

INTERNATIONAL ROAD DYNAMICS INC.

Consolidated Balance Sheet

February 28, 2001, with comparative figures for 2000

"Unaudited"

	2001	2000
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Assets		
Current assets:		
Cash	\$ 514,312	\$ 517,195
Accounts receivable	8,932,582	9,758,697
Inventory	1,476,838	1,711,774
Investment tax credits recoverable	762,500	-
Prepaid expenses and deposits	388,287	347,455
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	12,074,519	12,798,820
Deferred project costs	590,223	463,699
Capital assets	2,153,991	2,133,945
Intangible assets	462,295	915,171
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	\$ 15,281,028	\$ 15,847,936

Liabilities and Shareholders' Equity

Current Liabilities:

Short-term loans	\$ 1,396,122	\$ 3,499,032
Accounts payable and accrued liabilities	2,222,379	3,291,961
Deferred revenue	250,000	200,000
Future income taxes	495,100	-
Current portion of long-term debt	360,000	250,000
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	4,723,601	7,240,993

Long-term debt - net	664,155	934,147
Deferred revenue	452,532	369,404
Future income taxes	166,400	-
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	6,006,688	8,544,544
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Shareholders' Equity:		
Share capital	11,017,078	11,423,815
Deficit	(1,742,738)	(4,120,423)
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	9,274,340	7,303,392
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	\$ 15,281,028	\$ 15,847,936
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INTERNATIONAL ROAD DYNAMICS INC.

Interim Statement of Earnings

For the three months ended February 28, 2001, with comparative figures for 2000

"Unaudited"

	2001	2000
Sales	\$ 5,434,287	\$ 6,405,215
Cost of sales	3,551,618	4,644,249
	1,882,669	1,760,966
Administrative and marketing expenses	1,113,574	1,085,985
Operating earnings	769,095	674,981
Research and development	234,845	163,860
Earnings before undernoted items	534,250	511,121
Other expenses (income)		
Amortization	127,740	117,857
Interest on short-term debt	40,170	82,172
Interest on long-term debt	25,242	21,319
Interest and other income	(52,645)	(77,592)
	140,507	143,756
Net earnings for the period before income taxes	393,743	367,365
Provision for income taxes	170,000	-
Net earnings for the period after income taxes	223,743	367,365
Deficit, beginning of period	(1,944,948)	(4,487,788)
Shares repurchased in excess of book value	(21,533)	-
Deficit, end of period	\$ (1,742,738)	\$ (4,120,423)
Earnings per share - basic and fully diluted	\$ 0.02	\$ 0.03

INTERNATIONAL ROAD DYNAMICS INC.

Interim Statement of Cash Flows

For the three months ended February 28, 2001, with comparative figures for 2000

"Unaudited"

	2001	2000
Cash provided by (used in):		
Operations:		
Net earnings (loss)	\$ 223,743	\$ 367,365
Item not involving cash:		
Amortization	127,740	117,857
Deferred project costs amortized	43,425	-
Issue of common shares for expenses	36,875	22,000
Change in non-cash working capital:		
Accounts receivable	2,567,904	(162,676)
Investment tax credits recoverable	120,000	-
Inventory	(91,980)	47,802
Prepaid expenses and deposits	(116,867)	89,916
Accounts payable and accrued liabilities	(782,374)	279,798
Deferred revenue	(80,670)	(94,616)
	2,047,796	667,446
Financing:		
Net short-term loans	(1,253,260)	(574,968)
Repayment of long-term debt	(56,152)	(43,207)
Issue share capital	34,999	-
	(1,274,413)	(618,175)
Investing:		
Deferred project costs	-	(41,317)
Additions to capital equipment	(103,110)	(50,264)
Additions to intangible assets	(8,004)	-
Repurchase share capital	(285,995)	-
	(397,109)	(91,581)

Increase (decrease) in cash	376,274	(42,310)
Cash, beginning of period	138,038	559,505
Cash, end of period	\$ 514,312	\$ 517,195
