SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended December 31, 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 0-21846

AETHLON MEDICAL, INC.

(Exact name of registrant as specified in its charter)

| NEVADA | 13-3632859 |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| 3030 BUNKER HILL ST, SUITE 4000, SAN DIEGO, CA | 92109 |
| (Address of principal executive offices) | (Zip Code) |

(858) 459-7800

(Registrant's telephone number, including area code)

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) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ].

The number of shares of common stock of the registrant outstanding as of February 11, 2005 was 16,045,684.

PART I. FINANCIAL INFORMATION

PART I.
FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
CONDENSED CONSOLIDATED BALANCE SHEET

| | December 31, 2004 (Unaudited) |
|---|---|
| ASSETS | |
| Current assets | |
| Cash | $ 39,219 |
| Prepaid expenses | 36,250 |
| | 75,469 |
| Property and equipment, net | 33,542 |
| Patents and patents pending, net | 219,770 |
| Other assets | 37,250 |
| | $ 366,031 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | |
| Current Liabilities | |
| Accounts payable and accrued liabilities | $ 1,657,291 |
| Due to related parties | 1,606,987 |
| Notes payable, net of discounts | 471,308 |
| | 3,735,586 |
| Commitments and Contingencies | |
| Stockholders' Deficit | |
| Common stock,par value $0.001 per share; 25,000,000 shares authorized; 15,343,502 shares issued and outstanding | 15,344 |
| Additional paid-in capital | 15,093,780 |
| Deficit accumulated during development stage | (18,478,679) |
| | (3,369,555) |
| | $ 366,031 |

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



<TABLE>

AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three and Nine Months Ended December 31, 2004 and 2003 and
For the Period January 31, 1984 (Inception) Through December 31, 2004
(Unaudited)

<CAPTION>

| | Three Months Ended December 31, 2004 | Three Months Ended December 31, 2003 | Nine Months Ended December 31, 2004 | Nine Months Ended December 31, 2003 | January 31, 1984 (Inception) through December 31, 2004 |
|---|---|---|---|---|---|
| <S> | <C> | <C> | <C> | <C> | <C> |
| REVENUES | | | | | |
| Grant income | $ -- | $ -- | $ -- | $ -- | $ 1,424,012 |

| | | | | | |
|---|---|---|---|---|---|
| Subcontract income | -- | -- | -- | -- | 73,746 |
| Sale of research and development | -- | -- | -- | -- | 35,810 |
| | -- | -- | -- | -- | 1,533,568 |
| EXPENSES | | | | | |
| Professional fees | 208,308 | 5,386 | 675,260 | 141,551 | 4,341,886 |
| Payroll and related | 183,643 | 101,212 | 568,098 | 311,344 | 6,138,608 |
| General and administrative | 157,951 | 82,082 | 326,863 | 237,610 | 3,809,304 |
| Impairment | -- | -- | -- | -- | 1,231,531 |
| | 549,902 | 188,680 | 1,570,221 | 690,505 | 15,521,329 |
| OPERATING LOSS | (549,902) | (188,680) | (1,570,221) | (690,505) | (13,987,761) |
| OTHER EXPENSE (INCOME) | | | | | |
| Interest and other debt expenses | 53,519 | 139,409 | (136,855) | 342,906 | 4,370,726 |
| Interest income | -- | -- | -- | -- | (17,415) |
| Other | -- | -- | -- | -- | 137,607 |
| | 53,519 | 139,409 | (136,855) | 342,906 | 4,490,918 |
| NET LOSS | $ (603,421) | $ (328,089) | $ (1,433,366) | $ (1,033,411) | $(18,478,679) |
| BASIC AND DILUTED LOSS PER COMMON SHARE | ($ 0.04) | ($ 0.04) | ($ 0.11) | ($ 0.13) | |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | 14,147,932 | 8,211,717 | 13,377,226 | 7,762,130 | |

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



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AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended December 31, 2004 and 2003 and
For the Period January 31, 1984 (Inception) Through December 31, 2004
(Unaudited)

<CAPTION>

| | Nine Months Ended December 31, 2004 | Nine Months Ended December 31, 2003 | January 31, 1984 (Inception) Through December 31, 2004 |
|---|---|---|---|
| <S> | <C> | <C> | <C> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | $ (1,433,366) | $ (1,033,411) | $(18,478,679) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Depreciation and amortization | 28,092 | 118,865 | 938,007 |
| Gain on sale of property and equipment | -- | -- | |

| | | | |
|---|---|---|---|
| (13,065) | | | |
| Fair market value of warrants issued in connection with accounts payable and debt | | -- | |
| 2,715,736 | | | |
| Fair market value of common stock, warrants and options issued for services and interest | 252,646 | 2,500 | 2,421,238 |
| Amortization of debt discount | 17,808 | -- | 17,808 |
| Beneficial conversion feature of convertible notes payable | -- | 150,000 | |
| 809,800 | | | |
| Impairment of patents pending | -- | -- | 334,304 |
| Impairment of goodwill | -- | -- | |
| 897,227 | | | |
| Deferred compensation forgiven | -- | -- | 217,223 |
| Changes in operating assets and liabilities: | | | |
| Prepaid expenses | (30,668) | 3,909 | 125,287 |
| Other assets | (16,845) | (3,300) | |
| (37,250) | | | |
| Accounts payable and accrued liabilities | 142,835 | 176,213 | 1,915,506 |
| Due to related parties | (66,470) | 179,235 | 1,606,987 |
| --- | | | |
| Net cash used in operating activities | (1,105,968) | (405,989) | |
| (6,529,871) | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of property and equipment | (27,349) | (4,783) | |
| (241,515) | | | |
| Acquisition of patents and patents pending | -- | -- | |
| (352,833) | | | |
| Proceeds from sale of property and equipment | -- | -- | 17,065 |
| Cash of acquired company | -- | -- | |
| 10,728 | | | |
| --- | | | |
| Net cash used in investing activities | (27,349) | (4,783) | |
| (566,555) | | | |

(continued)



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

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AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended December 31, 2004 and 2003 and
For the Period January 31, 1984 (Inception) Through December 31, 2004
(Unaudited)

<CAPTION>

| | Nine Months Ended December 31, 2004 | Nine Months Ended December 31, 2003 | January 31,1984 (Inception) Through December 31, 2004 |
|---|---|---|---|
| <S> | <C> | <C> | <C> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issuance of notes payable | $ 130,000 | $ -- | $ 1,610,000 |
| Principal payments on notes payable | (22,500) | (160,000) | (212,500) |
| Net proceeds from issuance of convertible notes payable | -- | 150,000 | 998,000 |
| Net proceeds from issuance of common stock | 1,063,417 | 420,000 | 4,740,145 |
| Net cash provided by financing activities | 1,170,917 | 410,000 | 7,135,645 |
| NET (DECREASE) INCREASE IN CASH | 37,600 | (772) | 39,219 |
| CASH - beginning of period | 1,619 | 6,332 | -- |
| CASH - end of period | $ 39,219 | $ 5,560 | $ 39,219 |

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



</TABLE>

AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2004

NOTE 1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

The Company is a development stage therapeutic device company focused on expanding the applications of our Hemopurifier (TM) platform technology, which is designed to rapidly reduce the presence of infectious viruses and other toxins from human blood. The HemopurifierTM is an expansive platform technology that converges the established scientific principles of affinity chromatography (method of selective capture of proteins, sugars, fats and organic compounds) and hemodialysis (artificial kidneys) as a means to augment the natural immune response of clearing infectious viruses and toxins from the blood before cells and organs can be infected. The therapeutic goal of each Hemopurifier(TM) application is to improve patient survival rates by reducing viral load and preserving the immune function.

Since many of the Company's patents were issued in the 1980's, they are scheduled to expire in the near future. Thus, such patents may expire before FDA approval, if any, is obtained.

The Company is classified as a development stage enterprise under accounting principles generally accepted in the United States ("GAAP"), and has not generated revenues from its principal operations.

The Company's common stock is quoted on the Over-the-Counter Bulletin Board of the National Association of Securities Dealers under the symbol "AEMD".

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with GAAP for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the nine-month period ended December 31, 2004 are not necessarily indicative of the results that may be expected for the year ending March 31, 2005.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Company presented below is designed to assist the reader in understanding the Company's consolidated financial statements. Such financial statements and related notes are the representations of Company management, who is responsible for their integrity and objectivity. These accounting policies conform to GAAP in all material respects, and have been consistently applied in preparing the accompanying condensed consolidated financial statements.

PRINCIPLES OF CONSOLIDATION
- ---------------------------

The accompanying condensed consolidated financial statements include the accounts of Aethlon Medical, Inc. and its legal wholly-owned subsidiaries Aethlon, Inc., Hemex, Inc. and Cell Activation, Inc. ("Cell") (collectively hereinafter referred to as the "Company"). All significant intercompany balances and transactions have been eliminated in consolidation.



AETHLON MEDICAL, INC. AND SUBSIDIARIES
(A Development Stage Company)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2004

STOCK BASED COMPENSATION
- ------------------------

At December 31, 2004, the Company has two stock-based employee compensation plans. The Company accounts for those plans under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), and related Interpretations.

No stock-based employee compensation cost is reflected in net loss, as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("FAS 123"), as amended, to stock-based employee compensation.

<TABLE>

| | Nine Months Ended December 31, 2004 | 2003 |
|---|---|---|
| <S> | <C> | <C> |
| Net loss: | | |
| As reported | $(1,433,366) | $(1,033,411) |
| Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards | -- | -- |
| Pro forma | $(1,433,366) | $(1,033,411) |
| Basic and diluted net loss per share: | | |
| As reported | $ (0.11) | $ (0.13) |
| Pro forma | $ (0.11) | $ (0.13) |

</TABLE>

LOSS PER COMMON SHARE
- ---------------------

Loss per common share is based on the weighted average number of shares of common stock and common stock equivalents outstanding during the periods presented in accordance with Statement of Financial Accounting Standards No. 128, "Earnings per Share."

Securities that could potentially dilute basic loss per share (prior to their conversion, exercise or redemption) were not included in the diluted-loss-per-share computation because their effect is anti-dilutive.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make judgments, assumptions and estimates that affect the amounts reported in the condensed consolidated financial statements and the accompanying notes. The amounts of assets and liabilities reported on our balance sheet and the amounts of revenues and expenses reported for each of our fiscal periods are affected by estimates and assumptions, which are used for, but not limited to, the accounting for the issuance of various equity instruments and notes payable. Actual results could differ from these estimates. The following critical accounting policies are significantly affected by judgments, assumptions and estimates used in the preparation of the consolidated financial statements.



ACCOUNTING FOR TRANSACTIONS INVOLVING STOCK COMPENSATION

Financial Accounting Standards Board ("FASB") Interpretation No. 44 ("FIN 44"), "ACCOUNTING FOR CERTAIN TRANSACTIONS INVOLVING STOCK COMPENSATION, AN INTERPRETATION OF APB 25" clarifies the application of APB 25 for (a) the definition of employee for purposes of applying APB 25, (b) the criteria for determining whether a plan qualifies as a noncompensatory plan, (c) the accounting consequence for various modifications to the terms of a previously fixed stock option or award, and (d) the accounting for an exchange of stock compensation awards in a business combination.

Under APB 25, compensation expense is the excess, if any, of the estimated fair value of the stock at the grant date or other measurement date over the amount an employee must pay to acquire the stock. Compensation expense, if any, is recognized over the applicable service period, which is usually the vesting period.

FAS 123, if fully adopted, changes the method of accounting for employee stock-based compensation plans to the fair value based method. For stock options and warrants, fair value is estimated using an option pricing model that takes into account the stock price at the grant date, the exercise

price, the expected life of the option or warrant, stock volatility and the annual rate of quarterly dividends. Compensation expense, if any, is recognized over the applicable service period, which is usually the vesting period. The adoption of the accounting methodology of SFAS 123 is optional and The Company has elected to continue accounting for stock-based compensation issued to employees using APB 25; however, pro forma disclosures, as we adopted the cost recognition requirement under SFAS 123, are required to be presented.

SFAS 148, "ACCOUNTING FOR STOCK-BASED COMPENSATION - TRANSITION AND DISCLOSURE, AN AMENDMENT OF FASB STATEMENT NO. 123," provides alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, this Statement amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results.

In December 2004, the FASB issued SFAS No. 123-R, "Share-Based Payment," which requires that the compensation cost relating to share-based payment transactions (including the cost of all employee stock options) be recognized in the financial statements. That cost will be measured based on the estimated fair value of the equity or liability instruments issued. SFAS No. 123-R covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. SFAS No.123-R replaces SFAS No. 123 and supersedes APB 25. As originally issued, SFAS No. 123 established as preferable a fair-value-based method of accounting for share-based payment transactions with employees. However, that pronouncement permitted entities to continue applying the intrinsic-value model of APB 25, provided that the financial statements disclosed the pro forma net income or loss based on the preferable fair-value method.

Small Business Issuers are required to apply SFAS No. 123-R in the first interim or annual reporting period that begins after December 15, 2005. Thus, the Company's consolidated financial statements will reflect an expense for (a) all share-based compensation arrangements granted on or after January 1, 2006 and for any such arrangements that are modified, cancelled, or repurchased on or after that date, and (b) the portion of previous share-based awards for which the requisite service has not been rendered as of that date, based on the grant-date estimated fair value. Management has not yet determined the future effect of FAS 123-R on its consolidated financial statements.

STOCK PURCHASE WARRANTS ISSUED WITH NOTES PAYABLE

The Company has granted warrants in connection with the issuance of certain notes payable. Under Accounting Principles Board Opinion No. 14, "ACCOUNTING FOR CONVERTIBLE DEBT AND DEBT ISSUED WITH STOCK PURCHASE WARRANTS," the relative estimated fair value of such warrants represents a discount from the face amount of the notes payable.

BENEFICIAL CONVERSION FEATURE OF CONVERTIBLE NOTES PAYABLE

The convertible feature of certain notes payable provides for a rate of conversion that is below market value. Such feature is normally characterized as a "beneficial conversion feature" ("BCF"). Pursuant to Emerging Issues Task Force Issue No. 98-5 ("EITF Issue No. 98-5"), "ACCOUNTING FOR CONVERTIBLE SECURITIES WITH BENEFICIAL CONVERSION FEATURES OR CONTINGENTLY ADJUSTABLE CONVERSION RATIO" and Emerging Issues Task Force Issue No. 00-27, "APPLICATION OF EITF ISSUE NO. 98-5 TO CERTAIN CONVERTIBLE INSTRUMENTS," the estimated fair value of the BCF is recorded in the consolidated financial statements as a discount from the face amount of the notes. Such discounts are amortized to interest expense over the term of the notes.



IMPAIRMENT OR DISPOSAL OF LONG-LIVED ASSETS

SFAS 144, "ACCOUNTING FOR THE IMPAIRMENT OF LONG-LIVED ASSETS AND FOR LONG-LIVED ASSETS TO BE DISPOSED OF" addresses financial accounting and reporting for the impairment or disposal of long-lived assets. SFAS 144 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If the cost basis of a long-lived asset is greater than the projected future undiscounted net cash flows from such asset (excluding interest), an impairment loss is recognized. Impairment losses are calculated as the difference between the cost basis of an asset and its estimated fair value. SFAS 144 also requires companies to separately report discontinued operations and extends that reporting requirement to a component of an entity that either has been disposed of (by sale, abandonment or in a distribution to owners) or is classified as held for sale. Assets to be disposed of are reported at the lower of the carrying amount or the estimated fair value less costs to sell. Management noted no impairment indicators at December 31, 2004.

INCOME TAXES

Under SFAS 109, "ACCOUNTING FOR INCOME TAXES," deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the consolidated financial statements and their respective tax basis. Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts reported for income tax purposes, and (b) tax credit carryforwards. The Company records a valuation allowance for deferred tax assets when, based on management's best estimate of taxable income (if any) in the foreseeable future, it is more likely than not that some portion of the deferred tax assets may not be realized.

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources and would be considered material to investors.

RECLASSIFICATIONS
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Certain reclassifications have been made to the December 31, 2003 financial statement presentation to correspond to the December 31, 2004 format.

NOTE 3. PROMISSORY NOTES

In December 2004, the Company repaid two $25,000 12% promissory notes, including accrued interest, through the issuance of 87,303 restricted common shares at $0.49 per share to each of two separate accredited individual investors. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

The Company is currently in default on approximately $427,500 of amounts owed under various notes payable and accrued liabilities. The Company plans to retire all past due notes by converting to them equity or repaying them with the proceeds of the current equity financing arrangements.



NOTE 4. GOING CONCERN AND LIQUIDITY CONSIDERATIONS

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the ordinary course of business. The Company has experienced a loss of approximately $18.5 million for the period from January 31, 1984 (Inception) through December 31, 2004. The Company has not generated significant revenue or any profit from operations since inception. A substantial amount of additional capital will be necessary to advance the development of the Company's products to the point at which they may become commercially viable. Our current plan of operation is to fund our anticipated increased research and development activities and operations for the near future through the $673,000 private placement of common stock (see Note 5) and the common stock purchase agreement with Fusion Capital Fund II, LLC in May 2004, whereby Fusion Capital committed to purchase up to an additional $6,000,000 of our common stock over a 30-month period (the "Additional Commitment"), commencing, at our election, after the Securities and Exchange Commission declared effective a registration statement covering such shares on December 7, 2004.

From December 8, 2004 through December 31, 2004, Fusion Capital purchased 437,297 shares of our common stock at prevailing market prices under the Additional Commitment and advanced us $200,000. At January 31, 2005, Fusion Capital had purchased a total of 723,904 shares of our common stock at prevailing market prices under the Additional Commitment and had advanced us a total of $360,000.

However, no assurance can be given that market conditions will remain acceptable and that we will continue to receive any additional funds under the Fusion Capital Additional Commitment. Based on our projections of additional employees for operations and to complete research, development and testing associated with our Hemopurifier(TM) products, we anticipate that if Fusion Capital completes its Additional Commitment, this will satisfy our cash requirements, including this anticipated increase in operations, in excess of the next twelve months. However, due to market conditions, and to assure availability of funding for operations in the long term, we may arrange for additional funding, subject to acceptable terms, during the next twelve months.

The condensed consolidated financial statements do not include any adjustments

relating to the recoverability of assets that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to obtain additional financing as may be required, and generate sufficient revenue and operating cash flow to meet its obligations on a timely basis.

NOTE 5. COMMITMENTS AND CONTINGENCIES

REGISTRATION RIGHTS AGREEMENT
- ------------------------------

In June 2004, the Company completed a $673,000 private placement of common stock with accredited investors, including Fusion Capital Fund II, LLC, a Chicago-based investor. In connection with the private placement, the Company entered into a common stock purchase agreement with Fusion Capital, whereby Fusion Capital has committed to purchase up to an additional $6,000,000 of the Company's common stock over a 30-month period, commencing, at the Company's election, after the SEC had declared effective a registration statement covering such shares. The funds the Company has received in connection with this financing, together with any additional funds the Company may receive from Fusion Capital under the Additional Commitment, will be used to fund the Company's research and development activities and anticipated operations for the future. This registration statement on Form SB-2 became effective on December 7, 2004.



NOTE 6. COMMON STOCK and WARRANT TRANSACTIONS

In October 2004, the Company issued two $40,000 10% one year notes each with 80,000 three-year warrants to purchase common stock at $0.50 and 44,444 three-year warrants to purchase common stock at $0.90 for cash in the total amount of $80,000 to two accredited individual investors. In accordance with GAAP, the proceeds of the financing have been allocated to the debt and the warrants, based on their relative fair values. Accordingly, a discount of $46,000 has been recorded as a reduction in the debt balance, and the off-setting credit has been recorded as additional paid-in capital. The debt discount is amortized and charged to interest expense over the life of the debt. At December 31, 2004, approximately $34,000 of such discount was unamortized and is included in notes payable in the accompanying condensed consolidated balance sheet. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In October 2004, the Company issued a $50,000 10% one-year note plus 100,000 three-year warrants to purchase common stock at $0.50 and 55,555 three-year warrants to purchase common stock at $0.90 for cash in the amount of $50,000 to an accredited individual investor. In accordance with GAAP, the proceeds of the financing have been allocated to the debt and the warrants, based on their relative fair values. Accordingly, a discount of $38,000 has been recorded as a reduction in the debt balance, and the off-setting credit has been recorded as additional paid-in capital. The debt discount is amortized and charged to interest expense over the life of the debt. At December 31, 2004, approximately $32,000 of such discount was unamortized and is included in notes payable in the accompanying condensed consolidated balance sheet. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In November 2004, the Company issued 60,000 shares of restricted common stock to an accredited individual investor in connection with the exercise of 60,000 warrants at $0.25 per share for consideration of a $15,000 reduction in the principal amount of a 10% one-year note. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 461,667 shares of restricted common stock to two accredited individual investors in connection with the exercise of 461,667 warrants at $0.25 per share held by an institutional investor. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company repaid two $25,000 12% promissory notes, including accrued interest, through the issuance of 87,303 restricted common shares at $0.49 per share to each of two separate accredited individual investors. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 20,000 shares of restricted common stock to an accredited individual investor in connection with the exercise of 20,000 warrants at $0.25 per share for consideration of a $5,000 reduction in the principal amount of a 10% one-year note, resulting in a remaining note balance of $30,000 at December 31, 2004. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 437,297 shares of common stock, at prices between $0.38 to $0.53 per share, to Fusion Capital under its $6,000,000 common stock purchase agreement, for total proceeds of $200,000. These shares are

registered pursuant to the Company's Form SB-2 registration statement effective December 7, 2004.

In December 2004, the Company issued 60,000 shares of restricted common stock at $0.50 per share under a consulting agreement with an accredited individual investor, in payment for investor relations consulting services to the Company. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.



NOTE 7. SUBSEQUENT EVENTS

In January 2005, the Company issued 55,556 shares of restricted common stock at $0.36 per share and 55,556 three-year warrants to purchase common stock at $0.44 per share for cash in the amount of $24,000 to an accredited individual investor. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In January 2005, the Company issued 286,607 shares of common stock at prices between $0.33 to and $0.46 per share to Fusion Capital under its $6,000,000 common stock purchase agreement. Fusion advanced the Company $160,000 in January 2005. These shares are registered pursuant to the Company's Form SB-2 registration statement effective December 7, 2004.

In January 2005, the Company issued 66,666 shares of restricted common stock at $0.45 per share to an accredited individual investor under a consulting agreement in payment for investor relations consulting services to the Company. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In January 2005, the Company issued 25,087 shares of common stock pursuant to the Company's S-8 registration statement covering the Company's 2003 Consulting Stock Plan at $0.49 per share to an accredited individual investor in payment for regulatory affairs consulting services to the Company.

In January 2005, the Company issued 25,834 shares of restricted common stock to an accredited individual investor in connection with the exercise of 25,834 warrants at $0.25 per share. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In February 2005, the Company issued 13,369 shares of common stock pursuant to the Company's S-8 registration statement covering the Company's 2003 Consulting Stock Plan at $0.37 per share to an accredited individual investor in payment for regulatory affairs consulting services to the Company.

In February 2005, the Company issued 139,063 shares of restricted common stock to an accredited individual investor in connection with the exercise of 139,063 warrants at $0.25 per share. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In February 2005, the Company issued 90,000 shares of restricted common stock at $0.27 per share and 90,000 three-year warrants to purchase common stock at $0.34 per share for cash in the amount of $24,300 to an accredited individual investor. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.



ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The following discussion of our consolidated financial condition and results of operations should be read in conjunction with our consolidated financial statements and their explanatory notes appearing elsewhere in this Form 10-QSB.

Certain statements contained herein that are not related to historical results, including, without limitation, statements regarding the Company's business strategy and objectives, future financial position, expectations about pending litigation and estimated cost savings, are forward-looking statements and involve risks and uncertainties. Although we believe that the assumptions on which these forward-looking statements are based are reasonable, there can be no assurance that such assumptions will prove to be accurate and actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, regulatory policies, competition from other similar businesses, and market and general economic factors. All forward-looking statements contained in this prospectus are qualified in their entirety by this statement.

PLAN OF OPERATION

We are a development stage therapeutic device company that has not yet engaged in significant commercial activities. The primary focus of our resources is the advancement of our proprietary Hemopurifier(TM) platform treatment technology, which is designed to rapidly reduce the presence of infectious viruses and

toxins in human blood. Our main focus during fiscal year 2005 is to prepare our HIV-Hemopurifier(TM) to treat HIV/AIDS, and our HCV-Hemopurifier(TM) to treat Hepatitis-C for human clinical trials. We are also working to advance pathogen filtration devices to treat infectious agents that may be used in biological warfare and terrorism.

We feel that the Hemopurifier(TM) will enhance and prolong the benefit of current infectious disease drug therapies, and fill the void for patients who inevitably become resistant to drug therapies. In this regard, our core focus is the development of therapeutic devices that treat HIV/AIDS, Hepatitis-C, and to treat patients that might become infected by a biological agent with no established drug or vaccine treatment.

To date, we have conducted and published studies that measured the ability of the Hemopurifier(TM) to capture HIV, Hepatitis-C, and gp120, which is a HIV surface protein that destroys immune cells. In pre-clinical testing, we have published that our HIV-Hemopurifier(TM) removed 55% of HIV from human blood in three hours and in excess of 85% of HIV in twelve hours. Additionally, the HIV-Hemopurifier(TM) captured 90% of gp120, a toxic protein that depletes human immune cells, during a one-hour pre-clinical blood study. We have also published pre-clinical blood studies of our HCV-Hemopurifier(TM), which documented the ability to capture 58% of the Hepatitis-C virus from infected blood in two hours. We are currently conducting but have not published studies related to the capture of other pathogens with the Hemopurifier(TM) including the capture of pathogens with the Hemopurifier(TM) relating to biological weapons which we are currently seeking to commercialize.

We have completed pre-clinical blood testing of Hemopurifiers(TM) to treat HIV and Hepatitis-C, but have yet to receive regulatory approval to initiate human trials. The commercialization of each Hemopurifier(TM) application involves significant hurdles, including the completion of human clinical trials. The approval of any application of the Hemopurifier(TM) in the United States will require the approval of the Food and Drug Administration (the "FDA") to initiate human studies. Such studies could take years to demonstrate safety and effectiveness in humans, and there is no assurance that the Hemopurifier(TM) will be cleared by the FDA as a device we can market to the medical community. We also anticipate that similar regulatory challenges will be expected from foreign regulatory agencies, should it attempt to commercialize and market the Hemopurifier(TM) outside of the United States. As a result, we have not generated revenues from the sale of any Hemopurifier(TM) application.

Additionally, there have been no independent validation studies of our Hemopurifiers(TM) to treat infectious disease. We manufacture our products on a small scale for testing purposes but have yet to manufacture our products on a large scale for commercial purposes.

We plan to continue our research and development activities related to our Hemopurifier(TM) platform technology, with particular emphasis on the advancement of our lead product candidates for the treatment of HIV/AIDS. We plan to continue our pre-clinical trials for both our HIV/AIDS Hemopurifier(TM) products as well as for our biodefense Hemopurifier(TM) products. We plan to start small human clinical trials for HIV patients in fiscal year 2005. We also plan to implement a regulatory strategy for the use of our Hemopurifier(TM) for biodefense treatments in fiscal year 2005 pursuant to a recent rule implemented by the FDA for medical countermeasures to weapons of mass destruction. Under this rule, in situations where it is deemed unethical to conduct efficacy studies in humans, a treatment can be reviewed for approval on the basis of efficacy in the most relevant animal species and safety data in humans.

Subject to our financing with Fusion Capital (see "Liquidity and Capital Resources"), we expect to add additional employees in the next twelve months as required to support our increased research and development effort that will include expanding our goal beyond treating infectious diseases HIV/AIDS and Hepatitis-C and new applications to combat infectious agents that may be used in biological warfare and terrorism. This will involve designing Hemopurifier(TM) products that can be rapidly deployed by armed forces as wearable post-exposure treatments on the battlefield, as well as dialysis-based treatments for civilian populations. This will entail developing the new treatment device based on the same proprietary Hemopurifier(TM) filtration technology that is utilized in advancing our HIV/AIDS, and Hepatitis-C treatments. An important part of this will include our cooperative agreement with the National Center for Biodefense at George Mason University to jointly pursue business and funding opportunities within the federal government.



Accordingly, due to this increase in activity, we anticipate increasing our spending on research and development during the next twelve months. Additionally, associated with our anticipated increase in research and development expenditures, we anticipate purchasing significant amounts of equipment and tenant improvements, during this period to support our laboratory and testing operations.

Our operations to date have consumed substantial capital without generating

revenues, and we will continue to require substantial and increasing capital funds to conduct necessary research and development and pre-clinical and clinical testing of our Hemopurifier(TM) products, as well as to market any of those products that receive regulatory approval. We do not expect to generate revenue from operations for the foreseeable future, and our ability to meet our cash obligations as they become due and payable is expected to depend for at least the next several years on our ability to sell securities, borrow funds or a combination thereof. Our future capital requirements will depend upon many factors, including progress with pre-clinical testing and clinical trials, the number and breadth of our programs, the time and costs involved in preparing, filing, prosecuting, maintaining and enforcing patent claims and other proprietary rights, the time and costs involved in obtaining regulatory approvals, competing technological and market developments, as well as our ability to establish collaborative arrangements, effective commercialization, marketing activities and other arrangements. We expect to continue to incur increasing negative cash flows and net losses for the foreseeable future.

RESULTS OF OPERATIONS

THREE MONTHS ENDED DECEMBER 31, 2004 COMPARED TO THE THREE MONTHS ENDED DECEMBER 31, 2003

Operating Expenses

Consolidated operating expenses were $549,902 for the three months ended December 31, 2004, versus $188,680 for the comparable period ended December 31, 2003. This increase of $361,222 in operating expenses is principally attributable to increased professional fees due to increased legal and accounting expenses associated with increased financing and investor relations activities, payroll and related expenses due to increased administrative and laboratory staff and increased general and administrative costs.

Net Loss

We recorded a consolidated net loss of $603,421 and $328,089 for the three-month periods ended December 31, 2004 and 2003, respectively. The increase in net loss of 84% was primarily attributable to increased operating expenses, offset partially by a reversal of approximately $228,000 in over-accrued interest expense.

Basic and diluted loss per common share was ($0.04) for the three month period ended December 31, 2004 compared to ($0.04) for the same period ended December 31, 2003. Loss per share was unchanged primarily due to the greater number of common shares outstanding during the three month period ended December 31, 2004, as compared to the three month period ended December 31, 2003, offset by the increased net loss for the three month period ended December 31, 2004, as compared to the three month period ended December 31, 2003.

NINE MONTHS ENDED DECEMBER 31, 2004 COMPARED TO THE NINE MONTHS ENDED DECEMBER 31, 2003

Operating Expenses

Consolidated operating expenses were $1,570,221 for the nine months ended December 31, 2004, versus $690,505 for the comparable period ended December 31, 2003. This increase of 127% in operating expenses is principally attributable to increased professional fees due to increased legal and accounting expenses associated with increased financing and investor relations activities, payroll and related expenses due to increased administrative and laboratory staff and increased general and administrative costs.



Net Loss

We recorded a consolidated net loss of $ 1,433,366 and $1,033,411 for the nine-month periods ended December 31, 2004 and 2003, respectively. The increase in net loss of 39% was primarily attributable to increased operating expenses, offset partially by a reversal of approximately $228,000 in over-accrued interest expense in the nine months ended December 31, 2004.

Basic and diluted loss per common share was ($0.11) for the nine month period ended December 31, 2004 compared to ($0.13) for the same period ended December 31, 2003. This reduction in loss per share was primarily attributable to the greater number of common shares outstanding during the nine month period ended December 31, 2004, as compared to the nine month period ended December 31, 2003, partially offset by the increased net loss for the nine month period ended December 31, 2004, as compared to the nine month period ended December 31, 2003.

LIQUIDITY AND CAPITAL RESOURCES

Our cash position at December 31, 2004 was $39,219 compared to $1,619, at March 31, 2004, representing an increase of $37,600, principally due to the funds received from the private sale of common stock for cash to Fusion Capital and other accredited individual investors in May and sale of registered shares to Fusion Capital in December 2004, offset principally by funds used for operations.

During the nine months ended December 31, 2004, operating activities used net cash of $1,105,968. We received funds totaling $1,063,417 from the issuance of common stock, $130,000 from the issuance of notes payable and repaid notes with cash totaling $22,500.

During the nine month period ended December 31, 2004, net cash used in operating activities primarily consisted of net loss of $1,433,366. Net loss was offset principally by depreciation of $28,092 plus the fair market value of common stock of $252,646 in payment for services, $17,808 for the amortization of debt discount, less a reduction in accounts payable and other liabilities of $142,835, primarily attributable to a reversal of approximately $228,000 in over-accrued interest expense, plus net changes in other operating assets and liabilities of ($113,983).

An increase in working capital during the nine months in the amount of $269,520, reduced our negative working capital position to ($3,660,117) at December 31, 2004 as compared to a negative working capital of ($3,929,637) at March 31, 2004.

Our current deficit in working capital requires us to obtain funds in the short-term to be able to continue in business, and in the longer term to fund research and development on products not yet ready for market.

Our operations to date have consumed substantial capital without generating revenues, and we will continue to require substantial and increasing capital funds to conduct necessary research and development and pre-clinical and clinical testing of our Hemopurifier(TM) products, and to market any of those products that receive regulatory approval. We do not expect to generate revenue from operations for the foreseeable future, and our ability to meet our cash obligations as they become due and payable is expected to depend for at least the next several years on our ability to sell securities, borrow funds or a combination thereof. Our future capital requirements will depend upon many factors, including progress with pre-clinical testing and clinical trials, the number and breadth of our programs, the time and costs involved in preparing, filing, prosecuting, maintaining and enforcing patent claims and other proprietary rights, the time and costs involved in obtaining regulatory approvals, competing technological and market developments, and our ability to establish collaborative arrangements, effective commercialization, marketing activities and other arrangements. We expect to continue to incur increasing negative cash flows and net losses for the foreseeable future.



Our current plan of operation is to fund our anticipated increased research and development activities and operations for the near future through the common stock purchase agreement with Fusion Capital Fund II, LLC in May 2004, whereby Fusion Capital committed to purchase up to an additional $6,000,000 of our common stock over a 30-month period (the "Additional Commitment"), commencing, at our election, after the Securities and Exchange Commission declared effective a registration statement covering such shares on December 7, 2004. During the period from that effective date through January 31, 2005, Fusion Capital had purchased a total of 723,904 shares of our common stock at prevailing market prices under the Additional Commitment for total proceeds of $360,000.

However, no assurance can be given that we will receive any additional funds under our agreement with Fusion Capital if market conditions to purchase our stock are unacceptable to Fusion or if Fusion is unable to provide funds. Based on our projections of additional employees for operations and to complete research, development and testing associated with our Hemopurifier(TM) products, we anticipate that these funds, if available as contemplated under the agreement with Fusion Capital, will satisfy our cash requirements, including this anticipated increase in operations, in excess of the next twelve months. However, due to market conditions, and to assure availability of funding for operations in the long term, we may arrange for additional funding, subject to acceptable terms, during the next twelve months.

Management does not believe that inflation has had or is likely to have any material impact on the Company's limited operations.

At the date of this filing, we do not have plans to purchase significant amounts of equipment or hire significant numbers of employees prior to successfully raising additional capital.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act and must file reports, proxy statements and other information with the SEC. The reports, information statements and other information we file with the Commission can be inspected and copied at the Commission Public Reference Room, 450 Fifth Street, N.W. Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at (800) SEC-0330. The Commission also maintains a Web site (http://www.sec.gov) that contains reports, proxy, and information statements and other information regarding registrants, like us, which file electronically with the Commission. Our headquarters are located at 3030 Bunker Hill Street, Suite 4000, San Diego, CA 92109. Our phone number at that address is (858) 459-7800. Our Web site is maintained at http://www.aethlonmedical.com.

ITEM 3. CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) as of the end of the period covered by this report (the "Evaluation Date"). Based upon that evaluation, the CEO and CFO concluded that, as of December 31, 2004, our disclosure controls and procedures were effective in timely alerting them to the material information relating to us (or our consolidated subsidiaries) required to be included in our periodic filings with the SEC.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation.



PART II

OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In October 2004, the Company issued two $40,000 10% one year notes each with 80,000 three-year warrants to purchase common stock at $0.50 and 44,444 three-year warrants to purchase common stock at $0.90 for cash in the total amount of $80,000 to two accredited individual investors. In accordance with GAAP, the proceeds of the financing have been allocated to the debt and the warrants, based on their relative fair values. Accordingly, a discount of $46,000 has been recorded as a reduction in the debt balance, and the off-setting credit has been recorded as additional paid-in capital. The debt discount is amortized and charged to interest expense over the life of the debt. At December 31, 2004, approximately $34,000 of such discount was unamortized and is included in notes payable in the accompanying condensed consolidated balance sheet. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In October 2004, the Company issued a $50,000 10% one-year note plus 100,000 three-year warrants to purchase common stock at $0.50 and 55,555 three-year warrants to purchase common stock at $0.90 for cash in the amount of $50,000 to an accredited individual investor. In accordance with GAAP, the proceeds of the financing have been allocated to the debt and the warrants, based on their relative fair values. Accordingly, a discount of $38,000 has been recorded as a reduction in the debt balance, and the off-setting credit has been recorded as additional paid-in capital. The debt discount is amortized and charged to interest expense over the life of the debt. At December 31, 2004, approximately $32,000 of such discount was unamortized and is included in notes payable in the accompanying condensed consolidated balance sheet. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In November 2004, the Company issued 60,000 shares of restricted common stock to an accredited individual investor in connection with the exercise of 60,000 warrants at $0.25 per share for consideration of a $15,000 reduction in the principal amount of a 10% one-year note. This transaction was exempt from

registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 461,667 shares of restricted common stock to two accredited individual investors in connection with the exercise of 461,667 warrants at $0.25 per share held by an institutional investor. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company repaid two $25,000 12% promissory notes, including accrued interest, through the issuance of 87,303 restricted common shares at $0.49 per share to each of two separate accredited individual investors. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 20,000 shares of restricted common stock to an accredited individual investor in connection with the exercise of 20,000 warrants at $0.25 per share for consideration of a $5,000 reduction in the principal amount of a 10% one-year note, resulting in a remaining note balance of $30,000 at December 31, 2004. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

In December 2004, the Company issued 60,000 shares of restricted common stock at $0.50 per share under a consulting agreement with an accredited individual investor, in payment for investor relations consulting services to the Company. This transaction was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

As of the date of this report, various promissory notes payable in the aggregate principal amount of $427,500 have reached maturity and are past due. The Company plans to retire all past due notes by converting to them equity or repaying them with the proceeds of the current equity financing arrangements.

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

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS
(a) Exhibits. The following documents are filed as part of this report:

31.1 Certification of CEO pursuant to Securities Exchange Act rules 13a-15 and 15d-15(c) as adopted pursuant to section 302 of the Sarbanes-Oxley act of 2002.

31.2 Certification of CFO pursuant to Securities Exchange Act rules 13a-15 and 15d-15(c) as adopted pursuant to section 302 of the Sarbanes-Oxley act of 2002.

32.1 Certification of James A. Joyce, Chief Executive Officer pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002.

32.2 Certification of Edward C. Hall, Chief Financial Officer (Principal Accounting Officer) pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002.



SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AETHLON MEDICAL, INC

Date: February 14, 2005

BY: /S/ JAMES A. JOYCE
JAMES A. JOYCE
CHAIRMAN, PRESIDENT AND
CHIEF EXECUTIVE OFFICER

BY: /S/ EDWARD C. HALL
EDWARD C. HALL
CHIEF FINANCIAL OFFICER

EXHIBIT 31.1

CERTIFICATION

I, James Joyce, certify that:

1. I have reviewed this report on Form 10-QSB of Aethlon Medical, Inc.;

2. Based on my knowledge, this 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 report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, 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-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2005

/S/ JAMES A. JOYCE
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JAMES A. JOYCE
CHIEF EXECUTIVE OFFICER
(PRINCIPAL EXECUTIVE OFFICER)

EXHIBIT 31.2

CERTIFICATION

I, Edward C. Hall, certify that:

1. I have reviewed this report on Form 10-QSB of Aethlon Medical, Inc.;

2. Based on my knowledge, this 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 report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, 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-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2005

/S/ EDWARD C. HALL
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EDWARD C. HALL
CHIEF FINANCIAL OFFICER
(PRINCIPAL ACCOUNTING OFFICER)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Aethlon Medical, Inc. Quarterly Report on Form 10-QSB for the quarter ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof, I, James A. Joyce, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. Such quarterly report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

2. The information contained in such Quarterly Report on Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of Aethlon Medical, Inc.

Date: February 14, 2005

By: /s/ James A. Joyce
James A. Joyce
Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Aethlon Medical, Inc. and will be retained by Aethlon Medical, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Aethlon Medical, Inc. Quarterly Report on Form 10-QSB for the quarter ended December 31, 2004 as filed with the Securities and Exchange Commission on the date hereof, I, Edward C. Hall, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. Such quarterly report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

2. The information contained in such Quarterly Report on Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of Aethlon Medical, Inc.

Date: February 14, 2005

By: /s/ Edward C. Hall
Edward C. Hall
Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Aethlon Medical, Inc. and will be retained by Aethlon Medical, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.