

EP Global Communications, Inc.
BALANCE SHEET
(In Thousands, Except Per Share Amounts)
(Un-Audited)

March 31, 2013

Assets

Current assets:

Cash and cash equivalents	\$12,868.50
Accounts receivable, less allowance	71
Inventories	172
Other current assets	0
Total current assets	13,111.50
Intellectual Property	1,088,602.00
Intangible Assets	155,886.50
Other assets	53
Total Assets	\$1,257,653.00

Liabilities and Stockholder's Equity

Current liabilities:

Accounts payable	\$ 21
Current maturities of long-term debt and capital lease obligations	0
Total current liabilities	21
Other liabilities and Deferred Income	1,000
Total Liabilities	1,021

Stockholders' Equity:

Common stock, \$.0001 par value, 5,000,000,000 shares authorized and 4,668,229,167 issued and outstanding 499,161,167 freely trading 4,169,068,000 Restricted Shares	
Total Stockholders' Equity	1,256,632.00
Total Liabilities and Stockholders' Equity	\$1,257,653.00

EP Global Communications, Inc.
INCOME STATEMENT
(In Thousands)
(Un-Audited)

March 31, 2013

Income (sales and capital gains)	\$9,232.00
Gross profit	9,232.00
Operating expenses:	
Research and development expenses	170
Selling, general and administrative expenses	125
Other operating expense	1,690.00
Total operating expenses	1,985.00
Profit from operations	7,247.00
Other income (expense):	
Profit before income tax expense	7,247.00
Income tax expense	30
Net Income	\$7,217.00

FINANCIAL STATEMENT FOOTNOTE:

Asset valuation is based on best estimates of the value of the following assets of EPGL, using multiple, GAAP valuation standards:

Intellectual Properties
Patent valuation, copyrights and licenses
Customer lists and relationships
Non-compete agreements
Favorable financing
Software
Trained and assembled workforces
Contracts
Leasehold interests
Unpatented proprietary technology
In-process R&D
Databases
Trademark valuation, trade names

EP Global Communications, Inc.
Statement of Cash Flows
March 31, 2013
(In Thousands)

Cash Flows From Operating Activities	
Net Income	<u>\$7,217</u>
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Accounts Receivable	(71)
Inventory	(343.50)
Research & Development Expense	170
Selling General & Administrative Expense	125
Professional Fees	1,200
Other Operating Expenses	490
Prepaid Taxes	30
Accounts Payable	<u>21</u>
Total Adjustments	<u>(1,621.50)</u>
Net Cash provided by Operations	<u>\$5,595.50</u>
Net <Increase> Decrease in Cash and Cash Equivalents	\$9,232.00
Cash Balance at Beg of Period	<u>\$3,636.50</u>
Cash and Cash Equivalents March 31, 2013	\$12,868.50