NOTICE TO READER
The unaudited interim financial statements and related management discussion and analysis were prepared by management and approved by the board of directors. They have not been reviewed by Glenbriar's external auditors.

2012 Q2 FINANCIAL STATEMENTS

GLENBRIAR TECHNOLOGIES INC.
Condensed Consolidated Statements of Financial Position
March 31, 2012 and September 30, 2011 *(unaudited)*

	Mar 31, 2012 **$**	Sept 30, 2011 $
ASSETS		
Current		
Cash and cash equivalents	**184,805**	118,854
Marketable securities (note 4)	**22,543**	17,712
Accounts receivable	**839,299**	636,740
Inventory	**30,969**	63,116
Prepaid expenses	**22,653**	41,004
Total current assets	**1,100,269**	877,426
Non-current		
Property and equipment (note 5)	**53,887**	62,887
Total assets	**1,154,156**	940,313
LIABILITIES		
Current		
Demand credit facility (note 7)	**-**	68,457
Accounts payable and accrued liabilities	**735,227**	713,346
Deferred revenue	**307,235**	200,425
Loans payable – current portion (note 8)	**40,839**	67,354
Deferred rent – current portion	**5,871**	-
Total current liabilities	**1,089,172**	1,049,582
Non-current		
Loans payable (note 8)	**330,000**	330,000
Deferred rent	**52,842**	-
Total liabilities	**1,472,014**	1,379,582
SHAREHOLDERS' EQUITY		
Share capital (notes 3 and 9)	**4,266,507**	4,263,639
Deficit	**(4,584,365)**	(4,702,908)
Total shareholders' equity	**(317,858)**	(439,269)
Total liabilities and shareholders' equity	**1,154,156**	940,313

GLENBRIAR TECHNOLOGIES INC.
Condensed Consolidated Statements of Comprehensive Income
6 months and 3 months ended March 31, 2012 and 2011 *(unaudited)*

	6 months ended Mar 31		3 months ended Mar 31	
	2012	2011	**2012**	2011
	$	$	**$**	$
Revenue				
Managed information services	**1,954,706**	1,734,520	982,339	905,658
Equipment and software	**1,386,775**	1,439,676	690,440	984,552
Other income	**5,387**	22,709	4,355	1,736
Gross revenue	**3,346,868**	3,196,905	1,677,134	1,891,946
Direct salaries and benefits	**1,500,579**	1,217,546	778,370	667,411
Cost of goods sold	**989,379**	911,790	501,586	610,696
Gross profit	**856,910**	1,067,569	397,178	613,839
Expenses				
General and administrative	**529,514**	490,786	239,756	224,968
Sales and marketing	**186,235**	174,649	96,679	96,484
Research and development	**30,360**	60,000	15,180	30,000
Amortization of intangibles	**-**	90,029	-	45,014
Depreciation of property and equipment	**9,000**	22,184	4,500	9,200
Interest and bank charges	**10,220**	21,205	5,034	12,137
Stock compensation	**2,868**	18,149	1,810	13,338
Unrealized (gain) loss on securities	**(4,830)**	3,220	(4,830)	3,220
Gain on sale of related entities (note 3)	**(25,000)**	-	-	-
Net income and comprehensive income	**118,543**	187,347	39,049	179,476
Net income per share				
Basic and diluted	**0.003**	0.004	0.001	0.004
Weighted average shares outstanding				
Basic and diluted	**47,385,694**	44,595,614	47,458,114	45,506,946

Glenbriar Technologies Inc.

integrated technology solutions

GLENBRIAR TECHNOLOGIES INC.
Condensed Consolidated Statements of Changes in Equity
6 Months Ended March 31, 2012 and 2011 *(unaudited)*

	6 months ended Mar 31	
	2012	2011
	$	$
Common Shares		
Balance, beginning of period	**4,263,639**	4,087,055
Employee share purchase plan (note 9(c))	**2,868**	32,910
Limited partnership units (note 3)	**-**	130,000
Balance, end of period	**4,266,507**	4,249,965
Deficit		
Balance, beginning of period	**(4,702,908)**	(4,473,048)
Net income for the period	**118,543**	187,347
Balance, end of period	**(4,584,365)**	(4,285,701)

Condensed Consolidated Statements of Cash Flows
6 Months Ended March 31, 2012 and 2011 *(unaudited)*

	6 months ended Mar 31	
	2012	2011
Cash flows related to the following activities	**$**	$
Operating		
Net income	**118,543**	187,347
Adjustments for:		
Amortization and depreciation	**9,000**	112,213
Stock compensation expense	**2,868**	18,149
Unrealized (gain) loss on marketable securities	**(4,830)**	3,220
Deferred rent	**58,712**	-
Gain on sale of interest in related entities	**(25,000)**	-
Total before changes in non-cash working capital	**159,293**	320,979
Changes in non-cash working capital	**(23,370)**	(344,255)
Total cash flow from operating activities	**135,923**	(23,326)
Financing		
Issue of common shares – net	**-**	143,357
Change in loans and credit facility	**(94,972)**	(76,163)
Total cash flow from financing activities	**(94,972)**	67,194
Investing		
Capital expenditures	**-**	(588)
Net proceeds on sale of related entities	**25,000**	-
Total cash flow from investing activities	**25,000**	(588)
Increase in cash	**65,951**	43,280
Cash, beginning of period	**118,854**	76,832
Net change and cash, end of period	**184,805**	120,112

Notes to Condensed Consolidated Interim Financial Statements

1. REPORTING ENTITY

On October 1, 2011, Glenbriar Technologies Inc. ("Corporation") absorbed its wholly owned subsidiary, Peartree Software Inc., by short form vertical amalgamation. Effective October 1, 2011, the Corporation disposed of its interests in Glenbriar Limited Partnership ("GLP") and Glenbriar Solutions Inc. ("GSI") to third parties (see note 3). The consolidated financial statements include the accounts of Peartree, GSI and GLP for periods ending on or before September 30, 2011, but exclude GLP and GSI after that date. The Corporation operates primarily in the information technology sector and has only one operating segment.

2. BASIS OF PRESENTATION

Going concern assumption

The consolidated financial statements have been prepared on a going concern basis, which presumes the Corporation will continue to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the period ended March 31, 2012, the Corporation had net income of $118,543 (2011 – $187,347), cash flow from operating activities before changes in non-cash working capital of $100,581 (2011 – $320,979), and working capital of $11,097 as at March 31, 2012 (September 30, 2011 – $(172,156)). The Corporation's continuing operations are dependent on its ability to take appropriate measures, including one or more of managing cash on hand, increasing sales, reducing expenses, or raising additional equity or debt financing to meet its obligations and repay its liabilities in the normal course. Although the Corporation's working capital position has improved in fiscal 2012 over 2011, there is no assurance that management will continue to be successful in implementing appropriate measures.

Statement of compliance

In 2010, the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook") was revised to incorporate International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and to require publicly accountable enterprises to replace Canadian generally accepted accounting principles ("GAAP") with IFRS for fiscal years beginning on or after January 1, 2011. As the Corporation's first financial statements prepared using IFRS were for the interim period ended December 31, 2011, those statements include certain additional disclosures to explain how the transition to IFRS has affected the financial statements. Comparative periods have been restated to comply with the updated presentation.

These interim financial statements have been prepared in accordance with International Accounting Standard 34 ("IAS 34"), "Interim Financial Reporting" as issued by the IASB. The Corporation has applied the accounting policies it expects to adopt in its first consolidated annual financial statements using IFRS, which will be for the year ending September 30, 2012. The Corporation has applied IFRS 1, which provides certain exemptions for entities adopting IFRS for the first time, with a transition date of October 1, 2010. An opening statement of financial position as at October 1, 2010 is included in the interim financial statements for the period ending December 31, 2011 to facilitate the transition to IFRS. Although the statement of financial position for September 30, 2011 is shown in these statements as unaudited, it is essentially the same as the audited GAAP balance sheets for September 30, 2011, due to the limited effect that applying IFRS has had on the Corporation's financial statements (see note 12). Because the Corporation will ultimately prepare those statements of financial position and have them audited by applying IFRS with an effective date of September 30, 2012, those statements may differ from those presented at this time.

These Notes relate to the 6 months ended March 31, 2012, and should be read in conjunction with the 2011 audited annual GAAP financial statements and December 31, 2011 interim financial statements with consideration of the various IFRS transition disclosures. The consolidated financial statements and notes were authorized for issue by the Corporation's board of directors on May 6, 2012. The Corporation's external auditors have not reviewed or commented on the unaudited portions of these financial statements and notes, but have provided guidance to management in making the transition from GAAP to IFRS.

Basis of measurement

The consolidated interim financial statements have been prepared on a going concern basis using the historical cost convention, except for financial assets at fair value through profit or loss, which are measured at fair value.

Glenbriar management assesses the recoverability of accounts receivable based upon its past history of recovery. Past experience indicates that recoveries have consistently been above 99%, so an allowance for doubtful accounts of 1% is applied to accounts receivable.

Inventory principally represents hardware and software products that are held for delivery to clients pending configuration or an installation date. Accordingly, inventory is current and liquid, and its cost is estimated by management to equal its fair value.

Carrying value of proprietary software assets, future tax assets and intangible assets is nil. Glenbriar management estimates that these assets are fairly valued at the current time.

Carrying value of property, plant and equipment is estimated by management to be fairly valued at its depreciated cost.

Functional and presentation currency

These consolidated interim financial statements are presented in Canadian dollars, which is the Corporation's functional currency. Foreign currency transactions are translated into the functional currency using the average rate of exchange in effect at the transaction dates. Monetary assets and liabilities relating to foreign currency transactions are recorded at rates of exchange in effect at the statement of financial position date and any resulting gains or losses recorded in income for the period.

Deferred rent

Lease payments under office leases are expensed on a straight-line basis over the life of the lease. Incentives such as rent-free periods are recognized as a reduction in rental payments over the lease term. Deferred rent reflects rent free allowances on the new office lease in Calgary. The lease term is 124 months including the rent free period. The deferred rent account was included in changes to non-cash working capital in statement of cash flows and note 14 of the notes to financial statements in the 2011 Q1 Report, but has been moved in this Report to have its own line under operating activities, with its consequent removal from note 11.

3. GLENBRIAR LIMITED PARTNERSHIP

GLP was an Alberta limited partnership that carried on the business of developing and extending the market for information technology solutions created or supported by the Corporation until the Corporation disposed of its interest GLP effective October 1, 2011 for $5,000. An independent director of the Corporation is CEO, a director and a minority shareholder of the purchaser of GTI's interest in GLP. The General Partner of GLP was GSI, which exercised control over GLP's operations. The Corporation disposed of its shares in GSI effective October 1, 2011 for $20,000. An independent director of the Corporation controls the purchaser of GSI. With nil cost, these dispositions make up the gain on sale of related entities in the statement of comprehensive income. During fiscal 2011, the Limited Partners of GLP were the Corporation and private investors who purchased limited partnership units ("LP Units") for $5,000 per LP Unit.

In December 2010, GLP issued 26 LP Units at a price of $5,000 each for gross proceeds of $130,000. On February 11, 2011, the Corporation purchased all of the outstanding LP Units in exchange for 100,000 common shares of the Corporation per Unit. Management, directors and employees purchased 21 LP Units. A selling concession of $2,500 was paid on the 5 LP Units not sold to management and employees.

The financial results of GLP were included in the Corporation's consolidated financial statements during fiscal 2011, since GSI had full control over GLP's operations and it was a wholly owned subsidiary of the Corporation. In addition, the Corporation had the right to acquire all the LP Units not held by it directly.

For tax purposes, the Limited Partners were entitled to deduct their share of operating losses of GLP on December 31, 2010 to a maximum of $5,000 for each LP Unit held. As a result, the Limited Partner's share of operating losses was not available to the Corporation to offset future taxable income.

4. MARKETABLE SECURITIES

Marketable securities are comprised of 322,038 common shares of Platinum Communications Corporation ("Platinum"), a public company traded on the TSX Venture Exchange.

5. PROPERTY AND EQUIPMENT

	Computers & office equipment $	Leasehold improvements $	Total $
Cost			
October 1, 2010	646,436	116,115	762,551
Additions (disposals)	(856)	-	(856)
September 30, 2011	645,580	116,115	761,965
Additions (disposals)	-	-	-
March 31, 2012	**645,580**	116,115	**761,965**
Depreciation			
October 1, 2010	550,550	110,731	661,281
Depreciation	32,413	5,384	37,797
September 30, 2011	582,963	116,115	699,078
Depreciation	9,000	-	9,000
March 31, 2012	**591,963**	116,115	**708,078**
Net book value			
October 1, 2010	98,886	5,384	101,270
September 30, 2011	62,887	-	62,887
March 31, 2012	**53,887**	**-**	**53,887**

6. INTANGIBLE ASSETS

	Proprietary software $	Customer lists $	Total $
Cost			
All dates	998,669	180,172	1,178,841
Amortization			
October 1, 2010	877,688	142,297	1,019,985
Amortization	120,981	37,875	158,856
September 30, 2011	998,669	180,172	1,178,841
Net book value			
October 1, 2010	120,981	37,875	158,856
September 30, 2011	-	-	-
March 31, 2012	-	-	-

7. DEMAND CREDIT FACILITY

In April 2009, and as further amended in October 2009, the Corporation's revolving credit facility with a chartered bank was termed out based on an initial balance of $411,372, with blended monthly payments of $11,085 including interest at the greater of 6% per annum or 3.5% above the bank's prime lending rate. The credit facility was amended on March 22, 2011 removing covenants relating to current and debt to equity ratios and periodic reporting. The balance as at March 31, 2012 was $nil (September 30, 2011 – $68,457). The facility was cancelled and all related security released effective March 31, 2012.

8. LOANS PAYABLE

Loans payable at March 31, 2012 in the amount of $370,839 (September 30, 2011 - $397,354) consist of:

a) Net advances of $330,000 (September 30, 2011 - $330,000) from officers of the Corporation secured by a general security agreement which bear interest at the rate of interest charged from time to time by the Bank of Montreal to its personal line of credit customers plus any insurance premium which may be payable. The advances are repayable 12 months after the officers provide written request for payment. As at March 31, 2012, the officers had not requested payment, and consequently, the advances have been classified as non-current liabilities.

b) As of March 31, 2012, loans payable of $40,839 (September 30, 2011 - $67,354) were still outstanding relating to a previous corporate acquisition that was settled in fiscal 2011, all of which has been classified as a current liability. The outstanding balances are secured by a general security agreement and are being repaid in varying monthly instalments until September 2012. No further interest is payable.

9. SHARE CAPITAL

a) *Authorized*
Unlimited number of common shares
Unlimited number of preferred shares of one or more series

b) *Common shares issued and outstanding*

	Number of shares	**Amount $**
Balance, October 1, 2010	43,550,509	**4,087,055**
Private placement	100,000	**5,000**
Exchange of limited partnership units (note 4)	2,600,000	**130,000**
Employee share purchase plan	1,030,201	**41,584**
Balance, September 30, 2011	47,280,710	**4,263,639**
Employee share purchase plan	286,800	**2,868**
Balance, March 31, 2012	47,567,510	**4,266,507**

c) *Private placements*
The 2011 private placement consisted of the issuance of 100,000 shares from treasury at $0.05 per share to a securities dealer as part payment for arranging to update the Corporation's listing and acting as its official sponsor under new regulations on the Frankfurt Stock Exchange. The last closing price on CNSX prior to this issuance was $0.05 per share. The fees paid were recorded as general and administrative expense in fiscal 2011.

d) *Employee share purchase plan*
In February 2008, the Corporation implemented a share purchase plan, under which participants make contributions to purchase common shares on the open market or from treasury (subject to the number of shares being calculated and issued based on a minimum of $0.05 per share) through a designated trust facility, subject to a maximum of $20,000 per participant per plan year. These contributions are matched quarterly by the Corporation issuing shares from treasury at the market price at the date of issue (subject to the number of shares being calculated and issued

based on a minimum of $0.05 per share). During the 6 months ended March 31, 2012, the Corporation recorded $2,868 (2011 - $18,149) of stock-based compensation expense.

e) *Stock option plan*
The Corporation is authorized to grant stock options to directors, officers and employees for up to 10% of the number of common shares outstanding. Options may be granted for periods up to 5 years at prices based upon the Corporation's trading price on the date of issue. No stock options were granted, exercised or outstanding in 2011 or in the first 3 months of fiscal 2012.

10. COMMITMENTS AND CONTINGENCIES

As of March 31, 2012, the Corporation is committed to the following minimum annual payments over the next 5 years for vehicle and office leases, which expire at various dates through January 2022:

	$
2012	95,475
2013	228,648
2014	224,556
2015	224,556
2016	201,080
Subsequent years	1,016,487
Total	1,990,802

11. SUPPLEMENTARY CASH FLOW INFORMATION

	6 months ended Mar 31	
	2012	2011
	$	$
Changes in non-cash working capital:		
Accounts receivable	**(202,559)**	(205,003)
Inventory	**32,147**	(4,527)
Prepaid expenses	**18,351**	
Accounts payable and accrued liabilities	**21,881**	(153,239)
Deferred revenue	**106,810**	17,650
Other	**-**	864
Total	**(23,370)**	(344,255)
Cash interest paid	**10,219**	21,205

12. EXPLANATION OF TRANSITION TO IFRS

The Corporation's first consolidated interim financial statements prepared under IFRS were for the interim period ended December 31, 2011 (see note 2). Since 2007, the CICA has been harmonizing Canadian GAAP with IFRS. The Corporation early adopted all harmonized policies, and sought to align its estimates and accounting practices under GAAP with those that would apply under IFRS in order to minimize impact of the change to IFRS. While there are so no significant adjustments required to comply with IFRS, the following table summarizes the differences in presentation:

GAAP	**IFRS**
Balance sheet	Statement of financial position
Statement of earnings (loss), comprehensive earnings (loss) and retained earnings (deficit)	Statement of comprehensive income *and* Statement of changes in equity
Expenses/Managed information services	Direct salaries and benefits (moved up next to revenue)
Expenses/Cost of goods sold	Cost of goods sold (moved up next to revenue)
n/a	Gross profit
Expenses/Amortization	Split into: a) Amortization of intangibles b) Depreciation of property and equipment
Deficit, beginning of year	Moved to Statement of changes in equity
Deficit, end of year	Moved to Statement of changes in equity
n/a	Statement of changes in equity (adds some disclosure formerly included only in notes)
Statement of cash flows	Statement of cash flows
Notes to financial statements	Notes to financial statements (more disclosure)