Rand Worldwide, Inc.
Consolidated Balance Sheet
As of December 31, 2015

Assets-		
Current assets		
Cash and cash equivalents	$	5,305,000
Net receivables		14,057,000
Inventory		41,000
Other current assets		699,000
Total current assets		**20,102,000**
Property, plant & equipment		908,000
Goodwill		16,395,000
Intangible assets		4,200,000
Other assets		286,000
Deferred income taxes		3,730,000
Total assets		**45,621,000**
Liabilities and stockholders' equity-		
Current liabilities		
Accounts payable and accrued expenses		10,405,000
Current portion of long-term debt		3,150,000
Other current liabilities		5,041,000
Total current liabilities		**18,596,000**
Note payable, net of current portion		12,200,000
Total liabilities		**30,796,000**
Stockholders' equity		
Common stock		311,000
Preferred stock		2,000
Additional paid-in capital		35,581,000
Accumulated deficit		(20,493,000)
Accumulated other comprehensive income		(576,000)
Total stockholders' equity		**14,825,000**
Total liabilities and stockholders' equity	**$**	**45,621,000**

Rand Worldwide, Inc.
Consolidating Income Statement
For the Three Months Ended December 31, 2015

Total revenue	$	21,288,000
Total cost of revenue		10,485,000
Gross margin		**10,803,000**
Selling, general & administrative expenses		8,282,000
Depreciation & amortization expense		302,000
Operating income		**2,219,000**
Other expense		(166,000)
Income before income taxes		**2,053,000**
Income tax expense		(460,000)
Net income		**1,593,000**
Preferred stock dividends		(64,000)
Net income available to common stockholders	**$**	**1,529,000**

Rand Worldwide, Inc.
Consolidated Statement of Cash Flows
For the Three Months Ended December 31, 2015

Operating activities	
Net income	$ 1,593,000
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization expense	302,000
Adjustments to net income	228,000
Changes in liabilities	3,774,000
Changes in accounts receivable	(3,373,000)
Changes in inventories	(30,000)
Changes in other operating activities	311,000
Net cash provided by operating activities	**2,805,000**
Investing activities	
Purchases of property and equipment	(19,000)
Net cash used in investing activities	**(19,000)**
Financing activities	
Net payments of borrowings	(787,000)
Proceeds from issuance of common stock upon the exercise of stock options	101,000
Payment of taxes upon the exercise of options	(246,000)
Payment of preferred stock dividends	(64,000)
Net cash used in financing activities	**(996,000)**
Effect of exchange rate changes on cash	(132,000)
Net change in cash	**1,658,000**
Cash - beginning of period	3,647,000
Cash - end of period	**$ 5,305,000**