

**EXPO HOLDINGS, INC.  
and Subsidiary  
(D & D Displays, Inc.)  
North Wilkesboro, North Carolina  
Year Ended December 31, 2008**

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**WITH**

**INDEPENDENT ACCOUNTANTS' REPORT**

**Year Ended December 31, 2008**

## INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors  
Expo Holdings, Inc. and  
Subsidiary D&D Displays, Inc.  
North Wilkesboro, North Carolina

We have compiled the accompanying consolidated balance sheet of Expo Holdings, Inc. and wholly owned subsidiary D&D Displays, Inc. as of December 31, 2008, and the related statement of operations for the year then ended, in accordance with Statements on Standards of Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Breazeale Kiser*  
*Hoyle Lawing, PA*  
Breazeale, Kiser, Hoyle & Lawing, PA  
Certified Public Accountants

Hickory, North Carolina  
June 10, 2009

**CONSOLIDATED EXPO HOLDINGS, INC.  
and Subsidiary D&D DISPLAYS, INC.  
CONSOLIDATED BALANCE SHEET  
Year Ended December 31, 2008**

	<u>Dec 31, 2008</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	\$ 1,359
Total Cash	1,359
<b>Other Current Assets</b>	
Accounts Receivable - Trade	171,216
Advances - SH - G Harrs	253,923
Advances - SH - J Brown	143,742
Allowance For Doubtful Accounts	(50,000)
Employee Loans Receivable	451
Inventory	341,192
Total Other Current Assets	860,524
Total Current Assets	861,883
<b>Fixed Assets</b>	
Machinery & Equipment	1,169,165
Vehicles	43,900
Less: Accumulated Depreciation	(730,872)
Total Fixed Assets	482,193
<b>Other Assets</b>	
Deposits	13,679
Total Other Assets	13,679
<b>TOTAL ASSETS</b>	<b>\$ 1,357,755</b>

**CONSOLIDATED EXPO HOLDINGS, INC.  
and Subsidiary D&D DISPLAYS, INC.  
CONSOLIDATED BALANCE SHEET**

Year Ended December 31, 2008

	Dec 31, 2008
<b>LIABILITIES AND DEFICIENCY IN ASSETS</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ 849,530
<b>Total Accounts Payable</b>	<b>849,530</b>
<b>Other Current Liabilities</b>	
Accrued Expenses	90,732
Accrued Income Taxes	2,331
Notes Payable	841,510
Stock Subscriptions Payable	10,000
Current Maturities of LT Debt	6,169
Current Oblig Under Capital Leases	129,500
Loans Payable - Shareholders	34,224
<b>Total Other Current Liabilities</b>	<b>1,114,466</b>
<b>Total Current Liabilities</b>	<b>1,963,996</b>
<b>Long Term Liabilities</b>	
NP - Ford Motor Credit	16,962
Oblig Under Capital Lease-1st Lease Dust Sys	2,312
Oblig Under Capital Lease-TCF Leasing	38,319
Oblig Under Capital Lease-Wachovia	49,452
<b>Total Long Term Liabilities</b>	<b>107,045</b>
<b>Total Liabilities</b>	<b>2,071,041</b>
<b>Deficiency in Assets</b>	
Common Stock	488,420
Additional Paid in Capital	444,193
Accumulated (Deficit)	(1,645,899)
<b>Total Deficiency in Assets</b>	<b>(713,286)</b>
<b>TOTAL LIABILITIES AND DEFICIENCY IN ASSETS</b>	<b>\$ 1,357,755</b>

See Accountants' Compilation Report

**CONSOLIDATED EXPO HOLDINGS, INC.**  
**and Subsidiary D&D DISPLAYS, INC.**  
**CONSOLIDATED STATEMENT OF OPERATIONS**

**Year Ended December 31, 2008**

	<u>2008</u>
Net Sales	\$ 2,372,590
Cost of Goods Sold	<u>2,253,757</u>
Gross Profit	118,833
Selling, General, and Administrative	<u>794,782</u>
Operating (Loss)	<u>(675,949)</u>
Other Income (Expense)	
Interest expense	(325,488)
Gain on disposal of fixed assets	30,037
Other income	<u>27,961</u>
Total Other Income (Expense)	<u>(267,490)</u>
(Loss) Before Income Taxes	(943,439)
Income Tax Provision:	
Current (Benefit)	-
Deferred (Benefit)	<u>-</u>
	<u>-</u>
Net (Loss)	<u>\$ (943,439)</u>

See accompanying notes and accountants' compilation report.