



For Immediate Release

**LMS SECOND QUARTER 2009 FINANCIAL RESULTS
Q2 REVENUES TOTAL \$888,000**

Montréal, Québec, November 13, 2008 - LMS Medical Systems (TSX: LMZ), a healthcare technology company and developer of the CALM® clinical information system and risk management software tools for obstetrics, today reported its unaudited financial results for the second quarter ended September 30, 2008. All amounts are in Canadian dollars. Revenues totaled \$888,000 for Q2 2009, an increase of 21% from \$735,000 for Q2 2008. For the six-month period, the revenues were in line with last year with a total of \$1.7 million.

Recurring revenues for the quarter totalled \$485,000, or 55% of total revenues for the period, compared to \$358,000, or 49% for the same period in fiscal 2008. Our backlog increased to \$4.1 million.

For the second quarter, operating expenses decreased by 13% to \$2.06 million compared to \$2.37 million during the second quarter of last year. Diluted loss per share also decreased from \$0.08 to \$0.05 per share for the second quarter. Total overall expenses decreased by 18% to \$4.34 million for the six months ended September 30, 2008 from \$5.29 million for the same period in fiscal 2008. Basic and diluted loss per share also decreased from \$0.18 per share for the first six months of fiscal 2008 to \$0.11 per share for the first half of fiscal 2009.

Under our contract with a distributor, LMS is entitled to receive amounts for contracts contained in our backlog. As at September 30, 2008, this amount, which does not qualify as a receivable under generally accepted accounting principles, amounted to \$137,000 and will provide short term additional liquidity. As such, the total cash, cash equivalents, short term investments and accounts receivable, including this amount, amounted to \$1.22 million as at September 30, 2008.

To date, we have funded our research and development phase and the regulatory process with equity issuance. The company is currently exploring all strategic alternatives focused at achieving increased shareholder value.

**HIGHLIGHTS FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2008 AND
SUBSEQUENT EVENTS:**

- Revenues for the three-month period ended September 30, 2008 totalled \$888,000, an increase of 21% from \$735,000 for the same period of fiscal 2008. For the six-month period, the revenues were in line with last year with a total of \$1.7 million.
- Included in total revenues for the second quarter of fiscal 2009 are revenues of a recurring nature, totalling \$485,000, or 55% of total revenues, compared to \$358,000, or 49% for the same period in fiscal 2008.

- Total overall expenses decreased by 18% to \$4.34 million for the six months ended September 30, 2008 from \$5.29 million for the same period in fiscal 2008. Basic and diluted loss per share also decreased from \$0.18 per share for the first six months of fiscal 2008 to \$0.11 per share for the first half of fiscal 2009. For the second quarter, operating expenses decreased from \$2.37 million to \$2.06 million this year and diluted loss per share from \$0.08 to \$0.05 per share.
- The backlog of signed contract increased to \$4.1 million.
- We signed an agreement with AirStrip Technologies, L.P., a pioneer in medical software applications for hand held devices, to provide an interface between our system and their AirStrip OB medical application.
- We extended our CALM Shoulder Screen agreement with MDAdvantage to their entire New-Jersey insured base.
- We have provided our US distributor a notice of termination of our distribution agreement which will be effective October 9th, 2009.
- In November 2008, we completed a strategic restructuring initiative where we reduced the work force by approximately 50% as well as other operating expenses.
- We announced the resignation of 4 members of the Board of Directors leaving 6 members, 3 of which joined the Board as of the last Annual General Meeting held in August.
- On November 11, 2008, we were advised that TSX is reviewing the eligibility for continued listing on TSX. We were granted 30 days to meet requirements and regain compliance.

LMS complete results for the second quarter ended September 30, 2008 along with an expanded Management's Discussion and Analysis will be released in normal course on or about November 13th and will be available at www.sedar.com and at www.lmsmedical.com.

ABOUT LMS

LMS is a leader in the application of advanced mathematical modeling and neural networks for medical use. The LMS CALMTM Suite provides physicians, nursing staff, risk managers and hospital administrators with clinical information systems and risk management tools designed to improve outcomes and patient care for mothers and their infants during childbirth.

Except for historical information contained herein, the matters discussed in this news release are forward-looking statements. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed implied by the forward-looking statements including, but without limitation, economic conditions in general and in the healthcare market, the demand for and market for our products in domestic and international markets, our current dependence on the CALM product suite, the challenges associated with developing new products and obtaining regulatory approvals if necessary, research and development activities, the uncertainty of acceptance of our products by the medical community, the lengthy sales cycle for our products, third party reimbursement, competition in our markets, including the potential introduction of competitive products by others, our dependence on our distributors, physician training, enforceability and the costs of enforcement of our patents, potential infringements of our patents and the other factors set forth from time to time in the Company's filings with the Canadian Securities Commissions. The Company has no intention of or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For further information about LMS Medical Systems please contact:

Yves Grou, Chief Financial Officer
LMS Medical Systems Inc.
 Tel: (514) 488-3461 Ext. 238
 Fax: (514) 488-1880
investor@lmsmedical.com / www.lmsmedical.com

Grant Howard/Dave Burwell
The Howard Group Inc.
 Toll Free: 1-888-221-0915
Info@howardgroupinc.com
www.howardgroupinc.com