

Angoss Software Corporation

Consolidated Balance Sheets

(unaudited, stated in Canadian dollars)

As at	November 30, 2012	November 30, 2011	December 1, 2010
ASSETS			
Current			
Cash	\$ 473,027	\$ 1,439,478	\$ 1,325,546
Restricted investments	-	35,709	335,000
Accounts receivable	1,675,263	1,696,037	1,887,896
Prepaid expenses and other assets	248,167	233,119	295,405
Assets of discontinued operations	-	33,966	206,201
Total current assets	2,396,457	3,438,309	4,050,048
Plant and Equipment, net	325,468	412,298	442,220
Intangibles, net	816,194	661,296	326,874
Assets of discontinued operations	-	-	1,561,217
Total assets	\$ 3,538,119	\$ 4,511,903	\$ 6,380,359
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	\$ 1,167,760	\$ 1,084,527	\$ 860,868
Provision for termination benefits	96,881	217,329	517,733
Revolving line of credit	852,196	-	-
Dividends payable on preferred shares	11,208	11,208	-
Lease inducement	20,510	10,689	41,819
Current portion of long-term debt	-	1,888,000	-
Current portion of term loan	717,311	-	214,286
Finance leases	103,388	103,209	88,807
Current redeemable portion of preferred shares	336,250	-	-
Deferred revenue	3,809,430	3,464,497	4,209,065
Liabilities of discontinued operations	-	27,880	389,323
Total current liabilities	7,114,934	6,807,339	6,321,901
Long-term debt	-	-	1,888,000
Term loan	-	-	53,571
Deferred revenue	62,195	36,506	72,295
Finance leases	34,944	110,551	45,452
Lease inducement	108,052	-	11,626
Preferred shares	812,311	1,081,450	-
Liabilities of discontinued operations	-	-	15,188
Total liabilities	8,132,436	8,035,846	8,408,033
Commitments and Contingencies			
Shareholders' deficiency			
Capital stock	3,027,701	3,027,701	1,813,106
Contributed surplus	989,799	900,992	806,834
Deficit	(8,611,817)	(7,452,636)	(4,647,614)
Total shareholders' deficiency	(4,594,317)	(3,523,943)	(2,027,674)
	\$ 3,538,119	\$ 4,511,903	\$ 6,380,359

Angoss Software Corporation
Consolidated Statements of Loss and Comprehensive Loss

(unaudited, stated in Canadian dollars)

For the period ended	Three months ended November 30,		Twelve months ending November 30,	
	2012	2011	2012	2011
Revenue	\$ 2,026,635	\$ 1,596,858	\$ 7,044,957	\$ 6,941,404
Operating expenses				
Sales and marketing	1,055,253	1,196,937	4,032,666	3,936,004
General and administration	688,174	534,271	2,299,103	1,768,231
Research and development, net	224,908	142,265	834,545	1,173,190
	1,968,335	1,873,473	7,166,314	6,877,425
Termination benefits	-	-	-	60,625
Amortization of capital assets	49,152	65,600	198,320	322,030
Amortization of intangible assets	242,754	35,543	392,087	68,363
Interest expense	18,689	34,358	125,168	125,355
Interest accretion on Preferred shares	17,643	15,326	67,111	15,326
Dividend expense on Preferred shares	33,624	11,208	134,498	11,208
Foreign exchange (gain) loss	28,099	(43,936)	31,833	62,086
Stock based compensation	27,423	29,260	88,807	223,005
Operating expenses	2,385,719	2,020,832	8,204,138	7,765,423
Loss from continuing operations	(359,084)	(423,974)	(1,159,181)	(824,019)
Loss from discontinued operations	-	(402,260)	-	(1,981,003)
Net (loss) and comprehensive (loss) for the period	(359,084)	(826,234)	(1,159,181)	(2,805,022)
Basic and diluted (loss) earnings per share	\$ (0.03)	\$ (0.09)	\$ (0.11)	\$ (0.32)
Weighted average number of shares outstanding				
Basic	10,280,836	9,417,606	10,280,836	8,698,771
Diluted	10,280,836	9,417,606	10,280,836	8,698,771

Angoss Software Corporation

Consolidated Statement of Changes in Shareholders' Deficiency

(unaudited, stated in Canadian dollars)

	Capital Stock	Contributed surplus	Total	Deficit
Balance at December 1, 2010	\$1,813,106	\$806,834	\$2,619,940	(\$4,647,614)
Share-based compensation	128,847	94,158	223,005	-
Loss for the period	-	-	-	(2,805,022)
Shares issued	858,778	-	858,778	-
Warrants issued	226,970	-	226,970	-
Balance at November 30, 2011	\$3,027,701	\$900,992	\$3,928,693	(\$7,452,636)
	-	-	-	-

	Capital Stock	Contributed surplus	Total	Deficit
Balance at December 1, 2011	\$3,027,701	\$900,992	\$3,928,693	(\$7,452,636)
Share-based compensation	-	88,807	88,807	-
Income/Loss for the period	-	-	-	(1,159,181)
Balance at November 30, 2012	\$3,027,701	\$989,799	\$4,017,500	(\$8,611,817)
	-	-	-	-

Angoss Software Corporation
Consolidated Statements of Cash Flows

(unaudited, stated in Canadian dollars)

For the period ended	Three months ended		Twelve months ending	
	November 30,		November 30,	
	2012	2011	2012	2011
OPERATING ACTIVITIES				
Net (loss) and comprehensive loss for the period				
from continuing operations	\$ (359,084)	\$ (423,974)	\$ (1,159,181)	\$ (824,019)
Adjustments to reconcile net loss to net cash				
provided by (used in) operating activities				
Unrealized foreign exchange loss (gain)	7,788	(46,262)	(38,894)	51,289
Interest accretion on Preferred shares	17,643	15,326	67,111	15,326
Amortization of capital assets	49,152	65,600	198,320	322,030
Amortization of intangible assets	242,754	35,543	392,087	68,363
Stock-based compensation	27,423	29,260	88,807	223,005
	(14,324)	(324,507)	(451,750)	(144,006)
Changes in non-cash working capital balances				
Decrease (increase) in restricted investments	-	77,300	35,709	299,291
(Increase) decrease in accounts receivable	(335,366)	(346,370)	1,417	197,744
(Increase) decrease in prepaid expenses and other assets	22,758	11,339	(15,048)	62,286
Increase (decrease) in accounts payable and accrued liabilities	296,174	130,270	83,233	(2,190)
Increase (decrease) in provision for termination costs	(120,448)	54,070	(120,448)	(74,555)
(Decrease) in dividends payable on Preferred shares	-	11,208	-	11,208
(Decrease) in deferred revenue	214,813	195,752	370,622	(780,357)
(Decrease) in lease inducement	(6,837)	(14,414)	(17,526)	(42,756)
Cash (used) provided by operating activities	56,770	(205,352)	(113,790)	(473,335)
Investment in intangible assets	(163,846)	(181,492)	(546,985)	(402,785)
Purchase of plant and equipment	1,961	20,171	(111,490)	(292,108)
Cash used in investing activities	(161,885)	(161,321)	(658,475)	(694,893)
Issuance of Preferred shares and warrants	-	1,293,094	-	1,293,094
Revolving line of credit, net of repayments	428,322	-	882,202	-
Term debt	-	-	(1,888,000)	-
Lease inducement	1,710	-	135,399	-
Finance leases - net	(33,083)	36,386	(75,428)	79,501
Term loan, net of repayments	(36,370)	-	742,914	(267,857)
Issuance of private placement common shares	-	358,774	-	858,778
Cash provided (used) by financing activities	360,579	1,688,254	(202,913)	1,963,516
Effect of foreign exchange rate fluctuations on cash and cash equivalents	2,116	12,418	2,642	(57,174)
Cash provided (used) by continuing operations	257,580	1,333,999	(972,537)	738,114
Cash provided (used) by discontinued operations	-	(316,854)	6,086	(624,182)
Net increase (decrease) in cash during the period	257,580	1,017,145	(966,451)	113,932
Cash and cash equivalents, beginning of period	215,448	422,333	1,439,478	1,325,546
Cash and cash equivalents, end of period	\$ 473,027	\$ 1,439,478	\$ 473,027	\$ 1,439,478