



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
March 31, 2008**

HEALTHCARE SOLUTIONS



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

	Three months ended March 31		Six months ended March 31	
	2008	2007	2008	2007
	\$	\$	\$	\$ (As restated; note 1)
Revenue	18,472,907	12,309,442	31,635,355	22,279,009
Operating expenses				
Service costs (Note 5)	8,559,778	4,681,529	14,530,819	8,823,960
Selling and administrative expenses	3,825,964	2,296,164	6,553,119	4,062,720
Stock-based compensation	-	29,648	-	59,296
	12,385,742	7,007,341	21,083,938	12,945,976
Earnings before the following items	6,087,165	5,302,101	10,551,417	9,333,033
Amortization of fixed assets	415,644	262,881	718,722	530,083
Amortization of intangible assets and other long-term assets	2,466,645	1,363,226	4,060,586	2,654,420
Loss on disposal of fixed assets	11,259	120,281	11,259	124,691
Income on temporary investments	(13,867)	(9,848)	(51,335)	(33,549)
Financial expenses	612,401	51,666	1,212,232	32,878
Earnings before income taxes	2,595,083	3,513,895	4,599,953	6,024,510
Income taxes	746,000	1,209,000	1,345,000	2,252,000
Net earnings	1,849,083	2,304,895	3,254,953	3,772,510
Net earnings per share (Note 10)				
Basic	0.19	0.26	0.34	0.42
Diluted	0.19	0.26	0.34	0.42
Weighted average number of common shares outstanding (Note 10)				
Basic	9,901,959	8,909,576	9,443,479	8,920,772
Diluted	9,971,951	8,975,504	9,516,974	8,983,090

The accompanying notes are an integral part of these consolidated financial statements.

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

	Three months ended March 31		Six months ended March 31	
	2008	2007	2008	2007
	\$	\$	\$	\$
		(As restated; note 1)		(As restated; note 1)
Net earnings	1,849,083	2,304,895	3,254,953	3,772,510
Net change in unrealized losses on translation of financial statements of self-sustaining subsidiaries	2,524,705	(291,287)	2,494,458	1,010,677
Comprehensive income	4,373,788	2,013,608	5,749,411	4,783,187

The accompanying notes are an integral part of these consolidated financial statements.

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

	Three months ended March 31		Six months ended March 31	
	2008	2007	2008	2007
	\$	\$	\$	\$
		(As restated; note 1)		(As restated; note 1)
Retained earnings, beginning of year as previously reported	16,674,836	14,107,105	15,268,966	12,436,490
Restatement (Note 1)	-	(1,506,000)	-	(1,303,000)
Beginning of year, as restated	16,674,836	12,601,105	15,268,966	11,133,490
Net earnings	1,849,083	2,304,895	3,254,953	3,772,510
	18,523,919	14,906,000	18,523,919	14,906,000
Premium on redemption of common shares	(1,289,515)	(1,689,957)	(1,289,515)	(1,689,957)
Retained earnings, end of year	17,234,404	13,216,043	17,234,404	13,216,043

The accompanying notes are an integral part of these consolidated financial statements.

LOGIBEC GROUPE INFORMATIQUE LTD.
CONSOLIDATED BALANCE SHEETS
(unaudited)

	March 31, 2008	September 30, 2007
	\$	\$ (As restated; note 1)
Assets		
Current assets		
Cash and cash equivalents	3,776,012	6,974,398
Accounts receivable	8,279,879	4,820,699
Income tax credits receivable	1,716,218	1,565,451
Income taxes receivable	1,127,549	2,226
Future income taxes	860,620	483,000
Other current assets	2,968,516	1,526,715
	18,728,794	15,372,489
Fixed assets		
Goodwill	4,618,647	3,535,084
Intangible assets and other long lived assets	61,559,813	33,836,280
	54,413,435	24,336,051
	139,320,689	77,079,904
Liabilities		
Current liabilities		
Bank overdraft	246,041	-
Accounts payable and accrued liabilities	10,199,774	4,907,036
Income taxes	213,799	2,424,369
Future income taxes	63,000	63,000
Current portion of long-term debt (Note 7)	3,506,975	1,066,406
	14,229,589	8,460,811
Deferred revenue		
	8,024,413	14,428,909
	22,254,002	22,889,720
Long-term deferred revenue		
	6,899,834	6,072,968
Long-term debt (Note 7)		
	40,291,660	5,277,742
Future income taxes		
	5,940,742	5,815,243
	75,386,238	40,055,673
Commitments and contingencies		
Shareholders' equity		
Share capital (Note 8)	50,230,922	27,780,598
Contributed surplus	474,368	474,368
Retained earnings		
	17,234,404	15,268,966
Accumulated other comprehensive loss		
	(4,005,243)	(6,499,701)
	13,229,161	8,769,265
	63,934,451	37,024,231
	139,320,689	77,079,904

The accompanying notes are an integral part of these consolidated financial statements.

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

	Three months ended		Six months ended	
	March 31		March 31	
	2008	2007	2008	2007
	\$	\$	\$	\$
		(As restated; note 1)		(As restated; note 1)
Operating activities				
Net earnings	1,849,083	2,304,895	3,254,953	3,772,510
Adjustments for:				
Amortization of fixed assets	415,644	262,881	718,722	530,083
Amortization of intangible assets and other long-term assets	2,466,645	1,363,226	4,060,586	2,654,420
Amortization of deferred financing costs	19,552	-	288,779	-
Stock-based compensation	-	29,648	-	59,296
Loss on disposal of fixed assets	11,259	120,281	11,259	124,691
Future income taxes	-	-	(300,115)	-
	4,762,183	4,080,931	8,034,184	7,141,000
Changes in non-cash operating working capital items	(5,333,530)	(5,213,400)	(12,400,805)	(10,276,881)
	(571,347)	(1,132,469)	(4,366,621)	(3,135,881)
Investing activities				
Business acquisition (Note 3)	(19,556,826)	(2,716,380)	(39,525,221)	(2,716,380)
Proceeds from disposal of fixed assets	-	17,465	-	17,465
Acquisition of fixed assets	(571,167)	(188,763)	(665,911)	(356,675)
Increase in intangible assets and other long-term assets, net of investment tax credits	(893,112)	(402,204)	(1,609,078)	(895,573)
	(21,021,105)	(3,289,882)	(41,800,210)	(3,951,163)
Financing activities				
Increase in long-term debt (Note 6)	29,250,000	7,728,540	56,000,000	7,728,540
Repayment of long-term debt (Note 6)	(5,325,764)	(1,981,006)	(33,960,802)	(1,981,006)
Credit facilities financing costs	(38,802)	-	(358,483)	-
Redemption of shares	(1,718,098)	(2,040,473)	(1,718,098)	(2,040,473)
Issuance of shares (Note 8)	-	-	22,878,906	-
	22,167,336	3,707,061	42,841,523	3,707,061
Effect of exchange rate changes on cash denominated in foreign currency	21,693	15,257	(119,119)	5,329
Increase (decrease) in cash and cash equivalents	596,577	(700,033)	(3,444,427)	(3,374,654)
Cash and cash equivalents, beginning of year	2,933,394	423,812	6,974,398	3,098,433
Cash and cash equivalents, end of year	3,529,971	(276,221)	3,529,971	(276,221)

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(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 ("CICA") for a review of interim financial statements by an entity's auditor.

1. Restatement of prior year consolidated financial statements

In the course of preparing the consolidated financial statements for the year ending September 30, 2007, the Company determined that the income tax expense for its American operating unit was based on an inappropriate interpretation of certain tax laws for the years ended September 30, 2005 and 2006 and for the quarter ended December 31, 2006. Accordingly, the Company has restated retained earnings as at October 1, 2005 as well as its consolidated financial statements for the year ended September 30, 2006 and for the quarter ended December 31, 2006 in order to correct for the understatement of the income tax expense. The impact of this restatement on the three-month period ended December 31, 2006 was an increase in income tax and an equivalent decrease in net earnings of \$203,000.

2. Significant Accounting Policies

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"), using the same accounting principles as those mentioned in Note 2 to the consolidated financial statements for the year ended September 30, 2007, 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, 2007. 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

The CICA issued the following new Handbook Sections, which were effective for interim periods beginning on or after October 1, 2007:

Financial Instruments — Disclosures

Section 3862, *Financial Instruments – Disclosures*, describes the required disclosure for the assessment of the significance of financial instruments for an entity's financial position and performance and of the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks. This section and Section 3863, replaced Section 3861, *Financial Instruments – Disclosure and Presentation*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

2. Significant Accounting Policies (continued)

Recent Accounting Changes (continued)

Financial Instruments — Presentation

Section 3863, *Financial Instruments – Presentation*, establishes standards for presentation of financial instruments and non-financial derivatives.

Capital disclosures

Section 1535, *Capital Disclosures*, establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure requirements of the entity's objectives, policies and processes for managing capital, the quantitative data relating to what the entity regards as capital, whether the entity has complied with capital requirements, and, if it has not complied, the consequences of such non-compliance.

Accounting Changes

Section 1506, *Accounting Changes*, establishes criteria for changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors. In particular, this Section allows for voluntary changes in accounting policies only when they result in the financial statements providing reliable and more relevant information. Furthermore, this Section requires disclosure of when an entity has not applied a new source of GAAP that has been issued but is not yet effective.

The additional disclosures, required as a result of the adoption of these standards, have been included in Notes 9 and 11 to these consolidated financial statements.

Future accounting changes

The CICA has amended Section 1400, *General Standards of Financial Statement Presentation*, which is effective for interim periods beginning on or after October 1, 2008, to include requirements to assess and disclose the Company's ability to continue as a going concern. The adoption of this new section will not have an impact on the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

2. Significant Accounting Policies (continued)

Goodwill and intangible assets

In February 2008, the CICA issued Section 3064, *Goodwill and intangible assets*, which supersedes Section 3062, *Goodwill and other intangible assets* and Section 3450, *Research and Development Costs*. Various changes have been made to other sections of the CICA Handbook for consistency purposes. Section 3064 establishes standards for the recognition, measurement, presentation and disclosure of intangible assets. These changes clarify that costs may only be deferred when they relate to an item that meets the definition of an asset. The concept of matching revenues and expenses remains appropriate only for allocating the cost of an asset that is consumed in generating revenue over multiple reporting periods. Standards relating to goodwill are unchanged from those included in Section 3062. The new requirements are effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. The Company is currently evaluating the impact of the adoption of this new standard on its consolidated financial statements.

International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standards Board (“AcSB”) confirmed that Canadian generally accepted accounting principles for publicly accountable enterprises will be converged with IFRS effective in calendar year 2011, with early adoption possibly allowed starting in calendar year 2009. The conversion to IFRS will be required, for the Company, for interim and annual financial statements beginning on October 1, 2011. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences on recognition, measurement and disclosures. In the period leading up to the conversion, the AcSB will continue to issue accounting standards that are converged with IFRS such as IAS 2 “Inventories” and IAS 38 *Intangible assets*, thus mitigating the impact of adopting IFRS at the mandatory transition date. The Company is currently evaluating the impact of the adoption of IFRS on its consolidated financial statements.

3. Business Acquisition

QUICKCARE

On January 1st, 2008, MDI Achieve, Inc. (“MDI Achieve”), a wholly-owned subsidiary of the Company, completed the acquisition of all the assets and business activities of QuickCARE Software Services, L.P. and QuickCARE, Inc. (collectively “QuickCARE”). QuickCARE develops, markets and supports clinical and administrative software designed specifically for the eldercare market in the United States.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

3. Business Acquisition (continued)

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.

	\$
Net assets acquired	
Current assets	722,518
Current liabilities	(561,789)
Fixed assets	92,750
Amortizable intangible assets	11,063,359
Goodwill	10,349,152
Net assets acquired	21,665,990
Consideration	
Cash	19,352,515
Balance of purchase price (Note 6)	2,148,710
Acquisition costs	164,765
Consideration	21,665,990

ACHIEVE HEALTHCARE TECHNOLOGIES

During this period, the Company adjusted the preliminary allocation of the purchase price of MDI Achieve as follows: acquisition costs increased by US\$40,114 (C\$39,500), amortizable intangible assets increased by US\$500,000 (C\$492,350), current liabilities decreased by US\$235,468 (C\$231,865) and goodwill decreased by US\$695,354 (C\$684,715).

The preliminary allocation of the adjusted purchase price is described below.

	\$
Net assets acquired	
Current assets	2,194,424
Current liabilities	(5,658,843)
Fixed assets	984,835
Amortizable intangible assets	19,910,634
Goodwill	15,616,652
Net assets acquired	33,047,702
Consideration	
Cash	19,717,000
Balance of purchase price (note 6)	13,039,807
Acquisition costs	290,895
Consideration	33,047,702

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

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 Achieve and the activities conducted by Logibec in Canada, are as follows:

	Canadian unit	U.S. unit	Total
	\$	\$	\$
Balance as at September 30, 2007	7,078,235	26,758,045	33,836,280
Acquisition	–	25,954,148	25,954,148
Currency translation adjustment	–	1,769,385	1,769,385
Balance as at March 31, 2008	7,078,235	54,481,578	61,559,813

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,	
2008	2007	2008	2007
\$198,994	\$257,530	\$406,454	\$553,264

6. Credit Facilities

CANADA

The Company has two secured credit facilities at its disposal for a total of C\$40,000,000. These credit facilities are comprised of revolving reducing term loans that mature in September 2012. The maximum amount that can be drawn under the facilities is subject to a quarterly reduction of C\$2,200,000 beginning in June 2008. Any amounts outstanding under the credit facilities in excess of the reduced maximum must be reimbursed immediately. Amounts drawn can be repaid in advance without penalty.

These loans are available on a revolving basis allowing the amounts reimbursed in advance to be redrawn, up to the maximum allowed, by means of variable-rate advances. These loans bear interest at the lending financial institutions' prime rate plus a spread based on the ratio of interest bearing debt to earnings before interest, taxes and amortization.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)**6. Credit Facilities (continued)**

During the quarter, the Company borrowed the amount of \$29,250,000 of which \$21,000,000 was used to finance the acquisition of QuickCARE, \$4,000,000 to repay a promissory note and \$1,700,000 to finance share repurchases. The Company also reimbursed \$1,309,500 on its Canadian credit facilities.

Letters of guarantee totaling \$338,150 were issued with respect to these credit facilities on March 31, 2008 and on September 30, 2007.

Revolving term loans are secured by first-ranking general movable hypothecs for a total amount of \$40,000,000 on all tangible and intangible, present and future assets, including titles to intellectual property of the Company and its Canadian and American subsidiaries.

Under the conditions of the credit agreement, the Company must satisfy certain restrictive covenants as to minimum financial ratios and payment of dividends. As at March 31, 2008 all restrictive covenants were satisfied.

BALANCE OF PURCHASE PRICE

The Company issued one promissory note totaling US\$2,150,000 (C\$2,206,975) to finance a portion of the acquisition of the assets and business activities of QuickCARE. The promissory note bears interest at 7% maturing on March 31, 2009.

During the period, the Company repaid a promissory note of US\$4,000,000 that was to mature on June 30, 2008.

7. Long-term Debt

	Maturity	March 31 2008	September 30 2007
Canadian revolving term loans	2012	\$ 32,500,000	\$ –
Balance of purchase price	2009 and 2010	11,694,497	–
American revolving term loan (US\$6,564,000)	2012	–	6,529,867
Current portion		(3,506,975)	(1,066,406)
Deferred financing costs		(395,862)	(185,719)
		40,281,660	5,277,742

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

7. Long-term Debt (continued)

The Company's scheduled principal repayments for next five fiscal years are as follows:

	\$
2008 (April to September)	—
2009	12,012,975
2010	14,181,522
2011	8,800,000
2012	8,800,000
2013	400,000
Total principal repayments on long-term debt	44,194,497

8. 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, 2008	September 30, 2007
Issued		
9,856,724 Common Shares (8,931,724 as of September 30, 2007)	50,230,922	27,780,598

Under the terms of a normal course issuer bid, the Company is authorized to repurchase up to 497,041 common shares (5% of the common shares outstanding) over the course of the twelve-month period starting February 13, 2008 and ending February 12, 2009. During this period, the Company repurchased and cancelled 84,100 common shares for a cash consideration of \$1,718,098. The excess of \$1,289,516 over the carrying value was charged to retained earnings.

On December 11, 2007, the Company completed a private placement of 1,204,700 common shares for cash consideration of \$23,491,650 (\$22,853,906 net of issuance costs and related income tax).

On December 12, 2007, the Company issued 10,000 common shares for a cash consideration of \$25,000 pursuant to option exercises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

8. Share Capital and Options (continued)

Options

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

	March 31, 2008 (6 months)		September 30, 2007 (12 months)	
	Options	Wtd Average Exercise Price	Options	Wtd Average Exercise Price
Outstanding, beginning of period	144,000	\$ 9.33	144,000	\$ 9.33
Exercised	10,000	2.50	–	–
Outstanding, end of period	134,000	9.84	144,000	9.33
Exercisable options, end of period	134,000	9.84	144,000	9.33

Outstanding options granted under the 2005 plan and exercisable

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

No charge was recognized for the outstanding options for the three-month period ended March 31, 2008.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

9. Capital Disclosures

The Company's objectives when managing capital are to:

- maintain financial flexibility in order to preserve its ability to meet financial obligations, including potential obligations arising from additional acquisitions;
- maintain a capital structure that allows the Company to favor the financing of its growth strategy using internally-generated cash flow and its debt capacity; and
- optimize the use of its capital to provide an appropriate investment return to its shareholders.

The Company defines its capital as follows:

- shareholders' equity;
- long-term debt, including the current portion;
- balances of purchase price of subsidiaries, including the current portion; and
- cash and cash equivalents.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with the objectives stated above and corresponds to the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may refinance its existing debt, raise new debt, repurchase shares for cancellation pursuant to normal course issuer bids or issue new shares.

The Company periodically monitors capital using a number of financial metrics comprised mainly of the following ratios:

- Total Net Debt to Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA); and
- Total Net Debt to Total Capitalization.

Total Net Debt, a non-GAAP measure, is calculated as the sum of long-term debt (including the current portion) and the balance of purchase price of subsidiaries (including the current portion), less cash and cash equivalents.

EBITDA, a non-GAAP measure, is calculated as the sum of net earnings, plus interest on debt and balance of purchase price, other interest or income, income taxes, amortization of fixed assets and intangible assets and other long-lived assets.

Total Capitalization, a non-GAAP measure, is calculated as the sum of:

- total net debt; and
- shareholders' equity.

The Company's financial objectives and strategy as described above have remained substantially unchanged over the last two completed fiscal years. These objectives and strategy are reviewed on an annual basis. The Company believes that its ratios are within reasonable limits, in light of the relative size of the Company, its capital management objectives and its growth strategy.

The Company is also subject to financial covenants in its credit facility agreements, which are measured on a quarterly basis. The Company is in compliance with all financial covenants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

9. Capital Disclosures (continued)

The following table illustrates the financial ratios calculated on a trailing twelve-month basis ended March 31, 2008 compared to fiscal year 2007:

	Guidelines	March 31, 2008	September 30, 2007
		\$	\$
Long-term debt, including the current portion		32,104,138	6,344,148
Balance of purchase price of subsidiaries, including the current portion		11,694,497	–
Less:			
Cash and cash equivalents		3,529,971	(6,974,398)
Total Net Debt		40,268,664	(630,250)
Net earnings		6,987,867	7,505,422
Plus :			
Interest on long-term debt and balance of purchase price		1,353,149	329,684
Income on temporary investments		(183,405)	(165,619)
Income tax		3,069,000	3,976,000
Amortization of fixed assets		1,255,097	1,066,457
Amortization of intangible assets and other long-lived assets		6,714,470	5,256,244
Loss on disposal of fixed assets		21,411	134,843
EBITDA		19,217,589	18,103,031
Total Net Debt		40,268,664	(630,250)
EBITDA		19,217,589	18,103,031
Total Net Debt to EBITDA	Less than 3,00 : 1	2,10 : 1	-0,03 : 1
Total Net Debt		40,268,664	(630,250)
Total Capitalization		104,203,115	36,393,981
Total Net Debt to Total Capitalization	Less than 65%	39%	-2%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

10. 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,	
	2008	2007	2008	2007 (as restated; note 1)
Net earnings	\$1,849,083	\$2,304,895	\$3,254,953	\$3,772,510
Weighted-average number of common shares outstanding	9,901,959	8,909,576	9,443,479	8,920,772
Dilutive effect of options and warrants	69,992	65,928	73,495	62,318
Weighted-average number of common shares outstanding - diluted	9,971,951	8,975,504	9,516,974	8,983,090
Basic earnings per share	\$0.19	\$0.26	\$0.34	\$0.42
Fully diluted earnings per share	\$0.19	\$0.26	\$0.34	\$0.42

11. Financial Instruments

Risk Management Policies

The Company, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of risks as at the balance sheet date of March 31, 2008.

Credit Risk

The Company's credit risk is primarily attributable to its trade receivables. The amounts disclosed on the balance sheet are net of allowances for bad debts, estimated by Management based on prior experience and its assessment of the current economic environment. The Company believes that the credit risk of accounts receivable is limited for the following reasons:

- Canadian clients are almost exclusively healthcare facilities in the parapublic sector.
- Our American customer base is vast and is spread out geographically across all 50 states.
- A significant number of service contracts are paid annually in advance or through preauthorized payments.
- The Company accounts for a specific bad debt provision when management considers that the expected recovery is less than the actual account receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)**11. Financial Instruments (continued)*****Liquidity Rate Risk***

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at excessive cost. The Company's growth is financed through a combination of cash flows from operations, borrowings under the existing credit facilities and the issuance of equity. One of Management's primary goals is to maintain an optimal level of liquidity through the active management of assets and liabilities as well as cash flows. Given the Company's liquidity as compared to the timing of the payments of liabilities, Management assesses the Company's liquidity risk to be low.

Foreign Currency Sensitivity Analysis

The Company is exposed to fluctuations in the U.S. dollar. The following table details the sensitivity of the Company's net earnings and comprehensive income to a 10% strengthening of the U.S. dollar against the Canadian dollar. The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at period end for a 10% change in the exchange rate. For a 10% weakening of the U.S. dollar against the Canadian dollar, there would be an equal and opposite impact on net earnings and comprehensive income.

	Impact of U.S. dollar exchange rate fluctuation
	\$
Net earnings	(68,902)
Comprehensive income	974,671

Interest Rate Risk

The Company is exposed to interest rate risk on a portion of its long-term debt and does not currently hold any financial instruments that mitigate this risk. Management does not believe that the impact of interest rate fluctuations on the current level of borrowings will be significant and, therefore, has not provided a sensitivity analysis of the impact of fluctuations on net earnings and comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

12. Segment Information

The Company's economic activity is 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 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, 2008		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Revenue	8,544,779	9,928,128	18,472,907
Operating expenses	4,742,699	7,643,043	12,385,742
Amortization of fixed assets	184,239	231,405	415,644
Amortization of intangibles and other long-lived assets	816,086	1,650,559	2,466,645
Earnings before loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax	2,801,755	403,121	3,204,876
Loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax			1,355,793
Net earnings			1,849,083
Acquisition of fixed assets ⁽¹⁾	165,616	405,551	571,167

¹ Excluding fixed assets acquired through business acquisitions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

12. Segment Information (continued)

	Three Months Ended March 31, 2007		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Revenue	9,647,821	2,661,621	12,309,442
Operating expenses	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-lived assets	866,183	497,043	1,363,226
Earnings before loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax	3,423,189	252,805	3,675,994
Loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax			1,371,099
Net earnings			2,304,895

Acquisition of fixed assets ⁽¹⁾	76,108	112,655	188,763
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¹ Excluding fixed assets acquired through business acquisitions.

	Six Months Ended March 31, 2008		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Revenue	16,336,260	15,299,095	31,635,355
Operating expenses	9,213,173	11,870,765	21,083,938
Amortization of fixed assets	365,732	352,990	718,722
Amortization of intangibles and other long-lived assets	1,599,336	2,461,250	4,060,586
Earnings before loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax	5,158,019	614,090	5,772,109
Loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax			2,517,156
Net earnings			3,254,953

Acquisition of fixed assets ⁽¹⁾	220,534	445,377	665,911
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¹ Excluding fixed assets acquired through business acquisitions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

12. Segment Information (continued)

	Six Months Ended		
	March 31, 2007		
	<small>(as restated; note 1)</small>		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Revenue	17,054,610	5,224,399	22,279,009
Operating expenses	9,383,804	3,562,172	12,945,976
Amortization of fixed assets	396,167	133,916	530,083
Amortization of intangibles and other long-lived assets	1,677,310	977,110	2,654,420
Earnings before loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax	5,597,329	551,201	6,148,530
Loss on disposition of fixed assets, income from temporary investments, financial expenses and income tax			2,376,020
Net earnings			3,772,510

Acquisition of fixed assets ⁽¹⁾	137,299	219,376	356,675
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¹ Excluding fixed assets acquired through business acquisitions.

	March 31, 2008		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Fixed assets	2,738,160	1,880,487	4,618,647
Intangible and other long-lived assets	11,941,790	42,471,645	54,413,435
Goodwill	7,078,235	54,481,578	61,559,813
Total assets	26,760,396	112,560,293	139,320,689

	September 30, 2007		
	Canadian unit	U.S. unit	Total
	\$	\$	\$
Fixed assets	2,886,700	648,384	3,535,084
Intangible and other long-lived assets	12,412,025	11,924,026	24,336,051
Goodwill	7,078,235	26,758,045	33,836,280
Total assets	31,491,834	45,588,070	77,079,904

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended March 31, 2008

(unaudited)

13. Subsequent Events

On April 2, 2008, the Company drew on its Canadian credit facilities to repay US\$4,000,000 promissory note bearing interest at 8% and maturing on June 30, 2009. Subsequently to the end of the quarter, the Company also repaid in advance a total of \$11,300,000 on its Canadian credit facilities. Following such repayments, the current portion of long-term debt was reduced by \$1,300,000.