STATEMENT OF OPERATIONS
INFECTECH, INC.
(A DEVELOPMENT STAGE COMPANY)
Years Ended December 31, 2004 and 2003

	Year Ended December 31,	
	2004	2003
OPERATING INCOME		
Sub-lease income	$ -	$ 7,674
OPERATING EXPENSES		
Research and development	70,033	-
Non-cash stock compensation	6,360,000	836,847
Wages	142,472	4,015
Advertising	275	660
Shareholder/stock expenses	3,837	3,164
Bank fees	264	1,153
Licenses and permits	525	-
Professional fees	31,138	42,578
Rent	7,414	6,600
Travel	7,055	8,764
Payroll taxes	3,422	890
State and local taxes	188	413
Employee benefits	2,243	-
Amortization	32,489	51,520
Depreciation	1,254	2,507
Office expense	894	2,310
Supplies	6,079	721
Postage and delivery	184	1,127
Dues and subscriptions	-	75
Repairs and maintenance	669	375

Telephone	3,035	3,920
Utilities	1,337	645
TOTAL OPERATING EXPENSES	6,674,807	968,284
LOSS FROM OPERATIONS	(6,674,807)	(960,610)
OTHER INCOME (EXPENSE)		
Gain (loss) on disposal of assets	43,986	(165,118)
Realized gain (loss) on sale of securites	(2,260)	-
Unrealized gain (loss) on sale of securities	(1,544)	-
Non-cash stock compensation	13,000	-
Forgiveness of debt	28,035	-
Interest expense	(35)	-
Interest income	-	3
NET LOSS	$ (6,593,625)	$ (1,125,725)
Per share information – basic and fully diluted:		
Weighted average shares outstanding	18,327,030	15,773,989
Net (loss) per share	$ (0.36)	$ (0.07)