Megadiamond Industries, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEET

April 30, 1980

Accounts receivable (note 6) Trade Other O	ASSETS			LIABILITIES		
1,762,732 1,762,732 1,762,732 1,762,732 1,762,732 1,762,732 1,762,732 1,762,732 1,762,732 1,335 1,624,377 1,000 1,00	Cash Accounts receivable (note D) Trade		\$ 30,633	Bank overdraft Notes payable - banks (note D) Current portion of amount due stockholder (note G) Current maturities of long-term debt (note D)		\$ 22,292 1,238,818 30,000 150,000
Raw materials	Inventories (notes A, B and D) Finished products	138,355 1,157,882	1,624,377	(notes C and E) Accounts payable Amount due former stockholder (note H)		32,811 1,004,913 46,470
PROPERTY, PLANT AND EQUIPMENT - AT COST (notes A and D) Buildings and improvements Machinery and equipment Autos Less accumulated depreciation Equipment in construction Land Equipment in construction Lease PROPERTY (notes C and E) Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) OTHER ASSETS (note A) Patents, less accumulated amortization of \$14,000 Patents, less accumulated amortization of \$14,000 32,171 Total current liabilities 3,19 LONG-TERM PORTION OF AMOUNT DUE STOCKHOLDER (note G) LONG-TERM DEBT, Less current maturities (note D) 24 LONG-TERM DEBT, Less current maturities (note D) 24 NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES (notes C and E) COMMITMENTS AND CONTINGENCIES (notes E and F) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Patents, less accumulated amortization of \$14,000 TRANSPORT (notes C and E) Patents, less accumulated amortization of \$14,000 TRANSPORT (notes C and E) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Retained earnings Patents, less accumulated amortization of \$14,000 TRANSPORT (notes C and E) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Retained earnings 1,863,259	Raw materials Prepaid expenses and deposits	1,065,488	2,787,649 28,085	Taxes, other than income Profit sharing Professional fees	72,197 95,000 68,721	
(notes A and D) Buildings and improvements Machinery and equipment Furniture and fixtures Autos 16,447 1,352,218 Less accumulated depreciation 842,586 Land Equipment in construction 112,365 Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) DEFERRED INCOME TAX BENEFIT (note A) Patents, less accumulated amortization of \$14,000 92,171 LONG-TERM PORTION OF AMOUNT DUE STOCKHOLDER (note G) LONG-TERM DEBT, Less current maturities (note D) 24 LONG-TERM DEBT, Less current maturities (note D) 24 LONG-TERM DEBT, Less current maturities (note D) 24 NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES (notes C and E) COMMITMENTS AND CONTINGENCIES (notes E and F) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Retained earnings 408,301 927,309 Patents, less accumulated amortization of \$14,000 32,171					58,305	643,859 22,735
Machinery and equipment Furniture and fixtures Autos 105,898 Autos 16,447 1,352,218 Less accumulated depreciation 842,586 Land Equipment in construction 112,365 Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) DEFERRED INCOME TAX BENEFIT (note A) OTHER ASSETS (note A) Patents, less accumulated amortization of \$14,000 932,171 LONG-TERM PORTION OF AMOUNT DUE STOCKHOLDER (note G) LONG-TERM DEBT, Less current maturities (note D) 240 COMMITMENTS AND CONTINGENCIES (notes E and F) Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Retained earnings 1,863,259	(notes A and D)			Total current liabilities		3,191,898
Less accumulated depreciation Land Equipment in construction LeaseD PROPERTY (notes C and E) Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) OTHER ASSETS (note A) Patents, less accumulated amortization of \$14,000 Patents, less accumulated amortization of \$14,000 Additional construction LONG-TERM DEBT, Less current maturities (note D) Additional construction NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES (notes C and E) COMMITMENTS AND CONTINGENCIES (notes E and F) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Patents, less accumulated amortization of \$14,000	Machinery and equipment Furniture and fixtures	770,882 105,898 16,447				270,759
Equipment in construction 112,365 1,001,191 NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES (notes C and E) Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) OTHER ASSETS (note A) Patents, less accumulated amortization of \$1,001,191 NONCURRENT OBLIGATIONS UNDER CAPITAL LEASES (notes C and E) COMMITMENTS AND CONTINGENCIES (notes E and F) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Patents, less accumulated amortization of \$14,000 32,171		509,632 842,586		LONG-TERM DEBT, Less current maturities (note D)		245,000
Commitments and Contingencies (notes E and F) Capital leases, less accumulated amortization of \$49,325 DEFERRED INCOME TAX BENEFIT (note A) OTHER ASSETS (note A) Patents, less accumulated amortization of \$14,000 Patents, less accumulated amortization of \$14,000 Patents, less accumulated amortization of \$1,000 COMMITMENTS AND CONTINGENCIES (notes E and F) STOCKHOLDERS' EQUITY Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital 927,309 Patents, less accumulated amortization 7527,649 1,863,259	Equipment in construction					220,945
DEFERRED INCOME TAX BENEFIT (note A) 5,000 Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and outstanding, 404,353 shares Paid-in capital Patents, less accumulated amortization of \$14,000 32,171	Capital leases, less accumulated			COMMITMENTS AND CONTINGENCIES (notes E and F)		-
OTHER ASSETS (note A) Patents, less accumulated amortization of \$14,000 Paid-in capital Retained earnings 32,171	DEFERRED INCOME TAX BENEFIT (note A)			Common stock - authorized, 750,000 shares of \$1 par value; issued, 408,301 shares and	08,301	
Tocc common charac hold in trongues -	Patents, less accumulated amortization of \$14,000	32,171		Paid-in capital Retained earnings 1,86	27,309	
	Organization expense, less accumulated amortization of \$4,850	3,150	35,321	Less common shares held in treasury - at cost (note H)	39,480	1,823,779

\$5,752,381

========

\$5,752,381

=======

The accompanying notes are an integral part of this statement.