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FORCE PROTECTION INC  
Form 10QSB  
November 15, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-QSB

(Mark One) ☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2004

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE  
ACT OF 1934 FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

COMMISSION FILE NUMBER: 0-22273

FORCE PROTECTION, INC.  
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(Exact name of Registrant as specified in its charter)

Colorado 84-1383888  
(State or jurisdiction of incorporation (I.R.S. Employer  
or organization) Identification No.)

9801 Highway 78, #3, Ladson South Carolina 29456  
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(Address of principal executive offices)  
(Zip Code)

Registrant's telephone number: (843) 740-7015

Indicate by check mark whether the Registrant (1) has filed all reports required  
to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during  
the preceding 12 months (or for such shorter period that the Registrant was  
required to file such reports), and (2) been subject to such filing requirements  
for the past 90 days. Yes -- x No.

As of September 30, 2004, the Registrant had 196,471,310 shares of common  
stock issued and outstanding.

Transitional Small Business Disclosure Format (check one): Yes -- No X.

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## REPORT ON REVIEW BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors  
Force Protection, Inc. and Subsidiary

We have reviewed the accompanying consolidated balance sheet of Force Protection, Inc., and Subsidiary (formerly known Sonic Jet Performance, Inc.) as of September 30, 2004 and the related statements of consolidated operations for the three and nine months ended September 30, 2004 and 2003 and the consolidated statements of cash flows for the nine months ended September 30, 2004 and 2003 included in the accompanying Securities and Exchange Commission Form 10-QSB for the period ended September 30, 2004. These consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States and standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1, conditions exist which raise substantial doubt about the Company's ability to continue as a going concern unless it is able to generate sufficient cash flows to meet its obligations and sustain its operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the balance sheet as of December 31, 2003, and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein). In our report dated March 2, 2004, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of September 30, 2004 is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

/s/ Michael Johnson & Co., LLC  
Michael Johnson & Co., LLC.  
Denver, Colorado  
November 15, 2004

### FORCE PROTECTION CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 2004 (Unaudited)

#### ASSETS

##### Current Assets

Cash . . . . .	\$ 548,7
Accounts receivable. . . . .	2,237,7
Other current assets . . . . .	270,4
Inventories. . . . .	8,783,4
Current Assets . . . . .	11,840,3

##### Other Assets

Goodwill . . . . .	1,085,1
Fixed Assets, net. . . . .	

Total Assets . . . . . \$ 12,925,

#### LIABILITIES AND SHAREHOLDERS' EQUITY

##### Current Liabilities

Accounts payable . . . . .	\$ 2,429,7
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Accrued payroll taxes . . . . .	24,6
Deferred revenue . . . . .	6,374,9
Other accrued liabilities . . . . .	110,8
	-----
General reserve . . . . .	792,9
	-----
Loans payable . . . . .	1,500,0
Current Liabilities . . . . .	11,233,1
	-----
Long term liabilities . . . . .	114,4
	-----
Total Liabilities . . . . .	11,347,6
	-----
Shareholder's Equity:	
Common, no par value, 300,000,000 authorized, issued and outstanding 196,471,310.	20,922,5
Preferred, no par value	
Series B convertible preferred (8 shares issued and outstanding) . . . . .	80,0
Series C convertible preferred (119 shares issued and outstanding) . . . . .	1,428,0
Retained earnings, Includes 2004 Net Income /(loss) . . . . .	(28,085,0
Additional Paid-in capital . . . . .	7,230,8
Warrants . . . . .	1,5
	-----
Shareholder's equity . . . . .	1,577,9
	-----
Total Liabilities and Shareholders' Equity . . . . .	\$ 12,925,5
	=====

The accompanying notes are an integral part of these financial statements

## FORCE PROTECTION CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2004	2003	
	-----	-----	-----	-----
Revenues . . . . .	\$ 2,738,901	\$ 93,727	\$ 3,442,035	\$ 1,752
Cost of Sales . . . . .	1,861,614	757,458	2,698,051	2,285
	-----	-----	-----	-----
Gross Profit . . . . .	877,287	(663,732)	743,984	(533
	-----	-----	-----	-----
Operating Expenses:				
Selling, General &				
Administrative . . . . .	621,930	2,406,902	3,614,378	5,706
	-----	-----	-----	-----
Total Operating Expenses . .	621,930	2,406,902	3,614,378	5,706
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Loss from Operations . . . .	255,357	(3,070,634)	(2,870,394)	(6,240,000)
Restructuring Expense . . . .	—	—	514,499	—
Profit (Loss) after Restructuring Expense . . . .	255,357	(3,070,634)	(3,384,893)	(6,240,000)
Other Income/Expense				
Other Income . . . . .	16,869	1,608	(28,483)	38,000
Interest Expense . . . .	(88,981)	(167,766)	(160,006)	(193,000)
Total Other Income (Expense)	(72,112)	(166,158)	(188,489)	(155,000)
Net Loss . . . . .	\$ 183,246	\$ (3,236,792)	\$ (3,573,382)	\$ (6,395,000)
Basic loss per share . . . .	0.0017	(0.020)	(0.0367)	(0.0367)
Diluted loss per shares . . .	0.0012	(0.011)	(0.026)	(0.026)
Weighted average common shares outstanding				
Basic . . . . .	109,885,783	162,571,326	97,542,491	162,571,326
Diluted . . . . .	150,008,346	306,377,195	137,665,054	306,377,195