

WIRELESS RONIN TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, <u>2007</u> (unaudited)	December 31, <u>2006</u> (audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$14,542,280	\$8,273,388
Marketable securities — available-for-sale	14,657,635	7,193,511
Accounts receivable, net of allowance of \$84,685 and \$23,500	4,135,402	1,128,730
Income tax receivable	231,328	
Inventories	539,140	255,850
Prepaid expenses and other current assets	817,511	148,024
Total current assets	34,923,296	16,999,503
Property and equipment, net	1,780,390	523,838
Intangible assets, net of accumulated amortization	3,174,804	—
Restricted cash	450,000	—
Other assets	40,217	22,586
TOTAL ASSETS	\$40,368,707	\$17,545,927
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$100,023	\$106,311
Accounts payable	1,387,327	948,808
Deferred revenue	1,252,485	202,871
Accrued purchase price consideration	999,974	
Accrued liabilities	869,759	394,697
Total current liabilities	4,609,568	1,652,687
Capital lease obligations, less current maturities	70,960	155,456
Total liabilities	4,680,528	1,808,143
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Capital stock, \$0.01 par value, 66,666,666 shares authorized		
Preferred stock, 16,666,666 shares authorized, no shares issued and outstanding at December 31, 2007 and December 31, 2006	—	—
Common stock, 50,000,000 shares authorized; 14,537,705 and 9,825,621 shares issued and outstanding at December 31, 2007 and December 31, 2006, respectively	145,377	98,256
Additional paid-in capital	78,742,311	49,056,509
Accumulated deficit	(43,520,098)	(33,433,713)
Accumulated other comprehensive income	320,589	16,732
Total shareholders' equity	35,688,179	15,737,784
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$40,368,707	\$17,545,927

WIRELESS RONIN TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	(unaudited)	(audited)	(unaudited)	(audited)
Sales				
Hardware	\$ 348,262	\$ 889,128	\$ 3,298,078	\$ 1,852,678
Software	125,905	266,667	597,923	1,107,913
Services and other	<u>1,135,514</u>	<u>72,180</u>	<u>2,088,912</u>	<u>184,798</u>
Total sales	1,609,681	1,227,975	5,984,913	3,145,389
Cost of sales				
Hardware	287,026	723,816	2,286,695	1,429,585
Software	-	-	1,007	-
Services and other	846,271	18,777	1,531,647	78,272
Inventory lower of cost or market	<u>73,018</u>	<u>37,410</u>	<u>73,018</u>	<u>37,410</u>
Total cost of sales	<u>1,206,315</u>	<u>780,003</u>	<u>3,892,367</u>	<u>1,545,267</u>
Gross profit	403,366	447,972	2,092,546	1,600,122
Operating expenses:				
Sales and marketing expenses	812,331	404,875	2,805,522	1,462,667
Research and development expenses	370,677	251,936	1,197,911	875,821
General and administrative expenses	3,213,703	1,097,185	8,700,142	3,579,968
Termination of partnership agreement	<u>50,000</u>	<u>-</u>	<u>703,995</u>	<u>-</u>
Total operating expenses	<u>4,446,711</u>	<u>1,753,996</u>	<u>13,407,570</u>	<u>5,918,456</u>
Operating loss	(4,043,345)	(1,306,024)	(11,315,024)	(4,318,334)
Other income (expenses):				
Interest expense	(7,974)	(7,174,595)	(40,247)	(10,124,216)
Loss on debt modification	-	-	-	(367,153)
Interest income	377,732	13,081	1,277,456	21,915
Other	<u>-</u>	<u>(1,912)</u>	<u>(8,572)</u>	<u>51</u>
Total other income (expense)	<u>369,757</u>	<u>(7,163,426)</u>	<u>1,228,637</u>	<u>(10,469,403)</u>
Net loss	<u>\$ (3,673,588)</u>	<u>\$ (8,469,450)</u>	<u>\$ (10,086,387)</u>	<u>\$ (14,787,737)</u>
Basic and diluted loss per common share	<u>\$ (0.25)</u>	<u>\$ (2.33)</u>	<u>\$ (0.82)</u>	<u>\$ (9.71)</u>
Basic and diluted weighted average shares outstanding	<u>14,534,335</u>	<u>3,634,621</u>	<u>12,314,178</u>	<u>1,522,836</u>

WIRELESS RONIN TECHNOLOGIES, INC
2007 SUPPLEMENTARY QUARTERLY FINANCIAL DATA

Supplementary Data

Income (Loss) Statement	2006					TOTAL	2007				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter			First Quarter	Second Quarter	Third Quarter	Fourth Quarter	TOTAL
Sales	\$ 601,565	\$ 332,661	\$ 983,188	\$ 1,227,975	\$ 3,145,389	\$ 196,436	\$ 3,054,863	\$ 1,123,933	\$ 1,609,681	\$ 5,984,913	
Cost of Sales	227,188	206,743	331,333	780,003	1,545,267	103,263	1,873,024	709,765	1,206,315	3,892,367	
Operating Expenses	1,656,819	1,294,466	1,213,172	1,753,999	5,918,456	3,284,664	2,430,602	3,245,593	4,446,711	13,407,570	
Interest Expense	479,084	868,113	1,602,424	7,174,595	10,124,216	10,881	9,634	11,758	7,974	40,247	
Loss on debt modification	171,954	195,199	-	-	367,153	-	-	-	-	-	
Other	(837)	(6,209)	(3,750)	(11,170)	(21,966)	(151,807)	(278,686)	(460,659)	(377,732)	(1,268,884)	
Net Loss	\$ (1,932,643)	\$ (2,225,651)	\$ (2,159,991)	\$ (8,469,452)	\$ (14,787,737)	\$ (3,050,565)	\$ (979,711)	\$ (2,382,524)	\$ (3,673,587)	\$ (10,086,387)	
FASB 123R (included in operating Expenses)	373,568	156,105	91,735	165,806	787,214	596,020	136,339	148,544	286,268	1,167,171	

Reconciliation Between GAAP and Adjusted Operating Loss

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2007	2006	2007	2006
GAAP Operating Loss	\$ (4,043,345)	\$ (1,306,024)	\$ (11,315,024)	\$ (4,318,334)
Adjustments:				
Depreciation and amortization	385,981	566,439	651,598	1,196,027
Old Building Remaining Lease Oblig.W/O			191,207	
Termination partnership agreement	50,000		703,995	
Stock-based compensation expense	286,268	165,806	1,167,171	787,214
Total Operating Expense Adjustment	722,249	732,245	2,713,971	1,983,241
Adjusted Operating Loss	\$ (3,321,096)	\$ (573,779)	\$ (8,601,053)	\$ (2,335,093)

Reconciliation Between GAAP and Adjusted Gross Margin

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2007	2006	2007	2006
GAAP Sales	1,609,681	1,227,975	5,984,913	3,145,389
Deferred customer revenue (1)	808,291	0	898,066	0
Network Operating Center	(11,630)	0	(19,190)	0
Adjusted Revenue	2,406,342	1,227,975	6,863,789	3,145,389
GAAP Cost of Sales	1,206,315	780,003	3,892,367	1,545,267
Deferred customer costs	476,679	0	476,679	0
Inventory adjustment	(73,018)	(37,410)	(73,018)	(37,410)
Network Operating Center	(98,806)	0	(212,973)	0
Adjusted Cost of Sales	1,511,170	742,593	4,083,055	1,507,857
Adjusted Non-GAAP Gross Profit	895,172	485,382	2,780,734	1,637,532
GAAP Gross Profit Margin	25.1%	36.5%	35.0%	50.9%
Adjusted Non-GAAP Gross Profit Margin	37.2%	39.5%	40.5%	52.1%

(1) Excludes \$52,000 of deferred NOC fees.