



PRESS RELEASE

FOR IMMEDIATE RELEASE

Lyrtech announces its 2007 financial results

Quebec City, Canada (May 6, 2008). Lyrtech Inc. (*Lyrtech*) (TSX Venture Exchange: LYT), a worldwide leader in digital signal processing technologies, announced today its results for the financial year and three-month period ended December 31, 2007.

2007 financial highlights

- Sale of Innovator, Lyrtech's manufacturing division
- Appointment of Mr Louis Bélanger as president and chief executive officer of the company
- Adoption of an operational reorganization plan
- Total revenues of \$10.4 million for the continuing operation, a 50% increase over the 2006 fiscal year

"A continuous rise in sales at Lyrtech in Quebec City during a turbulent fiscal year such as 2007 is the clear recognition of the quality of our engineering resources and the value of our intellectual property. Moving forward, we want to maintain strict control over our finances while continuing the operational reorganization already underway in order to raise our profit margins and again become profitable. We believe that the structural reforms now in place are optimal and that Lyrtech is well positioned to make a strong comeback based on managerial rigour and operational excellence," declared Louis Bélanger, president and CEO at Lyrtech. "The 49,8% rise in revenues from Lyrtech Quebec activities in 2007, the sale of the Innovator division, and a \$0.75 million decrease in operational costs are all powerful indicators of the strengthening of Lyrtech over the last few months. In 2008, we intend to continue in this direction, maximizing the creating of value-added products to the benefit of our customers, partners, and shareholders."

Financial review

The following discussion applies for the continuing operation. A discussion on the consolidated 2007 results of the discontinued and continuing operations is given at the end.

For the year ending December 31, 2007, total revenues from continuing operations reached \$10.4 M, an increase of \$3.4 M from \$6.9 M in 2006.

The gross margin from continuing operations improved to 35.2% in 2007 compared to 33.2% in 2006.

Research and development expenses, net of tax credits, increased by \$0.4 M to \$1.2 M in 2007 from \$0.8M in 2006.

The consolidated net loss from continuing operations for the year ended December 31, 2007, was \$3.3 M or \$0.014 per basic and diluted share compared to a loss from continuing operations of \$3.1 M, or \$0.030 per basic and diluted share in 2006.

The consolidated net loss and comprehensive loss for the year ended December 31, 2007, was \$13.6 M or \$0.060 per basic and diluted share compared to \$6.0 M, or \$0.057 per basic and diluted share in 2006.

The company had cash totalling \$0.2 M on December 31, 2007, a non-material variance from the balance of December 31, 2006.

On December 31, 2007, Lyrtech had 246,737,924 class A shares issued and paid, 35,333,810 warrants outstanding and 8,718,120 options outstanding for a total of 165,552,354 shares on a fully diluted basis.

Organisational changes

The Lyrtech board of directors recently nominated Mr Louis Chouinard as a member of the board of directors. Mr Chouinard is engineering vice president and one of the founders of Lyrtech.

Forward-looking statements

Certain statements made in this press release regarding Lyrtech's future operations, expected financial position, future revenues, projected costs, prospects, plans and objectives are forward-looking statements. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. Lyrtech considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions that these assumptions regarding future events, many of which are beyond Lyrtech's control, may ultimately prove to be incorrect. Factors and risks which could cause actual results to differ materially from current expectations are discussed in Lyrtech's annual report for the year ended December 31, 2007. Lyrtech disclaims any intention or obligation to update or revise any forward-looking statements. For additional information on risks and uncertainties relating to these forward-looking statements, investors should consult Lyrtech's ongoing filings, including its most recent annual report, found on SEDAR at www.sedar.com.

About Lyrtech

Lyrtech develops and manufactures advanced digital signal processing solutions for companies worldwide, a vital technology to network and wireless communications, audio and video processing, as well as electronic systems in all fields of technology. Lyrtech offers a full range of DSP-FPGA development platforms, as well as design, prototyping, and manufacturing of electronic products (through its manufacturing partner Enigma Interconnect). Lyrtech works in partnership with industry leaders such as Texas Instruments, The MathWorks, and Xilinx. Lyrtech's customers include many prestigious names of the consumer electronics, telecommunications, aerospace, and defence fields. For more information, visit www.lyrtech.com.

For more information, contact

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