

**FOR IMMEDIATE RELEASE**



## **InfoLogix Announces Record Revenue of \$21.4 Million for Second Quarter 2007**

- *Quarter over Quarter Revenue Growth of 66%*
- *Gross Profit Increased 54% to \$5.7 Million Compared to Q2 2006*
- *Continued Gross Margin increase to 26.4%*

**Hatboro, PA (August 9, 2007) – InfoLogix, Inc. (OTCBB:IFLG)**, a leading technology provider of mobile enterprise solutions for the healthcare and commercial industries, today announced financial results for the second quarter ended June 30, 2007. The Company reported total revenue of \$21.4 million, an increase of 40 percent as compared to \$15.3 million in the comparable period 2006, and an increase of 66 percent compared to first quarter 2007 revenue of \$12.9 million.

### **Key Operational Highlights**

- Continued increase of gross margin performance quarter-over-quarter.
- Completed key intellectual property and customer support investments to capitalize on near- and mid-term growth opportunities, and to continue company's stated strategy of acquiring service-based companies with synergistic technologies, services and expertise.
- Expanded the sales force to over 40 people to strategically increase product and service depth within existing customer accounts, while aggressively pursuing additional market share.
- Launched a proprietary Customer Care Portal Service for the commercial and healthcare markets that is already supporting over 1,500 unique customer locations and more than 10,000 managed assets. The Portal maximizes the benefits of RFID technology to track large-scale mobile asset deployments, and provides a highly efficient method for accessing real-time service information and device history.

David T. Gulian, President and Chief Executive Officer of InfoLogix, stated, "We are extremely pleased with our financial growth and performance during the second quarter. Both our healthcare and commercial sales channels continue to see rapid growth due to the expansion of our sales team and the increase of our overall product and solutions offerings. In addition, we have begun to recognize the effects of our intellectual property and services that will drive higher margins into 2008 among new and existing customers. Our services are being well received by our clients and we will be working diligently to continue to grow our market share. We remain confident that we will achieve continued organic growth as we continue to consider accretive acquisitions."

## **Second Quarter 2007 Financial Results**

Revenue for the second quarter ended June 30, 2007 was \$21.4 million compared to \$15.3 million for the second quarter ended June 30, 2006. The increase in revenue for the comparable periods was due to an increase in the number of mobile workstation solutions shipped, an increase in the number of third-party wireless hardware implementations delivered, and an increase in our managed services and help-desk solutions.

Gross margin increased to 26.4% for the second quarter of 2007 compared with 23.9% for the second quarter of 2006. The increase in gross margin was the result of increased margins earned from mobile workstation hardware sales and increased sales volume of higher margin third-party warranty sales.

Selling, general and administrative expenses (SG&A) totaled \$6.2 million for the second quarter of 2007 compared with \$3.1 million for the second quarter of 2006. The year-over-year increase in SG&A was the result of expanding the Company's national sales force, an increase in administrative support staffing, higher professional fees associated with internal controls and compliance requirements, and stock based compensation expenses attributable to options and warrants issued to employees.

InfoLogix reported a net loss of \$0.4 million, or \$0.02 per share, for the second quarter of 2007, compared to net income of \$0.4 million or \$0.03 per basic and diluted share for the second quarter of 2006.

At June 30, 2007, InfoLogix had cash and cash equivalents totaling \$10.5 million, working capital of \$10.2 million (including \$6.0 million due under an asset-based line of credit), long-term debt of \$1.3 million, and stockholders' equity of \$16.9 million.

Mr. Gulian, concluded, "During the remainder of 2007 we will continue to execute on our strategic growth plan as we focus on reaching profitability. The management team believes that we will continue to increase our sales and expand our customer base throughout 2007 and beyond. We provide our solutions to 20% of the hospitals in the United States and will be looking to continue to increase our market penetration. Lastly, we are pleased with the increase in our margins as we continue to increase sales in our mobile solutions product segment."

## **Conference Call and Webcast**

President and Chief Executive Officer David Gulian and Chief Financial Officer Jay Roberts will hold a conference call with the financial community today at 5:00 p.m. Eastern to review the second quarter financial results and provide an update on business developments.

Interested parties may participate in the conference call by dialing 800-435-1398 (or 617-614-4078 for international callers). When prompted, ask for the "Q2 2007 InfoLogix

Earnings Conference Call" and enter passcode 63497154. A telephonic replay of the conference call may be accessed approximately two hours after the call through August 16, 2007, by dialing 888-286-8010 (or 617-801-6888 for international callers) and entering the replay access code 16167416.

The conference call will be webcast simultaneously on the InfoLogix website at [www.infologixsys.com](http://www.infologixsys.com) under Investors: Event Calendar. The webcast replay will be archived for 12 months.

### **About InfoLogix**

InfoLogix is a leading technology provider of wireless and RFID based intelligence solutions that enable the mobile enterprise. InfoLogix uses the industry's most advanced technologies to increase the efficiency, accuracy, and transparency of complex business and clinical processes for the healthcare industry and the commercial marketplace. With 19 issued patents, InfoLogix provides mobile managed solutions, on-demand software applications, mobile infrastructure products, and strategic consulting services to over 1,900 clients in North America including Kraft Foods, Merck and Company, General Electric, News America Corporation, Mercedes Benz, Kaiser Permanente, Adventist Health, Universal Health Services, and Stanford School of Medicine. Founded in 2001 and headquartered in suburban Philadelphia, PA, InfoLogix has been named the sixth fastest growing new business in the United States for the last three years by Entrepreneur Magazine. InfoLogix is a publicly-traded company (OTCBB: IFLG). For more information, visit [www.infologixsys.com](http://www.infologixsys.com).

### **Safe Harbor Statement**

This press release contains forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and that represent our expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements are subject to known and unknown risks and uncertainties, including those described in our Annual Report on Form 10-K for the year ended December 31, 2006 and other filings we make with the Securities and Exchange Commission. Actual results could differ materially from those suggested by the forward-looking statements. We do not make any commitment to revise or update any forward-looking statements to reflect new information events or circumstances occurring or existing after the date of any forward-looking statement is made.

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