

# **ImageXpres Corporation**

## **1<sup>st</sup> Quarter Disclosure & Financials**

**March 31, 2011**

**Item 1. Exact name of the Issuer and the address of its principal executive offices:**

ImageXpres Corporation 333 Metro Park Suite N105 Rochester, NY 14623

**Item 2. Outstanding Shares ( as of March 31,2011 )**

Total Outstanding: 11,272,932,635

Public float: 9,691,147,482

**Item 3. Interim Financial Statements****ImageXpres Income Statement**

	1st Q 2011
REVENUES	
Printing Solutions	\$147,490
SmartKiosk Systems	\$108,450
Medical Boards	\$28,304
TOTAL REVENUES	\$284,244
COST OF SALES	
GOGS-Printing Solutions	\$97,343
COGS-Specialty Products	\$75,915
COGS-Imaging Services	\$17,388
TOTAL COST OF GOODS SOLD	\$190,646
GROSS PROFIT	\$93,598
EXPENSES	
Advertising	\$16,392
Packaging/Shipping	\$3,729
Commissions/Fees	\$17,302
Insurance Expense	\$500
Office Supplies	\$1,629
Rent	\$4,600
Utilities	\$3,620
Phone	\$1,830
Wages Expense	\$39,403
Travel Expense	\$640
Payroll Tax	\$400
Insurance Tax	\$350
Research & Development	\$38,290
Equipment Leases	\$0
Office Hardware	\$4,309
Other Expenses	\$6,290
TOTAL EXPENSES	\$139,284
NET INCOME (LOSS)	\$(45,686)

## ImageXpres Balance Sheet

ASSETS	1 <sup>st</sup> Q 2011
Current Assets	
Cash	\$13,420
Accounts Receivable	\$683,271
Inventory	\$116,872
Total Current Assets	\$813,563
Fixed Assets	
Furniture and Fixtures	\$32,274
Computer Hardware	\$154,798
Computer Software	\$385,563
Printing Equipment	\$146,433
Total Fixed Assets	\$719,068
Other Assets	
Domains/Websites	\$401,653
Total Other Assets	\$401,653
TOTAL ASSETS	\$1,934,284
LIABILITIES & CAPITAL	
LIABILITIES	
Current Liabilities	
Accounts Payable	\$54,162
Sales Tax Payable	\$7,270
Federal Taxes Payable	\$0
Payroll Taxes Payable	\$1,270
Income Taxes Payable	\$200
Interest Payable	\$19,400
Total Current Liabilities	\$82,302
Long Term Liabilities	
Wages Payable	\$488,734
Notes Payable	\$344,728
Total Long Term Liabilities	\$833,462
TOTAL LIABILITES	\$915,764
CAPITAL	
Common Stock (\$.001)	\$980,643
Additional Paid In Capital	\$542,730
Retained Earnings	-\$459,167
Net Income	-\$45,686
TOTAL CAPITAL	\$1,018,520
TOT. LIABILITIES AND CAPITAL	\$1,934,284

## ImageXpres Cash Flow

Cash Flows from Operations	<sup>1st</sup> Q 2011
Net Income	-\$45,686
Depreciation	\$8,213
Increase(decrease) in accounts payable	\$12,542
Increase in accrued salary -officer	\$33,574
Increase(decrease) in loan from officer	\$0
Net Cash from (used by) Operating Activities	\$8,643
Cash Flows from Investing Activities	
Purchase of equipment	\$2,427
Net Cash from (used by) Investing Activities	\$2,427
Cash Flows from Financing Activities	
Issuance of common stock	\$0
Proceeds from note payable	\$15,000
Payment of accrued salary to officer	\$0
Repayment of debt to officer	\$0
Net Cash from (used by) Financing Activities	\$0
Total Cash Flow	\$11,070
Beginning Cash	\$462,694
Ending Cash	\$473,764

ImageXpres Corporation  
STATEMENTS OF STOCKHOLDERS EQUITY

		Common Stock		Additional
	Date	Shares	Amount	Paid-in Capital
Balance	January 1, 2010	6,256,432,635	\$625,643	\$359,072
Issuance of shares for services				
Issuance of shares for cash				
Issuance of shares for debt		1,600,000,000	\$160,000	-\$10,704
Conversion of stock to notes payable				
		1,600,000,000	\$160,000	-\$10,704
Balance	March 31, 2010	7,856,432,635	\$785,643	\$348,368
	April 1, 2010	7,856,432,635	\$785,643	\$348,368
Issuance of shares for services				
Issuance of shares for cash		1,150,000,000	\$115,000	\$85,000
Issuance of shares for debt		250,000,000	\$25,000	\$15,000
Conversion of stock to notes payable		50,000,000	\$5,000	\$5,000
Balance	June 30, 2010	9,306,432,635	\$930,643	\$453,368
Balance	July 1, 2010	9,306,432,635	\$930,643	\$453,368
Issuance of shares for services				
Issuance of shares for cash				
Issuance of shares for debt				
Conversion of stock to notes payable				
Balance	September 30, 2010	9,306,432,635	\$930,643	\$453,368
	October 1, 2010	9,306,432,635	\$930,643	\$453,368
Issuance of shares for services				
Issuance of shares for cash				
Issuance of shares for debt		666,500,000	\$35,000	
Conversion of stock to notes payable				
Balance	December 31, 2010	9,972,932,635	\$965,643	\$453,368
	January 1, 2011	9,972,932,635	\$965,643	\$453,368
Issuance of shares for services				
Issuance of shares for cash				
Issuance of shares for debt		1,300,000,000	\$12,500	
Conversion of stock to notes payable				
Balance	March 31, 2011	11,272,932,635	\$978,143	\$453,368

## **Item 4. Management Summary Discussion and Analysis**

The following summary discussion and analysis should be read in conjunction with the unaudited consolidated interim financial statements of the Company for the three months ended March 31, 2011.

### **Results of Operations**

#### **Three months ended March 31, 2011**

The Company's revenue and profits for the three months ending March 31, 2011 were marginally lower as compared to the same period in the prior year. The company recorded total sales revenue of \$284,244, and net income(loss) of \$45,686, in the first quarter of 2011. Total revenues for this quarter showed a decrease of 21% over first quarter of 2010's revenue of \$361,815, and the net income decreased from \$46,667 in first quarter of 2010, to a net loss of \$45,686 in 2011.

The revenue and profits recorded in first quarter of 2011 are lower than forecast, and represent the difficulty of putting in place two major marketing initiatives, with limited resources. Notable is the Company's continued expansion of its FreePrintze™ Multimedia Advertising Service, and associated advertising revenues from small and medium businesses seeking a better way to reach targeted consumers in their local geographic area. Sales revenues attributed to Printing Solutions, including FreePrintze™ direct mail advertisements, was \$147,490 in first quarter of 2011. The FreePrintze™ printing and e-commerce business segment is expected to be a major growth engine for the Company as major advertisers are enlisted, and the FreePrintze™ consumer base grows exponentially over the next several quarters. The Company announced the signing of a major FreePrintze™ corporate customer, and this contract alone is expected to generate sales revenue in excess of \$2 million in 2011.

The Company continues to devote a major portion of research and development funds toward the implementation of an enterprise interactive kiosk and digital signage solution that can provide significant product differentiation for large retail chains, and independent, small retail businesses.. The company is now conducting market trials and pilot programs of a new Apple iPad tablet-based system in several key market segments. The Company will announce the new product line in the second quarter of 2011, and expects the availability of the new SmartKiosk product line will result in unit sales in the thousands. To date, through first quarter of 2011, the Company has recorded sales revenues of \$108,450 in its Smartkiosk Systems product segment, which includes both kiosk and digital signage hardware, as well as digital advertising software/content revenues. As the SmartKiosk market trials progress, and customized software requirements for retail customers are completed, it is expected that large-scale sales to several major retail chains will begin to drive significant increases in sales revenues going forward..

The third and final segment of the Company is its medical healthcare product line, including its Surg-i-Scan™ surgical Checklist boards, and "digital" Surg-i-Scan™ software app for Apple's iPad, iPod, and iPhone devices. The Company's presence in this important, growing market segment, is very minimal to date, with total revenues of \$28,304 in first quarter of 2011, but the Company's products continue to be well positioned, and highly differentiated. The Company expects to achieve significant increases in revenues as its digital product line becomes more familiar to surgeons, nurses and other caregivers associated with patient care initiatives worldwide.

### **Item 5. Legal Proceedings**

None

### **Item 6. Defaults upon senior securities**

None

### **Item 7. Other Information**

None

## **Item 8. Exhibits**

Filed Interim financial statements in Item 3 above.


## **Item 9 Certifications.**

### **Issuer's Certifications**

I, John S. Zankowski, certify that:

1. I have reviewed this disclosure statement with financial information through March 31, 2011, of ImageXpres Corporation, and
2. Based on my knowledge, this disclosure statement does not contain any untrue statements of material fact or omit a material fact necessary to make the statements made unless otherwise noted, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this quarterly disclosure statement, fairly present in all material respects, the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 21, 2011

Certified by :   
John S. Zankowski  
President, CEO