

DM Products, Inc.

Consolidated Financial Statements

December 31, 2005

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Accountant's Compilation Report

Board of Directors
DM Products, Inc.
Costa Mesa, California

We have compiled the accompanying consolidated balance sheet of DM Products, Inc. (a Nevada coporation and Direct Success, Inc. its wholly owned subsidiary) as of December 31, 2005, and the related consolidated statements of operations, shareholders' equity and cash flows for the period from July 18, 2005 to December 31, 2005, 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
May 01, 2006

DM Products, Inc.
Consolidated Balance Sheet
December 31, 2005

Current Assets		
Cash	161,938	
Accounts Receivable	830	
Inventory - Note 1	45,389	
Prepaid Expense	8,541	
Total Current Assets		216,698
Property and Equipment - Note 4		
Mold	3,000	
Furniture & Fixtures	10,739	
Office Equipment	18,637	
Web Site	1,300	
Total Cost	33,676	
Net of Accumulated Depreciation	(21,257)	
		12,419
Other Assets		
Deposits	57,884	
Advance Beauty Solutions- Note 2	1	
Reserve-5% DPI Merchant Ser.	163	
Total Other Assets		58,048
Intangible Assets-Note 7		
Infomercial Productions	235,373	
Other Intangibles	4,225	
Total Cost	239,598	
Less: Accumulated Amortization	(196,299)	
Total Intangible Assets		43,299
TOTAL ASSETS		330,464
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	5,415	
Sales Tax Payable	2,435	
Payroll Tax Payable	285	
Other Current Liabilities	45,809	
Total Current Liabilities		53,944
Long Term Liabilities		0
Total Liabilities		53,944
Shareholders' Equity		
Common Stock: \$0.001 par value; 100,000,000 shares authorized; 100,000,000 issued and outstanding at December 31, 2005 -Note 8	100,000	
Additional Paid In Capital	713,633	
Buena Vista Investment	150,000	
Accumulated Deficit	(687,113)	
Total Shareholders' Equity		276,520
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		330,464

See accompanying notes to consolidated financial statements and accountants' compilation report

DM Products, Inc.
Consolidated Statements of Operations
For the period from July 18, 2005 to December 31, 2005

Sales Revenues		36,149
Cost of Sales		<u>242,628</u>
Gross Profit		(206,479)
Operating Expenses		
Accounting	14,484	
Audit	21,171	
Bank Service Charges	472	
Consulting Fee	25,000	
Depreciation	1,795	
D & O and Liability Insurance	2,267	
Fire Insurance	863	
Health Insurance	8,179	
Internet	84	
Legal and Professional Fees	27,438	
Management Fee	7,500	
Miscellaneous	1,617	
Outside Services	151,923	
Office Supplies	7,012	
Payroll Service Fees	1,005	
Postage and Delivery	1,475	
Property Taxes	289	
Rent	10,561	
Repair	448	
Salary & Wages	26,228	
Salary- Employer Taxes	1,698	
Telephone	1,834	
Travel & Entertainment	6,487	
Website	<u>300</u>	
Total Operating Expense		<u>320,130</u>
Operating (loss) before other income (loss)		(526,609)
Other Income (Loss)		
Debt Cancellation Income	42,517	
Investment Write Down Loss	(189,999)	
Royalty Income	122,080	
Bad Debt	(44,274)	
Interest Income	<u>13</u>	
Total Other (loss)		<u>(69,663)</u>
(Loss) before income taxes		(596,272)
Provision for income taxes-Note 5		<u>-</u>
Net (loss)		<u><u>(596,272)</u></u>

See accompanying notes to consolidated financial statements and accountants' compilation report

DM Products, Inc.
 Consolidated Statements of Shareholders' Equity
 For the period from July 18, 2005 to December 31, 2005

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance at July 18, 2005	100,000,000	100,000	713,633	(90,842)	722,791
Net Income (Loss)				(596,272)	(596,272)
Balance at December 31, 2005	100,000,000	100,000	713,633	(687,113)	126,520

See accompanying notes to consolidated financial statements and accountants' compilation report

DM Products, Inc.
Consolidated Statements fo Cash Flows
For the period from July 18, 2005 to December 31, 2005

Cash flow from operating activities		
Net (Loss)	\$	(596,272)
Adjustment to reconcile net loss to net cash used by operating activities:		
Depreciation		1,795
Amortization		29,480
(Increase) or decrease in current assets:		
Accounts receivables		143,039
Prepaid expenses		1,413
Inventory		31,525
Deposits		(29,019)
Other assets		140,281
Increase (decrease) in current liabilities:		
Accounts payable		(4,349)
Accrued expenses		(25,906)
Net cash used by operating activities		<u>(308,013)</u>
Cash flow from investing activities		
Investment in intangible asset		30,059
Proceeds from investment		-
Purchase of investments		-
Proceeds from sale of equipment		306
Net cash provided by investing activities		<u>30,365</u>
Cash flow from financing activities		
Issuance of stock		-
Repayment of short-term debt		-
Net cash provided by financing activities		<u>-</u>
Net change in cash		(277,648)
Cash at beginning of the period		439,586
Cash at end of year	\$	<u><u>161,938</u></u>

See accompanying notes to consolidated financial statements and accountants' compilation report

DM Products, Inc.
Notes to Consolidated Financial Statements
December 31, 2005

Note 1: Summary of Significant Accounting Policies

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.

Direct Success, Inc. operates from Costa Mesa, California and it owns a limited liability company 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.

Basis of consolidation

The consolidated financial statements include the accounts of DM Products, Inc., Direct Success, Inc. and the accounts of its wholly owned subsidiaries Direct Success LLC #3. (collectively referred to as Direct Success, Inc.) The Company consolidated all entities in which it has a controlling interest. All material inter-company transactions have been eliminated.

Property, Equipment and Depreciation

Property and equipment has been stated at cost. Depreciation is provided on an accelerated double declining balance method over the estimated useful lives of the assets.

Use of Estimates

Timely preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts, some of which may require revision in future period.

Inventory

Inventory is valued on the cost basis, and accounted for on a first-in-first-out or FIFO basis.

Income Taxes

DM Products Inc. and Direct Success, Inc. is currently being taxed as a C corporation under the IRS code. LLC #3 has elected to be taxed as partnerships under the IRS code.

Note 2: Investments

The Company holds an investment of \$190,000 in a closely held company. The investment was value at a \$1 as of December 31, 2005 due to there is no ready market for the investment and invested company is in the process of filing bankruptcy.

Note 3: Licensing Agreements

In October 2002, LLC #3 entered into an agreement to license, market and distribute the Banjo Minnow, a fish lure product. In return for those rights the Company agreed to pay the greater of a minimum of \$90,000 a year or royalties on all cash receipts generated by the product on the following sales:

Sales of :	
\$1-10,000,000	3%
\$10,000,000-\$20,000,000	4%
\$20,000,000 and over	5%

The Company subleased its marketing rights to the Banjo Minnow product in May 2005. This sublicense includes the rights for the sublicensee to use the infomercial created by the Company. In return, the Company will receive royalties on all sales of the product.

Note 4: Property and Equipment

Property and Equipment consists of the following:

Direct Success, Inc.

Furniture and fixtures	10,739
Office Equipment	18,637
	<hr/>
	29,376

LLC #3

Mold	3,000
Website	1,300
	<hr/>
	4,300

Total	33,676
Accumulated Depreciation	(21,257)
Property and Equipment, net	<u>12,419</u>

Note 5: Income Taxes

The tax benefit was not reflected due to a 100% valuation allowance provided as a result of losses and an uncertainty of future profitability.

Note 6: Operating Lease

Direct Success, Inc. leases office space under an operating lease agreement. The lease was for February 1, 2005 thru July 31, 2005 and was renewed thru January 31, 2006 with a deposit of \$3,850 and total future rental payments are as follows:

2006	\$	1,210
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Note 7: Acquired Intangible Assets

The company books intangibles at cost and amortizes them over their useful lives. The consolidated intangible assets consists of the following:

LLC #3	
Infomercial production costs	239,598
Accumulated amortization	(196,299)
Unamortized intangible assets	<u>43,299</u>

Total amortization expenses related to the above mentioned intangible assets were \$29,480 for the period ended, December 31, 2005.

Note 8: Subsequent Event

The share exchange agreement was agreed on July 18, 2005, however, at that time, the company only has 100,000,000 shares authorized and issued at par value of one tenth a cent (\$0.001). A corporate resolution was proposed on April 26, 2006 to cancel certificate number 0136 which represents 51,264,000 shares of common stock issued before exchange to CEO for executive compensation pay. On April 7, 2006, a certificate of amendment to article of incorporation was filed to secretary of state of Nevada to have the authorized shares increased to 300,000,000 shares, and total shares issued to Direct Success Shareholder changed from 70,000,000 as stated in the exchange agreement to 114,851,043 shares, which represent 70% of total issued stocks.

Note 9: Going Concern

Before being acquired by DM Products Inc., Direct Success, Inc. has 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.

The Company's operations to December 31, 2005 have been financed through the issuance of stock. The Company does not have sufficient working capital to sustain its current level of operations until December 31, 2006. Continued and significant financial support from shareholders, related parties and external sources will be required to fund operations.