

INTERNATIONAL ROAD DYNAMICS INC.

Balance Sheet

November 30, 2001, with comparative figures for 2000

	2001	2000
Assets		
Current assets:		
Cash	\$ 395,657	\$ 138,038
Accounts receivable	12,376,268	11,500,486
Investment tax credit recoverable	2,114,000	882,500
Inventory	1,682,386	1,384,858
Prepaid expenses and deposits	263,882	271,420
	16,832,193	14,177,302
Deferred project costs	458,766	633,648
Capital assets	2,424,623	2,160,621
Intangible assets	417,732	472,291
	\$ 20,133,314	\$ 17,443,862
Liabilities and Shareholders' Equity		
Current Liabilities:		
Short-term loans	\$ 2,304,602	\$ 2,649,382
Accounts payable and accrued liabilities	2,608,315	3,004,753
Deferred revenue	497,000	250,000
Current portion of long-term debt	200,000	360,000
Future income taxes	2,129,500	495,100
	7,739,417	6,759,235
Deferred revenue	577,886	533,202
Long-term debt - net	539,629	720,307
Future income taxes	137,000	166,400
	8,993,932	8,179,144
Shareholders' Equity:		
Share capital	11,114,860	11,209,666
Retained earnings (deficit)	24,522	(1,944,948)
	11,139,382	9,264,718
	\$ 20,133,314	\$ 17,443,862

INTERNATIONAL ROAD DYNAMICS INC.

Statement of Earnings

Year ended November 30, 2001, with comparative figures for 2000

	2001	2000
Sales	\$ 28,394,046	\$ 26,483,037
Cost of sales	18,689,171	17,898,708
Administration and marketing expenses	9,704,875	8,584,329
Research and development expenses	5,419,097	4,679,854
Other expenses (income)	4,285,778	3,904,475
Amortization	906,315	554,203
Interest and bank charges	3,379,463	3,350,272
Interest on long-term debt	553,005	498,433
Investment tax credits recovered	194,688	313,306
Interest and other income	75,100	95,845
	(936,500)	(629,500)
	(112,037)	(132,152)
	(225,744)	145,932
Net earnings for the year	3,605,207	3,204,340
Provision for future income taxes	1,605,000	661,500
Net earnings for the year	2,000,207	2,542,840
Deficit, beginning of year	(1,944,948)	(4,487,788)
Redemption price of shares in excess of book value	(30,737)	-
Retained earnings (Deficit), end of year	\$ 24,522	\$ (1,944,948)
Net earnings per share		
Basic	\$ 0.16	\$ 0.20
Diluted	\$ 0.15	\$ 0.19

INTERNATIONAL ROAD DYNAMICS INC.

Statement of Cash Flow

Year ended November 30, 2001, with comparative figures for 2000

	2001	2000
Cash provided by (used in):		
Operations:		
Net income for the period	\$ 2,000,207	\$ 2,542,840
Item not involving cash:		
Amortization	553,005	498,433
Deferred project costs amortized	174,882	-
Common shares issued for expenses	101,008	109,600
Provision for income taxes	1,605,000	661,500
Other non-cash working capital:		
Accounts receivable	(875,782)	(1,904,465)
Investment tax credits recoverable	(1,231,500)	(882,500)
Inventory	(297,528)	234,771
Prepaid expenses and deposits	7,538	165,951
Accounts payable	(396,438)	(7,410)
Deferred revenue	291,684	119,182
	<u>1,932,076</u>	<u>1,537,902</u>
Financing:		
Net short-term loans	(344,780)	(1,424,618)
Issue of long-term debt	26,866	66,173
Repayment of long-term debt	(367,544)	(213,220)
Issue of common shares	125,579	24,501
Repurchase share capital	(352,130)	-
	<u>(912,009)</u>	<u>(1,547,164)</u>
Investing:		
Deferred project costs	-	(211,266)
Additions to capital assets	(743,525)	(402,990)
Additions to intangible assets	(18,923)	(19,949)
Net proceeds on sale of acquired technology	-	222,000
	<u>(762,448)</u>	<u>(412,205)</u>
Increase (decrease) in cash	257,619	(421,467)
Cash, beginning of year	138,038	559,505
Cash, end of year	<u>\$ 395,657</u>	<u>\$ 138,038</u>