

MedAire, Inc. and Subsidiaries
For the year ended 31 December 2003

	December 31, 2003 US\$
Revenues, net	
Services	\$ 10,178,912
Equipment	5,217,537
Education	2,300,136
Total revenues, net	<u>17,696,585</u>
Costs of revenues	
Services	6,391,167
Equipment	4,084,415
Education	1,529,244
Total costs of revenues	<u>12,004,826</u>
Gross profit	5,691,760
Operating expenses	
Sales & Marketing	3,723,816
General & Administrative	2,561,412
Depreciation & Amortization	596,106
Excess purchase price over net tangible assets	714,567
Total operating expenses	<u>7,595,902</u>
Operating loss	(1,904,142)
Other income (loss)	
Gain on sale of marketable securities	22,251
Interest income	21,759
Interest expense	(77,304)
	<u>(33,294)</u>
Net loss before income taxes	(1,937,436)
Income tax benefit	(866,600)
Net loss before minority interest	<u>(1,070,836)</u>
Minority interest in net income of consolidated subsidiary	(149,454)
Net loss	<u><u>\$ (1,220,290)</u></u>