EXHIBIT I

Financial Statements

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 25, 2005

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INDEPENDENT AUDITORS' REPORT

To the Stockholder
ROBEKS FRANCHISE CORP.
Manhattan Beach, California

We have audited the accompanying balance sheet of Robeks Franchise Corp. (a wholly-owned subsidiary of Robeks Corporation) (the "Company") as of December 25, 2005 and the related statement of operations and stockholder's equity and cash flows for the 52 weeks ended December 25, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 25, 2005, the results of its operations and its cash flows for the 52 weeks ended December 25, 2005 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 6 to the financial statements, certain errors resulting in an understatement of current assets and stockholder's equity and an overstatement of current liabilities and net loss were discovered by management of the Company subsequent to year end. Accordingly, adjustments have been made to the previously issued financial statements.

RBZ, LLP

February 3, 2006,
except for Note 6 which is dated April 11, 2006
Los Angeles, California

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ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

BALANCE SHEET

DECEMBER 25, 2005

(Restated – see Note 6)

ASSETS

Current Assets	
Cash	$ 11,000
Accounts receivable, net of allowance for doubtful accounts of $2,509	44,681
Notes receivable	36,290
Due from Parent	135,213
	$ 227,184

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accounts payable and accrued liabilities	$ 135,582
	135,582
Stockholder's Equity	
Common stock, no par, 100 shares authorized, issued, and outstanding	243,486
Accumulated deficiency	(151,884)
	91,602
	$ 227,184

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF OPERATIONS

FOR THE 52 WEEKS ENDED DECEMBER 25, 2005

(Restated – see Note 6)

Revenues	
Royalties	$ 1,384,071
Store franchise fees	1,010,500
Territory development and training fees	153,126
	2,547,697
Operating Expenses	
Salaries and related accounts	1,700,609
Sales commission	739,092
Office	348,920
Legal and professional	312,232
Allocated administrative and overhead	434,397
Meetings and travel	86,925
Advertising	98,152
	3,720,327
Loss Before Income Tax Benefit	(1,172,630)
Income Tax Benefit	469,050
Net Loss	$ (703,580)

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF STOCKHOLDER'S EQUITY

FOR THE 52 WEEKS ENDED DECEMBER 25, 2005

(Restated – see Note 6)

	Common Stock	Retained Earnings (Accumulated Deficiency)	Total
Balance, Beginning	$ 25,000	$ 551,696	$ 576,696
Contribution to Capital	218,486	–	218,486
Net Loss	–	(703,580)	(703,580)
Balance, Ending	$ 243,486	$ (151,884)	$ 91,602

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF CASH FLOWS

FOR THE 52 WEEKS ENDED DECEMBER 25, 2005

(Restated – see Note 6)

Cash Flows from Operating Activities	
Net Loss	$ (703,580)
Adjustments to reconcile net loss to net cash used by operating activities:	
(Increase) decrease in operating assets:	
Accounts receivable	(6,238)
Notes receivable	50,720
Increase (decrease) in operating liabilities:	
Due to Parent	(412,607)
Accounts payable and accrued liabilities	78,219
Deferred revenue	(15,000)
Net cash used by operating activities	(1,008,486)
Cash flows from Investing Activities	
Contribution to capital	218,486
Net cash provided by investing activities	218,486
Net Decrease in Cash	(790,000)
Cash, Beginning of Period	801,000
Cash, End of Period	$ 11,000

SUPPLEMENTAL DISCLOSURES

Cash Paid During the Year For:	
Tax	$ 800
Interest	$ –

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 25, 2005

NOTE 1 - NATURE OF BUSINESS

Robeks Franchise Corp. (the "Company") was incorporated on June 15, 2000 in the State of California and was formed to create franchise opportunities for Robeks stores. The Company is a wholly-owned subsidiary of Robeks Corporation (the "Parent"). The Company is a franchisor and has entered into agreements with franchisees in various states. The purpose of these agreements is for franchisees to operate and maintain retail Robeks locations. These locations sell Robeks' "smoothies," fresh juices, yogurt, branded nutritional supplements, juicing equipment and other retail snack foods.

Store Franchise Agreements

The Company has entered into approximately 200 franchise agreements in California and various other states for terms of four to ten years. The franchisees are required to purchase branded nutritional supplements and other branded products from the Parent. The franchisees pay fees to the Company in exchange for selected employee training, manuals, and approval of store design, layout and menu. They also pay a royalty fee based on net sales.

The franchise agreements provide, among other items, for termination provisions by both the franchisor and franchisee subject to defined conditions. The agreements also provide that certain franchise owners provide guarantees to the Company.

Regional Director Marketing Agreements

The Company has entered into 31 Regional Director Marketing Agreements that cover certain bounded areas within California and various other territories outside California for a period of ten years. The agreements allow the Regional Directors to use certain business methods for the development and operation of retail stores, including store design and imaging, merchandising and marketing methods, and use of mandatory products and ingredients.

For these rights, the Regional Directors have agreed to pay the Company a one-time development fee that depends on the population within the bounded areas as well as a one-time training fee. The Regional Directors have also agreed to spend a specified amount for advertising and promotion each sales quarter. The Regional Directors may also purchase Robeks store franchises in their territory. Regional Directors receive commissions based on the sale of new franchisees within their boundaries and the performance of these franchise locations. A percentage of the commission is payable upon the opening of the stores by new franchisees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fiscal Year

The Company's fiscal year is based on a 52- or 53-week period ending on the last Sunday of December.

Revenue Recognition

The Company accounts for revenue using the accounting method prescribed under Statement of Financial Accounting Standards (SFAS) No. 45, *Accounting for Franchise Fee Revenue*. Store franchise fees and territory development fees are recognized as revenue when the agreement is signed. Regional Director training fees are recognized as revenue when the training is completed.

Cash and Cash Equivalents

The Company considers all short-term financial instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at December 25, 2005.

Allowance for Doubtful Accounts

The Company uses the allowance method for uncollectible accounts receivable. The allowance for doubtful accounts is based on historical experience and management's analysis of possible bad debts. Bad debt recoveries are charged against the allowance account as realized.

Advertising

The Company's policy is to charge advertising costs to expense when incurred and employs no direct response advertising. Advertising expense for the period was $98,152.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Company is part of the Parent's consolidated C-corporation tax return for federal tax purposes. For state tax purposes the Company files as part of a combined state return. Therefore, any tax liability or tax refund is included as part of the "Due to Parent" account in the accompanying balance sheet.

Concentration

The Company maintains a cash balance at one financial institution. The Company's bank balance occasionally exceeds the FDIC-insured limit of $100,000. The Company has not experienced, and does not anticipate, any losses relating to cash held in this account.

Allocated Administrative and Overhead

The Company's general and administrative expenses are allocated from the Parent based on a systematic method. During the period, the expense amount allocated to the Company totaled $434,397 and included payroll and related expenses, rent, insurance and other shared expenses.

Recently Issued Accounting Standards

In January 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities ("FIN 46")*, which is effective for fiscal years beginning after December 15, 2004. In December 2003, FASB issued FIN 46R amending FIN 46. The provisions of FIN 46R require, among other things, the Company to evaluate its overall financial relationship with all franchisees for potential financial statement consolidation, even though the Company has no ownership in the franchise entities. FASB Staff Position FIN 46-8, *Evaluating Whether as a Group the Holders of the Equity Investment at Risk Lack the Direct or Indirect Ability to Make Decisions about an Entity's Activities through Voting Rights or Similar Rights under FASB Interpretation No. 46* issued by FASB staff on December 19, 2003 clarifies that consolidation under FIN 46 with respect to franchisor-franchisee agreement would not generally be required unless there were a circumstance that the franchisor would provide substantial financial assistance to the franchisee and also substantially limit the franchisee's ability to make decisions that have a significant impact on the success of the franchisee.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Standards (Continued)

Based upon the evaluation of all franchise agreements in effect as of 52 weeks ended December 25, 2005, the Company has determined that it is not required to consolidate the financial results of its franchisees in accordance with FIN 46R.

NOTE 3 - FRANCHISE REVENUE

The key revenue terms of the franchise agreements are as follows:

Store Franchise Fees and Development Fees

These fees are recognized by the Company on an accrual basis when all material services or conditions relating to the sale have been substantially performed. There were 47 franchises sold and 77 franchised outlets in operation at December 25, 2005.

Royalty Fees

Royalty fees are charged at 6.5% or 7.0% of net sales (gross sales less defined discounts) on a weekly basis. Additionally, franchisees contribute 2.5% of their net sales weekly to the Company for cooperative advertising. The cooperative fund is administered by the Company.

NOTE 4 - NOTES RECEIVABLE

At December 25, 2005, notes receivable consisted of a note receivable from a Regional Director. The note is secured by a first lien on the Regional Director's interest in their store and region, is non-interest bearing and matures in 2006.

NOTE 5 - RELATED PARTY TRANSACTIONS

During the period, the Parent paid all shared expenses. At certain times, the Company will remit funds from operations to the Parent. The difference between funds remitted and shared expenses paid by the Parent is included as "Due to (from) Parent" in the accompanying balance sheet.

NOTE 6 - RESTATED FINANCIAL STATEMENTS

Certain errors were discovered by Company management subsequent to the initial issuance of these financial statements. The correction of these errors and the effect on the financial statements are as follows:

	Current		Stockholder's	Net
	Assets	Liabilities	Equity	Loss
As originally issued	$ 91,971	$ 354,068	$ (262,097)	$(838,793)
Contribution to capital	–	(218,486)	218,486	–
Correction of allocated expenses	135,213	–	135,213	135,213
As revised	$ 227,184	$ 135,582	$ 91,602	$(703,580)

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 26, 2004

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INDEPENDENT AUDITORS' REPORT

To the Stockholder
ROBEKS FRANCHISE CORP.
Manhattan Beach, California

We have audited the accompanying balance sheet of Robeks Franchise Corp. (a wholly-owned subsidiary of Robeks Corporation) (the "Company") as of December 26, 2004 and the related statements of income and retained earnings and cash flows for the 52 weeks ended December 26, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 26, 2004, the results of its operations and its cash flows for the 52 weeks ended December 26, 2004 in conformity with accounting principles generally accepted in the United States of America.

RBZ, LLP

January 21, 2005
Los Angeles, California

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

BALANCE SHEET

DECEMBER 26, 2004

ASSETS

Current Assets	
Cash	$ 801,000
Accounts receivable, net of allowance for doubtful accounts of $2,165	38,443
Notes receivable	87,010
	$ 926,453

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accounts payable and accrued liabilities	$ 57,363
Deferred revenue	15,000
Due to Parent	277,394
	349,757
Stockholder's Equity	
Common stock, no par, 100 shares authorized, issued, and outstanding	25,000
Retained earnings	551,696
	576,696
	$ 926,453

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE 52 WEEKS ENDED DECEMBER 26, 2004

Revenues	
Territory development and training fees	$ 1,122,921
Store franchise fees	1,131,000
Royalties	1,071,667
	3,325,588
Operating Expenses	
Salaries and related accounts	1,613,437
Sales commission	774,853
Office	399,073
Legal and professional	199,446
Allocated administrative and overhead	432,197
Meetings and travel	159,829
Advertising	53,551
	3,632,386
Loss Before Income Tax Benefit	(306,798)
Income Tax Benefit	122,722
Net Loss	(184,076)
Retained Earnings, Beginning of Period	735,772
Retained Earnings, End of Period	$ 551,696

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF CASH FLOWS

FOR THE 52 WEEKS ENDED DECEMBER 26, 2004

Cash Flows from Operating Activities	
Net Loss	$ (184,076)
Adjustments to reconcile net loss to net cash provided by operating activities:	
(Increase) decrease in operating assets:	
Accounts receivable	(13,771)
Note receivable	(87,010)
Due from Parent	74,435
Increase (decrease) in operating liabilities:	
Due to Parent	277,394
Accounts payable and accrued liabilities	11,028
Deferred revenue	15,000
Net cash provided by operating activities	93,000
Net Increase in Cash	93,000
Cash, Beginning of Period	708,000
Cash, End of Period	$ 801,000

SUPPLEMENTAL DISCLOSURES

Cash Paid During the Year For:

Tax	$800
Interest	0

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 26, 2004

NOTE 1 - NATURE OF BUSINESS

Robeks Franchise Corp. (the "Company") was incorporated on June 15, 2000 in the State of California and was formed to create franchise opportunities for Robeks stores. The Company is a wholly-owned subsidiary of Robeks Corporation (the "Parent"). The Company is a franchisor and has entered into agreements with franchisees in various states. The purpose of these agreements is for franchisees to operate and maintain retail Robeks locations. These locations sell Robeks' "smoothies," fresh juices, yogurt, branded nutritional supplements, juicing equipment and other retail snack foods.

Store Franchise Agreements

The Company has entered into 162 franchise agreements in California and various other states for terms of four to ten years. The franchisees are required to purchase branded nutritional supplements and other branded products from the Parent. The franchisees pay fees to the Company in exchange for selected employee training, manuals, and approval of store design, layout and menu.

The franchise agreements provide, among other items, for termination provisions by both the franchisor and franchisee subject to defined conditions. The agreements also provide that certain franchise owners provide guarantees to the Company.

Regional Director Marketing Agreements

The Company has entered into 30 Regional Director Marketing Agreements that cover certain bounded areas within California and various other territories outside California for a period of ten years. The agreements allow the Regional Directors to use certain business methods for the development and operation of retail stores, including store design and imaging, merchandising and marketing methods, and use of mandatory products and ingredients.

For these rights, the Regional Directors have agreed to pay the Company a one-time development fee that depends on the population within the bounded areas as well as a one-time training fee. The Regional Directors have also agreed to spend a specified amount for advertising and promotion each sales quarter. The Regional Directors may also purchase Robeks store franchises in their territory. Regional Directors receive commissions based on the sale of new franchisees within their boundaries and the performance of these franchise locations. A percentage of the commission is payable upon the opening of the stores by new franchisees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fiscal Year

The Company's fiscal year is based on a 52- or 53-week period ending on the last Sunday of December.

Revenue Recognition

The Company accounts for revenue using the accounting method prescribed under Statement of Financial Accounting Standards No. 45, *Accounting for Franchise Fee Revenue*. Store franchise fees and territory development fees are recognized as revenue when the agreement is signed. Regional Director training fees are recognized as revenue when the training is completed.

Advertising

The Company's policy is to charge advertising costs to expense when incurred and employs no direct response advertising. Advertising expense for the period was $53,551.

Income Taxes

The Company is part of the Parent's consolidated C-corporation tax return for federal tax purposes. For state tax purposes the Company files as part of a combined state return. Therefore, any tax liability or tax refund is included as part of the "Due to Parent" account in the accompanying balance sheet.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration

The Company maintains a cash balance at one financial institution. The Company's bank balance occasionally exceeds the FDIC-insured limit of $100,000. The Company has not experienced, and does not anticipate, any losses relating to cash held in this account.

Allocated Administrative and Overhead

The Company's general and administrative expenses are allocated from the Parent based on a systematic method. During the period, the expense amount allocated to the Company totaled $432,197 and included payroll and related expenses, rent, insurance and other shared expenses.

Recently Issued Accounting Standards

In January 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities ("FIN 46")*, which is effective for fiscal years beginning after December 15, 2004. The provisions of FIN 46 require, among other things, the Company to evaluate its overall financial relationship with all franchisees for potential financial statement consolidation, even though the Company has no ownership in the franchise entities. FASB Staff Position FIN 46-8, *Evaluating Whether as a Group the Holders of the Equity Investment at Risk Lack the Direct or Indirect Ability to Make Decisions about an Entity's Activities through Voting Rights or Similar Rights under FASB Interpretation No. 46* issued by FASB staff on December 19, 2003 clarifies that consolidation under FIN 46 with respect to franchisor-franchisee agreement would not generally be required unless there were a circumstance that the franchisor would provide substantial financial assistance to the franchisee and also substantially limit the franchisee's ability to make decisions that have a significant impact on the success of the franchisee.

Based upon the evaluation of all franchise agreements in effect as of December 26, 2004, the Company has determined that it is not required to consolidate the financial results of its franchisees in accordance with FIN 46.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 26, 2004

NOTE 3 - FRANCHISE REVENUE

The key revenue terms of the franchise agreements are as follows:

Store Franchise Fees and Development Fees

These fees are recognized by the Company on an accrual basis when all material services or conditions relating to the sale have been substantially performed. There were 60 franchises sold and 63 franchised outlets in operation during the period.

Royalty Fees

Royalty fees are charged at 6.5% or 7.0% of net sales (gross sales less defined discounts) on a weekly basis. Additionally, franchisees contribute 2.5% of their net sales weekly to the Company for cooperative advertising. The cooperative fund is administered by the Company.

NOTE 4 - NOTES RECEIVABLE

At December 26, 2004, notes receivable consisted of two notes receivable from Regional Directors. Each note is secured by a first lien on the Regional Director's interest in their store and region, is non-interest bearing and matures in 2005.

NOTE 5 - DEFERRED REVENUE

Deferred revenue consists of franchise fees received prior to December 26, 2004 and before the completion of all franchisor duties, specifically Regional Director training.

NOTE 6 - RELATED PARTY TRANSACTIONS

During the period, the Parent paid all shared expenses. At certain times, the Company will remit funds from operations to the Parent. The difference between funds remitted and shared expenses paid by the Parent is included as "Due to (from) Parent" in the accompanying balance sheet.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

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INDEPENDENT AUDITORS' REPORT

To the Stockholder
ROBEKS FRANCHISE CORP.
Manhattan Beach, California

We have audited the accompanying balance sheet of Robeks Franchise Corp. (a wholly-owned subsidiary of Robeks Corporation) (the "Company") as of December 28, 2003 and the related statements of income and retained earnings and cash flows for the 52 weeks ended December 28, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 28, 2003, the results of its operations and its cash flows for the 52 weeks ended December 28, 2003 in conformity with accounting principles generally accepted in the United States of America.

RBZ, LLP

January 26, 2004
Los Angeles, California

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INAA GROUP

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

BALANCE SHEET

DECEMBER 28, 2003

ASSETS

Current Assets	
Cash	$ 708,000
Accounts receivable	24,672
Due from parent	74,435
	$ 807,107

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accounts payable and accrued liabilities	$ 46,335
Commitments (Note 1)	
Stockholder's Equity	
Common stock, no par, 100 shares authorized, issued, and outstanding	25,000
Retained earnings	735,772
	760,772
	$ 807,107

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

Revenues	
Territory development and training fees	$ 2,699,588
Store franchise fees	777,500
Royalties	661,475
	4,138,563
Operating Expenses	
Salaries and related accounts	1,625,735
Sales commission	875,497
Office	395,807
Legal and professional	194,751
Allocated administrative and overhead	118,174
Meetings and travel	119,631
Advertising	8,286
	3,337,881
Income Before Income Tax Provision	800,682
Income Tax Provision	320,000
Net Income	480,682
Retained Earnings, Beginning of Period	255,090
Retained Earnings, End of Period	$ 735,772

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

STATEMENT OF CASH FLOWS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

Cash Flows from Operating Activities	
Net Income	$ 480,682
Adjustments to reconcile net income to net cash provided by operating activities:	
(Increase) decrease in operating assets:	
Accounts receivable	(19,413)
Due from parent	(74,435)
Increase (decrease) in operating liabilities:	
Due to parent	(195,465)
Accounts payable and accrued liabilities	46,335
Deferred revenue	(37,500)
Net cash provided by operating activities	200,204
Net Increase in Cash	200,204
Cash, Beginning of Period	507,796
Cash, End of Period	$ 708,000

See accompanying notes to financial statements.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

NOTE 1 - NATURE OF BUSINESS

Robeks Franchise Corp. (the "Company") was incorporated on June 15, 2000 in the State of California and was formed to create franchise opportunities for Robeks stores ("Robeks"). The Company is a wholly-owned subsidiary of Robeks Corporation (the "Parent"). The Company is a franchisor and has entered into agreements with franchisees in various states. The purpose of these agreements is for franchisees to operate and maintain retail Robeks' locations. These locations sell Robeks' "smoothies," fresh juices, yogurt, branded nutritional supplements, juicing equipment and other retail snack foods.

Store Franchise Agreement

The Company has entered into 102 franchise agreements in California and various other states for terms of four to ten years. The franchisees are required to purchase branded nutritional supplements and other branded products from the Parent. The franchisees pay fees to the Company in exchange for selected employee training, manuals, and approval of store design, layout and menu.

The franchise agreements provide, among other items, for termination provisions by both the franchisor and franchisee subject to defined conditions. The agreements also provide that certain franchise owners provide guarantees to the Company.

Regional Director Marketing Agreement

The Company has entered into twenty-four Regional Director Marketing Agreements that cover certain bounded areas within California and various other territories outside California for a period of ten years. The agreements allow the Regional Directors to use certain business methods for the development and operation of retail stores, including store design and imaging, merchandising and marketing methods, and use of mandatory products and ingredients.

For these rights, the Regional Directors have agreed to pay the Company a one-time development fee that depends on the population within the bounded areas and a one-time training fee. Regional Directors have also agreed to open one Robeks store in their territory and to spend a specified amount for advertising and promotion each sales quarter. Regional Directors receive commissions based on the sale of new franchisees within their boundaries and the performance of these franchise locations. A percentage of the commission is payable upon the opening of the stores by new franchisees.

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fiscal Year

The Company's fiscal year is based on a 52- or 53-week period ending on the last Sunday of December.

Revenue Recognition

The Company accounts for revenue using the accounting method prescribed under Statement of Financial Accounting Standards No. 45, *Accounting for Franchise Fee Revenue*.

Advertising

The Company's policy is to charge advertising costs to expense when incurred and has no direct response advertising. Advertising expense for the period was $8,286.

Income Taxes

The Company is part of the Parent's consolidated C-corporation tax return for federal tax purposes. For state tax purposes the Company files as part of a combined state return.

Concentration

The Company maintains a cash balance at one financial institution. The Company's bank balance occasionally exceeds the FDIC-insured limit of $100,000. The Company has not experienced, and does not anticipate, any losses relating to cash held in this account.

Allocated Administrative and Overhead

The Company's general and administrative expenses are allocated from the Parent based on a systematic method. During the period, amount allocated to the Company totaled $118,174

ROBEKS FRANCHISE CORP.
(A WHOLLY-OWNED SUBSIDIARY OF ROBEKS CORPORATION)

NOTES TO FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED DECEMBER 28, 2003

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Standards
In January 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities ("FIN 46")*, which is effective for fiscal years beginning after December 15, 2004. The provisions of FIN 46 require, among other things, the Company to evaluate its overall financial relationship with all franchisees for potential financial statement consolidation, even though the Company has no ownership in the franchise entities. FASB Staff Position FIN 46-8, *Evaluating Whether as a Group the Holders of the Equity Investment at Risk Lack the Direct or Indirect Ability to Make Decisions about an Entity's Activities through Voting Rights or Similar Rights under FASB Interpretation No. 46* issued by FASB staff on December 19, 2003 clarifies that consolidation under FIN 46 with respect to franchisor-franchisee agreement would not generally be required unless there were a circumstance that the franchisor would provide substantial financial assistance to the franchisee and also substantially limit the franchisee's ability to make decisions that have a significant impact on the success of the franchisee.

Based upon the evaluation of all franchise agreements in effect as of December 31, 2003, the Company has determined that it is not required to consolidate the financial results of its franchisees in accordance with FIN 46.

NOTE 3 - FRANCHISE REVENUE

The key revenue terms of the franchise agreements are as follows:

Store Franchise Fees and Development Fees

These fees are recognized by the Company on an accrual basis when all material services or conditions relating to the sale have been substantially performed. The Company provides training and training manuals. The Company provides the required training, manuals and various approvals at or substantially near the execution of the franchise agreement.

There were 49 franchises sold and 40 franchised outlets in operations during the period.

NOTE 3 - FRANCHISE REVENUE (Continued)

Royalty Fees

Royalty fees are charged at 6.5% or 7.0% of net sales (gross sales less defined discounts) on a weekly basis.

Additionally, franchisees contribute 2.5% of their net sales weekly to the Parent for cooperative advertising. The cooperative fund is administered by the Parent.

NOTE 4 - RELATED PARTY TRANSACTIONS

During the period, the Parent paid all shared expenses. At certain times, the Company will remit funds from operations to the Parent. The difference between funds remitted and shared expenses paid by the Parent is included as a due from parent in the accompanying balance sheet.

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Robeks Franchise Corporation
Balance Sheet
January 25, 2004
(UNAUDITED)

ASSETS

Current Assets	
Cash	$ 521,000
Accounts receivable	42,119
Due from parent	192,808
	$ 755,927

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accounts Payable	$ 41,900
Stockholder's Equity	
Common stock, no par, 100 shares authorized, issued, and outstanding	$ 25,000
Retained Earnings	$ 689,027
	$ 714,027
	$ 755,927

Robeks Franchise Corporation
Statement of Income and Retained Earnings
For the four weeks ended January 25, 2004
(UNAUDITED)

Revenues	
Store franchise fees	$ 95,000
Royalties	50,830
	145,830
Operating Expenses	
Salaries and related accounts	117,657
Sales commission	36,812
Office	34,593
Allocated administrative and overhead	15,620
Legal and professional	14,324
Meetings and travel	3,687
Advertising	1,045
	223,738
Income Before Income Tax Provision	(77,908)
Income Tax Provision (Benefit)	(31,163)
Net Income (Loss)	(46,745)
Retained Earnings, Beginning of Period	735,772
Retained Earnings, End of Period	$ 689,027

Robeks Franchise Corporation
Statement of Cash Flows
For the four weeks ended January 25, 2004
(UNAUDITED)

Cash Flows from Operating Activities	
Net Income (Loss)	$ (46,745)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
(Increase) decrease in operating assets:	
Accounts Receivable	(17,447)
Due from parent	(118,373)
Increase (decrease) in operating liabilities:	
Due to parent	
Accounts payable and accrued liabilities	(4,435)
Net cash provided by (used in) operating activities	(187,000)
Net Increase (Decrease) in Cash	(187,000)
Cash, Beginning of Period	708,000
Cash, End of Period	$ 521,000