

Invicta, Inc.
Financial Statements
For the Quarter Ended
June 30, 2010

Nosek & Associates
Certified Public Accountants

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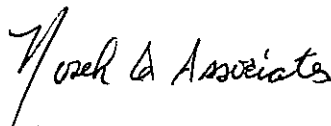
To the Board of Directors:

August 13, 2010

Invicta Group, Inc.
214 W. Ohio 3rd Floor
Chicago, Il. 60610

We have compiled the accompanying consolidated balance sheet of Invicta Group Inc. as of June 30, 2010, and the related statements of income, retained earnings, and cash flows for the period then ended (and supplementary information), in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting information that is the representation of management in the form of financial statements (and supplementary information). We have not audited or reviewed the accompanying financial statements (and supplementary information) and, accordingly, do not express an opinion or any other form of assurance on them.



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Certified Public Accountants

Invicta Group, Inc.
 Consolidated Statement of Assets, Liabilities and Retained
 Earnings
 As of June 30, 2010

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	\$ 204,423
Accounts Receivable	1,371,112
Other Current Assets	
Inventory	569,218
Loans and Notes Receivables	45,548
Prepaid Expenses	4,969
Total Other Current Assets	<u>619,735</u>
Total Current Assets	<u>2,195,270</u>
Fixed Assets	
Furniture & Fixtures	163,853
Machinery & Equipment	26,551
Total Fixed Assets	<u>190,404</u>
Other Assets	
Security Deposits	3,412
Organizational Costs	32,500
Goodwill	1,178,800
Total Other Assets	<u>1,214,712</u>
TOTAL ASSETS	<u><u>\$ 3,600,386</u></u>

Invicta Group, Inc.
 Consolidated Statement of Assets, Liabilities and Retained
 Earnings
 As of June 30, 2010

	<u>Total</u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	\$ 1,102,697
Line of Credit	\$ 575,000
Accrued Taxes	8,242
Accrued Expenses	2,171
	<u>1,688,110</u>
Total Current Liabilities	
Long Term Liabilities	
Notes Payable	1,811,915
	<u>1,811,915</u>
Total Long Term Liabilities	
Total Liabilities	\$ 3,500,025
Equity	
Retained Earnings	(10,527,922)
Additional Paid in Capital	9,704,693
Common Stock	426,372
Preferred Stock	7,405
Net Income	489,813
	<u>100,361</u>
Total Equity	
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,600,386</u>

Shares Outstanding 4,263,724,134

Invictra Group, Inc.
 Consolidated Statement of Income and Loss
 As of June 30, 2010

	For the quarter ending 6/30/2010	Year-to-Date 6/30/2010
<u>Income</u>		
Revenue	\$ 2,514,700	\$ 7,431,822
Cost of Goods Sold	<u>1,699,674</u>	<u>\$ 5,953,230</u>
Gross Profit	815,026	\$ 1,478,593
Operating Expenses	626,129	\$ 988,780
Net Income	<u><u>188,897</u></u>	<u><u>489,813</u></u>

Invicta Group, Inc.
Consolidated Statement of Cash Flows
As of June 30, 2010

	<u>Total</u>
OPERATING ACTIVITIES	
Net Income	\$ 489,813
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Increase/Decrease in Accounts Receivable	(47,023)
Increase/Decrease in Inventory	225,128
Increase/Decrease Prepaid Expenses	(7,223)
Increase/Decrease in Accounts Payable	42,791
Increase/Decrease in Accrued Expenses	(19,842)
Increase/Decrease in Intercompany transactions	-
Increase/Decrease in Other Current Liabilities	(59,755)
Net cash provided by operating activities	<u>623,889</u>
INVESTING ACTIVITIES	
Increase/Decrease in Buildings	-
Increase/Decrease in Computers	-
Increase/Decrease Furniture & Fixtures	-
Increase/Decrease Mach. & Equip	(87,310)
Increase/Decrease in Goodwill	(188,323)
Increase/Decrease in Organizational Costs	-
Increase/Decrease Security Deposits	8,862
Net cash provided by investing activities	<u>(266,771)</u>
FINANCING ACTIVITIES	
Increase/Decrease in Notes Payable	(15,341)
Increase/Decrease in Mortgage Payable	-
Change in Capital Surplus	(47,500)
Change in Common Stock	(89,854)
Change in Preferred Stock	-
Net cash provided by financing activities	<u>(152,695)</u>
Net cash increase for period	<u>204,423</u>
Cash at end of period	<u>\$ 204,423</u>