

Consolidated Balance Sheets
(Thousands of dollars)

	As at January 31, 2004 <i>(Unaudited)</i>	As at April 30, 2003 <i>(Audited)</i>
Assets		
Current		
Cash and cash equivalents	\$ 2,377	\$ 2,568
Short-term investments	10,857	7,317
Accounts receivable	2,134	2,075
Investment tax credits receivable	257	257
Income taxes recoverable	-	515
Inventories	2,709	1,404
Prepaid expenses	209	218
	18,543	14,354
Fixed Assets	3,584	3,372
(Net of accumulated amortization of: January 31, 2004: \$2,085; April 30, 2003: \$1,413)		
Patents and Trademarks	171	188
(Net of accumulated amortization of: January 31, 2004: \$269; April 30, 2003: \$197)		
Future Income Taxes	138	-
	\$ 22,436	\$ 17,914
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 3,557	\$ 3,037
Income taxes payable	372	-
Deferred revenue	9,962	7,833
	13,891	10,870
Deferred Revenue	2,664	1,566
Future Income Taxes	-	291
	16,555	12,727
Shareholders' Equity		
Capital stock	746	770
Retained earnings	5,135	4,417
	5,881	5,187
	\$ 22,436	\$ 17,914

Consolidated Statements of Retained Earnings
(Thousands of dollars)

		For the nine months ended	
		2004	2003
		(Unaudited)	(Unaudited)
Balance - Beginning of Period	\$	4,417	\$ 3,927
Net earnings		<u>2,003</u>	<u>1,007</u>
		6,420	4,934
Premium on repurchase of shares		(1,285)	(175)
Balance - End of Period	\$	5,135	\$ 4,759

Consolidated Statements of Earnings

(Thousands of dollars except earnings per share information)

	For the three months ended		For the nine months ended	
	2004 (Unaudited)	January 31 2003 (Unaudited)	2004 (Unaudited)	January 31 2003 (Unaudited)
Revenues				
Sales of equipment	\$ 1,807	\$ 1,829	\$ 6,206	\$ 5,486
Service contracts	4,420	3,253	12,381	9,187
Other	175	179	570	492
	6,402	5,261	19,157	15,165
Expenses	5,121	4,427	14,639	11,982
Except the following -				
Amortization	266	255	744	683
Foreign exchange	(1)	2	71	40
Interest income	(98)	(4)	(257)	(100)
Research and development	239	201	781	762
	5,527	4,881	15,978	13,367
Earnings Before Undernoted Items	875	380	3,179	1,798
Unusual items (note 3)	-	200	-	200
Earnings Before Income Taxes	875	180	3,179	1,598
Income taxes	323	56	1,176	591
Net Earnings	\$ 552	\$ 124	\$ 2,003	\$ 1,007
Earnings Per Share				
Basic	\$ 0.026	\$ 0.006	\$ 0.092	\$ 0.045
Diluted	\$ 0.025	\$ 0.006	\$ 0.091	\$ 0.045
Weighted Average Number of Class "A" shares and Class "A" share equivalents outstanding				
Basic	21,479,825	22,217,600	21,655,040	22,278,931
Diluted	21,803,404	22,525,785	21,952,973	22,584,622

Consolidated Statements of Cash Flows
(Thousands of dollars)

	For the three months ended		For the nine months ended	
	2004	2003	2004	2003
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Funds Provided (Used) -				
Operating Activities				
Net earnings	\$ 552	\$ 124	\$ 2,003	\$ 1,007
Amortization	266	255	744	683
Future income taxes	(99)	83	(429)	196
	719	462	2,318	1,886
Changes in non-cash operating elements of working capital	931	652	3,279	504
	1,650	1,114	5,597	2,390
Financing Activity				
Repurchase of class "A" shares	(713)	-	(1,309)	(179)
Investing Activities				
Increase in short-term investments	(522)	(32)	(3,540)	705
Additions to fixed assets	(259)	(145)	(884)	(1,214)
Additions to patents and trademarks	(5)	(20)	(55)	(61)
	(786)	(197)	(4,479)	(570)
Increase (Decrease) in Cash and Cash Equivalents	151	917	(191)	1,641
Cash and Cash Equivalents				
Beginning of period	2,226	2,367	2,568	1,643
End of period	\$ 2,377	\$ 3,284	\$ 2,377	\$ 3,284
Additional Cash Flow Information				
Income taxes paid	\$ 342	\$ 465	\$ 800	\$ 758

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, 2003

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, 2003.

(2) Revenues

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

(3) Unusual items

Unusual items recorded in the third quarter of 2003 represents severance costs of \$100 resulting from an internal reorganization, and a provision for a potential claim against the Company with regards to tax credits claimed. The 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 2004		
For the three months ended	Quarterly	Cumulative
July 31	12,775	159,154
October 31	10,160	169,314
January 31	8,621	177,935
April 30		
Total	31,556	

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	10,031	146,379
Total	41,984	

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
Total	46,486	

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
Total	39,064	

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
Total	13,863	