

Statement Date	12/31/0001		12/31/0002		12/31/0003	
Months Covered	12		12		12	
Audit Mthd	Co.Prep'd		Co.Prep'd		Co.Prep'd	
Accountant						
Analyst						
Stmt Type	Annual		Annual		Annual	
<b>CURRENT ASSETS</b>						
Cash	244	2.7	95	1.4	48	1.4
Accts/Notes Rec-Trade	1,843	20.0	1,546	23.5	1,799	51.7
Accts/Notes Rec-Other	355	3.9	28	0.4	-	-
Inventory	5,354	58.2	3,354	51.0	173	5.0
<b>TOTAL CURRENT ASSETS</b>	<b>7,796</b>	<b>84.8</b>	<b>5,023</b>	<b>76.3</b>	<b>2,020</b>	<b>58.1</b>
<b>NON-CURRENT ASSETS</b>						
Land	3,345	36.4	3,681	55.9	3,868	111.2
Accumulated Deprec (-)	2,076	22.6	2,303	35.0	2,600	74.8
Total Fixed Assets - Net	1,269	13.8	1,378	20.9	1,268	36.5
Cash Value Life Insurance	92	1.0	134	2.0	152	4.4
Deferred Charges	37	0.4	45	0.7	38	1.1
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,398</b>	<b>15.2</b>	<b>1,557</b>	<b>23.7</b>	<b>1,458</b>	<b>41.9</b>
<b>TOTAL ASSETS</b>	<b>9,194</b>	<b>100.0</b>	<b>6,580</b>	<b>100.0</b>	<b>3,478</b>	<b>100.0</b>
<b>CURRENT LIABILITIES</b>						
ST Loans Payable-Bank	6,950	75.6	5,100	77.5	3,250	93.4
Accounts Payable-Trade	256	2.8	532	8.1	480	13.8
Due to Officers/Stockholders	70	0.8	110	1.7	14	0.4
Other Accruals	110	1.2	55	0.8	40	1.2
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,386</b>	<b>80.3</b>	<b>5,797</b>	<b>88.1</b>	<b>3,784</b>	<b>108.8</b>
<b>TOTAL NON-CURRENT LIABS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>7,386</b>	<b>80.3</b>	<b>5,797</b>	<b>88.1</b>	<b>3,784</b>	<b>108.8</b>
<b>NET WORTH</b>						
Common Stock	10	0.1	10	0.2	10	0.3
Paid In Capital	123	1.3	123	1.9	123	3.5
Retained Earnings	1,675	18.2	650	9.9	(439)	(12.6)
<b>TOTAL NET WORTH</b>	<b>1,808</b>	<b>19.7</b>	<b>783</b>	<b>11.9</b>	<b>(306)</b>	<b>(8.8)</b>
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	<b>9,194</b>	<b>100.0</b>	<b>6,580</b>	<b>100.0</b>	<b>3,478</b>	<b>100.0</b>
Tangible Net Worth	1,808		783		(306)	
Working Capital	410		(774)		(1,764)	
Current Ratio	1.06		0.87		0.53	
Quick Ratio	0.28		0.28		0.49	
Receivables in Days	25.94		25.44		32.20	
Inventory in Days	84.28		59.24		3.25	
Payables in Days	4.03		9.40		9.03	
Total Liabilities / TNW	4.09		7.40		(12.37)	
Total Sr. Liab / TNW + Sub Debt	4.09		7.40		(12.37)	
Funded Debt/EBITDA	6.79		(11.64)		(4.62)	
Sustainable Growth	16.20		(56.69)		(139.08)	

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Accountant						
Analyst						
Stmnt Type	Annual		Annual		Annual	
Sales/Revenues	25,932	100.0	22,178	100.0	20,391	100.0
Cost of Sales/Revenues	23,186	89.4	20,667	93.2	19,403	95.2
Cost of Sales - Depreciation	168	0.6	148	0.7	-	-
<b>TOTAL COST OF SALES/REV</b>	<b>23,354</b>	<b>90.1</b>	<b>20,815</b>	<b>93.9</b>	<b>19,403</b>	<b>95.2</b>
<b>GROSS PROFIT</b>	<b>2,578</b>	<b>9.9</b>	<b>1,363</b>	<b>6.1</b>	<b>988</b>	<b>4.8</b>
General & Admin Expense	1,537	5.9	1,609	7.3	1,469	7.2
Officers' Compensation	186	0.7	340	1.5	223	1.1
Depreciation	85	0.3	94	0.4	92	0.5
<b>TOTAL OPERATING EXPENSE</b>	<b>1,808</b>	<b>7.0</b>	<b>2,043</b>	<b>9.2</b>	<b>1,784</b>	<b>8.7</b>
<b>EBITDA</b>	<b>1,023</b>	<b>3.9</b>	<b>(438)</b>	<b>(2.0)</b>	<b>(704)</b>	<b>(3.5)</b>
<b>NET OPERATING PROFIT (EBIT)</b>	<b>770</b>	<b>3.0</b>	<b>(680)</b>	<b>(3.1)</b>	<b>(796)</b>	<b>(3.9)</b>
Interest Expense (-)	325	1.3	363	1.6	370	1.8
Other Income	8	-	18	0.1	77	0.4
<b>TOTAL OTHER INCOME(EXP)</b>	<b>(317)</b>	<b>(1.2)</b>	<b>(345)</b>	<b>(1.6)</b>	<b>(293)</b>	<b>(1.4)</b>
<b>PROFIT BEFORE TAXES</b>	<b>453</b>	<b>1.7</b>	<b>(1,025)</b>	<b>(4.6)</b>	<b>(1,089)</b>	<b>(5.3)</b>
Current Income Tax	201	0.8	-	-	-	-
<b>NET PROFIT</b>	<b>252</b>	<b>1.0</b>	<b>(1,025)</b>	<b>(4.6)</b>	<b>(1,089)</b>	<b>(5.3)</b>
<b>Net Sales Growth, Composite %</b>			<b>(14.48)</b>		<b>(8.06)</b>	
Gross Profit, % (incl. Deprec in CoGS)	9.94		6.15		4.85	
SG&A % (incl. Depr/Amrt)	6.97		9.21		8.75	
Cushion (GM-SG&A), % (excl. Depr/Amrt)	3.94		(1.97)		(3.45)	
Operating Profit Margin, %	2.97		(3.07)		(3.90)	
Net Profit After Tax, %	0.97		(4.62)		(5.34)	
<b>RECONCILIATION OF NET WORTH</b>						
Beginning Net Worth			1,808		783	
+ Net Profit After Tax	252		(1,025)		(1,089)	
= Ending Book Value	1,808		783		(306)	
<b>BREAK-EVEN ANALYSIS</b>						
Break Even Sales	21,375		38,856		42,867	
DSC Break Even Sales			3,148		40,968	
Cash Flow DSC Break Even Sales			12,800		10,517	

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Accountant			
Analyst			
Stmt Type	Annual	Annual	Annual
Sales/Revenues		22,178	20,391
Chg in Accts/Notes Rec-Trade		297	(253)
Cash Collected From Sales		22,475	20,138
Cost of Sales/Revenues		(20,667)	(19,403)
Chg in Inventory		2,000	3,181
Chg in Accounts Payable-Trade		276	(52)
Cash Paid To Suppliers		(18,391)	(16,274)
<b>CASH FROM TRADING</b>			
ACTIVITIES		4,084	3,864
General & Admin Expense		(1,609)	(1,469)
Officers' Compensation		(340)	(223)
Chg in Deferred Charges		(8)	7
Chg in Other Accruals		(55)	(15)
Cash Paid for Operating Costs		(2,012)	(1,700)
<b>CASH AFTER OPERATIONS</b>		2,072	2,164
Other Income		18	77
Other Income(Exp) & Taxes Paid		18	77
<b>NET CASH AFTER OPERATIONS</b>		2,090	2,241
Interest Expense (-)		(363)	(370)
Cash Paid for Dividends & Interest		(363)	(370)
<b>NET CASH INCOME</b>		1,727	1,871
Current Portion Long Term Debt		-	-
<b>CASH AFTER DEBT AMORT.</b>		1,727	1,871
Chg in Land		(336)	(187)
Chg in Accumulated Deprec (-)		227	297
Cost of Sales - Depreciation		(148)	-
Depreciation		(94)	(92)
Chg in Net Fixed Assets		(351)	18
Chg in Accts/Notes Rec-Other		327	28
Chg in Cash Value Life Insurance		(42)	(18)
Chg in Investments		285	10
Cash Paid for Plant and Investments		(66)	28
<b>FINANCING SURPLUS (REQMNTS)</b>		1,661	1,899
Chg in ST Loans Payable-Bank		(1,850)	(1,850)
Chg in Due to Officers/Stockholders		40	(96)
Total External Financing		(1,810)	(1,946)
<b>CASH AFTER FINANCING</b>		(149)	(47)
Add:			
Cash		244	95
<b>ENDING CASH &amp; EQUIVALENTS</b>		95	48

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Accountant			
Analyst			
Stmnt Type	Annual	Annual	Annual
<b>LIQUIDITY</b>			
Working Capital	410	(774)	(1,764)
Quick Ratio	0.28	0.28	0.49
Current Ratio	1.06	0.87	0.53
<b>LEVERAGE / COVERAGE</b>			
Net Worth-Actual	1,808	783	(306)
Tang Net Worth-Actual	1,808	783	(306)
Eff Tang Net Worth-Actual	1,808	783	(306)
Debt/Worth	4.09	7.40	(12.37)
Debt/Tang Worth	4.09	7.40	(12.37)
Debt Less Sub Debt-Liability/Eff Tg Wth	4.09	7.40	(12.37)
Total Liabilities/Total Assets	0.80	0.88	1.09
Interest Coverage	2.37	(1.87)	(2.15)
Funds Flow Coverage	N/A	N/A	N/A
Funds Flow/Prior Period CPLTD		N/A	N/A
UCA Cash Flow Coverage		5.76	6.06
UCA Cash Flow/Prior Period CPLTD		5.76	6.06
EBITDA	1,023	(438)	(704)
EBIDA	822	(438)	(704)
Fully Loaded FCC Ratio	2.37	(1.87)	(2.15)
<b>PROFITABILITY (%)</b>			
Return on Assets	2.74	(15.58)	(31.31)
Return on Equity	13.94	(130.91)	N/A
Gross Margin	9.94	6.15	4.85
Operating Profit Margin	2.97	(3.07)	(3.90)
Profit Margin	0.97	(4.62)	(5.34)
Dividend Payout Rate	-	-	-
Effective Tax Rate	44.37	-	-
<b>ACTIVITY</b>			
Net Accounts Receivable Days	25.94	25.44	32.20
Inventory Days on Hand	84.28	59.24	3.25
Accounts Payable Days	4.03	9.40	9.03
Net Sales/Total Assets	2.82	3.37	5.86
Net Sales/Working Capital	63.25	(28.65)	(11.56)
Net Sales/Net Worth	14.34	28.32	N/A
Net Sales/Net Fixed Assets	20.43	16.09	16.08
Profit Before Taxes/Total Assets (%)	4.93	(15.58)	(31.31)
Z - Score	3.55	3.11	4.34
<b>GROWTH (%)</b>			
Total Assets Growth		(28.43)	(47.14)
Total Liabilities Growth		(21.51)	(34.72)
Net Worth Growth		(56.69)	N/A
Net Sales Growth		(14.48)	(8.06)
Operating Profit Growth		N/A	(17.06)
Net Profit Growth		N/A	(6.24)
Sustainable Growth	16.20	(56.69)	(139.08)

Statement Date	12/31/0001	12/31/0002	12/31/0003
Months Covered	12	12	12
Audit Mthd	Co.Pre'p'd	Co.Pre'p'd	Co.Pre'p'd
Accountant			
Analyst			
Stmnt Type	Annual	Annual	Annual
NET REVENUES		22,178	20,391
Net Profit Before Extraordinary Items		(1,025)	(1,089)
Depreciation and Amortization		242	92
Rent Expense		-	-
Interest Expense		363	370
Tax Expense		-	-
EBITDAR		(420)	(627)
Non-Recurring (Income) & Expenses		-	-
RECURRING EBITDAR		(420)	(627)
Less: Rent Expense (all operating rents/leases)		-	-
RECURRING EBITDA		(420)	(627)
Less: Cash Taxes		-	-
+/- Manual Adj To Cash Taxes		-	-
Less: Dividends for Taxes		-	-
RECURRING EBIDA		(420)	(627)
Less: MCAPEX		(242)	(92)
RECURRING CORE CASH FLOW		(662)	(719)
Less: Interest		(363)	(370)
Plus(Less): Adjustments to Interest Expense		-	-
Less: Principal		-	-
Plus/(Less): Adjustments to PYCM		-	-
Less: Mandatory/Priority Outflows		-	-
RECURRING DISCRETIONARY CASH FLOWS		(1,025)	(1,089)
Less: Discretionary Capital Expenditures		(109)	110
Less: Discretionary Dividends		-	-
RECURRING NET CASH FLOW		(1,134)	(979)
+/- Change in Adjusted Working Capital		2,885	2,793
+/- Manual Adj To Calc WC Change		-	-
RECURRING NET OPERATING CASH FLOW		1,751	1,814
KEY RATIOS FOR ANALYSIS (RECURRING BASIS)			
Funded Debt		5,100	3,250
Senior Funded Debt		5,100	3,250
Interest Coverage (Recurring EBITDA-Taxes-MCAPEX/Interest on all obligations)		(1.82)	(1.94)
Traditional DSC (Recurring EBITDA-Taxes-MCAPEX / PYCM+Interest on all obligs)		(1.82)	(1.94)
Standard Fixed Charge Coverage Ratio (YTD Actual) (Recur EBITDA - MCAPEX) / (Cash Taxes or Dividends for Taxes + Interest + (PYCM) + Mandatory Outflows)		(1.82)	(1.94)
Fully Loaded FCC Ratio (Recurring EBITDAR-CAPEX)/(PYCM+Interest on all obligs+ Discretionary Dividends+Mandatory Outflows+Rent+Taxes)		(2.12)	(1.65)
Cash Flow Leverage (Interims Annualized) (Funded Debt/Recurring EBITDA)		(12.14)	(5.18)
Senior Cash Flow Leverage (Interims Annualized) (Senior Funded Debt/Recurring EBITDA)		(12.14)	(5.18)
Recurring EBITDA/Net Sales (Actual)		(1.89)	(3.07)