

**CYBERPLEX INC.  
CONSOLIDATED BALANCE SHEETS**

	<b>as at June 30, 2005</b>	<b>as at December 31, 2004</b>
	<u>(unaudited)</u>	<u>(unaudited)</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash, cash equivalents and short-term investments	\$ 5,130,330	\$ 5,200,226
Accounts receivable, net of allowance for doubtful accounts of \$ 181,492 (March 31, 2005 - \$211,518)	1,689,723	2,128,001
Prepaid expenses and sundry assets	<u>542,052</u>	<u>291,933</u>
	7,362,105	7,620,160
Capital assets	1,600,101	1,684,526
Goodwill	449,136	449,136
<b>TOTAL ASSETS</b>	<b><u>\$ 9,411,342</u></b>	<b><u>\$ 9,753,822</u></b>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 727,921	\$ 1,313,548
Deferred lease inducements	-	10,482
Unearned revenue	<u>10,243</u>	<u>11,157</u>
	738,164	1,335,187
Future income taxes	162,019	162,019
Other long-term liabilities	<u>1,377,148</u>	<u>1,413,042</u>
	1,539,167	1,575,061
 <b>SHAREHOLDERS' EQUITY</b>		
Capital stock	70,583,928	70,559,064
Deficit	<u>(63,449,917)</u>	<u>(63,715,490)</u>
	7,134,011	6,843,574
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>\$ 9,411,342</u></b>	<b><u>\$ 9,753,822</u></b>

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

	Three Month Period Ended		Six Month Period Ended	
	June 30, 2005 (unaudited)	June 30, 2004 (unaudited)	June 30, 2005 (unaudited)	June 30, 2004 (unaudited)
Revenue	\$ 1,858,878	\$ 2,206,117	\$ 4,122,183	\$ 4,409,473
Cost of sales	<u>1,013,416</u>	<u>1,045,129</u>	<u>2,150,255</u>	<u>2,033,990</u>
<b>Gross profit</b>	<b>845,462</b>	<b>1,160,988</b>	<b>1,971,928</b>	<b>2,375,483</b>
Sales and marketing expenses	175,724	176,280	342,864	316,135
General and administrative expenses	<u>614,692</u>	<u>637,432</u>	<u>1,275,383</u>	<u>1,246,079</u>
	790,416	813,712	1,618,247	1,562,214
<b>Income before the undernoted</b>	<b>55,046</b>	<b>347,276</b>	<b>353,681</b>	<b>813,269</b>
Amortization	(72,275)	(88,109)	(145,038)	(183,023)
Interest income	<u>27,334</u>	<u>16,740</u>	<u>56,930</u>	<u>33,021</u>
<b>Income before income taxes</b>	<b>10,105</b>	<b>275,907</b>	<b>265,573</b>	<b>663,267</b>
<b>Provision for income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income</b>	<b><u>\$ 10,105</u></b>	<b><u>\$ 275,907</u></b>	<b><u>\$ 265,573</u></b>	<b><u>\$ 663,267</u></b>
<b>Deficit - beginning of the period</b>	(63,460,022)	(64,599,574)	(63,715,490)	(64,818,034)
<b>Adjustment for stock based compensation</b>	-	-	-	(168,900)
<b>Deficit - end of period</b>	<b><u>\$ (63,449,917)</u></b>	<b><u>\$ (64,323,667)</u></b>	<b><u>\$ (63,449,917)</u></b>	<b><u>\$ (64,323,667)</u></b>
<b>Weighted average number of common shares - basic</b>	32,370,738	30,424,596	32,289,832	30,056,817
<b>Weighted average number of common shares - diluted</b>	33,183,536	31,692,800	33,128,853	31,325,021
<b>Basic earnings per share</b>	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.02
<b>Diluted earnings per share</b>	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.02