

INVESTOR FACT SHEET

Q2 2007

Corporate Profile

EXFO is a recognized test and measurement expert in the global telecommunications industry. The Telecom Division, which represents the majority of the company's business, offers a full suite of test solutions and monitoring systems to network service providers, cable TV operators, telecom system vendors and component manufacturers in approximately 70 countries. EXFO is the global market leader for portable optical test solutions and a leading supplier of protocol and access test solutions to enable triple-play deployments and converged IP networking. Its PC/Windows-based modular FTB-200, FTB-400 and IQS-500 test platforms host a wide range of modular test solutions across optical, physical, data and network layers, while maximizing technology reuse across several market segments. The Life Sciences and Industrial Division, which leverages several core telecom technologies, offers value-added solutions in the life sciences and high-precision assembly sectors based on advanced spot-curing, fluorescence microscopy and nanopositioning solutions. For more information about EXFO, visit www.EXFO.com.

FY 2007 Corporate Performance Metrics

STRATEGIC OBJECTIVE	METRIC	AFTER Q2 2007
Increase sales through market-share gains	20% sales growth year-over-year	23.9%
Maximize profitability	Earnings from operations of 7%	6.8%
Focus on innovation	35% of sales from new products (on the market two years or less)	30.5%

Selected Financial Information



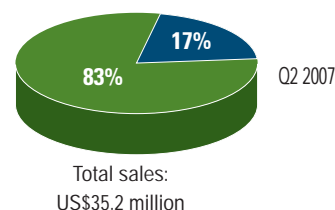
(In thousands of US dollars)

Segmented results:	Q2 2007 (unaudited)	Q2 2006 (unaudited)	Q1 2007 (unaudited)
Sales:			
Telecom Division	\$ 29,297	\$ 25,254	\$ 29,522
Life Sciences and Industrial Division	5,910	4,812	6,025
Total	\$ 35,207	\$ 30,066	\$ 35,547
Earnings (loss) from operations:			
Telecom Division	\$ 1,078	\$ 1,220	\$ 1,803
Life Sciences and Industrial Division	1,003	188	956
Total	\$ 2,081	\$ 1,408	\$ 2,759
Other selected information:			
GAAP net earnings	\$ 2,684	\$ 1,366	\$ 3,533
Amortization of intangible assets	\$ 630	\$ 1,136	\$ 882
Stock-based compensation costs	\$ 241	\$ 281	\$ 285

Revenue Mix

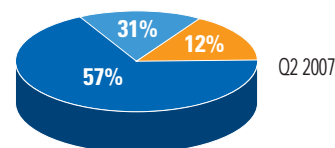
Segment Sales

- Telecom Division
- Life Sciences and Industrial Division



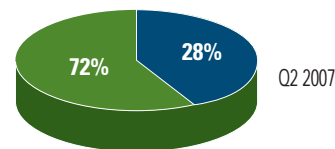
Geographic Sales

- Americas
- Asia-Pacific
- EMEA



New-Product Sales

- Products on the market two years or less
- Products on the market for more than two years



Second-Quarter Business Highlights

- Market expansion** – EXFO delivered year-over-year sales growth of 17.1% in the second quarter of fiscal 2007 due to market-share gains in optical testing, year-end revenue from a Tier-1 network service provider, a full three-month contribution from the Consultronics acquisition, heightened penetration of protocol test solutions, and increased acceptance of fluorescence microscopy and light-based curing solutions in the Life Sciences and Industrial Division. At the halfway mark of fiscal 2007, EXFO had increased its sales 23.9% compared to the same period in 2006, while the corporate objective for fiscal 2007 is 20% year-over-year growth.
- Profitability** – EXFO recorded earnings from operations of 5.9% in the second quarter of fiscal 2007 and 6.8% after six months into the fiscal year. This mid-year performance can largely be attributed to an increase in gross margin which, in turn, was positively affected by a higher proportion of protocol sales. EXFO expects its gross margin will reach 60% on a mid-term basis. The company's profitability goal for fiscal 2007 is 7% in earnings from operations.
- Innovation** – EXFO launched seven new products in the second quarter and 12 at the half-way mark of fiscal 2007, including IPTV test capabilities for its Packet Blazer Gigabit Ethernet product line; an enhanced Packet Blazer test module for advanced, higher-layer Ethernet test applications; a standards-based VDSL2 test module to characterize IPTV and HDTV over copper access links; as well as a new variable optical attenuator (VOA) for R&D and manufacturing applications. Subsequent to the quarter-end, the company released a series of OTDR test modules for its popular FTB-200 and FTB-400 field-test platforms as well as a new remote fiber test system (RFTS). Sales derived from products that have been on the market two years or less represented 28.2% of total sales in the second quarter of fiscal 2007 and 30.5% after six months, while the published goal for fiscal 2007 is 35%.



FTB-8510B Ethernet Packet Blazer with IPTV test capabilities

Executive Team

Germain Lamonde

Chairman of the Board, President and Chief Executive Officer

Jon Bradley

Vice-President, International Telecom Sales

Stephen Bull

Vice-President, Research and Development Telecom Division

Normand Durocher

Vice-President, Human Resources

Allan Firhoj

Vice-President and General Manager Life Sciences and Industrial Division

Robert Fitts

Vice-President, Copper Access Product Management

Étienne Gagnon

Vice-President, Optical and Protocol Layer Product Management

Luc Gagnon

Vice-President, Telecom Manufacturing Operations

Pierre Plamondon, CA

Vice-President, Finance and Chief Financial Officer

Dana Yearian

Vice-President, Americas Telecom Sales

Stock Information

(as of February 28, 2007)

Listings: EXFO, NASDAQ: EXF, TSX
 Shares outstanding: 69.5 million
 Market capitalization: US\$460 million
 Closing share price: US\$6.62
 12-month price range: US\$4.86 to US\$8.69

Contact Information

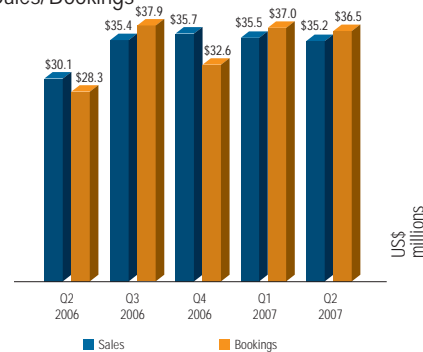
Vance Oliver
 Manager, Investor Relations
 Tel.: (418) 683-0913, Ext. 3733
 E-mail: vance.oliver@EXFO.com

All financial information in this document is accurate only for the stated period and is not indicative of the future performance of the company.

www.EXFO.com

Financial Highlights

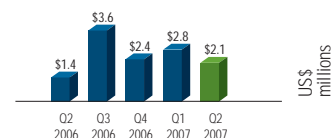
Sales/Bookings



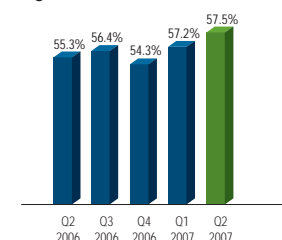
GAAP Net Earnings



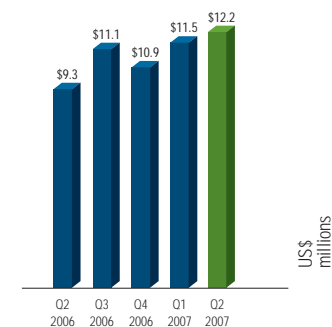
Earnings from Operations



Gross Margin



SG&A



Gross/Net R&D

