

TECSYS Inc.**Consolidated Balance Sheets**

Prepared in Accordance with Canadian Generally Accepted Accounting Principles

(in thousands of Canadian dollars)

	October 31, 2009 (unaudited)	April 30, 2009
Assets		
Current assets		
Cash and cash equivalents	6,790	7,510
Short-term and other investments	325	325
Accounts receivable	9,265	9,307
Work in progress	231	303
Other accounts receivable	240	198
Tax credits receivable	1,999	1,536
Inventory	210	219
Prepaid expenses	836	668
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	19,896	20,066
Restricted cash equivalents and other investments	940	739
Asset-backed commercial paper	3,505	3,535
Long-term receivables	101	77
Long-term investment	241	290
Property and equipment	1,413	1,481
Intangible assets	722	930
Deferred development costs	1,730	1,519
Goodwill	2,829	2,829
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	31,377	31,466
Liabilities		
Current liabilities		
Bank advances	3,978	4,000
Accounts payable and accrued liabilities	4,411	5,154
Current portion of long-term debt	133	133
Deferred revenue	6,610	6,249
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	15,132	15,536
Long-term debt	100	100
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	15,232	15,636
Shareholders' equity		
Capital stock	1,402	1,420
Contributed surplus	12,117	12,328
Retained earnings	2,626	2,082
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	16,145	15,830
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	31,377	31,466
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TECSYS Inc.**Consolidated Statements of Earnings and Comprehensive Earnings**

Prepared in Accordance with Canadian Generally Accepted Accounting Principles

(in thousands of Canadian dollars, except share and per share data)

	Three Months Ended October 31, 2009	Three Months Ended October 31, 2008	Six Months Ended October 31, 2009	Six Months Ended October 31, 2008
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue				
Products	4,146	4,517	7,092	8,962
Services	5,509	5,893	11,500	11,442
Reimbursable expenses	272	301	533	544
	9,927	10,711	19,125	20,948
Cost of revenue				
Products	1,234	2,056	2,332	4,341
Services	3,686	3,744	7,299	7,433
Reimbursable expenses	272	301	533	544
	5,192	6,101	10,164	12,318
Gross margin	4,735	4,610	8,961	8,630
Operating expenses				
Sales and marketing	1,506	1,582	2,891	3,162
General and administration	861	908	1,938	1,715
Gross research and development	1,600	1,371	3,025	2,615
Research and development tax credits	(202)	(152)	(347)	(289)
Deferred development costs	(214)	(249)	(392)	(381)
Stock-based compensation	32	32	60	62
Amortization of property and equipment	127	133	248	265
Amortization of intangible assets	122	177	244	370
Amortization of deferred development costs	90	37	181	74
	3,922	3,839	7,848	7,593
Earnings from operations	813	771	1,113	1,037
Interest income	6	17	12	38
Interest expense	(6)	(29)	(10)	(55)
Foreign exchange (losses)	(26)	(89)	(194)	(77)
Share of net loss and amortization of intangible assets of a company subject to significant influence	(23)	(26)	(49)	(25)
Earnings before income taxes	764	644	872	918
Income taxes	18	-	18	-
Net earnings and comprehensive earnings for the period	746	644	854	918
Weighted average number of common shares outstanding				
- basic	12,377,124	12,827,687	12,422,122	12,917,035
- diluted	12,567,082	12,827,975	12,573,990	12,944,070
Basic and diluted net earnings per common share	\$ 0.06	\$ 0.05	\$ 0.07	\$ 0.07

TECSYS Inc.**Consolidated Statements of Cash Flows**

Prepared in Accordance with Canadian Generally Accepted Accounting Principles

(in thousands of Canadian dollars)

	Three Months Ended October 31, 2009 (unaudited)	Three Months Ended October 31, 2008 (unaudited)	Six Months Ended October 31, 2009 (unaudited)	Six Months Ended October 31, 2008 (unaudited)
Cash flows from				
Operating activities				
Net earnings for the period	746	644	854	918
Adjustments for				
Amortization of property and equipment	127	133	248	265
Amortization of intangible assets	122	177	244	370
Amortization of deferred development costs	90	37	181	74
Stock-based compensation	32	32	60	62
Unrealized foreign exchange losses (gains)	335	915	(120)	1,043
Deferred development costs	(214)	(249)	(392)	(381)
Share of net loss and amortization of intangible assets of a company subject to significant influence	23	26	49	25
	<u>1,261</u>	<u>1,715</u>	<u>1,124</u>	<u>2,376</u>
Changes in non-cash working capital items related to operations				
(Increase) decrease in accounts receivable	(657)	(1,381)	42	(1,544)
Decrease (increase) in work in progress	17	74	72	(269)
Decrease (increase) in other accounts receivable	6	(2)	8	64
Increase in tax credits receivable	(373)	(318)	(463)	(429)
(Increase) decrease in inventory	(5)	(4)	9	(12)
Decrease (increase) in prepaid expenses	238	(107)	(168)	(59)
Decrease in long-term receivables	-	29	-	58
(Decrease) increase in accounts payable and accrued liabilities	(375)	396	(743)	441
(Decrease) increase in deferred revenue	(312)	798	361	621
	<u>(200)</u>	<u>1,200</u>	<u>242</u>	<u>1,247</u>
Financing activities				
Bank advances	(22)	-	(22)	(3)
Purchase price adjustments on acquisition applied against long-term debt	-	(41)	-	(41)
Issuance of common shares	-	-	-	20
Purchase of common shares for cancellation	(31)	(366)	(289)	(376)
Dividends paid on common shares	(310)	(255)	(310)	(255)
	<u>(363)</u>	<u>(662)</u>	<u>(621)</u>	<u>(655)</u>
Investing activities				
Increase in short-term and other investments and restricted cash equivalents and other investments	(201)	-	(201)	(23)
Interest and principal received on asset-backed commercial paper	8	-	95	-
Acquisitions of property and equipment	(45)	(43)	(180)	(206)
Proceeds on disposal of property and equipment	-	8	-	8
Acquisitions of intangible assets	(19)	(8)	(36)	(85)
Proceeds on disposal of intangible assets	-	7	-	7
(Increase) decrease in long-term receivables including the current portion from a related party	(40)	12	(19)	24
	<u>(297)</u>	<u>(24)</u>	<u>(341)</u>	<u>(275)</u>
Variation in cash and cash equivalents	(860)	514	(720)	317
Cash and cash equivalents - beginning of period	7,650	5,496	7,510	5,693
Cash and cash equivalents - end of period	6,790	6,010	6,790	6,010

TECSYS Inc.**Consolidated Statements of Shareholders' Equity**

Prepared in Accordance with Canadian Generally Accepted Accounting Principles

(in thousands of Canadian dollars, except number of shares)
(unaudited)

	Common shares		Contributed surplus	Retained earnings	Total
	Number	Amount			
Balance, April 30, 2009	12,525,884	1,420	12,328	2,082	15,830
Repurchase of common shares	(157,340)	(18)	(271)	-	(289)
Stock options exercised	281	-	-	-	-
Stock-based compensation	-	-	60	-	60
Net earnings for the period	-	-	-	854	854
Dividends	-	-	-	(310)	(310)
Balance, October 31, 2009	12,368,825	1,402	12,117	2,626	16,145

	Common shares		Contributed surplus	Retained earnings	Total
	Number	Amount			
Balance, April 30, 2008	13,003,684	1,444	12,826	1,003	15,273
Repurchase of common shares	(270,300)	(30)	(346)	-	(376)
Stock options exercised	12,500	20	-	-	20
Fair value associated with options exercised	-	10	(10)	-	-
Stock-based compensation	-	-	62	-	62
Net earnings for the period	-	-	-	918	918
Dividends	-	-	-	(255)	(255)
Balance, October 31, 2008	12,745,884	1,444	12,532	1,666	15,642