

BB / EIS / 200322

CONSTRUCTION & MINING EQUIPMENT SERVICES INTERNATIONAL
L.L.C.

Income Statement
For the Period 1 January 1996 to 31 December 1996

(In US \$)

	<u>Year Ended</u> <u>31 December 1996</u>	<u>Year Ended</u> <u>31 December 1995</u>
Services Revenue & Commissions	4,216,550	4,243,029
Less Expenses:		
Salaries and Wages	1,870,660	1,928,232
Repairs and Maintenance	8,357	31,315
Rent	293,772	309,120
Taxes and Licenses	233,547	166,110
Depreciation	35,259	33,935
Retirement Plans	98,083	123,055
Group Insurance	20,680	23,518
Employer Development	2,939	-
Utilities	6,479	2,694
Travel	1,162,789	948,022
Entertainment	122,368	104,988
Legal and Accounting Fees	27,549	47,711
Consulting Services	699,554	656,339
Automotive Expense	71,201	54,970
Telephone and Telegraph	250,652	259,261
Office Supplies	43,346	34,646
Freight and Postage	22,739	7,215
Library Expense	992	1,732
Outside Expenses	80,447	80,804
Dues and Subscriptions	2,275	1,983
Insurance and Bond Premium	24,194	11,602
Advertising	22,691	4,725
Relocation Expense	23,343	-
Miscellaneous Expense	(98,275)	53,471
Subtotal	(809,091)	(642,419)
Other Revenues and Gains	28,229	2,707
Net Income (Loss) before Taxes	(780,862)	(639,712)
Income Tax Expense	102,066	67,297
Net Income (Loss) After Taxes	<u>(882,928)</u>	<u>(707,009)</u>

"SIGNED ON BEHALF OF SHAREHOLDER"


David D. Nardo
Secretary



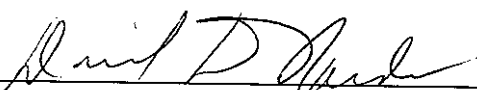
CONSTRUCTION & MINING EQUIPMENT SERVICES INTERNATIONAL
L.L.C.

Balance Sheet
As of 31 December 1996

(In US \$)

	<u>31 December 1996</u>	<u>31 December 1995</u>
<u>ASSETS</u>		
Cash	708,410	642,047
Prepaid Assets	144,357	147,274
Machinery & Equipment	336,916	230,525
Less: Allowance for Depreciation	<u>(89,584)</u>	<u>(54,992)</u>
Other Assets	80,389	55,189
Total Assets	<u>1,180,488</u>	<u>1,020,043</u>
 <u>LIABILITIES AND CAPITAL</u>		
Accounts Payable	456,761	334,546
Accrued Payroll	135,963	103,605
Inter-Company Advances	3,608,485	2,719,673
Retained Earnings	<u>(3,020,721)</u>	<u>(2,137,781)</u>
Total Liabilities	<u>1,180,488</u>	<u>1,020,043</u>

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David D. Nardo
Secretary