

**CYBERPLEX INC.
CONSOLIDATED BALANCE SHEETS**

	<u>as at September 30, 2005 (unaudited)</u>	<u>as at December 31, 2004 (unaudited)</u>
ASSETS		
Current Assets:		
Cash, cash equivalents and short-term investments	\$ 5,208,662	\$ 5,200,226
Accounts receivable, net of allowance for doubtful accounts of \$ 137,389 (December 31, 2004 - \$ 210,996)	1,396,805	2,128,001
Prepaid expenses and sundry assets	<u>551,446</u>	<u>291,933</u>
	7,156,913	7,620,160
Capital assets	1,538,586	1,684,526
Goodwill	449,136	449,136
TOTAL ASSETS	<u>\$ 9,144,635</u>	<u>\$ 9,753,822</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 834,444	\$ 1,313,548
Deferred lease inducements	-	10,482
Unearned revenue	<u>7,260</u>	<u>11,157</u>
	841,704	1,335,187
Future income taxes	162,019	162,019
Other long-term liabilities	<u>1,373,398</u>	<u>1,413,042</u>
	1,535,417	1,575,061
 SHAREHOLDERS' EQUITY		
Capital stock	70,591,330	70,559,064
Deficit	<u>(63,823,816)</u>	<u>(63,715,490)</u>
	6,767,514	6,843,574
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 9,144,635</u>	<u>\$ 9,753,822</u>

CYBERPLEX INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

	Three Month Period Ended		Nine Month Period Ended	
	September 30, 2005 (unaudited)	September 30, 2004 (unaudited)	September 30, 2005 (unaudited)	September 30, 2004 (unaudited)
Revenue	\$ 1,405,099	\$ 2,304,196	\$ 5,527,282	\$ 6,713,669
Cost of sales	<u>714,582</u>	<u>1,038,201</u>	<u>2,864,837</u>	<u>3,072,191</u>
Gross profit	690,517	1,265,995	2,662,445	3,641,478
Sales and marketing expenses	139,904	159,738	482,768	475,873
General and administrative expenses	<u>885,669</u>	<u>718,216</u>	<u>2,161,052</u>	<u>1,964,295</u>
	1,025,573	877,954	2,643,820	2,440,168
Income before the undernoted	(335,056)	388,041	18,625	1,201,310
Amortization	(69,081)	(89,932)	(214,119)	(272,955)
Gain on settlement of long-term notes payable	-	-	-	-
Interest income	30,238	13,853	87,168	46,874
Interest on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income before income taxes	(373,899)	311,962	(108,326)	975,229
Provision for income tax	-	-	-	-
Net income	<u>\$ (373,899)</u>	<u>\$ 311,962</u>	<u>\$ (108,326)</u>	<u>\$ 975,229</u>
Deficit - beginning of the period	(63,449,917)	(64,323,667)	(63,715,490)	(64,818,034)
Adjustment for stock based compensation	-	-	-	(168,900)
Deficit - end of period	<u>\$ (63,823,816)</u>	<u>\$ (64,011,705)</u>	<u>\$ (63,823,816)</u>	<u>\$ (64,011,705)</u>
Weighted average number of common shares - basic	32,425,858	31,803,679	32,335,672	30,641,997
Weighted average number of common shares - diluted	33,132,724	33,203,987	33,144,167	32,042,305
Basic earnings per share	\$ (0.01)	\$ 0.01	\$ (0.00)	\$ 0.03
Diluted earnings per share	\$ (0.01)	\$ 0.01	\$ (0.00)	\$ 0.03