



## QUALITY SYSTEMS REPORTS FOURTH QUARTER AND FISCAL YEAR-END RESULTS

**IRVINE, Calif.--(BUSINESS WIRE)- June 10, 2008--**Quality Systems, Inc. (NASDAQ:QSII - news) today announced the results of operations for its fiscal 2008 fourth quarter and fiscal year ended March 31, 2008. The Company posted net revenue of \$51.2 million in the fourth quarter, a record for the Company, and an increase of 14% from the \$45.1 million generated during the same quarter last year. The Company reported record net income of \$11.3 million, an increase of 32% over net income of \$8.5 million earned in the comparable quarter of the prior year. Fully diluted earnings per share was \$0.41 in the quarter, also a record, and an increase of 32% over the fully diluted \$0.31 per share earnings recorded in the same quarter last year.

For the quarter, the Company's NextGen Healthcare Information Systems division posted record revenue of \$47.3 million, up 16% over the same quarter prior year and record operating income of \$19.1 million, up 24% over the same quarter of the prior year.

Revenue for the fiscal year ended March 31, 2008 was \$186.5 million, an increase of 19% over fiscal year 2007 revenue of \$157.2 million. Net income for fiscal year 2008 was \$40.1 million, an increase of 21% over fiscal 2007's net income of \$33.2 million. Fully diluted earnings per share increased to \$1.44 in fiscal year 2008 from \$1.21 earned during fiscal year 2007, an increase of 19%.

Quality Systems, Inc. will hold a conference call to discuss fourth quarter and fiscal year end financial results June 10, 2008 at 4:30 p.m. EDT (1:30 p.m. PDT). To participate in the conference call, please dial the following number five to ten minutes prior to the scheduled conference call time: (877) 586-7724. There is no pass code required for this call. If you are unable to participate in the call at this time, a replay will be available on Tuesday, June 10, 2008 at 6:30 p.m. EDT through Tuesday, June 17, 2008 at midnight EDT. To access the replay dial (800) 642-1687 and enter the conference ID number 50252683.

A transcript of the conference call will be made available on the QSII web site ([www.qsii.com](http://www.qsii.com)).

### **About Quality Systems, Inc.**

Quality Systems, Inc. and its NextGen Healthcare Information Systems subsidiary develop and market computer-based practice management, patient records, and connectivity and other applications and services for medical and dental group practices. Visit [www.qsii.com](http://www.qsii.com) and [www.nextgen.com](http://www.nextgen.com) for additional information.

QUALITY SYSTEMS, INC.  
CONSOLIDATED STATEMENTS OF INCOME  
(IN THOUSANDS, EXCEPT PER SHARE DATA)  
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
<b>Revenues:</b>				
Software, hardware and supplies....	\$ 20,519	\$ 21,017	\$ 76,363	\$ 68,871
Implementation and training services	3,861	3,490	13,406	12,177
System sales.....	24,380	24,507	89,769	81,048
Maintenance.....	15,593	11,841	56,455	41,948
Electronic data interchange services	6,281	4,716	22,450	17,049
Other services.....	4,978	4,072	17,826	17,120
Maintenance, EDI and other services	26,852	20,629	96,731	76,117
Total revenue.....	<u>51,232</u>	<u>45,136</u>	<u>186,500</u>	<u>157,165</u>
<b>Cost of revenue:</b>				
Software, hardware and supplies....	2,939	3,243	10,887	8,453
Implementation and training services	2,872	2,249	10,341	8,535
Total cost of system sales.....	5,811	5,492	21,228	16,988
Maintenance.....	3,153	2,847	12,446	11,834
Electronic data interchange services	4,363	3,331	15,776	12,181
Other services.....	3,709	3,127	13,051	9,781
Total cost of maintenance and other services.....	<u>11,225</u>	<u>9,305</u>	<u>41,273</u>	<u>33,796</u>
Total cost of revenue.....	<u>17,036</u>	<u>14,797</u>	<u>62,501</u>	<u>50,784</u>
Gross profit.....	<u>34,196</u>	<u>30,339</u>	<u>123,999</u>	<u>106,381</u>
<b>Operating expenses:</b>				
Selling, general and administrative	14,146	14,550	53,260	45,337
Research and development costs....	2,988	2,656	11,350	10,166
Total operating expenses.....	<u>17,134</u>	<u>17,206</u>	<u>64,610</u>	<u>55,503</u>
Income from operations.....	17,062	13,133	59,389	50,878
Interest income.....	567	885	2,661	3,306
Other income.....	-	-	953	-
Income before provision for income taxes.....	17,629	14,018	63,003	54,184
Provision for income taxes.....	6,377	5,513	22,925	20,952
Net income.....	<u>\$ 11,252</u>	<u>\$ 8,505</u>	<u>\$ 40,078</u>	<u>\$ 33,232</u>
<b>Net income per share:</b>				
Basic.....	\$ 0.41	\$ 0.31	\$ 1.47	\$ 1.24
Diluted.....	\$ 0.41	\$ 0.31	\$ 1.44	\$ 1.21
<b>Weighted average shares outstanding:</b>				
Basic.....	27,408	27,049	27,298	26,882
Diluted.....	27,712	27,600	27,770	27,550
Dividends declared per common share.	\$ 0.25	\$ 1.00	\$ 1.00	\$ 1.00

QUALITY SYSTEMS, INC.

QUALITY SYSTEMS, INC.  
CONSOLIDATED BALANCE SHEETS  
(IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	March 31, 2008	March 31, 2007
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents.....	\$ 59,046	\$ 60,028
Marketable securities.....	2,500	-
Accounts receivable, net.....	76,585	63,945
Inventories, net.....	1,024	1,175
Net current deferred tax assets.....	6,397	3,443
Other current assets.....	4,596	4,507
Total current assets.....	150,148	133,098
Marketable securities.....	20,124	-
Equipment and improvements, net.....	4,773	5,029
Capitalized software costs, net.....	8,852	6,982
Net deferred tax assets.....	-	1,180
Goodwill.....	1,840	1,840
Other assets.....	2,171	2,552
Total assets.....	\$ 187,908	\$ 150,681
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable.....	\$ 4,685	\$ 5,246
Deferred revenue.....	44,389	38,774
Accrued compensation and related benefits.....	8,346	6,521
Income taxes payable.....	1,541	315
Dividends payable.....	6,861	-
Other current liabilities.....	4,394	5,626
Total current liabilities.....	70,216	56,482
Deferred revenue, net of current.....	506	674
Net deferred tax liabilities.....	1,575	-
Deferred compensation.....	1,906	2,279
Total liabilities.....	74,203	59,435
 Commitments and contingencies.....		
 Shareholders' equity:		
Common stock		
\$0.01 par value; authorized 50,000 shares; issued and outstanding 27,448 and 27,123 shares at March 31, 2008 and March 31, 2007, respectively.....	274	271
Additional paid-in capital.....	75,556	65,666
Retained earnings.....	38,071	25,309
Accumulated other comprehensive loss.....	(196)	-
Total shareholders' equity.....	113,705	91,246
Total liabilities and shareholders' equity...	\$ 187,908	\$ 150,681