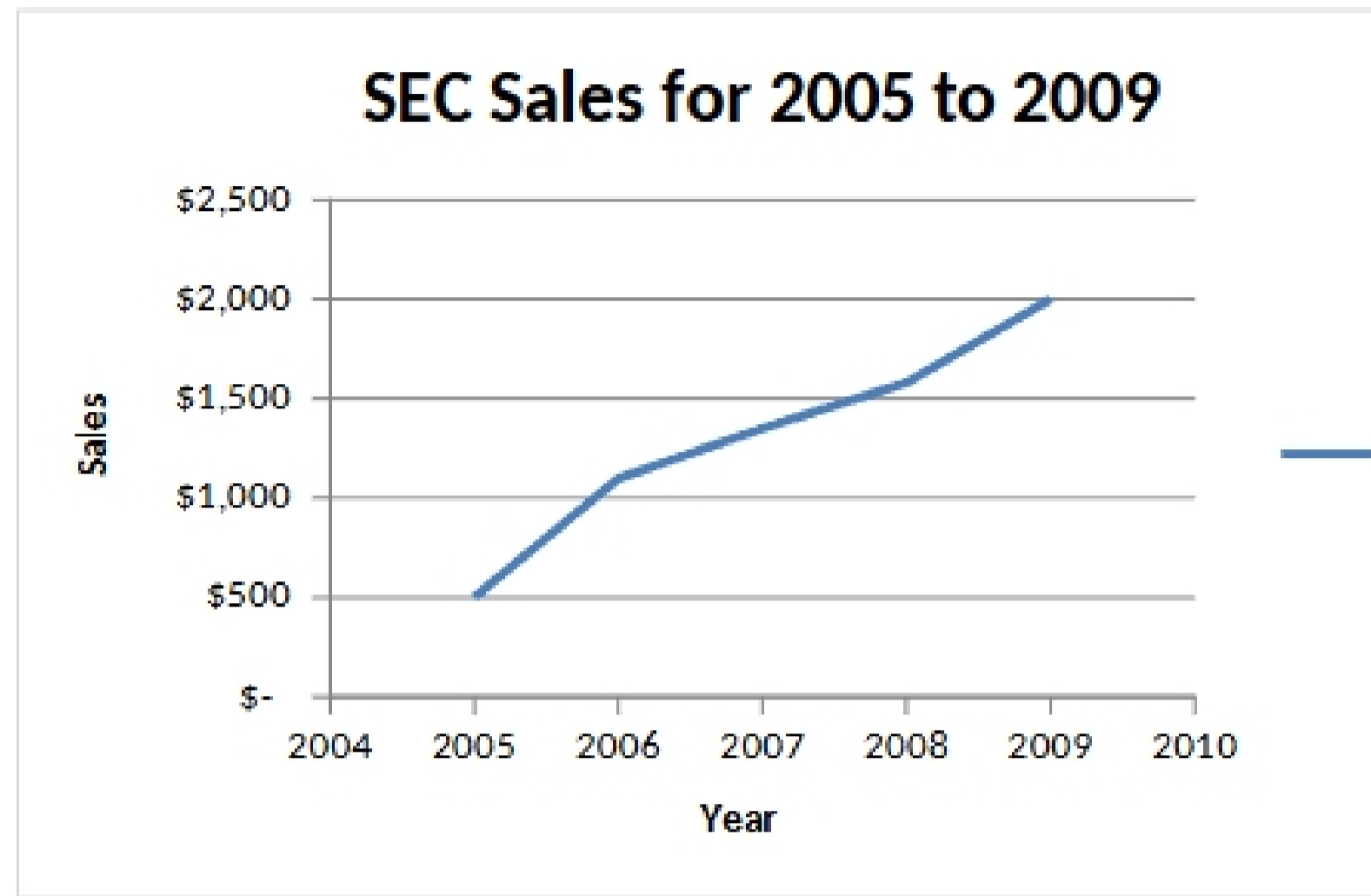


Trend forecast

Year	Sales
2005	\$ 500
2006	\$ 1,098
2007	\$ 1,350
2008	\$ 1,580
2009	\$ 2,000
2010	\$ 2,350
2011	\$ 2,698
2012	\$ 3,047



Sales

Forecasted Financial Statements

2009 Balance Sheet (in millions)

	2009
Cash and Securities	\$20.0
Accounts Receivable	\$240.0
Inventories	\$240.0
Total Current Assets	\$500.0
Net Fixed Assets	\$500.0
Total Assets	\$1,000.0
Accounts Payable and Accruals	\$100.0
Notes Payable	\$100.0
Total Current Liabilities	\$200.0
Long Term Debt	\$100.0
Common Stock	\$500.0
Retained Earnings	\$200.0
Total Liabilities and Equity	\$1,000.0

2009 Income Statement (in millions)

Sales	\$2,000.0
Variable Costs	\$1,200.0
Fixed Costs	\$700.0
EBIT	\$100.0
Interest	\$10.0
EBT	\$90.0
Taxes(40%)	\$36.0
Net Income	\$54.0
Dividends(40%)	\$21.6
Additions to Retained Earnings	\$32.4

Other Inputs

Interest rate on debt	10%
Tax rate	40%
Dividend Payout Ratio	40%

Funds will be generated through:

Notes Payable =	100%
Long Term Debt =	0%

Forecasting Outputs

Percent of Sales Inputs	Actual 2009	Projected 2010
COGS/Sales	60.0%	60.0%
SGA/Sales	35.0%	35.0%
Cash/Sales	1.0%	1.0%
Accounts Rec./Sales	12.0%	12.0%
Inv./Sales	12.0%	12.0%
Net Fixed Assets/Sales	25.0%	25.0%
AP & Accruals/Sales	5.0%	5.0%