

# OMNITEK ENGINEERING CORP

## BALANCE SHEET THREE MONTHS ENDED MARCH 31, 2008

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### ASSETS

#### CURRENT ASSETS:

Cash	24,090
Accounts Receivable - Net	189,692
Inventories - Net	1,077,370
Prepaid Expense	83,648

Total Current assets 1,374,799

PROPERTY – net 29,952

INTANGIBLE ASSETS ACQUIRED – net 323,716

DEFERRED TAX ASSET 462,354

TOTAL 2,190,821

### LIABILITIES AND STOCKHOLDERS' EQUITY

#### CURRENT LIABILITIES

Accounts payable	109,057
Accrued Interest	-
Accrued Payroll/Vacation	8,296
Accrued expenses	270,799
Customer Deposits	47,675

Total current liabilities 435,827

LONG-TERM LIABILITIES 15,000

#### STOCKHOLDERS' EQUITY:

Common stock: 25,000,000 shares authorized; no par value; 16,006,398 shares issued and outstanding	2,320,476
Paid-in-capital	1,701,337
Accumulated deficit	<u>(2,281,819)</u>

Total stockholders' equity 1,739,993

TOTAL 2,190,821

Not Audited  
Interim financial statements.

**OMNITEK ENGINEERING CORP**  
**STATEMENT OF OPERATIONS**

	<b>Three Months Ended</b>	
	<b>3/31/2008</b>	<b>3/31/2007</b>
NET SALES	537,176	138,584
COST OF GOODS SOLD	<u>351,935</u>	<u>97,808</u>
Gross margin	\$185,242	\$40,775
OPERATING EXPENSES:		
Sales & Marketing	26,086	8,737
General and Administrative	146,745	115,170
Research and Development	<u>31,623</u>	<u>38,596</u>
Total operating expenses	\$204,454	\$162,502
EARNINGS FROM OPERATIONS	(\$19,212)	(\$121,727)
OTHER INCOME (EXPENSES)	<u>(\$13,265)</u>	<u>0</u>
EARNINGS BEFORE INCOME TAX	(\$32,477)	(\$121,727)
INTEREST INCOME	1,692	575
STATE INCOME TAX	<u>(800)</u>	<u>(800)</u>
NET INCOME	<u><u>(\$31,585)</u></u>	<u><u>(\$121,952)</u></u>

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Interim financial statements.

**OMNITEK ENGINEERING CORP**  
**STATEMENT OF CASH FLOWS**

	<b>Three Months Ended</b>	
	<b>3/31/2008</b>	<b>3/31/2007</b>
OPERATING ACTIVITIES:		
Net Income	(33,510)	(121,952)
Adjustments to reconcile net income to net cash used for operating activities:		
Depreciation and amortization	34,249	34,073
Options		
Changes in assets and liabilities:		
Accounts receivable	(117,824)	6,845
Inventories	89,537	20,452
Other assets	(10,267)	9,765
Accounts payable	42,757	(35,043)
Accrued Interest	0	0
Accrued Payroll/Vacation	626	2,273
Customer Deposits	(31,929)	(242)
Accrued Expenses	27,008	34,899
INVESTING ACTIVITIES: Net cash provided by operating activities	648	(48,931)
Acquisition of property, patents, or trademarks	0	0
FINANCING ACTIVITIES Net cash used for investing activities	0	
Short-Term Loan		60,263
Sale of Common Stock	0	0
Net cash provided by financing activities	0	60,263
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	648	11,332
CASH AND CASH EQUIVALENTS, BEGINNING OF MONTH	23,442	17,861
CASH AND CASH EQUIVALENTS, END OF MONTH	24,090	29,194

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Interim financial statements.

## Omnitek Engineering Corp

### Reconciliation of EBITDA to Net Loss

	Three months ended	
	3/31/08	3/31/2007
Reported Net Loss	(33,509)	(121,952)
Depreciation & Amortization	34,250	34,073
Stock-based compensation	0	0
Interest expense-net	(1,692)	(312)
Other expense (income) -net	13,265	0
Provision for income tax	800	800
EBITDA	13,114	(87,391)