

**CYBERPLEX INC.  
CONSOLIDATED BALANCE SHEETS**

	<u>as at December 31, 2003 (unaudited)</u>	<u>as at December 31, 2002 (unaudited)</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 1,211,794	\$ 814,304
Short-term investments	1,866,136	3,103,618
Accounts receivable, net of allowance for doubtful accounts of \$208,935 (December 31, 2002 - \$206,196)	1,804,460	1,862,149
Prepaid expenses and sundry assets	<u>294,300</u>	<u>244,170</u>
	5,176,690	6,024,241
 Capital assets	 1,987,040	 2,287,661
<b>TOTAL ASSETS</b>	<b><u>\$ 7,163,730</u></b>	<b><u>\$ 8,311,902</u></b>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 1,468,625	\$ 3,135,796
Current portion of obligations under capital leases	-	196,373
Deferred lease inducements	58,733	106,984
Unearned revenue	<u>180,743</u>	<u>457,165</u>
	1,708,101	3,896,318
 Future income taxes	 162,019	 162,019
Other long-term liabilities	<u>1,268,486</u>	<u>1,352,002</u>
	1,430,505	1,514,021
 <b>SHAREHOLDERS' EQUITY</b>		
Capital stock	68,843,158	68,836,758
Deficit	<u>(64,818,034)</u>	<u>(65,935,195)</u>
	4,025,124	2,901,563
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>\$ 7,163,730</u></b>	<b><u>\$ 8,311,902</u></b>

**CYBERPLEX INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT**

	Three Month Period Ended		Twelve Month Period Ended	
	December 31, 2003 (unaudited)	December 31, 2002 (unaudited)	December 31, 2003 (unaudited)	December 31, 2002 (unaudited)
Revenue	\$ 2,167,865	\$ 1,400,180	\$ 7,801,265	\$ 7,907,253
Cost of sales	814,523	598,973	3,396,223	3,486,019
<b>Gross profit</b>	<b>1,353,342</b>	<b>801,207</b>	<b>4,405,042</b>	<b>4,421,234</b>
Sales and marketing expenses	124,592	126,523	673,757	901,931
General and administrative expenses	467,176	555,928	2,276,294	2,841,034
	591,768	682,451	2,950,051	3,742,965
<b>Income before the undernoted</b>	<b>761,574</b>	<b>118,756</b>	<b>1,454,991</b>	<b>678,269</b>
Amortization	(107,267)	(392,782)	(413,544)	(941,474)
Write-down of short-term investment	-	(11,845)	(9,772)	(11,845)
Gain on settlement of long-term notes payable	-	-	-	2,567,438
Interest income	21,591	20,750	92,390	71,752
Interest on long-term debt	1,201	(6,039)	(6,904)	(276,394)
<b>Income (Loss) before income taxes</b>	<b>677,099</b>	<b>(271,160)</b>	<b>1,117,161</b>	<b>2,087,746</b>
Provision for income tax	-	-	-	-
<b>Net income (Loss)</b>	<b>\$ 677,099</b>	<b>\$ (271,160)</b>	<b>\$ 1,117,161</b>	<b>\$ 2,087,746</b>
Deficit - beginning of the period	(65,495,133)	(65,664,035)	(65,935,195)	(68,441,687)
Gain on settlement of equity component of note	-	-	-	418,746
<b>Deficit - end of period</b>	<b>\$ (64,818,034)</b>	<b>\$ (65,935,195)</b>	<b>\$ (64,818,034)</b>	<b>\$ (65,935,195)</b>
Weighted average number of common shares - basic	29,684,951	29,664,951	29,673,280	29,500,552
Weighted average number of common shares - diluted	30,254,877	29,782,629	30,243,206	29,618,530
Basic earnings (loss) per share	\$ 0.02	\$ (0.01)	\$ 0.04	\$ 0.07
Diluted earnings (loss) per share	\$ 0.02	\$ (0.01)	\$ 0.04	\$ 0.07