Symbility Solutions Inc.
Management's Discussion and Analysis
March 27, 2015

This Management's Discussion and Analysis ("MD&A") for Symbility Solutions Inc. (the "Corporation") should be read with the audited consolidated financial statements for the year ended December 31, 2014. The consolidated financial statements for the year ended December 31, 2014 of the Corporation were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Any reference to the Corporation specifically relates to the company as separate from its operating segments. All operating results refer to the consolidated financials of the parent company and its subsidiaries unless specifically noted otherwise. Additional information about the Corporation is available on SEDAR at www.sedar.com.

All amounts are expressed in thousands of Canadian dollars unless otherwise noted.

This document is intended to assist the reader in better understanding the operations and key financial results as of the date of this report. The consolidated financial statements and this MD&A have been reviewed by the Corporation's Audit Committee and approved by its Board of Directors.

Forward-looking Statements

This MD&A contains certain information that may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by the use of terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future financial position, business strategy and strategic goals, research and development activities, projected costs and capital expenditures, financial results, the ability to raise capital, taxes and plans and objectives of or involving the Corporation.

Without limitation, information regarding the Corporation's future cost structure, future sales and marketing activities, increased penetration into certain markets through strategic partnerships, the impact of the introduction of new products, the ability of new management to leverage sales opportunities, increase in the size of certain markets, expected increases in revenue, expected revenue from certain contracts, customer rollout plans for specific products, expected increase in gross margins, Symbility Health software product placement targets and Symbility Property product placement targets are forward-looking information.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results, events or developments to be materially different from what we currently expect. These risks include, among others, product development risk, potential product liability, risks related to third party contractual performance, customer demand, competition and the risks posed by potential technological advances, risks relating to the protection of the Corporation's intellectual property, risks relating to fluctuation in foreign currency exchange rates, and exposure to increased credit and liquidity risk. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Corporation may elect to, the Corporation does not undertake to update this information at any particular time unless required by law. Unless otherwise indicated, this MD&A was prepared by management from information available up to March 27, 2015.

Non-IFRS Measures

In addition to disclosing results in accordance with IFRS as issued by the IASB, the Corporation also provides supplementary non-IFRS measures as a method of evaluating the Corporation's performance. Management uses Adjusted EBITDA as a measure of enterprise-wide performance. Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, impairment losses, stock-based compensation, restructuring costs included in general and administration expense and other non-recurring gains or losses including transaction costs related to acquisition. Management believes Adjusted EBITDA is a useful measure that facilitates period-to-period operating comparisons. Adjusted EBITDA does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss) prepared in accordance with IFRS as issued by the IASB.

Selected Annual Financial Information

This financial information has been prepared in accordance with IFRS as issued by IASB. For further information and significant accounting policies, please see Notes 2 and 3 of the audited consolidated financial statements for the years ended December 31, 2014 and 2013 ("Financial Statements").

In thousands of dollars, except per share amounts.

For the years ended December 31,	**2014**	2013	2012
Consolidated Revenue	**$27,805**	$21,894	$16,537
Cost of Sales	**$5,289**	$4,395	$3,202
Operating Expenses	**$23,422**	$22,290	$16,730
Net Loss	**$(833)**	$(4,687)	$(3,393)
Adjusted EBITDA	**$3,091**	$(137)	$831
Earnings (loss) per share (1)	**$(0.00)**	$(0.02)	$(0.02)
Dividend on common shares	**$ -**	$ -	$0.01

As at December 31,	**2014**	2013	2012
Cash and cash equivalents	**$12,612**	$12,173	$15,008
Total Assets	**$35,532**	$33,613	$36,409
Total Long Term Liabilities	**$409**	$350	$459

(1) Rounded to the nearest cent in each year

Overall Performance

For the year ended December 31, 2014 consolidated revenue increased by $5,911 or 27% (2013 – $5,357 or 32%) as a result of growth in existing customers and our largest customer in their final year and the impact of foreign exchange. Symbility Property had several customer deployments in late 2013 that have generated significant revenue in 2014 and the growth in our largest customer, as announced on January 2, 2014, contributed to the growth. Symbility Health continues to grow at historical rates.

Cost of sales increased $894 or 20% (2013 - $1,193 or 37%) as compared to the prior year consistent with higher revenues, amortization of a technology license and additional costs on resale of products.

Operating expenses, including transaction related expenses, increased $1,132 or 5% (2013 – $5,560 or 33%) as compared to the prior year. The increase was for sales and marketing, research and development and transaction related expenses. The focus on sales and marketing is to expand our markets and generate future revenue in an industry with extremely long sales cycles. Research and development is focused on new feature development as described in our product strategy. General and admin expenses decreased during the year on lower stock based compensation.

Adjusted EBITDA was $3,091 for the year ended December 31, 2014 (2013 – loss of $137). The increase in Adjusted EBITDA is due to growth in revenue with only modest growth in costs.

The net loss for the year ended December 31, 2014 is $833 (2013 - $4,687). The decrease in the net loss is due to the increased revenue.

The Corporation had 117 employees as at December 31, 2014 (2013 – 117). The Corporation ended the year with cash and cash equivalents of $12,612 (2013 – $12,173).

Adjusted EBITDA

The Corporation has provided a reconciliation of Adjusted EBITDA to IFRS net loss in the following table:

For the years ended December 31,	**2014**	2013
IFRS Net Loss	**$(833)**	$(4,687)
Finance and other income	**(148)**	(117)
Depreciation and amortization	**1,951**	1,605
Stock-based compensation	**1,903**	3,049
Transaction related expenses	**143**	-
Income tax expense	**75**	13
Adjusted EBITDA	**$3,091**	$(137)

The Corporation believes Adjusted EBITDA is a useful measure as a proxy for operating cash flow and facilitates period-to-period operating comparisons. We believe Adjusted EBITDA is useful to an investor in evaluating our operating performance because:

- it is widely used by investors in our industry to measure a company's operating performance without regard to items such as depreciation and amortization which can vary substantially from company to company depending upon accounting methods and book value of assets, financing methods, capital structure and the method by which assets were acquired;
- it helps investors more meaningfully evaluate and compare the results of our operations from period–to-period by removing the impact of our asset base (primarily depreciation and amortization) and actions that do not affect liquidity (stock-based compensation expenses) from our operating results; and
- it helps investors identify items that are within our operational control. Depreciation and amortization charges, while a component of operating income, are fixed at the time of the asset purchase in accordance with the depreciable lives of the related asset and as such are not a directly controllable period operating charge.

The Corporation uses Adjusted EBITDA in calculating incentive compensation for its officers.

Operating segments

The Corporation has two operating divisions which offer products and services to different segments of the insurance industry:

- Symbility Property™ (property and casualty software) provides powerful, accurate and easy-to-use claims processing and estimating software for Property and Casualty Insurers.
- Symbility Health™ (group insurance software) provides an advanced and practical software that enables Insurers, Third-Party Administrators, Employee Benefits Brokers, and the Pharma industry to re-define collaboration in the healthcare system.

The Corporation allocates all expenses (including corporate costs) to each of these two operating divisions. Previously the Corporation included some costs as part of a Head Office function. See Discussion of Operations for details on the financial performance of each operating segment. The Corporation's operating segments/divisions, reported the following business developments in 2014:

Symbility Property

Market Position

Property and Casualty Insurers operate in a highly challenging environment, characterized by complexity of information and multiple stakeholder perspectives, in which reducing claims cycle time is a critical advantage point in the delivery of superior policyholder service.

Designed by experts in insurance software, Symbility Property's technology streamlines and accelerates claims processing, from remote field estimate to settlement.

Symbility Property's open architecture and cloud-based model eliminates software maintenance, streamlines integration with existing infrastructures, including policy administration systems, and minimizes the burden on IT resources. Insurance carriers, mitigation specialists, restoration contractors, independent adjusters, third party administrators, material suppliers and additional partner vendors have immediate access to Symbility Property's timely updates and enhancements, ensuring that their businesses benefit from the latest technology improvements. Plus, industry-leading usability reinforced by Symbility Property's deep technical support capabilities ensures a frictionless experience for all users and optimizes ROI for our customers.

Acquisition

In October 2014, Symbility announced it had completed the acquisition of the Haus360º (the "Acquisition"). Haud360º is the established nationwide name for software development of property claim estimation in Germany, now rebranded as Symbility Solutions GmbH and offering the full suite of Symbility Solutions' products and services.

Symbility Solutions acquired Haus360° in order to accommodate its increasing growth within the European property and casualty insurance market and increase its employee base. Based in Stuttgart, Symbility Solutions GmbH cloud-based software solutions are offered to the property and casualty insurance industry.

Product Strategy

Our core Product Strategy for Symbility Property is built around six key modules:

- Symbility *Claims Connect*® is a robust workflow management solution enabling end-to-end collaboration across the entire claims processing environment and fast, accurate analysis of key claims processing performance metrics. With *Claims Connect*, all participants — from field estimators, to staff adjusters to building contractors and even the insured — gain rapid, secure and rights-defined access to claims data, enhancing communication to dramatically reduce time-to-resolution of the claim.

- Symbility *Mobile Claims*® is an intuitive field estimating solution designed to enhance adjuster and third-party contractor productivity, it allows field staff to capture claims information using advanced mobile features like virtual diagramming, voice annotation, photo documentation and full pricing capabilities in order to quickly and accurately generate on-site estimates, even in extreme conditions with no Internet access.

- *Symbility Desk Adjuster*™, a powerful addition to Symbility Claims Connect, enables centralized desk adjusting units to operate more effectively by using a web-based interface. This module leverages a patent-pending, logic-based question and answer estimating methodology to establish a consistent, simplified and optimized desk adjusting process. Symbility Desk Adjuster helps companies maximize the effectiveness of their desk claims organization, creating scalability that was not previously possible while helping to accelerate claim cycle and improve policyholder satisfaction.

- *Symbility's Assemblies*, a new feature in Symbility Mobile Claims®, brings an unparalleled level of accuracy and consistency to the estimating process while creating efficiencies over conventional macro and batch-based estimating methods. The Assemblies interface guides users through the estimating process by prompting them to answer questions specific to their estimate and repairs. These questions quickly adapt to meet the needs of almost any loss – saving valuable time and improving accuracy.

- *Symbility Business Intelligence*™*,* a new module available through Symbility's Claims Connect® workflow management platform, provides a set of interactive tools that allow users at every level of an organization to quantify and analyze claims performance aspects relevant to their specific requirements. Symbility Business Intelligence offers users access to a wide range of interactive and customizable dashboards, report templates, comparative analyses against industry performance, as well as tools enabling detailed mining and export of claims data. With Symbility Business Intelligence, users can visualize, report, and analyze their business' performance more efficiently and effectively than ever before.

- *Symbility's Video Connect™,* enables desk adjusters to capture details of the damaged property without leaving the office. Through a simple phone call to the mobile device of almost any individual at the loss location, the desk adjuster will see the exact damage, visually and virtually document it and quickly process the claim.

As well, Symbility Analytics Services provide analytics and change management services, including reporting tools include: template reports and report builder to create custom reports; improve the accuracy of claim handling and the fairness of indemnity payouts, measure current performance and identify areas for improvement; identify specific company best practice targets; compare target best practices against the industry results and increase compliance and consistency.

In 2013, Symbility Property deployed a number of enhancements, including the following features:

- Symbility *Mobile Claims* application is now available on the iPad® and iPhone® and Android™ compatible versions. This iOS and Android compatible version of the tool replicates and extends the user experience across devices, giving our customers additional speed, flexibility and accuracy in the process of adjudicating a property claim, with no additional training required.
- Payment Tracker – is a new module that will allow users to enter payments and correlate specific items on receipts with estimate line items.
- Material Purchase Provider Program – for the integration that provides user with a large material provider network, a carrier and a contractor network for fulfilling material requirements on a claim.
- Mobile App Integration: Sensopia – integration with *Mobile Claims* that measures and diagrams rooms as a user snaps pictures of corners and doors.

For 2014, Symbility Property has additional enhancements including the following:

- Cost Database Intelligence – a new tool to improve field users' efficiency by filtering down the pricing database and implementation of construction process knowledge.
- Predictive Modelling – new tool to improve field user efficiency by predicting estimate line items based on property characteristics and type of loss.
- Contents – through the iteration and resale of the Enservio's ContentsExpress™ (described below) a new inventory and contents estimating module in *Mobile Claims*.
- Consumer Participation in Claims – improvements to the guest user functionality to facilitate the participation of the policy holder in a claim.
- Material Purchase Provider Program – improvements to the existing program to further automate the Program.
- Video Connect – enables desk adjusters to capture details of the damaged property without leaving the office.

For 2015, Symbility Property has additional enhancements identified including the following as described above:

- *Symbility Desk Adjuster*
- *Symbility's Assemblies*,
- *Symbility Business Intelligence*

Sales & Marketing Initiatives

In 2013, Symbility Property increased its focus on the international markets. On January 16th, 2013 Symbility Property announced the reseller agreement with Digicall Solutions. Based in Johannesburg, South Africa, Digicall consists of seven specialist units that provide an array of services to the short term insurance sector. They began using the Symbility application through its Assessing Solutions division to process claims and manage the contractor network for tier one insurers. As well, Symbility Property has expanded to include three European based employees to focus on international opportunities, both through resellers and direct sales.

In 2013, much of Symbility Property's success was in signing contracts with the supply chain participants (independent adjusters and contractors) who service the insurance carriers. The supply chain participants are important to the sales initiatives with carriers so that the carrier can quickly deploy the Symbility Property solutions. At the same time, the supply chain is dependent on carriers assigning them claims.

In 2014, Symbility Property incurred $769 (2013 - $1,059) in sales and marketing expenses for trade shows and marketing consultants. This expenditure included Symbility Property's 2014 Symposium and the 2014 PLRB/LIRB Claims Conference.

Symbility Property's 2014 sales and marketing initiatives include enhancements to our product offerings through additional functional from new or enhanced relationships with third party technology providers such as Librestream Technologies Inc.®, the leader in mobile video collaboration for the enterprise market. Librestream's Onsight Connect® video collaboration application will be integrated into Symbility's property claims workflow management solution *Video Connect*®, and its smartphone and tablet-enabled field estimating application *Mobile Claims*®. This video collaboration solution will transform the way property damage is captured by encouraging customer self-service and providing live video support to field adjustors, minimizing the adjuster's physical presence onsite. Using Video Connect, the desk adjuster will be able to capture details of the damaged property without leaving the office.

In addition to the focus on additional functionality from our technology partners, Symbility Property's sales focus is on new insurance carriers.

Outlook

On January 2, 2014, the Corporation announced that its largest US-based customer has renewed its contract for an additional 12 months to December 31, 2014. The renewal resulted in US $8.5 million of revenue to Symbility during 2014. During the course of 2014, the customer transitioned off the Symbility platform in order to utilize a combined platform for both its underwriting and claims divisions and, as a result, the contract will not be renewed after 2014. Symbility's approximate revenue from this customer was $1.8 million, $5.2 million, $5.8 million and $9.4 million in 2011, 2012, 2013 and 2014 respectively. .

The focus of 2015 will be on signing additional new carriers and large supply chain clients to replace this revenue in 2015 in North America and continuing to expand the client base internationally. Excluding the above client, the Corporation expects to achieve revenue growth on its existing clients and new clients in 2015. The Corporation is also looking at alternative strategies to replace this revenue.

Symbility Health

Market Position

Symbility Health's aim is to create collaborative technologies that deliver a different kind claims experience for the healthcare market. Symbility Health will achieve this by leveraging Symbility Property's global experience providing cloud-based and mobile technology to the property and casualty insurance segment. Symbility Health's goal is to provide all of the tools required to analyze, adjust, adjudicate and settle a claim with every participant collaborating in the same system, sharing the same information.

Symbility Health simplifies the group benefit process by giving its clients, Third Party Administrators ("TPAs") and employee benefit brokers, the tools to control their group benefit business. We work with our clients to provide, through a web-based portal, access to the status of their health benefit claims. Our clients in turn offer Symbility Health's solution to their customers. As a result, our software adjudication has come to redefine the marketplace because it is simple to use, simple to understand and proven to increase output as it decreases costs. Also, Symbility Health can be fully integrated into a client's existing system. Symbility Health's solutions provide clients with total control over the entire claims management experience.

Product Strategy

Our core Product Strategy for Symbility Health is built around four key modules:

- *Adjudicare®* – the Adjudication and Claims Payment product that simplifies the group benefit process by giving its users tools to control their business. As a result, our software adjudication has come to redefine the marketplace because it is simple to use, simple to understand and proven to increase output as it decreases costs. Also, Adjudicare can be fully integrated into an established system.
    - Health & Dental Claims
    - Cost plus and Health Care Spending Accounts (HCSA)
    - First Nations benefit plans

- Symbility Health *Mobile Claims®* – a mobile application to provide plan members access to their claims information that is the next generation in online claims submission:
    - seamless integration to allow for real-time claims processing
    - patent pending front-end audit functionality
    - ability to complement existing consumer mobile apps being used by plan members
    - access through major mobile platforms: iOS and Android

- Symbility Health *Online Claims Access and Portal* – provides total control on a personalized basis.
    - Member Administrator Portal
        - Easy access for up-to-the-minute coverage status and pertinent member details.
        - Employee claims can be viewed and filtered by category, benefit type, service date and payment details.
    - Plan Administrator Portal
        - Degree of access defined by partners.

    - Administrators can access claims reports, HCSA reports, Invoicing reports and Member Profiles reports.

- Symbility Health *UnionPro*™ – is the only web-based Hour Banking product to provide unions a worry free solution to track their members' hour banking, benefit plan eligibility, and contribution data.

For 2014, Symbility Health added additional enhancements to its centralized workflow technology, Symbility Health *Claims Connect*®, to create a workflow designed to meet the needs of the specialty pharmacy sector that performs tasks that are required to enable improved business processes and performance.

Benefit Plan Services

Symbility Health also provides group benefit administrators with a simple, cost-effective solution to increase productivity and control. Symbility Health leverages volume and purchasing power from its national network of partners to enable our clients to offer services and products to their customers. The Benefit Plan Services include products such as:

- Group Insurance Plan
- Medical Second Opinion Service
- Employee/Business Owner Assistance Plan
- Out-of-Country Group Travel Insurance
- Stop-Loss Program
- Wellness Solutions

Symbility Health provides these services as a reseller of these services.

Sales & Marketing Initiatives

Symbility Health has determined that the market opportunity has expanded due to the Product Strategy and Benefit Plan Services. Offerings such as *Mobile Claims* and *Claims Connect* add value to the TPA's and benefits brokers who may use an alternative adjudication system but need to provide their clients with the opportunity to leverage mobile technologies to enhance collaboration.

The fourth annual Partner Summit, a three-day event from October 5-8, 2014 brought together Symbility Health partners, prospects and strategic vendors from across Canada and the U.S. for an opportunity to network, share insights with industry peers, and hear about the hottest topics currently affecting the healthcare industry. The event featured case studies and sessions focused on a variety of topics, including the importance of pay-direct drug cards, the case for medical second opinions, a new functionality that integrates benefit plan offerings with the NIHB program for First Nations, Inuit and Métis plan members, as well as how Canadian companies can best manage international benefits for their foreign assignment employees.

In 2014, Symbility Health has expanded its sales force, added a dedicated account management group and is expanding its sales and marketing initiatives.

Outlook

Management feels that the efforts made in the past several years have created an enhanced benefits platform for our partners and generated a significant amount of momentum going into 2015:

- With the addition of technology such as online claims access and new Benefit Plan Services, our product offering is now able to fully compete with comparable offerings from insurance carriers and other third party administrators.
- Additional investments in sales and marketing personnel and marketing initiatives such as the Symbility Health partner event have already demonstrated that they have enabled our clients to network and work together to grow their business with Symbility Health.

With all of these components in place, management believes that Symbility Health will continue to grow in 2015 in excess of historical rates.

Discussion of Operations

The following discussion includes and explanation of the primary factors in changes in operations. Additional, less significant changes are not articulated.

Revenue

For the years ended December 31,	**2014**	2013
Symbility Property	**$23,157**	$17,828
Symbility Health	**4,648**	4,066
Total	**$27,805**	$21,894

Symbility Property's revenue increase relates to the incremental revenue its largest client of $3,199, the net impact new clients and increased revenue from existing clients of $963 and the impact of foreign exchange of $1,177.

Symbility Health's revenue growth is from its existing customers.

Cost of Sales

For the years ended December 31,	**2014**	2013
Symbility Property	**$3,105**	$2,566
Symbility Health	**2,184**	1,829
Total	**$5,289**	$4,395

Symbility Property incurs cost of sales for:

- Two data centers in North America and one in Europe. The Corporation completed the migration of customers from the MSB Claims Business software to the Symbility software in 2014 and was able to decommission the production data center associated with this business,
- Shared costs under the data license with MSB for updating the database,
- Charges for specific enhancements to the database, and

- A fixed, non-cash intangible amortization expense of the technology and data licenses.

Symbility Property's increase in cost of sales relates to the data centers of $97 which is the result of the deployment in November 2013 of the new data center, the new European data center, offset by the decommissioning in October 2014 of the IntegriClaim production environment. As well, the resale cost of resale products, software licenses and amortization of the data license and technology license from third parties increased costs by $442. Symbility Property's cost of sales attributed to fixed non-cash amortization expense of the database and technology license was $1,001 for the year December 31, 2014 (2013 – $880).

Symbility Health's cost of sales represents costs of certain insurance products, which are in turn sold to broker customers of Symbility Health, as well as the cost of fees paid to third parties. Cost of sales is directly variable with revenue for Symbility Health. Symbility Health cost of sales increased slightly to 47% (2013 – 45%) due to increased revenue from higher cost insurance products.

Sales and Marketing

For the years ended December 31,	**2014**	2013
Symbility Property	**$9,378**	$8,823
Symbility Health	**1,252**	1,060
Total	**$10,630**	$9,883

Symbility Property's increase is due its focus on sales and marketing to enable future growth. The increase relates to additional personnel costs of $1,269; computer SaaS licenses of $56 and other expenses of $53. This was offset by reduced travel expenses of ($182) as more personnel were local to the opportunities as well as cost controls, a reduction in marketing events of ($263) as the major shows were the focus and small regional shows were minimized, a reduction in stock based compensation of ($91) and a reduction in outside consultants of ($239).

Symbility Health's increase relates to investment of additional sales personnel costs of $194, offset by a reduction in consultants of ($94) who were replaced with employees and stock based compensation expense of ($42).

Research and Development

For the years ended December 31,	**2014**	2013
Symbility Property	**$4,012**	$3,778
Symbility Health	**1,082**	650
Total	**$5,094**	$4,428

Symbility Property's increase is net of the recording of investment tax credits of $709 for credit claimed from 2013 and 2014. In 2014, Symbility Property applied under a program for tax credits which had not previously been utilized. This refundable tax credit was recorded in November 2014 following a detailed review and application submission for 2013 and an estimate for 2014. These credits have been recorded as a reduction in expense in 2014. There was no comparable amount in 2013. Had this credit not been applied to expenses, research and development would have increased by $896. This increase is due to additional personnel of $1,230, however consultants were reduced by ($110) as some of these skills were brought in house and a reduction in expense for stock based compensation of ($215).

Symbility Health's increase relates to an increase in personnel costs of $271 and additional consultants of $182 to support new product development.

General and Administration

For the years ended December 31,	**2014**	2013
Symbility Property	**$6,142**	$6,983
Symbility Health	**926**	742
Total	**$7,068**	$7,725

Symbility Property's decrease relates lower stock based compensation of ($705) and reduced public company / investor relations activities of ($163). These reductions were offset by increases and (decreases) in professional fees of $119, travel of ($114), facilities of ($49) and compensation of ($58).

Symbility Health's increase in expenses was due to higher compensation expenses of $61 as more resources were dedicated to Symbility Health, additional facilities costs required for additional headcount of $36 and an increase in travel costs of $39.

Transaction Related Expenses

For the years ended December 31,	**2014**	2013
Total	**$143**	$ -

Transaction related expenses were incurred to complete the Acquisition of the Haus360º previously described.

Other Operating Expenses

For the years ended December 31,	**2014**	2013
Total	**$487**	$254

Other operating expenses include depreciation and amortization (excluding intangible assets for the data and technology licenses and customer relationships which is included elsewhere in the financial statements) and foreign exchange. The increase relates to the increase in depreciation for property and equipment and amortization of intangible assets of $183 and the fluctuation of the foreign exchange rate of $50.

Summary of Quarterly Results

The following table shows selected financial information for each of the eight most recently completed quarters reported below in thousands of dollars, except per share amounts.

	Fiscal 2014				**Fiscal 2013**			
	Dec 31, 2014	**Sep 30, 2014**	**Jun 30, 2014**	**Mar 31, 2014**	**Dec 31, 2013**	**Sep 30, 2013**	**Jun 30, 2013**	**Mar 31, 2013**
Symbility Property Revenue	$5,708	$5,485	$5,929	$6,036	$4,355	$4,474	$5,020	$3,979
Symbility Health Revenue	$1,241	$1,123	$1,137	$1,146	$1,116	$956	$999	$995
Consolidated Revenue	$6,949	$6,608	$7,066	$7,182	$5,471	$5,430	$6,019	$4,974
Adjusted EBITDA	$1,078	$597	$610	$808	($460)	($112)	$635	($200)
Net Income (Loss)	$225	($259)	($101)	($698)	($1,347)	($1,032)	($334)	($1,972)
Net Income (Loss) per share [(1)]	$0.00	($0.00)	($0.00)	($0.00)	($0.01)	($0.01)	($0.00)	($0.01)

(1) Rounded to the nearest cent in each quarter

Over the past eight quarters, revenue has increased for the following reasons:

- Symbility Property has started to recognize revenue from the rollout of its new customers and users.
- Symbility Property negotiated an increase in the final year of revenue from a large client, and
- Symbility Health has grown its customer base and has incremental growth in existing customers.

Symbility Property revenue is based in part on claims volumes and typically has higher claims in the second and third quarter based on seasonal weather effects. Symbility Property expects that the growth in breadth and depth of our customer base and the evolution of our pricing model we will reduce this seasonality in the future. The conversion of our largest US customer to a fixed fee license also reduced the seasonality in 2014. Symbility Health has limited seasonality due to the nature of the business.

Adjusted EBITDA is impacted by the seasonality of the Symbility revenue and timing of activities such as marketing events generally determined by the industry.

Discussion of Operations - Fourth Quarter

Revenue

For the three months ended December 31,	**2014**	2013
Symbility Property	**$5,708**	$4,355
Symbility Health	**1,241**	1,116
Total	**$6,949**	$5,471

Symbility Property's revenue increase relates primarily to the incremental revenue from the Acquisition, the final quarter of revenue from our largest customer and the impact of foreign exchange rates.

Symbility Health revenue growth is from increased professional services revenue of $50 and transactional volume with existing customers. The overall growth is consistent with historical growth rates.

Cost of Sales

For the three months ended December 31,	**2014**	2013
Symbility Property	**$904**	$709
Symbility Health	**604**	478
Total	**$1,508**	$1,187

Symbility Property's increase in cost of sales relates to costs of resale products, offset by other small reductions. Symbility Property cost of sales remained constant at 16%. Symbility Property's cost of sales attributed to fixed non-cash amortization expense of the database and technology license was $259 for the three months ended December 31, 2014 (2013 – $220).

Symbility Health cost of sales represents costs of certain insurance products, which are in turn sold to broker customers of Symbility Health, as well as the cost of fees paid to third parties. Cost of sales is directly variable with revenue for Symbility Health. Symbility Health cost of sales increased slightly to 49% (2013 – 43%) due to mix of revenue from insurance products.

Sales and Marketing

For the three months ended December 31,	**2014**	2013
Symbility Property	**$2,306**	$2,051
Symbility Health	**330**	216
Total	**$2,636**	$2,267

Symbility Property's increase is due its focus on sales and marketing to enable future growth. The increase relates to additional personnel from the Acquisition, reduced use of contractors and lower commissions on new revenue.

Symbility Health's increase relates to the timing of its annual partner event. In 2013 this occurred in the third quarter and in 2014 was in the fourth quarter.

Research and Development

For the three months ended December 31,	**2014**	2013
Symbility Property	**$287**	$1,110
Symbility Health	**198**	226
Total	**$485**	$1,336

Symbility Property's increase is net of the recording of investment tax credits of $709 for credit claimed from 2013 and 2014. In 2014, Symbility Property applied under a program for tax credits which had not previously been utilized. This refundable tax credit was recorded in November 2014 following a detailed review and application submission. These credits have been recorded as a reduction in expense in 2014. There was no comparable amount in 2013. Had this credit not been applied to expenses, research and development would have decreased by ($114). This decrease is due to a reduction in stock based compensation by ($90) and a reduction in consultants of ($147). This was offset by an increase in compensation of $151.

Symbility Health's decrease relates to a reduction in consultants of ($63), offset by an increase in personnel and consultants of $37.

General and Administration

For the three months ended December 31,	**2014**	2013
Symbility Property	**$1,512**	$1,790
Symbility Health	**218**	200
Total	**$1,730**	$1,990

Symbility Property's decrease relates lower stock based compensation of ($130) and deferral of the annual employee party of ($125) and lower public company and investor relations activities of ($50), offset by smaller increases.

Symbility Health had no significant change in General and Administration expenses.

Other Operating expenses

For the three months ended December 31,	**2014**	2013
Total	**$329**	$56

Other operating expenses include depreciation and amortization (excluding intangible assets for the data and technology license and customer relationships which is included elsewhere in the financial statements) and foreign exchange. The increase relates to the increase in depreciation for property and equipment and amortization of intangible assets of $61 and offset by the fluctuation of the foreign exchange rate of $212.

Liquidity and Capital Resources

The Corporation has working capital of $11,819 at December 31, 2014 as compared to $10,330 of working capital at December 31, 2013.

The Corporation's current assets consist of cash and cash equivalents of $12,612, accounts receivable of $4,879 tax receivables of $895 and prepaid and other assets of $704. Current liabilities consist of accounts payable and accrued liabilities of $5,136 and deferred revenue of $2,135.

The Corporation believes it is sufficiently capitalized with a working capital surplus of $11,819 at December 31, 2014.

Commitments

The Corporation has entered into a four-year transition services agreement with MSB with a minimum annualized commitment of $962 (2013 - $712). The termination of the agreement is subject to the earlier of i) the time when no customers of the MSB claim business or the new claims business are using certain existing MSB products, ii) four (4) years following the effective date which is on April 10, 2012 and iii) portions of the agreement upon 90 days' notice.

The Corporation has entered in to the Database Licence Agreement which requires payment by the Corporation to MSB to maintain the currency of the content in the database. This is a variable cost based on various factors.

	2015	2016	2017	2018	2019	Total
Finance lease obligations	$ 4	$ -	$ -	$ -	$ -	**$ 4**
Operating leases (1)	325	367	382	282	67	**1,423**
Purchase obligations	401	36	-	-	-	**437**
Total	$730	$403	$382	$282	$67	**$1,864**

(1) Includes the non-cancellable portion of the transition services agreement

Subsequent to December 31, 2014, the Corporation has entered into commitments for capital expenditures under this plan of approximately $100.

Capital Resources

Management has decided that it is essential to invest in additional computer equipment and software to increase hosting capacity to support the growth of the Corporation. As well additional property and equipment will be required as the Corporation replaces equipment at the end of its useful life. Due to expanding real estate requirements, additional leasehold expenditures will also be required.

Off Balance Sheet Arrangements

The Corporation did not enter into any off balance sheet arrangements during the period ended December 31, 2014 and has not done so historically.

Related Party Transactions

For the year ended December 31, 2014, the Corporation expensed $2,368 (2013 - $2,512) for services under the four-year transition services agreement and database license agreement with MSB. The termination of the transition services agreement is subject to the earlier of i) the time when no customers are using certain existing MSB products, and ii) four (4) years following the effective date, which was on April 10, 2012 and iii) portions of the agreement upon 90 days' notice. For the year ended December 31, 2014, the Corporation earned $14 (2013 - $312) for services provided to MSB. As at December 31, 2014, the Corporation owed $155 (2013 - $322) to MSB, net of services provided.

On June 9, 2014, the Corporation issued 90,134 common shares with an estimated weighted average fair value of $0.36 per share for an aggregate value of $32 to the Directors of the Corporation for services provided from January to March 2014. On August 22, 2014, the Corporation issued 110,480 common shares with an estimated weighted average fair value of $0.30 per share for an aggregate value of $33 to the Directors of the Corporation for services provided from April to June 2014. On October 29, 2014, the Corporation issued 105,080 common shares with an estimated weighted average fair value of $0.29 per share for an aggregate value of $30 to the Directors of the Corporation for services provided from July to September 2014. On February 26, 2015, the Corporation issued 82,136 common shares with an estimated weighted average fair value of $0.37 per share for an aggregate value of $30 to the Directors of the Corporation for services provided from October to December 2014. The issuance of these common shares to the Directors was approved by the TSX Venture Exchange. The estimated fair value was determined based on the share price on the date of issuance.

On February 10, 2014, 300,000 options were granted to Directors of the Corporation in accordance with the Corporation's stock option plan. Each option entitles its holder to purchase one common share of the Corporation at an exercise price of $0.31 per share for a period of ten years from the date of grant.

On March 31, 2014, 630,685 options were granted to Directors and officers of the Corporation in accordance with the Corporation's stock option plan. Each option entitles its holder to purchase one common share of the Corporation at an exercise price of $0.38 per share for a period of ten years from March 31, 2014.

On May 14, 2014, 300,000 options were granted to an officer of the Corporation in accordance with the Corporation's stock option plan. Each option entitles its holder to purchase one common share of the Corporation at an exercise price of $0.34 per share for a period of ten years from May 14, 2014. The above options vest at a rate of one third per annum, on the anniversary date of the grant.

All of the above transactions were recorded at the exchange amount.

Critical Accounting Estimates

The preparation of the consolidated financial statements requires the use of estimates and assumptions to be made in applying the accounting policies that affect the reported amounts of assets, liabilities, revenue, expenses and the disclosure of contingent assets and liabilities. The estimates and related assumptions are based on previous experience and other factors considered reasonable under the circumstances, the results of which form the basis of making the assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have a significant effect on the consolidated financial statements relate to the following:

Impairment of non-financial assets

The Corporation's impairment test is based on value-in-use calculations that use a discounted cash flow model. The cash flows are derived from the projections for the next five years and are sensitive to the discount rate used as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Useful lives of key property and equipment and intangible assets

The depreciation method and useful lives reflect the pattern in which management expects the asset's future economic benefits to be consumed by the Corporation.

Share-based compensation

The Corporation measures the cost of equity-settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. Estimating fair value for share-based compensation requires determining the most appropriate valuation model for a grant of these instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model, including the risk-free interest rate expected life of the option, volatility, performance probability and dividend yield.

Changes in Accounting Policies Not Yet Adopted

The following accounting pronouncements issued by the IASB were not effective as of December 31, 2014. Management is currently evaluating the potential impact the adoption of these accounting pronouncements will have on the Corporation's consolidated financial statements:

IAS 1 Financial Statement Presentation ("IAS 1")

The International Accounting Standards Board ("IASB") has published 'Disclosure Initiative (Amendments to IAS 1). The amendments aim at clarifying IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports. They are effective for annual periods beginning on or after January 1, 2016, with earlier application being permitted.

IFRS 8 Operating Segments ("IFRS 8")

The Annual Improvements to IFRSs 2010-2012 included amendments to IFRS 8. This standard has been amended to require (i) disclosure of judgments made by a company's management in aggregating segments, and (ii) a reconciliation of segment assets to the entity's assets when segments are reported. These amendments are effective for annual periods beginning on or after July 1, 2014. The Corporation is in the process of evaluating the impact of adopting these amendments on the Company's consolidated financial statements.

IFRS 9 Financial Instruments: Classification and Measurement ("IFRS 9")

In July 2014, the IASB issued the final version of IFRS 9 which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard, Financial Instruments: Recognition and Measurement, introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before February 1, 2015. The Corporation is in the process of evaluating the impact of these amendments on the Corporation's consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15")

In May 2014, the IASB issued IFRS 15, which covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The core principle of the new standard is that an entity recognizes revenue to represent the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard also provides a model for the recognition and measurement of gains or losses from sale of non-financial assets. IFRS 15 is effective for annual periods beginning on or after January 1, 2017. The standard permits the use of either full or modified retrospective application. This new accounting guidance will also result in enhanced disclosures about revenue. The Corporation is evaluating the effect that IFRS 15 will have on its consolidated financial statements, and related disclosures, as well as the transition method to apply the new standard.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization ("IAS 16" and "IAS 38")

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets.

The amendments are effective prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact on the consolidated financial statements of the Corporation as the Corporation has not used a revenue-based method to depreciate its non-current assets.

Financial Instruments and Risk Management

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable, loan receivables accounts payable and accrued liabilities and finance lease obligations and their carrying value approximates fair value due to their immediate or short-term maturity.

Risk arising from Financial Instruments and Risk Management

The Corporation's activities expose it to a variety of financial risks: market risk (including foreign exchange), credit risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Corporation's financial performance. Risk management is the responsibility of the corporate finance function. Material risks are monitored and are regularly discussed with the Audit Committee of the Board.

Market risk and foreign currency risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Corporation's income or the value of its financial instruments. The Corporation's activities that result in exposure to fluctuations in foreign currency exchange rates consist of the sale of products and services to customers invoiced in foreign currencies and the purchase of services invoiced in foreign currencies.

Of the Corporation's accounts receivable at December 31, 2014 and December 31 2013 are as follows:

	December 31,2014	**December 31, 2013**
Accounts Receivable		
U.K. pound sterling	**37%**	36%
European Euro	**12%**	5%
U.S. dollars	**11%**	22%
Account payable		
U.S. dollars	**21%**	33%

The Corporation's revenue and expense by foreign currency for the years ended December 31, 2014 and 2013 are as follows:

	For the 12 months ended December 31,	
Revenue	**2014**	**2013**
U.K. pound sterling	**14%**	11%
U.S. dollars	**63%**	65%
Expenses		
U.S. dollars	**33%**	36%

During the year ended December 31, 2014, a 1% appreciation (depreciation) in U.S. dollar to Canadian dollar foreign exchange rate, all else being equal, would have affected net income by $11 (2013 – $16), and a 1% appreciation (depreciation) in the U.K. pound sterling to Canadian dollar foreign exchange rate, all else being equal, would have affected net income by $59 (2013 – $35). The Corporation's exposure to foreign currency changes for all other currencies is not material.

Credit risk

As at December 31, 2014, the largest amounts due from one customer accounted for 39% of the Corporation's total accounts receivable (2013 – one customer – 41%).

The carrying amount of accounts receivable is reduced through the use of an allowance account and the amount of the loss is recognized in the consolidated statements of loss and comprehensive loss within other operating expenses. When a receivable balance is considered uncollectible, it is written off against the allowance for doubtful accounts. Subsequent recoveries of amounts previously written off are credited against other operating expenses in the consolidated statements of loss and comprehensive loss.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Corporation's objective in managing liquidity risk is to maintain sufficient readily available cash reserves in order to meet its liquidity requirements at any point in time. The Corporation achieves this by maintaining sufficient cash and cash equivalents, managing cash from operations and through the raising of equity financing. As at December 31, 2014, the Corporation had cash and cash equivalents of $12,612 (2013 – $12,173).

For more information, see Note 15 of the audited consolidated financial statements for the year ended December 31, 2014.

Disclosure of Outstanding Share Data

The following chart summarizes the equity securities outstanding as of the date hereof:

EQUITY SECURITY	NUMBER OUTSTANDING
Common Shares	210,105,618
Stock Options	16,804,701

Addition Information

Additional information concerning the Corporation, including the Corporation's Annual Information Form, is available on SEDAR at www.sedar.com.