

## SERENIC ANNOUNCES FINANCIAL RESULTS FOR SECOND QUARTER ENDED AUGUST 31, 2008

**Edmonton, Alberta, Canada (October 29, 2008) – Serenic Corporation (the “Company”) (TSX-V:SER),** an international software developer and marketer providing financial software solutions to not-for-profit (“NFP”), educational and government organizations, announces its financial results for the second quarter ended August 31, 2008.

Revenue for the three month period ended August 31, 2008 (“Q2”) was \$2,398,524, generating a loss of \$80,025, or 3.3% of revenue. Although these figures represent a significant difference from the comparable quarter in the previous year wherein the Company having recorded a multi-million dollar single sale, Serenic continues to demonstrate solid success and adherence to its strategy to continue maximized re-investment of resources to grow market share, top line revenues, and reseller channels. Excluding that single large sale, new license sales for Q2 were \$1,108,454, an increase of 39.6% over Q2 license sales of the previous year.

For the six month period in this fiscal year, sales were \$4,371,837, down from \$5,908,931 recorded in the comparable period in the previous year. Disregarding the large single sale recorded in the previous year, year to date license sales, consulting revenue, and maintenance and other revenue in the current year increased by 32.9%, 3.7%, and 18.8%, respectively. Gross margin was \$3,303,965 in the current six month year to date period, as compared to \$4,173,584, with gross margin percentage increasing from 70.6% (previous year) to 75.6% in the current period. Expenses increased by \$449,718, as a result of management’s continued strategy to invest resources in order to maximize growth of top line revenues.

Statement of Operations Information	(Unaudited) Three months ended:			(Unaudited) Six months ended:		
	Aug 31, 2008	Aug 31, 2007	%	Aug 31, 2008	Aug 31, 2007	%
	\$	\$		\$	\$	
Revenue	<b>2,398,524</b>	4,083,352	<b>(41.3)</b>	<b>4,371,837</b>	5,908,931	(26.0)
Income (loss) for the period	<b>(80,025)</b>	1,025,021	<b>(108.7)</b>	<b>(630,868)</b>	730,167	(187.6)
Basic income (loss) per share	<b>(0.01)</b>	0.07	<b>(114.3)</b>	<b>(0.04)</b>	0.06	(166.7)
EBITDA <sup>(1)</sup>	<b>69,667</b>	1,183,584	<b>(94.1)</b>	<b>(338,870)</b>	1,048,494	(132.3)
EBITDA as a % of revenue	<b>2.9%</b>	29.0%		<b>(7.7)%</b>	17.7%	
Diluted income (loss) per share	<b>(0.01)</b>	0.07		<b>(0.04)</b>	0.05	
Weighted average common shares outstanding (basic)	<b># 15,185,458</b>	# 14,828,599		<b>15,181,349</b>	13,331,812	

### Highlights

New sales included those made to TechnoServe, an international humanitarian agency that fosters rural business growth in 30 developing countries. Other direct deals included sales to different departments of the U.S. government, a zoo, an NFP organization dedicated to scholarships and improved teaching methods, as well as licenses for portal software to existing customers. Reseller partners contributed strongly by selling *Navigator* to a city in Puerto Rico, a government in Southern Africa, several school districts in the U.S.A. and several NFP agencies. Sales of payroll software and related services were also steady during the quarter.

During Q2, the Company was profiled in an announcement by Microsoft regarding the sale of *Navigator* to a large Catholic Diocese organization in the USA. Serenic also received three awards of distinction in Q2, including having been ranked in 20<sup>th</sup> place in the annual *PROFIT Magazine’s* list of fastest growing Canadian companies; 9<sup>th</sup> place in the Technology/Life Sciences category on the 2008 TSX Venture 50, celebrating Canada’s top emerging companies; and 31<sup>st</sup> in the Deloitte Fast 50 list of fastest growing technology companies in Canada, having generated revenue growth of 522% between 2003 and 2007.

## **Outlook**

The Company continues to evolve as a preferred supplier within niche segments of the NFP and public sector markets, and is becoming a major contender within these niche markets for both North American and global organizations. With \$2.5 million cash on hand and no debt, the Company is continuing to execute upon its growth strategy to increase market share and revenues within these markets. Expectations are to continue the re-investment of resources in the current fiscal year so as to generate double digit organic revenue growth, while pursuing positive cash flow.

## **Forward Looking Statements**

Certain statements contained in this press release, including statements which may contain words such as “could”, “should”, “expect”, “anticipate”, “believe”, “will”, and similar expressions and statements relating to matters that are not historical facts, are forward looking statements. Such forward looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of Serenic Corporation to be materially different from any future results, performances or achievements expressed or implied by such forward looking statements. Such factors include, but are not limited to, software industry risks, general business risks, foreign currency risks, economic dependence risks, and credit risks.

### **(1) Non-GAAP Measure**

EBITDA is term not specifically defined in the CICA Handbook and does not have any standardized meaning prescribed by GAAP. This non-GAAP measurement may not be comparable to similar measures presented by other companies.

EBITDA, as used by Serenic, represents earnings before interest, taxes, depreciation, amortization and stock compensation expense.

## **About Serenic Corporation**

Serenic Corporation is an industry-leading publisher of mission-critical software products that satisfy the unique and sophisticated functionality requirements of not for profit organizations, educational institutions, and government agencies. Built on Microsoft Dynamics NAV, Serenic's products deliver fully integrated solutions that can, in many organizations, eliminate the need for multiple third-party business applications.

A Microsoft Gold-certified Industry Solutions Vendor, the Corporation's products include the highly acclaimed Serenic Navigator\*, Serenic DonorVision, and Serenic MinistryView. In addition, the Corporation is the exclusive developer of the human resources and payroll products for Microsoft Dynamics NAV users for North America.

Serenic Corporation is a public company with offices in Edmonton, Alberta and Lakewood, Colorado. It trades under the symbol “SER” on the TSX Venture Exchange in Canada. Additional information about the Company is available at [www.serenic.com](http://www.serenic.com).

## **ON BEHALF OF THE BOARD OF DIRECTORS**

By: "Dwayne Kushniruk"  
Chairman

**SERENIC CORPORATION**

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

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