

AMERICAN PACKAGING, INC.

BALANCE SHEETS

December 31, 2002 and 2001

	2002	2001
ASSETS		
Current Assets:		
Cash	\$ 412 212	\$ 121 645
Accounts receivable, less allowance for doubtful accounts of \$6,000 in 2002 and \$20,000 in 2001	1 494 264	1 141 910
Inventory	415 642	501 311
Prepaid taxes and expenses	232 671	299 948
Total current assets	2 554 789	2 064 814
Property and Equipment:		
Land and Building	1 100 007	1 100 007
Building improvements	134 343	28 000
Furniture and equipment	123 434	119 112
	1 357 784	1 247 119
Less: Accumulated depreciation and amortization	117 544	82 322
	1 240 240	1 164 797
Security Deposits	47 557	47 557
	\$ 3 842 586	\$ 3 277 168
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1 851 686	\$ 1 559 651
Taxes other than on income	106 546	98 604
	1 958 232	1 658 255
Deferred Compensation	286 906	269 181
Deferred income taxes	125 461	135 343
Shareholder's Equity:		
Common stock - \$1 par value:		
Authorized - 10,000 shares		
Issued and outstanding - 11,500 shares	11 500	11 500
Additional paid-in capital	150 000	150 000
Retained earnings	1 310 487	1 052 889
Total shareholder's equity	1 471 987	1 214 389
	\$ 3 842 586	\$ 3 277 168

See notes to financial statements.