

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

December 31, 2012

Assets

Current assets:

Cash and cash equivalents	\$3,636.50
Short-term investments	0
Accounts receivable, less allowance	172
Inventories	25
Other current assets	0
 Total current assets	 3,833.50
Property and equipment, net	0
Intangible assets	152,000
Other assets	53
 Total Assets	 \$155,886.50

Liabilities and Stockholder's Equity

Current liabilities:

Accounts payable	\$ 40
Accrued liabilities	0
Current maturities of long-term debt and capital lease obligations	0
 Total current liabilities	 40
Long-term debt and capital lease obligations	0
Other liabilities and Deferred Income	1,000
 Total Liabilities	 1,040

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	 154,846.50
 Total Liabilities and Stockholders' Equity	 \$155,886.50

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

December 31, 2012

Income (from cash and stock received)	\$5,594.50
Cost of Income	0
Gross profit	5,594.50
Operating expenses:	
Research and development expenses	150
Selling, general and administrative expenses	107
Other operating expense	1,690
Total operating expenses	1,947
Profit from operations	3,647.50
Other income (expense):	
Interest expense	0
Interest income	0
Other	0
Profit before income tax expense	3,647.50
Income tax expense	11
Net profit	\$3,636.50

IMPORTANT FINANCIAL STATEMENT FOOTNOTE:

The intangible asset valuations presented are based on best estimates of the value of the following intangible assets of EPGL, using multiple, GAAP valuation standards. Asset valuations can change significantly upward or downward based on material events and market conditions.

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 Flow
December 31, 2012
(In Thousands Unaudited)

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$3,155	\$3,155
Adjustments to reconcile net income to net cash provided by operating activities		
Accumulated Depreciation Furni	0.00	0.00
Accum Depreciation - Johnstown	0.00	0.00
Res Blog Development	0.00	0.00
Advertising Receivable	(24.5)	(24.5)
Advanced Billings	0.00	0.00
Project/Sponsorship Receivable	0.00	0.00
Reserve For Bad Debts	0.00	0.00
Accounts Receivable – Factor	0.00	0.00
Subscription Receivable	0.00	0.00
Book Recievable	0.00	0.00
Due From InforMedx	0.00	0.00
Employee Note Receivable	0.00	0.00
Internet Receivable	0.00	0.00
Accounts Receivable Miscellaneous	(172)	(172)
Exhibit and Conference Receivable	0.00	0.00
Other Amounts Receivable	0.00	0.00
Prepaid Expense	0.00	0.00
Research & Development Expense	(150)	(150)
Prepaid Taxes	0.00	0.00
Prepaid Miscellaneous	0.00	0.00
DAN Prepaid Ticket Inv.	0.00	0.00
Book Inventory	0.00	0.00
Resource Guide Inventory	0.00	0.00
Book Inventory- Contra	0.00	0.00
Prepaid Advertising Promotion	0.00	0.00
EP Global (ECA) - 2005 New Acc	0.00	0.00
Accounts Receivable	0.00	0.00
Prepaid Books	0.00	0.00
Book Inventory	54.00	54.00
Book Inventory - Contra	0.00	0.00
Review Publications	0.00	0.00
Accounts Payable - Trade	(36)	(36)
MBNA Equipment	0.00	0.00
Accrual - Expense	(67)	(67)
Accrued Interest Payable	0.00	0.00
Accrued Commissions	0.00	0.00
Accrued Legal	(40)	(40)
Accrued Commissions	0.00	0.00
Commissions Payable	0.00	0.00
Accrued	0.00	0.00
Payroll Tax Liabilities	0.00	0.00
LOCAL OCCUPATIONAL TAX	0.00	0.00
Accrued Vacation	0.00	0.00
Payroll - Insurance Withholding	0.00	0.00

Fica Tax Liability	0.00	0.00
Other State Withholding Payable	0.00	0.00
STATE WITHHOLDING-NJ	0.00	0.00
STATE WITHHOLDING-NY	0.00	0.00
401K Account	0.00	0.00
Sales Tax	0.00	0.00
401K Withholding	0.00	0.00
STATE WITHHOLDING-MI	0.00	0.00
CITY WITHHOLDINGS	0.00	0.00
State Unemployment/Disability L	0.00	0.00
Medical Premiums Withheld	0.00	0.00

EP Global Communications, Inc.
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December 31, 2012
(In Thousands Unaudited)

	Current Month	Year to Date
STATE UNEMPLOYMENT – NJ	0.00	0.00
STATE UNEMPLOYMENT - MI	0.00	0.00
STATE UNEMPLOYMENT - TN	0.00	0.00
STATE UNEMPLOYMENT - TX	0.00	0.00
STATE UNEMPLOYMENT - FL	0.00	0.00
STATE DISABILITY - NJ	0.00	0.00
STATE DISABILITY - NY	0.00	0.00
STATE DISABILITY - CA	0.00	0.00
Federal Unemployment Tax Liabi	0.00	0.00
STATE W/H - VA	0.00	0.00
STATE UNEMPLOYMENT - VA	0.00	0.00
STATE DISABILITY - VA	0.00	0.00
STATE W/H - CA	0.00	0.00
STATE W/H - MA	0.00	0.00
STATE UNEMPLOYMENT - MA	0.00	0.00
STATE WITHHOLDING - CT	0.00	0.00
STATE UNEMPLOYMENT-CT	0.00	0.00
STATE UNEMPLOYMENT-CT	0.00	0.00
Use Tax	0.00	0.00
Working Capital Line of Credit	0.00	0.00
Sovereign Bank Line of Credit	0.00	0.00
Sovereign Note Payable	0.00	0.00
Deferred Income - Ads	0.00	0.00
Deferred Project Income	0.00	0.00
Deferred Military Income	0.00	0.00
Deferred Live-On-Line Income	0.00	0.00
Accrued Deferred Subscription	0.00	0.00
Accrued Legal Liability	0.00	0.00
Deferred Ad Clearing Account	0.00	0.00
Temporary Clearing Account	0.00	0.00
EP Global (ECA) - Deferred Pro	0.00	0.00
EP Global (ECA) - Accounts Pay	0.00	0.00
EP Global (ECA) - Accruals	0.00	0.00
EP Global (ECA) - Accrued Inte	0.00	0.00
Accrued Interest - NIR	0.00	0.00

Accrued Interest - Gelmon	0.00	0.00
EP Global (ECA) - Due To RJS	0.00	0.00
EP Global (ECA) - Intercompany	0.00	0.00
EP Global (ECA) - Income Tax P	0.00	0.00
Gelmon Note Payable	0.00	0.00
Gelmon Note Payable	0.00	0.00
Deferred Military Revenue	0.00	0.00
EP Global (ECA) - Intercompany	0.00	0.00
NIR Note 4	0.00	0.00
InforMedx - Intercompany	0.00	0.00
Accounts Payable	0.00	0.00
Sales Tax Payable	0.00	0.00
Prepaid Book Orders - Def Inc.	0.00	0.00
Total Adjustments	(435.50)	(435.50)

EP Global Communications, Inc.
Statement of Cash Flow
December 31, 2012
(In Thousands Unaudited)

	Current Month	Year to Date
Net Cash provided by Operations	2,719.50	2,719.50
Cash Flows from investing activities		
Used For		
Subscription Promotion	0.00	0.00
New Business Internet Conferen	0.00	0.00
Security Deposits	0.00	0.00
Organization Costs	0.00	0.00
Furniture and Fixtures	0.00	0.00
Fixed Assets - Johnstown	0.00	0.00
Blog Development Costs	0.00	0.00
Covenant With Former Sharehold	0.00	0.00
Amortizable Financing Costs	0.00	0.00
Reserver for Amortization	0.00	0.00
Deferred Conference Charges	0.00	0.00
EP Global (ECA) - Accumulated	0.00	0.00
Net cash used in investing	0.00	0.00
Cash Flows from financing activities		
Proceeds From		
Deferred Subscription Income	0.00	0.00
Intercompany Due To/From	0.00	0.00
Note Payable - BPB&T	0.00	0.00
MBNA Equipment Note	0.00	0.00
American Express Lease	0.00	0.00
City of Johnstown Note Payable	0.00	0.00
First Commonwealth Note Payabl	0.00	0.00
NIR Converible Note	0.00	0.00
Note Payable - Transcon	0.00	0.00

Note Payable Cardinal Debt Ass	0.00	0.00
Note Payable Cardinal (Note 2)	0.00	0.00
Provident Bank - Line of Credi	0.00	0.00
Due To Former Stockholder	0.00	0.00
Long Term Note Payable	0.00	0.00
Deferred Income Tax Expense	0.00	0.00
Capital Stock	(1,690)	(1,690)
Preferred Stock Series A	0.00	0.00
Preferred Stock Series B	0.00	0.00
Treasury Stock	0.00	0.00
Paid In Capital	(112)	(112)
Current Earnings	0.00	0.00
Dividends Paid	0.00	0.00
Net Operating Loss	0.00	0.00
Net Operating Loss - Val Acct	0.00	0.00
EP Global (ECA) - Note Payable	0.00	0.00
TJ Management Note Payable	0.00	0.00
EP Global (ECA) - 2005 New Acc	0.00	0.00
New NIR Debt - Note 3	0.00	0.00
EP Global (ECA) - Capital Stoc	0.00	0.00
EP Global (ECA) - Paid In Capi	0.00	0.00
EP Global (ECA) - Retained Ear	0.00	0.00
EP Global (ECA) - Minority Int	0.00	0.00
InforMedx - Intercompany	0.00	0.00
InforMedx - Beginning Equity	0.00	0.00
InforMedx - Minority Interest	0.00	0.00
Retained Earnings	0.00	0.00
Opening Bal Equity	0.00	0.00

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Current Month Year to Date		
Eliminations - Intercompany	0.00	0.00
Eliminations - Capital Stock	0.00	0.00
Eliminations - Paid In Capital	0.00	0.00
Used For		
Gelmon Note Payable	0.00	0.00
Deferred Subscription Income	0.00	0.00
Intercompany Due To/From	0.00	0.00
Note Payable - BPB&T	0.00	0.00
MBNA Equipment Note	0.00	0.00
American Express Lease	0.00	0.00
City of Johnstown Note Payable	0.00	0.00
First Commonwealth Note Payabl	0.00	0.00
NIR Converible Note	0.00	0.00
Note Payable - Transcon	0.00	0.00
Note Payable Cardinal Debt Ass	0.00	0.00
Note Payable Cardinal (Note 2)	0.00	0.00
Provident Bank - Line of Credi	0.00	0.00
Due To Former Stockholder	0.00	0.00

Long Term Note Payable	0.00	0.00
J. Valenzano- Note Payable	0.00	0.00
Deferred Income Tax Expense	0.00	0.00
Capital Stock	0.00	0.00
Preferred Stock Series A	0.00	0.00
Preferred Stock Series B	0.00	0.00
Treasury Stock	0.00	0.00
Paid In Capital	0.00	0.00
Current Earnings	0.00	0.00
Dividends Paid	0.00	0.00
Net Operating Loss	0.00	0.00
Net Operating Loss - Val Acct	0.00	0.00
EP Global (ECA) - Note Payable	0.00	0.00
TJ Management Note Payable	0.00	0.00
EP Global (ECA) - 2005 New Acc	0.00	0.00
New NIR Debt - Note 3	0.00	0.00
EP Global (ECA) - Capital Stoc	0.00	0.00
EP Global (ECA) - Paid In Capi	0.00	0.00
EP Global (ECA) - Retained Ear	0.00	0.00
EP Global (ECA) - Minority Int	0.00	0.00
InforMedx - Intercompany	0.00	0.00
InforMedx - Beginning Equity	0.00	0.00
InforMedx - Minority Interest	0.00	0.00
Retained Earnings	0.00	0.00
Opening Bal Equity	0.00	0.00
Eliminations - Intercompany	0.00	0.00
Eliminations - Capital Stock	0.00	0.00
Eliminations - Paid In Capital	0.00	0.00
Net cash used in financing	\$(1,802)	\$(1,802)
Net <increase> decrease in cash	\$ 917.50	\$ 917.50
Summary		
Cash Balance at End of Period	\$ 3,636.50	\$3,636.50
Cash Balance at Beg of Period	\$ 2,719.50	(45.33)
Net <increase> decrease in Cash	\$ 917.00	\$3,681.83