

Immunotec Announces Financial Results for the First Quarter Ended January 31, 2011

VAUDREUIL-DORION, QC, March 25, 2011 - Immunotec Inc. (TSX Venture Exchange: IMM), a Canadian based company and a leader in the wellness industry (the "Company"), today reported financial results for the first quarter of fiscal year 2011. Revenues totalled \$10.4 million, compared to \$10.5 million for the corresponding period last fiscal year. Net loss and comprehensive loss were (\$1,323) thousand compared to earnings of \$209 thousand last year.

"The annual event held last February was energizing to everybody, while confirming the value of our products" said Bob Henry, Immunotec's Executive Chairman and CEO; "We are committed to develop our leaders and stimulate recruitment by using the new marketing tools just announced at our last event".

Highlights for Q1

The Board of directors approved several appointments during the first quarter, to further strengthen its management team following recent departures. These new appointees have more than 100 years of experience in the Network marketing industry:

- Mr. Robert Henry is assuming the additional role of Chief Executive Officer ("CEO") in addition to his current Executive Chairman role. In light of this, M. Henry has stepped down from both the Audit and the Human Resources and Compensation Committees.
- Mr. Stuart A. MacMillan is the new President of the Corporation.
- Mr. Robert Felton is appointed as Chief Operating Officer ("COO") of the Corporation.
- Mr. Rod Milne is appointed as Vice-President, Field Development and Marketing of the Corporation.

Network sales reached \$9.1M in 2011 compared to \$8.9M for the same period in 2010, a small increase of 2% including incremental revenues in Mexico of \$1.3M despite the strengthening of the Canadian currency over the US dollar. Total consolidated revenues remained steady reaching \$10.4M in 2011 vs. \$10.5M in 2010.

Sales incentives increased significantly to reach a rate of 53%, compared with 48% in the previous period, as a result of strong new recruitment and moving up bonuses paid as part of the compensation plan. This increase in commission payout, although a positive element for the Network as negatively impacted the margins and the overall profitability of the Company for this quarter to 29% for the period compared with 37% last year.

Expenses were \$4.4M for the period compared to \$2.9M last year. The increase of \$1.5M this quarter include restructuring charges of \$0.7M and other administrative and marketing expenses associated with the modernization effort and new tools deployed to the field at the last annual event subsequent to quarter. The Company also invested into Development costs and launched in February 2011, two new products.

Restructuring charges negatively impacted the results of this first quarter. These restructuring provisions are associated with recent departures and in accordance with a termination agreement.

Subsequent to the quarter, in February 2011, the Company renewed the loans and the credit facilities with the bank.

Net loss and comprehensive loss totalled \$1,3M for the quarter ending January 31, 2011, compared to earnings of \$209 thousand for 2010. The total basic and fully diluted loss per share for the period in 2011 was (\$0.019) compared to earnings of \$0.003 for the same period in Fiscal 2010.

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.

"The TSX Venture does not accept 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.



Consolidated Balance Sheets

| | As at January 31, 2011 | As at October 31, 2010 |
|--|---------------------------|---------------------------|
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash | 1,903,838 | 2,936,456 |
| Accounts receivable | 529,680 | 782,557 |
| Income taxes receivable | 10,061 | - |
| Inventories | 3,308,778 | 2,605,371 |
| Prepaid expenses | 687,438 | 382,794 |
| Future income taxes | 85,094 | 103,099 |
| | 6,524,889 | 6,810,277 |
| Long-term | | |
| Property, plant and equipment | 5,579,713 | 5,674,090 |
| Intangible assets | 2,381,412 | 2,456,651 |
| Goodwill | 833,559 | 833,559 |
| Future income taxes | 2,843,440 | 2,382,148 |
| Other assets | 484,349 | 484,349 |
| | 18,647,362 | 18,641,074 |
| LIABILITIES AND SHAREHOLDERS' DEFICIT | | |
| Current liabilities | | |
| Demand loan | 950,000 | 1,000,000 |
| Accounts payable | 2,061,787 | 1,593,697 |
| Accrued liabilities | 3,498,128 | 2,707,076 |
| Customer deposits | 375,979 | 274,051 |
| Income taxes payable | - | 2,041 |
| Other liability - current portion | 147,218 | 147,218 |
| | 7,033,112 | 5,724,083 |
| Other liability | 239,622 | 239,622 |
| | 7,272,734 | 5,963,705 |
| Shareholders' deficit | | |
| Share capital | 3,465,548 | 3,465,548 |
| Other equity - Stock options | 1,928,246 | 1,907,584 |
| Contributed surplus | 11,337,796 | 11,337,796 |
| Deficit | (5,356,962) | (4,033,559) |
| | 11,374,628 | 12,677,369 |
| | 18,647,362 | 18,641,074 |



Consolidated Statements of Changes in Shareholders' Deficit

| | Number of common shares | Share capital \$ | Other equity - Stock options \$ | Contributed surplus \$ | Deficit \$ | Total \$ |
|-----------------------------------|-------------------------------|------------------------|--|------------------------------|---------------|-------------|
| Balance - October 31, 2009 | 69,994,300 | 3,465,548 | 1,770,093 | 11,337,796 | (2,646,399) | 13,927,038 |
| Net profit | - | - | - | - | 209,301 | 209,301 |
| Stock-based compensation | - | - | 49,603 | - | - | 49,603 |
| Balance - January 31, 2010 | 69,994,300 | 3,465,548 | 1,819,696 | 11,337,796 | (2,437,098) | 14,185,942 |
| Balance - October 31, 2010 | 69,994,300 | 3,465,548 | 1,907,584 | 11,337,796 | (4,033,559) | 12,677,369 |
| Net loss | - | - | - | - | (1,323,403) | (1,323,403) |
| Stock-based compensation | - | - | 20,662 | - | - | 20,662 |
| Balance - January 31, 2011 | 69,994,300 | 3,465,548 | 1,928,246 | 11,337,796 | (5,356,962) | 11,374,628 |



Consolidated Statements of Loss and Comprehensive Loss

| Quarters ended January 31, | 2011 | 2010 |
|---|--------------------|-------------------|
| | \$ | \$ |
| Revenues | | |
| Network sales | 9,064,019 | 8,865,644 |
| Other revenue | 1,311,628 | 1,615,426 |
| | <u>10,375,647</u> | <u>10,481,070</u> |
| Variable costs | | |
| Cost of goods sold (excluding amortization) | 1,995,700 | 2,022,251 |
| Sales incentives - Network | 4,769,801 | 4,248,329 |
| Other variable costs | 941,804 | 900,572 |
| | <u>2,668,342</u> | <u>3,309,918</u> |
| Margin before expenses | <u>2,668,342</u> | <u>3,309,918</u> |
| Expenses | | |
| Administrative | 1,759,226 | 1,413,475 |
| Marketing and selling | 1,441,758 | 860,602 |
| Quality and development costs | 254,226 | 251,903 |
| Amortization | 285,792 | 287,029 |
| Restructuring charges | 664,537 | - |
| Stock-based compensation | 20,662 | 49,603 |
| Foreign exchange loss (gain) | 4,128 | (3,163) |
| | <u>4,430,329</u> | <u>2,859,449</u> |
| before income taxes | <u>(1,761,987)</u> | <u>450,469</u> |
| Income taxes (recovery) | | |
| Current | 4,703 | 24,986 |
| Future | (443,287) | 82,893 |
| (Loss) earnings from continuing operations | <u>(1,323,403)</u> | <u>342,590</u> |
| Loss from discontinued operations | - | (133,289) |
| (loss) income | <u>(1,323,403)</u> | <u>209,301</u> |
| Basic and diluted net (loss) earnings per share | | |
| Continuing operations | (0.019) | 0.005 |
| Discontinued operations | - | (0.002) |
| Total basic and diluted net (loss) earnings per share | <u>(0.019)</u> | <u>0.003</u> |
| Weighted average number of common shares outstanding during the period | | |
| Basic and diluted | 69,994,300 | 69,994,300 |



Consolidated Statement of Cash Flows

| Quarters ended January 31, | 2011 | 2010 |
|--|--------------------|------------------|
| | \$ | \$ |
| Operating activities | | |
| Net (loss) earnings | (1,323,403) | 209,301 |
| Loss from discontinued operations | - | (133,289) |
| (Loss) earnings from continuing operations | (1,323,403) | 342,590 |
| Add (deduct) non cash items: | | |
| Amortization of property, plant and equipment | 138,735 | 141,146 |
| Amortization of intangible assets | 147,057 | 145,883 |
| Other receivables | - | 43,442 |
| Future income taxes | (443,287) | 82,893 |
| Stock-based compensation | 20,662 | 49,603 |
| Cash received prior to working capital variation | (1,460,236) | 805,557 |
| Net change in non-cash working capital | 593,794 | (546,950) |
| Cash (used) received from operating activities | (866,442) | 258,607 |
| Investing activities | | |
| Additions to property, plant and equipment | (44,358) | (27,689) |
| Additions to intangible assets | (71,818) | (15,619) |
| Cash used from investing activities | (116,176) | (43,308) |
| Financing activities | | |
| Reimbursement of demand loan | (50,000) | - |
| Cash used from financing activities | (50,000) | - |
| Net (decrease) increase in cash from continuing operations | (1,032,618) | 215,299 |
| Net decrease in cash from discontinued operations | | |
| Operating activities | - | (133,289) |
| Net (decrease) increase in cash during the period | (1,032,618) | 82,010 |
| Cash at the beginning of the period | 2,936,456 | 2,262,821 |
| Cash at the end of the period | 1,903,838 | 2,344,831 |
| Supplemental information | | |
| Income tax paid (recovered) during the period | 5,377 | (7,983) |