

**Ranaz Corporation**  
**Interim Consolidated Financial**  
**Statements**  
**for the Quarters ended**  
**March 31, 2009 and 2008**

Financial Statements

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**Ranaz Corporation**  
**Consolidated Earnings and Comprehensive loss**  
**Consolidated Deficit**  
**(unaudited)**

**CONSOLIDATED EARNINGS AND COMPREHENSIVE LOSS**

	Three months ended March 31,	
	2009	2008
	\$	\$
<b>Sales</b>	4 307 385	4 355 416
Cost of sales	<u>3 201 126</u>	<u>3 168 577</u>
<b>Gross profit</b>	<u>1 106 259</u>	<u>1 186 839</u>
Research expenses	128 672	131 776
Selling and administrative expenses	1 219 932	2 082 328
Product recall compensation (Note 6)	(320 000)	
Stock-based compensation expense	72 155	101 083
Interest expense	72 200	17 439
Amortization of property, plant and equipment, intangibles assets and deferred costs	92 701	91 091
Change in fair value of derivative financial instruments	15 685	
Exchange loss (gain)	<u>15 160</u>	<u>(50 132)</u>
	1 296 505	2 373 585
<b>Net loss and comprehensive loss</b>	<u>(190 246)</u>	<u>(1 186 746)</u>
Basic and diluted loss per common share	<u>(0.004)</u>	<u>(0.033)</u>
Basic and diluted weighted average number of common shares outstanding	<u>43 900 155</u>	<u>36 519 769</u>
<b>CONSOLIDATED DEFICIT</b>		
Deficit, beginning of year	(9 490 599)	(5 706 259)
Net loss	<u>(190 246)</u>	<u>(1 186 746)</u>
Deficit, end of year	<u>(9 680 845)</u>	<u>(6 893 005)</u>

The accompanying notes are an integral part of the unaudited interim consolidated financial statements and Note 6 provides other information on the unaudited interim consolidated earnings.

**Ranaz Corporation**  
**Consolidated Cash Flows**  
**(unaudited)**

	Three months ended March 31,	
	2009	2008
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss	(190 246)	(1 186 746)
Non-cash items		
Stock-based compensation expense	72 155	101 083
Amortization of property, plant and equipment, intangibles assets and deferred costs	92 701	91 091
Amortization of development costs	918	16 330
Change in fair value of derivative financial instruments	15 685	
Changes in working capital items (Note 6)	<u>(1 107 775)</u>	<u>(463 834)</u>
Cash flow from in operating expenses	<u>(1 116 562)</u>	<u>(1 442 076)</u>
<b>INVESTING ACTIVITIES</b>		
Advances to private companies		388 631
Business acquisition		(16 092)
Property, plant and equipment	(436 778)	(153 660)
Disposal of intangible assets	8 590	
Cash flow from investing activities	<u>(428 188)</u>	<u>218 879</u>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(38 900)	(505 856)
Issuance of equity instruments	664 235	541 401
Equity instrument issue costs	(49 638)	
Cash flow from financing activities	<u>575 697</u>	<u>35 545</u>
Impact of foreign exchange on cash	30 463	
<b>Net decrease in cash</b>	<u>(938 590)</u>	<u>(1 187 652)</u>
Cash, beginning of period	<u>842 991</u>	<u>583 019</u>
Bank overdraft, end of period	<u>(95 599)</u>	<u>(604 633)</u>

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

# Ranaz Corporation

## Consolidated Balance Sheets

	Unaudited 2009-03-31	Audited 2008-12-31
	\$	\$
<b>ASSETS</b>		
Current assets		
Cash		842 991
Accounts receivable	2 468 589	2 242 543
Inventories	4 657 697	3 827 268
Prepaid expenses	134 757	60 973
	<u>7 261 043</u>	<u>6 973 775</u>
Balance of sale, receivable in monthly instalments of €1,875 until May 2018 (effective rate of 7.75%)	189 072	197 662
Property, plant and equipment	2 473 772	2 121 106
Goodwill	999 336	999 336
Intangible assets	187 894	196 483
Development costs	508 849	509 767
	<u>11 619 966</u>	<u>10 998 129</u>
<b>LIABILITIES</b>		
Current liabilities		
Bank overdraft	95 599	
Bank loan	302 081	291 711
Fair value of derivative financial instruments	52 845	37 160
Accounts payable and accrued liabilities	2 488 773	2 466 289
Instalments on long-term debt	941 901	1 021 503
	<u>3 881 199</u>	<u>3 816 663</u>
Long-term debt	1 645 020	1 584 225
Future income taxes	436 649	436 649
	<u>5 962 868</u>	<u>5 837 537</u>
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock (Note 9)	12 347 014	11 846 424
Warrants (Note 10)	1 417 189	1 381 202
Equity component of convertible debenture	146 710	146 710
Contributed surplus (Note 11)	1 427 030	1 276 855
Deficit	<u>(9 680 845)</u>	<u>(9 490 599)</u>
	<u>5 657 098</u>	<u>5 160 592</u>
	<u>11 619 966</u>	<u>10 998 129</u>

The accompanying notes are an integral part of the unaudited interim consolidated financial statements.

On behalf of the Board of Directors,

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

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### **1 - GOVERNING STATUTES AND NATURE OF OPERATIONS**

The Company was incorporated under the Canada Business Corporations Act and is involved primarily in the manufacturing and distribution of specialized, diet and energy products.

### **2 - BASIS OF PRESENTATION**

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and the accounting policies used in the preparation of the audited annual consolidated financial statements. These interim financial statements do not include all the disclosures required by GAAP and applicable to the annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2008.

### **3 - CHANGE IN ACCOUNTING POLICY**

The Company has adopted the following new section of the Canadian Institute of Chartered Accountants ("CICA") handbook. Adoption of this new standard has not had a material effect on the Company's earnings, financial position or cash flows.

#### **Goodwill and intangible assets**

Section 3064, *Goodwill and Intangible Assets*, provides guidelines on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This new standard applies to years beginning on or after October 1, 2008, and requires retroactive application. The Company apply it as of January 1, 2009. The impact of the adoption of this standard is not significant.

### **4 – IMPACT OF NEW ACCOUNTING STANDARDS NOT YET APPLIED**

Certain new primary sources of generally accepted accounting principles have been published but are not yet in effect. The Company has not early adopted any of these standards. The new standards which could potentially impact the Company's financial statements are detailed as follows:

#### **International Financial Reporting Standards (IFRS)**

In February 2008, the Canadian Accounting Standards Board confirmed that all Canadian public corporations would be required to adopt IFRS for fiscal years beginning on or after January 1, 2011. The Company will start preparing its financial statements in accordance with IFRS as of the years beginning on January 1, 2011. The Company is currently determining the impact of adopting IFRS on its consolidated financial statements.

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

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### **4 – IMPACT OF NEW ACCOUNTING STANDARDS NOT YET APPLIED (continued)**

#### **Business combination**

Section 1582, *Business combination*, which replaces Section 1581, *Business Combinations*. The section establishes standards for the accounting for a business combination. It provides the Canadian equivalent to the IFRS Standard, IFRS 3, *Business Combinations*. The section applies prospectively to business combinations for which the acquisition date is on or after October 1, 2011. Earlier application is permitted. The Company is evaluating the impact of the adoption of this new Section on the consolidated financial statements.

#### **Consolidated financial statements and non-controlling interest**

Section 1601, and Section 1602, which together replace Section 1600, *Consolidated Financial Statements*. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the consolidated financial statement subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS standard, IAS 27, *Consolidated and Separate Financial Statements*. The sections apply to interim and annual consolidated financial statement relating to fiscal years beginning in October 1, 2011. Earlier adoption is permitted as of the beginning of a fiscal year. The Company is evaluating the impact of the adoption of these new Sections on the consolidated financial statements.

### **5 - BUSINESS ACQUISITION**

During the three months ended March 31, 2009, there were no business acquisition. For the fiscal year ended December 2008, the Company completed business acquisition that were recorded using the purchase method. Result of this acquisition have been included in the statement of earnings from the date of acquisition.

On January 11, 2008, the Company acquired all of the outstanding shares of BarTech Manufacturing, Inc. ("BarTech"), a manufacturer of nutritional bars based in Grand Rapids, Michigan in the United States, for a total consideration of \$930,457, as shown in the following table. The consideration includes issuance of 738,673 common shares and 369,337 warrants for a price based on the average market price of the common shares during the two-day period prior and subsequent to the date on which the terms of the acquisition were agreed upon and announced and \$165,302 in cash. These shares and warrants were recognized at fair value, evaluated at \$765,155.

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

### 5 - BUSINESS ACQUISITION (continued)

The values attributed to the net assets acquired are detailed as follows:

	\$
Net identifiable assets acquired	
Assets	
Non-cash working capital items	522 818
Property, plant and equipment	924 749
Customer relations	222 499
Goodwill, not deductible for tax purposes	937 417
	<u>2 607 483</u>
Liabilities	
Non-cash working capital items	812 918
Long-term debt	494 231
Future income taxes	436 649
	<u>1 743 798</u>
Cash situation assumed	66 772
Net assets acquired	<u><u>930 457</u></u>
Consideration	
Issue of equity instruments	765 155
Cash	165 302
	<u><u>930 457</u></u>

### 6 - INFORMATION INCLUDED IN CONSOLIDATED EARNINGS

	Three months ended March 31,	
	2009	2008
	\$	\$
Amortization of property, plant and equipment	84 112	65 119
Amortization of trademark	472	472
Amortization of client listings	8 117	25 500
Gross amount of research expenses	168 672	154 276
Investment tax credits applied against research expenses	40 000	22 500
Sales to a company controlled by a director's close relative (a)	59 690	100 894
Interest expense		
Interest on bank loan	4 829	9 685
Interest on convertible debenture	60 795	
Interest on long-term debt	6 576	7 754

(a) These transactions were entered into in the normal course of business and measured at the exchange amount, which is the amount established and accepted by the parties.

Product recall compensation, consisting of refund from the subcontractor related to the recall.

## Ranaz Corporation

### Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

#### 7 - INFORMATION INCLUDED IN CONSOLIDATED CASH FLOWS

Changes in working capital items were as follows:

	Three months ended March 31,	
	2009	2008
	\$	\$
Accounts receivable	(226 046)	(98 210)
Inventories	(830 429)	(620 979)
Prepaid expenses	(73 784)	(81 784)
Accounts payable and accrued liabilities	22 484	337 139
	<u>(1 107 775)</u>	<u>(463 834)</u>

The breakdown of cash flows from interest on operating earnings are detailed as follows:

	Three months ended March 31,	
	2009	2008
	\$	\$
Interest paid	11 405	17 439

#### 8 - STOCK-BASED COMPENSATION

Effective December 29, 2006, the Board of Directors adopted a new stock option plan. Under this plan, the Company may grant eligible directors, officers, employees and consultants of the Company and its subsidiaries up to 2,952,381 stock options. The options granted expire five years after the grant date. Options granted to directors vest in thirds (33.3%) starting on the first anniversary following the grant and the other options vest in quarters (25%) starting on the first anniversary. Options are granted at an exercise price that cannot be less than the closing price of the common shares on the day preceding the grant date, to which a discount may however be applied in accordance with TSX Venture Exchange rules.

The plan includes the following restrictions relating to the number of options:

- The number of common shares reserved for issuance to directors, officers and employees under the plan may not exceed 5% of the outstanding common shares in any given 12-month period;
- The maximum number of options that can be granted to consultants must not exceed 2% of the outstanding common shares in any given 12-month period;
- The maximum number of options that can be granted to people in a business relationship with investors may not exceed 2% of outstanding common shares during a 12-month period and must gradually vest over this 12-month period, on the basis of no more than a quarter of the prescribed shares in a given quarter.

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

### 8 - STOCK-BASED COMPENSATION (Continued)

Changes in the number of options outstanding are as follows:

	<u>Three months ended March 31, 2009</u>	
	<u>Number</u>	<u>Weighted average exercise price</u>
Balance, beginning of period	2 589 884	\$0.78
Options granted	350 000	\$0.24
Options expired	1 134 971	\$0.80
Balance, end of period	<u>1 804 913</u>	<u>\$0.67</u>
Options exercisable, end of period	<u>657 025</u>	<u>\$0.66</u>

Stock options granted as of March 31, 2009, were as follows:

<u>Exercise price</u>	<u>Number</u>	<u>Options outstanding</u>		<u>Options exercisable</u>	
		<u>Weighted average remaining term</u>	<u>Weighted average exercise price</u>	<u>Number</u>	<u>Weighted average exercise price</u>
\$0.24	350 000	5.00 years	\$0.24		
\$0.35	439 913	2.75 years	\$0.35	287 442	\$0.35
\$0.60	45 000	2.75 years	\$0.60	30 000	\$0.60
\$0.70	285 000	2.75 years	\$0.70	185 000	\$0.70
\$0.72	200 000	4.42 years	\$0.72		
\$1.15	160 000	2.94 years	\$1.15	48 333	\$1.15
\$1.16	100 000	2.83 years	\$1.16	50 000	\$1.16
\$1.30	175 000	3.75 years	\$1.30	43 750	\$1.30
\$1.35	20 000	3.75 years	\$1.35	5 000	\$1.35
\$1.40	30 000	4.42 years	\$1.40	7 500	\$1.40
Outstanding at the end of the period	<u>1 804 913</u>	<u>3.53 years</u>	<u>\$0.67</u>	<u>657 025</u>	<u>\$0.66</u>

Weighted average fair value of options granted during the period

\$0.12

## Ranaz Corporation

### Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

#### 8 - STOCK-BASED COMPENSATION (Continued)

The fair value of options granted was estimated based on the Black-Scholes option pricing model taking into account the following assumptions:

	<u>2009</u>
Annual risk-free interest rate	1.69%
Volatility	80.00%
Dividend	—
Estimated term	5 years

#### 9 - CAPITAL STOCK

##### Authorized

Unlimited number of shares without par value  
Common shares, voting and participating

Class "A" preferred shares, non-voting, convertible into common shares to the extent that at least 20% of outstanding common shares, once converted, must be held by "public shareholders" as defined in the policies of the TSX Venture Exchange and, at the time of an offer to purchase, redeem or exchange relating to more than 50% of the outstanding common shares

	<u>Unaudited</u> <u>2009-03-31</u>	<u>Audited</u> <u>2008-12-31</u>
<b>Issued and fully paid</b>	<u>\$</u>	<u>\$</u>
45,485,571 common shares (40,565,313 in 2008)	<u>12 347 014</u>	<u>11 846 424</u>

##### Share issuances

###### 2009

On January 30, 2009, the Company closed a private placement of 4,920,258 units at \$0.135 per unit for total cash proceeds of \$664,235. Each unit consisted of one common share of the Company and half a common share purchase warrant. Each whole common share purchase warrant entitles its holder to purchase one common share for \$0.135 until January 30, 2011. The Company attributed a value of \$550,228 to the common shares and \$114,007 to the warrants. The share issue costs for the placement totalled \$49,638 in cash.

###### 2008

Pursuant to the acquisition of BarTech on January 11, 2008, the Company issued 738,673 common shares and 369,337 warrants. Each warrant entitles its holder to purchase one common share for \$1.30 for a 24-month period.

On February 28, 2008, FIER Ville-Marie exercised its 1,428,571 warrants for a cash consideration of \$500,000.

## Ranaz Corporation

### Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

#### 9 - CAPITAL STOCK (Continued)

An additional 69,002 warrants were also exercised in the first quarter of 2008 for cash consideration of \$41,401.

#### Loss per share

As a result of the net loss in the periods presented, potentially dilutive factors such as the warrants, stock options and convertible debenture have not been included in the calculation of the diluted loss per common share, since inclusion of such securities would be anti-dilutive.

#### 10 - WARRANTS

	Unaudited 2009-03-31	Audited 2008-12-31
	\$	\$
6,265,248 warrants (4,230,119 in 2008)	1 260 439	1 224 452
417,764 broker warrants (417,764 in 2008)	156 750	156 750
	<u>1 417 189</u>	<u>1 381 202</u>

During the three months period, 425,000 warrants with a carrying amount of \$78,020 expired.

As at March 31, 2009, the number of outstanding warrants exercisable for common shares was as follows:

Expiry	Exercise price	Number issued	Number exercisable as at March 31, 2009
September 27, 2009	\$1.65	1 472 050	1 472 050
October 1, 2009	\$1.65	463 732	463 732
January 11, 2010	\$1.30	369 337	369 337
September 17, 2010	\$0.75	1 500 000	1 500 000
January 30, 2011	\$0.14	2 460 129	2 460 129
			<u>6 265 248</u>

The fair value of the warrants granted in 2009 was determined using the Black-Scholes warrant pricing method based on the following assumptions:

Risk-free interest rate	1.41%
Volatility	80.00%
Dividend	-
Estimated term	2 years

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

### 10 - WARRANTS (continued)

As at March 31, 2009, the number of outstanding warrants issued to brokers exercisable into units was as follows:

Expiry	Exercise price	Number issued	Number exercisable as at March 31, 2009
September 26, 2009	1.30 \$	117 764	117 764
March 17, 2010	0.75 \$	300 000	300 000
			417 764

### 11 - CONTRIBUTED SURPLUS

The table below shows changes in contributed surplus for the periods shown:

	Three months ended March 31,	
	2009	2008
	\$	\$
Balance, beginning of period	1 276 855	323 453
Stock-based compensation expense	72 155	101 083
Warrants expired	78 020	
Balance, end of period	1 427 030	424 536

### 12 - CAPITAL MANAGEMENT

The Company's capital management objective is to protect its assets and its capacity to continue as a going concern while maximizing the growth of its operations. The Company's capital consists of long-term debt, the bank loan, cash and equity instruments.

The Company's capital management objectives include maintaining a sufficient debt-equity ratio to ensure access to the necessary financing sources for the pursuit of the Company's growth.

The Company manages its capital structure and adjusts it as necessary for changes in the economic climate and the risk characteristics of the underlying assets. To preserve or modify its capital, the Company may issue new shares, refinance current debt or contract new debt.

The Company's capital structure objectives and management described above have remained essentially unchanged in the past two fiscal years. The objectives are reviewed annually.

## Ranaz Corporation

### Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

#### 12 - CAPITAL MANAGEMENT (Continued)

The covenants relating to the bank loan and term loans are the following:

- The current ratio, that is current assets to current liabilities, cannot be less than a stated minimum.
- The EBITDA ratio cannot be less than a stated percentage.
- The total debt to equity ratio must be equal to or less than a stated limit.
- The debt service ratio, which is EBITDA less unfinanced capital expenditures over interest paid plus any current portion of long-term debt.

	2009
	\$
Bank loan	302 081
Instalments on long-term debt	941 901
Long-term debt	1 645 020
Bank overdraft	95 599
Net debt	2 984 601
Equity	5 657 098
Net debt to equity	0.55:1

The Company believes that the internal current ratio is consistent with management's capital management objectives.

The Company has credit facilities in the form of bank loans and term loans which must be reviewed each quarter. The Company is not in compliance with the following ratios as at December 31, 2008 and March 31, 2009:

- The EBITDA ratio which cannot be less than a stated percentage.
- The debt service ratio, which is EBITDA less unfinanced capital expenditures over interest paid plus any current portion of long-term debt.

The Company has not obtained a waiver from its financial institution regarding these defaults as at December 31, 2008 and March 31, 2009 and has therefore presented the debt in current liabilities.

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

### 13 - FINANCIAL INSTRUMENTS

#### Financial risk management objectives and policies

The Company is subject to various financial risks arising from both its operating and investing activities that could have an effect on its ability to achieve its strategic and growth objectives. Company management is responsible for managing financial risk.

#### Financial risks

The main financial risks to which the Company is exposed, as well as its financial risk management policies, are described below.

#### Fair value of derivative financial instruments

The Company enters into forward exchange contracts to sell foreign currencies in the future at predetermined exchange rates. These forward exchange contracts are intended to hedge the Company's exposure to the risk of fluctuations in exchange rates in the future. As at March 31, 2009, the fair value of these derivative financial instruments was calculated using rates obtained from the Company's financial institution for identical financial instruments. The following table summarizes the amounts of currency sale commitments, the average exchange rate and the favourable (unfavourable) exchange rate of forward contracts as at March 31, 2009, based on their remaining term.

	Contract amount	Average rate	Fair value
Remaining term			
Less than 12 months			
U.S. dollar forward contract	1 650 000	1.2203	(52 845)

#### Exchange risk

Because of its operations in the United States and Europe, the Company is subject to an exchange risk associated with fluctuations in the U.S. dollar and the euro. The table below shows the sensitivity of the Company's net loss and comprehensive loss to a 10% increase in the U.S. dollar and the euro against the Canadian dollar. An equivalent, opposite impact on net loss and comprehensive loss would arise from a 10% decrease in the U.S. dollar and the euro against the Canadian dollar.

	Impact of U.S. dollar	Impact of euro
Net loss and comprehensive loss	70 052	77 630

## Ranaz Corporation

### Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

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#### **13 - FINANCIAL INSTRUMENTS (Continued)**

##### *Interest rate risk*

Advances receivable and the long-term debt bear interest at a fixed rate and therefore expose the Company to a risk related to changes in fair value arising from changing interest rates.

A portion of the long-term debt and the bank loan bear interest at a variable rate and therefore expose the Company to a cash flow risk arising from changing interest rates.

The Company does not use financial derivatives to hedge its exposure to interest rates. A 1% fluctuation of the interest rates will not have a material impact on the current level of the loans.

##### *Credit risk*

Financial instruments that could expose the Company to credit risk are primarily cash, trade accounts and advances. The Company has deposited its cash in financial institutions with good reputations, and management considers the risk of losses to be negligible. The Company assesses the solvency of its customers and generally does not obtain security from them. Advances receivable are managed and evaluated quarterly to determine any loss in value. At March 31, 2009, management considered the Company's credit risk in relation to such financial assets to be low and accordingly no allowance for loss has been recorded.

Generally, the carrying amount on the balance sheet of the Company's financial assets exposed to credit risk, net of any applicable provisions for losses, represents the maximum amount exposed to credit risk.

##### *Liquidity risk*

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the Company has financing sources such as bank loans for a sufficient authorized amount. The Company establishes budgets and cash estimates to ensure it has the necessary funds to fulfil its obligations.

# Ranaz Corporation

## Notes to the Consolidated Financial Statements

(Figures to March 31, 2009 and for the three-month periods ended March 31, 2009 and 2008 are unaudited.)

### 14 - SEGMENTED INFORMATION

The Company has reviewed its activities and determined that it operates in a single reportable operating segment. The following information provides the required Company-wide disclosures:

	Three months ended March 31,	
	2009	2008
	\$	\$
Revenue by geographic location based on customer location		
Canada	1 697 136	1 498 205
United States	2 308 878	2 365 063
France	244 313	343 271
International	57 058	148 877
	<u>4 307 385</u>	<u>4 355 416</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>2009-03-31</u>	<u>2008-12-31</u>
	\$	\$
Property, plant and equipment by geographic location		
Canada	2 430 288	1 054 247
United States	43 484	1 066 859
	<u>2 473 772</u>	<u>2 121 106</u>
Goodwill by geographic location		
Canada	61 919	61 919
United States	937 417	937 417
	<u>999 336</u>	<u>999 336</u>