

Demonstration Model
Financial Forecast for 2005/2006
2005 - 2006

Financial Performance Summary

Revenue	4,642,944
Cost of Sales	2,684,995
Gross Profit	1,957,949
Overheads	978,198
Other Costs	46,281
Other Income	100,000
Pr Before Int & Tax	1,033,470
Net Interest	(112,497)
Profit Before Tax	1,145,967
Taxation	401,088
Net Profit After Tax	744,879
Dividends	0
Retained Profit	744,879

Financial Position Summary

Receivables	798,006
Inventory	162,225
Other Current Assets	24,182
Current Assets	984,413
Payables	350,636
Other Current Liabs	50,739
Current Liabilities	401,375
Working Capital	583,038
Net Fixed Assets	624,844
Net Assets	1,207,882
Net Loans	(2,912,099)
Equity	3,330,488
Other Capital	789,493
Total Capital	1,207,882

Key Indicators

Operating Cash Flow	935,920
Net Cash Flow	1,358,417
Gross Profit %	42.2%
Working Capital %	12.6%
PBIT %	22.3%
Asset Turn	3.8
Pre-Tax RONA %	85.6%
Receivables Days	56
Payables Days	56
Inventory Days	60
Interest Cover (PBIT)	-
Interest Cover (Cash)	-
Net Loans/Ret Profit	-3.9
Debt/Total Capital %	-241.1%

Base Case

Demonstration Model
Financial Forecast for 2005/2006
2005 - 2006

Financial Performance Summary

Revenue	+464,294
Cost of Sales	+268,500
Gross Profit	+195,794
Overheads	-
Other Costs	-
Other Income	-
Pr Before Int & Tax	+195,794
Net Interest	-1,659
Profit Before Tax	+197,453
Taxation	+69,109
Net Profit After Tax	+128,344
Dividends	-
Retained Profit	+128,344

Financial Position Summary

Receivables	+79,800
Inventory	+16,223
Other Current Assets	+2,418
Current Assets	+98,441
Payables	+21,356
Other Current Liabs	+5,589
Current Liabilities	+26,945
Working Capital	+71,496
Net Fixed Assets	-
Net Assets	+71,496
Net Loans	-125,955
Equity	+128,343
Other Capital	+69,108
Total Capital	+71,496

Key Indicators

Operating Cash Flow	+125,272
Net Cash Flow	+126,931
Gross Profit %	-
Working Capital %	+0.3%
PBIT %	+1.8%
Asset Turn	+0.1
Pre-Tax RONA %	+10.5%
Receivables Days	-
Payables Days	-
Inventory Days	-
Interest Cover (PBIT)	-
Interest Cover (Cash)	-
Net Loans/Ret Profit	+0.4
Debt/Total Capital %	+3.6%

What If Sales Volume +10% (Differences)

Demonstration Model

	Opening	2003 - 2004	2004 - 2005	2005 - 2006
Revenue	n/a	3,840,000	4,339,200	4,642,944
Revenue Growth	n/a	n/a	13.0%	7.0%
Operating Cash Flow	n/a	607,978	784,870	935,920
Net Cash Flow	n/a	613,692	1,139,990	1,358,417
Gross Profit %	n/a	39.2%	41.2%	42.2%
Working Capital %	n/a	12.1%	12.4%	12.6%
PBIT %	n/a	17.6%	20.9%	22.3%
Profit Before Tax	n/a	671,692	952,322	1,145,967
Net Profit After Tax	n/a	436,600	619,009	744,879
Interest Cover (PBIT)	n/a	157.7	-	-
Interest Cover (Cash)	n/a	144.2	-	-
Receivables Days	n/a	56	56	56
Payables Days	n/a	55	57	56
Inventory Days	n/a	63	62	60
Working Capital	440,000	464,500	539,207	583,038
Net Fixed Assets	480,000	723,500	671,125	624,844
Net Assets	920,000	1,188,000	1,210,332	1,207,882
Asset Turn	n/a	3.2	3.6	3.8
Pre-Tax RONA %	n/a	56.9%	75.0%	85.6%
Net Loans	200,000	(413,692)	(1,553,682)	(2,912,099)
Equity	630,000	1,366,600	2,285,609	3,330,488
Debt/Total Capital %	21.7%	-34.8%	-128.4%	-241.1%
Net Loans/Ret Profit	n/a	-0.9	-2.5	-3.9

Base Case