



IMMUNOTEC ANNOUNCES THIRD QUARTER 2012 FINANCIAL RESULTS

- Network sales increased 23% compared to previous year-

VAUDREUIL-DORION, QC, September 17, 2012 - Immunotec Inc. (TSX Venture Exchange: IMM), a Canadian based company and a leader in the wellness industry (the "Company"), today released its 2012 Third quarter results for the period ended July 31, 2012.

Third Quarter 2012 Highlights:

(All amounts are in CAD dollars.)

- ✦ Network sales reached \$11.7M, an increase of 23.1% as compared to the same period in the previous year.
- ✦ Total Revenue reached \$13.0M an increase of 22.7% as compared to the same period of the previous year.
- ✦ Expenses as a percentage of total revenues improved to 24.2% as compared to 26.0% of total sales for the same quarter last year.
- ✦ Adjusted EBITDA increased to \$628 thousand or 4.8% of total revenues, compared to \$283 thousand or 2.7% of total revenues over the same quarter last year. This represents a major improvement over the prior year.
- ✦ Net profit of \$265 thousand, compares favorably to \$107 thousand for the same period a year earlier.

"This was the largest quarterly revenue ever recorded for Immunotec" said Bob Henry, Immunotec's Chairman and CEO. "We have been able to recruit nearly 30,000 new consultants over the last nine months, representing an increase of 40% over prior year. This is an affirmation of the strength of our compensation plan and the opportunity that we provide to our Consultants."

Condensed financial results for the third quarter and year-to-date period, ended July 31, 2012 are as follows:

- During the third quarter, Network sales reached \$11.7M in 2012 as compared to \$9.5M for the same period in 2011, an increase of 23.1% or \$2.2M. Other revenues which include revenues of products sold to licensees, freight and shipping, charge backs and educational material purchased by our network, were \$1.3M in Q3 of 2012, a small increase of \$0.2M, as compared to \$1.1M for the same period in 2011.
- After nine months, Network sales reached \$32.0M in 2012 as compared to \$27.5M for the same period in 2011, an increase of 16.4% or \$4.5M. Other revenues amounted to \$3.6M in 2012, a decrease of \$0.6M, directly attributable to a reduction in export sales, compared to \$4.2M for the same period last year.

- Sales incentives are the most significant expense and consist of commissions, performance bonuses and other discretionary incentive cash bonuses to qualifying distributors. During the quarter, the Company paid \$5.9M in sales incentives for an average of 50.0% of total Network sales and the same percentage as the last year. For the nine-month period ended July 31, 2012, the Company paid \$16.2M in sales incentives for an average of 50.8% of total Network sales this represents a small decline as compared to 51.7% for the same period in 2011.
- Margin before expenses, as a percentage of net sales, increased in the third quarter ending July 31, 2012 at 29.2% as compared to 29.0% for the same quarter in 2011. For the nine-month period ended July 31, 2012, the Company recorded an average of 28.4% of total Revenues and a small decline compared to 28.7% for the same period in 2011. This decrease is primarily attributed to a reduction in Export sales to licensees which usually provide a higher contribution margin.
- Selected expenses in the third quarter of 2012 were \$3.2M as compared to \$2.8M for the same period in 2011. They now represent 24.2% of total revenues as compared to 26.0% of total revenues a year earlier. For the nine-month period ended July 31, 2012, operating expenses were \$9.0M representing 25.3% of total revenues compared to 28.5% of total revenues for the same period a year earlier.
- The adjusted EBITDA, a non GAAP financial measure, for the three-month period ended July 31, 2012, was \$628 thousand which represents an increase of \$345 thousand or 122% over adjusted EBITDA for the same period ended July 31, 2011. For the nine-month period ended July 31, 2012, adjusted EBITDA was \$1.3M which represents an improvement of \$1.0M or 425% over adjusted EBITDA for the same period in 2011.
- Net profit for the quarter ended July 31, 2012 totalled \$265 thousand, as compared to a net profit of \$107 thousand for the same period a year earlier. For the nine-month period ended July 31, 2012, net profit was \$162 thousand as compared to a net loss of \$1.2M for the same period in 2011. This net improvement, after nine months in 2012, over the previous year reducing the net loss by \$1.3M resulted primarily due from revenue growth in Mexico which mitigated other jurisdiction decreases while reducing certain corporate expenses.

About Immunotec Inc.

Immunotec is a world class business opportunity supported by unique scientifically proven products that improve wellness. Headquartered with manufacturing facilities near Montreal, Canada, the Company also has distribution capacities to support its commercial activities in Canada and internationally to the United States, Europe, Mexico and the Caribbean.

The Company files its consolidated financial statements, its management and discussion analysis report, its press releases and such other required documents on



the SEDAR database at www.sedar.com and on the Company's website at www.immunotec.com. The common shares of the Company are listed on the TSX Venture Exchange under the ticker symbol IMM.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information: Patrick Montpetit, VP and Chief Financial Officer, (450) 510-4527.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS: Certain statements contained in this news release are forward-looking and are subject to numerous risks and uncertainties, known and unknown. For information identifying known risks and uncertainties and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the heading Risks and Uncertainties in Immunotec's most recent Management's Discussion and Analysis, which can be found at www.sedar.com. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.



Interim Consolidated Statements of Financial Position

(Unaudited)

(Stated in Canadian dollars)

	July 31, 2012	October 31, 2011
	\$	\$
ASSETS		
Current assets		
Cash	3,159,246	2,561,969
Trade and other receivables	1,295,556	659,004
Inventories	2,812,455	3,324,740
Prepaid expenses	447,206	393,119
	7,714,463	6,938,832
Non-current assets		
Property, plant and equipment	6,021,961	5,931,411
Intangible assets	1,685,114	2,000,217
Goodwill	833,559	833,559
Deferred income tax assets	2,675,734	2,725,367
Non-refundable research and development tax credits	337,971	337,971
	11,554,339	11,828,525
	19,268,802	18,767,357
LIABILITIES		
Current liabilities		
Payables	1,263,102	935,800
Accrued liabilities	2,918,224	2,464,967
Provisions	459,278	671,201
Customer deposits	345,168	288,192
Income taxes	74,416	58,576
Current portion of long-term debt	116,071	312,320
	5,176,259	4,731,056
Long-term debt	1,990,343	2,077,787
	7,166,602	6,808,843
EQUITY		
Share capital	3,465,350	3,465,548
Other equity - Stock options	1,927,710	1,903,039
Contributed surplus	11,336,849	11,337,796
Accumulated other comprehensive income	264,534	306,595
Deficit	(4,892,243)	(5,054,464)
	12,102,200	11,958,514
	19,268,802	18,767,357



Interim Consolidated Statements of Changes in Equity

(Unaudited)

Nine-month periods ended July 31,

(Stated in Canadian dollars except for number of shares)

	Share capital		Other equity - Stock options	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
	Number	\$					
Balance at November 1, 2010	69,994,300	3,465,548	1,894,040	11,337,796	-	(3,650,834)	13,046,550
Net loss for the period	-	-	-	-	-	(1,237,382)	(1,237,382)
Foreign currency translation adjustments	-	-	-	-	197,412	-	197,412
Total comprehensive loss of the period:	-	-	-	-	197,412	(1,237,382)	(1,039,970)
Share-based compensation	-	-	(1,405)	-	-	-	(1,405)
Balance at July 31, 2011	69,994,300	3,465,548	1,892,635	11,337,796	197,412	(4,888,216)	12,005,175
Balance at November 1, 2011	69,994,300	3,465,548	1,903,039	11,337,796	306,595	(5,054,464)	11,958,514
Net profit for the period	-	-	-	-	-	162,221	162,221
Foreign currency translation adjustments	-	-	-	-	(42,061)	-	(42,061)
Total comprehensive income of the period:	-	-	-	-	(42,061)	162,221	120,160
Repurchase of shares	(4,245)	(198)	-	(947)	-	-	(1,145)
Share-based compensation	-	-	24,671	-	-	-	24,671
Balance at July 31, 2012	69,990,055	3,465,350	1,927,710	11,336,849	264,534	(4,892,243)	12,102,200



Interim Consolidated Statements of Comprehensive Income (Loss)

(Unaudited)

Three-month and nine-month periods ended July 31,
(Stated in Canadian dollars except for number of shares)

	For the three-month period		For the nine-month period	
	ended July 31,		ended July 31,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Revenues				
Network sales	11,745,818	9,540,766	31,983,983	27,473,893
Other revenue	1,334,122	1,115,894	3,559,212	4,218,179
	13,079,940	10,656,660	35,543,195	31,692,072
Variable costs				
Cost of goods sold	2,279,372	1,833,175	6,070,755	5,524,949
Sales incentives — Network	5,872,291	4,773,420	16,243,951	14,203,931
Other variable costs	1,106,989	961,154	3,144,149	2,869,059
Margin before expenses	3,821,288	3,088,911	10,084,340	9,094,133
Expenses				
Administrative	1,652,175	1,550,710	4,651,953	4,782,410
Marketing and selling	1,260,565	959,162	3,666,334	3,527,444
Quality and development costs	250,497	256,144	656,630	733,009
Depreciation and amortization	229,294	273,272	692,556	811,674
Other expenses	2,824	(161,610)	24,671	496,015
Operating income (loss)	425,933	211,233	392,196	(1,256,419)
Net finance expenses	73,314	47,133	153,687	316,890
Profit (loss) before income taxes	352,619	164,100	238,509	(1,573,309)
Income taxes (recovery)				
Current	8,278	15,020	23,733	19,704
Deferred	79,602	41,985	52,555	(355,631)
Net profit (loss)	264,739	107,095	162,221	(1,237,382)
Other comprehensive income (loss), net of income tax				
Foreign currency translation adjustments	14,792	10,005	(42,061)	197,412
Total comprehensive income (loss) for the period	279,531	117,100	120,160	(1,039,970)
Total basic and diluted net profit (loss) per share	0.00	0.00	0.00	(0.02)
Weighted average number of common shares outstanding during the period				
Basic and diluted	69,994,063	69,994,300	69,994,063	69,994,300



Interim Consolidated Statements of Cash Flows

(Unaudited)

Nine-month periods ended July 31,

(Stated in Canadian dollars)

	2012	2011
	\$	\$
Operating activities		
Net profit (loss)	162,221	(1,237,382)
Adjustments for:		
Depreciation of property, plant and equipment	275,505	345,765
Amortization of intangible assets	417,052	465,909
Gain on settlement of contingent consideration liability	-	(56,950)
Unrealized foreign exchange	(20,520)	293,911
Accreted interest	-	44,436
Interest expense measured at amortized cost	58,171	47,355
Future income taxes	52,555	(355,631)
Share-based compensation	24,671	(1,405)
Interest paid	(61,295)	(47,355)
Interest received	3,124	-
Cash received prior to working capital variation	911,484	(501,347)
Net change in non-cash working capital	452,531	(130,394)
Net cash provided by (used in) operating activities	1,364,015	(631,741)
Investing activities		
Additions to property, plant and equipment	(366,386)	(104,770)
Additions to intangible assets	(105,135)	(154,823)
Net cash used in investing activities	(471,521)	(259,593)
Financing activities		
Reimbursement of long-term debt	(84,353)	-
Reimbursement of demand loan	-	(133,333)
Reimbursement of other liability	(200,203)	(83,572)
Repurchase of shares	(1,145)	-
Net cash used in financing activities	(285,701)	(216,905)
Net increase (decrease) in cash during the period	606,793	(1,108,239)
Cash at the beginning of the period	2,561,969	2,936,456
Effect of foreign exchange rate fluctuations on cash	(9,516)	(17,747)
Cash at the end of the period	3,159,246	1,810,470