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PRESS RELEASE
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BOOMERANG TRACKING REPORTS SECOND QUARTER 2003 RESULTS

Company provides savings of over \$100 million through vehicle recoveries

SECOND QUARTER HIGHLIGHTS:

- **REVENUES UP 18% TO \$4.9 MILLION**
- **REVENUES FROM SERVICE CONTRACTS UP 46% TO \$3.1 MILLION**
- **COMPANY RANKS FIRST IN DELOITTE & TOUCHE'S 2002 FAST 50**

MONTREAL, Quebec, December 11, 2002 - Boomerang Tracking Inc. (TSX: BMG), the Canadian leader in stolen asset recovery, today announced second quarter revenues for the three-month period ended October 31, 2002.

For the second quarter ended October 31, 2002, the Company recorded revenues of \$4.87 million, representing an increase of 18% compared to revenues of approximately \$4.11 million for the same period last year. Second quarter net earnings were \$0.35 million (\$0.016 per share) versus net earnings of \$0.61 million (\$0.027 per share) for the same period last year. During the period, the Company continued to invest steadily in research and development undertakings, marketing initiatives and internal infrastructures. Revenues from service contracts jumped by a record 46% to \$3.08 million during the second quarter of fiscal 2003 from \$2.11 million during the same period last year. New activations of Boomerang units in the second quarter were 10,052 units versus 12,007 units in the second quarter of the previous fiscal year.

For the six months ended October 31, 2002, revenues saw a 21% increase to \$9.90 million, compared to \$8.18 million for the six months ended October 31, 2001. Net earnings were \$0.88 million (\$0.040 per share) for the first six months of fiscal 2003, compared to \$1.20 million (\$0.054 per share) for the first six months of the previous year. Revenues from service contracts jumped by 50% to \$5.93 million for the first six-month period of fiscal 2003 from \$3.95 million during the same period last year. During this period, new Boomerang activations were 22,141 compared to 23,770 for the same period last year.

"This second quarter of fiscal 2003 marked the first year anniversary of the Boomerang2™ tracking device. Activations from this second-generation Boomerang were very favorable and, as at the end of this quarter, represent 15% of the Company's new activations. This product not only offers consumers with advanced notification features resulting in quicker response to theft, but also provides the Company with additional product and service revenues for every new activation. New revenue-generating programs including sales incentives for new car dealers permitted the Company to forge stronger ties with this channel of distribution," said Peter Lashchuk, President and CEO of the Company.

Mr. Lashchuk continued: "With market development being the Company's primary growth objective, we continued to invest in key areas such as research and development, marketing and internal infrastructures to support this goal. In recognition of Boomerang Tracking's growing leadership position in the Canadian marketplace and strong profitable growth in its sector, Boomerang Tracking was ranked first in Deloitte & Touche's 2002 Canadian Technology Fast 50 awards program. This ranking also placed the Company in 50th position in Deloitte & Touche's 2002 North America Technology Fast 500 awards program."

As part of the Company's goal to further control the distribution and quality of installation of its devices, certain measures have been implemented. These have included a phase-out of the Company's distribution agreement with its current distributor and a reduction in authorized dealers by 50%, particularly in the province of Quebec.

Additional Support in Quebec

During this last quarter, the Company added a new insurer who, like the 38 that currently endorse the Company's tracking devices, now mandates the installation of the Boomerang tracking device on certain high-risk and high-end model vehicles. With the successful introduction of the Boomerang2 tracking device, some of the existing insurers recently adjusted their underwriting guidelines to mandate this second-generation tracking solution, in certain cases.

Progress in Ontario

For the six months ended October 31, 2002, the Company realized a 32% growth in new activations in the province of Ontario compared to the same period in the last fiscal year. During this last quarter, the Company also launched a public awareness campaign to further educate select high-risk neighborhoods about the need for a vehicle recovery system. Coop marketing initiatives including radio and print campaigns were also undertaken during this period, further building awareness of the Company's devices. The Company continued liaising with 25 insurers in this market who support the Boomerang tracking devices. These efforts included educating the industry on the benefits of the Company's products and services. Further development with new car dealers resulted in increased penetration in this market.

Numbers That Speak Volumes

To date, the Boomerang Tracking System has been instrumental in the recovery of more than 2,000 vehicles and other valuable assets, including incidental recoveries, representing a total value of over \$102 million. These impressive results have resulted in support from insurance companies across Canada who recognize the system's effectiveness. Over 60 insurers now support the Boomerang in Quebec and Ontario by either mandating or recommending its installation on certain luxury and high-risk vehicles.

Financial Highlights

Statement of Earnings

(Thousands of dollars except net earnings per share information)

	For the three months ended October 31			For the six months ended October 31		
	2002 (Unaudited)	2001 (Unaudited)	Change	2002 (Unaudited)	2001 (Unaudited)	Change
Revenues	\$ 4,869	\$ 4,109	18%	\$ 9,904	\$ 8,177	21%
Earnings before income taxes	571	968	-41%	1,418	1,910	-26%
Net Earnings	349	606	-42%	883	1,199	-26%
Net Earnings per Share						
Basic	\$ 0.016	\$ 0.027	-41%	\$ 0.040	\$ 0.054	-26%
Diluted	\$ 0.015	\$ 0.027	-44%	\$ 0.039	\$ 0.053	-27%
Weighted Average Number of Shares Outstanding						
Basic	22,289,255	22,330,000	0%	22,309,596	22,286,138	0%
Diluted	22,581,457	22,560,648	0%	22,614,161	22,563,690	0%

Interim Management's Discussion & Analysis of Financial Condition and Results of Operations for the three months ended October 31, 2002

Results of Operations

Revenues

Revenues for the second quarter ended October 31, 2002 increased by \$0.76 million (or 18%) as compared to the same quarter last year. More specifically, product sales decreased by \$0.22 million (or 12%) and service contract revenues increased by \$0.97 million (or 46%) as compared to the same period last year. New Boomerang and Boomerang2 devices activated and covered by service contracts were 10,052 for the quarter ended October 31, 2002, as compared to 12,007 units for the same quarter last year. Decrease in product sales is mainly attributable to two events that occurred during the quarter. The first was the reduction of the number of independent authorized dealers reselling the Boomerang tracking devices by 50% in the province of Quebec. This permitted the Company to increase its control over the quality of installations of its devices, a critical element for the success of the Company's tracking system. The second was the introduction of the direct distribution of the Company's units to resellers, through the phasing out of its main distributor. This undertaking included the repurchase of Boomerang tracking devices from this distributor. These two events were important measures adopted by the Company in order to improve control of its distribution channels. The Company anticipates the impact of these measures to be negligible on revenues in future quarters.

Service contracts are available primarily on a 12-, 24- or 36-month basis. All services are covered by contracts and, in most cases, payable in full upon activation and/or renewal. For accounting purposes, revenue is recognized over the term of the contract, resulting in deferred revenue of \$8.14 million as at October 31, 2002, of which \$6.86 million will be recognized during the year. This compares to \$6.57 million, and \$5.51 million respectively as at October 31, 2001.

Operating Expenses

The major cost involved in asset tracking are the fees related to the cellular phone lines. The Company has agreements with major national carriers to provide cellular network services in specified territories. Selling, general administration and research and development expenses were 34% higher in the quarter ended October 31, 2002 compared to the same quarter last fiscal year. The increased costs are attributable to additional staff, infrastructure development and market development initiatives to support the Company's sales growth.

Depreciation and Amortization

For the second quarter ended October 31, 2002, quarterly depreciation and amortization of fixed assets increased to \$0.24 million from \$0.13 million in the quarter ended October 31, 2001. The increase is impacted primarily attributable to the implementation of a state-of-the-art information system launched in July 2002.

Income Taxes

Income tax expenses in the second quarter ended October 31, 2002 amounted to \$0.22 million, as compared to \$0.36 million for the same period in the last fiscal year.

Net Earnings

In the second quarter of fiscal 2003, net earnings were approximately 7% as compared to 10% for the previous quarter. Net earnings decreased by \$0.26 million to \$0.35 million, against comparable net earnings of \$0.61 million for the same quarter a year ago. In the quarter ended October 31, 2002, earnings per share decreased by \$0.011 to \$0.016 as compared to \$0.027 for the same period in the last fiscal year.

Liquidity and Financial Resources

The Company maintains its excellent financial health with its ongoing strong balance sheet with no external debt. During the second quarter of operations in fiscal 2003, the cash resources decreased by \$0.49 million to \$7.60 million (including short-term investments of \$5.24 million with maturity dates up to March 2003).

The decrease in liquidity is due to cash generated by operating activities of \$0.13 million, cash resources allocated to financing activities for the repurchase and cancellation of shares amounting to \$0.17 million and outflows from expenditures for fixed and intangible assets of \$0.45 million.

Operating cash flow (representing cash provided by operating activities before changes in working capital items) in the quarter ended October 31, 2002 were up to \$0.70 million compared to \$0.75 million for the same period last year. The sequential and year-over-year positive operating cash flow reflects the efficiency of Boomerang Tracking in generating profits while expanding its internal infrastructures.

The Company's working capital (current assets less current liabilities) increased to \$3.33 million as at October 31, 2002, from \$3.06 million in the same quarter last year. The working capital ratio increased slightly to 1.35 as compared to 1.32 for the same period last year.

The Company believes that its cash resources as at October 31, 2002, together with cash flow from future operations, will provide it with sufficient funds to meet its operating and capital expenditure requirements for the upcoming year. Operations are expected to continue to generate positive cash flow into the future. Excess cash is invested by the Company in short-term instruments with financially sound institutions and is readily available when the need for funds arises.

Risks and Uncertainties

The Boomerang Tracking System employs proprietary cellular-based tracking devices. At present, there are no known direct competitors in the marketplace using the same technology and locating process as the Company.

Although the Company is profitable and growing, there is no certainty that it will be able to compete with larger, more financially secure competitors in the marketplace.

The Company is currently heavily dependent on its alliance with wireless carriers and insurance companies. The continued existence of these strategic alliances is important for the ongoing development of new and existing markets.

The Company's continued success will be dependent on the performance and continued service of its executive officers and certain key employees. The loss of any of these individuals could have a material adverse impact on the Company's business.

Due to the nature of its financial instruments, the Company has limited exposure to market risk. As at October 31, 2002, the Company's financial instruments consisted of cash and cash equivalents, short-term investments, account receivable, accounts payable and accrued liabilities. These financial instruments are short-term in nature and, as such, their carrying values approximate their fair values.

With respect to its holding of short-term investments, the Company may be exposed to a credit loss in the event of non-performance by the counterparties to these contracts, but does not anticipate such non-performance. The Company manages this credit risk by dealing only with financially sound counterparties.

The Company, in the normal course of business, monitors the financial condition of its customers. Except as mentioned in note 12 to the audited financial statements of the Company for the year ended April 30, 2002, the Company does not have significant exposure to any individual customer or counterparty. The Company establishes an allowance for doubtful accounts that corresponds to the credit risk of its specific customers, historical trends and economic circumstances. The Company does not believe that it is exposed to an unusual level of customer credit risk.

About Boomerang Tracking Inc.

Boomerang Tracking Inc. assembles, markets and distributes the Boomerang Tracking System, a proprietary product using technology patented by the Company. The Boomerang and Boomerang2 devices are the central devices in a cellular-based asset tracking system utilizing the wireless systems of major regional telecommunications companies. The Boomerang Tracking System is capable of locating stolen automobiles, heavy equipment and valuable objects. The Company's proven recovery record has received endorsement by members of the insurance industry. The Boomerang Tracking System is installed through a network of authorized dealers located throughout the provinces of Quebec, Ontario and British Columbia. The Company's head office, research and development, production and corporate installation facilities are located in Montreal, Quebec. Boomerang is a registered trademark of Boomerang Tracking Inc. The shares of Boomerang Tracking Inc. trade on The Toronto Stock Exchange under the symbol BMG.

To date, the Boomerang Tracking System has led to the recovery of more than 2,000 vehicles and other valuable assets, including incidental recoveries, representing a total value of over \$102 million.

Forward Looking Statement

This press release may contain forward-looking statements, which reflect the Company's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors. Investors should consult the Company's ongoing quarterly filings, annual reports and proxy solicitation filings for additional information on the risks and uncertainties relating to these forward-looking statements. The reader is cautioned not to rely on these forward-looking statements and the Company disclaims any obligation to update them.

No regulatory authority has approved or disapproved of the information contained herein.

- 30 -

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