Rand Worldwide, Inc.
Consolidated Balance Sheet
As of March 31, 2016

Assets-		
Current assets		
Cash and cash equivalents	$	2,310,000
Net receivables		13,281,000
Inventory		18,000
Other current assets		734,000
Total current assets		**16,343,000**
Property, plant & equipment		928,000
Goodwill		16,479,000
Intangible assets		4,015,000
Other assets		272,000
Deferred income taxes		3,846,000
Total assets		**41,883,000**
Liabilities and stockholders' equity-		
Current liabilities		
Accounts payable and accrued expenses		6,988,000
Current portion of long-term debt		3,413,000
Other current liabilities		5,178,000
Total current liabilities		**15,579,000**
Note payable, net of current portion		9,150,000
Total liabilities		**24,729,000**
Stockholders' equity		
Common stock		311,000
Preferred stock		21,000
Additional paid-in capital		35,681,000
Accumulated deficit		(18,644,000)
Accumulated other comprehensive income		(215,000)
Total stockholders' equity		**17,154,000**
Total liabilities and stockholders' equity	**$**	**41,883,000**

Rand Worldwide, Inc.
Consolidating Income Statement
For the Three Months Ended March 31, 2016

Total revenue	$	23,873,000
Total cost of revenue		11,502,000
Gross margin		**12,371,000**
Selling, general & administrative expenses		8,842,000
Depreciation & amortization expense		297,000
Operating income		**3,232,000**
Other expense		(186,000)
Income before income taxes		**3,046,000**
Income tax expense		(1,197,000)
Net income		**1,849,000**
Preferred stock dividends		(15,000)
Net income available to common stockholders	**$**	**1,834,000**

Rand Worldwide, Inc.
Consolidated Statement of Cash Flows
For the Three Months Ended March 31, 2016

Operating activities	
Net income	$ 1,849,000
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization expense	297,000
Adjustments to net income	(4,000)
Changes in liabilities	(3,280,000)
Changes in accounts receivable	792,000
Changes in inventories	23,000
Changes in other operating activities	(15,000)
Net cash provided by operating activities	**(338,000)**
Investing activities	
Purchases of property and equipment	(129,000)
Net cash used in investing activities	**(129,000)**
Financing activities	
Net payments of borrowings	(2,787,000)
Payment of preferred stock dividends	(15,000)
Net cash used in financing activities	**(2,802,000)**
Effect of exchange rate changes on cash	274,000
Net change in cash	**(2,995,000)**
Cash - beginning of period	5,305,000
Cash - end of period	**$ 2,310,000**