SCHEDULE M-3 (Form 1120S)

Department of the Treasury Internal Revenue Service

see the Instructions for Form 1120S.

Name of corporation

Net Income (Loss) Reconciliation for S Corporations With Total Assets of \$10 Million or More ► Attach to Form 1120S.

See separate instructions.

OMB No. 1545-0130

2007

Employer identification number

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Pa	rt I Financial Information and Net Income (Loss) Reconciliation						
	 Did the corporation prepare a certified audited non-tax-basis income statement for the period endinyear? (See instructions if multiple non-tax-basis income statements are prepared.) Yes. Skip line 1b and complete lines 2 through 11 with respect to that income statement. No. Go to line 1b. Did the corporation prepare a non-tax-basis income statement for that period? Yes. Complete lines 2 through 11 with respect to that income statement. No. Skip lines 2 through 3b and enter the corporation's net income (loss) per its books and recommendation. 						
2	Enter the income statement period: Beginning /// / Ending //	/					
	 a Has the corporation's income statement been restated for the income statement period on line 2? Yes. (If "Yes," attach an explanation and the amount of each item restated.) No. b Has the corporation's income statement been restated for any of the five income statement periods preceding the period on line 2? Yes. (If "Yes," attach an explanation and the amount of each item restated.) No. 						
4	Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1	4					
5a	Net income from nonincludible foreign entities (attach schedule)	5a	<u>()</u>				
b	Net loss from nonincludible foreign entities (attach schedule and enter as a positive amount)	5b					
6a	Net income from nonincludible U.S. entities (attach schedule)	6a	()				
b	Net loss from nonincludible U.S. entities (attach schedule and enter as a positive amount)	6b					
7a	Net income (loss) of other disregarded entities (except qualified subchapter S subsidiaries) (attach schedule)	7a					
b	Net income (loss) of other qualified subchapter S subsidiaries (QSubs) (attach schedule)	7b					
8	Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach schedule)	8					
9	Adjustment to reconcile income statement period to tax year (attach schedule)	9					
10	Other adjustments to reconcile to amount on line 11 (attach schedule)	10					
11	Net income (loss) per income statement of the corporation. Combine lines 4 through 10	11					
For I	Paperwork Reduction Act Notice, Cat. No. 39666W Scher	dule M-	3 (Form 1120S) 2007				

Part II Reconciliation of Net Income (Loss) per Income Statement of the Corporation With Total Income (Loss) per Return

	(Loss) per Return				
	Income (Loss) Items	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1	Income (loss) from equity method foreign corporations				
0					
2	Gross foreign dividends not previously taxed				
3	Subpart F, QEF, and similar income inclusions				
4	Gross foreign distributions previously taxed				
5	Income (loss) from equity method U.S. corporations				
6	U.S. dividends not eliminated in tax consolidation				
7	Income (loss) from U.S. partnerships (attach schedule)				
8	Income (loss) from foreign partnerships (attach schedule)				
9	Income (loss) from other pass-through entities (attach schedule)				
10	Items relating to reportable transactions (attach details)				
11	Interest income (attach Form 8916-A)				
12	Total accrual to cash adjustment				
13	Hedging transactions				
14	Mark-to-market income (loss)				
15	Cost of goods sold (attach Form 8916-A)	()			()
16	Sale versus lease (for sellers and/or lessors)				,
17	Section 481(a) adjustments				
	Unearned/deferred revenue				
18					
19	Income recognition from long-term contracts				
20	Original issue discount and other imputed interest				
21a	Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
h	· · · -				
	Gross capital gains from Schedule D, excluding amounts from pass-through entities				
С	Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d	Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses .				
е	Abandonment losses				
	Worthless stock losses (attach details)				
g	Other gain/loss on disposition of assets other than inventory				
22	Other income (loss) items with differences (attach				
23	schedule)				
24	through 22				
	line 30)				
25 26	Other items with no differences				
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Note. Line 26, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1120S, Schedule K, line 18.

Part III Reconciliation of Net Income (Loss) per Income Statement of the Corporation With Total Income (Loss) per Return—Expense/Deduction Items

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	Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1	U.S. current income tax expense				
2	U.S. deferred income tax expense				
3	State and local current income tax expense				
4	State and local deferred income tax expense				
5	Foreign current income tax expense (other than				
•	foreign withholding taxes)				
6	Foreign deferred income tax expense				
7	Equity-based compensation				
8	Meals and entertainment				
9	Fines and penalties				
10	Judgments, damages, awards, and similar costs				
11	Pension and profit-sharing				
12	Other post-retirement benefits				
13	Deferred compensation				
14	Charitable contribution of cash and tangible				
	property				
15	Charitable contribution of intangible property				
16	Current year acquisition or reorganization investment banking fees				
17	Current year acquisition or reorganization legal and				
	accounting fees				
18	Current year acquisition/reorganization other costs				
19	Amortization/impairment of goodwill				
20	Amortization of acquisition, reorganization, and start-up costs				
21	Other amortization or impairment write-offs				
22	Section 198 environmental remediation costs				
23a	Depletion—Oil & Gas				
b	Depletion—Other than Oil & Gas				
24	Depreciation				
25	Bad debt expense				
26	Interest expense (attach Form 8916-A)				
27	Corporate owned life insurance premiums				
28	Purchase versus lease (for purchasers and/or lessees)				
29	Other expense/deduction items with differences (attach schedule)				
30	Total expense/deduction items. Combine lines 1 through 29. Enter here and on Part II. line 24				

Schedule M-3 (Form 1120S) 2007