	
	2007	2006	2007	2006
	\$	\$	\$	\$
		(As restated; note 1)		(As restated; note 1)
Retained earnings, beginning of year				
Balance carried forward	14,107,105	10,970,445	12,436,490	9,445,516
Restatement of prior years' financial statements (Note 1)	-	(2,134,583)	-	(1,891,114)
Adjusted balance	14,107,105	8,835,862	12,436,490	7,554,402
Net earnings	2,304,895	1,471,062	3,975,510	2,862,895
	16,412,000	10,306,924	16,412,000	10,417,297
Premium on redemption of common shares	(1,689,957)	(478,424)	(1,689,957)	(588,797)
Retained earnings, end of year	14,722,043	9,828,500	14,722,043	9,828,500

The notes to the consolidated financial statements are an integral part of the statements.

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED BALANCE SHEETS

	March 31, 2007	September 30, 2006
	\$	\$
	(unaudited)	(audited) (As restated; note 1)
Assets		
Current assets		
Cash and cash equivalents	654,667	3,098,433
Accounts receivable	6,003,918	4,252,261
Income tax credits receivable	1,797,989	2,025,471
Income taxes receivable	469,774	165,148
Future income taxes	423,440	388,000
Other current assets	2,104,482	1,391,897
	11,454,270	11,321,210
Fixed assets	3,789,254	4,086,812
Goodwill (Note 4)	35,141,252	31,654,862
Intangible assets and other long-term assets	23,924,332	25,296,737
	74,309,108	72,359,621
Liabilities		
Current liabilities		
Credit facility	930,888	-
Accounts payable and accrued liabilities	5,635,768	5,677,593
Income taxes	3,024,563	4,083,774
Future income taxes	232,000	232,000
Current portion of long-term debt	4,572,072	-
Current liabilities, excluding deferred revenue	14,395,291	9,993,367
Deferred revenue	4,651,197	11,307,157
	19,046,488	21,300,524
Long-term deferred revenue	5,597,197	5,823,432
Long-term debt	1,147,902	-
Future income taxes	7,579,945	7,303,100
	33,371,532	34,427,056
Shareholders' equity		
Share capital (Note 6)	28,084,634	28,435,149
Contributed surplus (Note 6)	474,368	415,072
Retained earnings	14,722,043	12,436,490
Currency translation adjustment	(2,343,469)	(3,354,146)
	40,937,576	37,932,565
	74,309,108	72,359,621

The notes to the consolidated financial statements are an integral part of the statements.

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

	Three months ended		Six months ended	
	March 31		March 31	
	2007	2006	2007	2006
	\$	\$	\$	\$
		(As restated; note 1)		(As restated; note 1)
Operating activities				
Net earnings	2,304,895	1,471,062	3,975,510	2,862,895
Adjustments for:				
Amortization of fixed assets	262,881	268,704	530,083	539,805
Amortization of intangible assets and other long-term assets	1,363,226	1,259,455	2,654,420	2,483,988
Stock-based compensation	29,648	88,944	59,296	177,888
Loss on disposal of fixed assets	120,281	18,493	124,691	18,493
	4,080,931	3,106,658	7,344,000	6,083,069
Changes in non-cash operating working capital items	(5,213,400)	(2,355,472)	(10,479,881)	(4,888,445)
	(1,132,469)	751,186	(3,135,881)	1,194,624
Investing activities				
Business acquisition, net of cash and cash-equivalents acquired (Note 3)	(2,716,380)	(1,442,804)	(2,716,380)	(1,442,804)
Proceeds from disposal of fixed assets	17,465	32,326	17,465	32,326
Acquisition of fixed assets	(188,763)	(191,882)	(356,675)	(295,779)
Increase in intangible assets and other long-term assets, net of investment tax credits	(402,204)	(467,549)	(895,573)	(949,719)
	(3,289,882)	(2,069,909)	(3,951,163)	(2,655,976)
Financing activities				
Increase in long-term debt	7,728,540	3,100,000	7,728,540	3,100,000
Repayment of long-term debt	(1,981,006)	(1,143,017)	(1,981,006)	(2,786,037)
Redemption of shares	(2,040,473)	(662,865)	(2,040,473)	(811,373)
Issuance of shares	-	-	-	1,001,000
	3,707,061	1,294,118	3,707,061	503,590
Effect of exchange rate changes on cash denominated in foreign currency	15,257	(13,377)	5,329	(48,122)
Decrease in cash and cash equivalents	(700,033)	(37,982)	(3,374,654)	(1,005,884)
Cash and cash equivalents, beginning of year	423,812	2,223,937	3,098,433	3,191,839
Cash and cash equivalents, end of year	(276,221)	2,185,955	(276,221)	2,185,955

The notes to the consolidated financial statements are an integral part of the statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

Notice of No Auditor Review of the Interim Consolidated Financial Statements

The interim consolidated financial statements are the responsibility of the Company's management and have been approved by its Board of Directors. The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

1. Restatement of prior year consolidated financial statements

As a result of an evolution in the interpretation of the accounting principles stated in EIC-142 *Revenue Arrangements with Multiple Deliverables* issued by the CICA, the Company has restated the accounting treatment of certain revenue elements related to arrangements with multiple deliverables.

Arrangements with multiple deliverables in Canada

Prior to the fourth quarter of fiscal year 2006, the Company recognized revenue from professional services provided for the implementation of its Canadian software products upon delivery of these services. In the course of preparing the 2006 consolidated financial statements, it was determined that the services related to certain software products did not have value for the client on a stand-alone basis and therefore could not be accounted for separately from the rights of use granted to the customer under the terms of the agreements with customers. In such cases, the Company recognizes revenue from professional services on a straight-line basis over the initial term of the related agreements.

Arrangements with multiple deliverables in the United States

Also prior to the fourth quarter of fiscal year 2006, the Company recognized revenue from perpetual software licenses sold by MDI upon delivery of the software products. In the course of preparing the 2006 consolidated financial statements, it was determined that in order to retain the right to use the software, the support and maintenance service fees were not optional. Consequently, the Company must recognize revenue from perpetual software licenses on a straight-line basis over the initial term of the related agreements, which is generally five years.

Accordingly, the Company has restated retained earnings as at September 30, 2004 as well as its financial statements for the year ended September 30, 2005.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

2. Significant Accounting Policies

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles, using the same accounting principles as those mentioned in Note 3 to the consolidated financial statements for the year ended September 30, 2006, except for the recent accounting changes. The unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto for the year ended September 30, 2006. These consolidated financial statements require management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the notes thereto. Actual results could differ from these estimates.

Recent Accounting Changes

Financial Instruments – Recognition and Measurement

In April 2005, the CICA issued Handbook Section 3855, *Financial Instruments – Recognition and Measurement*. This Section is effective for fiscal years beginning on or after October 1, 2006. It describes the standards for recognizing and measuring financial assets, financial liabilities and non financial derivatives.

This Section requires that:

- all financial assets be measured at fair value, with some exceptions like loans and investments that are classified as held-to-maturity;
- all financial liabilities be measured at fair value if they are derivatives or classified as held for trading purposes. Other financial liabilities are measured at their carrying value;
- all derivative financial instruments be measured at fair value, even when they are part of a hedging relationship.

The Company has evaluated that the adoption of these new standards will have no material impact on the Company's consolidated financial statements.

Non-monetary transactions

In June 2005, the CICA replaced Handbook Section 3830, *Non-monetary transactions*, by Section 3831, *Non-monetary transactions*. The revised standard has the goal of replacing the criteria based on the culmination of the earnings process with one based on commercial substance for the measurement of non-monetary transactions at fair value. The revised standard is applied to all non-monetary transactions initiated in periods beginning after January 1, 2006. The adoption of this Section had no material impact on the Company's consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

2. Significant Accounting Policies (continued)

Recent Accounting Changes (continued)

Asset retirement obligations

The Canadian Institute of Chartered Accountants (the "CICA") has issued Handbook Section 3110, *Asset Retirement Obligations*, which focuses on the recognition and measurement of liabilities for obligations associated with the retirement of fixed assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The standard is effective for fiscal years beginning on or after January 1, 2004. This chapter was adopted in 2005 and had no significant impact on the interim consolidated financial statements.

Consolidation of variable interest entities

In June 2003, the CICA issued Accounting Guideline 15 (AcG-15), *Consolidation of Variable Interest Entities*. This Guideline addresses the consolidation of variable interest entities (VIEs) to which the usual condition for consolidation does not apply because the VIEs have no voting interests or are otherwise not subject to control through ownership of voting interests. It requires existing unconsolidated VIEs to be consolidated by the primary beneficiary. This Guideline is required for annual and interim periods beginning on or after November 1, 2004. The adoption of AcG-15 had no material impact on the Company's interim consolidated financial statements.

3. Business Acquisition

On March 15, 2007, MDI Technologies, Inc. ("MDI"), a wholly-owned subsidiary of the Company, completed the acquisition of the business activities of Choice Systems Enterprise, Inc., mainly for its developed technology and customer base. Consideration given for the business activities was US\$2.3 million in cash (CA\$2.7 million) and a promissory note in the amount of US\$0.2 million (CA\$0.2 million). The amount of the promissory note is payable six months after the transaction and is subject to certain adjustments.

The preliminary allocation of the purchase price that follows was established based on information available and on the basis of preliminary evaluations. This allocation is subject to changes when new information becomes available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

3. Business Acquisition (continued)

	\$
Net assets acquired	
Acquired technology	258,676
Customer relationships	117,580
Future income tax liabilities	(146,975)
Goodwill	2,722,259
Net assets acquired	2,951,540
Consideration	
Cash	2,704,340
Promissory note	235,160
Acquisition costs	12,040
Consideration	2,951,540

4. Goodwill

The changes in the carrying value of goodwill, for each of the two operating units, namely the U.S. activities conducted by MDI and the activities conducted by Logibec in Canada, (see Note 8), are as follows:

	Canadian unit	U.S. unit	Total
	\$	\$	\$
Balance as at September 30, 2006	7,024,933	24,629,929	31,654,862
Acquisition (Note 3)	–	2,722,259	2,722,259
Currency translation adjustment	–	764,131	764,131
Balance as at March 31, 2007	7,024,933	28,116,319	35,141,252

5. Service Costs

Service costs are presented net of the *Cité du Multimédia* tax credits and the *Centre national des nouvelles technologies de Québec* tax credits which are in the amount of:

Three Months Ended March 31,		Six Months Ended March 31,	
2007	2006	2007	2006
\$257,530	\$225,887	\$553,264	\$464,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

6. Share Capital and Options

Authorized, unlimited number and without par value

Preferred shares, issuable in series, with terms and conditions determined at the time of issuance

Common Shares, voting

	March 31, 2007	September 30, 2006
Issued		
8,821,624 Common Shares	28,084,634	28,435,149
(8,931,724 as of September 30, 2006)		

Under the terms of a normal course issuer bid, the Company was authorized to repurchase for cancellation up to 446,585 common shares (5% of the issued common shares) over the course of the twelve-month period beginning February 13, 2007 and ending February 12, 2008. Under the terms of the normal course issuer bid, the company repurchased and cancelled 110,100 common shares for total cash consideration of \$2,040,473. The excess of \$1,689,957 over paid-up capital was recorded as a decrease in retained earnings.

Options

A summary of stock options is presented in the following tables:

	March 31, 2007 (6 months)		September 30, 2006 (12 months)	
	Options	Wtd Average Exercise Price	Options	Wtd Average Exercise Price
Outstanding, beginning of period	144,000	\$ 9.33	294,000	6.36
Granted	-	-	-	-
Exercised	-	-	(150,000)	3.50
Outstanding, end of period	144,000	9.33	144,000	9.33
Exercisable options, end of period	77,000	8.89	77,000	8.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)**6. Share Capital and Options (continued)****Options (continued)**

Outstanding options granted and exercisable under the 1986 plan

Exercise Price	Number	Expiration
\$2.50	10,000	December 20, 2007

Outstanding options granted under the 2005 plan, half of which are exercisable

Exercise Price	Number	Expiration
\$9.84	134,000	March 31, 2010

As of April 1, 2007, outstanding options granted under the 2005 plan are fully exercisable.

Compensation expense related to the stock option grants for the six months ended March 31, 2007 is \$59,296 (\$177,888 in 2006). This amount was recorded under contributed surplus.

7. Earnings Per Share

The following table provides the details for the calculation of basic earnings per share and fully diluted earnings per share:

	Three Months Ended March 31,		Six Months Ended March, 31	
	2007	2006 (As restated; note 1)	2007	2006 (As restated; note 1)
Net earnings	\$2,304,895	\$1,471,062	\$3,975,510	\$2,862,895
Weighted average number of common shares outstanding	8,909,576	9,032,335	8,920,772	8,959,766
Dilutive effect of options and warrants	65,928	36,256	62,318	95,229
Diluted weighted average number of Common Shares outstanding	8,975,504	9,068,591	8,983,090	9,054,995
Basic earnings per share	\$0.26	\$0.16	\$0.45	\$0.32
Fully diluted earnings per share	\$0.26	\$0.16	\$0.44	\$0.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007

(unaudited)

8. Segment Information

The Company's economic activities are divided into two segments that are as much defined by geography as by the markets' nature. The Canadian unit specializes in the development, marketing, implementation and support of information systems for the health and social services sector in Canada. Healthcare in Canada is publicly funded and administered on a provincial or territorial basis. As such, the Company's Canadian customers are predominantly government-run entities.

The U.S. unit, through MDI, specializes in the same activities, but for information systems for the healthcare sector in the United States, which is primarily managed by private enterprise. American customers are divided into "for profit" and "not for profit" entities.

The following table presents the financial data used by Company management in assessing segmented results.

	Three Months Ended March 31, 2007		
	Canadian Unit	U.S. Unit	Total
	\$	\$	\$
Revenue	9,647,821	2,661,621	12,309,442
Operating expenses before amortization	5,163,435	1,843,906	7,007,341
Amortization of fixed assets	195,014	67,867	262,881
Amortization of intangibles and other long-term assets	866,183	497,043	1,363,226
Operating income after amortization	3,423,189	252,805	3,675,994

	Three Months Ended March 31, 2006 (As restated; note 1)		
	Canadian Unit	U.S. Unit	Total
	\$	\$	\$
Revenue	7,370,074	2,233,157	9,603,231
Operating expenses before amortization	4,580,713	1,280,994	5,861,707
Amortization of fixed assets	204,999	63,705	268,704
Amortization of intangibles and other long-term assets	851,580	407,874	1,259,454
Operating income after amortization	1,732,782	480,584	2,213,366

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2007
(unaudited)

8. Segment Information (continued)

	Six Months Ended March 31, 2007		
	Canadian Unit	U.S. Unit	Total
	\$	\$	\$
Revenue	17,054,610	5,224,399	22,279,009
Operating expenses before amortization	9,383,804	3,562,173	12,945,977
Amortization of fixed assets	396,167	133,916	530,083
Amortization of intangibles and other long-term assets	1,677,310	977,110	2,654,420
Operating income after amortization	5,597,329	551,200	6,148,529

	March 31, 2007		
	Canadian Unit	U.S. Unit	Total
	\$	\$	\$
Fixed assets	3,140,345	648,909	3,789,254
Intangible and other long-term assets	12,689,471	11,234,861	23,924,332
Goodwill	7,024,933	28,116,319	35,141,252
Total assets	30,263,118	44,045,990	74,309,108

	September 30, 2006 (As restated; note 1)		
	Canadian Unit	U.S. Unit	Total
	\$	\$	\$
Fixed assets	3,541,364	545,448	4,086,812
Intangible and other long-term assets	13,974,142	11,322,595	25,296,737
Goodwill	7,024,933	24,629,929	31,654,862
Total assets	33,006,822	39,352,799	72,359,621

9. Subsequent Event

On April 12, 2007, MDI, a wholly-owned subsidiary of the Company, entered into an agreement for a credit facility with an American financial institution. The five-year agreement provides for a reducing revolving term loan of US\$10,000,000 to finance the acquisition of companies or business activities in the United States.

10. Comparative Figures

Certain figures for the prior period have been reclassified to conform to the presentation adopted in the current year.