

Adagio Corporation, Inc.

Income As of May 31, 2005

USD \$

CAD \$

USD to CAD at 1.28

	Bal. End Selected Period	Bal. End Selected Period
Revenues - Consulting	14,930.00	19,110.40
Product Sales	12,155.00	15,558.40
Sales - Bike Equipment	166,366.09	212,948.60
Sales - Golf Equipment	88,600.34	113,408.44
Sales - Kayaks	130,100.39	166,528.50
Sales - Snowboard Equipment	6,962.77	8,912.35
Sales - Windsurfing Equipment	85,680.83	109,671.46
Freight Revenue	3,625.00	4,640.00
Sales Returns - Bike Equipment	(1,675.97)	(2,145.24)
Sales Returns - Windsurfing	(64.00)	(81.92)
Revenue total	\$506,680.45	\$648,550.98
Discounts	(1,973.55)	(2,526.14)
Interest Income	399.79	511.73
Writeoffs	(6.23)	(7.97)
Other income and expenses total	(\$1,579.99)	(\$2,022.39)
Total income	\$505,100.46	\$646,528.59
Expenses		
Subcontracted Consultants	1,500.00	1,920.00
COS - Software	3,775.68	4,832.87
COS - Bikes	83,502.34	106,883.00
COS - Golf	48,096.97	61,564.12
COS - Kayaks	72,156.27	92,360.03
COS - Snowboard	3,705.15	4,742.59
COS - Windsurfing	47,486.67	60,782.94
Inventory Assembly Cost Credit	(70.00)	(89.60)
Cost of sales total	\$260,153.08	\$332,995.94
Accounting fees	684.75	876.48
Advertising	3,250.00	4,160.00
Communications	6,664.94	8,531.12
Consultant Salaries	48,764.64	62,418.74
Depreciation expense	1,448.13	1,853.61
Dues and subscriptions	56.85	72.77
Insurance - Health	6,269.20	8,024.58
Payroll Taxes	3,194.40	4,088.83
Office Expense	1,116.54	1,429.17
Freight	781.64	1,000.50
Sales and Use Tax Expense	7,000.00	8,960.00
Utilities	3,585.08	4,588.90
Costs and expenses total	\$82,816.17	\$106,004.70
Provision for income taxes total	\$0.00	\$0.00
Total expenses	\$342,969.25	\$439,000.64
Net Income	\$162,131.21	\$207,527.95