



IBEX Technologies Inc.  
5485 Paré, Montréal, Suite 100  
Québec, Canada H4P 1P7  
Tél : (514) 344-4004 Fax : (514) 344-8827  
Website : [www.ibex.ca](http://www.ibex.ca)

## **IBEX REPORTS ITS FISCAL 2009 RESULTS**

**-EPS increases to \$0.05. Sales increase 52%-**

**MONTREAL, Quebec, October 27, 2009** – IBEX Technologies Inc. (TSX Venture: IBT), today reported its financial results for the year ended July 31, 2009.

*Solely for the convenience of the reader, selected financial results expressed in Canadian dollars on the financial statements, have been translated into U.S. dollars at the July 31, 2009 month-end rate C\$1.00 = US\$ 0.9280. This translation should not be construed as an application of the recommendations relating to the accounting for foreign currency translation, but rather as supplemental information for the reader.*

### **HIGHLIGHTS FOR THE YEAR END:**

- Earnings per share increased from \$0.01 to \$0.05
- Net earnings increased 285% to \$1.3 million
- Sales increased 52% to \$3.5 million
- Working capital increased 57% to \$2.9 million

"IBEX had an excellent year with EPS increasing fivefold to \$0.05, driven by strong product-demand as well as a positive currency environment" said Paul Baehr, IBEX CEO.

### **FINANCIAL RESULTS FOR THE FISCAL YEAR**

Sales for the year ended July 31, 2009 reached \$3,544,282 (US\$3,289,094) compared to \$2,326,744 for the same period in the prior year, representing an increase of 52%. The net increase in sales vs. year ago was \$1,217,538, of which \$630,463 can be attributed to real growth and \$587,075 to a favourable currency environment.

Enzymes sales increased by 66% vs. the previous year. The increase in enzymes products traces to continued strong demand for the point of care disposables sold by IBEX customers, but gains are also seen in the use of our enzymes in manufacturing quality control.

Sales of arthritis assays increased by 20% vs. year ago, driven by strong sales to the pharmaceutical research community.

**Net earnings** for the year ended July 31, 2009 were \$1,343,738 (US\$1,246,989), or \$0.05 per share, compared to net earnings of \$348,319, or \$0.01 per share, for the previous fiscal year (an increase of 285%).

Net earnings benefited from increasing sales, a reduction in operating costs, and a positive foreign exchange gain of \$200,651.



**Expenses** for the year ended July 31, 2009 totaled \$2,200,544 an increase of 7% vs. year-ago. Excluding the gain to the foreign exchange account, expenses increased by 16% which is attributable to the increase in the level of business activity and also to the fact that in year ended July 31, 2008, the Company recorded a gain on disposal assets due to the sale of some licenses for certain cancer technologies.

The Company's **Cash, Cash Equivalents**, and Marketable Securities improved 44% over the year to \$2,260,344 from \$1,567,264. Working capital improved to \$2,881,146 as at July 31, 2009 from \$1,832,492 as at July 31, 2008.

### Financial Summary for the year ending

	July 31, 2009	July 31, 2008
Revenues	\$3,544,282	\$2,326,744
Earning Before Interests, Tax, Depreciation & Amortization	\$1,409,367	\$367,185
Depreciation & Amortization	\$83,810	\$70,148
Net Earnings	\$1,343,738	\$348,319
Net Earnings per Share	\$0.05	\$0.01
Cash, Cash Equivalents & Marketable Securities	\$2,260,344	\$1,567,264
Working Capital	\$2,881,146	\$1,832,492
Outstanding shares at report date (Common Shares)	24,703,244	24,703,244

### FINANCIAL RESULTS FOR THE FOURTH QUARTER

**Sales** for the quarter ended July 31, 2009 totaled \$863,691 (US\$801,505) an increase of 69% as compared to \$509,944 (US\$498,011) in the same period year ago, Sale decreased 19% versus the very robust previous quarter (which was 30% higher than the average of the first and second quarters).

Enzymes sales increased 72% versus the same quarter year ago, although slightly down (6%) versus the very strong previous quarter.

Sales of arthritis assays were up 61% versus the same quarter year ago, although down (49%) vs. the previous quarter (an unusual quarter in which the Company actually shipped more than it did in the first half).

**Net earnings** for the quarter ended July 31, 2009 were \$474,632 (US\$440,459), or \$0.02 per share, compared to net earnings of \$189,696, or \$0.01 per share, for the fourth quarter of fiscal year 2008.



The increase in reported net earnings in the fourth quarter of Fiscal 2009 as compared to the fourth quarter of Fiscal 2008 is largely attributable to a gain of \$149,761 to the foreign exchange account (see below for more details).

Excluding the foreign exchange impact, net earnings for the quarter were \$324,871, up 106% versus \$157,459 in the same quarter of Fiscal 2008.

As compared to previous quarter: reported net earnings of \$474,632 for the fourth quarter of Fiscal 2009 were up \$232,062 versus the net earnings of \$242,570 (\$0.01 per share) seen in third quarter of Fiscal 2009. Excluding foreign exchange, net earnings for the fourth quarter of Fiscal 2009 were \$324,871, down \$35,423 from the third quarter of Fiscal 2009

**Expenses** as compared to year ago: total expenses in the fourth quarter of Fiscal 2009 increased to \$389,058 from \$349,590 in the same quarter a year ago. Excluding the foreign exchange gain and the gain on disposal of assets, expenses increased 30%. The increase in expenses was due primarily to the increase in the level of business activity. The foreign exchange gain during the quarter ended July 31, 2009, is due mainly to two factors, first a change in the fair value of the embedded derivatives related to sales contracts in the amount of \$107,207 (which is recorded as a loss in foreign exchange and an offset is recorded in accrued liabilities) and the second is a foreign exchange gain, in the amount of \$408,710, recorded on the forward foreign exchange contracts held by IBEX at July 31, 2009 (the Company has taken out forward foreign exchange contracts in fiscal 2009 as economic hedges for future sales). In the previous year, the Company recorded a gain on disposal of assets, due to the sale of some licenses for certain cancer technologies, as well as a gain of \$32,237 in foreign exchange.

**Cash, Cash Equivalents, and Marketable Securities** increased 7% during the quarter to \$2,260,344. The Company's working capital was \$2,881,146 as at the end of the fourth quarter ended July 31, 2009 and up from \$2,557,888 as at the end of the prior quarter ending April 30, 2009.

## LOOKING FORWARD

IBEX has had an extraordinarily good year with increases in product demand and a favourable currency environment

For fiscal year 2010 we expect continued growth in product demand, , but, on average, currency rates will likely be less favourable for the Company.

In addition to growing the base business, IBEX is seeking to acquire additional product lines while also seeking appropriate strategic M&A opportunities..

## ABOUT IBEX

The Company manufactures and markets a series of proprietary enzymes (heparinases and chondroitinases). These enzymes are used in pharmaceutical research, quality assurance, and in the case of Heparinase I, in diagnostic devices which measure hemostasis.

IBEX also manufactures and markets a series of arthritis assays which are widely used in pharmaceutical research. These assays enable the measurement of both the *synthesis* and *degradation* of cartilage components, and are powerful tools in the study of osteo- and rheumatoid arthritis.



For more information, please visit the Company's web site at [www.ibex.ca](http://www.ibex.ca).

**The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release**

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**Safe Harbor Statement**

*All of the statements contained in this news release, other than statements of fact that are independently verifiable at the date hereof, are forward-looking statements. Such statements, based as they are on the current expectations of management, inherently involve numerous risks and uncertainties, known and unknown. Some examples of known risks are: the impact of general economic conditions, general conditions in the pharmaceutical industry, changes in the regulatory environment in the jurisdictions in which IBEX does business, stock market volatility, fluctuations in costs, and changes to the competitive environment due to consolidation or otherwise. Consequently, actual future results may differ materially from the anticipated results expressed in the forward-looking statements. IBEX disclaims any intention or obligation to update these statements.*

**Contact:**

Paul Baehr  
President & CEO  
IBEX Technologies Inc.  
514-344-4004 x 143