

Balance Sheet

(Thousands of dollars)

	As at	As at
	April 30, 2003	April 30, 2002
	<i>(Unaudited)</i>	<i>(Audited)</i>
Assets		
Current		
Cash and cash equivalents	\$ 2,568	\$ 1,643
Short-term investments	7,317	5,972
Accounts receivable	2,075	3,232
Investment Tax Credits Receivable	257	-
Income taxes recoverable	515	34
Inventories	1,404	1,322
Prepaid expenses	218	299
Future income taxes	10	13
	14,364	12,515
Fixed Assets	3,372	2,733
(Net of accumulated amortization of: April 30, 2003: \$1,410 April 30, 2002: \$747)		
Patents and Trademarks	188	198
(Net of accumulated amortization of: April 30, 2003: \$197; April 30, 2002: \$118)		
	\$ 17,924	\$ 15,446
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 3,037	\$ 3,050
Deferred revenue	7,833	6,405
	10,870	9,455
Deferred Revenue	1,566	1,151
Future Income Taxes	301	127
	12,737	10,733
Shareholders' Equity		
Capital stock	770	786
Retained earnings	4,417	3,927
	5,187	4,713
	\$ 17,924	\$ 15,446

Statement of Retained Earnings

(Thousands of dollars)

	For the fiscal year ended	
	2003	April 30
	(Unaudited)	2002
		(Unaudited)
Balance - Beginning of Period	\$ 3,927	\$ 2,103
Net earnings	1,140	1,824
	5,067	3,927
Premium on repurchase and cancellation of class "A" shares	(650)	-
Balance - End of Period	\$ 4,417	\$ 3,927

Statement of Earnings

(Thousands of dollars except earnings per share information)

	For the three months ended		For the fiscal year ended	
	2003 <i>(Unaudited)</i>	April 30 2002 <i>(Unaudited)</i>	2003 <i>(Unaudited)</i>	April 30 2002 <i>(Unaudited)</i>
Revenues				
Product sales	\$ 1,941	\$ 2,084	\$ 7,427	\$ 7,959
Service contracts	3,496	2,589	12,683	8,891
Other	191	157	683	601
	5,628	4,830	20,793	17,451
Expenses	4,843	3,852	16,825	13,459
Except the following				
Amortization	248	156	931	542
Foreign Exchange	1	15	41	(8)
Interest expense	-	12	-	12
Interest income	(66)	(70)	(166)	(172)
Research and development	133	158	895	734
	5,159	4,123	18,526	14,567
Earnings Before Unusual Items	469	707	2,267	2,884
Unusual items (note 3)	250	-	450	-
Earnings Before Income Taxes	219	707	1,817	2,884
Income taxes	86	250	677	1,060
Net Earnings	\$ 133	\$ 457	\$ 1,140	\$ 1,824
Net Earnings Per Share				
Basic	\$ 0.006	\$ 0.020	\$ 0.051	\$ 0.082
Diluted	\$ 0.006	\$ 0.020	\$ 0.051	\$ 0.081
Weighted Average Number of Shares Outstanding				
Basic	22,033,388	22,330,000	22,219,059	22,307,889
Diluted	22,299,672	22,658,144	22,510,671	22,616,622

Statement of Cash Flows

(Thousands of dollars)

	For the three months ended		For the fiscal year ended	
	2003 <i>(Unaudited)</i>	April 30 2002 <i>(Unaudited)</i>	2003 <i>(Unaudited)</i>	April 30 2002 <i>(Unaudited)</i>
Funds Provided (Used) -				
Operating Activities				
Net earnings	\$ 133	\$ 457	\$ 1,140	\$ 1,824
Amortization	248	156	931	542
Disposal of Fixed Assets	104	-	104	-
Future income taxes	(19)	34	177	110
	466	647	2,352	2,476
Changes in non-cash operating elements of working capital	1,745	2,496	2,249	3,348
	2,211	3,143	4,601	5,824
Financing Activities				
Issuance of class "A" shares	-	-	-	233
Repurchase and cancellation of class "A" shares	(487)	-	(666)	-
	(487)	-	(666)	233
Investing Activities				
Short-term investments	(2,050)	(1,461)	(1,345)	(3,509)
Additions to fixed assets	(381)	(507)	(1,596)	(2,104)
Additions to patents and trademarks	(9)	(24)	(69)	(108)
	(2,440)	(1,992)	(3,010)	(5,721)
Increase (Decrease) in Cash and Cash Equivalents	(716)	1,151	925	336
Cash and Cash Equivalents				
Beginning of period	3,284	492	1,643	1,307
End of period	\$ 2,568	\$ 1,643	\$ 2,568	\$ 1,643

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

During the actual quarter, an unusual item representing the last portion of a potential claim against the Company in regards to tax credits claimed amounted to \$250K. Unusual items booked in the third quarter consisted of severance costs of \$100 resulting from an internal reorganization, and a provision in the same amount regarding a potential claim against the Company with regards to tax credit claimed. Those provisions have 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.

(3) New accounting reserve for extended warranty program

A new provision of \$140 for a new lifetime warranty for all the Boomerang units installed as of May 1st, 2003, is instituted in the fourth quarter. This warranty covers all active contracts at year end. This provision have 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	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	

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
Total	3,745	