

WRAPMAIL, INC  
JUNE 30, 2012

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WRAPMAIL, INC  
BALANCE SHEET  
JUNE 30, 2012  
UNAUDITED

ASSETS

CURRENT ASSETS

Cash and cash equivalents \$ 22,468

ACCOUNTS RECEIVABLE 5,850

OTHER ASSETS

Deferred consulting fees less accumulated amorazation 971,854

Patent, less accumulated amortization of \$2,283 at June 30, 2012 4,495

\$ 1,004,667

LIABILITIES AND STOCKHOLDERS' EQUITY DEFICIENCY

ACCOUNTS PAYABLE \$ -

ACCRUED EXPENSES 2,370.00

LONG-TERM DEBT-RELATED PARTY 220,830

Total Current Liabilities 220,830

STOCKHOLDERS' EQUITY DEFICIENCY

Capital stock, no par value, 200,000,000 shares authorized 7,390,934

Accumulated deficit (6,607,096)

Total Stockholder's Equity Deficiency 783,838

\$ 1,004,667

WRAPMAIL, INC. STATEMENT  
OF OPERATIONS  
FOR Q1 AND SIX MONTHS ENDED JUNE 30, 2012  
UNAUDITED

	Q1	6 MONTHS
REVENUES	<u>\$ 7,440</u>	<u>\$ 17,945</u>
COST OF REVENUES		
Amortization of patents	<u>101</u>	<u>202</u>
OPERATING EXPENSES		
Consulting fees	390,907	726,473
Office and general expenses	24,541	52,549
Professional fees	766	3,116
Interest expense	2,618	5,236
Total Operating Expenses	<u>418,832</u>	<u>787,374</u>
OTHER INCOME		
Interest Income	<u>25</u>	<u>30</u>
NET LOSS	<u>\$ (411,368)</u>	<u>\$ (769,399)</u>

WRAPMAIL, INC STATEMENT  
OF CASH FLOWS  
FOR THE SIX MONTHS ENDED JUNE 30, 2012  
UNAUDITED

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (769,399)
Adjustments to reconcile to net cash used by operating activities:	
Accounts Receivable	(5,850)
Prepaid for Company Shares	24,000
Deferred Consulting Fees	358,984
Accounts Payable	-
Accrued interest in long-term debt	5,236

NET CASH USED IN OPERATING ACTIVITIES	<u>(387,028)</u>
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CASH FLOWS PROVIDED BY FINANCING ACTIVITIES

Issuance of capital stock	<u>374,000</u>
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NET INCREASE IN CASH	(36,827)
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CASH - BEGINNING	<u>59,295</u>
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CASH - END	<u><u>\$ 22,468</u></u>
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WRAPMAIL, INC.  
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY DEFICIENCY  
JUNE 30, 2012  
UNAUDITED

	<u>COMMON STOCK</u>				<u>Total</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Class A</u>	<u>Class B</u>	<u>Class A</u>	<u>Class B</u>			
Balance at January 1, 2012	157,846,100	530,000	\$ 6,963,934	\$ 53,000	\$ 7,016,934	\$ (5,837,697)	1,179,237
Issuance of Stock for Services	7,000,000		350,000		350,000		350,000
Net Loss						(769,399)	(769,399)
Balance at June 30, 2012	164,846,100	530,000	\$ 7,313,934	\$ 53,000	\$ 7,366,934	\$ (6,607,096)	\$ 759,838

NOTE:  
The Company issued 7,000,000 shares of Class A Common Stock for consulting services.