Iconic Brands, Inc. and Subsidiary
Consolidated Balance Sheets
(Unaudited)

	June 30 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	$ 16	$ -
Escrow held by attorney	24,500	-
Total current assets	24,516	-
Other Assets:		
Investment in MMBA	100,000	-
Total assets	$ 124,516	$ -
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Notes Payable	$ 207,785	$ 595,893
Accounts payable and accrued expenses	-	16,500
Accrued interest on Iconic Brands, Inc. debt	117,337	267,001
Total current liabilities	325,122	879,394
Series B preferred stock, $2.00 per share stated value; designated 1,000,000 shares, issued and outstanding 0 and 916,603 shares, respectively	-	1,833,206
Total liabilities	325,122	2,712,600
Stockholders' deficiency:		
Preferred stock, $.00001 par value; authorized 100,000,000 shares, Series A, designated 1 share, issued and outstanding 1 and 1 shares, respectively	1	1
Common stock, $.00001 par value; authorized 100,000,000 shares, issued and committed to be issued and outstanding 75,264,750 and 49,555,062 shares, respectively	753	496
Additional paid-in capital	10,988,663	8,955,714
Accumulated deficit	(11,190,023)	(11,668,811)
Total stockholders' deficiency	(200,606)	(2,712,600)
Total liabilities and stockholders' deficiency	$ 124,516	$ -

See notes to consolidated financial statements.

Iconic Brands, Inc. and Subsidiary
Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2014	2013	2014	2013
Continuing operations:				
Sales	$ -	$ -	$ -	$ -
Expenses:				
Professional fees	14,500	-	25,500	21,500
Other general and administrative expenses	14,058	-	19,949	-
Interest expense on Iconic Brands, Inc. debt (including amortization of debt discounts of $0, $389, $0 and $3,879 respectively)	7,175	7,015	25,645	17,024
Total expenses	35,733	7,015	71,094	38,524
Loss from continuing operations	(35,733)	(7,015)	(71,094)	(38,524)
Other Income				
Extinguishment of Debt	549,882	-	549,882	-
Income (Loss) from discontinued operations (see Note 8)	-	-	-	5,268,098
Net Income (Loss)	$ 514,149	$ (7,015)	$ 478,788	$ 5,229,574
Net loss per common share - basic:				
Continuing operations	$ (0.00)	$ (0.00)	(0.00)	$ (0.00)
Discontinued operations	-	-	-	0.10
Total	$ (0.00)	$ (0.00)	(0.00)	$ 0.10
Net loss per common share - Diluted:				
Continuing operations	$ (0.00)	$ (0.00)	(0.00)	$ (0.00)
Discontinued operations	-	-	-	0.00
Total	$ (0.00)	$ (0.00)	(0.00)	$ 0.00
Weighted average number of common shares outstanding				
Basic	72,347,519	54,361,412	61,014,253	54,361,412
Diluted	87,964,438	13,126,483,801	76,631,172	13,126,483,801

See notes to consolidated financial statements.

Iconic Brands, Inc. and Subsidiary
Consolidated Statements of Cash Flows
(Unaudited)

	For The Six Months Ended June 30,	
	2014	2013
Cash flows from operating activities		
Net Income (Loss)	$ 478,788	$ 5,229,574
(Gain) Loss from discontinued operations	-	(5,268,098)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discounts charged to interest expense	-	3,879
Legal, audit and accounting, and consulting fees paid by two lenders on behalf of the Company		6,872
(Income) from extinguishment of notes payable	(374,573)	-
(Income) from extinguishment of accrud interest	(175,309)	
Changes in operating assets and liabilities:		
Increase in escrow held by attorney	(24,500)	
Decrease in accounts payable	(16,500)	(373)
Increase in accrued expenses and other current liabilities	25,695	13,146
Net cash provided by (used in) operating activities - continuing operations	(86,399)	(15,000)
Net cash provided by (used in) operating activities - discontinued operations	-	-
Net cash provided by (used in) operating activities	(86,399)	(15,000)
Cash flows from financing activities:		
Increases in debt	217,500	15,000
Repayment of debt	(31,085)	-
Net cash provided by (used in) financing activities	186,415	15,000
Cash flows from investing activities:		
Cash paid for investment in MMBA	(100,000)	-
Net cash provided by (used in) investing activities	(100,000)	-
Increase (Decrease) in cash and cash equivalents	16	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	$ 16	$ -
Supplemental disclosures of cash flow information:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-cash, operating, investing and financing activities:		
Legal, audit and accounting, and consulting fees paid by lenders on behalf of the Company	$ 17,500	$ 6,872
Shares of common stock issued to noteholders in satisfaction of debt and accrued interest	$ 206,800	$ -

See notes to consolidated financial statements.