

SYSTAT SOFTWARE, INC.

AUDITED FINANCIAL STATEMENTS

TOGETHER WITH

INDEPENDENT AUDITOR'S REPORT

MARCH 31, 2015

SYSTAT SOFTWARE, INC.
AUDITED FINANCIAL STATEMENTS

CONTENTS	PAGE
INDEPENDENT AUDITOR'S REPORT	1-2
BALANCE SHEET	3
STATEMENT OF INCOME & RETAINED EARNINGS	4
STATEMENT OF CASH FLOW	5
NOTES TO FINANCIAL STATEMENTS	6-17

Continental Accounting Solutions, Inc.

Contact : 322 Culver Blvd
Playa Del Ray, CA 90293

Phone : (614) - 659 - 9310
Fax : (614) - 659 - 9311

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Systat Software, Inc.

We have audited the accompanying financial statements of Systat Software, Inc., a Delaware corporation, which comprise the balance sheets as of March 31, 2015 and 2014, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

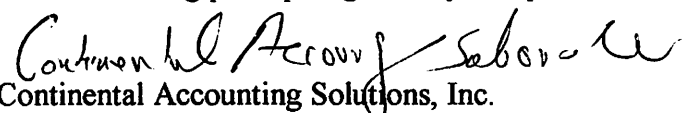
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expensing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Systat Software, Inc as of March 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America,


Continental Accounting Solutions, Inc.
Playa Del Ray, CA
May 18, 2015

SYSTAT SOFTWARE, INC.
BALANCE SHEET

	March 31, 2015	March 31, 2014
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 196,730	\$ 148,488
Accounts Receivable - Net	Note 2 368,955	342,367
Affiliate Co Receivable	Note 3 4,697,633	4,930,397
Inventory	Note 4 604	4,886
Employee Advances	Note 6 195,307	195,307
Prepaid Expenses & Other Current Assets	Note 5 67,151	76,583
Total Current Assets	5,526,380	5,698,028
PROPERTY & EQUIPMENT - Net	Note 7 -	-
INTANGIBLE ASSETS - Net	Note 8 11,118,036	12,962,145
PRODUCT IN PROGRESS	Note 12 86,000	-
OTHER ASSET		
Deferred Tax Asset-Net	Note 1 3,072,312	3,072,312
TOTAL ASSETS	19,802,728	21,732,485
LIABILITIES & SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	198,364	147,043
Accrued Liabilities	Note 9 250,396	204,768
Affiliate Co Loans Payable	Note 11 1,448,422	2,313,386
Other Affiliate Co Payables	Note 10 21,781,276	20,650,741
Total Current Liabilities	23,678,458	23,315,938
LONG TERM LIABILITIES	-	-
SHAREHOLDERS' EQUITY		
Common Stock: \$1.00 par value; 1,000,000		
Shares Authorized: 974,166 shares issued and outstanding at March 31, 2015.		
	974,166	974,166
Additional Paid in Capital	2,920,830	2,920,830
Retained Earnings	(7,770,726)	(5,478,449)
Total Shareholders' Equity	(3,875,730)	(1,583,453)
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	\$ 19,802,728	\$ 21,732,485

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc.
Auditor

Richard H. Gall
President

Mueed Khader
Director

Asif Khader
Treasurer

"The accompanying notes are an integral part of these financial statements"

SYSTAT SOFTWARE, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS

		<u>March 31, 2015</u>	<u>March 31, 2014</u>
REVENUE	Note 12	\$ 3,460,977	\$ 3,559,611
 COST OF REVENUE		<u>1,090,219</u>	<u>1,146,569</u>
GROSS PROFIT		2,370,758	2,413,042
 OPERATING EXPENSES			
Personnel Expenses		2,239,293	2,207,171
Sales, General & Administrative Expenses	Note 13	2,655,693	2,597,426
Total Operating Expenses		<u>4,894,986</u>	<u>4,804,597</u>
OPERATING INCOME / (LOSS)		(2,524,228)	(2,391,555)
 OTHER INCOME / EXPENSES			
Other Income/(Expenses)	Note 14	<u>232,751</u>	<u>2,489,754</u>
INCOME / (LOSS) BEFORE INCOME TAXES		(2,291,477)	98,199
Income Tax		(800)	(800)
Deferred Tax Benefit		<u>-</u>	<u>1,035,324</u>
NET INCOME / (LOSS)		(2,292,277)	1,132,723
 Beginning Retained Earnings		(5,478,449)	(6,611,172)
Ending Retained Earnings		<u>\$ (7,770,726)</u>	<u>\$ (5,478,449)</u>

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc.
Auditor

Richard H. Gall
President

Mueed Khader
Director

Asif Khader
Treasurer

"The accompanying notes are an integral part of these financial statements"

SYSTAT SOFTWARE, INC
STATEMENT OF CASH FLOW

March 31, 2015 March 31, 2014

Cash flows from operating activities:

Net income (loss)	\$ (2,292,277)	\$ 1,132,723
<u>Adjustment to reconcile net income (loss) to net cash used in operating activities:</u>		
Increase in deferred tax asset	-	(1,035,324)
Amortization	1,844,109	1,844,109
 <u>Changes in current assets and liabilities:</u>		
(Increase)/Decrease in accounts receivable	(26,588)	(33,072)
(Increase)/Decrease in affiliate company receivables	232,764	(279,120)
(Increase)/Decrease in inventory	4,282	11,584
(Increase)/Decrease in prepaid expenses & other current assets	9,432	(48,649)
Increase/(Decrease) in accounts payable	51,321	(29,090)
Increase/(Decrease) in accrued liabilities	45,628	(33,658)
Increase/(Decrease) in affiliate company payables	265,571	(1,466,647)
Net cash (used)/provided in operating activities	134,242	62,856

Cash flow from investing activities:

Product Development Costs	(86,000)	-
Net cash used in investing activities	(86,000)	-

Cash flow from financing activities:

Net increase/(net decrease) in cash and cash equivalents	48,242	62,856
Cash and cash equivalents at beginning of year	148,488	85,632
Cash and cash equivalents at end of year	\$ 196,730	\$ 148,488

SUPPLEMENTAL DISCLOSURES TO CASH FLOW STATEMENT

Interest paid	\$ 94,577	\$ 109,886
Taxes Paid	800	800

Per Our report attached

For and on behalf of the Board

Continental Accounting Solutions
Auditor

Richard H. Gall
President

Mueed Khader
Director

Asif Khader
Treasurer

"The accompanying notes are an integral part of these financial statements"

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company

Systat Software Inc., (“Systat” or the Company) was incorporated in September 18, 2000 as a Delaware Corporation, and was subsequently qualified and authorized to transact intrastate business in the state of California on October 12, 2001. Systat is a wholly owned subsidiary of Cranes Software International Limited (“CSIL” or Cranes”), located in India. The Company’s products are primarily used by organizations to integrate and analyze operational data in the process of formulating strategies more effectively. This process is commonly known as “data mining” or “data analysis using advanced analytical techniques”. Analytical solutions include products and services sold for customer relationship management, business intelligence and general purpose statistical analysis.

The Company acquired marketing and other rights under various agreements to own, use modify, enhance and sell certain software products primarily from two companies namely, AISN Inc. and SPSS Inc. The Company’s research and development activities and core technology are managed by Cranes International Ltd. located in India.

The Company is fully owned and managed by Cranes Software International Limited, Bangalore, India. Accordingly, the Company’s future success or failure is largely dependant upon the management decisions of, and continued support by the parent company.

On December 18, 2003, CSIL acquired a series of product lines called Sigma Plot from SPSS, Inc. Following the acquisition, the Company commenced the marketing and distribution of these products.

On November 30, 2006, Systat Software, Inc., registered a branch in UK to facilitate its operations and accordingly the operations of the UK branch is combined with the operations of Systat Software, Inc.

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets & liabilities and disclosures of contingent assets & liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue when a particular product is sold or a related service is rendered, which is in accordance with generally accepted accounting principles. (GAAP)

Software Development and Acquisitions Costs

Software development and acquisition costs incurred by Systat in connection with the Company's long-term development projects are capitalized in accordance with Generally Accepted Accounting Principles. In accordance with Generally Accepted Accounting Principles, Research and Development cost are written off when incurred.

Cash & Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Company deposits cash and cash equivalents with high credit quality financial institutions.

Concentration of Credit risk:

The financial instruments that subject the Company to a potential credit risk are cash and accounts receivable.

Cash: The Company's cash is held at financial institutions, each of which provides Federal Deposit Insurance coverage up-to \$250,000. However as of March 31, 2015 and 2014 the cash balance at these financial institutions did not exceed this amount.

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

Trade Accounts Receivable: The Company provides goods and services to its customers based on the evaluation of the customers' credit worthiness without requiring any collateral. However a reasonable allowance in the amount of \$15,000 is provided on the financial statements to mitigate the risk of any anticipated losses.

Advertising & Marketing:

It is the policy of the Company to expense all advertising and marketing costs (if any) during the periods to which such advertising costs pertain. The Company does not capitalize any advertising or marketing costs. During the year ended March 31, 2015 and 2014 the company incurred \$ 91,759 and \$ 64,765 respectively in advertising and marketing costs.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the related assets using the Straight Line method of Depreciation. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend the useful lives, efficiency or value of the assets are capitalized. It is the policy of the Company to capitalize any acquired asset which has cost of \$1,000 or more, and provide for a full year's depreciation in the year of purchase and no depreciation in the year of sale. The Company has the following estimated useful lives for the following categories of assets.

<u>Description</u>	<u>Useful Life</u>	<u>Method</u>
Computers & Equipment	3 years	Straight Line
Leasehold Improvements	Shorter of 5 years or remaining Lease term	Straight Line
Software	3 - 15 years	Straight Line
Furniture & Fittings	7 years	Straight Line

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

Income Tax

The Company is a "C" Corporation under the Internal Revenue Code and is taxed at graduated rates based on its Taxable income for Federal and State Income Tax. However there will not be any federal income tax liability due to the net operating loss sustained in the prior years. The Company will still incur a minimum tax liability in the US at state level.

Deferred Tax

Generally Accepted Accounting Principles requires recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the book and tax basis of assets and liabilities. Under this method deferred tax assets and liabilities are determined using the current applicable enacted tax rates and provisions of the enacted tax law. However the Company does not provide for deferred income tax for temporary differences resulting from the amounts of assets & liabilities reported for financial reporting purposes and amounts reported for tax purposes as these amounts are immaterial mainly due to the Company being an accrual basis tax payer. However a deferred tax asset in the amount of \$ 4,121,163 has been calculated based on the Company's net operating losses. This deferred tax asset essentially is an income tax benefit the Company would be entitled to receive on all future income tax it would incur on future taxable income. However based upon the available evidence management of the Company is of the view that it is probable that that the Company will not generate sufficient future taxable income to realize all of the income tax benefit and hence a deferred tax valuation allowance in the amount of \$ 1,048 851 has been created to offset 100% of the deferred tax assets calculated for year ended March 31, 2015, to reflect a net deferred tax asset of \$ 3,072,312 on the financial statements as of March 31, 2015 and 2014.

Common Stock

As of March 31, 2015 the Company had issued an aggregate of 974,166 shares of common stock with par value of \$1.00 each.

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

Software Products

The Company acquired marketing and other rights to own, use, modify, enhance and sell certain product lines primarily for two major software companies namely AINS Inc. and SPSS Inc. These product lines, considered to be long-lived assets, are amortized over 15 years. Long lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount should be evaluated. Factors leading to impairment include a combination of historical losses; anticipated future losses and inadequate cash flow. The assessment of recoverability is based on management's estimate. The management has determined that as of March 31, 2015 and 2014 there has been no impairment in the carrying values of long-lived assets.

2. ACCOUNTS RECEIVABLE

Trade accounts receivable consists for balances due from account holders, net of a provision for estimated returns as follows.

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Trade Accounts Receivable	\$ 383,955	\$ 357,367
Less: Allowance for Doubtful Accounts	(15,000)	(15,000)
Accounts Receivable - Trade (net)	<u>\$ 368,955</u>	<u>\$ 342,367</u>

3. AFFILIATE COMPANY RECEIVABLE

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Due from Mpower Global, Inc.	\$ 8,000	5,000
Due from Cranes Software, Inc-MI	4,689,633	\$ 4,666,277
Due From Cubeware Inc. USA		259,120
Net Balance Due	<u>\$ 4,697,633</u>	<u>\$ 4,930,397</u>

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

4. INVENTORY

The inventory as of March 31, 2015 was valued at cost or net realizable value whichever is lower. The inventory cost includes the cost of software replication, manuals and other related costs incurred in the process of making the software available for sale, excluding the amortization of the acquired software product costs. Management has determined that all inventories shown on the balance sheet are recoverable for the value shown. The inventory is held at a third party software replication and fulfillment center.

5. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Prepaid Expenses	\$ 3,825	\$ 13,032
Refundable Deposits	63,326	63,551
Total	<u>\$ 67,151</u>	<u>\$ 76,583</u>

6. EMPLOYEE ADVANCE

The employee advance in the amount of \$195,307 represents an informal loan given to an employee. The loan is an interest free loan with no specific repayment terms and is due upon demand.

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

7. **PROPERTY AND EQUIPMENT:** Property and equipment consist of the following as of March 31, 2015.

	April 1, 2014	<u>Additions</u>	<u>Disposals</u>	March 31, 2015	April 1, 2014	Dep. For The Year	Acc.Dep. Disposals	March 31, 2015	Net March 31, 2015
LHI	\$ 9,470	\$ -	\$ -	\$ 9,470	\$ 9,470	\$ -	\$ -	\$ 9,470	\$ -
Equipment	65,575	-	-	65,575	65,575	-	-	65,575	-
Software	87,026	-	-	87,026	87,026	-	-	87,026	-
Furniture & Fixtures	14,103	-	-	14,103	14,103	-	-	14,103	-
Total	\$ 176,174	\$ -	\$ -	\$ 176,174	\$ 176,174	\$ -	\$ -	\$ 176,174	\$ -

8. **INTANGIBLE ASSETS:** As of March 31, 2015, the company had the following intangible assets as a result of various purchases and consulting agreements entered into between Systat, AISN Inc and SPSS Inc.

	April 1, 2014	<u>Additions</u>	<u>Disposals</u>	March 31, 2015	Amortization April 1, 2014	Amortization For The Year	Acc. Amortization Disposals	March 31, 2015	Net March 31, 2015
AISN									
Auto Signal	\$ 90,000	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ 90,000	\$ -
TC 2D; TC 3D - PeakFit	360,016	-	-	360,016	360,016	-	-	360,016	-
SPSS Systat Software	27,661,638	-	-	27,661,638	14,699,493	1,844,109	-	16,543,602	11,118,036
Total	\$ 28,111,654	\$ -	\$ -	\$ 28,111,654	\$ 15,149,509	\$ 1,844,108	\$ -	\$ 16,993,618	\$ 11,118,036

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

9. ACCRUED LIABILITIES

Accrued Liabilities consist of the following:

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Sales Tax Payable	\$ 1,060	\$ 1,482
Accrued Vacation	185,625	163,686
Royalties Payable	23,873	22,621
Commissions Payable	3,800	1,500
CTA Payable	157	136
Payroll Tax Payable-UK	7,495	7,571
Value Added Tax-UK	8,353	5,995
Accrued Expenses-UK	20,033	1,777
Total	<u>\$ 250,396</u>	<u>\$ 204,768</u>

10. AFFILIATE COMPANY PAYABLES

This represents the balance owed by Systat Software, Inc., to Cranes Software International Limited and Systat Software GMBH for payments made on behalf of the Company.

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Due to Cranes Software Int. Ltd-India	\$ 21,589,914	\$ 20,638,055
Due to Systat Software-GMBH	191,362	644,486
Total	<u>\$ 21,781,276</u>	<u>\$ 21,282,541</u>

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

11. LOANS PAYABLE TO AFFILIATED COMPANIES

As of March 31, 2015, the Company had two loans payable to two Affiliated Companies, the details of which are as follows.

1. A loan in the amount of \$ 1,170,000 obtained during October 2011 with an annual interest rate of 6% on which the principal balance as of March 31, 2015 amounted to \$ 937,210. This loan is unsecured and is due upon demand.

2. A loan in the amount of \$ 631,800 obtained during January of 2013 with an annual interest rate of 4% on which the principal balance as of March 31, 2015 amounted to \$ 511,212. This loan is unsecured and is due upon demand.

12. REVENUE

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Auto signal	\$ 6,931	\$ 7,160
Table Curve 2D & 3D	70,111	78,038
Peakfit	22,667	16,186
Systat Product Line	343,561	340,715
Sigma Plot	2,256,118	2,413,616
Sigma Scan	12,160	16,993
Sigma Stat	-	425
Affiliate Company Sales (Gmbh)	88,557	36,479
Affiliate Company Sales (Cranes)	-	2,460
Affiliate Company Sales (SS UK)	83,098	13,010
UK Branch Sales	547,499	591,835
Freight Recovered	32,676	42,694
Sales Returns	(2,401)	-
Total	<u>\$ 3,460,977</u>	<u>\$ 3,559,611</u>

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

13. SALES, GENERAL AND ADMINISTRATIVE EXPENSES

The following consists of the sales, general and administrative expenses.

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Audit & Accounting Fee	\$ 15,500	\$ 15,500
Freight, Postage & Delivery	2,327	2,667
Internet/Website Expenses	13,661	20,887
Rent	272,890	262,677
Utilities	2,365	2,017
Telephone	98,525	90,329
Repairs and Maintenance	879	4,840
Advertising & Promotion	91,759	64,765
Insurance	435	4,454
Travel & Lodging	77,337	97,651
Property & Other Taxes	8,403	7,137
Permits and Licenses	15,496	14,327
Credit Card Merchant Fees	63,046	63,884
Outside Services	27,184	3,000
Bank Charges	13,006	10,443
Legal & Professional fees	3,642	10,684
Sales Commissions	28,706	10,138
Office Expenses	54,179	52,346
Amortization	1,844,109	1,844,109
Payroll Expenses	11,309	10,204
Moving Expenses	5,949	-
Miscellaneous Expenses	4,986	5,367
Total	<u>\$ 2,655,693</u>	<u>\$ 2,597,426</u>

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

**SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

14. OTHER INCOME / EXPENSES

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Exchange Fluctuations	\$ 327,239	\$ (14,707)
Other Income/ Expenses	-	13,800
Interest Income	89	547
Interest Expense	(94,577)	(109,886)
Write-off Parent Co Payable	-	2,600,000
Total	<u>\$ 232,751</u>	<u>\$ 2,489,754</u>

15. LEASE COMMITMENTS

The Company currently leases office space under two separate lease agreements in San Jose and Chicago, IL.

The San Jose office commenced on March 1, 2015 for a period of five years and calls for a minimum monthly base rent of \$ 8,016.

The Chicago office lease commenced on July 1, 2012 for a period of five years and calls for a minimum monthly base payment of \$ 3,592.

Future minimum lease payments under all office space leases for the year ended March 31, is as follows.

<u>Year</u>	<u>Amount</u>
2016	\$ 139,296
2017	142,092
2018	112,980
2019	105,000
2020	99,198

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer

SYSTAT SOFTWARE, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

16. 401(K) PROFIT SHARING PLAN

The Company has a 401(K) plan to which eligible employees can contribute. The plan also provides for discretionary match by the employer. During the year ended March 31, 2015 and the company contributed \$ 44,420 \$ 45,320 respectively to the 401(K) plan.

17. PRODUCT IN PROGRESS

The product in progress in the amount of \$ 86,000 represents the product development costs incurred to date on the ongoing development of Systat Software version 13.1. Once product development is completed the software will be marketed in the United States, Europe and Asia. Management anticipates that development of this version will be completed sometime during fiscal year ending March 31, 2017.

18. CONCENTRATION OF REVENUE

Over 80% of the company's revenue for the year ended March 31, 2015 and 2014 was derived from the sale of a software product called the "Sigma Plot". Any material reduction in the sales of this software product, if it were to occur, will no doubt have a significant impact on the Company's operations and activities.

19. SUBSEQUENT EVENTS

Generally accepted accounting principles defines subsequent events as events or transactions that occur after the statement of financial position date, but before the financial statements are issued or are available to be issued. Management has evaluated subsequent events through May 18th 2015, the date on which the financial statements were available to be issued.

Per our report attached

For and on behalf of the Board

Continental Accounting Solutions, Inc. Richard H. Gall
Auditor President

Mueed Khader
Secretary

Asif Khader
Treasurer