

2009 3rd Quarter Report

Table of Contents

Management Discussion and Analysis (Form 51-102F1) 2
 2009 3rd Quarter Financial Statements 10
 Supplementary Information 15

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.

ISSUER DETAILS		FOR QUARTER ENDED	DATE OF REPORT
NAME OF ISSUER Glenbriar Technologies Inc.		2009 06 30	YY / MM / DD 09 08 07
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CITY/PROVINCE/POSTAL CODE Waterloo, ON N2L 5V4		ISSUER FAX NO. (403) 234-7310	ISSUER PHONE NO. (519) 743-2444 x117
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CERTIFICATE OF COMPLIANCE

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

PRESIDENT'S SIGNATURE "Robert Matheson"	PRINT FULL NAME Robert D. Matheson	DATE OF REPORT YY / MM / DD 09 08 07
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MANAGEMENT DISCUSSION AND ANALYSIS (Form 51-102F1)

This information is given as of August 7, 2009. This MD&A has not been reviewed by Glenbriar’s auditors. This quarterly MD&A should be read as a supplement to the MD&A provided for the year ended September 30, 2008. As of the date of this report: (a) there are 34,421,440 Glenbriar voting common shares issued and outstanding; and (b) there is no other class or series of shares issued, and no warrants or options or other rights to acquire additional common shares outstanding.

Description of Business

Glenbriar Technologies Inc. (CNSX: GTI) is a leader in Enterprise IT Innovation for small and medium enterprises (SMEs). Glenbriar integrates information technology, voice and software strategies in a number of market verticals. Glenbriar’s Peartree Software Inc. division develops advanced enterprise software solutions for specific market verticals. Glenbriar has offices in Alberta, British Columbia and Ontario. See www.glenbriar.com for more details.

In November 2008, the CNQ changed its name to CNSX (Canadian National Stock Exchange) to reflect a number of recent changes to the underlying trading platform. As part of those changes, Glenbriar changed its trading symbol on CNSX from GBRT to GTI in September 2008. Prior historical data was removed from the CNSX site and is being replaced over time with data from subsequent trading. The new trading platform is X-Stream, used under licence from Nasdaq OMX. This new system adds new functionality to the CNSX listed market, such as anonymous broker, program trades, short exempt marker and specialty crosses. These changes improve the availability of trading and quotes for both brokerage firms and online trading in CNSX stocks.

Glenbriar held its 2009 Annual General Meeting on March 5, 2009 in Calgary. Jean-Sebastien Leroux elected not to stand for reelection to the board. All other members were returned to the board.

Glenbriar took the initial steps in developing a new sales and marketing strategy in the third quarter. More details regarding this initiative will be released over the next few months.

Products

Glenbriar’s solutions address an SME’s primary IT requirements: Infrastructure, Software and Communications. Glenbriar has created, acquired, or licensed the appropriate human and intellectual property (IP) resources necessary to deliver the optimal integrated IT solution suite for its clients.

Managed Services

Glenbriar has taken advantage of recent advances in technology to increase scalability by “productizing” the delivery of IT services: (i) a Glenbriar branded network appliance that improves the efficiency of delivering Managed Services; (ii) Enterprise-in-a-Box hardware platform that marries new virtualization, SAN (storage array network) and advanced blade technologies in an affordable package for SMEs; and (iii) Managed Perimeter Defence Service that permits managed security protection. Initial deployments have been in the oil and gas industry and non-profit sector, where Glenbriar has specialized expertise. Glenbriar has a base of 200 active managed services clients.

Glenbriar implemented two new managed services contracts with nonprofit sector clients in the second quarter of fiscal 2009. Glenbriar continued the implementation of a number of Enterprise-in-a-Box installations, rolled out a virtual Web server infrastructure for a diamond mining services firm in Vancouver, and implemented new Managed Services installations to new clients in all branches. Glenbriar implemented new security servers for a major office complex in Calgary, conducted a

network review for a logistics software provider in BC, and replaced and virtualized the main server for a mining industry service provider. Glenbriar updated its Managed Services tracking and automation processes to improve efficiencies during the third quarter.

Glenbriar implemented a WAN rollout and network upgrade for a technology education institute in BC in the third quarter, including replacement of Linux routers with Cisco equipment. Glenbriar recabled a food lab testing facility for a BC client, and commenced a network design project for a human resources firm and an Enterprise-in-a-Box network upgrade for Alberta clients in the third quarter.

Glenbriar deploys a Glenbriar branded network appliance which significantly enhances the monitoring, reporting and remote management capabilities of its Managed Services offering. Glenbriar continued the implementation of its Enterprise in a Box business platform that marries Windows Server 2008 virtualization with SAN (storage array network) and quad-core processor blade technology in an affordable package for small and medium enterprises (SMEs). This platform delivers improved performance, reliability and failover at lower cost than traditional server deployments.

Glenbriar completed the acquisition of Micro-Aid Computer Services of Cambridge, Ontario in December 2008. Micro-Aid's operations have been consolidated into Glenbriar's Waterloo office.

Glenbriar purchased Allnet Computing, a small IT consultancy in Calgary, in December 2008, for Glenbriar common shares.

Communications

Glenbriar has developed expertise in integrating third party applications and databases with the best available business phone and conferencing systems, using both wireless and fixed line technologies. These systems use a unique distributed architecture, best in class system management, ease of use and award winning devices. Glenbriar has also developed proprietary software which permits virtual call attendants to work for multiple business units across the globe. Glenbriar has a base of 50 active unified communications clients.

Glenbriar's IP Communications solutions combine ShoreTel phones, switches and software with Cisco networking equipment and Glenbriar's enhancements to produce a truly superior deployment.

Glenbriar continued upgrading its clients to ShoreTel 8.1 in the third quarter of fiscal 2009. ShoreTel 8.1 includes the latest security enhancements that build security into the communications network right from the start without having to separately address how to protect the customer's system. Additional enhancements include Blackberry clients, new mobile call manager, fully integrated high resolution video conferencing, instant message integration, new switches with higher capacities, integration of voicemail onto switches as part of distributed architecture, and enhanced mobility integration.

Glenbriar rolled out a custom telephony application to track sales calls for sales agents for a client in Western Canada. This is being deployed in a series of new installs scheduled over the next 18 to 24 months in the US and Canada.

The City of Chilliwack needed to set up a Community Resilience Centre (CRC) for disaster recovery due to the flooding and mudslides in their municipality in January 2009. Their existing phone system couldn't be connected to the new office that was created in the affected area. The IT Manager for the City of Chilliwack called Glenbriar Technologies to help set up a phone system quickly. Within a day, Glenbriar installed a ShoreTel Pure IP Telephony system to provide stability and enhanced functionality to service the important and immediate needs of the Chilliwack CRC.

Glenbriar installed 3 sites for a school district in BC in the second quarter. Glenbriar also connected remote offices in the US for Canadian based clients using site to site SIP trunking on ShoreTel switches. Glenbriar installed an IP telephony solution for the head office and Toronto office of a Vancouver based specialty advertising company, added a new site for a school district on Vancouver Island, completed a major upgrade of an IP call centre in Atlanta for an international secure hosting company, and rolled out a paging system for clients in the third quarter.

Glenbriar installed a \$200,000 IP telephony solution for an Alberta based client in June 2009, and implemented a network cleanup for a client with an IP call centre with offices in Canada, the US and the Philippines.

Software

Glenbriar's software division, Peartree Software, has leveraged its solid ERP software knowledge into a simpler Web-based interface which can be economically customized to different vertical niche markets, without any limit on scalability or delivery method. Peartree used its 6 RV dealerships on legacy software as beta sites, and has grown this to 28 dealerships without any sales force. Used car and power sport dealerships also use this module. Follow-on modules include a POS module for retail operations (2 installed), SME module for light manufacturing (1 install), a professional services module (using Glenbriar as the beta site), and a non-profit module (a Glenbriar specialization).

All of these modules can be delivered using Software as a Service (SaaS), hosted or on the client's server. The latest release extended the rich functionality of prior releases to include full support for multi-location and multi-company clients, and includes a new mechanism which automates the procedure for delivering future updates.

Peartree has rewritten and repositioned its software product line to make it state-of-the-art, Web-based and easy and intuitive to use. Despite a simplified interface, the products retain all of the experience and integration gained over the last two decades. With core modules now complete, Peartree's research and development requirements will be reduced going forward.

Peartree added five new clients to its Dealership software in the first nine months of fiscal 2009, including dealers in Newfoundland, Manitoba, Ontario and Georgia, and a light manufacturing facility in Ontario. Peartree Software, Glenbriar's software subsidiary, added an automotive dealership in Winnipeg and an RV dealership in Alberta as new Dealership clients in the third quarter. Additional clients are expected to be added in the next few months for both Dealership and SME modules.

Peartree's new Professional Services module was rolled out for its internal operations and for Glenbriar's Waterloo operations in December 2008. Glenbriar's Vancouver office implementing this module in June 2009, with the Calgary office to follow in the fourth quarter. This module includes time entry, CRM, ticket entry and service desk, accounting, order processing, inventory, quoting system and financial statements, all of which can be accessed from a single Web page.

Peartree added an additional MMS customer with EDI (Honda) capabilities in April 2009.

Peartree Software launched a new website for its Dealership product in June 2009 at www.peartreed dealership.com, which includes self-guided online demos. Additional clients are expected to be added in the next few months for both Dealership and SME modules.

Peartree issued the final release of a new version of its Dealership and SME modules in the third quarter. This new version includes substantial improvements and additional features. The new version will be rolled out to all of Peartree's customers over the next 2 months. The focus of this new

release is enhanced reporting, with 20 to 30 new reports that will improve the dashboard interface to identifying trends, rankings and other management reports. For RV dealers, the new release will focus on outputting reports in a format compatible with Spader reports, a standard for determining industry metrics. Future releases are planned to include integration with vendor online parts catalogues, online payment processing and e-commerce functionality, and enhanced business reporting.

Financial Review

The Accounting Standards Board has mandated a shift from Canadian generally accepted accounting principles (GAAP) to International Financial Reporting Standards (IFRS) by 2011. IFRS is already the standard in Australia, New Zealand, Japan and the European Union. In December 2007, the US Securities and Exchange Commission mandated that foreign issuers may use IFRS in their US filings without US GAAP reconciliation for financial years ending after November 15, 2007. Canadian GAAP is being harmonized with IFRS in stages in the ensuing period. The most recent changes have resulted in substantial changes to Glenbriar's financial statements for 2008, which are carried forward in 2009.

The depth and duration of the current global financial crisis is unknown. The demise of a number of major brokerage firms in the US has accelerated a long term trend toward online trading being the primary driver of microcap stock activity. Glenbriar shareholders have limited access to online trading, but this situation is expected to improve with recent change of trading platform to Nasdaq OMX and other changes implemented by the CNSX to increase its online accessibility. Glenbriar has not traditionally been aligned with any brokerage firms, which has limited market activity in its stock to retail investors acting independently. Any change in this status could have a significant impact on market activity. Harmonization of Canadian and international securities markets and accounting standards are expected to have a long term effect on the valuation of Canadian equities.

On April 10, 2008, Glenbriar acquired Micro-Aid Computer Services, a private IT consultancy based in Cambridge, Ontario. See the 2008 Annual Report for details of this purchase. On November 30, 2008, Glenbriar acquired Allnet Computing, a private IT consultancy in Calgary. Details are set forth in note 5 of the Notes to the Financial Statements. Micro-Aid's operations have been consolidated into Glenbriar's Waterloo location, and Allnet Computing's into Glenbriar's Calgary location.

Changes in Accounting Policies and Estimates

Glenbriar implemented major changes to its financial statements for the year ended September 30, 2008. The effect of these changes contributed to a loss of \$2.5 million for 2008 and a cumulative noncash reduction in assets on the balance sheet of approximately \$3.3 million. The income statement presentation was rearranged to more clearly show the effect of these changes.

Research and development. Canadian GAAP is being harmonized with IFRS in stages leading up to full IFRS implementation in 2011. As part of this effort, the CICA adopted a new section 3064, Goodwill and Intangible Assets, for fiscal years commencing on or after October 1, 2008. Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. Glenbriar early adopted it effective October 1, 2007. Section 3064 results in substantial changes in what research and development costs are permitted to be capitalized and amortized. Glenbriar's software assets are now being amortized at 20% per year straight line, instead of as a percentage of actual sales to total future expected sales.

The effects of the changes in accounting policies on restating the 2008 second quarter financial statements are described in note 3 of Notes to Consolidated Financial Statements.

Goodwill and future tax. In view of the current global economic crisis, management determined that there was too much uncertainty regarding the calculation of the fair value and recoverability of the goodwill and future tax assets. Accordingly, both of these accounts were written down to nil in the last quarter of fiscal 2008.

Comparing results before and after the changes. To compare operating results before and after the implementation of the new policy, Glenbriar compares earnings before interest, taxes, amortization and other noncash items (stock compensation expense, unrealized gain or loss on marketable securities, and foreign exchange) (EBITAS) before research and development expenses (R&D) with EBITAS after deducting both operating and capitalized portions of R&D expenses. EBITAS is not recognized under GAAP, and may be applied differently by different issuers.

	Audited				Unaudited
(\$000's)	2005	2006	2007	2008	2009Q3
Revenue	4,752	5,110	5,510	6,374	4,511
Expenses	4,516	4,821	5,295	6,127	4,411
EBITAS (pre-R&D)	236	289	215	247	100
EBITAS (after operating & capitalized R&D)	(248)	(192)	(133)	(56)	10

This trend toward reduced spending on R&D is expected to continue in 2009 due to the completion of the core modules for Peartree's Web-based enterprise software.

Selected Quarterly Financial Information (\$)	Quarter ended							
	2009		2008				2007	
	Jun 30	Mar 31	Dec 31	Sept 30	Jun 30	Mar 31	Dec 31	Sept 30
Revenue	1,383,508	1,226,094	1,901,471	1,621,207	1,831,320	1,506,867	1,414,617	1,378,140
Income from continuing operations	(102,863)	(218,114)	48,588	(2,658,091)	(4,671)	(75,067)	(7,547)	(209,293)
-per share (basic and diluted)	(0.003)	(0.007)	0.002	(0.082)	-	(0.002)	-	(0.007)
Net income (loss)	(102,863)	(218,114)	48,588	(2,658,091)	(4,671)	(75,067)	(7,547)	(209,293)
-per share (basic and diluted)	(0.003)	(0.007)	0.002	(0.082)	-	(0.002)	-	(0.007)

The full impact of the global recession hit Glenbriar in January 2009, which resulted in the largest monthly operating loss in Glenbriar's history. With quick and strong management response, that loss was substantially reduced in February 2009, and Glenbriar was back to breakeven by March 2009. The third quarter showed improvement, but still resulted in an operating loss of \$102,863. Management's response included staff reductions, reduced working hours for certain employees, implementation of new time and billing tracking programs, restructuring of reporting relationships, and increased use of Peartree's new Professional Services module for internal operations. With costs now substantially under control and delivering improved margins, management has initiated a coordinated marketing program, which will be implemented in the coming months.

Revenue increased \$157,414 (13%) in the third quarter from the second quarter of fiscal 2009, but declined by \$241,713 (5%) for the nine months ended June 20, 2009 from the prior year period. While reported net loss more than tripled for the nine months ended June 30, 2009 compared to the prior year period, EBITAS (as defined above) improved marginally to a gain of \$9,606 from a loss of \$4,721 over the same periods, as it factors in the effect of the elimination of software capitalization in fiscal 2009. See discussion above under Changes in Accounting Policies and Estimates.

Glenbriar has not paid dividends and has no current intention of doing so.

Liquidity and Capital Resources

As of June 30, 2009, Glenbriar had a working capital deficiency of \$290,268, an 8% decrease from \$316,473 as at September 30, 2008, and a 4% increase from the previous quarter's deficiency of \$278,170, reflecting the effect of the recession on business IT spending. The \$33,690 increase in inventory since year end 2008 reflects goods on hand waiting delivery to client sites. Inventory is considered relatively liquid. The deferred revenue account decreased \$79,962 to \$234,283, reflecting completion of Enterprise-in-a-Box installations for which prepayments had been received on September 30, 2008. The current quarter balance represents payments made for software maintenance fees, which revenues are deferred and brought into revenue over the term of the maintenance period.

In response to tightening credit conditions being imposed on small and medium businesses, Glenbriar was required to change the terms of its revolving credit facility with a chartered bank. The loan was termed out over 41 months commencing on May 1, 2009. As of August 1, 2009, there are 38 months left at a balance of \$374,000, with an additional principal payment due on October 31, 2009 to reduce the principal to \$250,000. Glenbriar's management is currently reviewing its options to determine what steps will be required to meet the new repayment schedule.

The bank loan balance at year end included a \$62,000 Micro-Aid credit facility, which was subsequently reclassified to an account payable. See note 7 of Notes to Consolidated Financial Statements for details regarding the remaining facility. The \$285,000 shareholder advance as of June 30, 2009 is up \$25,000 from the September 30, 2008 balance, and is owed to Glenbriar's officers.

Glenbriar may be required to seek additional equity or debt financing, reduce its operations or to limit its growth in order to maintain liquidity. Glenbriar has funded its research and development from internal sources, including cash flow and disposition of non-core assets. Additional funds will be required to engage in product rollouts, marketing and sales, and to make strategic acquisitions. Under the current global economic conditions, there is no assurance that such funds will be available. If additional equity is issued, existing shareholders may experience dilution of their shareholdings. If additional debt is taken on, the business could be put at greater risk of not being able to survive downturns in business cycles, the loss of major accounts, or other negative events.

Glenbriar's long term financial commitments for office leases were as follows on June 30, 2009:

Fiscal period	\$
2009	51,180
2010	197,745
2011	26,207

Glenbriar renewed its Calgary office lease in May 2009 for the period from June 1, 2009 to September 30, 2010, and renewed its Burnaby office lease in June 2009 for the period from July 1, 2009 to June 30, 2010. The additional rent for these renewals is included in the above table.

Results from Operations

Loss increased to \$102,863 from \$4,671 for the third quarter of fiscal 2009 from the similar 2008 period. Of this difference, \$81,000 represents the ending of capitalization of software development costs in 2009 compared to the similar 2008 period, with the rest reflecting reduced business spending in the second and third quarters related to the global economic downturn.

Revenue. Revenue for the quarter ended June 30, 2009 decreased 24% from the prior year period, made of a 12% drop in managed services and a 38% drop in hardware sales.

Expense. Cost of goods sold reflects the decreased hardware sales as customers delayed or deferred capital projects until the impact of the global recession on their businesses is more certain. General and administrative expense was up \$78,968 from the prior year period due to a \$10,000 under-estimation of 2008 office rental expenses, plus increases for 2009 in a number of areas: \$40,000 from the elimination of software development capitalization; \$8,000 in legal fees; \$11,000 in office rent and renewal costs; and \$5,000 in audit fees. Foreign exchange losses reflect changes in the value of the Canadian dollar relative to the US dollar. Amortization expense changes reflect changes in accounting policies. See Changes in Accounting Policies and Estimates above.

Accounts receivable. The balance for June 30, 2009 reflects 50 days of sales, which is down slightly from 60 days of sales for fiscal 2008 yearend.

Accounts payable and accrued liabilities. The increase in this account to \$661,097 at June 30, 2009 from \$645,392 at the end of fiscal 2008 reflects a decrease of approximately \$16,000 in payables and a corresponding increase from the reclassification of the Micro-Aid credit facility balance of \$62,000 from a loan to an account payable.

Deferred revenue. The September 30, 2008 balance of this account included prepayments received from Enterprise-in-a-Box solutions. As of June 30, 2009, this account is all attributable to Peartree, and represents payments received from customers in advance for annual or quarterly software maintenance fees, which is brought into revenue monthly. This is a noncash item.

Market Outlook

In its report *US and Global IT Market Outlook: Q2 2009*, Forrester Research, Inc. (NASDAQ: FORR), an independent research firm focusing on business and technology, lowered its projections for 2009 global IT spending across all sectors: computer equipment down 13.5 percent, communications equipment down 12.4 percent, software spending down 8.2 percent, and IT consulting and outsourcing services down 8.6 percent. Forrester predicts IT spending will start to recover in the fourth quarter of 2009 in the US, and in the first half of 2010 in Europe and Asia. Forrester further predicts that the Canadian IT market will lag the US recovery in the latter half of 2009, but outperform it in 2010.

Since the IT induced meltdown in 2000, companies have been much more careful with their IT spending, leaving most technology budgets with little excess capacity or overspending. In addition, companies rely ever more heavily on their IT infrastructure to facilitate or leverage their cost cutting regimens. Software and services providers are expected to fare better in this downturn than hardware providers as companies seek to stretch out the useful life of their hardware, or defer projects which usually include a large hardware component. Technologies that provide fast paybacks, such as IP communications, virtualization software, inexpensive enterprise software, flat rated managed services, and Software as a Service (SaaS) become preferred solutions in a cost centric environment. Glenbriar has focused on these technologies.

Due to rapid technological advancements, to the extent that IT investments are delayed or deferred during an economic downturn, they are expected to pick up quickly when conditions improve.

Risk Factors

The rising value of the Canadian dollar reduces revenue from US and Mexican accounts, which are priced in US dollars. With the global recession, demand in the automotive and recreational dealer sectors will be weak, and some automotive parts suppliers and dealers are expected to go out of business. Commodity price variations in energy and mining have led to the postponement or cancellation of some megaprojects. Glenbriar and its subsidiaries serve all of these sectors. Glenbriar expects equipment and software sales will be reduced significantly in the current and coming quarters as businesses postpone capital purchases and cancel capital investments. Glenbriar seeks to partially offset reduced expenditures with cost reductions and emphasizing strong cost reductions available to its clients in total cost of ownership through effective use of its Managed Services, Unified Communications and Enterprise Software.

Forward Looking Statements

This MD&A may contain forward-looking statements. These forward-looking statements do not guarantee future events or performance and should not be relied upon. Actual outcomes may differ materially due to any number of factors and uncertainties, many of which are beyond Glenbriar's control. Some of these risks and uncertainties may be described in Glenbriar's corporate filings (posted at www.sedar.com). Glenbriar has no intention or obligation to update or revise any forward looking statements due to new information or events.

Critical Accounting Estimates

Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expense during the reporting periods presented. Significant estimates include the assessment of recoverability of carrying values of Glenbriar's accounts receivable, software and other capital assets. Actual results could differ from the estimates.

Related Party Transactions

Management loan advances of \$285,000 as of June 30, 2009 are up \$25,000 from the September 30, 2008 balance. A \$50,000 shareholders' loan is carried forward from the Micro-Aid acquisition, and is shown as a current liability.

Glenbriar instituted a new employee share purchase plan in February 2008. Participants who elect to participate in the plan purchase Glenbriar common shares in the open market. Glenbriar then matches those contributions with shares from treasury by private placement on a quarterly basis. See note 6 of Notes to the Consolidated Financial Statements for details of these share issuances. See notes 5 and 6 of Notes to Consolidated Financial Statements regarding the acquisition of Allnet Computing, the former owner of which became an employee as part of the transaction.

Additional Information

Additional information about Glenbriar is available from Glenbriar's website at www.glenbriar.com, the CNSX website at www.cnsx.ca, the Sedar website at www.sedar.com, or by request from Glenbriar's head office at 301, 401 – 9 Ave SW, Calgary, AB T2P 3C5 (Phone 403-233-7300 x117).

2009 3rd QUARTER FINANCIAL STATEMENTS

GLENBRIAR TECHNOLOGIES INC.

Consolidated Balance Sheets

June 30, 2009 and September 30, 2008

	<i>(unaudited)</i> June 30, 2009	<i>(audited)</i> Sept 30, 2008
	\$	\$
ASSETS		
CURRENT		
Cash	181,415	-
Accounts receivable	756,995	1,038,557
Inventory	66,956	33,266
Marketable securities, at fair value	17,574	31,243
Prepaid expenses	24,026	28,708
	1,046,966	1,131,774
Capital assets (note 3)	702,458	813,657
	1,749,424	1,945,431
LIABILITIES		
CURRENT		
Bank credit facilities	391,854	438,610
Accounts payable and accrued liabilities	661,097	645,392
Deferred revenue	234,283	314,245
Loans payable – current portion	50,000	50,000
	1,337,234	1,448,247
Deferred leasehold allowances (note 3)	7,000	21,600
Shareholder advances	285,000	260,000
	1,629,234	1,729,847
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	3,727,420	3,550,425
Retained earnings (deficit)	(3,607,230)	(3,334,841)
	120,190	215,584
	1,749,424	1,945,431

GLENBRIAR TECHNOLOGIES INC.
Consolidated Statements of Earnings and Deficits
9 months ended June 30, 2009 and 2008 (unaudited)

	9 months ended Jun 30		3 months ended Jun 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
	<i>Restated</i>		<i>Restated</i>	
Revenue				
Managed services	2,608,138	2,548,091	849,926	967,277
Equipment and software sales	1,891,492	2,198,067	536,439	858,376
Interest and other income	11,443	6,646	(2,857)	5,667
	<u>4,511,073</u>	<u>4,752,804</u>	<u>1,383,508</u>	<u>1,831,320</u>
Expenses				
Managed services	2,046,612	1,893,169	621,418	705,996
Cost of goods sold	1,424,690	1,744,707	403,899	753,373
General and administrative	752,387	651,128	262,527	183,559
Sales and marketing	187,778	153,521	76,808	51,174
	<u>4,411,467</u>	<u>4,442,525</u>	<u>1,364,652</u>	<u>1,694,102</u>
Earnings before the following items	99,606	310,279	18,856	137,218
Research and development	90,000	72,000	30,000	24,000
Amortization	162,686	219,438	54,973	81,546
Stock compensation expense	76,461	17,570	23,538	11,340
Unrealized loss on marketable securities	13,699	(3,950)	5,858	(3,950)
Interest and bank charges	29,179	30,540	7,350	9,136
Foreign exchange loss	-	1,966	-	(183)
Loss before income taxes	(272,389)	(27,285)	(102,863)	15,329
Provision for income taxes	-	60,000	-	20,000
Net loss	<u>(272,389)</u>	<u>(87,285)</u>	<u>(102,063)</u>	<u>(4,671)</u>
Deficit, beginning of period	<u>(3,334,841)</u>	<u>(805,303)</u>	<u>(3,504,367)</u>	<u>(887,917)</u>
Deficit, end of period	<u>(3,607,230)</u>	<u>(892,588)</u>	<u>(3,607,230)</u>	<u>(892,588)</u>
Loss per share				
Basic and diluted	<u>(0.008)</u>	<u>(0.003)</u>	<u>(0.003)</u>	<u>-</u>
Weighted average shares outstanding				
Basic and diluted	<u>33,136,761</u>	<u>31,050,872</u>	<u>33,755,542</u>	<u>31,346,995</u>

GLENBRIAR TECHNOLOGIES INC.
Consolidated Statements of Cash Flows
9 months ended June 30, 2009 and 2008 (unaudited)

	9 months ended June 30		3 months ended June 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
	<i>Restated</i>		<i>Restated</i>	
Cash flows related to the following activities:				
Operating				
Net earnings	(272,389)	(87,285)	(102,863)	(4,671)
Adjustments for:				
Future income taxes	-	60,000	-	20,000
Amortization	162,686	219,438	54,973	81,546
Stock compensation expense	76,461	17,570	23,538	11,340
Unrealized (gain) loss on securities	13,669	(3,950)	5,858	(3,950)
	<u>(19,573)</u>	<u>205,773</u>	<u>(18,494)</u>	<u>104,265</u>
Changes in non-cash working capital	213,542	142,072	115,244	(28,546)
	<u>193,969</u>	<u>347,845</u>	<u>96,750</u>	<u>75,719</u>
Financing				
Increase in shareholder advances	25,000	10,000	-	-
Issue of common shares – net	40,305	72,570	18,878	66,340
Change in credit facility	(46,756)	(133,411)	67,960	(35,167)
	<u>(18,549)</u>	<u>(50,841)</u>	<u>86,838</u>	<u>31,173</u>
Investing				
Increase in capital assets	(20,103)	(277,004)	(2,173)	(86,892)
Acquisition of Micro-Aid	(11,000)	(20,000)	-	(20,000)
	<u>(31,103)</u>	<u>(297,004)</u>	<u>(2,173)</u>	<u>(106,892)</u>
Net increase in cash	181,415	-	181,415	-
Cash, beginning of period	-	-	-	-
Cash, end of period	181,415	-	181,415	-

Notes to Consolidated Financial Statements

1. BASIS OF PRESENTATION

These Notes relate to the 9 months ended June 30, 2009, and are prepared as a supplement to the Notes to the Consolidated Financial Statements for the period ended September 30, 2008. Glenbriar's auditors have not reviewed or commented on the unaudited portions of these financial statements and notes.

2. CHANGES IN ACCOUNTING POLICIES

Proprietary software

Effective October 1, 2007, Glenbriar early adopted CICA section 3064, Goodwill and Intangible Assets, which replaced section 3062, "Goodwill and Intangible Assets", and section 3450, "Research and Development Costs". CICA section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. CICA section 3064 results in substantial changes in what research and development costs qualify for capitalization. In addition, the Corporation's software assets are now being amortized at 20% per year straight line. The Corporation previously amortized its software assets using a percentage of actual sales to total future expected sales. These changes were implemented in the financial statements for the year ended September 30, 2008. The results for the nine months ended June 30, 2008 have been restated for comparative purposes to conform to the new policy as follows:

	As previously reported	Adjustment	As restated
	\$	\$	\$
Statement of loss			
Research and development	-	72,000	72,000
Amortization	75,600	143,838	219,438
Net earnings (loss)	128,553	(215,838)	(87,285)
Earnings (loss) per share (basic and diluted)	0.004	(0.007)	(0.003)

3. CAPITAL ASSETS

	June 30, 2009		Sept 30, 2008	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Proprietary software	998,669	(586,688)	411,981	483,981
Customer lists	180,172	(67,226)	112,946	123,990
	1,178,841	(653,914)	524,927	607,971
Computers and office equipment	651,063	(502,266)	148,797	163,710
Leasehold improvements	116,115	(87,831)	28,734	41,976
	767,178	(589,647)	177,531	205,686
	1,946,019	(1,243,561)	702,458	813,657

Leasehold allowances received during 2006 of \$43,107 and during 2004 of \$87,100 have been deferred and are being amortized over the 5 year lease term.

4. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

5. BUSINESS COMBINATION

On November 30, 2008, the Corporation acquired the customer list of Allnet Computing of Calgary for 330,361 new common shares at \$0.095 per share, the market price on the date of issuance, representing total consideration of \$31,441. Allnet Computing was a small IT consultancy in Calgary, whose owner is now a full time employee of the Corporation. The purchase price equals the estimated fair value of the customer list acquired.

6. SHARE CAPITAL

	Number of Shares	Amount \$
Authorized		
Unlimited number of common shares		
Unlimited number of preferred shares of one or more series		
Common shares issued		
Balance, September 30, 2008	32,073,979	3,550,425
Micro-Aid acquisition (final tranche)	210,000	21,000
Allnet Computing acquisition (note 5)	330,361	31,441
Employee share purchase plan	1,580,120	82,138
Balance, March 31, 2009	34,194,460	3,727,420

During the period ended June 20, 2009, the Corporation made the following share issuances:

- (a) 210,000 common shares for \$0.10 per share in accordance with the share purchase agreement as the final share issuance under the Micro-Aid acquisition.
- (b) 330,361 shares for \$0.095 per share as the full consideration for the acquisition of the customer lists of Allnet Computing of Calgary, a small information technology consultancy (note 5).
- (c) 1,580,120 common shares for \$0.05 to \$0.11 per share under the employee share purchase plan. 85,589 common shares out of this issuance settled a \$7,845 accrual included in accounts payable and accrued liabilities as of September 30, 2008.

All issuances were made at the last closing price on the CNSX prior to issuance except for item (a), which was \$0.005 per share above that amount, and 560,341 shares of item (c), which was \$0.01 per share above that amount.

Stock option plan

There were no options granted, exercised or outstanding under the Corporation's stock option plan as of June 30, 2009 and September 30, 2008.

7. REVOLVING CREDIT FACILITIES

The Corporation had a demand line of credit facility available to a maximum of \$500,000 prior to May 1, 2009, subject to quarterly and monthly margining thresholds and annual review. Drawings bore interest at 2% above the bank's prime lending rate with interest payable monthly. In April 2009, the revolving credit facility was termed out over 41 months commencing May 1, 2009 based on an initial balance of \$411,000, with an additional payment due on October 31, 2009 to reduce the principal to \$250,000. The balance as at June 30, 2009 was \$391,854 (September 30, 2008 – \$356,270).

8. OTHER RELATED PARTY TRANSACTIONS

Management advanced an additional \$25,000 to the Corporation in December 2008, bringing the balance to \$285,000. See the MD&A for the year ended September 30, 2008 for details regarding related party transactions.

SUPPLEMENTARY INFORMATION

CNSX ISSUER Glenbriar Technologies Inc.	TRADING SYMBOL GTI	NUMBER OF OUTSTANDING SECURITIES 34,421,440	DATE August 7, 2009
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1. Related party transactions

See “Related Party Transactions” in Management Discussion and Analysis.

2. Securities issued and options granted during the period

See note 6 of Notes to Financial Statements above for details of securities were issued during the period. No options were issued, granted or expired during the period, and none are outstanding.

3. Securities as of end of period

	Number of Shares	Amount \$
Authorized		
Unlimited number of common shares		
Unlimited number of preferred shares of one or more series		
Issued		
Common shares	34,194,460	3,727,420

4. Officers and directors as of the date of this report

<u>Name</u>	<u>Position</u>
Robert D. Matheson	Chairman, President & CEO
Brian Tijman	Controller, CFO & Director
Glenn F. H. Matheson	Executive Vice-President & Director
David Moser	Vice-President, Ontario & Director; President of Peartree Software Inc.
James H. Ross	Director
Roy Clarke	Chief Technology Officer, Peartree Software Inc.
Jamie Skawski	Vice-President, Enterprise Services