



## **VIQ Solutions Reports Third Quarter 2011 Results**

*Breakeven EBITDA, continued revenue growth highlight quarter*

Markham, Ontario - November 28, 2011 - VIQ Solutions Inc. ("VIQ Solutions" or the "Corporation") (TSX Venture: VQS), a world leader in computer-based digital audio and video capture and management, today reported its financial results for the three and nine month periods ended September 30, 2011. Results are reported in Canadian dollars and are prepared in accordance with International Financial Reporting Standards ("IFRS").<sup>1</sup>

"For the third consecutive quarter, VIQ Solutions delivered year over year revenue growth, particularly in our high-margin computer products and services business," commented David Outhwaite, President and Chief Executive Officer of VIQ Solutions. "We continue to see substantial market activity in the growing digital media capture and management industry and have started to convert market opportunities into sustainable revenue growth."

### **Third Quarter Results**

Revenue was \$3.7 million and \$11.9 million for the three and nine month periods ended September 30, 2011 as compared to \$3.1 million and \$8.9 million for the three and nine month periods ended September 30, 2010, representing an increase in revenue of \$0.6 million and \$3.0 million or 17% and 33% respectively. Gross profit for the three and nine month periods ended September 30, 2011 was \$1.4 million and \$5.3 million as compared to \$0.9 million and \$2.7 million for the same periods in 2010. Gross profit expressed as a percentage of revenues was 38% and 45% for the three and nine month periods ended September 30, 2011 as compared to 30% and 31% for the same periods in 2010.

EBITDA<sup>2</sup> for the three month period ended September 30, 2011 was \$1,839 as compared to an EBITDA loss of \$267,167 for the same period in 2010. EBITDA for the nine months ended September 30, 2011 was \$911,982 as compared to an EBITDA loss of \$944,103 for the same period in 2010 primarily due to a strong first quarter by our computer products business unit. Net loss for the three month period ended September 30, 2011 was \$89,771 as compared to \$389,763 for the same period in 2010. Net income for the nine months ended September 30, 2011 was \$603,374 as compared to a net loss of \$1,289,884 for the same period in 2010. Basic and fully diluted net loss per common share for the three month period ended September 30, 2011 was \$0.00, unchanged from the same three month period in 2010. Basic and fully diluted net income per common share was \$0.01 for the nine month period ended September 30, 2011 as compared to a net loss per common share of \$0.02 for the same nine month period in 2010.

### **Third Quarter Business Highlights**

- Strong revenue growth year over year, particularly in our computer products and services business;
- Achieved significantly improved financial results year over year with breakeven EBITDA in the quarter and net income of approximately \$603,000 year to date;
- Repaid the majority of our bridge loans owing with the balance being repaid subsequent to the quarter; and
- Successfully completed approximately 50% of the national roll-out of 536 installations of our multiyear digital audio recording and storage project in the United Kingdom with Atos Origin and Logica.

## Notes

1. Effective January 1, 2011, Canadian publicly listed entities are required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is January 1, 2010. The three months ended March 31, 2011 is VIQ Solutions' first reporting period under IFRS. Please refer to VIQ Solutions' First Quarter 2011 Management Discussion and Analysis for a summary of the full impact as a result of the conversion from Canadian generally accepted accounting principles to IFRS.
2. EBITDA is a non-IFRS earnings measure which does not have any standardized meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. This measure is important to management since it is used by potential investors to evaluate the Corporation's operating performance and ability to incur and service debt, and as a valuation metric. Investors are cautioned that this non-IFRS financial measure should not be construed as an alternative to other measures of financial performance calculated in accordance with IFRS.

## Additional Information

Detailed financial information and Management's Discussion and Analysis of Results and Financial Condition for the three and nine month periods ended September 30, 2011 will be posted on VIQ Solutions' website (under Investor Relations) at [www.viqsolutions.com](http://www.viqsolutions.com) and on SEDAR's website at [www.sedar.com](http://www.sedar.com). The financial information included in this release is qualified in its entirety and should be read together with the audited consolidated financial statements for the year ended December 31, 2010, including the notes thereto.

## About VIQ Solutions Inc.

VIQ Solutions is a global leader in computer-based digital audio and video capture and management. We develop software solutions that capture, digitize, and compress audio and video data, which is securely stored in a multi-tiered server system where it is easily searchable and shareable. Our innovative media processor technology allows users to remotely control audio-video capture in multiple locations from a single satellite location, allowing large-scale and complex installations to be managed efficiently by fewer resources. VIQ Solutions' technologies are installed in courts, legislative assemblies, law enforcement and hearing rooms around the world.

## Forward-looking Statements

This release contains forward-looking statements and other statements concerning the Corporation's objectives and strategies and management's beliefs, plans and intentions about our achievements, goals, performance and other future events. These statements involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this press release, the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "will," "would" and similar expressions are intended to identify forward-looking statements. Such statements reflect VIQ Solutions' current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made due to a number of factors including risks related to our ability to successfully execute our business plan which includes our revenue growth, our liquidity, our operating results, our technology and products. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated or expected. VIQ Solutions does not intend and does not assume any obligation to update these forwardlooking statements.

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