

DM Products, Inc.

Consolidated Financial Statements

June 30, 2010

DM Products, Inc.

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Accountant's Compilation Report

Board of Directors
DM Products, Inc.
Walnut Creek, California

We have compiled the accompanying consolidated balance sheet of DM Products, Inc. (a Nevada corporation and Direct Success, Inc. its wholly owned subsidiary) as of June 30, 2010, and the related consolidated statements of operations, shareholders' equity and cash flows for the 6 months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Kenneth A. Carroll, CPA PC
Irvine, California
August 27, 2010

DM Products, Inc.
Consolidated Balance Sheet

	(Unaudited) June 30, 2010	(Audited) December 31, 2009
ASSETS		
Current Assets		
Cash	55,255	36,729
Tristar Receivable	72,285	59,708
Prepaid Expense	3,169	21,454
Total Current Assets	130,709	117,891
Property and Equipment - net	2,186	1,304
TOTAL ASSETS	132,895	119,195
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities		
Sales Tax Payable	2,424	2,424
Other Current Liabilities	44,856	54,195
Total Current Liabilities	47,280	56,619
Commitments and contingencies		
Shareholders' Equity (Deficit)		
Common Stock: \$0.001 par value; 300,000,000 shares authorized; 239,907,352 shares issued and outstanding at June 30, 2010 and 239,907,352 shares issued and outstanding at December 31, 2009 -Note 6	239,908	239,908
Additional Paid In Capital	761,601	761,601
Accumulated Deficit	(915,894)	(938,933)
Shareholders' Equity	85,615	62,576
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	132,895	119,195

The accompanying Notes are an integral part of these financial statements.

DM Products, Inc.
Consolidated Statements of Operations
(Unaudited)

	For the 3 months ended June 30, 2010	For the 3 months ended June 30, 2009	For the 6 months ended June 30, 2010	For the 6 months ended June 30, 2009
Revenues				
Royalty income	201,644	158,554	207,139	194,383
Total revenues	201,644	158,554	207,139	194,383
Operating expenses				
Depreciation	100	25	200	93
Outside services	250	836	434	1,215
Professional Fees	35,045	9,700	68,171	19,403
Salary & Wages - other	34,500	34,500	69,000	67,500
Salary- employer taxes	2,900	2,837	6,207	7,105
General & Administrative expenses	28,839	14,510	46,738	20,306
Total operating expense	101,635	62,408	190,750	115,622
Operating Income (Loss) from operations	100,009	96,146	16,389	78,761
Other Income (Note 8)	-	47,277	9,050	47,277
Income (Loss) before income taxes	100,009	143,423	25,439	126,038
Provision for income taxes	-	-	(2,400)	(2,400)
Net Income (Loss)	\$ 100,009	143,423	\$ 23,039	123,638
Net Income (Loss) per common share-basic and fully diluted	\$ 0.0004	0.0007	\$ 0.0001	0.0006
Weighted average common shares outstanding-basic and diluted	239,907,352	196,907,352	239,907,352	196,907,352

The accompanying Notes are an integral part of these financial statements.

DM Products, Inc.
 Consolidated Statements of Shareholders' Equity
 (Unaudited)

	Common Stock		Additional Paid	Accumulated	Total Shareholders'
	Shares	Amount	In Capital	Deficit	Equity
Balance at December 31, 2009	239,907,352	239,908	761,601	(938,933)	62,576
Net Income	-	-	-	23,039	23,039
Balance at June 30, 2010	239,907,352	239,908	761,601	(915,894)	85,615

The accompanying Notes are an integral part of these financial statements.

DM Products, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	For the 6 months ended June 30, 2010	For the 6 months ended June 30, 2009
Cash flows from operating activities		
Net Income	\$ 23,039	123,638
Adjustment to reconcile net income to net cash provided (used) by operating activities:		
Depreciation	200	93
Changes in operating assets and liabilities:		
Accounts receivables	(12,577)	(151,002)
Other assets	18,285	(5,000)
Other payables	(28,542)	1,199
Net cash provided (used) by operating activities	405	(31,072)
Cash flow from investing activities		
Purchase of property and equipment	(1,082)	-
Net cash (used) by investing activities	(1,082)	-
Cash flows from financing activities		
Advance from Credit Line	19,203	27,757
Net cash provided by financing activities	19,203	27,757
Net change in cash	18,526	(3,315)
Cash at beginning of period	36,729	7,786
Cash at end of period	\$ 55,255	\$ 4,471
Supplemental disclosure of cash flow information:		
Interest paid	\$ 574	\$ -
Taxes paid	\$ 2,400	\$ 2,400

The accompanying Notes are an integral part of these financial statements.

DM Products, Inc.
Consolidated Balance Sheet

	June 30, 2010	December 31, 2009	Changes	Cashflow Worksheet				Total	Difference
				Operating	Investing	Financing	Non-Cash		
Current Assets									
Cash	55,255	36,729	(18,526)					0	(18,526)
Tristar Receivable	72,285	59,708	(12,577)	(12,577)				(12,577)	-
Prepaid Expense	3,169	21,454	18,285	18,285				18,285	-
	<u>130,709</u>	<u>117,891</u>							
Fixed Assets, Net	2,186	1,304	(882)	(882)				(882)	-
Intangible Assets, Net	-	-	-	-				0	-
TOTAL ASSETS	<u>132,895</u>	<u>119,195</u>							
	LIABILITIES & SHAREHOLDERS' EQUITY								
Current Liabilities									
Sales Tax Payable	2,424	2,424	-						-
Other Current Liabilities	44,856	54,195	(9,339)	(9,339)				(9,339)	-
Total Current Liabilities	<u>47,280</u>	<u>56,619</u>							-
Shareholders' Equity									
Common Stock: \$0.001 par value; 300,000,000 shares authorized; 239,907,352 issued and outstanding at June 30, 2010 -Note 6	239,908	239,908	-					0	-
Additional Paid In Capital	761,601	761,601	-					0	-
Accumulated Deficit	(915,894)	(938,933)	23,039	23,039				23,039	-
Shareholders' Equity	<u>85,615</u>	<u>62,576</u>	0	18,526	-	-	-	18,526	(18,526)
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	<u>132,895</u>	<u>119,195</u>	0	18,526	0	0	0	18,526	-18,526

The accompanying Notes are an integral part of these financial statements.

DM Products, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

Note 1: Summary of Significant Accounting Policies

The accompanying unaudited financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles for interim financial statements and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. In the opinion of management, the accompanying unaudited financial statements reflect all adjustments consisting of normal recurring adjustments necessary for a fair presentation of its financial position and results of operations. Interim results of operations are not necessarily indicative of the results that may be achieved for the full year. The financial statements and related notes do not include all information and footnotes required by U.S. generally accepted accounting principles for annual reports. These quarterly financial statements should be read in conjunction with the December 31, 2009 audited financial statements included in the Company's Form S-1 filed with the U.S. Securities and Exchange Commission ("SEC").

Nature of Operations

DM Products, Inc.(the Company) was incorporated on March 1, 2001 as Effective Sport Nutrition Corporation. Subsequently, on April 11, 2005, the Company changed its name to Midwest E.S.W.T Corp and on December 14, 2005, it changed its name again to DM Products, Inc.

On July 18, 2005, the Company acquired Direct Success, Inc. a California Corporation in exchange for 70 % of the Company's Common Stock, making Direct Success, Inc. a wholly owned subsidiary of the Company. Midwest E.S.W.T agreed that a total of 114,851,043 shares of Restricted Common Stock were to be issued to shareholders of Direct Success, Inc.

The Company operates from Walnut Creek, California and it wholly owns Direct Success, Inc which owns 75% of Direct Success, LLC 3 a limited liability company formed on or about August 16, 2002. Direct Success, Inc entered into a joint venture with Buena Vista Infomercial Corporation which owns 25%. The purpose is to market products through direct response to television infomercials. The companies obtain the distribution, production, and licensing rights to a product in exchange for royalty agreements based on the sales of the products. The Company sets up the production, marketing and the distribution of the products.

New Accounting Pronouncements

The Company's management has reviewed all of the FASB's Accounting Standard Updates through August 17, 2010 and has concluded that none will have a material impact on the Company's financial statements.

Management does not believe that any other recently issued but not yet effective accounting pronouncements, if adopted, would have an effect on the accompanying consolidated financial statements.

Revenue and Cost Recognition

The Company records revenue in accordance with ASC Topic 605 - Revenue Recognition. During the period ended June 30, 2010 revenues came from royalties from the contract Banjo Minnow the fishing lure with TriStar Products, Inc. Revenues derived from the Company license sales are recognized when (1) there is evidence of an arrangement, (2) collection of our fee is considered probable and (3) the fee is fixed and determinable.

Direct Success entered into a manufacturing, marketing and distribution agreement with Banjo Buddies who is the inventor of Banjo Minnow, a fishing lure which Direct Success 3 had a licence agreement to market the product since Oct 2002. The Company entered into a modification of said agreement in April 2005. On or about May 11, 2005 Direct Success LLC 3, subcontracted the manufacturing and distribution rights to TriStar Products, Inc. In March 2007, Direct Success granted back to Banjo, the right to license and privilege for internet sales and small parts sale of the product. Under the agreement, Banjo will pay Direct Success 4% royalty on all gross sales of product. As of date of settlement, effective January 1, 2010, Direct Success no longer receives the 4% royalty for internet and part sales from Banjo Buddies. The revenues are strictly based on the contractual obligation contained in the agreement with Tristar Products, Inc., which are the royalties received from the sales of the Banjow Minnow. These royalty arrangements with Tristar provide the Company with a flat \$4.00 (for unit sales under \$18) and \$5.00 (for unit sales over \$18), per unit sold domestically, and \$2.50 per unit sold internationally. The present retail price for the Banjo Minnow is \$19.95.

Note 2: Going Concern

Before being acquired by the Company, Direct Success, Inc. had an accumulated loss of \$6,195,881. Notwithstanding the continued losses, these financial statements have been prepared by management on a going concern basis.

The going concern basis of presentation assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Certain conditions, discussed below, currently exist which raise substantial doubt upon the validity of this assumption. The consolidated financial statements do not include any adjustments thus might result from the outcome of this uncertainty. If the Company were unable to continue as a going concern, assets and liabilities would require restatement on a liquidation basis, which would differ materially from the going concern basis.

The Company's future operations are dependant upon the marketing of its products and the Company's ability to secure sufficient financing to continue operations and marketing of its products. There can be no assurance that the Company's products will be able to secure market acceptance or that successful commercialization of its products will be achieved.

Note 3: Depreciation

Depreciation expenses totaled \$200 and \$93 for the periods ended June 30, 2010 and 2009, respectively.

Note 4: Interest Expenses

Interest expense totaled \$574 and \$0 for the periods ended June 30, 2010 and 2009, respectively.

Note 5: Line of Credit

The Company has three Revolving Line of Credits with a credit limit of \$30,000 each. All Line of Credits have fluctuating interest rate. The latest charged interest rate for these are 7.24%. The Line of Credits balance as of 06/30/10 is \$19,203.

Note 6: Common Stock

The Board of Directors passed a resolution on February 10, 2010 to issue 30,000 shares of Restricted Common Stock to an individual. In 2007 the individual was paid \$30,000 for preferred stock in error. The Company does not have preferred stock, therefore 30,000 shares common stock were issued at US \$0.001 par value.

Note 7: Related Party Transactions**Employment Agreement**

An employee agreement was entered into on the 20th day of April, 2007 by and between the Company and Kurtis Cockrum. Employee's starting salary is \$6,000 per month during the first 90 days following execution of the agreement, or after \$500,000 in capital is raised. After such period of time, Employee's salary shall be increased to \$10,000 per month. Should the company determine it in the best interest not to pay employee's entire monthly compensation, at any time, any such compensation shall be treated as deferred compensation and will accumulate on the books and provided to employee at employee's sole discretion, taking into consideration the funds available and the best interest of the company. The accrued salary as of 06/30/10 is \$25,653. Salary expense to related party was \$60,000 and \$60,000 for the six months ended June 30, 2010 and 2009 respectively.

Consulting Contracts

The CEO and employees of the Company work from their homes. The fair market value of rents contributed by the related parties are estimated to be \$50.00 per month, which is immaterial to the company's financial statements, therefore, an entry to record the value of rents contributed has not been recorded on the Company's books.

The Company has entered in a consulting contract with Michael Debenon, Esq. for \$6,000 per month on a month to month basis for general counsel. Legal expenses to related party was \$30,000 and \$12,490 for the six months ended June 30, 2010 and 2009 respectively.

Note 8: Other Income

After the arbitration between Direct Success, LLC # 3 and Banjo Buddies, Inc. was settled, American Arbitration Association released \$9,050 held by them. The monies were received in April 2010.

Script To Screen, Inc. has entered into an agreement with Direct Success LLC 3 and Direct Success, Inc. to waive royalties for all past years to date and current year to date as well as future royalties that may come due under the current Royalty Agreement. Total past and current year royalties waived and included in other income in second quarter 2009 equals \$47,277.

Note 9: Subsequent Events

Form S-1 Registration Statement

On April 8, 2010 a Form S-1 Registration Statement was completed and submitted to the Securities and Exchange Commission. Acceptance is still pending.

Information Statement Form 211

On April 21, 2010 a Information Statement Form 211 was submitted to the Financial Industry Regulatory Authority (FINRA) for active trading on the Over the Counter Bulletin Board (OTCBB). Acceptance Status is still pending.

Authorized Shares of Common Stock

The Board of Directors passed a resolution on July 13, 2010 to amend the Company's Articles of Incorporation to increase the number of authorized shares of common stock from 300,000,000 shares to 500,000,000 shares.

Creation of Subsidiary Corporation

The Board of Directors passed a resolution on July 13, 2010 to form and create a new corporation for the purpose of establishing a fragrance and personal care division for the corporation. The newly formed corporation shall be named ALIANO, INC. dba ALIANO WESTLAKE VILLAGE and shall be formed under the laws of the State of Nevada.

Engagement of Legal Services

Effective as of July 26, 2010 Aliano Inc. entered into an agreement with Portia Entertainment Group LLC for legal services described in the agreement. As per the agreement Portia Entertainment Group LLC is entitled to receive a fee of 5% on the Net Income earned by Aliano Inc.