

**Balance Sheet**

(Thousands of dollars)

	<b>As at</b>	<b>As at</b>
	<b>January 31, 2003</b>	<b>April 30, 2002</b>
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 3,284	\$ 1,643
Short-term investments	5,267	5,972
Accounts receivable	2,379	3,232
Income taxes recoverable	391	34
Inventories	1,614	1,322
Prepaid expenses	124	299
	<b>13,059</b>	<b>12,502</b>
<b>Fixed Assets</b>	<b>3,322</b>	<b>2,733</b>
(Net of accumulated amortization of: January 31, 2003: \$1,372 April 30, 2002: \$747)		
<b>Patents and Trademarks</b>	<b>201</b>	<b>198</b>
(Net of accumulated amortization of: January 31, 2003: \$176; April 30, 2002: \$118)		
	<b>\$ 16,582</b>	<b>\$ 15,433</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 2,141	\$ 3,050
Deferred revenue	7,153	6,405
	<b>9,294</b>	<b>9,455</b>
<b>Deferred Revenue</b>	<b>1,437</b>	<b>1,151</b>
<b>Future Income Taxes</b>	<b>310</b>	<b>114</b>
	<b>11,041</b>	<b>10,720</b>
<b>Shareholders' Equity</b>		
Capital stock	782	786
Retained earnings	4,759	3,927
	<b>5,541</b>	<b>4,713</b>
	<b>\$ 16,582</b>	<b>\$ 15,433</b>

**Statement of Retained Earnings**

(Thousands of dollars)

	For the nine months ended	
	2003	January 31 2002
	(Unaudited)	(Unaudited)
<b>Balance - Beginning of Period</b>	\$ 3,927	\$ 2,103
Net earnings	1,007	1,367
	4,934	3,470
Premium on repurchase and cancellation of class "A" shares	(175)	-
<b>Balance - End of Period</b>	\$ 4,759	\$ 3,470

**Statement of Earnings**

(Thousands of dollars except earnings per share information)

	For the three months ended		For the nine months ended	
	2003 (Unaudited)	January 31 2002 (Unaudited)	2003 (Unaudited)	January 31 2002 (Unaudited)
<b>Revenues</b>				
Product sales	\$ 1,829	\$ 1,924	\$ 5,486	\$ 5,875
Service contracts	3,253	2,357	9,187	6,302
Other	179	163	492	444
	<b>5,261</b>	<b>4,444</b>	<b>15,165</b>	<b>12,621</b>
<b>Expenses</b>	<b>4,429</b>	<b>3,752</b>	<b>12,022</b>	<b>9,584</b>
Except the following				
Amortization	255	160	683	386
Interest income	(4)	(26)	(100)	(102)
Research and development	201	291	762	576
	<b>4,881</b>	<b>4,177</b>	<b>13,367</b>	<b>10,444</b>
<b>Earnings Before Unusual Items</b>	<b>380</b>	<b>267</b>	<b>1,798</b>	<b>2,177</b>
Unusual items (note 3)	200	-	200	-
<b>Earnings Before Income Taxes</b>	<b>180</b>	<b>267</b>	<b>1,598</b>	<b>2,177</b>
Income taxes	56	99	591	810
<b>Net Earnings</b>	<b>\$ 124</b>	<b>\$ 168</b>	<b>\$ 1,007</b>	<b>\$ 1,367</b>
<b>Net Earnings Per Share</b>				
Basic	\$ 0.006	\$ 0.008	\$ 0.045	\$ 0.061
Diluted	\$ 0.006	\$ 0.007	\$ 0.045	\$ 0.060
<b>Weighted Average Number of Shares Outstanding</b>				
Basic	22,217,600	22,330,000	22,278,931	22,300,759
Diluted	22,525,785	22,542,226	22,584,622	22,627,271

**Statement of Cash Flows**  
(Thousands of dollars)

	For the three months ended		For the nine months ended	
	2003 <i>(Unaudited)</i>	January 31 2002 <i>(Unaudited)</i>	2003 <i>(Unaudited)</i>	January 31 2002 <i>(Unaudited)</i>
<b>Funds Provided (Used) -</b>				
<b>Operating Activities</b>				
Net earnings	\$ 124	\$ 168	\$ 1,007	\$ 1,367
Amortization	255	160	683	386
Future income taxes	83	32	196	76
	<b>462</b>	<b>360</b>	<b>1,886</b>	<b>1,829</b>
Changes in non-cash operating elements of working capital	652	(418)	504	852
	<b>1,114</b>	<b>(58)</b>	<b>2,390</b>	<b>2,681</b>
<b>Financing Activities</b>				
Issuance of class "A" shares	-	-	-	233
Repurchase and cancellation of class "A" shares	-	-	(179)	-
	-	-	<b>(179)</b>	<b>233</b>
<b>Investing Activities</b>				
Short-term investments	(32)	(509)	705	(2,048)
Additions to fixed assets	(145)	(532)	(1,214)	(1,597)
Additions to patents and trademarks	(20)	(28)	(61)	(84)
	<b>(197)</b>	<b>(1,069)</b>	<b>(570)</b>	<b>(3,729)</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>917</b>	<b>(1,127)</b>	<b>1,641</b>	<b>(815)</b>
<b>Cash and Cash Equivalents</b>				
Beginning of period	2,367	1,619	1,643	1,307
End of period	\$ 3,284	\$ 492	\$ 3,284	\$ 492

**Notes to Interim Financial Statements:**

(Thousands of dollars)

**(1) Basis of preparation**

These unaudited interim 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 financial statements for the year ended April 30, 2002.

These unaudited interim 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 Financial Statements for the year ended April 30, 2002.

**(2) Revenues**

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

**(3) Unusual items**

Unusual items consist of severance costs amounting to \$100 incurred during the period resulting from an internal reorganization, and a provision in the same amount regarding a potential claim against the Company with regards to tax credits claimed.

This provision has been included in accrued liabilities and is based on management's best estimate. The Company cannot predict the outcome of the claim at this time, but management is of the opinion that the potential liability will not have a material adverse effect on the financial position or results of the Company.

**(4) Comparative Figures**

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

**SUPPLEMENTARY INFORMATION**  
New Boomerang units installed and activated

Fiscal 2003		
For the three months ended	Quarterly	Cumulative
July 31	12,089	116,484
October 31	10,052	126,536
January 31	9,812	136,348
April 30		
<b>Total</b>	<b>31,953</b>	

Fiscal 2002		
For the three months ended	Quarterly	Cumulative
July 31	11,763	69,672
October 31	12,007	81,679
January 31	11,655	93,334
April 30	11,061	104,395
<b>Total</b>	<b>46,486</b>	

Fiscal 2001		
For the three months ended	Quarterly	Cumulative
July 31	7,983	26,828
October 31	9,908	36,736
January 31	10,769	47,505
April 30	10,404	57,909
<b>Total</b>	<b>39,064</b>	

Fiscal 2000		
For the three months ended	Quarterly	Cumulative
July 31	1,850	6,832
October 31	2,160	8,992
January 31	4,080	13,072
April 30	5,773	18,845
<b>Total</b>	<b>13,863</b>	

Fiscal 1999		
For the three months ended	Quarterly	Cumulative
July 31	710	1,947
October 31	813	2,760
January 31	772	3,532
April 30	1,450	4,982
<b>Total</b>	<b>3,745</b>	