

QUALITY SYSTEMS

NDQ-QSII

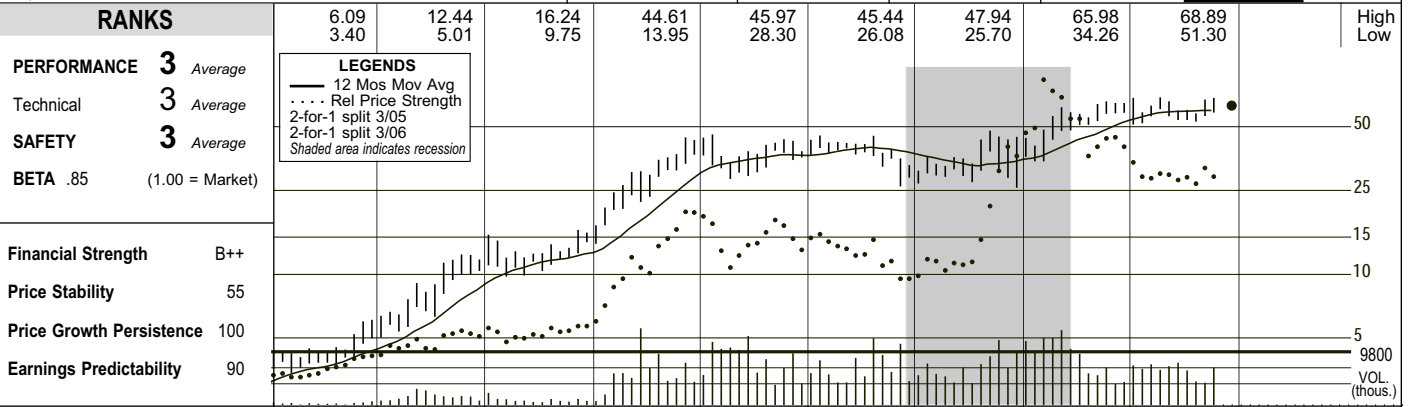
RECENT PRICE **62.94**

TRAILING P/E RATIO **35.2**

RELATIVE P/E RATIO **2.02**

DIV'D YLD **1.9%**

VALUE LINE



© VALUE LINE PUBLISHING, INC.	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011/2012
SALES PER SH	2.23	2.80	3.39	4.47	5.79	6.79	8.63	10.10	--	
"CASH FLOW" PER SH	.37	.50	.73	1.02	1.42	1.70	1.94	1.86	--	
EARNINGS PER SH	.28	.40	.61	.85	1.21	1.44	1.62	1.68	2.08^{A,B}	2.78^C/NA
DIV'DS DECL'D PER SH	--	--	--	.88	1.00	1.00	1.15	1.20	--	
CAP'L SPENDING PER SH	.05	.04	.06	.09	.12	.08	.11	.17	--	
BOOK VALUE PER SH	1.93	2.41	2.39	2.71	3.36	4.14	5.47	6.52	--	
COMMON SHS OUTST'G (MILL)	24.61	25.30	26.22	26.71	27.12	27.45	28.45	28.88	--	
AVG ANN'L P/E RATIO	17.4	24.8	23.2	38.5	31.0	24.6	22.7	34.1	30.3	22.6/NA
RELATIVE P/E RATIO	.95	1.41	1.23	2.04	1.67	1.31	1.37	2.27	--	
AVG ANN'L DIV'D YIELD	--	--	--	2.7%	2.7%	2.8%	3.1%	2.1%	--	
SALES (\$MILL)	54.8	70.9	89.0	119.3	157.2	186.5	245.5	291.8	--	Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.
OPERATING MARGIN	23.4%	26.7%	31.0%	33.2%	35.7%	35.3%	33.2%	27.8%	--	
DEPRECIATION (\$MILL)	2.2	2.3	3.0	3.8	5.2	6.5	9.1	5.4	--	
NET PROFIT (\$MILL)	7.0	10.4	16.1	23.3	33.2	40.1	46.1	48.4	--	
INCOME TAX RATE	36.6%	38.9%	36.8%	38.5%	38.7%	36.4%	37.1%	36.5%	--	
NET PROFIT MARGIN	12.8%	14.7%	18.1%	19.6%	21.1%	21.5%	18.8%	16.6%	--	
WORKING CAP'L (\$MILL)	38.7	51.2	55.1	61.7	76.6	80.0	99.0	118.9	--	
LONG-TERM DEBT (\$MILL)	--	--	--	--	--	--	--	--	--	
SHR. EQUITY (\$MILL)	47.5	61.0	62.7	72.4	91.2	113.7	155.6	188.3	--	
RETURN ON TOTAL CAP'L	14.8%	17.0%	25.7%	32.2%	36.4%	35.2%	29.6%	25.7%	--	
RETURN ON SHR. EQUITY	14.8%	17.0%	25.7%	32.2%	36.4%	35.2%	29.6%	25.7%	--	
RETAINED TO COM EQ	14.8%	17.0%	NMF	NMF	6.7%	17.3%	9.9%	7.5%	--	
ALL DIV'DS TO NET PROF	--	--	122%	100%	81%	51%	67%	71%	--	

^ANo. of analysts changing earn. est. in last 30 days: 1 up, 2 down, consensus 5-year earnings growth 16.4% per year. ^BBased upon 22 analysts' estimates. ^CBased upon 21 analysts' estimates.

ANNUAL RATES					ASSETS (\$mill.)			INDUSTRY: Computer Software/Svcs						
of change (per share)	5 Yrs.	1 Yr.			2008	2009	6/30/10	<p>BUSINESS: Quality Systems, Inc. provides healthcare information systems. It offers software suites for dental and medical practices, as well as 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, as well as 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, as well as 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 1502 employees. Chairman: Sheldon Razin. Address: 18111 Von Karman Ave, Ste 600, Irvine, CA 92612. Tel.: 949-255-2600. Internet: http://www.qsii.com. S.J.</p> <p style="text-align: right;">November 12, 2010</p>						
Sales	25.0%	17.0%			Cash Assets	70.2	91.8				93.2			
"Cash Flow"	28.0%	-4.0%			Receivables	90.1	107.5				111.5			
Earnings	30.0%	3.5%			Inventory (FIFO)	1.1	1.3				1.4			
Dividends	--	4.5%			Other	17.2	19.6				23.4			
Book Value	19.0%	19.0%			Current Assets	178.6	220.2				229.5			
Fiscal Year	QUARTERLY SALES (\$mill.)				Property, Plant & Equip, at cost									
	1Q	2Q	3Q	4Q	Full Year	20.5	25.7				--			
03/31/09	55.2	59.0	65.5	65.8	245.5	13.7	17.3				--			
03/31/10	66.6	71.7	75.0	78.5	291.8	6.8	8.4				8.3			
03/31/11	82.9	81.5				56.7	81.6	82.0						
03/31/12						242.1	310.2	319.8						
Fiscal Year	EARNINGS PER SHARE				LIABILITIES (\$mill.)									
	1Q	2Q	3Q	4Q	Full Year	Accts Payable	5.1	3.3	4.5					
03/31/08	.28	.35	.40	.41	1.44	Debt Due	.0	.0	.0					
03/31/09	.39	.37	.46	.40	1.62	Other	74.5	98.0	100.6					
03/31/10	.36	.41	.46	.45	1.68	Current Liab	79.6	101.3	105.1					
03/31/11	.42	.46	.55	.61		LONG-TERM DEBT AND EQUITY as of 6/30/10								
03/31/12	.64					Total Debt None	Due in 5 Yrs. None							
Cal-endar	QUARTERLY DIVIDENDS PAID				LT Debt None									
	1Q	2Q	3Q	4Q	Full Year	Including Cap. Leases	None							
2007	1.00	.25	.25	.25	1.75	Leases, Uncapitalized	Annual rentals NA							
2008	.25	.25	.25	.30	1.05	Pension Liability \$1.9 mill. in '09 vs. \$1.8 mill. in '08								
2009	.30	.30	.30	.30	1.20	Pfd Stock None			Pfd Div'd Paid None					
2010	.30	.30	.30	.30	1.20	Common Stock 28,911,000 shares			(100% of Cap'l)					
INSTITUTIONAL DECISIONS					Pfd Stock None			Pfd Div'd Paid None			TOTAL SHAREHOLDER RETURN			
	4Q'09	1Q'10	2Q'10				Dividends plus appreciation as of 10/31/2010							
to Buy	108	97	82				3 Mos.			6 Mos.				
to Sell	87	94	99				1 Yr.			3 Yrs.				
Hld's(000)	20116	20984	21965				5 Yrs.							
							17.58%			1.39%				
							7.41%			91.61%				
							110.59%							

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