

Nightingale Reports Fiscal 2009 Second Quarter Results

November 26, 2008

Markham, ON, November 26, 2008 - Nightingale Informatix Corporation (“Nightingale” or the “Company”) (TSX-V: NGH), an application service provider (ASP) of electronic medical record (EMR) software and related services with more than 5.3 million patient records under management, announces its financial results for the three and six-month period ended September 30, 2008. All results are reported in Canadian dollars unless otherwise stated.

Q2 Fiscal 2009 Highlights

- Recurring revenues increased 3.7% from the previous quarter to \$3.4 million, representing 81% of total revenue. Total revenues decreased 14.2% from the previous quarter to \$4.2 million as a large license sale was recognized in the previous quarter.
- The Company made progress on its expense reduction initiatives aimed at generating positive cash flow and reaching profitability. Expenses decreased 6.3% from the previous quarter to \$4.3 million and decreased by \$1.2 million, or 11.6%, in the six month period compared to the six months ended September 30, 2007.
- Loss from continuing operations over the six month period was \$2.8 million, compared to a loss of \$3.5 million for the six months ended September 30, 2007.
- The Company is approaching a significant milestone in matching its expenses to its recurring revenue. Subsequent to Q2 fiscal 2009, the Company implemented additional cost reductions that will be realized in October and future periods. Based on these recent expenditure levels and our current forecasts, the Company anticipates that it will achieve positive EBITDA for the remaining six months of the current fiscal year.
- Nightingale ranked first among the Deloitte Technology Fast 50 and tenth among the Deloitte Technology Fast 500, both rankings of the fastest-growing technology companies in Canada and North America respectively, based on the percentage of revenue growth over five-years.
- The Nightingale On Demand application was launched for Ontario funded physicians as an ASP service from Smart Systems for Health (SSHA).
- Subsequent to quarter end, The Government of Ontario announced the formation of eHealth Ontario, with an objective to create an Electronic Health Record for every Ontarian by the year 2015, with SSHA as an integral part of this strategy. This is a significant development for Nightingale, as the EMR product is one of three approved Application Service Providers to be hosted from SSHA.
- The Company reached a significant milestone by completing CCHIT certification for its Nightingale On Demand hosted EMR product in the U.S. CCHIT is an independent, non-profit organization recognized by the U.S. government as an official certification body for healthcare information technology products.

“Our results show that our focus on building our base of recurring revenue and achieving cost reductions is having a positive impact on our business,” said Sam Chebib, President and CEO of Nightingale. “We are working vigorously to properly align our expenses with current revenue levels.”

Mr. Chebib continued: “Nightingale has also continued to execute on its three strategic initiatives this quarter by: increasing the number of healthcare practitioners on its technology platform, converting cross-selling opportunities and launching patient-centric products. While we have not yet reported significant improvement in our financial performance we are pleased with our modest progress on these initiatives in Q2. We expect results for the remainder of the year to improve as we bring in new business from both sides of the border and realize the benefits of recent cost initiatives.”

Q2 Fiscal 2009 Financial Review

As a result of Nightingale’s sale of Therapist Helper in Q4 fiscal 2008, all financial results for fiscal 2008 are reported on a continuing operations basis.

Revenue for Q2 fiscal 2009 was \$4.2 million, compared to revenue from continuing operations of \$5.8 million for Q2 fiscal 2008. The year-over-year decrease is a result of a reduction in software license revenues mainly due to reduced enterprise sales.

During the first six-months of fiscal 2009, Nightingale generated approximately 69% of its revenue in the U.S. As such, the Company estimates that revenue was negatively affected by U.S. currency fluctuations relative to the Canadian dollar by a difference of approximately 6.5%, or \$270,000 versus same period last fiscal year. Nightingale incurs approximately 52% of its expenses (including costs of goods sold) in the U.S., providing the Company with a natural hedge position. The Company expects that it could experience an overall positive effect from foreign exchange in Q3 2009 provided that recent weakness in the Canadian dollar relative to the US dollar continues and the proportion of revenues and expenses derived from the U.S. remain relatively the same. Nightingale will continue to be susceptible to currency fluctuations.

Recurring revenue, consisting of support and maintenance, utilization and transaction fees, transcription and billing services was \$3.4 million, or 81% of total revenue, marking the third consecutive quarterly increase in recurring revenues. In Q2 fiscal 2009, Nightingale also realized a small year-over-year increase in recurring revenues.

As a result of the steps Nightingale has taken to control costs, Q2 marked the third successive quarter of lower total operating expenses. Total operating expenses were \$4.3 million in Q2 fiscal 2009, \$4.6 million in Q1 fiscal 2009, \$4.7 million in Q4 fiscal 2008 and \$5.2 million in Q3 fiscal 2008. Net loss was \$1.5 million, or \$(0.02) per share, in Q2 fiscal 2009, compared to a net loss from continuing operations of \$1.6 million, or \$(0.02) per share, in Q2 fiscal 2008. The year-over-year improvement is primarily due to Nightingale's debt repayment and reduced interest costs. The Company achieved an approximate 50% decrease in interest expense this quarter compared to Q2 fiscal 2008 as a result of the Company's repayment of more than half of its \$12 million in subordinated debt following the sale of the Helper division in Q4 2008. The Company paid down an additional \$500,000 in subordinated debt this quarter and another \$500,000 subsequent to quarter end. The Company remains focused on achieving positive cash flow.

Cash and cash equivalents were \$3.6 million at September 30, 2008.

At September 30, 2008, total common shares issued and outstanding were 69,709,257.

The financial statements and MD&A will be available at <http://www.nightingale.md> and filed on www.sedar.com on November 26, 2008. This press release should be read in conjunction with Nightingale's Consolidated Financial Statements for the quarter ended September 30, 2008 and the accompanying Management Discussion and Analysis.

Notice of Conference Call and Webcast

Nightingale will host a conference call on Wednesday, November 26, 2008 at 8:30 a.m. Eastern Standard Time. To access the conference call by telephone, dial 416-644-3416 or 1-800-733-7560. Please connect approximately fifteen minutes prior to the beginning of the call to ensure participation. The conference call will be archived for replay until Thursday November 27, 2008. To access the archived conference call, dial 416-640-1917 or 1-877-289-8525 and enter reference 2129034#. A live audio webcast of the call will be available at www.newswire.ca and <http://www.nightingale.md>. Please connect to the website at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be necessary. The webcast will be archived for 365 days.

Non-GAAP Financial Measures

The Company internally measures its performance and results of initiatives through a number of measures that are not recognized under Canadian generally accepted accounting principles (GAAP) and may not be comparable to similar measures used by other companies.

1. Recurring and Non-Recurring Revenue

The Company has included recurring revenue and non-recurring revenue measurements since it believes that this information is useful to investors to evaluate its performance. Investors should be cautioned, however, that recurring revenue and non-recurring revenue should not be construed as an alternative to revenue as determined in accordance with GAAP.

2. EBITDA

EBITDA is a non-GAAP measure that management believes is a useful measurement to evaluate the performance of the Company. Investors should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings as determined in accordance with GAAP. The Company's method of calculating EBITDA may differ from the methods used by other companies and, accordingly, it may not be comparable to similarly titled measures used by other companies.

EBITDA is defined as earnings before other loss (income), interest, income taxes, depreciation, amortization, and stock-based compensation. Management believes it is useful to exclude these items as they are either non-cash expenses, items that cannot be influenced by management in the short term, or items that do not impact core operating performance, and Management uses this information internally for forecasting and budgeting purposes.

The following provides a reconciliation of EBITDA to Loss and Comprehensive Loss:

In \$000's Definition	Fiscal Quarter Ended September 30, 2008	Fiscal Quarter Ended September 30, 2007	Six Months Ended September 30, 2008	Six Months Ended September 30, 2007
Loss and Comprehensive Loss	\$ (1,492)	\$ (1,602)	\$ (2,751)	\$ (3,517)
Adjustments for:				
Other Loss	16	99	28	153
Interest	364	736	720	1,434
Depreciation and Amortization	633	550	1,245	1,119
Stock-based Compensation	21	58	65	271
EBITDA (Loss)	\$ (458)	\$ (159)	\$ (693)	\$ (540)

About Nightingale

Nightingale is one of the fastest growing health care service and software companies in North America with over 5.3 million patient records under management in a hosted (ASP) environment. Nightingale is recognized as an industry leader in Web-based clinician and community based electronic medical records (EMR) serving the needs of small primary care practices, multi-physician outpatient clinics, and large scale regional health organizations and networks. Coupled with integrated practice management, transcription and revenue cycle management, Nightingale's comprehensive service offering allows customers to enhance patient care, increase revenue opportunities and optimize operations. Nightingale

is continuously innovating and enhancing its services to meet the needs of its growing and diverse customer base. Nightingale – Healthcare connected. www.nightingale.md

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Forward Looking Statement

This press release contains “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Nightingale to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the speculative nature of the medical software industry, which is affected by numerous factors beyond Nightingale’s control; the Company’s ability to succeed in the US market, a new market for the Company; the existence of present and possible future government regulation; Nightingale’s ability to successfully integrate its acquisitions and any liabilities arising as a result of such acquisitions; the significant and increasing competition that exists in the medical software industry; and the early stage of Nightingale’s business. The Company is subject to the risks associated with early stage companies, including uncertainty of revenues, markets and profitability and the ability to access debt or equity financing, as necessary. Although Nightingale has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All material assumptions used in making forward-looking statements are based on management’s knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current sales trends, spending on healthcare and general economic conditions affecting Nightingale and the Canadian and US economies. Although Nightingale believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by the Company in making forward-looking statements, including without limitation, factors and assumptions regarding, acceptance of its products in the marketplace, as well as its operating cost structure and current and future trends in healthcare spending. Accordingly, readers should not place undue reliance on forward-looking statements. Nightingale does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws. Further information on Nightingale Informatix Corporation is available at www.sedar.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.