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RAPTOR INVESTMENTS INC

Form 10QSB

August 19, 2003

QUARTERLY REPORT 6/30/03

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-QSB

(MARK ONE)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2003 .

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT
FOR THE TRANSITION PERIOD FROM 04/01/03 TO 06/30/03

COMMISSION FILE NUMBER 0-23026

RAPTOR INVESTMENTS, INC.
(EXACT NAME OF SMALL BUSINESS ISSUER AS SPECIFIED IN ITS CHARTER)

FLORIDA

(STATE OR OTHER JURISDICTION
OF INCORPORATION OR ORGANIZATION)

22-3261564

(I.R.S. EMPLOYER IDENTIFICATION
NO.)

105 N.W. 13 AVENUE, POMPAÑO BEACH, FLORIDA 33069

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

954-695-0195

(ISSUER'S TELEPHONE NUMBER INCLUDING AREA-CODE)

(FORMER NAME, FORMER ADDRESS AND
FORMER FISCAL YEAR, IF CHANGED SINCE LAST REPORT)

CHECK WHETHER THE ISSUER (1) FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION
13 OR 15(D) OF THE EXCHANGE ACT DURING THE PAST 12 MONTHS (OR FOR SUCH SHORTER
PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS) AND (2) HAS BEEN
SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES X NO

APPLICABLE ONLY TO CORPORATE ISSUERS

STATE THE NUMBER OF SHARES OUTSTANDING OF EACH OF THE ISSUER'S CLASSES OF COMMON
STOCK AS OF THE LATEST PRACTICABLE DATE:

COMMON STOCK, \$.01 PAR VALUE - 48,887,681 SHARES AS OF JUNE 30, 2003.

TRANSITIONAL SMALL BUSINESS DISCLOSURE FORMAT (CHECK ONE):

YES X NO
--- ---

RAPTOR INVESTMENTS, INC.
AND SUBSIDIARIES
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
AS OF JUNE 30, 2003

RAPTOR INVESTMENTS, INC.
AND SUBSIDIARIES

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RAPTOR INVESTMENTS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2003 (UNAUDITED)

ASSETS	
CURRENT ASSETS	
Cash	\$ 164,301
Investments, net	4,000
Accounts receivable, net	943,189
Inventories	259,874
Due from stockholder	16,470
Other current assets	1,808

Total Current Assets	1,389,642

PROPERTY AND EQUIPMENT - NET	1,094,965

OTHER ASSETS	
Building option	500,000
Other receivables	66,533
Deposits	8,525
Goodwill	1,111,077

Total Other Assets	1,686,135

TOTAL ASSETS	\$ 4,170,742
	=====
LIABILITIES AND STOCKHOLDERS' DEFICIENCY	
CURRENT LIABILITIES	
Cash overdraft	\$ 10,524
Accounts payable and accrued expenses	767,203
Loans payable - related parties	100,000
Capital lease - current	114,033

Total Current Liabilities	991,760

LONG-TERM LIABILITIES	
Capital lease - non-current	400,510
Line of credit	2,808,000
Note payable	400,000

Total Long-Term Liabilities	3,608,510

TOTAL LIABILITIES	4,600,270

STOCKHOLDERS' DEFICIENCY	
Preferred stock, \$.01 par value, 5,000,000 shares authorized, Class A, \$.01 par value,	

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15 shares issued and outstanding	1
Common stock, \$.01 par value, 100,000,000 shares authorized, 48,887,681 shares issued and outstanding	488,878
Additional paid-in capital	9,705,020
Note receivable - stockholder	(1,580,404)
Treasury stock	(49,107)
Other comprehensive loss	(3,885)
Accumulated deficit	(8,811,331)
Stock subscription receivable	(178,700)

Total Stockholders' Deficiency	(429,528)

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	\$ 4,170,742
	=====

See accompanying notes to condensed consolidated financial statements.

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RAPTOR INVESTMENTS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	For the Three Months Ended June 30, 2003 -----	For the Three Months Ended June 30, 2002 -----	For the Six Months Ended June 30, 2003 -----	For the Six Months Ended June 30, 2002 -----
REVENUE	\$ 2,907,752	\$ 30,000	\$ 5,571,960	\$ 30,000
COST OF GOODS SOLD	2,275,623 -----	-- -----	4,265,491 -----	-- -----
GROSS PROFIT	632,129 -----	30,000 -----	1,306,469 -----	30,000 -----
OPERATING EXPENSES				
Stock compensation	--	--	167,150	--
Selling expenses	202,373	--	390,603	--
Settlement of vendor payables	(329,999)	--	(622,918)	--
Other general and administrative	627,989	322,315	1,028,381	668,329
	-----	-----	-----	-----
Total Operating Expenses	500,363 -----	322,315 -----	963,216 -----	668,329 -----
INCOME (LOSS) FROM OPERATIONS	131,766	(292,315)	343,253	(638,329)

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OTHER INCOME (EXPENSE)				
Interest income	293	85,351	388	101,035
Interest expense	(53,079)	(5,000)	(191,900)	(8,400)
Total Other Income (Expense)	(52,786)	80,351	(191,512)	92,635
NET INCOME (LOSS)	\$ 78,980	\$ (211,964)	\$ 151,741	\$ (545,694)
NET INCOME (LOSS) PER SHARE				
Net income (loss)	\$ 78,980	\$ (211,964)	\$ 151,741	\$ (545,694)
Preferred stock dividends	(45,000)	(45,000)	(90,000)	(45,000)
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	\$ 33,980	\$ (256,964)	\$ 61,741	\$ (590,694)
Net income (loss) per common share - basic and diluted	\$ 0.00	\$ (0.00)	\$ 0.00	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	48,887,681	47,579,989	48,887,681	44,205,802

See accompanying notes to condensed consolidated financial statements.

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RAPTOR INVESTMENTS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the Six Months Ended June 30, 2003	For the Six Months Ended June 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ 151,741	\$ (545,694)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock issued for services	167,150	483,998
Depreciation	46,986	--
Non-cash gain on settlement of vendor payables	(622,918)	--
Changes in operating assets and liabilities:		

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(Increase) decrease in:		
Accounts receivable	7,937	(414)
Inventories	(121,285)	--
Royalty receivable	--	8,491
Stock subscription receivable	--	6,500
Other assets	(54,365)	3,735
Deposits	(6,000)	(16,470)
Increase (decrease) in:		
Cash overdraft	(16,804)	--
Accounts payable	(6,671)	(20,548)
Deferred revenue	--	20,000
	-----	-----
Net Cash Used In Operating Activities	(454,229)	(60,402)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from contract receivable	--	135,971
Proceeds from note receivable - stockholder	--	14,500
Proceeds from loan receivable	--	(14,400)
Proceeds on due from shareholder	--	3,070
Purchases of property and equipment	(16,184)	--
Restricted cash	355,635	--
	-----	-----
Net Cash Provided By Investing Activities	339,451	139,141
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on line of credit	(17,000)	--
Proceeds from loan payable - related party	--	4,000
Payments on loan payable - related party	(50,125)	(153,736)
Proceeds from note receivable - stockholder	--	1,400
Payments on capital lease	(58,173)	--
Proceeds from notes payable	400,000	--
Dividend payment on preferred stock	(5,000)	--
	-----	-----
Net Cash Provided By (Used in) Financing Activities	269,702	(148,336)
	-----	-----
NET INCREASE (DECREASE) IN CASH	154,924	(69,597)
CASH - BEGINNING OF PERIOD	9,377	105,135
	-----	-----
CASH - END OF PERIOD	\$ 164,301	\$ 35,538
	=====	=====
SUPPLEMENTAL DISCLOSURE OF-CASH FLOW INFORMATION:		
Cash paid for interest expense	\$ 191,900	\$ 8,400
	=====	=====

See accompanying notes to condensed consolidated financial statements.

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RAPTOR INVESTMENTS, INC. AND SUBSIDIARIES NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2003 (UNAUDITED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

(A) BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information necessary for a comprehensive presentation of financial position and results of operations.

It is management's opinion, however that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statements presentation. The results for the interim period are not necessarily indicative of the results to be expected for the year.

For further information, refer to the financial statements and footnotes for the year ended December 31, 2002 included in the Company's Form 10-KSB.

(B) USE OF ESTIMATES

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

(C) PRINCIPLES OF CONSOLIDATION

The condensed consolidated financial statements include the accounts of Raptor Investments, Inc. and its wholly owned subsidiaries LBI Properties, Inc., LBI Eweb Communities, Inc., and J&B Wholesale Produce, Inc., (from July 2, 2002, date of acquisition) (collectively, the "Company"). All intercompany accounts and transactions have been eliminated in consolidation.

NOTE 2 INVENTORIES

Inventories consist of purchased produce, fruit and vegetables and is valued at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

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(UNAUDITED)

NOTE 3 NOTE PAYABLE

During 2003, the Company issued a 10% note payable of \$800,000 due March 8, 2008 with interest only payments due monthly. The Company initially received \$400,000 for working capital and will receive the remaining \$400,000 to exercise its option on acquiring a cold storage facility. The note is secured by the assets of J&B Produce (See Note 9).

NOTE 4 STOCK ISSUANCES

(A) COMMON STOCK WARRANTS

During 2003, the Company issued 1,500,000 common stock warrants at an exercise price of \$.05 to consultants for services. Using the Black-Scholes model, the warrants were valued at \$167,150 using the following assumptions; no annual dividend, volatility of 315%, risk-free interest rate of return of 3.0% and a term of one year.

(B) PREFERRED STOCK DIVIDENDS

During the three months ended June 30, 2003, the Company paid cash dividends of \$5,000 on the Class A preferred stock. As of June 30, 2003, the Company has accrued dividends of \$175,000 due on the Class A preferred stock.

NOTE 5 COMMITMENTS AND CONTINGENCIES

(A) LAWSUITS

As of June 30, 2003, the Company and its insurance company have come to an agreement to settle all unresolved legal fees related to the prior operations and management of the Company. The Company has recorded a gain on the settlement of vendor payables of \$622,918.

(B) STOCK REPURCHASE

The Company entered into an agreement to repurchase certain outstanding shares of common stock from two former officers and directors at a tender price of \$0.20 per share. The tender price offer is guaranteed by the Company's President and Chief Financial Officer. The total shares owned by the former officers and directors is approximately 1,691,000. As of the date of this report, the Company is in default of the agreement. The former officers and directors have withheld insurance proceeds of \$66,533 until the Company and the former officers and directors can reach an agreement.

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NOTE 6 SEGMENT INFORMATION

The Company operates in two business segments, Produce and Other. The Company operates the Produce segment through its wholly owned subsidiary J&B Wholesale Produce, Inc. ("J&B"). J&B receives its revenues from selling produce wholesale to restaurants and stores. Raptor Investments, Inc., LBI Properties, Inc. and LBI Eweb Communities, Inc. do not meet the quantitative thresholds for a reportable segment and are therefore included in the Other segment. The accounting policies of the segments are the same as described in the summary of significant accounting policies. The Company evaluates segment performance based on income from operations. All intercompany transactions between segments have been eliminated. As a result, the components of operating loss for one segment may not be comparable to another segment. The following is a summary of the Company's segment information for the period ended June 30:

2003	Produce	Other	Total
	-----	-----	-----
Revenues	\$ 5,571,960	\$ -	\$ 5,571,960
Segment profit (loss)	(159,907)	311,648	151,741
Total assets	3,902,550	268,192	4,170,742
Additions to long-lived assets	1,184	15,000	16,184
Depreciation and amortization	45,916	1,070	46,986
2002			
Revenues	\$ -	\$ 30,000	\$ 30,000
Segment loss	-	(545,694)	(545,694)
Total assets	-	693,829	693,829
Additions to long-lived assets	-	-	-
Depreciation and amortization	-	-	-

NOTE 7 COMPREHENSIVE INCOME (LOSS)

The Company follows SFAS No. 130, "Reporting Comprehensive Income". This statement establishes standards for reporting and displaying comprehensive income (loss) and its components.

The components of other comprehensive income (loss) are as follows:

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	For the Six Months Ended June 30, 2003	For the Six Months Ended June 30, 2002
	-----	-----
Net Income (loss)	\$ 151,741	\$ (545,694)
Change in Net Unrealized gain on Securities	3,000	-
	-----	-----
Comprehensive Income (loss)	\$ 154,741	\$ (545,694)
	=====	=====

NOTE 8 GOING CONCERN

As shown in the accompanying condensed consolidated financial statements, the Company incurred a negative cash flow from operations of \$454,229, has an accumulated deficit of \$8,811,331 and a stockholders' deficiency of \$429,528. These factors raise substantial doubt about the Company's ability to continue as a going concern.

Management's plan for the Company in regards to these matters is to continue to grow the produce operations of the business through the J&B Produce subsidiary, which management believes will provide the necessary revenue and earnings to enhance shareholder value. Management intends to focus the business on profitable core customers and reduce costs using inventory controls. The Company is also actively seeking to refinance its long-term line of credit on terms more favorable to the Company. Management believes that the actions presently taken to reduce operating costs and obtain refinancing provide for the Company to operate as a going concern.

NOTE 9 SUBSEQUENT EVENT

(A) NOTE PAYABLE

On July 2, 2003, the Company received the remaining \$400,000 of note payable proceeds to exercise its option on the cold storage facility. The Company acquired the cold storage facility on July 2, 2003.

PART I ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

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FORWARD LOOKING STATEMENTS

When used in this Quarterly Report, the words or phrases "will likely result", "are expected to", "will continue", "is anticipated", "estimate", "projected", "intends to" or similar expressions are intended to identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The Company's forward-looking statements reflect the company's best judgment based on current information and are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, these statements. Readers are cautioned that they should not place undue reliance on any forward-looking statements because such statements speak only as of the date they are made.

PLAN OF OPERATION

The Company closed on the Acquisition of J&B Wholesale Produce, Inc. on July 2, 2002 and the Acquisition was reported on Form 8-K, which form is incorporated herein and made a part hereof by reference.

The Company completed the acquisition of LBI E Web Communities, Inc. LBI E Web is an Internet related holding company that currently owns the following five domain names: FinanceItOnTheWeb.com (a financial services directory site), Brassbulls.com (a public relations and financial information site), MyEnumber.com (an online address book and one stop Rolodex), Homewaiter.com (a food delivery and information site), and Mimesaro.com (a Spanish food delivery and information site). The Brassbulls.com website was completed in April 2002 and is fully operational. LBI E Web plans to create a network of self-developed websites covering a diverse universe of subjects.

The Company continues to pursue business consulting contracts from publicly traded and privately held companies. The Company plans to provide consultation in various areas including: mergers and acquisitions; venture capital; public relations; restructuring and financing. The Company plans to market its services to publicly traded and privately held companies through referrals and advertising in various business publications.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2003, the Company had a stockholder's deficiency of \$429,528. As of June 30, 2003 the Company incurred net profit of \$151,741. The Company plans to generate revenue in the future by retaining business consulting clients in the private and public sector. In addition, the Company plans to seek the acquisition of additional income producing assets such as J&B Wholesale Produce, Inc.

Management feels that liquidity, cash available for operations, and business conditions generally are favorable to the continued operations, and expansion, of the company's J&B Wholesale Produce Operations. The material positive changes in the financial condition of the company, from the like period in fiscal 2002, and from the first fiscal quarter of 2003 to the second fiscal quarter of 2003, are attributable to the acquisition of and operations of J&B Wholesale Produce. The management of J&B continues to pursue more higher yielding produce

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customers, which should improve long-term liquidity. In addition, management has set minimum daily order amounts, and sought to limit the number of smaller, unprofitable or less profitable accounts which it services, to further expand the business and maximize profit while limiting the cost per delivery of the company. Management continues to streamline the day-to-day operations of J&B, has moved most back-office activities away from the produce warehouse facility, and has upgraded the computers of the company.

The company closed on the real property which houses J&B Wholesale Produce, Inc. The funds to close on the property were provided by the lender, Gelpid Associates LLC.

Management feels that the company has adequate disclosure controls and procedures in place to insure the accurate and timely reporting of the financial condition of the company to it's auditors, and to the public.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The company included a full report of all litigation pending in it's annual report for the period ending December 31, 2002. That report is incorporated herein and made a part hereof by reference. Everything contained within this quarterly report is subject to the information contained within that annual report. In the opinion of management there are no outstanding litigation issues which threaten the viability of the company as an ongoing concern.

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From time to time, the Company is involved as plaintiff or defendant in various legal proceedings arising in the normal course of its business. While the ultimate outcome of these various legal proceedings cannot be predicted with certainty, it is the opinion of management that the resolution of these legal actions should not have a material effect on the Company's financial position, results of operations or liquidity.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

On June 27, 2002 the Company issued fifteen (15) shares of Preferred Stock, Class A, to Mr. Christian T. Chiari in exchange for certain financial consulting services provided to the Company by Mr. Chiari, including the acquisition by Mr. Chiari of funding from Gelpid Associates, LLC in order that the Company could close on it's acquisition of J&B Wholesale Produce, Inc. The acquisition of J&B Wholesale Produce, Inc., and a description of the transaction between the Company and Gelpid Associates LLC is contained within the 8-K filing of the Company which is incorporated herein and made a part hereof by reference.

The Preferred Stock, Class A, has an annual dividend of \$12,000 per share, payable in equal quarterly installments beginning with the date of issue. The Preferred Stock, Class A is convertible, in whole, but not in part, into so many shares of the Common Stock of the Company as equals one half of one percent (0.5%) of the total number of shares of issued and outstanding Common Stock of

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the Company on the date of conversion. However, no shares of Preferred Stock, Class A, is convertible into more than 375,000 Common shares.

On July 15, 2003 the company entered into a loan extension agreement with it's lender, Gelpid Associates LLC. Under the express terms of the 2002 loan to the company in the amount of \$2,825,000, the company was obligated to make a minimum payment to reduce the principal balance of the loan of \$250,000 by July 1, 2003. Under the express terms of the loan extension agreement, the lender waived the requirement of payment of the unpaid sums due for principal reduction under the 2002 loan until July 2, 2004.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

ITEM 5. OTHER INFORMATION

The Company completed the acquisition of J&B Wholesale Produce, Inc. ("J&B") on July 1, 2002. J&B is engaged in the wholesale produce business in Florida.

In order to effectuate the purchase, Raptor and J & B borrowed \$2,825,000. from Gelpid Associates LLC ("Gelpid") a Florida Limited Liability Company. A promissory note ("Note") in the amount of \$2,825,000. was executed. The Note has a term of three years, and bears interest at the rate of LIBOR plus ten percent, adjusted monthly. The minimum monthly payment due under the Note is accrued interest only. There is no prepayment penalty under the Note.

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The Note is secured by the machinery, equipment, furniture, fixtures, inventory, accounts receivable, work in progress, , motor vehicles, computer hardware and computer software of J & B. UCC-1 Financing Statements have been filed by Gelpid and Gelpid has taken possession of the titles to all of the motor vehicles owned by J&B as per the Terms of the Loan Agreement between Raptor and Gelpid. Contemporaneously with the execution of the Note, Raptor and J & B entered into a loan agreement with Gelpid which permits Gelpid to either appoint one member to the Board of Directors of Raptor and J & B, or at the election of Gelpid to appoint an observer to be present at the meetings of the Board of Directors of Raptor and J & B. Upon the request of Gelpid, Mr. Don A. Paradiso of Pompano Beach, Florida was appointed to the Board.

ITEM 6. EXHIBITS

(a) EXHIBITS.

The following exhibits are filed herewith.

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EXHIBIT NUMBER	DESCRIPTION
(a)	Financial Data Schedule

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

RAPTOR INVESTMENTS, INC.

DATED: July 29, 2003

BY: /S/ PAUL LOVITO

PAUL LOVITO,
CHAIRMAN, PRESIDENT AND
CHIEF EXECUTIVE OFFICER

BY: /S/ MATTEW LOVITO

MATTHEW LOVITO,
TREASURER AND CHIEF FINANCIAL OFFICER
(PRINCIPAL ACCOUNTING OFFICER)

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CERTIFICATIONS

I, Paul F. Lovito Jr., certify that:

1. I have review this Quarterly Report on form 10QSB of Raptor Investments, Inc.
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all

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material respects the financial condition, results of operations and cash flows of the registrant as of, and of, the periods presented in this Report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this Quarterly Report (the "Evaluation Date"); and
 - c. Presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies in design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this Quarterly Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 29, 2003

PAUL F. LOVITO JR.

CHAIRMAN, PRESIDENT, CHIEF
EXECUTIVE OFFICER
AND DIRECTOR

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CERTIFICATIONS

I, Matthew J. Lovito, certify that:

1. I have review this Quarterly Report on form 10QSB of Raptor Investments, Inc.
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and of, the periods presented in this Report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date with in 90 days prior to the filing date of this Report (the "Evaluation Date"); and
 - c. Presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies in design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

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Date: July 29, 2003

MATTHEW J. LOVITO

CHIEF FINANCIAL OFFICER,
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