

DIRECT RESPONSE MEDIA, INC.

June 30, 2012

DIRECT RESPONSE MEDIA, INC.
(A Development Stage Company)

BALANCE SHEETS AS OF JUNE 30, 2012 AND DECEMBER 31, 2011

	June 30, 2012	December 31, 2011
ASSETS		
TOTAL ASSETS	\$ -	\$ -
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accrued Expenses	\$ 1,900	\$ -
Officer Loans	42,810	42,810
Total Current Liabilities	44,710	42,810
Stockholders' Deficit		
Common Stock, \$0.0001 par value; 300,000,000 shares authorized; 4,618,407 shares issued and outstanding at December 31, 2009 and 2008	462	462
Preferred Stock, \$0.001 par value; 30,000,000, none issued	-	-
Paid-in Capital	129,388	129,388
Accumulated Deficit during Developing Stage	(174,560)	(172,660)
Total Stockholders' Deficit	(44,710)	(42,810)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ -	\$ -

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STATEMENTS OF OPERATIONS

	For the Three Months Ended June, 30		For the Six Months Ended June, 30		Inception September 24, 1999 through June 30, 2012
	2012	2011	2012	2011	
Operating Expenses:					
General and administrative expenses	\$ 1,900	\$ -	\$ 1,900	\$ -	174,560
Total Operating Expenses	1,900	-	\$ 1,900	-	174,560
Net Loss	\$ (1,900)	\$ -	\$ (1,900)	\$ -	\$ (174,560)
Net Loss Per Share-Basic and Diluted	\$ (0.00)	\$ -	\$ (0.00)	\$ -	
Weighted Average Number of Shares	4,618,407	4,618,407	4,618,407	4,618,407	

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STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

	Common Stock		Paid-in	Deficit	
	Shares	Amount	Capital	Accumulated During the Development Stage	Total
Balance at September 24, 1999 (Inception)	-	\$ -	\$ -	\$ -	-
Issuance of Pre-split Common Stock for Cash	1,800,000	1,800	1,250		3,050
Net Loss for the year ended December 31, 1999				(2,000)	(2,000)
Balance at December 31, 1999	1,800,000	1,800	1,250	(2,000)	1,050
Forward Stock Split on February 21, 2001 6 for 1 Common Stock	9,000,000	9,000	(9,000)		-
Forward Stock Split on March 27, 2007 4 for 1 Common Stock	2,291,400	2,291	(2,291)		-
Reverse Stock Split on March 31, 2008 1 for 3 Common Stock	(9,236,800)	(9,237)	9,237		-
Rounding adjustment for splits	7				-
Balance at December 31, 1999 Retroactively restated	3,854,607	3,854	(804)	(2,000)	1,050
Net Loss for year ended December 31, 2000				(1,023)	(1,023)
Balance at December 31, 2000	3,854,607	3,854	(804)	(3,023)	27
Issuance of Post-split Common Stock for Cash	763,800	764	126,036		126,800
Net Loss for year ended December 31, 2001	-	-	-	(126,827)	(126,827)
Balance at December 31, 2001	4,618,407	4,618	125,232	(129,850)	-
Net Loss for year ended December 31, 2002	-	-	-	-	-
Balance at December 31, 2002	4,618,407	4,618	125,232	(129,850)	-
Net Loss for year ended December 31, 2003	-	-	-	-	-
Balance at December 31, 2003	4,618,407	4,618	125,232	(129,850)	-
Net Loss for year ended December 31, 2004	-	-	-	-	-
Balance at December 31, 2004	4,618,407	4,618	125,232	(129,850)	-
Net Loss for year ended December 31, 2005	-	-	-	-	-
Balance at December 31, 2005	4,618,407	4,618	125,232	(129,850)	-
Net Loss for year ended December 31, 2006	-	-	-	(11,200)	(11,200)
Balance at December 31, 2006	4,618,407	4,618	125,232	(141,050)	(11,200)
Net Loss for year ended December 31, 2007	-	-	-	(11,000)	(11,000)
Balance at December 31, 2007	4,618,407	4,618	125,232	(152,050)	(22,200)
Change in par value from \$0.001 to \$0.003		9,237	(9,237)		-
Net Loss for year ended December 31, 2008	-	-	-	(6,200)	(6,200)
Balance at December 31, 2008	4,618,407	13,855	115,995	(158,250)	(28,400)
Change in par value from \$0.003 to \$0.0001		(13,393)	13,393		-
Net Loss for year ended December 31, 2009	-	-	-	(14,200)	(14,200)
Balance at December 31, 2009	4,618,407	462	129,388	(172,450)	(42,600)
Net Loss for year ended December 31, 2010	-	-	-	(60)	(60)
Balance at December 31, 2010	4,618,407	462	129,388	(172,510)	(42,660)
Net Loss for year ended December 31, 2011	-	-	-	(150)	(150)
Balance at December 31, 2011	4,618,407	462	129,388	(172,660)	(42,810)
Net Loss for the period ended June 30, 2012				(1,900)	(1,900)
Balance at June 30, 2012	4,618,407	\$ 462	\$ 129,388	\$ (174,560)	\$ (44,710)

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STATEMENTS OF CASH FLOWS

	For the Six Months Ended June, 30 2012	For the Six Months Ended June, 30 2011	Inception September 24, 1999 through June 30, 2012
Cash Flows from Operating Activities:			
Net Loss	\$ (1,900)	\$ -	\$ (174,560)
Adjustments to Reconcile Net Loss to Net Cash Used in Operations:			
Increase in:			
Accrued Expenses	1,900	-	1,900
Net Cash Used in Operating Activities	<u>-</u>	<u>-</u>	<u>(172,660)</u>
Cash Flows from Financing Activities:			
Proceeds from Officer Loan	-	-	42,810
Proceeds from Issuance of Stock	-	-	129,850
Net Cash Flow Provided by Financing Activities	<u>-</u>	<u>-</u>	<u>172,660</u>
Net Increase (decrease) in Cash	-	-	-
Cash Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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NOTES TO UNAUDITED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF OPERATIONS

Direct Response Media Inc. (the “Company”) was incorporated in the State of Nevada on September 24, 1999.

The Company is a development stage Company and attempts to locate a new business (operating company), and offer itself as a merger vehicle for a company that may desire to go public through a merger rather than through its own public stock offering.

Development stage enterprise

The Company is a development stage company as defined in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 915 "Development Stage Entities". Since September 24, 1999, the Company has been devoting substantially all of its efforts to establishing new customized real estate management programs for their clients. As such, the Company has not generated significant revenues from its operations and has no assurance of future revenues. All losses accumulated since September 24, 1999 has been considered as part of the Company's development stage activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The results for the three and six month periods ended June 30, 2012 and 2011 are not necessarily indicative of the results to be expected for the full year.

Use of estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that directly affect the results of reported assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Revenue recognition

The Company did not commence operation and generate revenue since its inception. Generally, the Company will recognize revenue when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed or determinable, and collectability is probable.

Fair value of financial instruments

All financial instruments are carried at amounts that approximate estimated fair value.

Income Taxes

Income tax expense is based on pretax financial accounting income. Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts.

New Accounting Pronouncements

Direct Response Media, Inc. does not believe newly issued accounting pronouncements will have any material impact on its financial statements.

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NOTES TO UNAUDITED FINANCIAL STATEMENTS

NOTE 3 – ACCRUED EXPENSES

The Company's accrued expenses as of June 30, 2012 are due to professional fees.

NOTE 4 – NOTE PAYABLE TO RELATED PARTY

As of June 30 2012 and December 31, 2011, the Company had a note payable to an officer for \$42,810 for both periods. As of June 30, 2012 no interest was accrued.

NOTE 5 – NET LOSS PER SHARE

The following table sets forth the computation of basic and diluted net loss per share:

	For the Three Months Ended June, 30		For the Six Months Ended June, 30	
Numerator:	2012	2011	2012	2011
Net Loss	\$ (1,900)	\$ -	\$ (1,900)	\$ -
Denominator:				
Weighted Average of Common Shares	<u>4,618,407</u>	<u>4,618,407</u>	<u>4,618,407</u>	<u>4,618,407</u>
Basic and Diluted Net Loss per Share	<u>\$ (0.00)</u>	<u>\$ -</u>	<u>\$ (0.00)</u>	<u>\$ -</u>

Diluted net loss per share is the same as basic net loss per share due to the lack of dilutive items in the Company for both years.