



**CYBERPLEX INC.  
CONSOLIDATED BALANCE SHEETS**

	<b>as at June 30, 2007</b>	<b>as at December 31, 2006</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 600,190	\$ 610,337
Short-term investments	1,421,130	2,825,068
Accounts receivable, net of allowance for doubtful accounts of \$288,978 (December 31, 2006 \$272,665)	2,917,110	1,340,884
Prepaid expenses and sundry assets	144,680	500,254
	<b>5,083,110</b>	<b>5,276,543</b>
Capital assets	914,255	841,271
Goodwill	4,692,870	3,851,507
Intangible assets	295,248	490,469
<b>TOTAL ASSETS</b>	<b>\$ 10,985,483</b>	<b>\$ 10,459,790</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 2,466,350	\$ 1,717,341
Deferred lease inducement	19,429	45,383
Note payable	96,783	143,566
Future income taxes	106,675	137,347
Unearned revenue	49,329	36,742
	<b>2,738,566</b>	<b>2,080,379</b>
Future income taxes	-	39,842
Deferred Lease inducements	282,943	198,484
	<b>282,943</b>	<b>238,326</b>
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock	9,012,180	8,918,941
Contributed surplus	411,967	361,174
Accumulated other comprehensive income	46,417	-
Deficit	(1,506,588)	(1,139,029)
	<b>7,963,975</b>	<b>8,141,087</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 10,985,483</b>	<b>\$ 10,459,790</b>





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

	Three Month Period Ended		Six Month Period Ended	
	June 30, 2007 (unaudited)	June 30, 2006 (unaudited)	June 30, 2007 (unaudited)	June 30, 2006 (unaudited)
Revenue	\$ 4,435,563	\$ 1,293,075	\$ 7,474,479	\$ 2,510,188
Cost of sales	<u>2,591,266</u>	<u>649,110</u>	<u>4,530,582</u>	<u>1,328,848</u>
Gross Profit	1,844,297	643,965	2,943,897	1,181,340
Expenses				
Sales and marketing expenses	986,742	181,863	1,476,799	365,167
General and administrative expenses	<u>861,059</u>	<u>516,176</u>	<u>1,623,857</u>	<u>1,001,571</u>
	<u>1,847,801</u>	<u>698,039</u>	<u>3,100,658</u>	<u>1,366,738</u>
Loss before the undernoted	(3,504)	(54,074)	(156,761)	(185,398)
Amortization of capital assets	61,151	67,525	116,275	142,824
Amortization of Intangible assets	<u>97,611</u>	<u>10,000</u>	<u>195,222</u>	<u>-</u>
Loss from operations	(162,266)	(131,599)	(468,258)	(328,222)
Interest income	15,478	49,841	41,893	95,979
Loss before income taxes	(146,788)	(81,758)	(426,365)	(232,243)
Income tax recovery				
Current	-	-	-	-
Future	35,257	-	70,514	-
Net income (loss)	<u>\$ (111,531)</u>	<u>\$ (81,758)</u>	<u>\$ (355,851)</u>	<u>\$ (232,243)</u>
Other comprehensive income (loss)				
Unrealized gain on marketable securities	(13,923)	-	2,216	-
Total comprehensive income	<u>(125,454)</u>	<u>(81,758)</u>	<u>(353,635)</u>	<u>(232,243)</u>
Deficit - beginning of the period	(1,367,211)	(64,997,231)	(1,139,030)	(64,846,746)
Reduction in stated capital		64,997,231		64,997,231
Deficit - end of period	<u>\$ (1,492,665)</u>	<u>\$ (81,758)</u>	<u>\$ (1,492,665)</u>	<u>\$ (81,758)</u>
Weighted average number of common shares - basic	42,130,545	32,648,219	42,107,595	32,542,820
Weighted average number of common shares - diluted	42,130,545	32,648,219	42,107,595	32,542,820
Basic earnings (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Diluted earnings (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)

