



NIGHTINGALE REPORTS FISCAL 2008 SECOND QUARTER RESULTS

- Year-over-year revenue growth of 102% with positive adjusted EBITDA -

- Michael Ford appointed Chief Financial Officer and Nick Vaney appointed VP, Operations and Chief Strategy Officer -

Markham, ON, November 26, 2007 - Nightingale Informatix Corporation ("Nightingale" or the "Company") (TSX-V: NGH), a North American healthcare application service provider (ASP) of Electronic Medical Record (EMR) and practice management software solutions, announces its financial results for the three- and six-month periods ended September 30, 2007. All results are reported in Canadian dollars unless otherwise stated.

Q2 Fiscal 2008 Financial Summary

- Revenue was \$7.0 million, a 102% increase from \$3.5 million in Q2 fiscal 2007.
- After subtracting revenue from VantageMed operations, Q2 fiscal 2008 organic growth was 20% over the same period in the prior fiscal year.
- Recurring revenue^{1a} was \$4.4 million, or 63% of total revenue, compared to \$2.5 million, or 73% of total revenue in Q2 fiscal 2007.
- Adjusted EBITDA^{1b} (earnings before interest, taxes, depreciation, amortization and stock based compensation) increased to \$0.3 million, compared to negative adjusted EBITDA of \$0.7 million in Q2 fiscal 2007.
- Net loss was \$1.4 million, or (\$0.02) per share, compared to net loss of \$1.1 million, or (\$0.03) per share, in Q2 fiscal 2007.
- Change in the value of the U.S. dollar is estimated to have negatively impacted Q2 revenue by approximately 7%, or \$0.4 million versus the same period during the previous fiscal year.

"During the quarter we generated strong organic growth and made significant progress toward integrating our acquisition of VantageMed, which was reflected in our revenue growth and positive adjusted EBITDA performance," said Sam Chebib, President and CEO of Nightingale. "We are pleased with the results of the acquisition to date. We believe we have established an operating platform with the right technology, strategy and personnel to deliver continued year-over-year top-line growth and margin improvement."

Recent Operational Highlights

- Won contract to provide EMR and practice management solutions to healthcare providers throughout the Northwest Territories. The initial phase of the agreement is valued at \$600,000, with the potential future contract value estimated at \$2.0 million. During the quarter, none of the \$400,000 of license revenue associated with the initial phase was recognized.
- Signed four cross-sell agreements to license its EMR solution and provide associated support, training and implementation services to customers in Pennsylvania; Minnesota; New Jersey and South Carolina.
- Received vendor conformance and usability requirements certification in Alberta.

- Signed a \$475,000 cross-sell agreement to provide an ASP EMR solution to Healthcare South, PC, a group practice of 45 healthcare providers in the greater Boston, Massachusetts area.
- Won \$860,000 in contracts to provide EMR solutions to support 41 OntarioMD funded physicians at three clinics.
- Appointed Simon Lee as Vice President, Sales for the U.S. market, and hired four U.S.-based sales representatives – two started during Q2 with the others joining in late Q3.
- Subsequent to quarter end, appointed Michael Ford as Chief Financial Officer and Nick Vaney as VP, Operations and Chief Strategy Officer, as announced in a separate press release issued today.
- Subsequent to quarter end, signed a 15-year contract with OntarioMD to be one of three ASP EMR providers. Under the terms of the agreement, eligible primary care physicians across Ontario will receive funding through OntarioMD when implementing Nightingale's ASP EMR solution. Currently, there is total funding of \$28,600 per physician for 2,700 of Ontario's 22,000 physicians, with additional funding expected to come available. Management believes this agreement will position Nightingale to capture a significant share of the Ontario market, accelerating the Company's growth over the next two to three years.

Mr. Chebib continued: "Our selection as a funded ASP provider in Ontario is exciting. Along with other successful selling initiatives in the U.S., this contract win reinforces our position as one of the fastest growing providers of EMR solutions in North America. With a significant captive customer base to sell our EMR solution to in the U.S., the investment in our North American sales and marketing resources and our established market leadership position in Canada, we are well positioned to maintain our momentum and strengthen our competitive position in this rapidly growing market."

Q2 Fiscal 2008 Financial Review

Total revenue for Q2 fiscal 2008 was \$7.0 million, a 102% increase compared to \$3.5 million in Q2 fiscal 2007. The year-over-year improvement was driven by a combination of organic growth and a full quarter of revenue contribution from the acquired VantageMed operations. For Q2 fiscal 2008, recurring revenue, consisting of software support and maintenance, utilization fees, transaction fees, data management, transcription and billing services, accounted for approximately 63% of Q2 revenue.

Nightingale generated approximately 78% of its revenue and 53% of its expenses (including cost of goods sold) in the U.S. in the second quarter. This provided the Company with a natural hedge position that helped offset some of effects of the reduction in value of the U.S. dollar relative to the Canadian dollar. However, on the top-line, the Company estimates that revenue was negatively impacted by U.S. currency fluctuations relative to the Canadian dollar by a difference of approximately 7%, or \$0.4 million for the second quarter.

For the first half of fiscal 2008, revenue increased 103% to \$13.1 million, compared to the \$6.4 million generated in the first half of fiscal 2007. For the year to date period, recurring revenue was 64% of total revenue. The Company estimates that revenue was negatively impacted by a difference of approximately 5%, or \$0.5 million for the first half of fiscal 2008, due to year-over-year U.S. currency fluctuations relative to the Canadian dollar. Going forward, the continued drop in the value of the U.S. dollar since the end of the second fiscal quarter combined with an anticipated increase in revenue from the U.S. market over the coming quarters is expected to have a greater impact on the Company's financial results.

In Q2 fiscal 2008, gross profit margin was 78%, compared to 72% in Q2 fiscal 2007. The improvement in gross profit margins reflects a greater portion of revenue generated by higher margin software license and maintenance sales than in Q2 fiscal 2007. For the six months ended September 30, 2007, gross profit margin was 78%, up from 66% for the same period last year.

Nightingale generated positive adjusted EBITDA of \$0.3 million in Q2 fiscal 2008, compared to negative adjusted EBITDA of \$0.7 million in Q2 fiscal 2007. Adjusted EBITDA improved year-over-year due to the significant increase in revenue, higher gross profit margin, a focus on cost control and a full quarter of cost synergies generated from the integration of VantageMed, all of which were partially offset by Nightingale's investment in its infrastructure to support future growth.

Adjusted EBITDA for the first half of fiscal 2008 was \$0.4 million, compared to negative adjusted EBITDA of \$2.2 million in the first half of fiscal 2007. As a result of the reduction in the value of the U.S. dollar, the Company estimates that adjusted EBITDA for the six months ended September 30, 2007 was negatively impacted by \$0.1 million, when compared to the same period in the previous fiscal year.

For Q2 fiscal 2008, net loss was \$1.4 million, or (\$0.02) per share, compared to a net loss of \$1.1 million, or (\$0.03) per share in Q2 fiscal 2007. For the six months ended September 30, 2007, net loss was \$3.1 million, or (\$0.05) per share, compared to a loss of \$3.4 million or (\$0.09) per share for the same period last year.

To view the full set of financial statements and MD&A for Nightingale, visit <http://www.nightingale.md> or www.sedar.com.

¹Non-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.

a. Recurring and Non-Recurring Revenue

The Company has included recurring revenue and non-recurring revenue measurements since it believes that this information would be useful to investors to help 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.

b. Adjusted EBITDA

The Company has included an adjusted EBITDA measurement since it believes that this information would be useful to investors to help evaluate the performance of the Company. Investors should be cautioned, however, that adjusted EBITDA should not be construed as an alternative to net earnings as determined in accordance with GAAP. The Company's method of calculating adjusted 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.

Adjusted EBITDA is a non-GAAP measure that management believes is a useful supplemental measure of operating performance prior to 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 Adjusted EBITDA to Net Income/ Loss:

Name	Definition	Fiscal Quarter Ended September 30, 2007	Fiscal Quarter Ended September 30, 2006	Six Months Ended September 30, 2007	Six Months Ended September 30, 2006
Adjusted EBITDA	Net Income/Loss	\$-1,394,723	\$-1,084,251	\$-3,147,788	\$-3,405,256

<i>Adjustments for:</i>				
Other Loss (Income)	99,331	-25,324	153,010	-116,863
Interest	602,380	12,227	1,148,818	553,597
Depreciation and Amortization	952,923	230,633	1,942,432	394,318
Stock-based Compensation	70,431	156,960	295,554	380,178
Adjusted EBITDA (Loss)	\$330,342	\$-709,755	\$392,026	\$-2,194,026

Notice of Conference Call and Webcast

Nightingale will host a conference call Monday November 26, 2007, at 8:30 a.m. Eastern Standard Time. To access the conference call by telephone, dial 416-644-3417 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 December 3, 2007. To access the archived conference call, dial 416-640-1917 or 877-289-8525 and enter reference number 21251916#.

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 90 days.

About Nightingale

Nightingale Informatix Corporation (www.nightingale.md) is one of North America's fastest growing healthcare application service providers (ASP). Nightingale's Internet-based Electronic Health Record (EHR), Electronic Medical Record (EMR) and practice management solutions are designed to help physicians, health centers, hospitals and other healthcare organizations more efficiently manage their operations and patient records.

Nightingale's products and services offer physicians in United States and Canada leading-edge functionality for clinical documentation, patient scheduling, resource scheduling, billing, transcription, end-to-end coding and claims processing, data management, work flow tools, laboratory interfaces, documentation management and patient portals, along with other real-time services. The Company's proprietary offerings of software include Nightingale On-Demand, RidgeMark, Medical Helper, Therapist Helper, Northern Health Anesthesia, Entity and Physician WorkStation and SecureConnect, providing physicians with fully integrated, simple-to-use systems that automate daily tasks and create a single, accessible source of patient data.

For further information, contact:

Nick Vaney CFO Nightingale Informatix Corporation Tel: 905-943-2606 nvaney@nightingale.md	Dave Mason Investor Relations The Equicom Group Tel: 416-815-0700 x237 Email: dmason@equicomgroup.com
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Forward Looking Statement

This press release contains "forward-looking statements" within the meaning of 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 ability of Nightingale to successfully integrate its acquisitions and any liabilities arising as a result of such acquisitions; the existence of present and possible future government regulation; the significant and increasing competition that exists in the medical software industry; the early stage of Nightingale's business; and therefore it is subject to the risks associated with early stage companies, including uncertainty of revenues, markets and profitability and the need to raise additional funding.

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. 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 Inc. has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

**INTERIM CONSOLIDATED BALANCE SHEET
(unaudited)**

	As at September 30, 2007	As at March 31, 2007
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 3,656,069	\$ 1,747,660
Accounts Receivable	4,584,656	3,018,767
Other Receivables	-	79,739
Inventory	115,790	7,893
Prepaid Expenses	762,369	257,157
	<u>9,118,884</u>	<u>5,111,216</u>
Long-Term Assets		
Deferred Costs	205,969	626,890
Property and Equipment	1,628,703	1,352,739
Proprietary Software	1,022,572	1,230,472
Intangible Assets	11,573,085	1,878,099
Goodwill	15,007,773	7,331,853
	<u>29,438,102</u>	<u>12,420,053</u>
	<u>\$ 38,556,986</u>	<u>\$ 17,531,269</u>
LIABILITIES		
Current Liabilities		
Borrowing under Line of Credit	\$ -	\$ 1,541,733
Accounts Payable and Accrued Liabilities	4,381,489	2,770,367
Current Portion of Deferred Revenue	5,672,893	1,829,931
Current Portion of Capital Lease Obligations	195,675	258,586
	<u>10,250,057</u>	<u>6,400,617</u>
Long Term Liabilities		
Subordinated Debt	10,215,413	-
Deferred Compensation Payable to Employees	-	100,824
Deferred Revenue	1,469,073	1,716,512
Capital Lease Obligations	146,413	196,246
	<u>11,830,899</u>	<u>2,013,582</u>
Total Liabilities	<u>22,080,956</u>	<u>8,414,199</u>
SHAREHOLDERS' EQUITY		
Capital Stock	27,295,885	18,553,953
Contributed Surplus	1,316,771	1,021,217
Warrants	3,277,011	1,807,749
Deficit	(15,413,637)	(12,265,849)
	<u>16,476,030</u>	<u>9,117,070</u>
Total Liabilities and Shareholders' Equity	<u>\$ 38,556,986</u>	<u>\$ 17,531,269</u>

**INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2007
(unaudited)**

	3 months ending September 30, 2007	3 months ended September 30, 2006	6 months ending September 30, 2007	6 months ended September 30, 2006
Revenue	\$ 6,985,717	\$3,466,740	\$ 13,066,898	\$ 6,448,574
Cost of Sales				
Hardware, Software and Services	1,261,205	936,482	2,418,684	2,112,023
Sales Commissions	244,582	43,934	393,572	111,161
	<u>1,505,787</u>	<u>980,416</u>	<u>2,812,256</u>	<u>2,223,184</u>
Gross Profit	<u>5,479,930</u>	<u>2,486,324</u>	<u>10,254,642</u>	<u>4,225,390</u>
Expenses				
General and Administration	1,243,378	790,773	2,101,175	1,663,833
Sales and Marketing	922,682	813,134	1,865,879	1,588,606
Research and Development	1,370,861	971,311	2,664,654	1,974,473
Client Services	1,612,667	620,861	3,230,908	1,192,504
Stock Based Compensation	70,431	156,960	295,554	380,178
Depreciation and Amortization	952,923	230,633	1,942,432	394,318
	<u>6,172,942</u>	<u>3,583,672</u>	<u>12,100,602</u>	<u>7,193,912</u>
Operating Loss for the Period	<u>(693,012)</u>	<u>(1,097,348)</u>	<u>(1,845,960)</u>	<u>(2,968,522)</u>
Interest	602,380	12,227	1,148,818	553,597
Other Loss (Income)	99,331	(25,324)	153,010	(116,863)
Net Loss and Comprehensive Loss for the Period	<u>(1,394,723)</u>	<u>(1,084,251)</u>	<u>(3,147,788)</u>	<u>(3,405,256)</u>
Net Loss per Common Share, Basic and Diluted	<u>\$(0.02)</u>	<u>\$(0.03)</u>	<u>\$(0.05)</u>	<u>\$(0.09)</u>
Weighted Average Number of Common Shares	<u>66,914,490</u>	<u>41,817,643</u>	<u>65,139,625</u>	<u>38,313,388</u>

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2007
(unaudited)**

	3 months ending September 30, 2007	3 months ended September 30, 2006	6 months Ending September 30, 2007	6 months Ended September 30, 2006
Cash Flow from Operating Activities				
Net Loss for the Period	(1,394,723)	\$(1,084,251)	(3,147,788)	\$(3,405,256)
<i>Adjustments for:</i>				
Depreciation and Amortization	952,923	230,633	1,942,432	394,318
Stock Based Compensation	70,431	156,960	295,554	380,178
Interest Accretion	196,856	-	393,714	-
	<u>(174,513)</u>	<u>(696,658)</u>	<u>(516,088)</u>	<u>(2,630,760)</u>
<i>Changes in Non-Cash Working Capital Balances,</i>				
Decrease (Increase) in Accounts Receivable	(1,224,635)	(948,060)	(738,866)	(1,440,116)
Decrease (Increase) in Prepaid Expenses	(268,713)	125,079	(308,205)	70,647
Decrease (Increase) in Inventory	(23,931)	-	(79,066)	-
Decrease (Increase) in Deferred Costs	20,111	(24,633)	403,511	223,392
Decrease (Increase) in Other Receivables	41,004	-	79,739	145,107
Increase (Decrease) in Accounts Payable and Accrued Liabilities	24,840	(183,627)	(863,193)	(647,434)
Increase (Decrease) in Deferred Compensation Payable	-	24,000	(98,862)	(286,493)
Increase (Decrease) in Deferred Revenue	106,197	295,423	(116,716)	212,848
Cash flows provided from (used in) operating activities	<u>(1,499,640)</u>	<u>(1,408,476)</u>	<u>(2,237,746)</u>	<u>(4,352,809)</u>
Cash Flow from Investing Activities				
Purchase of Property and Equipment	(305,425)	(304,409)	(453,683)	(430,692)
IHPS Acquisition	-	-	-	(2,990,880)
VantageMed Acquisition	-	-	<u>(13,533,087)</u>	-
Cash flows provided from (used in) investing activities	<u>(305,425)</u>	<u>(304,409)</u>	<u>(13,986,770)</u>	<u>(3,421,572)</u>
Cash Flow from Financing Activities				
Increase in Capital Stock	-	159,496	8,741,932	9,424,866
Decrease in Bank Loan Payable	-	-	-	(148,782)
Proceeds from subordinated debt financing	-	-	11,089,812	5,000,000
Repayment of Subordinated Debt Financing	-	-	-	(4,569,000)
Decrease In Promissory Notes Payable	-	(249,636)	-	(1,477,556)
Increase (Decrease) in Capital Lease Obligations	(82,765)	112,976	(157,086)	175,501
Increase (Decrease) in Borrowing under Line of Credit	-	43,722	<u>(1,541,733)</u>	<u>968,924</u>
Cash flows used in financing activities	<u>(82,765)</u>	<u>66,558</u>	<u>18,132,925</u>	<u>9,373,953</u>
Net Increase in Cash During the Period	(1,887,830)	(1,646,327)	1,908,409	1,599,572
Cash and Cash Equivalents, Beginning of Period	<u>5,543,899</u>	<u>3,619,590</u>	<u>1,747,660</u>	<u>373,691</u>
Cash and Cash Equivalents, End of Period	\$ 3,656,069	\$ 1,973,263	\$ 3,656,069	\$1,973,263