

POLYDEX PHARMACEUTICALS LIMITED

Consolidated Statements of Operations and Comprehensive Income (Loss)
(Expressed in United States dollars)

Year ended January 31

	2009 \$	2008 \$	2007 \$
Sales	4,824,906	5,734,858	6,499,287
Cost of goods sold	4,793,003	5,359,794	5,666,844
Gross profit	31,903	375,064	832,443
Expenses			
General and administrative (note 12b)	1,004,167	1,126,269	1,205,874
Research and development (note 14)	35,102	135,821	214,865
Selling and promotion	67,567	84,903	171,086
Interest expense, net (note 8)	66,714	96,818	94,790
Depreciation	34,477	39,973	42,186
Foreign exchange loss (gain)	(77,818)	43,256	(22,857)
Loss (gain) on sale of assets	5,527	—	(20)
Cash surrender value of life insurance	—	(81,045)	—
Impairment of plant and equipment	550,956	—	—
Interest and other income (note 13)	(10,359)	(103,776)	(497,663)
Total expenses	1,676,333	1,342,219	1,208,261
Loss before income taxes	(1,644,430)	(967,155)	(375,818)
Recovery of income taxes (note 15)	(52,960)	(81,944)	(115,195)
Loss for the year	(1,591,470)	(885,211)	(260,623)
Unrealized gain (loss) on investments available for sale	27,269	3,702	(1,321)
Currency translation adjustment	(1,326,164)	1,191,966	(241,436)
Comprehensive income (loss) for the period	(2,890,365)	310,457	(503,380)
Per share information:			
Loss per common share:			
Basic	(0.52)	(0.29)	(0.09)
Diluted	(0.52)	(0.29)	(0.09)
Weighted average number of common shares used in computing net loss per share for the period:			
Basic	3,072,846	3,072,846	3,063,884
Diluted	3,072,846	3,072,846	3,063,884

See accompanying notes.