



**CYBERPLEX INC.
CONSOLIDATED BALANCE SHEETS**

	as at June 30, 2006 (unaudited)	as at December 31, 2005 (unaudited)
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 472,096	\$ 449,786
Short-term investments	7,663,132	4,834,644
Accounts receivable, net of allowance for doubtful accounts of \$134,581 (December 31, 2005 - \$92,575)	1,008,424	1,461,381
Prepaid expenses and sundry assets	246,550	160,587
	9,390,202	6,906,398
Capital assets	1,376,964	1,478,489
Goodwill	657,226	-
Intangible assets, net	230,658	-
	\$ 11,655,050	\$ 8,384,887
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 1,108,085	\$ 1,249,241
Unearned revenue	27,968	8,967
Note payable - short term	150,000	-
	1,286,053	1,258,208
Future income taxes	39,000	39,000
Other long-term liabilities	1,347,197	1,292,798
	1,386,197	1,331,798
 SHAREHOLDERS' EQUITY		
Capital stock	8,731,224	70,334,560
Contributed surplus	333,334	307,067
Deficit	(81,758)	(64,846,746)
	8,982,800	5,794,881
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 11,655,050	\$ 8,384,887





CYBERPLEX INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

	<u>Three Month Period Ended</u>		<u>Six Month Period Ended</u>	
	<u>June 30, 2006</u> <u>(unaudited)</u>	<u>June 30, 2005</u> <u>(unaudited)</u>	<u>June 30, 2006</u> <u>(unaudited)</u>	<u>June 30, 2005</u> <u>(unaudited)</u>
Revenue	\$ 1,293,075	\$ 1,858,878	\$ 2,510,188	\$ 4,122,183
Cost of sales	<u>649,110</u>	<u>1,013,416</u>	<u>1,328,848</u>	<u>2,150,255</u>
Gross profit	643,965	845,462	1,181,340	1,971,928
Sales and marketing expenses	181,863	175,724	365,167	342,864
General and administrative expenses	516,176	614,692	1,001,571	1,275,383
Amortization of capital assets & intangibles assets	<u>77,525</u>	<u>72,275</u>	<u>142,824</u>	<u>145,038</u>
	<u>775,564</u>	<u>862,691</u>	<u>1,509,562</u>	<u>1,763,285</u>
Income(loss) from operations	<u>(131,599)</u>	<u>(17,229)</u>	<u>(328,222)</u>	<u>208,643</u>
Interest income	<u>49,841</u>	<u>27,334</u>	<u>95,979</u>	<u>56,930</u>
Income(loss) before income taxes	(81,758)	10,105	(232,243)	265,573
Net income	<u>\$ (81,758)</u>	<u>\$ 10,105</u>	<u>\$ (232,243)</u>	<u>\$ 265,573</u>
Deficit - beginning of the period	(64,997,231)	(63,460,022)	(64,846,746)	(63,715,490)
Reduction in stated capital	64,997,231	-	64,997,231	-
Deficit - end of period	<u>\$ (81,758)</u>	<u>\$ (63,449,917)</u>	<u>\$ (81,758)</u>	<u>\$ (63,449,917)</u>
Weighted average number of common shares - basic	32,648,219	32,370,738	32,542,820	32,289,832
Weighted average number of common shares - diluted	32,648,219	33,183,536	32,542,820	33,128,853
Basic earnings (loss) per share	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ 0.01
Diluted earnings (loss) per share	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ 0.01

