

# 2009 Q1 INVESTOR FACT SHEET

## CORPORATE PROFILE

EXFO is a leading provider of test and service assurance solutions for network service providers and equipment manufacturers in the global telecommunications industry. The Telecom Division offers a wide range of innovative solutions extending across the full technology lifecycle — from design to technology deployment and onto service assurance — and covering all layers on a network infrastructure to enable triple-play services and next-generation, converged IP networking. The Life Sciences and Industrial Division offers solutions in medical device and opto-electronics assembly, fluorescence microscopy and other life science sectors.

For more information, visit [www.EXFO.com](http://www.EXFO.com).

## STRONG INVESTMENT PROPOSITION

### 1 EXCELLENT TRACK RECORD OF SALES GROWTH

- CAGR of 24.3% in last 5 years and 19.3% in last 10 years
- Growing sales more than twice the industry growth rate

### 2 WELL POSITIONED FOR KEY GROWTH DRIVERS

- Migration toward next-generation, IP networks
- Bandwidth demand driving fiber deployments in access networks

### 3 HISTORY OF INCREASING EBITDA\* MARGIN

- Increased EBITDA margin from -1.1% in FY 2004 to 11.2% in FY 2008
- Raised gross margin in each of the last six years

### 4 SOLID BALANCE SHEET

- Cash position of US\$71.4 million and no debt — as of Nov. 30, 2008

### 5 EXPERIENCED AND DISCIPLINED MANAGEMENT TEAM

- Average of 7.5 years at EXFO and 20 years in the telecom industry

## Q1 2009 HIGHLIGHTS

- Sales increased 13.1% year-over-year to US\$46.4 million
- Net bookings improved 19.7% year-over-year to a record-high of US\$52.3 million (book-to-bill ratio of 1.13)
- Telecom Division generated sales growth of 16.4% year-over-year
- Protocol business surpassed 30% of Telecom sales for the first time
- Multi-million dollar service assurance contract signed with Tier-1 carrier
- Gross margin improved to 62.3% of sales (highest level since Q2 2001)
- GAAP net earnings of US\$0.08 per diluted share (pre-tax, foreign-exchange gain of US\$4.6 million)

## LONG-TERM CORPORATE PERFORMANCE GOALS

### OBJECTIVE

### THREE-YEAR METRIC

Grow sales significantly faster than industry rate

20% CAGR

Increase EBITDA\* (in dollars) faster than sales

>20% CAGR

Continue raising gross margin

62%

\* EBITDA is defined as net earnings before interest, income taxes, amortization of property, plant and equipment, amortization of intangible assets and extraordinary gain. For a reconciliation with GAAP net earnings (loss), see the Investors section of EXFO's Website at [www.EXFO.com/investors](http://www.EXFO.com/investors).

# LONG-TERM VISION AND STRATEGY

VISION: Become a strong market leader in converged, IP network test and service assurance industry.

# 1

**FOCUS ON  
CONVERGED,  
NEXT-GEN IP  
NETWORKS**

Weak environment  
accelerating shift in  
carrier budgets

# 2

**EXPAND SHARE  
IN PORTABLE  
OPTICAL  
BUSINESS**

Leadership  
position: ~28%  
market share

# 3

**GROW  
PROTOCOL  
SEGMENT  
FASTER**

Sales CAGR  
of 74.4% in last  
three years

# 4

**LEVERAGE  
TECHNOLOGIES  
ACROSS  
BUSINESSES**

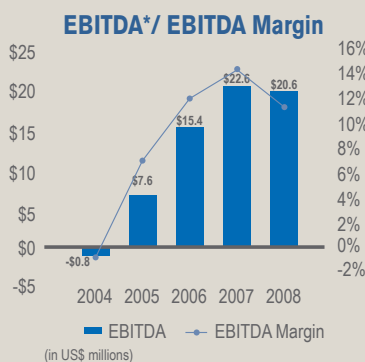
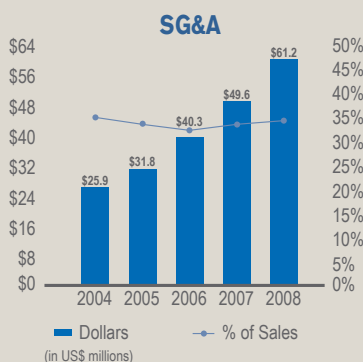
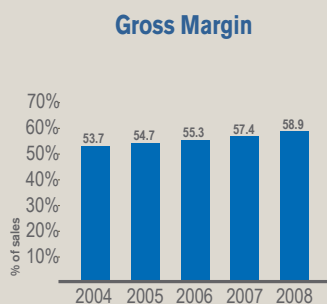
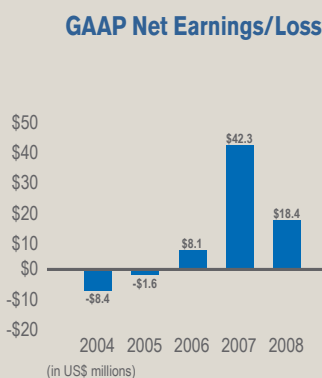
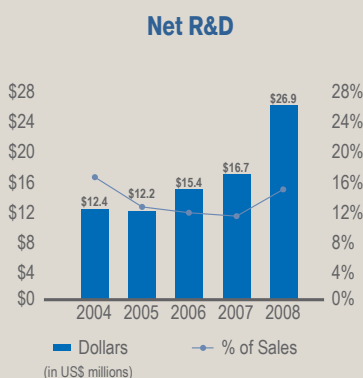
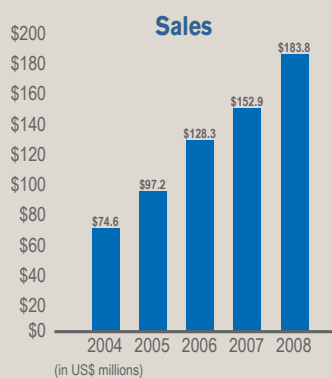
Strong synergies  
between testing and  
service assurance

# 5

**ACQUIRE BEST  
TECHNOLOGIES  
IN HIGH-GROWTH  
MARKETS**

Robust organic  
growth supported  
by small, strategic  
acquisitions

## ANNUAL FINANCIAL RESULTS



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## STOCK INFORMATION

(As of Nov. 30, 2008)

**Listings:** NASDAQ, EXFO; TSX, EXF  
**Shares outstanding:** 67.7 Million  
**Closing share price:** US\$2.44  
**Market Capitalization:** US\$165.2 Million  
**12-month price range:** US\$2.13-US\$6.14

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