

WIRELESS RONIN TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

	September 30,	December 31,
	<u>2008</u>	<u>2007</u>
	(unaudited)	(audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$10,576,983	\$14,542,280
Marketable securities — available for sale	6,928,129	14,657,635
Accounts receivable, net of allowance of \$78,127 and \$84,685	1,891,472	4,135,402
Income tax receivable	109,805	231,328
Inventories	925,209	539,140
Network equipment held for sale	1,937,162	-
Prepaid expenses and other current assets	325,776	817,511
Total current assets	22,694,536	34,923,296
Property and equipment, net	2,168,931	1,780,390
Intangible assets, net of accumulated amortization	2,593,124	3,174,804
Restricted cash	450,000	450,000
Other assets	37,768	40,217
TOTAL ASSETS	\$27,944,359	\$40,368,707
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of capital lease obligations	\$73,643	\$100,023
Accounts payable	1,856,041	1,387,327
Deferred revenue	443,835	1,252,485
Accrued purchase price consideration	999,974	999,974
Accrued liabilities	1,457,849	869,759
Total current liabilities	4,831,342	4,609,568
Capital lease obligations, less current maturities	15,413	70,960
Total liabilities	4,846,755	4,680,528
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	—	—
Common stock, 50,000,000 shares authorized; 14,764,454 and 14,537,705 shares issued and outstanding at September 30, 2008 and December 31, 2007, respectively	147,645	145,377
Additional paid-in capital	80,194,295	78,742,311
Accumulated deficit	(57,312,066)	(43,520,098)
Accumulated other comprehensive income	67,730	320,589
Total shareholders' equity	23,097,604	35,688,179
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$27,944,359	\$40,368,707

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

	Three Months Ended		Nine Months Ended	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(unaudited)	(audited)	(unaudited)	(audited)
Sales				
Hardware	\$ 738,166	\$ 429,578	\$ 1,997,546	\$ 2,949,816
Software	432,430	119,179	734,658	472,018
Services and other	778,936	575,176	2,747,065	953,398
Total sales	<u>1,949,532</u>	<u>1,123,933</u>	<u>5,479,269</u>	<u>4,375,232</u>
Cost of sales				
Hardware	665,723	263,961	1,751,653	1,999,669
Software	217,829	1,007	217,829	1,007
Services and other	963,705	444,797	2,946,912	685,376
Total cost of sales	<u>1,847,257</u>	<u>709,765</u>	<u>4,916,394</u>	<u>2,686,052</u>
Gross profit	102,275	414,168	562,875	1,689,180
Operating expenses:				
Sales and marketing expenses	927,085	715,016	3,256,883	1,993,191
Research and development expenses	792,832	319,945	1,836,741	827,234
General and administrative expenses	3,134,171	2,210,632	9,801,140	5,486,439
Termination of partnership agreement	-	-	-	653,995
Total operating expenses	<u>4,854,088</u>	<u>3,245,593</u>	<u>14,894,764</u>	<u>8,960,859</u>
Operating loss	(4,751,813)	(2,831,425)	(14,331,889)	(7,271,679)
Other income (expenses):				
Interest expense	(5,135)	(11,758)	(18,892)	(32,273)
Interest income	121,707	467,740	563,215	899,724
Other	(35)	(7,081)	(4,402)	(8,572)
Total other income (expense)	<u>116,537</u>	<u>448,901</u>	<u>539,921</u>	<u>858,879</u>
Net loss	<u>\$ (4,635,276)</u>	<u>\$ (2,382,524)</u>	<u>\$ (13,791,968)</u>	<u>\$ (6,412,800)</u>
Basic and diluted loss per common share	<u>\$ (0.31)</u>	<u>\$ (0.17)</u>	<u>\$ (0.94)</u>	<u>\$ (0.55)</u>
Basic and diluted weighted average shares outstanding	<u>14,764,345</u>	<u>14,369,262</u>	<u>14,629,278</u>	<u>11,565,993</u>

WIRELESS RONIN TECHNOLOGIES, INC
2008 SUPPLEMENTARY QUARTERLY FINANCIAL DATA
(Unaudited)

Supplementary Data

Statement of Operations	2007					2008				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
Sales	\$ 196,436	\$ 3,054,863	\$ 1,123,933	\$ 1,609,681	\$ 5,984,913	\$ 1,933,514	\$ 1,596,223	\$ 1,949,532		\$ 5,479,269
Cost of Sales	103,263	1,873,024	709,765	1,206,315	3,892,367	1,534,796	1,534,341	1,847,257		4,916,394
Operating Expenses	3,284,664	2,430,602	3,245,593	4,446,709	13,407,568	4,860,861	5,179,815	4,854,088		14,894,764
Interest Expense	10,881	9,634	11,758	7,974	40,247	7,197	6,560	5,135		18,892
Other	(151,807)	(278,686)	(460,659)	(377,732)	(1,268,884)	(272,084)	(165,057)	(121,672)		(558,813)
Net Loss	\$ (3,050,565)	\$ (979,711)	\$ (2,382,524)	\$ (3,673,587)	\$ (10,086,387)	\$ (4,197,256)	\$ (4,959,436)	\$ (4,635,276)		\$ (13,791,968)
FASB 123R (included in operating Expenses)	596,020	136,339	148,544	286,268	1,167,171	395,219	305,910	200,869		901,998
Weighted avg shares	9,832,288	10,446,571	14,369,262	14,534,335	12,314,178	14,544,181	14,577,825	14,764,345		14,629,278

Reconciliation Between GAAP and Adjusted Operating Loss

GAAP Operating Loss	\$ (3,191,491)	\$ (1,248,763)	\$ (2,831,425)	\$ (4,043,343)	\$ (11,315,022)	\$ (4,462,143)	\$ (5,117,933)	\$ (4,751,813)		\$ (14,331,889)
Adjustments:										
Depreciation and amortization	66,366	74,407	124,844	385,940	651,557	250,946	336,715	295,986		883,647
Old Building Remaining Lease Oblig.W/O	-	-	191,207	-	191,207	-	-	-		-
Termination partnership agreement	653,995	-	-	50,000	703,995	-	-	-		-
Stock-based compensation expense	596,020	136,339	148,544	286,268	1,167,171	395,219	305,910	200,869		901,998
Total Operating Expense Adjustment	1,316,381	210,746	464,595	722,208	2,713,930	646,165	642,625	496,855	-	1,785,645
Adjusted Operating Loss	\$ (1,875,110)	\$ (1,038,017)	\$ (2,366,830)	\$ (3,321,135)	\$ (8,601,092)	\$ (3,815,978)	\$ (4,475,308)	\$ (4,254,958)	\$ -	\$ (12,546,244)
	\$ (0.19)	\$ (0.10)	\$ (0.16)	\$ (0.23)	\$ (0.70)	\$ (0.26)	\$ (0.31)	\$ (0.29)	\$ -	\$ (0.86)

Reconciliation Between GAAP and Adjusted Gross Margin

GAAP Sales	196,436	3,054,863	1,123,933	1,609,681	5,984,913	1,933,514	1,596,223	1,949,532		5,479,269
Deferred customer revenue	-	-	89,775	808,291	898,066	-	79,730	-		79,730
Network Operating Center	-	-	(6,510)	(11,630)	(18,140)	(95,664)	(39,036)	(99,019)		(233,719)
Adjusted Revenue	196,436	3,054,863	1,207,198	2,406,342	6,864,839	1,837,850	1,636,917	1,850,513	0	5,325,280
GAAP Cost of Sales	103,263	1,873,024	709,765	1,206,315	3,892,367	1,534,796	1,534,341	1,847,257		4,916,394
Deferred customer costs	-	-	-	476,679	476,679	47,826	50,538	-		98,364
Inventory adjustment	-	-	-	(73,018)	(73,018)	-	-	-		-
Network Operating Center	-	(33,375)	(74,127)	(98,806)	(206,308)	(190,955)	(281,100)	(317,807)		(789,862)
Adjusted Cost of Sales	103,263	1,839,649	635,638	1,511,170	4,089,720	1,391,667	1,303,779	1,529,450	0	4,224,896
Adjusted Non-GAAP Gross Profit	93,173	1,215,214	571,560	895,172	2,775,119	446,183	333,138	321,063	0	1,100,384
GAAP Gross Profit Margin	47.4%	38.7%	36.8%	25.1%	35.0%	20.6%	3.9%	5.2%		10.3%
Adjusted Non-GAAP Gross Profit Margin	47.4%	39.8%	47.3%	37.2%	40.4%	24.3%	20.4%	17.3%		20.7%