



LAPOLLA INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2008	December 31, 2007
	(Unaudited)	
<i>Assets</i>		
Current Assets:		
Cash	\$ 68,046	\$ 339,855
Trade Receivables, Net	7,925,266	3,350,154
Inventories	3,090,730	2,698,097
Prepaid Expenses and Other Current Assets	605,346	532,233
Total Current Assets	11,689,388	6,920,339
Property, Plant and Equipment, Net	2,477,864	2,626,068
Other Assets:		
Goodwill	1,951,000	1,951,000
Other Intangible Assets	130,778	142,318
Deposits and Other Non-Current Assets	207,160	226,320
Total Other Assets	2,288,938	2,319,638
Total Assets	\$ 16,456,190	\$ 11,866,045
<i>Liabilities and Stockholders' Equity</i>		
Current Liabilities:		
Accounts Payable	\$ 5,307,044	\$ 2,422,625
Accrued Expenses and Other Current Liabilities	1,761,859	1,266,533
Loan Payable – Related Party	843,348	—
Current Portion of Convertible Term Note	—	589,761
Current Portion of Long-Term Debt	74,302	84,939
Total Current Liabilities	7,986,553	4,363,858
Other Liabilities:		
Revolving Credit Note	3,713,715	4,879,152
Non-Current Portion of Convertible Term Note	565,260	775,185
Non Current Portion of Long-Term Debt	57,871	107,255
Non Current Portion of Liabilities from Discontinued Operations	—	848
Total Other Liabilities	4,336,846	5,762,440
Total Liabilities	12,323,399	10,126,298
Stockholders' Equity:		
Preferred Stock, \$1.00 Par Value; 2,000,000 Shares Authorized, of which Designations:		
Series A Convertible, 750,000 Shares Authorized; 62,500 Issued and Outstanding (Less Offering Costs of \$7,465) and \$62,500 aggregate liquidation preference at June 30, 2008 and December 31, 2007, respectively	55,035	55,035
Series D, 25,000 Shares Authorized; 8,176 Issued and Outstanding and \$8,176,000 aggregate liquidation preference at June 30, 2008 and December 31, 2007	8,176	8,176
Common Stock, \$.01 Par Value; 98,000,000 Shares Authorized; 61,944,803 and 59,125,700 Issued and Outstanding at June 30, 2008 and December 31, 2007, respectively	619,448	591,257
Additional Paid-In Capital	77,016,206	73,600,876
Accumulated (Deficit)	(73,566,075)	(72,515,597)
Total Stockholders' Equity	4,132,790	1,739,747
Total Liabilities and Stockholders' Equity	\$ 16,456,190	\$ 11,866,045