

TITANIUM HOLDINGS GROUP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	Common Stock Number of Shares	Amount	Additional Paid-in Capital	Accumulated Other Compre. Income(loss)	Accumulated Deficit	Stockholders' Equity
Balance at January 1, 2003:	5,572,810	\$5,575	\$ 10,189,891	\$ (420,718)	\$ (6,988,730)	\$2,786,018
Comprehensive income (loss):						
Net loss					(268,640)	(\$268,640)
Unrealized holding gain on available-for-sale securities				1,922,603		<u>\$1,922,603</u>
Total comprehensive income						<u>1,653,963</u>
Preferred stock dividends					(5,250)	(5,250)
Balance at December 31, 2003	<u>5,572,810</u>	<u>\$ 5,575</u>	<u>\$ 10,189,891</u>	<u>\$ 1,501,885</u>	<u>\$ (7,262,620)</u>	<u>4,434,731</u>

See Notes to Consolidated Financial Statements