

About Bridges

Bridges is a leading provider of career and education planning products and services used by schools, universities and agencies to help people achieve education and career success. **Over 13,000 schools and agencies** throughout the U.S. and Canada use Bridges' resources.

Bridges' **primary focus is the middle and high school market** in the U.S. and Canada, where thousands of schools use Bridges' online and CD-based products to prepare students for successful transitions to education and work beyond high school. Bridges' products are generally sold as a one-year online or CD-ROM subscription to schools, school districts and, on occasion, to entire states and provinces. Bridges' head office is in Kelowna, B.C., Canada, with a U.S. office in Oroville, WA. The majority of Bridges' 90 employees are located in Kelowna, with the balance distributed throughout the U.S. and Canada.

Core Strengths

- **Desirable Target Demographic** – millions of graduating students and parents
- **Leading Market Position** – over 13,000 subscribing sites, including 30 per cent of high schools
- **Strong Brand Recognition** – a reputation built as a trusted supplier to the education market for over 20 years
- **Proprietary Content** – thousands of articles and resources
- **Recurring Revenue** – re-subscription revenue model, strong customer loyalty

Bridges has built a leadership position developing and selling education and career planning products that help schools add real-world context to education by connecting student learning with what they want to be in life. Versions of these resources are effectively used by career agencies to assist adults in career transition, to explore their options and to make plans for successful career moves.

Bridges' *Choices* software, introduced in the 1970s, was among the world's first electronic career development tools and continues to lead the way for career information delivery systems. Bridges' popular *Choices Explorer* resource, introduced in 1995, was among the first online career exploration and planning services for high schools, and is the leading online career exploration tool in high schools.

Bridges makes a difference to young people needing academic improvement and career and educational direction; to counsellors and educators needing support; and to schools or districts needing more students to stay in school and successfully move on to college.

The Explore • Plan • Achieve Methodology

Bridges teaches a method for planning and self-management called **Explore • Plan • Achieve**. All Bridges' products and services are organized around **Explore • Plan • Achieve**.

- **Exploration** – is the motivational foundation for planning. Exploration activities expand student awareness and enthusiasm for educational, work and recreational possibilities.
- **Planning** – is focusing students on a meaningful and self-sustaining future. Increasing the number of students who see reasons to participate actively in school is a great strategy for boosting graduation rates and student achievement.
- **Achievement** – is the act of putting plans into practice and developing those plans over time.

Today, Bridges provides a wide range of career and education planning tools to service its primary market, including Choices CD edition and online products, Choices Planner and Choices Explorer.

In addition to Bridges' career and education planning tools, Bridges has significantly expanded its product line with partner-built online test prep courses that help schools improve student performance on pre-collegiate tests -- Scholastic Assessment Test (SAT[®]), Preliminary SAT (PSAT) and ACT[™].

Today, Bridges' largest market -- U.S. high schools -- is focused on meeting requirements for scientifically based student improvement. Bridges is ideally positioned to sell highly effective test prep courses through its existing relationships with a leading share of U.S. high schools. These test prep products present a significant opportunity to expand market share well beyond Bridges' traditional "career development" market. The combination of products and services available from Bridges today gives students both the motivation and the methods to achieve higher test scores, and gives educators proven ways to improve overall school performance.

Growth Strategies

Bridges' focus is on strengthening its market-leading position in the middle and high school market. Bridges' unique market position as a leading and trusted supplier of career and education planning tools, coupled with its commitment to deepening customer relationships, will enhance Bridges' continued efforts to provide customers with a growing array of products and services, and will provide future opportunities to develop new sources of revenue.

- **Growing Market Share** – expand market-leading position within the middle and high school market
- **Deepening Customer Relationships** – connect customers with new products and services
- **Develop New Sources of Revenue** – grow reach and revenues through initiatives that further support its primary market

Financial Data

Revenue

For the year

| | |
|------|--------------|
| 2004 | \$13,899,000 |
|------|--------------|

For the seven month period

| | |
|------|-------------|
| 2003 | \$4,816,000 |
|------|-------------|

For the year

| | |
|------|--------------|
| 2002 | \$18,533,000 |
| 2001 | \$19,525,000 |
| 2000 | \$14,626,000 |
| 1999 | \$4,616,000 |
| 1998 | \$2,393,000 |
| 1997 | \$1,109,000 |
| 1996 | \$286,000 |
| 1995 | \$142,000 |

EBITDA*

For the year

| | |
|------|-------------|
| 2004 | \$2,229,000 |
|------|-------------|

For the seven month period

| | |
|------|---------------|
| 2003 | (\$2,968,000) |
|------|---------------|

For the year

| | |
|------|-------------|
| 2002 | \$1,510,000 |
| 2001 | \$3,272,000 |
| 2000 | \$2,116,000 |
| 1999 | \$856,000 |
| 1998 | \$602,000 |
| 1997 | \$38,000 |
| 1996 | (\$477,000) |
| 1995 | (\$185,000) |

Cash Flow from Operations

For the year

| | |
|------|-------------|
| 2004 | \$2,685,000 |
|------|-------------|

For the seven month period

| | |
|------|---------------|
| 2003 | (\$2,510,000) |
|------|---------------|

For the year

| | |
|------|-------------|
| 2002 | \$3,258,000 |
| 2001 | \$3,181,000 |
| 2000 | \$2,772,000 |
| 1999 | \$1,490,000 |
| 1998 | \$902,000 |
| 1997 | \$30,000 |
| 1996 | (\$486,000) |
| 1995 | (\$79,000) |

* EBITA: Earnings (Loss) before interest, taxes, depreciation, and amortization

Change of Fiscal Year End - Bridges' core market follows a seasonal business cycle that begins in July, when its educational customers prepare for the school year, and ends in June of the following year. Bridges has aligned its fiscal year to this seasonal business cycle by changing its year-end to June 30. As a result of this change, the Company had a shortened 2003 fiscal year that enclosed the period from December 1, 2002 to June 30, 2003. The first fully normalized fiscal period was Fiscal 2004, enclosing the financial period that began July 1, 2003 and ended June 30, 2004.

Corporate Information

Number of shares outstanding: 12,311,379; Fully Diluted Shares Outstanding: 13,500,486 as of February 28, 2005
 Toronto Stock Exchange (TSX) **Trading Symbol: BIT;** Listed on the Toronto Stock Exchange February 16, 2000
 Incorporated March 10, 1994; Initial Public Offering November 28, 1995, Listed Alberta Stock Exchange January 3, 1996

Senior Management

| | | |
|----------------------------|---|--------------------|
| John C. Simmons | Chief Executive Officer | 1999 |
| Douglas J. Manning | President | (founder).....1994 |
| John B. Walker | Chief Financial Officer | 2000 |
| Donald A. Phillips | Vice President, Marketing | 2000 |
| William R.M. Spittle | Vice President, Product Development & Technology | 2000 |
| Norman R. Thompson | Vice President, Corporate Development and Corporate Secretary | 1995 |

Board of Directors

| | | |
|--------------------------|---|------|
| Terry M. Holland | Chairman, Bridges Transitions Inc.; President, Krystal Financial Corp | 1999 |
| John C. Simmons | Chief Executive Officer, Bridges Transitions Inc | 1999 |
| Douglas J. Manning | President, Bridges Transitions Inc | 1994 |
| Edward J. Hall | Co-President, Canadian Adult Communities Ltd | 1995 |
| Scott B. Edmonds | Chief Financial Officer, Quadrus Financial Technologies Inc | 2003 |

For Additional Information Contact

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For more information about the Company and its products, visit Bridges' website at: www.bridges.com