

NATIONAL STEM CELL, INC.
CONSOLIDATED BALANCE SHEETS

Unaudited

	December 31, 2006	December 31, 2005
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 365,138	\$ 29,909
Security deposit	113,100	
Inventory	611,000	578,500
Total current assets	<u>1,089,238</u>	<u>608,409</u>
Furniture and fixtures and equipment, net	<u>46,101</u>	<u>30,000</u>
Total Assets	\$ <u>1,135,339</u>	\$ <u>638,409</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	\$ 22,711	\$ 24,060
Accrued expenses		193,728
	243,728	
Security Letter of Credit due to Chase Bank	<u>113,100</u>	
Total current liabilities	<u>379,539</u>	<u>217,788</u>
Note payable - Officer	<u>627,424</u>	<u>54,718</u>
Total liabilities	1,006,963	272,506
Commitments and Contingencies		
Stockholders' Equity (Deficit)		
Preferred stock, \$0.001 par value, 4,000,000 shares authorized, 6 shares issued and outstanding		
Common Stock, \$0.001 par value, 50,000,000 shares authorized, 14,295,810 and 13,000,000 shares issued and outstanding respectively		
	14,295	13,000
Accumulated Deficit	(1,387,049)	(229,472)
Additional paid-in capital	<u>1,501,110</u>	<u>582,375</u>
Total stockholders' equity (deficit)	128,356	365,903
Total Liabilities and Stockholders' Equity (Deficit)	\$ <u>1,135,339</u>	\$ <u>638,409</u>