

Adagio Corporation, Inc.
Income Statement
For the 5 Period(s) Ending May 31 05



Consolidated Departments

Unaudited

	May-05	% Revenue	Year To Date	% Revenue
Revenue:				
Revenues - Consulting	3,055.00	5.38	14,930.00	2.95
Product Sales	0.00	0.00	12,155.00	2.40
Sales - Bike Equipment	6,265.58	11.03	166,366.09	32.83
Sales - Golf Equipment	5,339.40	9.40	88,600.34	17.49
Sales - Kayaks	41,128.91	72.40	130,100.39	25.68
Sales - Snowboard Equipment	0.00	0.00	6,962.77	1.37
Sales - Windsurfing Equipment	967.95	1.70	85,680.83	16.91
Freight Revenue	50.00	0.09	3,625.00	0.72
Sales Returns - Bike Equipment	0.00	0.00	(1,675.97)	(0.33)
Sales Returns - Windsurfing	0.00	0.00	(64.00)	(0.01)
	\$56,806.84	100.00	\$506,680.45	100.00
Less direct expenses:				
Subcontracted Consultants	1,500.00	2.64	1,500.00	0.30
COS - Software	1,887.84	3.32	3,775.68	0.75
COS - Bikes	3,264.06	5.75	83,502.34	16.48
COS - Golf	2,936.22	5.17	48,096.97	9.49
COS - Kayaks	22,246.49	39.16	72,156.27	14.24
COS - Snowboard	0.00	0.00	3,705.15	0.73
COS - Windsurfing	538.07	0.95	47,486.67	9.37
Inventory Assembly Cost Credit	0.00	0.00	(70.00)	(0.01)
	\$32,372.68	56.99	\$260,153.08	51.34
Gross Profit	\$24,434.16	43.01	\$246,527.37	48.66
Costs and expenses:				
Accounting fees	0.00	0.00	684.75	0.14
Advertising	650.00	1.14	3,250.00	0.64
Communications	2,559.73	4.51	6,664.94	1.32
Consultant Salaries	24,382.32	42.92	48,764.64	9.62
Depreciation expense	0.00	0.00	1,448.13	0.29
Dues and subscriptions	0.00	0.00	56.85	0.01
Insurance - Health	1,253.84	2.21	6,269.20	1.24
Payroll Taxes	1,597.20	2.81	3,194.40	0.63
Office Expense	280.00	0.49	1,116.54	0.22
Freight	0.00	0.00	781.64	0.15
Sales and Use Tax Expense	1,400.00	2.46	7,000.00	1.38
Utilities	800.00	1.41	3,585.08	0.71
	\$32,923.09	57.96	\$82,816.17	16.34
Other income and expense	(61.76)	(0.11)	1,579.99	0.31
Net earnings (loss) for period	(\$8,427.17)	(14.83)	\$162,131.21	32.00