

## CYBERPLEX

### CYBERPLEX reports revenue up 118 percent

*US revenue for the quarter accounts for 35 percent as company continues aggressive expansion into US market.*

TORONTO, ON, Nov. 16, 1999-CYBERPLEX, Inc. (TSE:CX), one of North America's leading Internet professional service firms, today announced that revenue for the nine months ending September 30, 1999 was \$13, 998,755 which represents an increase of 118 percent over the same period last year. In addition, the company's third quarter revenue increased by more than 90% over the same period last year and 45 percent over the previous quarter. CYBERPLEX also reported an operating profit (EBITDA) of \$148,000 for the three-month period as it continues to experience rapid growth in both the US and Canada.

"Our exceptional performance this quarter was a direct result of the increased market demand for our unique approach to delivering what clients really need: sustainable business results," said Dean Hopkins, president of CYBERPLEX. "At the same time, we continued to add and build upon our relationships with high-profile clients such as Ford, 3M, Dell, Hewlett Packard and Tivoli in order to attack and solve their toughest e-business problems."

"To keep pace with the increasing demand for worldwide Internet solutions, we will accelerate our investments in the United States as we continue our commitment to recruiting, training and retaining people," said Geoffrey Rotstein, chief financial officer of CYBERPLEX. "We are aggressively executing our plan to penetrate the US market and are already benefiting from our investments in the North Carolina, Texas and San Francisco offices."

#### Recent Success at CYBERPLEX

CYBERPLEX is seeing its investments pay off in new client relationships. The company recently announced the dual launch of the new Ford of Canada site as well as the Ford Focus site for their new client Ford Motor Company of Canada, Limited. CYBERPLEX is now Interactive Agency of Record for all Ford of Canada.

Additionally, there are new projects underway for a number of firms, including a major U.S. e-services firm, a U.S. women's specialty retailer and a U.S. dot.com company that is launching a unique business-to-business approach.

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#### About CYBERPLEX

CYBERPLEX is one of North America's leading Internet professional services companies helping business leaders deliver measurable results, in record time, with one-stop Internet solutions. With blue chip clients including Dell, Tivoli, Hewlett Packard, Ford and 3M, CYBERPLEX is frequently the firm of choice for large and complex Internet-based business solutions. CYBERPLEX's unique approach fuses management consulting strategies with cutting-edge technologies and award-winning multimedia creative to build Internet solutions that deliver results. Headquartered in Toronto, CYBERPLEX has offices in Halifax, Waterloo, Austin and Dallas, Texas, San Francisco, California and Charlotte, North Carolina. CYBERPLEX is publicly traded on the Toronto Stock Exchange under the symbol (TSE:CX) and is located at [www.cyberplex.com](http://www.cyberplex.com)

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## CYBERPLEX 3<sup>RD</sup> QUARTER REPORT

# CYBERPLEX

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## CYBERPLEX

### CONSOLIDATED BALANCE SHEET

	As at September 30, 1999 (unaudited)	As at September 30, 1998 (unaudited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	12,309,729	3,351,741
Accounts receivable	6,090,650	3,112,882
Work in progress	388,919	119,647
Income tax recoverable	194,265	62,752
Prepays and sundry assets	<u>574,402</u>	<u>89,186</u>
	19,557,965	6,736,208
Loan Receivable	-	250,000
Software development costs (net of accum. amort. of \$161,639)	101,380	147,131
Capital assets (net of accum. amort. of \$822,742)	2,126,566	1,191,680
Goodwill (net of accum. amort. of \$583,109)	6,075,409	3,854,218
	<u>27,861,320</u>	<u>12,179,237</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable & accrued liabilities	2,156,984	1,082,155
Unearned revenue	413,089	35,000
Income taxes payable	-	483,635
Current portion of lease obligations	<u>79,546</u>	<u>183,180</u>
	2,649,619	1,783,970
Obligations Under Capital Leases	104,211	307,241
Deferred Income Taxes	<u>9,810</u>	<u>(77,310)</u>
	<u>2,763,640</u>	<u>2,013,901</u>
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock	25,911,242	9,306,321
Retained earnings	<u>(813,562)</u>	<u>859,015</u>
	<u>25,097,680</u>	<u>10,165,336</u>
	<u>27,861,320</u>	<u>12,179,237</u>

## CYBERPLEX

### CONSOLIDATED STATEMENT OF OPERATIONS AND RETAINED EARNINGS

	Nine months ending September 30, 1999 (unaudited)	Nine months ending September 30, 1998 (unaudited)
<b>REVENUE</b>	<b>13,998,755</b>	<b>6,428,667</b>
<b>Direct Costs</b>	<u>7,346,440</u>	<u>3,080,522</u>
<b>Gross Profit</b>	<b>6,652,316</b>	<b>3,348,145</b>
<b>EXPENSES</b>		
Salaries and administration	7,088,154	2,115,045
Interest on capital leases	13,764	5,654
Amortization - Capital assets	426,668	120,676
Amortization - Software development	32,604	-
Amortization - Goodwill	<u>413,529</u>	<u>60,000</u>
<b>Total Expenses</b>	<b>7,974,719</b>	<b>2,301,375</b>
<b>Earnings - Before income taxes</b>	<b>(1,322,404)</b>	<b>1,046,770</b>
<b>Income Taxes</b>		
Current	(97,892)	483,635
<b>NET EARNINGS</b>	<b>(1,224,512)</b>	<b>563,135</b>
Retained earnings - Beginning of year	<u>410,950</u>	<u>295,880</u>
<b>Retained earnings - End of period</b>	<b>(813,562)</b>	<b>859,015</b>
Earnings per share	(0.06)	0.03
Earnings per share (fully diluted)	(0.05)	0.03

## CYBERPLEX

### CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ending September 30, 1999 (unaudited)	Nine months ending September 30, 1998 (unaudited)
<b>OPERATING ACTIVITIES</b>		
Net income	(1,224,512)	563,135
Amortization	872,801	180,676
Changes in non-cash operating elements of working capital	<u>(4,083,216)</u>	<u>(1,159,994)</u>
<b>Cash (used in) provided by operations</b>	<b>(4,434,927)</b>	<b>(416,183)</b>
<b>FINANCING ACTIVITIES</b>		
Issue of common shares for cash, net of issue costs	14,177,177	3,538,193
Issue of common shares on acquisition of subsidiary	-	4,000,000
Repayment of capital leases	<u>(59,595)</u>	<u>244,035</u>
<b>Cash provided by financing activities</b>	<b>14,117,582</b>	<b>7,782,228</b>
<b>INVESTING ACTIVITIES</b>		
Software development costs	-	(18,000)
Capital asset additions	(1,096,920)	(715,113)
Acquisition of subsidiary	-	(4,200,000)
Bank indebtedness assumed on acquisition of subsidiary	-	(389,717)
Loan Receivable	<u>300,000</u>	<u>-</u>
<b>Cash used in investing activities</b>	<b>(796,920)</b>	<b>(5,322,830)</b>
Increase (Decrease) in cash and cash equivalents	8,885,735	(2,043,215)
Cash and cash equivalents - Beginning of period	<u>3,423,994</u>	<u>1,308,526</u>
<b>Cash and cash equivalents - End of period</b>	<b>12,309,729</b>	<b>3,351,741</b>