

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Profit & Loss
January thru December 2009

	<u>Jan - Dec 2009</u>
Ordinary Income/Expense	
Income	
Sales - Software	106,455.00
Total Income	106,455.00
Cost of Goods Sold	
Cost of Goods Sold	107,520.00
Total COGS	107,520.00
Gross Profit	(1,065.00)
Expense	
Advertising and Promotion	20,134.00
Bank Service Charges	-
Computer/Internet Expense	1,840.00
Depreciation Expense	-
Income Tax Expense	-
Insurance Expense	783.00
Meals and Entertainment	10,800.00
Miscellaneous Expense	-
Office Supplies	1,125.00
Professional Fees	
Management	99,000.00
Consulting	21,000.00
Total Professional Fees	120,000.00
Rent Expense	6,750.00
Telephone Expense	6,000.00
Utilities	1,980.00
Total Expense	169,412.00
Net Ordinary Income	(170,477.00)
Net Income	(170,477.00)

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Balance Sheet
As of December 31, 2009

	<u>December 31, 2009</u>
ASSETS	
Fixed Assets	
Furniture and Equipment	
Computers to Instore	3,700.00
Servers	-
Furniture and Equipment - Other	<u>3,500.00</u>
Total Furniture and Equipment	7,200.00
Property	-
Web Development	-
Total Fixed Assets	<u>7,200.00</u>
TOTAL ASSETS	<u><u>7,200.00</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>99,000.00</u>
Total Other Current Liabilities	<u>99,000.00</u>
Total Current Liabilities	<u>99,000.00</u>
Total Liabilities	99,000.00
Equity	
Owner's Equity	78,677.00
Net Income	<u>(170,477.00)</u>
Total Equity	<u>(91,800.00)</u>
TOTAL LIABILITIES & EQUITY	<u><u>7,200.00</u></u>

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Statement of Cash Flows
January thru December 2009

	<u>Jan - Dec 09</u>
OPERATING ACTIVITIES	
Net Income	(170,477)
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Payable	<u>99,000</u>
Net cash provided by Operating Activities	<u>(71,477)</u>
INVESTING ACTIVITIES	
Furniture and Equipment	(3,500)
Furniture and Equipment:Computers to Instore	<u>(3,700)</u>
Net cash provided by Investing Activities	<u>(7,200)</u>
FINANCING ACTIVITIES	
Owner's Equity	<u>78,677</u>
Net cash provided by Financing Activities	<u>78,677</u>
Net cash increase for period	<u>-</u>
Cash at end of period	<u><u>-</u></u>

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Profit & Loss 12 Month Trend
January thru December 2009

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	TOTAL
Ordinary Income/Expense													
Income													
Sales - Software	0	0	0	1200	3000	4000	7000	11450	10600	16355	27350	25500	106455
Total Income	0	0	0	1200	3000	4000	7000	11450	10600	16355	27350	25500	106455
Cost of Goods Sold													
Cost of Goods Sold	0	0	0	11520	14400	11520	14400	11520	11520	14400	9120	9120	107520
Total COGS	0	0	0	11520	14400	11520	14400	11520	11520	14400	9120	9120	107520
Gross Profit	0	0	0	-10320	-11400	-7520	-7400	-70	-920	1955	18230	16380	-1065
Expense													
Advertising and Promotion	0	0	0	644	923	1075	1556	2366	2214	3076	4292	3988	20134
Bank Service Charges	0	0	0	0	0	0	0	0	0	0	0	0	0
Computer/Internet Expense	0	0	0	106	106	106	106	106	106	106	549	549	1840
Insurance Expense	0	0	0	87	87	87	87	87	87	87	87	87	783
Meals and Entertainment	0	0	0	1057	1188	1312	1255	1194	1102	1093	1280	1319	10800
Miscellaneous Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Supplies	0	0	0	105	152	118	126	121	130	124	132	117	1125
Professional Fees													
Consulting	0	0	0	0	0	0	0	0	0	7000	7000	7000	21000
Management	0	0	0	11000	11000	11000	11000	11000	11000	11000	11000	11000	99000
Rent Expense	0	0	0	750	750	750	750	750	750	750	750	750	6750
Repairs and Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone Expense	0	0	0	400	400	400	800	800	800	800	800	800	6000
Travel Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	0	0	0	220	220	220	220	220	220	220	220	220	1980
Total Expense	0	0	0	14369	14826	15068	15900	16644	16409	24256	26110	25830	169412
Net Ordinary Income	0	0	0	-24689	-26226	-22588	-23300	-16714	-17329	-22301	-7880	-9450	-170477
Net Income	0	0	0	-24689	-26226	-22588	-23300	-16714	-17329	-22301	-7880	-9450	-170477

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Profit & Loss
January thru December 2010

	<u>Jan - Dec 2010</u>
Ordinary Income/Expense	
Income	
Sales - Software	2,179,553.00
Total Income	<u>2,179,553.00</u>
Cost of Goods Sold	
Cost of Goods Sold	361,502.00
Total COGS	<u>361,502.00</u>
Gross Profit	1,818,051.00
Expense	
Advertising and Promotion	11,116.00
Bank Service Charges	1,592.00
Depreciation Expense	9,612.00
Income Tax Expense	76,348.00
Insurance Expense	12,316.00
Meals and Entertainment	27,154.00
Miscellaneous Expense	10,600.00
Office Supplies	8,325.00
Professional Fees	
Dealer Rebates	110,560.00
Legal Expense	9,500.00
Sales	<u>130,334.00</u>
Total Professional Fees	250,394.00
Rent Expense	26,649.00
Repairs and Maintenance	1,586.00
Telephone Expense	8,812.00
Travel Expense	6,054.00
Utilities	4,228.00
Total Expense	<u>454,786.00</u>
Net Ordinary Income	<u>1,363,265.00</u>
Net Income	<u><u>1,363,265.00</u></u>

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Balance Sheet
As of December 31, 2010

December 31, 2010

ASSETS

Current Assets

Checking/Savings

Business Account

320,000.00

Business Tax Savings Account

76,348.00

Total Checking/Savings

396,348.00

Total Current Assets

396,348.00

Fixed Assets

Furniture and Equipment

Computers to Instore

220,000.00

Servers

645,000.00

Furniture and Equipment - Other

35,000.00

Total Furniture and Equipment

900,000.00

Property

5,896,630.00

Web Development

156,500.00

Total Fixed Assets

6,953,130.00

TOTAL ASSETS

7,349,478.00

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Baker Myer & Associates

103,450.00

M Rice

75,000.00

Total Other Current Liabilities

178,450.00

Total Current Liabilities

178,450.00

Total Liabilities

178,450.00

Equity

Member's Equity

(170,477.00)

Opening Balance Equity

5,099,563.00

Owner's Equity

878,677.00

Net Income

1,363,265.00

Total Equity

7,171,028.00

TOTAL LIABILITIES & EQUITY

7,349,478.00

Shareholders Equity	
total assets- total liabilities	7,171,028.00
Total shares Outstanding	35,989,357.00
Equity per a share weighed evenly	0.20

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Statement of Cash Flows
January thru December 2010

	Jan - Dec 10
OPERATING ACTIVITIES	
Net Income	1,363,265
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Payable	(99,000)
Baker Myer & Associates	103,450
M Rice	75,000
Net cash provided by Operating Activities	1,442,715
INVESTING ACTIVITIES	
Furniture and Equipment	(31,500)
Furniture and Equipment:Computers to Instore	(216,300)
Furniture and Equipment:Servers	(645,000)
Property	(5,896,630)
Web Development	(156,500)
Net cash provided by Investing Activities	(6,945,930)
FINANCING ACTIVITIES	
Opening Balance Equity	5,099,563
Owner's Equity	800,000
Net cash provided by Financing Activities	5,899,563
Net cash increase for period	396,348
Cash at end of period	396,348

Inventbay.com Inc. (INVB)
(Strategic Marketing Automotive Alliance, LLC)
Consolidated Profit & Loss 12 Month Trend
January thru December 2010

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	TOTAL
Ordinary Income/Expense													
Income													
Sales - Software	66233	68105	74344	67408	118158	142491	181011	210491	265699	315200	297750	372663	2179553
Total Income	66233	68105	74344	67408	118158	142491	181011	210491	265699	315200	297750	372663	2179553
Cost of Goods Sold	20000	21000	22050	23153	24310	25526	26802	28142	29549	31027	43622	66321	361502
Cost of Goods Sold	20000	21000	22050	23153	24310	25526	26802	28142	29549	31027	43622	66321	361502
Total COGS	46233	47105	52294	44255	93848	116965	154209	182349	236150	284173	254128	306342	1818051
Gross Profit													
Expense													
Advertising and Promotion	200	210	221	232	243	255	268	281	295	310	2301	6300	11116
Bank Service Charges	100	105	110	116	122	128	134	141	148	155	162	171	1592
Depreciation Expense	500	525	551	579	608	638	670	704	739	776	1100	2222	9612
Income Tax Expense	750	788	827	868	3912	5877	9120	9116	9244	11356	15662	8828	76348
Insurance Expense	1026	1026	1026	1026	1026	1026	1026	1026	1027	1027	1027	1027	12316
Meals and Entertainment	1877	1954	1841	2005	2086	2149	2227	2384	2574	2689	2626	2742	27154
Miscellaneous Expense	635	544	895	933	881	887	903	976	939	964	981	1062	10600
Office Supplies	475	499	524	550	577	606	637	668	702	737	920	1430	8325
Professional Fees													
Dealer Rebates	5000	5250	5513	5788	6078	6381	6700	7036	7387	7757	9230	38440	110560
Legal Expense	5000	0	0	4500	0	0	0	0	0	0	0	0	9500
Sales	9334	11000	11000	11000	11000	11000	11000	11000	11000	11000	11000	11000	130334
Rent Expense	1500	1575	1654	1736	1823	1914	2010	2111	2216	2327	3160	4623	26649
Repairs and Maintenance	125	128	144	131	129	142	135	123	121	126	134	148	1586
Telephone Expense	734	734	735	734	734	735	734	734	735	734	734	735	8812
Travel Expense	250	263	276	289	304	319	335	352	369	387	970	1940	6054
Utilities	352	352	352	352	352	352	352	352	353	353	353	353	4228
Total Expense	27858	24953	25669	30839	29875	32409	36251	37004	37849	40698	50360	81021	454786
Net Ordinary Income	18375	22152	26625	13416	63973	84556	117958	145345	198301	243475	203768	225321	1363265
Net Income	18375	22152	26625	13416	63973	84556	117958	145345	198301	243475	203768	225321	1363265

Accounting Notes to Inventbay.com Inc Consolidated (SMA Alliance, LLC) Balance Sheet for
Year Ending December 31, 2010

- ¹ Inventory is listed as “zero” (0) as SMA Alliance, LLC is a service company
- ² Property includes the intellectual property, (“IP”) owned by SMA for the software permitting service delivery. The formula utilized to evaluate the IP was the gross revenue generated for the year ending December 31, 2010 multiplied by 3 for years (assumption for 2011 and 2012 using straight line method) then subtracting the cost of revenue to the royalty held by Baker Myer & Associates for software development and improvement since 2009.
- ³ Short term notes payable includes the unpaid royalties to Baker Myer & Associates of \$103,450 for the year ending December 31, 2010 and the existing notes payable for \$75,000.00 from Inventbay.com, Inc. to Mark Rice since July 31, 2008.