



Suite 300 – 1620 Dickson Avenue
Kelowna, BC, Canada V1Y 9Y2
Telephone: (250) 448-7095
Website: www.QHRtechnologies.com

QHR Delivers Growth with Record Revenue of \$6.8 Million and EBITDA of \$0.9 Million for Q1 2014

KELOWNA, BC, May 15, 2014 – (TSX-V: QHR) QHR Corporation (“QHR” or the “Company”), a leader in the Healthcare Information Technology sector, announced financial results for its quarter ended March 31, 2014.

The Company reported year over year revenue growth of 16% to \$6.8 million for Q1 2014 compared to \$5.8 million in Q1 2013. The Company also reported EBITDA of \$0.9 million for Q1 2014.

First Quarter 2014 Highlights:

- The Company reported record consolidated Q1 2014 revenues of \$6.8 million, a 16% increase over revenues of \$5.8 million during Q1 2013 and a 12% increase over revenues of \$6.0 million during Q4 of 2013.
- The Electronic Medical Records (“EMR”) division reported a new quarterly revenue record of \$6.1 million, an increase of \$0.8 million or 14% over the \$5.3 million in revenue reported during Q1 of 2013.
- EBITDA⁽¹⁾ on a consolidated basis for Q1 2014 was \$0.9 million or 13% of revenue compared to \$0.9 million or 15.5% of revenue for Q1 2013.
- Completed the quarter with recurring revenue run rate of \$21 million, 79% of total revenue, up from 72% at the end of Q1 2013.
- The Company reported net earnings for the quarter of \$96,433 compared to \$81,034 for Q1 2013.
- The Company completed the quarter with \$17.1 million of cash and receivables.

“March 31, 2014 marked the completion of the first quarter that QHR focused on the EMR and RCM divisions of the Company after the divestiture of the Enterprise Management Solutions (“EMS”) business unit during December 2013,” said Al Hildebrandt, President and CEO of QHR Corporation. “We are pleased with our overall results for the quarter especially the growth and positive financial contribution of the EMR division. With our strong balance sheet, we remain focused on developing our strategy of expanding services to our current client base and capitalizing on new opportunities for growth in the Healthcare market.”

Revenue

Revenue of \$6.8 million from continuing operations for Q1 2014 was largely driven by organic growth in the EMR division. Our consolidated revenue increased by \$914,603 or 16% from \$5.9 million during Q1 2013. EMR contributed \$6.1 of the total and Revenue Cycle Management (“RCM”) contributed \$692,720.

EBITDA⁽¹⁾

EBITDA for the quarter was \$880,878. This is a positive accomplishment as this is the first quarter without the EMS division and is net of efforts and costs of expense reduction activities and all remaining corporate costs which historically had been partially absorbed by the EMS division.

Net Earnings

The net earnings for the quarter ended March 31, 2014 were \$96,433 compared to net earnings of \$81,034 for the quarter ended March 31, 2013.

Cash Flow

For the quarter ended March 31, 2014, operating activities resulted in net cash outflows of \$944,026, compared to net cash inflows of \$1,144,469 for the same period in 2013. The cash outflow for Q1 in 2014 is driven by an increase in accounts receivable and a reduction in accounts payable. The cash inflow during Q1 2013 was driven primarily by an increase in accounts payable for the quarter.

⁽¹⁾EBITDA (earnings before interest, taxes, depreciation, amortization, stock-based compensation and foreign exchange) is a non-IFRS measure. Management believes that, in addition to net earnings, EBITDA is a useful complementary measure of pre-tax profitability and is commonly used by the financial and investment community for valuation purposes. However, EBITDA does not have a standardized meaning prescribed by IFRS. Investors are cautioned that EBITDA should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. QHR’s method of calculating EBITDA may differ from the methods used by other entities and, accordingly, our EBITDA may not be comparable to similarly titled measures used by other entities

At March 31, 2014, the Company had cash and cash equivalents in the amount of \$11.8 million and trade and other receivables of \$5.3 million. The Company is not using any of its operating line and has no other bank debt.

Subsequent to March 31, 2014, over \$2.1 million of other receivables related to the funds held in escrow and other amounts collectable from the purchasers of the EMS division has been collected.

Full financial statements, together with Management's Discussion and Analysis are available on SEDAR.

Conference Call - The Company executives will host a conference call at 11:00 AM EDT (8:00 AM PDT) Thursday, May 15, 2014, to discuss the Company's Q1 2014 financial results. To join the conference call, please dial Toll Free 1-888-390-0546, Conference ID# 62414653

On behalf of the Board of Directors

Al Hildebrandt

About QHR Corporation

QHR is a leader in quality and technology, providing software and services in the following markets:

In the EMR market, QHR offers a suite of medical software modules that provide 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 in the move throughout Canada to provide electronic healthcare records for all Canadians. QHR also provides on-site and off-site (ASP) hosting capabilities for the EMR market.

In the RCM market, QHR provides best in class clearinghouse services through its SoftCare brand, supporting over 1500 payers and assisting healthcare providers to exchange claim information accurately for health claim reimbursement. SoftCare provides a progressive medical billing service that outsources coding, payer reconciliation and revenue reporting. SoftCare provides a suite of healthcare interoperability solutions (EDI and Clearinghouse) and professional services. These solutions and services help clients navigate and simplify the complex transaction integration processes required for health plan enrollment, health insurance eligibility, and health insurance claims through to payment remittance with their trading partners. The RCM division markets SoftCare services primarily in the US.

- ### -

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. Risks that may prevent or delay the forward looking statements from coming to fruition include that we may not offer products that are acceptable to industry regulators or customers; competitors may offer better or cheaper products; we may not be able to raise sufficient capital to improve products to remain competitive; changing regulatory requirements may prevent our products from being sold as expected; we may not be able to attract or retain key personnel; our technology may become obsolete; orders could be cancelled or delayed and market factors may increase our costs more than expected. 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 except to the extent required under applicable securities laws. Further information on the Company is available at www.sedar.com or at the Company's website, www.QHRtechnologies.com.

Neither the 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.

For further information, please contact:

Al Hildebrandt, President & CEO	250-979-1701	al.hildebrandt@QHRtechnologies.com
Jerry Diener, VP Finance & CFO	250-979-1722	jerry.diener@QHRtechnologies.com
Jim Wilson, VP Marketing & Communications	416-220-7484	jim.wilson@QHRtechnologies.com