

INVESTOR FACT SHEET

Q3 2007

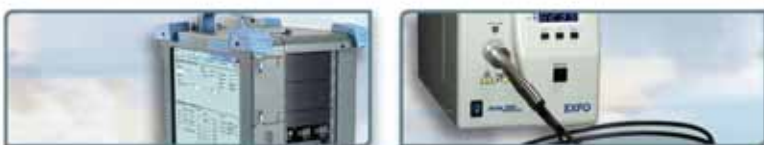
Corporate Profile

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 Q3 2007
Increase sales through market-share gains	20% sales growth year-over-year	18.8%
Maximize profitability	Earnings from operations of 7%	7.0%
Focus on innovation	35% of sales from new products (on the market two years or less)	33.7%

Selected Financial Information



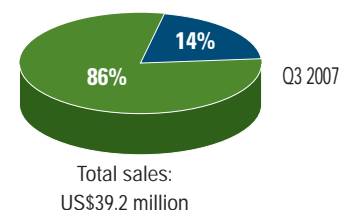
(In thousands of US dollars)

Segmented results:	Q3 2007 (unaudited)	Q3 2006 (unaudited)	Q2 2007 (unaudited)
Sales:			
Telecom Division	\$ 33,821	\$ 29,935	\$ 29,297
Life Sciences and Industrial Division	5,384	5,475	5,910
Total	\$ 39,205	\$ 35,410	\$ 35,207
Earnings (loss) from operations:			
Telecom Division	\$ 2,143	\$ 3,696	\$ 1,078
Life Sciences and Industrial Division	697	(88)	1,003
Total	\$ 2,840	\$ 3,608	\$ 2,081
Other selected information:			
GAAP net earnings	\$ 2,574	\$ 3,504	\$ 2,684
Amortization of intangible assets	\$ 653	\$ 994	\$ 630
Stock-based compensation costs	\$ 178	\$ 264	\$ 241
Impairment of long-lived assets	\$ —	\$ 604	\$ —
Grants revenue	\$ —	\$ 1,307	\$ —

Revenue Mix

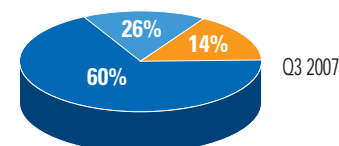
Segment Sales

- Telecom Division
- Life Sciences and Industrial Division



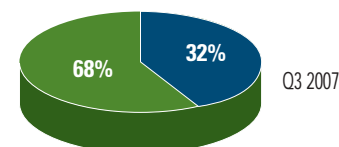
Geographic Sales

- Americas
- Asia-Pacific
- EMEA



New-Product Sales

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



Third-Quarter Business Highlights

Market expansion – EXFO continued gaining market share in its core optical testing segment and technology-leading protocol segment aimed at next-generation IP test solutions. After nine months into the fiscal year, EXFO increased its sales 18.8% and bookings 21.0% year-over year, while its corporate objective for fiscal 2007 is 20% sales growth. Given projected sales between US\$41.0 and US\$44.0 million for the fourth quarter, the company now expects to achieve a growth rate between 17.7% and 20.0% for fiscal 2007.

Profitability – EXFO generated GAAP net earnings of US\$2.6 million, or US\$0.04 per diluted share, which included a charge of US\$0.01 for amortization of intangible assets and stock-based compensation costs. As well, the strength of the Canadian dollar during the third quarter produced a foreign-exchange loss of US\$0.6 million or US\$0.01 per diluted share. In terms of earnings from operations, it reached 7.2% in the third quarter of 2007 and 7.0% after nine months into the fiscal year, while the goal for fiscal 2007 is 7%.

Innovation – EXFO launched six new products in the third quarter and 18 after nine months into fiscal 2007. New product introductions in the third quarter included amongst others the NQMS*fiber* Network Quality Monitoring System for the surveillance of optical networks, IPTV quality-of-service test capabilities for the Packet Blazer Ethernet product line, enhanced test capabilities for the 10 Gigabit Ethernet test solution and FastReporter software for the post-processing, analysis and reporting of OTDR and other optical test results. Following the quarter end, the company introduced the NQMS*packet* quality assurance system for the monitoring of triple-play IP services. Sales derived from products that have been on the market two years or less accounted for 31.6% of total sales in the third quarter of fiscal 2007 and 33.7% after nine months, while the published goal for fiscal 2007 is 35%.



NQMS*fiber* Network Quality Monitoring System for the surveillance of optical networks.

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, Corporate Development

Étienne Gagnon

Vice-President, Product Management and Marketing

Luc Gagnon

Vice-President, Telecom Manufacturing Operations and Customer Service

Pierre Plamondon, CA

Vice-President, Finance and Chief Financial Officer

Dana Yearian

Vice-President, Americas Telecom Sales

Stock Information

(as of May 31, 2007)

Listings: EXFO, NASDAQ: EXF, TSX
 Shares outstanding: 69.6 million
 Market capitalization: US\$463 million
 Closing share price: US\$6.65
 12-month price range: US\$4.80 to US\$7.50

Contact Information

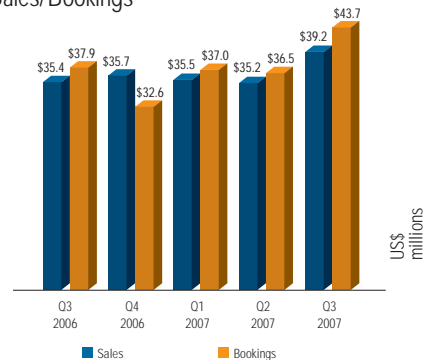
Vance Oliver
 Manager, Investor Relations
 Tel.: (418) 683-0913, Ext. 3733
 E-mail: vance.oliver@EXFO.com

www.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.

Financial Highlights

Sales/Bookings



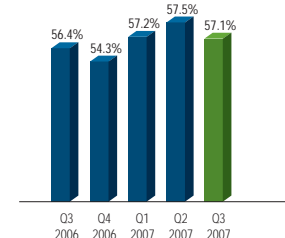
GAAP Net Earnings



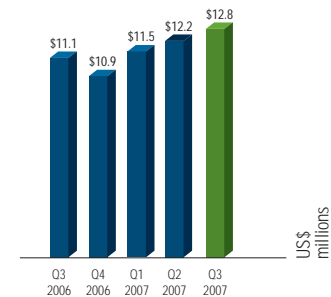
Earnings from Operations



Gross Margin



SG&A



Gross/Net R&D

