

**Consolidated Balance Sheets**

(Thousands of dollars)

	As at July 31, 2004 <i>(Unaudited)</i>	As at April 30, 2004 <i>(Audited)</i>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 8,290	\$ 5,608
Temporary investments	10,905	10,882
Accounts receivable	1,662	2,006
Investment tax credits receivable	324	299
Inventories	2,842	2,834
Prepaid expenses	202	171
Future income taxes	8	11
	<b>24,233</b>	<b>21,811</b>
<b>Fixed Assets</b>	<b>3,446</b>	<b>3,599</b>
(Net of accumulated amortization of: July 31, 2004: \$2,566; April 30, 2004: \$2,342)		
<b>Patents and Trademarks</b>	<b>176</b>	<b>190</b>
(Net of accumulated amortization of: July 31, 2004: \$327; April 30, 2004: \$299)		
<b>Future Income Taxes</b>	<b>892</b>	<b>888</b>
	<b>\$ 28,747</b>	<b>\$ 26,488</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 4,489	\$ 4,037
Income taxes payable	525	957
Deferred revenue	11,214	10,534
Future income taxes	107	121
	<b>16,335</b>	<b>15,649</b>
<b>Deferred Revenue</b>	<b>3,645</b>	<b>3,076</b>
<b>Future Income Taxes</b>	<b>558</b>	<b>585</b>
	<b>20,538</b>	<b>19,310</b>
<b>Shareholders' Equity</b>		
Capital stock	836	746
Retained earnings	7,373	6,432
	<b>8,209</b>	<b>7,178</b>
	<b>\$ 28,747</b>	<b>\$ 26,488</b>

**Consolidated Statements of Retained Earnings**

(Thousands of dollars)

	For the three months ended	
	2004	July 31
	(Unaudited)	(Unaudited)
<b>Balance - Beginning of Period</b>	\$ 6,432	\$ 4,417
Net earnings	941	693
	<u>7,373</u>	<u>5,110</u>
Premium on repurchase of shares	-	(235)
<b>Balance - End of Period</b>	\$ <u>7,373</u>	\$ <u>4,875</u>

**Consolidated Statements of Earnings**

(Thousands of dollars except earnings per share information)

	<b>For the three months ended</b>	
	<b>2004</b> <i>(Unaudited)</i>	<b>July 31</b> <b>2003</b> <i>(Unaudited)</i>
<b>Revenues</b>		
Sales of equipment	\$ 2,170	\$ 2,518
Service contracts	4,974	3,880
Other	215	209
	<b>7,359</b>	<b>6,607</b>
<b>Expenses</b>	<b>5,421</b>	<b>5,067</b>
Except the following -		
Amortization	252	228
Foreign exchange	(2)	12
Interest income	(72)	(67)
Research and development	312	267
	<b>5,911</b>	<b>5,507</b>
<b>Earnings Before Income Taxes</b>	<b>1,448</b>	<b>1,100</b>
Income taxes	507	407
<b>Net Earnings</b>	<b>\$ 941</b>	<b>\$ 693</b>
<b>Earnings Per Share</b>		
Basic	\$ 0.044	\$ 0.032
Diluted	\$ 0.044	\$ 0.031
<b>Weighted Average Number of Class "A" shares and Class "A" share equivalents outstanding</b>		
Basic	<b>21,475,483</b>	21,804,699
Diluted	<b>21,540,963</b>	22,085,012

**Consolidated Statements of Cash Flows**

(Thousands of dollars)

	<b>For the three months ended</b>	
	<b>2004</b>	<b>July 31</b>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>Funds Provided (Used) -</b>		
<b>Operating Activities</b>		
Net earnings	\$ 941	\$ 693
Amortization	252	228
Future income taxes	(42)	93
	<b>1,151</b>	<b>1,014</b>
Changes in non-cash operating elements of working capital	<b>1,549</b>	<b>1,992</b>
	<b>2,700</b>	<b>3,006</b>
<b>Financing Activity</b>		
Issuance of class "A" shares	90	-
Repurchase of class "A" shares	-	(241)
	<b>90</b>	<b>(241)</b>
<b>Investing Activities</b>		
Increase in temporary investments	(23)	(1,933)
Additions to fixed assets	(71)	(280)
Additions to patents and trademarks	(14)	(19)
	<b>(108)</b>	<b>(2,232)</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>2,682</b>	<b>533</b>
<b>Cash and Cash Equivalents</b>		
Beginning of period	5,608	2,568
End of period	\$ 8,290	\$ 3,101
<b>Additional Cash Flow Information</b>		
Income taxes paid	\$ 981	\$ -

**Notes to Interim Consolidated Financial Statements:**

(Thousands of dollars)

**(1) Basis of preparation**

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles, using the same accounting policies and methods of computation as were used for the consolidated financial statements for the year ended April 30, 2004.

These unaudited interim consolidated financial statements do not include all the disclosures required by Canadian generally accepted accounting principles in annual financial statements and accordingly, should be read in conjunction with the Consolidated Financial Statements for the year ended April 30, 2004.

**(2) Revenues**

The Company derives revenues from the sale of vehicle tracking devices, presented as "Sales of Equipment", service contracts presented as "Service Contracts", and "Other" revenues such as tracking services.

**(3) Comparative Figures**

Certain reclassifications of the comparative amounts presented have been made to facilitate comparison with the current period.