

PART I: FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	<u>(Unaudited)</u> <u>March 31,</u> <u>2008</u>	<u>December 31,</u> <u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$ 8,041,616	\$ 18,321,349
Restricted cash	488,655	—
Accounts receivable, net	230,249	585,051
Inventory	1,630,376	2,024,676
Other current assets	468,970	401,329
Total current assets	10,859,866	21,332,405
PROPERTY AND EQUIPMENT		
Equipment and office fixtures	13,782,474	13,495,418
Building and land	3,711,103	3,709,873
Accumulated depreciation	(7,366,589)	(6,875,121)
Total property and equipment, net.....	10,126,988	10,330,170
OTHER ASSETS		
Inventory (non current)	6,057,591	5,746,970
Other non current assets	1,145,969	1,148,155
Total other assets	7,203,560	6,895,125
Total assets	\$ 28,190,414	\$ 38,557,700
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 633,701	\$ 776,378
Accrued expenses	1,648,186	3,562,260
Mortgage and loans payable	—	449,024
Deposits	70,312	82,090
Total current liabilities	2,352,199	4,869,752
LONG TERM LIABILITIES		
Mortgage and loans payable	—	2,601,286
Deferred income from Revenue Participation Certificates	887,500	887,500
Total long term liabilities	887,500	3,488,786
Total liabilities.....	3,239,699	8,358,538
STOCKHOLDERS' EQUITY		
Preferred stock - \$.0001 par value; 2,469,980 shares authorized; none outstanding	—	—
Preferred stock series D convertible - \$.0001 par value; 7,340,000 shares authorized; 6,900,000 and 6,900,000 issued and outstanding, respectively	690	690
Preferred stock series E convertible - \$.0001 par value; 20 shares authorized; 13 issued and outstanding	—	—
Preferred stock series F convertible - \$.0001 par value; 30 shares authorized; 22 issued and outstanding	—	—
Common stock - \$.0001 par value; 100,000,000 shares authorized; 48,005,962 and 47,766,848 issued and outstanding	4,801	4,777
Additional paid-in capital.....	93,973,798	92,441,209
Accumulated deficit	(69,028,574)	(62,247,514)
Total stockholders' equity	24,950,715	30,199,162
Total liabilities and stockholders' equity.....	\$ 28,190,414	\$ 38,557,700

The accompanying notes are an integral part of these financial statements.

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS - Unaudited

	Three Months Ended	
	March 31, 2008	March 31, 2007
REVENUE.....	\$ 281,029	\$ 2,149,197
OPERATING EXPENSES		
Cost of sales.....	93,120	486,030
Marketing, general and administrative	3,286,002	2,663,753
Operations and research	3,787,642	2,753,832
Total operating expenses	7,166,764	5,903,615
LOSS FROM OPERATIONS.....	(6,885,735)	(3,754,418)
OTHER INCOME (EXPENSE)		
Interest income	105,561	43,857
Interest expense	(38,437)	(123,413)
Other.....	37,550	23,815
Total other income (expense)	104,674	(55,741)
LOSS BEFORE INCOME TAXES	(6,781,061)	(3,810,159)
Income tax benefit (provision)	—	—
NET LOSS	(6,781,061)	(3,810,159)
NET LOSS PER SHARE		
Basic and diluted	\$ (.14)	\$ (.09)
Weighted average number of common shares outstanding		
Basic and diluted.....	47,912,211	46,855,226

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