



February 16, 2016

For Immediate Release
(TSX-VEN: VGL)

Vigil Health Solutions Reports Increase in Bookings, Revenue & Earnings

February 16, 2016 (Victoria) – Vigil Health Solutions Inc. (“Vigil”) announces the results of operations for the quarter ending December 31, 2015.

Business Highlights

- Earnings up 271% to \$159 thousand compared to \$43 thousand in the three month period ended December 31, 2014.
- Revenue grew 15% to \$1.40 million compared to \$1.22 million in the three-month period ended December 31, 2014.
- Increased sales bookings 42% to \$1.47 million from \$1.04 million in the three-month period ended December 31, 2014.
- Vigil’s backlog was up 39% to approximately \$3.77 million from approximately \$2.71 million at December 31, 2014.

“We had a strong third quarter as projects that were delayed in the second quarter, due to changes in construction schedules, were completed and revenue recognized. Management is focused on increasing sales to minimize fluctuations in revenue. The strong third quarter has also resulted in revenue and earnings surpassing that of the comparative nine month period,” stated Troy Griffiths, President and CEO of Vigil Health Solutions Inc.

Financial Results

Sales bookings for the quarter were \$1.47 million up 42% compared to \$1.04 million in the three-month period ended December 31, 2014. While the increase in the value of sales denominated in US dollars has been partially responsible for the growth the majority of this gain relates to increased sales activity.

Revenue for the three-months ended December 31, 2015 was \$1.40 million compared to \$1.22 million in the three-month period ended December 31, 2014, an increase of 15%. Project revenue made up 56% of total revenue; the remaining revenue came from follow on sales to existing customers. These sales include service and maintenance billings and replacement products including wireless devices and communication equipment.

At December 31, 2015 Vigil had a backlog of approximately \$3.77 million (including \$1.17 million in deposits and progress billings, recorded as deferred revenue on the balance sheet) a 39% increase compared to approximately \$2.71 million (including \$1.01 million in deposits and progress billings, recorded as deferred revenue on the balance sheet) at December 31, 2014. At December 31, 2015, Vigil’s backlog included 41 projects at varying stages of installation and progress billing with an average project size of \$92 thousand compared to 32 projects with an average value of \$85 thousand at December 31, 2014. Projects can include individual buildings or floors of multiple phase campus construction.

The gross margin percentage for the three months ended December 31, 2015 was 51% compared to 47% for the three months ended December 31, 2014. The positive effect of the increase in the US dollar resulted in a slightly higher gross margin than management’s usual expectations of between 45% and 50%.

Expenditures for the three months ended December 31, 2015 were \$591 thousand, up 8% from \$549 thousand for the period ended December 31, 2014. Expenses were higher because of increased staffing, travel, advertising and promotion costs and the impact of the higher US dollar.

Net income for the three month period ended December 31, 2015 was \$159 thousand, or \$0.009 per share compared to income of \$43 thousand, or \$0.003 per share for the previous year. The increase in profitability relates to the increase in revenue and gross margin.

Detailed financial statements along with Management Discussion and Analysis have been filed with SEDAR (www.sedar.com).

Financial information will be mailed to entitled security holders on February 29, 2016. Or, upon notice to the Company, entitled security holders may request a copy of financials in advance.

Summary Financial Information

	Three months ended		Nine months ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Revenue	\$ 1,402,820	1,224,676	3,615,438	3,460,004
Cost of sales	684,697	649,324	1,761,096	1,753,447
	718,123	575,352	1,854,342	1,706,557
Expenses	591,320	549,402	1,757,901	1,644,030
Income before the following items	126,803	25,950	96,441	62,527
Other income (expense)	32,225	16,857	73,763	22,208
Income for the period	\$ 159,028	42,807	170,204	84,735

Non-IFRS Measure

For the three and six month periods ended December 31, 2015, we are disclosing Adjusted EBITDA, a non-IFRS financial measure, as a supplementary indicator of operating performance. We define Adjusted EBITDA as net income before, interest, income taxes, amortization, stock based compensation and currency gains or losses including derivative foreign exchange differences. We are presenting the non-IFRS financial measure in our filings because we use it internally to make strategic decisions, forecast future results and to evaluate our performance and because we believe that our current and potential investors and analysts use the measure to assess current and future operating results and to make investment decisions. It is a non-IFRS measure, may not be comparable to other companies and it is not intended as a substitute for IFRS measures.

	Three months ended		Nine months ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Income / (loss) for the period	\$ 159,028	42,807	170,204	84,735
Add / (deduct)				
Foreign exchange	(31,358)	(17,661)	(61,428)	(24,546)
Derivative exchange	(742)	1,320	(12,112)	2,880
Interest	(125)	(516)	(682)	(1,414)
Tax	-	-	459	872
Stock based compensation	13,315	16,912	39,535	51,003
Amortization	6,211	4,979	16,526	14,362
	(12,699)	5,034	(17,702)	43,157
Adjusted EBITDA	\$ 146,329	47,841	152,502	130,892

About Vigil Health Solutions Inc.

Vigil offers a proprietary technology platform combining software and hardware to provide comprehensive solutions to the expanding seniors' housing market. Vigil has established a growing presence in North America and an international reputation for being on the leading edge of systems design and integration. Vigil's objective is to offer solutions for the full continuum of care. Vigil's product range includes the innovative wireless Vitality Care System™ featuring discreet 'mini pendants', a nurse call system, mobile fall/incontinence monitoring, resident check-in and the award-winning Vigil Dementia System.

Certain statements contained in this news release that are not based on historical facts may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). These forward-looking statements are not promises or guarantees of future performance but are only predictions that relate to future events, conditions or circumstances or our future results, performance, achievements or developments and are subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause our actual results, performance, achievements or developments in our business or in our industry to differ materially from those expressed, anticipated or implied by such forward-looking statements.

Forward-looking statements include all financial guidance, disclosure regarding possible events, conditions, circumstances or results of operations that are based on assumptions about future economic conditions, courses of action and other future events. We caution you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. These forward-looking statements appear in a number of different places in this presentation and can be identified by words such as "may", "estimates", "projects", "expects", "intends", "believes", "plans", "anticipates", or their negatives or other comparable words. Forward-looking statements include statements regarding the outlook for our future operations, plans and timing for the introduction or enhancement of our services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, the outcome of legal proceedings, and other expectations, intentions and plans that are not historical fact.

The risk factors and uncertainties that may affect our actual results, performance, achievements or developments are many and include, amongst others, our ability to develop our sales force and generate revenue, the length of the sales cycle, management of the Company's growth, ability to recruit and retain staff, fluctuations in demand for current and future products, our ability to develop, manufacture, supply and market existing and new products that meet the needs of customers, volatility in the exchange rate, ability to secure financing, ability to secure product liability insurance, the continuous commitment of our customers, increased competition, changes in regulation and reliance on third party suppliers. These risk factors and others are discussed in the Risks and Uncertainties section of our "Management Discussion and Analysis" segment of our fiscal 2015 Annual Report. Many of these factors and uncertainties are beyond the control of the Company. Consequently, all forward-looking statements in this news release are qualified by this cautionary statement and there can be no assurance that actual results, performance, achievements or developments anticipated by the Company will be realized.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.