

Alegro Health Corp.

TSX VENTURE: **AGO**



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Alegro Health Corp. Reports Financial Results for 2005

TORONTO, ONTARIO--(CCNMatthews - April 28, 2006) - Alegro Health Corp., (TSX VENTURE:AGO) a provider of medical, surgical, disability management and multidisciplinary rehabilitation services today announced its consolidated financial results for the year ended December 31, 2005.

Revenue in fiscal 2005 increased 32% to \$9,421,000 compared to revenue of \$7,142,000 in fiscal 2004. Net loss for fiscal 2005 amounted to (\$348,000) compared to net income of \$131,000 in fiscal 2004. The loss was primarily attributable to reduced margins at the Company's Work Able subsidiary resulting from the implementation of regulatory changes to the medical assessment system in Ontario. Basic and diluted loss per common share for fiscal 2005 amounted to (\$0.01) per share compared to earnings per common share amounted to \$0.01 per share for fiscal 2004. Alegro's cash on hand at December 31, 2005 was \$566,000, compared to \$616,000 at December 31, 2004.

Highlights of fiscal 2005 included the acquisition, on August 18, 2005, of case management assets that enlarged the Company's Ontario operations and extended the Company's operations into Atlantic Canada. These new operations generated a positive contribution to the Company's results during the last four months of fiscal 2005.

On May 2, 2005 the Company completed the acquisition of all outstanding shares and affected the transfer to itself of the license of Don Mills Surgical Unit Limited (DMSU), an accredited private hospital licensed by the Ontario Ministry of Health. The Company had been operating the hospital under a twenty-five year management services contract entered into in August 2004.

In June 2005, the Company entered an agreement that enabled it to commence innovative prostate cancer treatments at DMSU, utilizing high intensity focused ultrasound. While tested and established in Europe since 1999, the procedure is new and unique to North America. This non-invasive, ambulatory treatment is proving to be a very effective option for prostate cancer patients and is providing a substantial and growing source of new revenue for DMSU.

Alegro's Work Able subsidiary was successful in achieving Preferred Supplier relationships with most of Canada's large insurance companies in 2005, providing the foundation for renewed growth as the Ontario medical assessment market adjusts to the new regulatory environment.

"Although margins were a challenge in fiscal 2005 and are expected to remain so in much of fiscal 2006, we were successful during fiscal 2005 in expanding our services through a synergistic acquisition and the introduction of new services, building on our core competencies," said Brenda Rasmussen, President & CEO of Alegro.

"During fiscal 2006 we intend to continue to pursue our growth model, making strategic acquisitions when appropriate, while focusing on improving margins in our existing operations." she added.

Alegro's audited consolidated financial statements for fiscal 2005, together with comparatives for fiscal 2004 and management's discussion and analysis of operating results and financial position for the year ended December 31, 2005, can be accessed on the Internet at www.SEDAR.com.

The TSX Venture Exchange does not accept any responsibility for the adequacy or accuracy of this release.

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