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## NEWS RELEASE

For Immediate Release  
August 22, 2011

### QHR 2011 Q2 FINANCIAL RESULTS

Year to date revenues of \$11.7 million increase \$2.0 million over prior year

**KELOWNA, BC – (TSX-V: QHR)** QHR Technologies Inc. (“QHR” or the “Company”) a leader in the Canadian Healthcare Information Technology sector, is pleased to announce today the release of its second quarter financial statements for June 30, 2011 and continuing progress in its growth targets. Total revenue for the quarter was \$5.2 million, the second best revenue quarter recorded by the company, and an increase of \$138,043 over the \$5.1 million reported in the same 2010 period. The Enterprise Management Solutions (“EMS”) division reported revenue of \$2.6 million, the Electronic Medical Record (“EMR”) division reported \$2.1 million and the (“Hosting”) division had revenues of \$0.5 million.

Net earnings for the quarter were \$130,613 compared to \$282,403 for the comparative period in 2010.

#### HIGHLIGHTS:

- The EMS division’s revenue continues to increase upward compared to the same three month period last year. The EMS division continues to maximize its sales and services to medium to large sized customers and ensures an above average retention rate to guarantee ongoing support revenues for our integrated software suite.
- EMS revenue for the six months ending June 30, 2011 was \$6,638,789 compared to \$5,043,106 for the same period last year, an increase of \$1,595,683 or 32%. Operating costs over the same six month period were only up 4% before corporate allocation expenses.
- The EMR division is ramping up its product development, delivery and support capabilities through the implementation of a scalable delivery process and a product planning framework to capitalize on the continued growth in the EMR marketplace. As at June 30, 2011, the company had reached the 4,000 physician client milestone.
- The Hosting division continues to invest in providing best-in-class platforms and services to enhance the delivery and performance of our EMR solutions. The company completed the merger of four data centres into two new Enterprise-Level facilities in separate provinces providing secure and redundant facilities including Disaster Recovery and Business Continuity Planning for our clients.
- The Company reported \$11.4 million cash and other current assets at June 30, 2011 as compared to \$5.0 million at June 30, 2010, an increase of \$6.4 million or 128%.
- Shareholders’ equity at June 30, 2011 is \$17.1 Million as compared to \$7.3 million in 2010, an increase of \$9.8 million or 134%.

#### Revenues

The Company recorded \$5,230,505 in revenue for the three months ending June 30, 2011 compared to \$5,092,462 for the three months ending June 30, 2010 an increase of 3% and \$11,712,406 for the six month period ending June 30, 2011 compared to \$9,754,408 for the same period in 2010, an increase of 20%. This increase is supported by a large percent of long term contracts.

The EMS division revenue for the second quarter was \$2,633,575 compared to \$2,596,561 for the same period last year, an increase of 1%.

The EMR division revenue for the second quarter was \$2,128,023 compared to \$2,033,321 for the same period last year, an increase of 5%. This increase was due to the recurring revenue from our Accuro® EMR systems with some continued organic growth in our key market areas.

The Hosting division revenue for the second quarter was \$467,917 compared to \$462,580 for the same period last year, an increase of 1%.

### *Operating Expenses*

Operating expenses including cost of goods sold were \$4,619,962 for the three months ending June 30, 2011 compared to \$4,157,080 for the same period in 2010, an increase of 11%. The increase in operating expenses reflects an increase in staffing costs in the EMS division associated with new licensing deals announced in the first quarter. Furthermore, an increase in costs associated with the Hosting division which reflects the companies continued investment in ramping up this division and \$203,514 increase in corporate costs associated with building out the executive and corporate team.

<b>3 months ending June 30, 2011</b>	<b>EMS</b>	<b>EMR</b>	<b>Hosting</b>	<b>Corporate</b>	<b>Total</b>
Revenues	\$ 2,633,575	\$ 2,128,023	\$ 467,917	\$ 990	\$ 5,230,505
Operating expenses	1,716,298	1,496,963	530,051	876,650	4,619,962
Earnings before the undernoted	917,277	631,060	(62,134)	(875,660)	610,543
Stock-based compensation	19,779	15,027	2,816	-	37,622
Amortization of property and equipment	37,328	25,319	61,531	-	124,178
Amortization of intangible assets	104,069	185,134	4,400	-	293,603
Interest expense	8,611	12,082	3,351	-	24,044
(Gain) loss on exchange	526	(43)	-	-	483
Earnings (loss) before income taxes	746,964	393,541	(134,232)	(875,660)	130,613
Income taxes					17,627
Net earnings					\$ 112,986

<b>3 months ending June 30, 2010</b>	<b>EMS</b>	<b>EMR</b>	<b>Hosting</b>	<b>Corporate</b>	<b>Total</b>
Revenues	\$ 2,596,561	\$ 2,033,321	\$ 462,580	\$ -	\$ 5,092,462
Operating expenses	1,377,517	1,637,934	469,483	672,146	4,157,080
Earnings before the undernoted	1,219,044	395,387	(6,903)	(672,146)	935,382
Stock-based compensation	35,336	5,080	4,667	-	45,083
Amortization of property and equipment	55,020	54,646	81,918	-	191,584
Amortization of intangible assets	104,964	179,317	2,199	-	286,480
Interest expense	37,588	86,398	3,590	-	127,576
Gain (loss) on foreign exchange	(337)	2,441	152	-	2,256
Earnings (loss) before income taxes	986,473	67,505	(99,429)	(672,146)	282,403
Income taxes					-
Net earnings					\$ 282,403

### *Other Expenses*

Other expenses including stock-based compensation, amortization, interest and foreign exchange were \$479,930 for the three months ending June 30, 2011 compared to \$652,979 for the same period in 2010, a decrease of 27%. The decrease in these other expenses is largely due to a reduction of interest costs from eliminated long-term debt.

### *Earnings Before Other Items*

Income before stock-based compensation, amortization, interest and foreign exchange for the three months ended June 30, 2011 were \$610,543 compared to \$935,382 for the same period in 2010. Income before stock-based compensation, amortization, interest and foreign exchange for the six months ended June 30, 2011 were \$2,036,708 compared to \$1,176,297 for the same period last year an increase of \$860,411 or 73%. The net earnings for the second quarter were \$112,986 compared to earnings of \$282,403 in 2010, a decrease of \$169,417 or 60%. The decrease in earnings is attributed to an increase in corporate expenses, largely as a result of IFRS consulting fees, and increase in corporate staffing levels and other professional services.

### *Financial Position*

Included in June 30, 2011 current asset of \$11.4 million consists of \$6.5 million in cash and \$4.2 million of accounts receivable, providing a strong working capital balance.

### *Financial Guidance*

The Company reconfirms its 2011 financial guidance; revenues for the fiscal year ended December 31, 2011 are expected to be within the range of \$23 million. The revenues, expenses and net earnings are consistent with the financial budget for the period to date.

For a more complete business and financial profile of the Company, management encourages interested parties to visit the Company's website: [www.QHRtechnologies.com](http://www.QHRtechnologies.com)

**On behalf of the Board of Directors,**

**Al Hildebrandt  
President and CEO**

**Conference Call Details:** The Company executives will host a conference call at 2:00 PM EST (11:00 PDT) Tuesday, August 23, 2011 to discuss the results of the Company for the 2011 Q2 financial results. To join the conference call, please dial 647-427-7451 (Toronto) or 778-371-9827 (Vancouver). Conference ID: 93634792

### **ABOUT QHR TECHNOLOGIES INC.**

QHR now operates three business units in distinct markets:

The Enterprise Management Software ("EMS") division specializes in workforce management software, which consists of integrated payroll, staff scheduling and human resource software, and in customized financial management software built on the Microsoft Dynamics GP platform. These products are targeted at complex healthcare, social services and public safety markets.

The Electronic Medical Records ("EMR") division offers a suite of medical software modules that provides computer-based medical records for family physicians, medical specialists, and surgeons, as well as administrative modules for billing and patient scheduling, that is a key component of the move throughout Canada to provide electronic healthcare records for all Canadians.

The Hosting division specializes in EMR ASP Hosting solutions both on-site and off-site, which consist of custom application hosted solutions, exchange email hosting, office software packages, mobile messaging services, server archiving and many other custom solutions and services. These solutions are targeted at EMR clients looking for an enhanced ASP option, required by some provincial governments.

Legal Notice Regarding Forward Looking Statements

*This news release may contain “forward looking statements” within the meaning of applicable Canadian securities legislation. These statements are subject to risks that may cause the actual results to be materially different in future periods from those expressed or implied by such forward looking statement. The Company is not aware of any Forward looking statements in this news release. QHR is a technology business development enterprise where investment and product enhancements must be carefully managed to achieve long-term revenue growth and profitability. It is our policy not to update forward looking statements. Further information on the Company is available at [www.sedar.com](http://www.sedar.com).*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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