

QUALITY SYSTEMS

NDQ--QSII

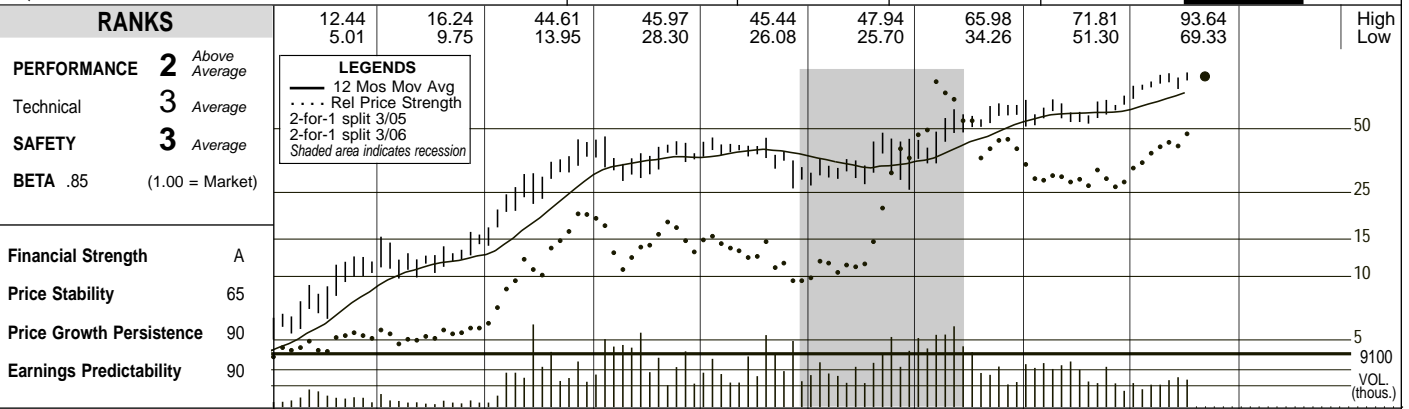
RECENT PRICE **88.50**

TRAILING P/E RATIO **37.7**

RELATIVE P/E RATIO **2.29**

DIV'D YLD **1.6%**

VALUE LINE



© VALUE LINE PUBLISHING LLC	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012/2013
SALES PER SH	2.80	3.39	4.47	5.79	6.79	8.63	10.10	12.17	--	
"CASH FLOW" PER SH	.50	.73	1.02	1.42	1.70	1.94	2.07	2.38	--	
EARNINGS PER SH	.40	.61	.85	1.21	1.44	1.62	1.68	2.12	2.83^{A,B}	3.45^C/NA
DIV'DS DECL'D PER SH	--	--	.88	1.00	1.00	1.15	1.20	1.25	--	
CAP'L SPENDING PER SH	.04	.06	.09	.12	.08	.11	.17	.23	--	
BOOK VALUE PER SH	2.41	2.39	2.71	3.36	4.14	5.47	6.52	7.74	--	
COMMON SHS OUTST'G (MILL)	25.30	26.22	26.71	27.12	27.45	28.45	28.88	29.03	--	
AVG ANN'L P/E RATIO	24.8	23.2	38.5	31.0	24.6	22.7	34.1	31.0	31.3	25.7/NA
RELATIVE P/E RATIO	1.41	1.23	2.04	1.67	1.31	1.37	2.27	1.97	--	
AVG ANN'L DIV'D YIELD	--	--	2.7%	2.7%	2.8%	3.1%	2.1%	1.9%	--	
SALES (\$MILL)	70.9	89.0	119.3	157.2	186.5	245.5	291.8	353.4	--	Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.
OPERATING MARGIN	26.7%	31.0%	33.2%	35.7%	35.3%	33.2%	29.8%	28.8%	--	
DEPRECIATION (\$MILL)	2.3	3.0	3.8	5.2	6.5	9.1	11.4	7.6	--	
NET PROFIT (\$MILL)	10.4	16.1	23.3	33.2	40.1	46.1	48.4	61.6	--	
INCOME TAX RATE	38.9%	36.8%	38.5%	38.7%	36.4%	37.1%	36.5%	34.8%	--	
NET PROFIT MARGIN	14.7%	18.1%	19.6%	21.1%	21.5%	18.8%	16.6%	17.4%	--	
WORKING CAP'L (\$MILL)	51.2	55.1	61.7	76.6	80.0	99.0	118.9	145.8	--	
LONG-TERM DEBT (\$MILL)	--	--	--	--	--	--	--	--	--	
SHR. EQUITY (\$MILL)	61.0	62.7	72.4	91.2	113.7	155.6	188.3	224.7	--	
RETURN ON TOTAL CAP'L	17.0%	25.7%	32.2%	36.4%	35.2%	29.6%	25.7%	27.4%	--	
RETURN ON SHR. EQUITY	17.0%	25.7%	32.2%	36.4%	35.2%	29.6%	25.7%	27.4%	--	
RETAINED TO COM EQ	17.0%	NMF	NMF	6.7%	17.3%	9.9%	7.5%	12.0%	--	
ALL DIV'DS TO NET PROF	--	122%	100%	81%	51%	67%	71%	56%	--	

^ANo. of analysts changing earn. est. in last 30 days: 9 up, 1 down, consensus 5-year earnings growth 18.0% per year. ^BBased upon 21 analysts' estimates. ^CBased upon 18 analysts' estimates.

ANNUAL RATES		
of change (per share)	5 Yrs.	1 Yr.
Sales	23.5%	20.5%
"Cash Flow"	23.5%	15.0%
Earnings	24.0%	26.0%
Dividends	--	4.0%
Book Value	21.5%	18.5%

Fiscal Year	QUARTERLY SALES (\$mill.)				Full Year
	1Q	2Q	3Q	4Q	
03/31/10	66.6	71.7	75.0	78.5	291.8
03/31/11	82.9	81.5	91.9	97.1	353.4
03/31/12	34.4				
03/31/13					

Fiscal Year	EARNINGS PER SHARE				Full Year
	1Q	2Q	3Q	4Q	
03/31/09	.39	.37	.46	.40	1.62
03/31/10	.36	.41	.46	.45	1.68
03/31/11	.42	.46	.60	.64	2.12
03/31/12	.65	.67	.73	.79	
03/31/13					

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	1Q	2Q	3Q	4Q	
2008	.25	.25	.25	.30	1.05
2009	.30	.30	.30	.30	1.20
2010	.30	.30	.30	.30	1.20
2011	.30	.35	.35		

INSTITUTIONAL DECISIONS			
	3Q'10	4Q'10	1Q'11
to Buy	79	96	85
to Sell	93	84	99
Hld's(000)	22586	21483	21192

ASSETS (\$mill.)	2008	2009	3/31/11
Cash Assets	70.2	91.8	117.7
Receivables	90.1	107.5	139.8
Inventory (FIFO)	1.1	1.3	1.9
Other	17.2	19.6	23.0
Current Assets	178.6	220.2	282.4

Property, Plant & Equip, at cost	2008	2009	3/31/11
Accum Depreciation	20.5	25.7	33.9
Net Property	13.7	17.3	21.3
Other	6.8	8.4	12.6
Total Assets	56.7	81.6	83.7
	242.1	310.2	378.7

LIABILITIES (\$mill.)	2008	2009	3/31/11
Accts Payable	5.1	3.3	6.7
Debt Due	.0	.0	.0
Other	74.5	98.0	129.9
Current Liab	79.6	101.3	136.6

LONG-TERM DEBT AND EQUITY as of 3/31/11

Total Debt None Due in 5 Yrs. None
 LT Debt None
 Including Cap. Leases None
 Leases, Uncapitalized Annual rentals \$5.1 mill.

Pension Liability None in '10 vs. \$1.9 mill. in '09

Pfd Stock None Pfd Div'd Paid None
 Common Stock 29,034,000 shares (100% of Cap'l)

INDUSTRY: Computer Software

BUSINESS: Quality Systems, Inc. provides healthcare information systems. It offers software suites for dental and medical practices, and supports medical clients that utilize its UNIX-based medical practice management software product and Software as a Service-based NextDDS financial and clinical software. It also provides electronic data interchange(EDI)/connectivity applications, and QSInet application service provider solutions. In addition, it offers NextGen ambulatory product suite comprising electronic health records and enterprise practice management solutions; and NextGen Clinicals, and NextGen Financials. Further, the company offers community connectivity solutions, such as health information exchange, patient portal, and health quality measures; and EDI, hosting, data protection, consulting, and physician resources services. Additionally, it provides physician practices with revenue cycle management services, primarily billing and collection services. Has 1537 employees. Chairman: Sheldon Razin. Address: 18111 Von Karman Ave, Ste 600, Irvine, CA 92612. Tel.: (949) 255-2600. Internet: <http://www.qsii.com>. *E.B.*

August 12, 2011

TOTAL SHAREHOLDER RETURN				
Dividends plus appreciation as of 7/31/2011				
3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
2.28%	15.44%	69.39%	197.21%	213.82%