

2. FINANCIALS

The following pages contain Cale's financial statements from 2011 and 2012. Cale's fiscal years now run from 7/1 to 6/30. Prior to 2012, Cale America Inc. was known as Cale Parking Systems USA, Inc.

Cale has no pending litigation, nor planned closures or mergers that will affect our ability to perform and/or complete our work.

PROPRIETARY INFORMATION

CALE AMERICA INC.

Financial Statements

June 30, 2012



PROPRIETARY INFORMATION



**CALE
AMERICA**

**Balance Sheet
June 30, 2012**

06-30-2012

Assets		
Current assets:		
Cash and cash equivalents	\$	42,670
Trade accounts receivable, net		1,623,761
Other receivables		275,254
Inventory		3,628,452
Prepaid Expenses		123,814
Total current assets	\$	5,693,951
Computer Hardware	\$	197,045
Furniture & Fixtures		56,128
Leasehold Improvements		4,713
Machinery & Equipment		63,320
Meters - Not For Sale		93,740
Vehicles		100,872
		515,819
(Less Accumulated Depreciation)		(239,500)
Net property, plant and equipment	\$	276,319
Intangible assets:		
Goodwill	\$	6,532,732
		6,532,732
(Less Accumulated Amortization-Goodwill)		(205,266)
Net intangible assets	\$	6,327,466
Other assets:		
Investments - CALE AGILE	\$	250,000
Total other assets	\$	250,000
Total assets	\$	12,547,737

PROPRIETARY INFORMATION



**CALE
AMERICA**

**Balance Sheet
June 30, 2012**

06-30-2012

Liabilities & Equity		
Current liabilities:		
Accounts payable	\$	1,882,785
Payroll payables		181,760
Other liabilities		579,404
Accrued expenses		208,451
Accrued sales tax		2,855
Customer deposits		375,307
Deferred income		65,323
Income tax payable		293,619
Liabilities to Group companies		927,567
Total current liabilities	\$	<u>4,517,070</u>
Long-term liabilities:		
Loan from parent company	\$	2,000,000
Bank loan		1,350,000
Other liabilities		4,186,302
Total long-term liabilities	\$	<u>7,536,302</u>
Total liabilities	\$	<u>12,053,372</u>
Stockholders equity		
Capital Stock	\$	5,000
Retained Earnings		489,364
Total equity	\$	<u>494,364</u>
Total liabilities and equity	\$	<u><u>12,547,737</u></u>



**CALE
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**Statement of Operations
June 30, 2012**

	01-01-2012 - 06-30-2012 (6 months)	%
Net Sales	\$ 7,192,454	
Cost of Sales	<u>4,060,834</u>	
Gross Profit	3,131,620	43.5%
Selling, general and administrative expenses	<u>2,206,092</u>	
Operating income	925,528	12.9%
Other income (expense):		
Interest income	344	
Interest expense	<u>134,067</u>	
Total other income (expense)	(133,722)	
Income before income taxes	<u>791,805</u>	11.0%
Income tax expense	302,441	
Net income	<u>\$ 489,364</u>	6.8%



**CALE
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Statement of Retained Earnings and Stockholder's Equity

June 30, 2012

	2011
Balance at December 31, 2011	\$ -
Net Income	489,364
Balance at June 30, 2012	<u>\$ 489,364</u>
Capital Stock at December 31, 2011	\$ -
Shared Capital	5,000
Capital Stock at June 30, 2011	<u>\$ 5,000</u>



**CALE
AMERICA**

**Statement of Cash Flows
June 30, 2012**

	2011
Cash flows from operating activities:	
Net income	\$ 489,364
Adjustments to reconcile net income to net cash provided by:	
Cash flows from operating activities:	
Change in trade account receivable	(460,471)
Change in inventories	(631,376)
Change in notes receivable	8,535
Change in prepaid expenses and security deposits	(278,609)
Change in depreciation expense	235,040
Change in accounts payable	909,327
Change in notes payable	(685,729)
Change in sales tax payable	(14,396)
Change in payroll liabilities	126,472
Change in accrued other	665,896
Change in accrued income tax	293,619
Change in unearned revenue	65,323
Change in customer deposits	374,553
Net cash flows used in operating activities:	<u>608,184</u>
Cash flows from investing activities:	
Acquisition of property, plant and equipment	(233,050)
Net cash flows used in investing activities:	<u>(233,050)</u>
Cash flows from financing activities:	
Change in notes receivable	
Net borrowing (repayment) of long-term loans	(414,155)
Net borrowing (repayment) of purchase price	(407,673)
Net cash flows used in financing activities:	<u>(821,828)</u>
Net increase (decrease) in cash	42,670
Cash at beginning of year	-
Cash at end of year	<u>42,670</u>



**CALE
AMERICA**

Notes to Financial Statements (Unaudited)

(1) Description of Business

Cale America Inc. is a leader in the parking meter industry that specializes in the installation, servicing and support of parking meters to various state governments, counties, cities and other municipalities throughout the United States. Headquartered in Tampa, Florida, the company is a wholly owned subsidiary of the Cale Group AB, which sells the CALE parking meter line within United States.

In addition to its headquarters in Tampa, the company also has operations in Richmond Hill, Georgia (technical help desk), and warehouses/office in Baltimore, Maryland, San Leandro, California, Chicago, Illinois, Indianapolis, Indiana and Vancouver, Washington.

(2) Accounts Receivable and Allowance for Doubtful Accounts

The company evaluates the collectability of accounts receivable based on a combination of factors. In cases where the company is aware of circumstances that may impair a specific customer's ability to meet its financial obligations, a specific allowance is recorded against the customer's outstanding balance equal to an amount the company believes it will not collect. For all other customers, the company recognizes allowances for doubtful accounts based on the length of time the receivables are past due, industry and geographic concentrations, the current business environment and the company's past historical collection experience. Historical collection experience for CALE America Inc. does not reflect a high bad-debt ratio and the company does not typically have difficulty in collecting from its' customers.

(3) Inventories

Inventories, consisting of parking meters, parts, components and meter paper are valued at a weighted-average standard cost. The company uses the first-in, first-out ("FIFO") method in accounting for inventories. Cost of sales regarding inventory are adjusted at year-end to reflect any variances from actual costs. Inventories of CALE America Inc. are maintained in bonded and insured warehouses in the various locations previously mentioned in footnote 1. Inventory at June 30, 2012 was valued at \$3,628,451. Included in the inventory value is the inventory in transit at a value of \$615,854. The company also performs a physical inventory count on an annual basis (June).

PROPRIETARY INFORMATION



CALE AMERICA

The company has several cities that it leases its meters. These meters are accounted for as operating leases on the company's books and records. The inventory value of these leases is approximately \$366,495.

Inventory values at June 30, 2012 by location were:

<u>Location</u>	<u>Avg. Std. Cost</u>
Maryland	\$ 58,848
New York	\$ 10,126
Georgia	\$ 16,393
Indiana	\$ 31,359
Florida	\$ 1,838,482
Minnesota	\$ 7,662
California	\$ 54,234
Oregon	\$ 614,496
Washington	\$ 6,220
<u>Texas</u>	<u>\$ 8,283</u>
Total	\$ 2,646,102

(4) Property, Plant and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the various assets which range from 3 to 7 years.

(5) Intangible Assets

Goodwill is stated at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of goodwill which is for 20 years.

(6) Income Taxes

Cale America Inc. is a C Corporation using the accrual method of accounting, under the provisions of the Internal Revenue Code for federal and state income tax purposes. As a result, the company will file both the federal and state income tax returns ending in June 30, 2012.

(7) Debt

(i) Short-Term Loans Payable

PROPRIETARY INFORMATION



CALE AMERICA

Cale America Inc. has a bank line of credit providing borrowing of up to \$2,000,000 bearing interest at Libor plus Applicable Margin which requires monthly interest payments on any outstanding balance. The line of credit is collateralized by Cale Holding AB. At June 30, 2012 the company was in compliance and did not have a balance on its line of credit.

(ii) Long-term Loans Payable

The company also has a loan from Nordea Bank in the amount of \$2,250,000 with a fixed rate equal to the LIBOR rate plus 1.60% (Applicable Margin), which is secured by the Cale Holding AB. The balance at June 30, 2012 was \$2,277,567. There is a loan from Cale Group AB, in the amount of \$2,000,000. The interest rate on that loan is STIBOR 3 month +2.0%. The balance on this loan at June 30, 2012 was \$2,035,845. Total interest expense accrued and paid on all debt was \$164,067 for the year ended June 30, 2012.

(iii) Other Liabilities

Other Liabilities long term and short term consist of a variable earn-out obligation as a result of the acquisition of the business as of January 1, 2012 in the amount of \$579,404 and \$4,186,302.

(8) Other Accruals

Some of the other accruals are for a SSAE 16 (SAS70) compliance audit that is a requirement for several of our ongoing contracts along with audit, tax return and telecom fees.

(9) Business Concentrations

For Cale America Inc. the company's customers are spread throughout the United States. In particular for the year ended June 30, 2012, the company had sales to customers in Illinois of \$2,412,449, which accounts for more than 33.80% of its revenues. Other significant sales occurred to customers in the following states:

<u>State</u>	<u>Amount</u>	<u>% of Sales</u>
Minnesota	\$1,014,374	14.21
Maryland	\$ 864,273	12.11
California	\$ 812,225	11.38
Florida	\$ 330,973	4.64
Oregon	\$ 320,194	4.49
Virginia	\$ 293,159	4.11



**CALE
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(10) Leases

Cale America Inc is committed to operating leases located in Tampa, Florida and its warehouses mentioned in footnote 1. Total rent incurred under operating leases for the year ending June 30, 2012 was \$81,369.

(11) Subsequent events

As of September 31, 2012, the company has sold 1,139 parking meters, year-to-date. For the calendar year ended June 30, 2012 the company sold approximately 287 parking meters. Cale America Inc. paid out the bonus accrual to the employees in July 2012 in the amount of \$129,295.

PROPRIETARY INFORMATION

Cale America Inc.
BALANCE SHEET
For period ending December 31, 2012

	<u>as of 12/31/2012</u>
ASSETS	
CURRENT ASSETS	
CHECKING/SAVINGS	
1015 Nordia Bank	-
1016 Wells Fargo - Deposit Account	37,594.45
TOTAL CHECKING/SAVINGS	<u>37,594.45</u>
ACCOUNTS RECEIVABLE	
1200 ACCOUNTS RECEIVABLE-CALE AMERICA	2,339,137.62
1201 ACCOUNTS RECEIVABLE-CALE SYSTEMS	3,691.94
1202 ACCOUNTS RECEIVABLE-CALE ACCESS	-
1250 A/R - EMPLOYEE	26.95
TOTAL ACCOUNTS RECEIVABLE	<u>2,342,856.51</u>
OTHER CURRENT ASSETS	
1300 INVENTORY	3,188,310.58
1301 Inventory In Transit	171,758.71
1305 INV - RENTED/LEASED METERS	437,961.58
1307 Inv - Chicago	46,071.31
1350 (LESS INVENTORY RESERVE)	(50,009.44)
1375 WIP	-
1376 WIP-REPAIR	1,453.29
1433 NOTES RECEIVABLE - ALBANY PARKING	235,950.00
1510 PREPAID EXPENSE	41,511.18
1520 PREPAID INSURANCE	-
1550 DEPOSITS - REFUNDABLE	58,895.60
1560 BID BONDS - REFUNDABLE	168,604.14
TOTAL OTHER CURRENT ASSETS	<u>4,300,506.95</u>
TOTAL CURRENT ASSETS	<u>6,680,957.91</u>
FIXED ASSETS	
1610 COMPUTER HARDWARE	203,513.67
1620 FURNITURE & FIXTURES	56,128.41
1630 LEASEHOLD IMPROVEMENTS	93,011.87
1640 MACHINERY & EQUIPMENT	65,431.04
1641 Meters - Not For Sale	93,739.74
1650 VEHICLES	114,934.31
1660 (LESS ACCUMULATED DEPRECIATION)	(274,484.78)
TOTAL FIXED ASSETS	<u>352,274.26</u>
INTANGIBLE ASSETS	

PROPRIETARY INFORMATION

1681 GOODWILL	6,485,732.22
1682 NON-COMPETE AGREEMENT	<u>47,000.00</u>
TOTAL INTANGIBLE ASSETS	6,532,732.22

INVESTMENTS

1700 INVESTMENTS - CALE AGILE	<u>250,000.00</u>
TOTAL INVESTMENTS	<u>250,000.00</u>
TOTAL ASSETS	<u><u>13,815,964.39</u></u>

LIABILITIES & EQUITY

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE

2000 ACCOUNTS PAYABLE	216,553.53
2013 ACCOUNTS PAYABLE-CALE SYSTEMS	2,114,318.93
2014 ACCOUNTS PAYABLE-CALE ACCESS	1,215,221.13
2015 ACCOUNTS PAYABLE-CALE GROUP	-
2001 PURCHASES CLEARING ACCOUNT	<u>626.96</u>
TOTAL ACCOUNTS PAYABLE	3,546,720.55

OTHER CURRENT LIABILITIES

2002 Insurance Payable	-
2005 SALES TAX PAYABLE - CA	7,825.11
2006 SALES TAX PAYABLE - IN	-
2008 SALES TAX PAYABLE - FL	0.68
2009 SALES TAX PAYABLE - WA	40.99
2010 SALES TAX PAYABLE - MN	6,502.23
2016 SALES TAX PAYABLE - IL	8,559.55
2017 SALES TAX PAYABLE - MD	541.50
2020 ACCRUED EXPENSES - OTHER	-
2023 Accrued Expenses - Audits	96,132.99
2030 ACCRUED EXPENSES - TELE/COMM	81,638.00
2040 ACCRUED EMPLOYEE BONUS	177,823.48
2050 ACCRUED PAYROLL	55,240.39
2055 PAYROLL CLEARING ACCOUNT	(2,293.99)
2060 401K PAYABLE	-
2061 MEDICAL INS PAYABLE	5,891.69
2065 Garnishment Payable	288.58
2190 PAYROLL TAX DEPOSIT	-
2410 CUSTOMER DEPOSIT	(9,798.35)
2420 UNEARNED REVENUE	318,617.03
2499 ACCRUED ESTIMATED INCOME TAX	<u>(3,381.00)</u>
TOTAL OTHER CURRENT LIABILITIES	<u>743,628.88</u>
TOTAL CURRENT LIABILITIES	4,290,349.43

LONG TERM LIABILITIES

PROPRIETARY INFORMATION

2500 Line of Credit - Nordia Bank	129,047.77
2510 Bank Loan - Nordea Bank	1,800,000.00
2515 Cale Group AB Loan	2,046,580.00
2516 Purchase Price	<u>4,138,583.39</u>
TOTAL LONG TERM LIABILITIES	<u>8,114,211.16</u>
TOTAL LIABILITIES	<u>12,404,560.59</u>
EQUITY	
3100 CAPITAL STOCK	5,000.00
3300 SHAREHOLDER'S EQUITY	-
3350 SHAREHOLDER LOANS	-
3400 FED & STATE INCOME TAX DIST	-
3900 RETAINED EARNINGS	694,629.91
NET INCOME	<u>711,773.89</u>
TOTAL EQUITY	<u>1,411,403.80</u>
TOTAL LIABILITIES & EQUITY	<u><u>13,815,964.39</u></u>

PROPRIETARY INFORMATION

Cale America Inc. Profit & Loss Statement for Period 7/1/2012-12/31/2012

Account Description	Actual YTD
ORDINARY INCOME/EXPENSE	
INCOME	
SALES - METERS	4,282,789.80
SALES - PITTS CWT METERS	3,018,750.00
SALES - PITTS INSTALL & SPARE PARTS	645,501.00
SALES - PITTS CONSUMABLES	20,775.00
SALES - METERS - MAINTENANCE	43,122.00
SALES - METERS - RENT/LEASE	183,102.18
SALES - PAPER	486,081.25
SALES - PARTS - NEW	516,325.42
SALES - PARTS - REFURB	84,446.32
SALES - PARTS - EXT WARRANTY	606,146.86
SALES - PARTS - PARTSMART	5,040.00
SALES - HELP DESK	105,938.50
SALES - WEB MONITORING	2,738,892.10
SALES - CWO2	144,186.70
SALES - Services	55,137.09
SALES - OTHER	128,029.35
SALES - PARTS - WARRANTY	-
SALES - Installation	57,060.00
SALES - Training	3,075.00
SALES - Programming	-
SALES - Repairs	-
INTEREST INCOME	167.78
OTHER INCOME	5,096.27
FREIGHT INCOME -	98,876.85
CUSTOMER DISCOUNTS -	(13,907.10)
CUSTOMER RETURNS/ALLOWANCES-CONTRA ACCT -	(1.54)
TOTAL INCOME	<u>13,214,630.83</u>
COST OF GOODS SOLD	
COGS - METERS	3,136,161.14
COGS - PITTS CWT METERS	3,062,985.13
COGS - PITTS INSTALL & SPARE PARTS	465,169.76
COGS - PITTS CONSUMABLES	8,707.50
COGS - METERS - MAINTENANCE	1,286.35
COGS - METERS - RENT/LEASE	122,064.00
COGS - PAPER	308,130.54
COGS - PARTS - NEW	312,435.78
COGS - PARTS - REFURB	(6,790.41)
COGS - PARTS - EXT WARRANTY	(12,601.35)
COGS - PARTS - PARTSMART	900.79

PROPRIETARY INFORMATION

	COGS - HELP DESK	39,929.73
	COGS - WEB MONITORING	1,525,999.51
	COGS - CWO2	64,874.48
	COGS - Services	49,546.88
	COGS - OTHER	67,821.71
	COGS - PARTS - WARRANTY	15,945.48
	COGS - Installation	-
	COGS - Training	-
	COGS - Programming	-
	COGS - Repairs	9,843.40
	FREIGHT EXPENSE-BILL -	42,521.12
	FREIGHT EXPENSE-NON BILL -	44,394.24
	SHIPPING/PACKING SUPPLIES	3,569.49
	Pittsburgh Project	351,846.93
	Chicago Expenses	19,584.02
	PURCHASE DISCOUNTS - CONTRA ACCT	(575.52)
	VENDOR RETURNS/ALLOWANCES-CONTRA ACCT	-
	INVENTORY ADJUSTMENTS	70,399.35
	PO VARIANCE	(25,309.26)
	TOTAL COGS	<u>9,678,840.79</u>
	GROSS PROFIT	<u>3,535,790.04</u>
EXPENSE		
	ACCOUNTING & LEGAL FEES	87,396.49
	ADVERTISING EXPENSE - EMPLOYEE	410.00
	ADVERTISING/MARKETING - OTHER	6,102.20
	AIR, HOTEL, CAR RENTAL	123,018.06
	AUTO EXPENSES - GAS, TOLLS, MILEAGE	30,783.67
	BAD DEBT EXPENSE	-
	BANK FEES - CREDIT CARD FEES	6,061.58
	BANK FEES - SERVICE CHARGES	7,252.28
	BID DOCS, STAMPS & FEES	123.28
	CHARITABLE CONTRIBUTIONS	250.00
	Continuing Educ/Training	400.00
	COMPUTER SUPPLIES & EXPENSES	18,560.03
	DUES & SUBSCRIPTIONS	10,732.09
	EQUIPMENT RENTAL	1,847.36
	INSURANCE-GENERAL LIABILITY	27,616.99
	INSURANCE-PROPERTY/VEHICLE	45,237.17
	LICENSES & FEES	13,578.46
	MEALS & ENTERTAINMENT-50%	13,524.83
	MEALS & ENTERTAINMENT-100%	11,860.92
	MISCELLANEOUS EXPENSE	-
	MOVING EXPENSES	2,012.00
	OFFICE EQUIPMENT/FURNITURE	1,606.58
	OFFICE SUPPLIES	15,407.46
	CONTRACT LABOR	29,331.90
	Direct Labor - Repair	(837.00)

PROPRIETARY INFORMATION

P/R- SALARIES & WAGES	1,083,458.64
P/R- EMPLOYEE BONUSES	175,058.75
401K Matching Expenses	20,044.96
P/R - PAYROLL TAX EXPENSE	99,628.85
P/R - HEALTH INSURANCE	56,700.86
P/R - WORKER'S COMP	22,960.53
P/R - PAYROLL SERVICE FEES	7,305.13
Placement Fees	31,843.33
POSTAGE & SHIPPING	7,931.99
PRINTING & REPRODUCTION	2,581.40
Consulting Fees	43,510.00
RENT EXPENSE	88,198.56
REPAIRS & MAINTENANCE - BUILDING	5,460.68
REPAIRS & MAINTENANCE - EQUIPMENT	394.65
REPAIRS & MAINTENANCE - VEHICLES	3,576.78
SALES TAX EXPENSE	5,260.28
SECURITY & ALARM SYSTEMS	623.67
SMALL TOOLS & EQUIPMENT	2,496.81
TELEPHONE & COMMUNICATION	44,455.91
Temporary Staffing	26,332.91
TRADE SHOW EXPENSE	55,927.05
UNIFORM EXPENSE	857.30
UTILITIES EXPENSE	10,732.11
Rental Vehicles	3,703.45
WAREHOUSE/SHIPPING SUPPLIES	2,501.02
Operating Cost	<u>2,253,821.97</u>
EBITDA	<u>1,281,968.07</u>
DEPRECIATION EXPENSE	<u>34,985.26</u>
TOTAL EXPENSE	<u>34,985.26</u>
EBIT	<u>1,246,982.81</u>
OTHER EXPENSE	
INTEREST EXPENSE	85,031.67
OTHER EXPENSE	-
Sale of Assets (Gain/Loss)	-
PENALTIES & INTEREST-TAXES	208.37
FINANCE CHG/INTEREST/LATE FEES-NON TAX	8,022.07
TAXES-CITY/STATE INCOME & REVENUE	1,396.31
ESTIMATED FED INCOME TAX	<u>440,550.50</u>
TOTAL OTHER EXPENSE	<u>535,208.92</u>
NET INCOME	<u>711,773.89</u>

PROPRIETARY INFORMATION

Cale Parking Systems USA, Inc.
BALANCE SHEET
12/1/2011-12/31/2011

	12/1/2011-12/31/2011
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ASSETS	
CURRENT ASSETS	
CHECKING/SAVINGS	
1015 PNC Bank - CHECKING	628,479.81
1025 PNC Bank - MM	1,487,553.08
1026 PNC Bank - CC ParkIndy	34,808.93
1071 PNC Mutual Bonds	3,500,000.00
TOTAL CHECKING/SAVINGS	<u>5,650,841.82</u>
ACCOUNTS RECEIVABLE	
1200 ACCOUNTS RECEIVABLE	1,163,289.51
1250 A/R - EMPLOYEE	1,100.00
TOTAL ACCOUNTS RECEIVABLE	<u>1,164,389.51</u>
OTHER CURRENT ASSETS	
1300 INVENTORY	2,783,646.60
1301 INVENTORY CONVERSION BEGINNING BALANCE	0.00
1304 INV - DEMO/LOANER METERS	0.00
1305 INV - RENTED/LEASED METERS	424,883.33
1306 RENTAL METER INV CONVERSION BB	0.00
1307 Inv - Chicago	145,892.33
1350 (LESS INVENTORY RESERVE)	(359,315.01)
1375 WIP	0.00
1376 WIP-REPAIR	1,968.68
1405 Note Rec - K Narotski	2,500.00
1410 NOTE RECEIVABLE - OTHER	0.00
1430 NOTE RECEIVABLE - ST PETE BEACH	0.00
1431 Note Receivable - Urban Transit Solution	8,805.00
1445 Due From Levey Land Development	0.00
1450 DUE FROM STOCKHOLDER	0.00
1460 DUE FROM CALE MOBILE SHOWROOM LLC	0.00
1510 PREPAID EXPENSE	21,403.28
1520 PREPAID INSURANCE	76,138.51
1550 DEPOSITS - REFUNDABLE	7,800.00
1560 BID BONDS - REFUNDABLE	18,687.50
TOTAL OTHER CURRENT ASSETS	<u>3,132,410.22</u>
TOTAL CURRENT ASSETS	<u>9,947,641.55</u>
FIXED ASSETS	
1600 BUILDINGS & OTHER DEPR ASSETS	888,510.99
1610 COMPUTER HARDWARE & SOFTWARE	153,118.24

PROPRIETARY INFORMATION

1620 FURNITURE & FIXTURES	29,280.47
1630 LEASEHOLD IMPROVEMENTS	68,782.26
1640 MACHINERY & EQUIPMENT	59,515.92
1650 VEHICLES	451,829.38
1660 (LESS ACCUMULATED DEPRECIATION)	(443,611.73)
1670 LAND	343,266.06
TOTAL FIXED ASSETS	<u>1,550,691.59</u>
INTANGIBLE ASSETS	
1680 Computer Software	0.00
1690 (LESS ACCUMULATED AMORTIZATION)	0.00
TOTAL INTANGIBLE ASSETS	<u>0.00</u>
TOTAL ASSETS	<u>11,498,333.14</u>
LIABILITIES & EQUITY	
LIABILITIES	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	
2000 ACCOUNTS PAYABLE	934,945.92
2001 PURCHASES CLEARING ACCOUNT	1,722.49
TOTAL ACCOUNTS PAYABLE	<u>936,668.41</u>
OTHER CURRENT LIABILITIES	
2002 Insurance Payable	24,693.78
2003 Vendor Returns	0.00
2005 SALES TAX PAYABLE - CA	16,870.98
2006 SALES TAX PAYABLE - IN	0.00
2008 SALES TAX PAYABLE - FL	124.26
2009 SALES TAX PAYABLE - WA	256.11
2010 ACCRUED STATE TAXES PAYABLE	0.00
2011 PARKINDY/CALE PAYABLE	35,773.87
2020 ACCRUED EXPENSES - OTHER	0.00
2022 Accrued Expenses-Engineering	55,816.56
2030 ACCRUED EXPENSES - TELE/COMM	67,566.00
2040 ACCRUED EMPLOYEE BONUS	357,650.33
2050 ACCRUED PAYROLL	42,400.47
2055 PAYROLL CLEARING ACCOUNT	0.00
2060 401K/IRA PAYABLE	0.00
2061 MEDICAL INS PAYABLE	12,887.74
2065 Garnishment Payable	0.00
2190 PAYROLL TAX DEPOSIT	0.00
2410 CUSTOMER DEPOSIT	753.35
2420 UNEARNED REVENUE	0.00
2499 ACCRUED ESTIMATED INCOME TAX	577,377.21
TOTAL OTHER CURRENT LIABILITIES	<u>1,192,170.66</u>
TOTAL CURRENT LIABILITIES	<u>2,128,839.07</u>

PROPRIETARY INFORMATION

LONG TERM LIABILITIES	
2500 LINE OF CREDIT - BANK ATLANTIC	0.00
2510 BANK ATLANTIC LOAN 10174472-3	0.00
2515 BANK ATLANTIC LOAN 10174472-6	0.00
2516 FL Business Devel Loan-SBA	422,421.79
TOTAL LONG TERM LIABILITIES	<u>422,421.79</u>
TOTAL LIABILITIES	<u><u>2,551,260.86</u></u>
EQUITY	
3100 CAPITAL STOCK	1,000.00
3300 OWNER'S EQUITY	0.00
3350 SHAREHOLDER LOANS	0.00
3400 FED & STATE INCOME TAX DIST	(2,323,158.29)
3900 RETAINED EARNINGS	8,604,477.05
NET INCOME	2,664,753.52
TOTAL EQUITY	<u>8,947,072.28</u>
TOTAL LIABILITIES & EQUITY	<u><u>11,498,333.14</u></u>

PROPRIETARY INFORMATION

**Cale Parking Systems USA, Inc.
Profit & Loss Statement
for Period 12/1/2011-12/31/2011**

Account Description	YTD
ORDINARY INCOME/EXPENSE	
INCOME	
SALES - METERS	15,614,273.79
SALES - METERS - MAINTENANCE	0.00
SALES - METERS - RENT/LEASE	219,021.94
SALES - PAPER	984,461.35
SALES - PARTS - NEW	1,266,108.53
SALES - PARTS - REFURB	219,348.55
SALES - PARTS - EXT WARRANTY	731,850.48
SALES - HELP DESK	140,413.07
SALES - WEB MONITORING	4,880,984.59
SALES - Services	129,583.03
SALES - OTHER	343,166.62
SALES - PARTS - WARRANTY	0.00
SALES - Installation	3,750.00
SALES - Training	(388.78)
SALES - Programming	20,800.00
	<u>24,553,373.17</u>
FREIGHT INCOME -	248,910.95
CREDIT CARD REBATE - CONTRA ACCT -	0.00
CUSTOMER RETURNS/ALLOWANCES-CONTRA ACCT -	0.00
PAY-PAL BANK CHARGES -	0.00
TOTAL INCOME	<u>24,802,284.12</u>
COST OF GOODS SOLD	
COGS - METERS	11,919,081.94
COGS - METERS - MAINTENANCE	2,699.05
COGS - METERS - RENT/LEASE	207,356.35
COGS - PAPER	597,677.72
COGS - PARTS - NEW	756,947.77
COGS - PARTS - REFURB	15,713.58
COGS - PARTS - EXT WARRANTY	9,539.97
COGS - HELP DESK	55,866.00
COGS - WEB MONITORING	2,419,669.49
COGS - Services	133,614.46
COGS - OTHER	201,835.64
COGS - PARTS - WARRANTY	5,226.68
COGS - Installation	24,537.50
COGS - Training	117.58

PROPRIETARY INFORMATION

COGS - Programming	3,270.00
COGS - Repairs	14,749.69
<u>TOTAL COGS</u>	<u>16,367,903.42</u>
COGS - OTHER	
FREIGHT EXPENSE-BILL -	102,061.96
FREIGHT EXPENSE-NON BILL -	114,851.74
COGS - CHICAGO EXPENSES	0.00
SHIPPING/PACKING SUPPLIES	8,037.74
CONTRACT LABOR	18,911.50
PURCHASE DISCOUNTS - CONTRA ACCT	(172,898.61)
VENDOR RETURNS/ALLOWANCES-CONTRA ACCT	2,483.50
INVENTORY ADJUSTMENTS	(210,968.79)
PO VARIANCE	14,134.51
Direct Labor - Repair	(1,342.50)
P/R - GROSS WAGES	830,513.59
P/R - EMPLOYEE BONUSES	143,649.96
P/R - PAYROLL TAX EXPENSE	82,416.91
P/R - HEALTH INSURANCE	48,398.23
P/R - WORKER'S COMP	25,079.06
P/R - PAYROLL SERVICE FEES	0.00
AIR, HOTEL, CAR RENTAL	51,104.36
AUTO EXPENSES - GAS, TOLLS, MILEAGE	49,788.85
MEALS & ENTERTAINMENT	13,070.63
Rental Vehicle	5,684.81
<u>TOTAL COGS</u>	<u>17,492,880.87</u>
<u>GROSS PROFIT</u>	<u>7,309,403.25</u>
EXPENSE	
ACCOUNTING & LEGAL FEES	165,535.75
ADVERTISING EXPENSE - EMPLOYEE	285.34
ADVERTISING/MARKETING - OTHER	47,254.52
AIR, HOTEL, CAR RENTAL	95,011.62
AUTO EXPENSES - GAS, TOLLS, MILEAGE	12,908.81
BAD DEBT EXPENSE	0.00
BANK FEES - CREDIT CARD FEES	(449.73)
BANK FEES - SERVICE CHARGES	3,085.59
BID DOCS, STAMPS & FEES	871.73
CHARITABLE CONTRIBUTIONS	7,645.00
COMPUTER SUPPLIES & EXPENSES	53,836.94
DEPRECIATION EXPENSE	31,259.28
DUES & SUBSCRIPTIONS	12,959.17
EQUIPMENT RENTAL	0.00
FINANCE CHG/INTEREST/LATE FEES-NON TAX	2,484.13
INSURANCE-GENERAL LIABILITY	80,264.06
INSURANCE-PROPERTY/VEHICLE	46,253.71
LICENSES & FEES	5,733.55
MEALS & ENTERTAINMENT-50%	30,348.61

PROPRIETARY INFORMATION

MEALS & ENTERTAINMENT-100%	11,753.09
MISCELLANEOUS EXPENSE	4,861.85
MOVING EXPENSES	0.00
OFFICE EQUIPMENT/FURNITURE	858.96
OFFICE SUPPLIES	30,338.02
P/R- SALARIES & WAGES	1,264,030.21
P/R- EMPLOYEE BONUSES	213,999.96
P/R - PAYROLL TAX EXPENSE	97,271.94
P/R - HEALTH INSURANCE	47,420.71
P/R - WORKER'S COMP	3,721.95
P/R - PAYROLL SERVICE FEES	9,314.43
PENALTIES & INTEREST-TAXES	294.92
POSTAGE & SHIPPING	6,318.30
PRINTING & REPRODUCTION	3,876.33
PROFESSIONAL FEES - OTHER	277,852.98
REAL ESTATE TAXES	0.00
RENT EXPENSE	44,094.12
REPAIRS & MAINTENANCE - BUILDING	12,822.15
REPAIRS & MAINTENANCE - EQUIPMENT	3,898.92
REPAIRS & MAINTENANCE - VEHICLES	13,139.36
SALES TAX EXPENSE	0.00
SECURITY & ALARM SYSTEMS	0.00
SMALL TOOLS & EQUIPMENT	8,750.05
TELEPHONE & COMMUNICATION	88,304.61
Temporary Staffing	31,679.44
TRADE SHOW EXPENSE	28,279.98
UNIFORM EXPENSE	6,442.41
UTILITIES EXPENSE	20,193.62
WAREHOUSE/SHIPPING SUPPLIES	8,901.64
<u>TOTAL EXPENSE</u>	<u>2,833,708.03</u>
<u>NET ORDINARY INCOME</u>	<u>4,475,695.22</u>

OTHER INCOME/EXPENSE

OTHER INCOME

INTEREST INCOME	13,173.80
<u>OTHER INCOME</u>	<u>1,010.04</u>
<u>TOTAL OTHER INCOME</u>	<u>14,183.84</u>

OTHER EXPENSE

INTEREST EXPENSE	54,427.03
OTHER EXPENSE	14,193.50
Sale of Assets (Gain/Loss)	4,471.00
TAXES-CITY/STATE INCOME & REVENUE	211,136.80
<u>ESTIMATED FED INCOME TAX</u>	<u>1,540,897.21</u>
<u>TOTAL OTHER EXPENSE</u>	<u>1,825,125.54</u>
<u>NET INCOME</u>	<u>2,664,753.52</u>