

**EXHIBIT B TO
PINKBERRY FRANCHISING COMPANY
OFFERING CIRCULAR**

FINANCIAL STATEMENTS

Joyce M. Cho, CPA
CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors
Pinkberry Franchising Company

We have reviewed the accompanying balance sheet of Pinkberry Franchising Company (the "Company") as of July 12, 2006 and the related statements of income and retained earnings for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Company.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



July 17, 2006

PINKBERRY FRANCHISING COMPANY
(A Development Stage Company)

Balance Sheet

July 12, 2006

(Unaudited - See accompanying
independent accountant's review report)

Assets

Current Assets:

Cash in bank and on hand	\$ 127,878
Total Current Assets	<u>127,878</u>

Property and Equipment:

Furniture & Fixtures	8,886
Leasehold Improvements	68,460
Total Property and Equipment, Gross	<u>77,346</u>
Less: Accumulated Depreciation	-
Net Property and Equipment	<u>77,346</u>

Total Assets	<u>\$ 205,224</u>
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Liabilities and Owner's Equity

Current Liabilities:

Payroll Tax Payable	\$ 5,703
Loan from Pinkberry, Inc.	100,000
Total Current Liabilities	<u>105,703</u>

Shareholder's Equity

Common Stock (1,000,000 shares authorized; 135,000 shares issued, and outstanding)	135,000
Deficit accumulated during the development stage	<u>(35,479)</u>
Total Shareholder's Equity	99,521
Total Liabilities and Shareholder's Equity	<u>\$ 205,224</u>

See Accountant's Report

PINKBERRY FRANCHISING COMPANY

(A Development Stage Company)
Statement of Income and Expenses
For two months ended July 12, 2006
(Unaudited - See accompanying
independent accountant's review report)

TOTAL REVENUE		<u>\$ -</u>
GROSS PROFIT		<u>-</u>
GENERAL & ADMINISTRATIVE EXPENSES:		
Advertising	\$ 384	
Legal & Accounting	2,609	
License & Permits	675	
Payroll Taxes	1,807	
Postage & Mailing	10,000	
Shop Supplies	215	
Store Expense	1,789	
Wages	18,000	
TOTAL GENERAL & ADMIN. EXPENSES	<u>18,000</u>	
TOTAL EXPENSES		<u>35,479</u>
NET INCOME		<u><u>\$ (35,479)</u></u>

PINKBERRY FRANCHISING COMPANY (A Development Stage Company)

Notes to Financial Statements

July 12, 2006

(Unaudited - See accompanying
independent accountant's review report)

Note A - The Company

Pinkberry Franchising Company (The Company) was incorporated on May 16, 2006 under the laws of the State of California.

Note B - Development Stage Operations

The Company was formed on May 16, 2006. No franchises have been sold as of the balance sheet date. The operations have been devoted primarily to organizing the Company, developing the uniform franchise offering circular and the master franchise agreement, leasing and improving the Company's offices, and performing administrative functions.

Note C - Common Stock

The corporation is authorized to issue an aggregate of \$ 1,000,000 shares of its capital stock. 10,000 shares of common stock were issued to its shareholder on May 23, 2006. An additional 35,000 shares of common stock have been issued to its shareholder on July 12, 2006. \$ 90,000 of Loan from Shareholder have been converted to common stock on July 12, 2006.

Note D - Income Taxes

The corporation is subject to federal and state income taxes. The effective tax rate is 35%

PINKBERRY FRANCHISING COMPANY

Presentation of adjusted net worth of shareholder

July 12, 2006

Beginning Shareholders' Equity	\$	-
Cash Investment		
1,000,000 shares authorized, 135,000 shares issued and outstanding on 7/12/06		135,000
Less;		
Operation Loss		(35,479)
Adjusted Net Worth of Shareholder's Equity	\$	<u>99,521</u>

INDEPENDENT AUDITOR'S REPORT

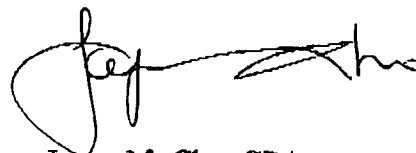
To the Board of Directors
Pinkberry Franchising Company
Los Angeles, CA 90018

I have audited the accompanying balance sheet of Pinkberry Franchising Company (a development stage company) as of June 20, 2006. The balance sheet is the responsibility of the Company's management. My responsibility is to express an opinion on the balance sheet based on my audit.

I have conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Pinkberry Franchising Company (a development stage company) at June 20, 2006, in conformity with accounting principles generally accepted in the United States of America.

June 28, 2006



Joyce M. Cho, CPA
Certified Public Accountant

**PINKBERRY FRANCHISING COMPANY
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEET
JUNE 20, 2006**

Assets

Current Assets:

Cash in bank and on hand	\$ 101,019
Total Current Assets	<u>101,019</u>

Property and Equipment:

Furniture & Fixtures	8,886
Leasehold Improvements	66,460
Total Property and Equipment, Gross	<u>75,346</u>
Less: Accumulated Depreciation	-
Net Property and Equipment	<u>75,346</u>

Total Assets	<u><u>\$ 176,365</u></u>
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Liabilities and Owner's Equity

Current Liabilities:

Payroll Tax Payable	\$ 5,704
Loan from Pinkberry, Inc.	100,000
Loan from Shareholder	90,000
Total Current Liabilities	<u>195,704</u>

Shareholder's Equity

Common Stock (1,000,000 shares authorized; 10,000 shares issued, and outstanding)	10,000
Deficit accumulated during the development stage	(29,339)
Total Shareholder's Equity	<u>(19,339)</u>
Total Liabilities and Shareholder's Equity	<u><u>\$ 176,365</u></u>

See Accountant's Report

PINKBERRY FRANCHISING COMPANY (A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
JUNE 20, 2006

NOTE A - THE COMPANY

Pinkberry Franchising Company (The Company) was incorporated on May 16, 2006 under the laws of the State of California as a corporation engaged in selling master franchises of Pinkberry ice cream.

NOTE B - DEVELOPMENT STAGE OPERATIONS

The Company was formed May 16, 2006. No master franchises have been sold as of the balance sheet date. The operations have been devoted primarily to organizing the Company, developing the uniform franchise offering circular and the master franchise agreement, leasing and improving the Company's offices, and performing administrative functions.

NOTE C - INCOME TAXES

The corporation is subject to federal and state income taxes. The effective tax rate is 35%

**PINKBERRY FRANCHISING COMPANY
PRESENTATION OF ADJUSTED NET WORTH OF SHAREHOLDER
JUNE 20, 2006**

Beginning Shareholders' Equity	
Cash Investment	\$ -
1,000,000 shares authorized, 10,000 shares issued and outstanding on 5/23/06	10,000
Less:	
Operation Loss	(29,339)
Adjusted Net Worth of Shareholder's Equity	<u>\$ (19,339)</u>