

EXHIBIT D

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02/10/07
Accrual Basis

Xyience, Inc.
Profit & Loss
January through December 2006

	<u>Jan - Dec 06</u>
Ordinary Income/Expense	
Income	
Gross Sales Revenue	22,475,964.88
Discounts, Credits and Rebates	-2,103,784.94
Total Income	20,372,179.94
Cost of Goods Sold	
Cost of Goods Sold	14,170,872.31
Total COGS	14,170,872.31
Gross Profit	6,201,307.63
Expense	
Marketing	42,165,423.35
Personnel Costs	6,383,649.53
Office and Facilities Expense	1,848,212.03
Other Administrative Costs	3,619,739.92
Legal, Accounting & Consulting	5,218,506.43
Total Expense	59,235,531.26
Net Ordinary Income	-53,034,223.63
Other Income/Expense	
Other Income	
Interest Income	116,930.09
Total Other Income	116,930.09
Other Expense	
Depreciation & Ammortization	91,472.36
Interest Expense	2,823,351.11
Taxes	1,536.64
Total Other Expense	2,916,360.11
Net Other Income	-2,799,430.02
Net Income	<u><u>-55,833,653.65</u></u>

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Accrual Basis

Xyience, Inc.
Balance Sheet
As of December 31, 2006

	<u>Dec 31, 06</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash and Cash Equivalents	85,079.88
Total Checking/Savings	85,079.88
Accounts Receivable	
Accounts Receivable	4,861,264.36
Allowance for Doubtful Accounts	-250,051.54
Total Accounts Receivable	4,611,212.82
Other Current Assets	
Inventory	6,433,762.71
Cash Deposits	80,650.00
Prepaid Expenses	89,602.68
Employee Advances	10,000.00
Total Other Current Assets	6,614,015.39
Total Current Assets	11,310,308.09
Fixed Assets	
Fixed Assets	528,271.19
Total Fixed Assets	528,271.19
Other Assets	
Interest Rec. Russell Pike	130,768.45
Interest Rec. Carol Brown	12,437.55
Interest Receivable Pete Rinato	3,020.55
Loan Receivables	184,895.76
Total Other Assets	331,122.31
TOTAL ASSETS	<u>12,169,701.59</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	19,018,792.36
Total Accounts Payable	19,018,792.36
Other Current Liabilities	
Note Discount, Share Issuance	-1,135,789.46
Accrued Rent	53,256.06
Sales Tax Payable	52.79
Lease Payable-AEL Financial	93,649.62
Customer Deposits	134,000.00
Contingent Liab., AP Lititag.	570,000.00
Short Term Loans Payable	18,923,303.96
Accrued Interest Expense	1,087,517.53
Accrued Liabilities	190,233.07
Payroll Liabilities	424,544.33
Total Other Current Liabilities	20,340,767.90
Total Current Liabilities	39,359,560.26
Total Liabilities	39,359,560.26
Equity	
Capital Stock, Par Value	47,974.35
Additional Paid in Capital	39,461,414.87
Retained Earnings	-10,865,594.24
Net Income	-55,833,653.65
Total Equity	-27,189,858.67
TOTAL LIABILITIES & EQUITY	<u>12,169,701.59</u>