



**The ISSUED AND OUSTANDING SHARES for Naturally Iowa, Inc. (NLIA) as
of 9/30/2008 is: 233,370,556**

**Naturally Iowa LLC
Balance Sheet
September 30, 2008**

ASSETS

Current Assets

Cash	\$	25,525.27
Accounts Receivable		86,909.27
Inventory		280,243.06

Total Current Assets \$ 392,677.60

Property and Equipment

Furniture & Fixtures	\$	3,245.81
Equipment	\$	1,195,603.91
Vehicles	\$	68,623.98
Building	\$	870,000.00
Building Improvements	\$	33,789.32
Accumulated Depreciation	\$	(415,824.62)

Total Property and Equipment \$ 1,755,438.40

Other Assets

Organization Costs	\$	570.00
Accumulated Depreciation-Org	\$	(456.00)
Loan Costs	\$	7,442.86
Accumulated Amortization-Loan	\$	(3,742.82)

Total Other Assets \$ 3,814.04

Total Assets \$ 2,151,930.04

LIABILITIES AND CAPITAL

Current Liabilities

Accounts Payable	\$	531,833.61
Pre-Paid Sales	\$	276,500.00

Payroll Tax Payable	\$	265.06	
Current Portion Long-Term	\$	15,757.23	
Total Current Liabilities			\$ 824,355.90
Long-Term Liabilities			
Long Term Debt	\$	716,837.22	
Lease Payable		4,786.23	
Notes Payable		388,500.00	
Total Long-Term Liabilities			\$ 1,110,123.45
Total Liabilities			\$ 1,934,479.35
Capital			
Partners Capital	\$	3,194,982.00	
Retained Earnings	\$	(2,391,696.23)	
Appraisal Surplus	\$	356,219.13	
Net Income	\$	(942,054.21)	
Total Capital			\$ 217,450.69
Total Liabilities & Capital			\$ 2,151,930.04

Naturally Iowa LLC
Income Statement
For the Nine Months Ending September 30, 2008

	3rd Qtr 2008		Year to Date	
Revenues				
Sales	\$	424,620.52	\$	1,083,966.76
Other Income	\$	4,163.67	\$	18,314.35
Total Revenues	\$	428,784.19	\$	1,102,281.11
Total Cost of Sales	\$	469,771.04	\$	857,742.62
Gross Profit	\$	(40,986.85)	\$	244,538.49
Expenses				
Wages Expense	\$	167,685.10	\$	471,642.05
Contracted Services	\$	2,580.00	\$	11,245.50
Dues & Fees	\$	2,731.52	\$	15,187.07
Insurance	\$	4,209.18	\$	12,522.73
Interest	\$	23,347.50	\$	74,017.14
Legal & Professional	\$	8,113.22	\$	69,019.11
Travel/Lodging/Meals	\$	4,082.13	\$	22,259.49
Office/Miscellaneous	\$	2,004.06	\$	6,392.19
Property Tax	\$	6,753.00	\$	12,205.00

Postage Shipping/Trucking	\$	19,424.37	\$	53,299.58
Equipment Rental	\$	4,500.00	\$	13,500.00
Repairs & Maintenance	\$	16,758.60	\$	46,416.53
Supplies/Storage Costs	\$	13,927.90	\$	41,837.19
Telephone/Utilities	\$	28,392.04	\$	75,584.43
Marketing/Advertising	\$	-	\$	6,473.36
R&D/Testing	\$	3,437.16	\$	29,179.23
Product Loss/Shrink	\$	57,695.07	\$	78,347.10
Depreciation	\$	49,155.00	\$	147,465.00
Total Expenses	\$	414,795.85	\$	1,186,592.70
Net Income	\$	(455,782.70)	\$	(942,054.21)