Condensed Consolidated Interim Financial Statements
(In Canadian dollars)

theScore, Inc.

Three months ended November 30, 2012 and 2011

theScore, Inc.

Condensed Consolidated Interim Statements of Financial Position
(in thousands of Canadian dollars)
(unaudited)

	November 30, 2012	August 31, 2012
ASSETS		
Current assets:		
Cash	$ 8,099	$ -
Accounts receivable	2,419	1,124
Other receivables (notes 1, 8)	3,663	1,863
Due from Remaining Group (note 6)	-	80
Prepaid expenses and deposits	450	142
	14,631	3,209
Non-current assets:		
Equipment (note 3)	444	246
Intangible assets (note 4)	7,747	7,206
Investment in equity accounted investee	902	916
	9,093	8,368
Total assets	$ 23,724	$ 11,577
LIABILITIES AND SHAREHOLDERS' EQUITY/FUNDED DEFICIENCY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,829	$ 1,799
Due to Former Parent (note 7)	-	23,574
Due to Remaining Group (note 6)	-	8,840
	2,829	34,213
Funded Deficiency (note 1)	-	(22,636)
Shareholders' Equity (note 14)	20,895	-
Commitments and contingencies (notes 1, 4, 10)		
Total liabilities and Shareholders' Equity/Funded Deficiency	$ 23,724	$ 11,577

See accompanying notes to Condensed Consolidated Interim Financial Statements

theScore, Inc.

Condensed Consolidated Interim Statements of Comprehensive Loss
(in thousands of Canadian dollars, except per share amounts)
(unaudited)

	Three months ended November 30, 2012	2011
Revenue (note 12)	$ 1,506	$ 1,015
Operating expenses:		
Personnel (note 8)	1,715	755
Content	380	448
Technology	789	695
Facilities, administrative and other	683	409
Management fees (note 7)	48	194
Depreciation of equipment	24	20
Amortization of intangible assets (note 8)	599	158
	4,238	2,679
Operating loss	(2,732)	(1,664)
Finance costs (note 9)	99	119
Share of loss (profit) of equity accounted for investee	2	(12)
Net and comprehensive loss	$ (2,833)	$ (1,771)
Earnings per share - basic and diluted (note 13)	$ (0.03)	$ (0.02)

See accompanying notes to Condensed Consolidated Interim Financial Statements

theScore, Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity/Funded Deficiency
(in thousands of Canadian dollars, except share amounts)
(unaudited)

	Special Voting Shares		Class A Subordinate Voting Shares			
	Amount	Number of Shares	Amount	Number of Shares	Retained Earnings/ Funded Deficiency	Total Shareholder's Equity/ Funded Deficiency
Three months ended November 30, 2012						
Balances, August 31, 2012	$ -	-	$ -	1	$ (22,636)	$ (22,636)
Net and comprehensive loss for the period	-	-	-	-	(2,833)	(2,833)
Contributions by Former Parent and Remaining Group	-	-	-	-	107	107
Capitalization arising from the Arrangement (note 1):						
Amounts acquired - Due to Former Parent	-	-	-	-	25,198	25,198
Amounts settled - Due to Remaining Group	-	-	-	-	9,371	9,371
Initial capitalization	15	5,566	11,579	95,015,275	-	11,594
Assets transferred at carrying value	-	-	-	-	94	94
Balances, November 30, 2012	$ 15	5,566	$ 11,579	95,015,276	$ 9,301	$ 20,895
Three months ended November 30, 2011						
Balances, August 31, 2011	$ -	-	$ -	-	$ (14,627)	(14,627)
Net and comprehensive loss for the period	-	-	-	-	(1,771)	(1,771)
Contributions by Former Parent and Remaining Group	-	-	-	-	236	236
Balances, November 30, 2011	$ -	-	$ -	-	$ (16,162)	$ (16,162)

See accompanying notes to Condensed Consolidated Interim Financial Statements

theScore, Inc.

Condensed Consolidated Interim Statements of Cash Flows
(in thousands of Canadian dollars)
(unaudited)

	Three months ended November 30, 2012	2011
Cash flows from (used in) operating activities		
Net and comprehensive loss	$ (2,833)	$ (1,771)
Adjustments for:		
Depreciation and amortization	623	178
Share of loss (profit) of equity accounted investee	2	(12)
Change in equity accounted investee	(14)	38
Contributions by Parent and Remaining Group (notes 6, 7)	107	236
	(2,115)	(1,331)
Change in non-cash operating working capital:		
Accounts receivable	(1,295)	(157)
Other receivable	-	(793)
Prepaid expenses	(308)	(24)
Accounts payable and accrued liabilities	1,030	68
	(573)	(906)
Net cash used in operating activities	(2,688)	(2,237)
Cash flows from financing activities		
Funding provided from Arrangement (note 1)	9,794	-
Due to Remaining Group (note 6)	531	669
Due to Former Parent (note 7)	1,624	2,304
Net cash from financing activities	11,949	2,973
Cash flows used in investing activities		
Additions of equipment	(26)	(91)
Additions of intangible assets	(1,136)	(645)
Net cash used in investing activities	(1,162)	(736)
Cash, beginning of period	-	-
Cash, end of period	$ 8,099	$ -

See accompanying notes to Condensed Consolidated Interim Financial Statements

1. Nature of operations:

(a) Business:

theScore, Inc. ("theScore") is engaged in the creation, aggregation and distribution of sports content via established and emergent digital media assets, including mobile sports applications and its website, theScore.com. theScore principally operates in Canada and is currently headquartered at 370 King Street West, 4th floor, Toronto, Ontario, M5V 1J9. Common shares began trading on the TSX-V on October 25th, 2012 under the symbol SCR.TO.

Prior to October 19, 2012, the digital media business ("Score Digital") of theScore was a business of Score Media Inc. (the "Former Parent"). Score Digital represented a portion of the Former Parent's business and did not constitute a separate consolidated group.

On August 25, 2012, the Former Parent entered into a definitive arrangement agreement (the "Arrangement Agreement") with Rogers Media Inc. ("Rogers") pursuant to which, by way of a court-approved plan of arrangement (the "Arrangement"): (i) Rogers would acquire the television business of the Former Parent via an acquisition of all of the outstanding shares of the Former Parent for $1.62 per share; and (ii) Score Digital would be spun out to the Former Parent's shareholders as a new corporation, theScore, formed to acquire Score Digital and certain assets of the Former Parent and its subsidiaries.

The Arrangement was approved by the Board of Directors of the Former Parent, and by the Former Parent's shareholders, on October 17, 2012, and the Arrangement closed on October 19, 2012. Under the terms of the Arrangement Agreement, Rogers acquired all of the outstanding shares of the Former Parent and an interest in theScore.

The Arrangement Agreement contemplated certain agreements which were executed on or prior to the closing date of the transaction. These agreements included:

- a three-year software license agreement, whereby Rogers will pay theScore $1.0 million per annum for the development and licensing of a white-label version of theScore's ScoreMobile application;

- a transitional services agreement that provides the Former Parent with a non-transferable license to use certain trademarks in connection with the operation of the television business pending its rebranding by Rogers and pursuant to which the

1. Nature of operations (continued):

parties agree to provide each other with certain business transition services for a period defined therein; and

- a Business Separation Agreement that provided for the separation of the television and digital media businesses of the Former Parent prior to closing of the Arrangement.

Pursuant to the Business Separation Agreement, the Former Parent capitalized theScore for $11.6 million, inclusive of $1.8 million held in escrow until the first anniversary of the closing of the Arrangement.

theScore consolidates the following entities, which up until October 19, 2012 were wholly owned subsidiaries of the Former Parent and were consolidated by and under the control of the Former Parent:

- Score Media Ventures Inc., together with its wholly owned consolidated subsidiaries, ScoreMobile Inc. and 2283546 Ontario Inc.;
- Hardcore Sports Radio Inc.;
- St. Clair Group Investments Inc.;
- Score Productions Inc.; and
- SMI International Holdings Inc., together with its wholly owned consolidated subsidiary, SMI International Ltd.

Together, the aforementioned subsidiaries are referred to in these unaudited Condensed Consolidated Interim Financial Statements (the "Interim Financial Statements") as the "Combined Subsidiaries".

Subsidiaries of the Former Parent that are not part of theScore and were related parties up until October 19, 2012 are referred to as the "Remaining Group" and include the following:

- The Score Television Network Ltd., together with its wholly owned subsidiary, 1212895 Ontario Ltd.;
- Voice to Visual Inc.; and
- Score Fighting Inc.

1. Nature of operations (continued):

(b) Basis of presentation and statement of compliance:

These interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and using the accounting policies theScore expects to apply in its consolidated financial statements as at and for the year ending August 31, 2013. These accounting policies are disclosed in note 2.

These Interim Financial Statements are presented in Canadian dollars, which is theScore's functional currency.

These Interim Financial Statements were approved by the Board of Directors of theScore on January 28, 2013.

theScore has elected to present comparative condensed consolidated interim financial information and adjust its current reporting period before October 19, 2012 as if the acquisition of Score Digital had occurred before September 1, 2011 using the continuity of interest basis of accounting. The comparative condensed consolidated interim financial statements have been prepared on a combined consolidated "carve-out" basis from the books and records of the Former Parent and the Combined Subsidiaries and purport to represent the historical results of operations, financial position and cash flows of Score Digital as if it had existed as a separate stand-alone group of entities under the Former Parent's management, and applying International Accounting Standard ("IAS") 27, Consolidated and Separate Financial Statements ("IAS 27"), to account for intergroup investments and transactions. Amounts included in the current reporting period before October 19, 2012 have been prepared on the same basis. Entities included in the comparative condensed consolidated interim financial statements and the current reporting period before October 19, 2012 are the Combined Subsidiaries, that is those entities that, upon completion of the Arrangement, ceased to be wholly owned subsidiaries of the Former Parent and became wholly owned subsidiaries of theScore pursuant to the Arrangement.

The results of operations, financial position and cash flows up to October 19, 2012 may not be indicative of what they would actually have been had Score Digital been a separate stand-alone entity, nor are they indicative of what the Company's results of operations, financial position and cash flows may be in the future.

1. Nature of operations (continued):

Costs directly related to Score Digital have been entirely attributed to Score Digital in the comparative Interim Financial Statements and the current reporting period prior to October 19, 2012. During the three months ended November 30, 2011 and from September 1, 2012 to October 19, 2012, Score Digital received services and support functions from the Former Parent and certain subsidiaries of the Former Parent and the Remaining Group. Up until October 19, 2012 Score Digital's operations were dependent upon the Former Parent's ability to perform these services and support functions. In addition to amounts historically charged to Score Digital from the Former Parent and Remaining Group for such services (notes 6 and 7), certain additional costs were allocated to Score Digital for purposes of preparation of these comparative Interim Financial Statements and the current reporting period prior to October 19, 2012. These allocated costs are as follows:

- Corporate administrative and other costs, including corporate costs used by Score Digital and paid by the Former Parent and Remaining Group. These costs have been allocated to Score Digital primarily based on proportionate revenue of theScore compared to consolidated revenue of the Former Parent. These allocated costs have been recorded in facilities, administrative and other costs.

- Technology costs paid by the Remaining Group but used by Score Digital. These costs have been allocated based primarily on relative usage or access by Score Digital.

- Finance costs representing interest incurred by the Former Parent prior to October 19, 2012 on its credit facility, allocated to Score Digital based on a pro rata share of accessed funding from the Former Parent's credit facility.

Costs that have been allocated to Score Digital from the Former Parent and Remaining Group that were not repayable have been recorded as contributions from the Former Parent and Remaining Group within the Funded Deficiency account. The Funded Deficiency account represents the cumulative net investment by the Former Parent and Remaining Group in Score Digital through the dates presented and includes cumulative operating results, including other comprehensive loss.

1. Nature of operations (continued):

Management believes the assumptions and allocations underlying the comparative condensed consolidated interim financial statements and the current reporting period before October 19, 2012 are reasonable and appropriate under the circumstances. The expenses and cost allocations have been determined on a basis considered to be a reasonable reflection of the utilization of services provided to or the benefit received by Score Digital during the periods presented. However, these assumptions and allocations are not necessarily indicative of the costs Score Digital would have incurred if it had operated on a stand-alone basis or as an entity independent of the Former Parent.

2. Significant accounting policies:

(a) Basis of measurement:

The Interim Financial Statements have been primarily prepared using the historical cost basis.

(b) Principles of consolidation:

(i) Subsidiaries:

Subsidiaries are entities controlled by entities within theScore. The financial statements of subsidiaries are included in the Interim Financial Statements from the date that control commences until the date that control ceases.

(ii) Investments in equity accounted for investee:

theScore's interests in investments in associates are accounted for using the equity method of accounting. Associates are those entities in which theScore has significant influence, but not unilateral control, over the financial and operating policies. Significant influence is presumed to exist when theScore holds between 20% and 50% of the voting power of another entity.

The investments in associates are initially recognized at cost. The carrying amount is increased or decreased to recognize, in income and loss, theScore's share of the income or loss of the investee after the date of acquisition. Distributions received from an investee reduce the carrying amount of the investment.

2. Significant accounting policies (continued):

(iii) Intercompany transactions:

All intercompany balances and transactions with entities within theScore, and any unrealized revenue and expenses arising from intercompany transactions are eliminated in preparing these Interim Financial Statements. Up to October 19, 2012 transactions and balances with the Former Parent and the Remaining Group were not eliminated but were presented as related party transaction balances with the Former Parent or the Remaining Group.

(c) Equipment:

(i) Recognition and measurement:

Equipment is measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenses that are directly attributable to the acquisition of the asset. When parts of an item of equipment have different useful lives, they are accounted for as separate components of equipment and depreciated accordingly.

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of the equipment and are recognized in income or loss. The carrying amount of any replaced component is eliminated.

(ii) Subsequent costs:

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the item of equipment will flow to theScore and the costs of the item can be reliably measured. All other expenses are charged to operating expenses as incurred.

(iii) Depreciation:

Depreciation is based on the cost of an asset less its residual value. Depreciation is charged to income or loss over the estimated useful life of an asset. Depreciation is provided on a declining-balance basis using the following annual rates:

2. Significant accounting policies (continued):

Computer equipment	30%
Office equipment	20%

Depreciation methods, rates and residual values are reviewed annually and revised if the current method, estimated useful life, or residual value is different from that estimated previously. The effect of such changes is recognized on a prospective basis.

(d) Intangible assets:

Intangible assets with definite useful lives are amortized over their estimated useful lives and are tested for impairment, as described in note 2(e). Useful lives, residual values and amortization methods for intangible assets with definite useful lives are reviewed at least annually and revised if the current method, estimated useful life, or residual value is different from that estimated previously. The effects of such changes are recognized on a prospective basis in the Interim Financial Statements.

Trademarks are being amortized on a straight-line basis over the expected useful life of the asset.

Computer software is amortized on a 75% declining-balance basis.

Product development costs represent both external and internal costs incurred by theScore in developing its website, tablet and mobile applications, when they meet the criteria for recognition as an intangible asset. Product development costs are amortized on a 30% declining-balance basis when they are available for use. Research, maintenance, promotional and advertising expenses associated with theScore's products are expensed as incurred.

Acquired technology and customer relationships are amortized on a 30% declining-balance basis.

2. Significant accounting policies (continued):

(e) Impairment:

(i) Impairment of non-financial assets:

The carrying values of non-financial assets with finite useful lives, such as equipment and intangible assets, are assessed for impairment at the end of each reporting date for indication of impairment or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of the asset must be determined. Such assets are impaired if their recoverable amount is lower than their carrying amount. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit ("CGU") to which the asset belongs is tested for impairment.The recoverable amount is the greater of an asset's fair value less costs to sell or its value in use. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. The resulting impairment loss is recognized in income or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When an impairment loss is subsequently reversed, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount. The increased carrying amount does not exceed the carrying amount that would have been recorded had no impairment losses been recognized for the asset or CGU in prior three months.

The recoverable amount is determined for an individual asset unless the asset does not generate independent cash flows, in which case, the recoverable amount of the CGU to which the asset belongs is tested for impairment.

(ii) Impairment of financial assets (including receivables):

A financial asset not carried at fair value through income or loss is evaluated at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

2. Significant accounting policies (continued):

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, or indications that a debtor will enter bankruptcy.

theScore considers evidence of impairment for receivables at a specific asset level, being each individually significant receivable account. Losses are recognized in income or loss and reflected in an allowance account included as part of the carrying amount of accounts receivable.

(f) Revenue recognition:

theScore recognizes revenue once services have been rendered, fees are fixed and determinable, and collectability is reasonably assured. theScore's principal sources of revenue are from advertising on its digital media properties and software licensing and has been recognized as follows:

(i) Advertising revenue is recorded at the time advertisements are displayed on theScore's digital media properties. Funds received from advertising customers in advance of the advertisement's airing are recorded as deferred revenue.

(ii) Software licensing fees are recorded over the effective period of the licensing arrangement. Funds received from software licensees in advance of the effective licensing period are recorded as deferred revenue.

Periodically, theScore enters into customer arrangements that have separate components, however, due to the nature of the components, the arrangements have been accounted for as a single transaction or as an integrated package. In those instances, the arrangement consideration is generally recognized as revenue over the contract term or expected period of performance.

(g) Financial instruments:

(i) Recognition:

theScore initially recognizes loans and receivables on the date they originate. All other financial assets and financial liabilities are initially recognized on the trade date at which theScore becomes a party to the contractual provision of the instrument. Financial assets are derecognized when the rights to receive cash flows have expired or were transferred and theScore has transferred substantially all risks and rewards of

2. Significant accounting policies (continued):

ownership. theScore derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

(ii) Classification and measurement:

(a) Non-derivative financial assets:

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise accounts receivable and Due from Remaining Group companies.

theScore had no held-to-maturity financial assets at fair value through income and loss or available-for-sale financial assets during the three months ended November 30, 2012 and 2011.

(b) Non-derivative financial liabilities:

Accounts payable and accrued liabilities, due to Remaining Group, and due to Former Parent balances are classified as non-derivative financial liabilities.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

(iii) Derivative financial instruments:

All derivatives, including embedded derivatives that must be separately accounted for, are measured at fair value, with changes in fair value recorded in the interim statements of comprehensive income. theScore assesses whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when theScore first becomes a party to the contract. theScore did not hold any derivative financial instruments as at November 30, 2012 and August 31, 2012.

2. Significant accounting policies (continued):

(h) Short-term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under employee short-term incentive compensation plans if there is legal or constructive obligation to pay this amount at the time and the obligation can be estimated reliably. Bonuses are paid as a result of past service provided by the employee.

(i) Share-based payment transactions:

Certain members of theScore's personnel participate in share-based compensation plans (note 11). Prior to October 19, 2012 they participated in the Former Parent's share based compensation plans The share-based compensation costs associated with theScore's and Score Digital's participating personnel were directly expensed by theScore under personnel costs within the consolidated interim statements of comprehensive income. The Former Parent charged to theScore a portion of the share-based compensation relating to the Former Parent's corporate personnel which is classified under management fees on the consolidated interim statements of comprehensive income.

The grant date fair value of share-based payment awards granted to theScore's employees is recognized as a compensation cost, with a corresponding increase in the Shareholders' Equity account, over the period that the employees unconditionally become entitled to the awards. The amount recognized as compensation cost is adjusted to reflect the number of awards for which the related service vesting conditions are expected to be met, such that the amount ultimately recognized as compensation cost is based on the number of awards that vest.

(j) Provisions:

Provisions are recognized when a present obligation as a result of a past event will lead to a probable outflow of economic resources from theScore and the amount of that outflow can be estimated reliably. The timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events, for example, legal disputes or onerous contracts.

2. Significant accounting policies (continued):

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. theScore has no material provisions as at November 30, 2012 and August 31, 2012.

(k) Operating leases:

Operating leases are recognized in income or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

(l) Foreign currency transactions:

Transactions in foreign currencies are translated to the functional currency of theScore's entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency of theScore at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Foreign currency gains and losses are recognized in income and loss and reported on a net basis.

(m) Income taxes and credits:

Deferred tax assets are recognized for the future income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and their respective tax bases. A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable

2. Significant accounting policies (continued):

future. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the period in which the related temporary differences are expected to be recovered or settled.

Refundable tax credits related to digital media development products are recognized in profit or loss when there is reasonable assurance that they will be received and theScore has and will comply with the conditions associated with the relevant government program. These investment tax credits are recorded and presented as either a deduction to the carrying amount of the asset and subsequently recognized over the useful life of the related asset or recognized directly to profit or loss based on the accounting of the initial costs incurred to which the tax credits were applied. theScore has applied an approach that reflects the economic substance of the applicable investment tax credit. Tax credits receivable are recorded as an other receivable in statements of financial position. (n) Use of estimates and judgments:

The preparation of Interim Financial Statements requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates. Key areas of estimation, where management has made difficult, complex or subjective judgments, often as a result of matters inherently uncertain are as follows:

(i) Intangible assets:

Measurement of intangible assets involves the use of estimates for determining the expected useful lives of amortizable assets. Management's judgment is also required to determine amortization methods, capitalization of internal labour costs in connection with internally developed intangible assets and whether an asset is a qualifying asset for the purposes of capitalization of borrowing costs.

(ii) Impairment of non-financial assets:

An impairment test is carried out whenever events or changes in circumstances indicate that carrying amounts may not be recoverable and is performed by comparing the carrying amount of an asset or CGU and their recoverable amount. Management's judgment is required in determining whether an impairment indicator exists. The recoverable amount is the higher of fair value, less costs to sell and its value in use. This valuation process involves the use of methods which uses assumptions to estimate future cash flows. The recoverable amount depends significantly on the

2. Significant accounting policies (continued):

discount rate used, as well as the expected future cash flows and the terminal growth rate used for extrapolation.

(iii) Allowance for doubtful accounts:

The valuation of accounts receivable requires valuation estimates to be made by management. These accounts receivable are comprised of a large and diverse base of advertisers dispersed across varying industries and locations that purchase advertising on theScore's digital media platforms.

theScore determines an allowance for doubtful accounts based on knowledge of the financial conditions of its customers, the aging of the receivables, customer and industry concentrations, the current business environment and historical experience. A change in any of the factors impacting the estimate of the allowance for doubtful accounts will directly impact the amount of bad debt expense recorded in facilities, administrative and other expenses.

(n) Segment information:

An operating segment is a component of theScore that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of theScore's other components. theScore has one operating segment.

(o) Finance costs:

Finance costs comprise allocated interest expense on borrowings (note 1). Borrowing costs that are directly attributable to the acquisition or production of a qualifying asset are capitalized in the cost of the qualifying asset and included in cash flows from investing activities. Borrowing costs that are not directly attributable to the acquisition or production of a qualifying asset are recognized in income or loss using the effective interest method.

2. Significant accounting policies (continued):

(p) Recent accounting pronouncements:

(i) IFRS 10, Consolidated Financial Statements:

In May 2011, the IASB issued IFRS 10, Consolidated Financial Statements ("IFRS 10"). IFRS 10, which replaces the consolidation requirements of SIC-12, Consolidation-Special Purpose Entities, and IAS 27, Consolidated and Separate Financial Statements, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This new standard is effective for theScore's Financial Statements commencing September 1, 2013. theScore is assessing the impact of this new standard on its Financial Statements.

(ii) IFRS 11, Joint Arrangements:

In May 2011, the IASB issued IFRS 11, Joint Arrangements ("IFRS 11"). IFRS 11, which replaces the guidance in IAS 31, Interests in Joint Ventures, which provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. This new standard is effective for theScore's Financial Statements commencing September 1, 2013. theScore is assessing the impact of this new standard on its Financial Statements.

(iii) IFRS 12, Disclosure of Interests in Other Entities:

In May 2011, the IASB issued IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"). IFRS 12 establishes new and comprehensive disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and uncombined structured entities. This new standard is effective for theScore's Financial Statements commencing September 1, 2013. theScore is assessing the impact of this new standard on its Financial Statements.

(iv) IFRS 13, Fair Value Measurement:

In May 2011, the IASB issued IFRS 13, Fair Value Measurement ("IFRS 13"). IFRS 13 replaces the fair value guidance contained in individual IFRSs with a single source of fair value measurement guidance. The standard completes the IASB's project to

2. Significant accounting policies (continued):

converge fair value measurement in IFRS and United States generally accepted accounting principles. This new standard is effective for theScore's Financial

Statements commencing September 1, 2013. theScore is assessing the impact of this new standard on its Financial Statements.

(v) IFRS 9, Financial Instruments:

In October 2010, the IASB issued IFRS 9, Financial Instruments (“IFRS 9”). IFRS 9, which replaces IAS 39, Financial Instruments: Recognition and Measurement, establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. This new standard is effective for theScore's Financial Statements commencing September 1, 2015. theScore is assessing the impact of this new standard on its Financial Statements.

(In thousands of Canadian dollars, unless otherwise stated)

3. Equipment:

		Total
Cost		
Balance, August 31, 2012	$	2,096
Additions		202
Balance, November 30, 2012	$	2,318
Accumulated depreciation		
Balance, August 31, 2012	$	1,850
Depreciation		24
Balance, November 30, 2012	$	1,874
Carrying amounts		
Balance, August 31, 2012	$	246
Balance, November 30, 2012		444

(In thousands of Canadian dollars, unless otherwise stated)

4. Intangible assets:

	Product development	Trademarks	Computer software	Acquired technology	Acquired customer relationships	Total
Cost						
Balance, August 31, 2012	$ 10,399	$ 166	$ 1,082	$ 239	$ 485	$ 12,371
Acquisitions - internally developed	1,099	–	37	–	–	1,136
Acquisitions – from Arrangement	–	4	–	–	–	4
Balance, November 30, 2012	$ 11,498	$ 170	$ 1,119	$ 239	$ 485	$ 13,511
Accumulated amortization						
Balance, August 31, 2012	$ 3,731	$ 96	$ 1,070	$ 89	$ 179	$ 5,165
Amortization	559	2	4	11	23	599
Balance, November 30, 2012	$ 4,290	$ 98	$ 1,074	$ 100	$ 202	$ 5,764
Carrying value						
Balance, August 31, 2012	$ 6,668	$ 70	$ 12	$ 150	$ 306	$ 7,206
Balance, November 30, 2012	7,208	72	45	139	283	7,747

4. Intangible assets (continued):

Internally developed intangible assets are $7,208 as at November 30, 2012 (August 31, 2012 - $6,668) and are made up of product development costs less accumulated amortization. Acquired intangible assets are $539 as at November 30, 2012 (August 31, 2012 - $538) and are made up of trademarks, computer software, acquired technology and acquired customer relationships less accumulated amortization.

5. Related party transactions:

During the three months ended November 30, 2012, theScore incurred development fees under a development services agreement and incurred recruitment charges associated with hiring certain personnel previously employed by the equity investee. Total costs incurred in the three months ended November 30, 2012 amounted to $716 (2011 - $593) of which $466 were capitalized as part of product development intangible assets (2011 - $593). As at November 30, 2012, theScore's accounts payable balance due to its equity accounted investee for such development costs was $327 (August 31, 2012 - $477). On September 30, 2012 theScore's development services agreement with the equity accounted investee expired. The related party transactions are in the normal course of operations.

Other related party transactions and balances with the Former Parent and Remaining Group are described in notes 6, 7 and 10 below.

(In thousands of Canadian dollars, unless otherwise stated)

6. Transactions with Remaining Group:

	November 30, 2012	August 31, 2012
Due from Remaining Group:		
Score Fighting Inc.	$ -	$ 80
Due to Remaining Group:		
The Score Television Network Ltd.	$ -	$ 8,743
Voice to Visual Inc.	-	97
	$ -	$ 8,840

Prior to October 19, 2012, the Combined Subsidiaries, The Score Television Network Ltd., Voice to Visual Inc. and Score Fighting Inc. were related by virtue of common ownership by the Former Parent.

During the period from September 1, 2012 to October 19, 2012, the Remaining Group paid $531 (three months ended November 30, 2011 - $669) for certain operating costs of Score Digital, including personnel costs and other operating costs.

These transactions were in the normal course of operations. The amounts due to/from Remaining Group were due on demand and non-interest bearing.

Prior to the closing of the Arrangement (refer to note 1) the balances due to and due from the Remaining Group were either settled or acquired by theScore.

7. Transactions with Former Parent:

(a) Due to Former Parent and transactions with Former Parent:

(i) Until October 19, 2012, the Former Parent provided the Combined Subsidiaries access to, at its discretion, the Former Parent's revolving credit facility with a Canadian chartered bank. Any amounts accessed by the Combined Subsidiaries represented obligations to the Former Parent and have been recorded as Due to Former Parent.

Until October 19, 2012 and as at November 30, 2011, the Combined Subsidiaries were guarantors of the Former Parent's credit facility. Amounts drawn under the Former Parent's credit facility were secured by a pledge of substantially all the assets of the Combined Subsidiaries, a pledge of all the issued and outstanding shares of each of the Former Parent's operating subsidiaries (including the Combined Subsidiaries) and the subordination and pledge of intercompany loans.

(ii) Management fees represent a charge for costs incurred by the Former Parent until October 19, 2012, consisting of professional fees and other public company-related costs, including corporate costs and management compensation associated with operating the Former Parent's consolidated business. For the three months ended November 30, 2012, management fees recorded were $48 (2011 - $194).

(iii) During the period from September 1, 2012 to October 19, 2012, the Former Parent paid $1,627 (three months ended November 30, 2011 - $2,327) for certain operating costs of theScore, including personnel costs and other administrative costs.

These transactions were in the normal course of operations. The amounts due to Former Parent were due on demand and non-interest bearing.

Prior to the closing of the Arrangement (refer to note 1{a}) the due to Former Parent balances were either settled or acquired by theScore.

8. Tax credits:

In the three months ended November 30, 2012, one of the Combined Subsidiaries received correspondence from the Ontario Digital Media Corporation, the provincial government's body responsible for evaluating the eligibility of refundable digital tax credit claims associated with developing qualifying digital media products, that claims filed for fiscal years 2009 and prior had been assessed and accepted totaling $793. These credits are available as part of the Ontario Interactive Digital Media Tax Credit ("OIDMTC") legislation created by the provincial government aimed at encouraging growth in the digital media sector in Ontario.

$494 of the refundable amount related to costs previously expensed as part of personnel costs in fiscal years 2009 and prior with the balance of $299 related to costs previously capitalized and included as part of product development intangible assets. Accordingly, theScore recognized $494 of the credit to personnel costs during the three months ended November 30, 2011 and the remaining $299 was credited to reduce capitalized intangible assets. theScore also recognized a $204 credit to reduce amortization expense during the three months ended November 30, 2011 to reflect the cumulative offset, or reduction, of amortization relating to capitalized intangible assets noted above. The tax credit receivable related to this claim was collected in the second quarter of fiscal 2012.

In the three months ended February 29, 2012, theScore completed its OIDMTC analysis and related application relating to costs previously incurred in fiscal 2010 and 2011. As a result, theScore has recognized a tax credit receivable of $1,863 relating to the eligible costs incurred, which theScore deemed to be reasonably assured of realization.

9. Capital risk management:

theScore's objectives in managing capital are to maintain its ability to operate as a going concern, to fund future development and growth of the business. Up until October 19, 2012 the capital structure of theScore consisted of Due to Former Parent, Due to and from Remaining Group, and Funded Deficiency.

theScore manages and adjusts the capital structure in consideration of changes in economic conditions and the risk characteristics of the underlying assets. Up until October 19, 2012, in order to maintain or adjust the capital structure, theScore could seek to borrow or repay amounts from the Former Parent or Remaining Group, or undertake other activities as deemed appropriate under the specific circumstances. theScore was not subject to any externally imposed capital requirements.

10. Financial risk management:

theScore has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about theScore's exposure to each of these risks and theScore's objectives, policies and processes for measuring and managing these risks.

(a) Credit risk:

Credit risk is the risk of financial loss to theScore if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from theScore's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. theScore's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

theScore establishes an allowance for doubtful accounts that represents its estimate of potential credit losses in respect of accounts receivable but historically has not experienced any significant losses related to individual customers or groups of customers in any particular industry or geographical area. This allowance consists of a specific provision that relates to individually significant exposures.

(In thousands of Canadian dollars, unless otherwise stated)

10. Financial risk management (continued):

No customer represented more than 10% of revenue for the three months ended November 30, 2012 and 2011.

(b) Liquidity risk:

Liquidity risk is the risk that theScore will not be able to meet its financial obligations as they fall due.

theScore has the following firm commitments under agreements:

Contractual Obligations	2013	2014 and thereafter	Total
Sports data feeds	158	0	158
Office lease	64	2,452	2,516
Total	222	2,452	2,674

During the three months ended November 30, 2012, theScore signed a lease agreement committing to rent new office space in Toronto, Ontario for 5 years, with a 6 year renewal term available at the Company's option.

As at November 30, 2012, theScore had loans and receivables from customers of $2,419 (August 31, 2012 - $1,124), other receivables of $3,663 (August 31, 2012 – 1,863) and accounts payable and accrued liabilities to third parties of $2,829 (August 31, 2012 - $1,799). Accounts payable and accrued liabilities have contracted maturities of less than three months.

These Interim Financial Statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. theScore has a history of operating losses, and can be expected to generate continued operating losses and negative cash flows in the future while it carries out its current business plan to further develop and expand its digital media business.

10. Financial risk management (continued):

Prior to October 19, 2012, theScore's operations and growth were financed through advances and borrowings from the Former Parent and the Remaining Group. Upon completion of Arrangement described in note 1, funding from these sources is no longer available, as the Combined Subsidiaries are now wholly owned by theScore. theScore was initially capitalized as described in note 1(a) and acquired from the Former Parent and the Remaining Group substantially all of the intercompany amounts due from the Combined Subsidiaries, with the remaining amounts being set off and/or settled as part of the steps in the Arrangement. Management believes that, with cash from the initial capitalization of theScore, and its current business plan, sufficient funds will exist to be able to support operations and business objectives of theScore for a period that is at least 18 months from August 31, 2012. While there can be no certainty that the current business plan will be achieved, management believes that the business plan of theScore is such that feasible cost reduction programs can be implemented if revenue projections are lower than projected.

On this basis, management considers it appropriate to prepare the Interim Financial Statements on a going concern basis.

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, equity prices and interest rates, will affect theScore's income or the value of its holdings of financial instruments.

theScore's head office is located in Canada and the majority of theScore's customers and suppliers are based in Canada and, therefore, transact in Canadian dollars. A small number of customers and suppliers are based outside of Canada and the associated financial assets and liabilities originate in U.S. dollars, Euros or Pounds Sterling, thereby exposing theScore to foreign exchange risk. theScore's exposure to foreign exchange risk is deemed to be low as theScore does not engage in a significant amount of transactions denominated in currencies other than the Canadian dollar.

(In thousands of Canadian dollars, unless otherwise stated)

10. Financial risk management (continued):

(d) Fair values:

The fair values of theScore's accounts receivable and accounts payable and accrued liabilities were deemed to approximate their carrying amounts due to the short-term nature of these financial instruments.

11. Share-based compensation:

(a) Stock Option Plan:

theScore has a stock option plan (the "Plan") under which the Board of Directors, or a committee appointed for such purpose, may, from time to time, grant to directors, officers and full-time employees of, or consultants to, theScore options to acquire Class A Subordinate Voting shares. Under the Plan, the exercise price of an option is based on the closing trading price on the day prior to the grant. An option's maximum term is 10 years and options generally vest over three years. Certain of theScore's employees participate in the Plan in exchange for services provided to theScore.

The following table summarizes the status of options granted to employees of theScore under the Plan:

	Number	Exercise price	Weighted average exercise	Options exercisable
Outstanding options, August 31, 2012	-			
Granted November 28, 2012	4,570,000	$0.13	$0.13	nil
Outstanding options, November 30, 2012	4,570,000	$0.13	0.13	nil

During the three months ended November 30, 2012 there has been no share-based compensation recorded on stock options issued by theScore.

(In thousands of Canadian dollars, unless otherwise stated)

12. Revenue:

theScore has two distinct sources of revenue – advertising on its digital media products and licensing of its mobile applications. The revenue earned in the period from each of these revenue sources is as follows:

	Three months ended November 30, 2012	2011
Advertising	$ 1,395	$ 1,015
Licensing	$ 111	$ -
Total	$ 1,506	$ 1,015

13. Basic and diluted earnings per share:

The following table sets forth the computation of basic and diluted earnings per share:

	Three months ended November 30, 2012	2011
Numerator:		
Net income available to shareholders - basic and diluted	$ (2,735)	$ (1,652)
Denominator:		
Weighted average shares outstanding – basic	95,020,842	95,020,842
Effect of dilutive stock options	-	-
Weighted average shares outstanding – diluted	95,020,842	95,020,842
Earnings per share - basic and diluted	$ (0.03)	$ (0.02)

During the three months ended November 30, 2012 there weren't any outstanding options to purchase Class A Subordinate Voting shares included in the computation of diluted income per share as the impact would have been anti-dilutive.

14. Shareholder's equity:

Capital stock:

The Corporation is authorized to issue the following capital stock:

- 5,566 Special Voting shares, convertible into Class A Subordinate Voting shares on a one-for-one basis at the option of the shareholder
- Unlimited Class A Subordinate Voting shares
- Unlimited Preference shares

The Special Voting shares, each convertible into one Class A Subordinate Voting share, entitle the holders to vote separately as a class and to one vote for each share held. In addition, these shares shall have the right to elect that number of members of the Board of Directors of the Corporation that would constitute a majority of the authorized number of directors of the Corporation plus two, subject to the right of the holders of Class A Subordinate Voting shares to elect at least two members of the Board of Directors.

The holders of Class A Subordinate Voting shares are entitled to one vote for each share held at all meetings of the shareholders, other than meetings at which only the holders of another class or series of shares are entitles to vote separately.

The Preference shares are non-voting, except in certain circumstances and shall, with respect to the payment of dividends and the dissolution of assets in the event of liquidation or any other distribution of assets, rank on a parity with the Preference shares of other series and be entitled to preference over the Special Voting shares and the Class A Subordinate Voting shares.

As at November 30, 2012, the Corporation had issued and outstanding 95,015,276 Class A Subordinate Voting share, 5,566 Special Voting Shares, and nil Preference shares.