## M&A Model - Online Company Inc & Brick 'n' Mortar Co

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**Deal Assumptions & Analysis** Pro Forma Model Acquirer Model Target Model

#### Notes

This Excel model is for educational purposes only and should not be used for any other reason.

# Merger Assumptions for Online Company Inc & Brick 'n' Mortar Co

Transaction Inputs		Scenarios						
Acquirer Name	Online Company Inc	Scenario # LIVE>	4	1	2	3	4	5
Target Name	Brick 'n' Mortar Co	···						
Acquirer Share Price	\$11.75	Synergies						
Target Share Price	\$17.30	Revenue enhancement	6,500	5,500	6,000	6,000	6,500	6,500
Transaction Close Date	9/30/2017	COGS savings	875	875	875	875	875	875
Financial Reporting Units	\$ 000s	Marketing savings	1,250	1,250	1,250	1,250	1,250	1,250
Currency	USD	General & Admin savings	1,000	1,000	1,000	1,000	1,000	1,000
Restructuring Charges	2,000	Synergies in Year 1 (full yr.)	30%	30%	30%	30%	30%	30%
Equity Issuance Fees	3.0%	Synergies in Year 2	65%	65%	65%	65%	65%	65%
Debt Issuance Fees	3.0%	Synergies in Years 3+	100%	100%	100%	100%	100%	100%
Other Closing Costs	2,000							
		Financing						
Replace Target Debt	Yes	Debt Tranche						
Replace Acquirer Debt	No	Senior Debt A	100,000	-	100,000	100,000	100,000	100,000
		Senior Debt B	50,000	-	-	50,000	50,000	50,000
Acquirer FD Shares Outstanding	50,000	Subordinated Debt	25,000	-	-	-	25,000	25,000
Target FD Share Outstanding	25,000	Interest Rate						
Shares Issued	23,238	Senior Debt A	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Pro Forma Shares Outstanding	73,238	Senior Debt B	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
		Subordinated Debt	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%
Share Issuance Discount	1.0%		-					
Share Issuance Price	\$11.63	Transaction						
		Takeover Premium	25.0%	15.0%	15.0%	20.0%	25.0%	30.0%
Purchase Price		Cash Consideration	50.0%	0.0%	20.0%	40.0%	50.0%	55.0%
Target Share Price	\$17.30							
Takeover Premium	25.0%							
Offer Price	\$21.63							
	•	Sources & Uses of Cash						
Acquirer Share Price	\$11.75	Sources of Cash				Uses of Cash		
Share Exchange Ratio	1.840	Cash	127,473		•	Cash Considerat	ion	270,313
· ·		Stock Issued	270,313			Stock Considerat	tion	270,313
Target Shares Outstanding	25,000	Debt Issued	175,000			Target Debt - Re	place	16,801
Offer Price	\$21.63					Acquirer Debt - F	Replace	
Purchase Price	540,625					Debt Financing F	ees	5,250
Target Debt	16,801					Equity Financing	Fees	8,109
Target Cash	72,624					Other Closing Co	sts	2,000
Enterprise Value	484,802	Total Sources	572,785		•	Total Uses		572,785

Goodwill and Purchase Price Allocati	ion				
Fair Market Value	Book Value	Fair Value	Adjustment	Purchase Price Allocation	
Inventory & Other Current Assets	86,896	168,354	81,458	Total Purchase Price	540,625
Target PP&E	22,174	95,854	73,680	Net Book Value of Assets	87,899
Identifiable Intangibles			-	Excess Purchase Price	452,726
Net Identifiable Assets	109,070	264,208	155,138	Write-off Existing Goodwill	_
				Fair Value Adjustments	155,138
				Excess Purchase Price After Adjustments	297,588
				Goodwill	297.588

# Merger Assumptions for Online Company Inc & Brick 'n' Mortar Co

1	2	3	4	5	6	7	8	9	10
Acquirer	Target	Fair Value	Target PF	Purchase	Financing	Financing	Financing	Total Adj.	Consol
9/30/2017	9/30/2017			Transaction	Debt + Equity	Fees	Re - Fi Debt		9/30/2017
153,654	72,624		72,624	(270,313)	175,000	(15,359)	(16,801)	(54,849)	98,805
8,201	5,869		5,869					5,869	14,070
15,309	8,403	81,458	89,861					89,861	105,170
177,165	86,896							40,881	218,046
43,143	22,174	73,680	95,854					95,854	138,997
-	-		-	297,588				297,588	297,588
220,307	109,070							434,323	654,630
-	-		-					-	-
7,080	4,370		4,370					4,370	11,450
7,080	4,370							4,370	11,450
30,000	16,801		16,801		175,000		(16,801)	175,000	205,000
37,080	21,171							179,370	216,450
70,000	39,203		39,203	(39,203)	270,313			270,313	340,313
113,227	48,697		48,697	(48,697)		(15,359)		(15,359)	97,868
183,227	87,899							254,953	438,180
220,307	109,070							434,323	654,630
		-		-	-	-		-	
0.000	0.000							0.000	0.000
	9/30/2017  153,654 8,201 15,309 177,165 43,143 - 220,307  7,080 7,080 30,000 37,080 70,000 113,227 183,227 220,307	Acquirer         Target           9/30/2017         9/30/2017           153,654         72,624           8,201         5,869           15,309         8,403           177,165         86,896           43,143         22,174           220,307         109,070           7,080         4,370           30,000         16,801           37,080         21,171           70,000         39,203           113,227         48,697           183,227         87,899           220,307         109,070	Acquirer         Target         Fair Value           9/30/2017         9/30/2017         Fair Value           153,654         72,624         8,201         5,869           15,309         8,403         81,458           177,165         86,896         43,143         22,174         73,680           220,307         109,070         7,080         4,370         7,080         4,370         30,000         16,801         37,080         21,171         70,000         39,203         113,227         48,697         183,227         87,899         220,307         109,070	Acquirer         Target         Fair Value         Target PF           9/30/2017         9/30/2017         72,624         72,624           153,654         72,624         5,869         5,869           15,309         8,403         81,458         89,861           177,165         86,896         43,143         22,174         73,680         95,854           220,307         109,070         4,370         4,370           7,080         4,370         30,000         16,801         16,801           37,080         21,171         70,000         39,203         39,203           113,227         48,697         48,697         48,697           183,227         87,899         220,307         109,070	Acquirer         Target         Fair Value         Target PF         Purchase           9/30/2017         9/30/2017         Transaction           153,654         72,624         72,624         (270,313)           8,201         5,869         5,869         5,869           15,309         8,403         81,458         89,861           177,165         86,896         43,143         22,174         73,680         95,854           43,143         22,174         73,680         95,854         297,588           220,307         109,070         4,370         4,370           7,080         4,370         4,370         4,370           30,000         16,801         16,801         16,801           37,080         21,171         39,203         (39,203)           113,227         48,697         48,697         48,697           183,227         87,899         220,307         109,070	Acquirer         Target         Fair Value         Target PF         Purchase         Financing           9/30/2017         9/30/2017         Transaction         Debt + Equity           153,654         72,624         72,624         (270,313)         175,000           8,201         5,869         5,869         15,309         4,403         81,458         89,861	Acquirer         Target         Fair Value         Target PF         Purchase         Financing         Financing           9/30/2017         9/30/2017         Transaction         Debt + Equity         Fees           153,654         72,624         72,624         (270,313)         175,000         (15,359)           8,201         5,869         5,869         15,309         175,000         175,000         (15,359)           15,309         8,403         81,458         89,861	Acquirer         Target         Fair Value         Target PF         Purchase         Financing         Financing         Financing           9/30/2017         9/30/2017         Transaction         Debt + Equity         Fees         Re - Fi Debt           153,654         72,624         72,624         (270,313)         175,000         (15,359)         (16,801)           8,201         5,869         5,869         15,309         8,403         81,458         89,861 <td< td=""><td>Acquirer         Target         Fair Value         Target PF         Purchase         Financing Debt + Equity         Financing Financing         Total Adj.           9/30/2017         9/30/2017         72,624         (270,313)         Debt + Equity         Fees         Re - Fi Debt           153,654         72,624         72,624         (270,313)         175,000         (15,359)         (16,801)         (54,849)           8,201         5,869         5,869         5,869         5,869         5,869         5,869         5,869         15,309         8,403         81,458         89,861         89,861         40,881         40,881         43,143         22,174         73,680         95,854         95,854         95,854         297,588         220,307         109,070         4343,323         434,323         434,323         434,323         434,323         4370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         30,000         16,801         175,000         175,000         175,000         175,000         37,080         21,171         179,370         270,313         179,370         270,313         113,227         48,697         48,697         48,697         48,697</td></td<>	Acquirer         Target         Fair Value         Target PF         Purchase         Financing Debt + Equity         Financing Financing         Total Adj.           9/30/2017         9/30/2017         72,624         (270,313)         Debt + Equity         Fees         Re - Fi Debt           153,654         72,624         72,624         (270,313)         175,000         (15,359)         (16,801)         (54,849)           8,201         5,869         5,869         5,869         5,869         5,869         5,869         5,869         15,309         8,403         81,458         89,861         89,861         40,881         40,881         43,143         22,174         73,680         95,854         95,854         95,854         297,588         220,307         109,070         4343,323         434,323         434,323         434,323         434,323         4370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         4,370         30,000         16,801         175,000         175,000         175,000         175,000         37,080         21,171         179,370         270,313         179,370         270,313         113,227         48,697         48,697         48,697         48,697

## Merger Assumptions for Online Company Inc & Brick 'n' Mortar Co

Accretion/Dilution Analysis					
	2018	2019	2020	2021	202
Earnings Per Share					
Acquirer Net Earnings	33,099	37,484	40,290	42,824	46,788
Target Net Earnings	23,910	28,510	32,118	35,303	38,428
Pro Forma Net Earnings	43,659	56,932	70,056	78,412	86,324
Acquirer Shares O/S	50,000	50,000	50,000	50,000	50,000
Target Share O/S	25,000	25,000	25,000	25,000	25,000
Pro Forma Shares O/S	73,238	73,238	73,238	73,238	73,238
Acquirer EPS	0.66	0.75	0.81	0.86	0.94
Target EPS	0.96	1.14	1.28	1.41	1.54
Pro Forma EPS	0.60	0.78	0.96	1.07	1.18
Accretion/Dilution	-10%	4%	19%	25%	26%
Cash Flow Per Share					
Acquirer Cash Flow	38,099	42,938	48,888	52,048	57,203
Target Cash Flow	28,274	32,190	35,998	39,409	42,880
Pro Forma Cash Flow	64,271	75,590	91,034	98,538	106,633
Acquirer Shares O/S	50,000	50,000	50,000	50,000	50,000
Target Share O/S	25,000	25,000	25,000	25,000	25,000
Pro Forma Shares O/S	73,238	73,238	73,238	73,238	73,238
Acquirer CFPS	0.76	0.86	0.98	1.04	1.14
Target CFPS	1.13	1.29	1.44	1.58	1.72
Pro Forma CFPS	0.88	1.03	1.24	1.35	1.46
Accretion/Dilution	15%	20%	27%	29%	27%

#### Summary & Sensitivity

Share Price Impact										
	Offer Price	Market Price	DCF Model							
Target Price per Share	\$21.63	\$17.30	\$17.37							
Acquirer										
Acquirer Price per Share		\$11.75	\$11.39							
Pro Forma Price per Share			\$11.82							
Change in Acquirer NPV per Share			\$0.43							
•			3.8%							

Capital Structure									
	Current	Pro Forma	Change						
Equity	569,621	865,992	52.0%						
Cash	153,654	98,805	-35.7%						
Debt	30,000	205,000	583.3%						
Enterprise Value	445,967	972,186	118.0%						
Shares Outstanding	50,000	73,238	46.5%						
Equity Value/Share	\$11.39	\$11.82	3.8%						

Implied Share Price Change										
			Takeover Pre	mium						
		20%	25%	30%	35%					
Rev Enhance	6,500	6.5%	3.8%	1.2%	-1.4%					
	5,500	5.7%	3.0%	0.4%	-2.1%					
	4,500	4.9%	2.3%	-0.3%	-2.9%					
	3,500	4.2%	1.5%	-1.1%	-3.6%					
	2,500	3.4%	0.8%	-1.8%	-4.3%					
	1,500	2.6%	0.0%	-2.6%	-5.1%					

2019 EPS Accretion/(Dilution)											
		Takeover Premium									
		20%	25%	30%	35%						
Target Sh Pric	18.00	3.7%	2.4%	1.1%	-0.2%						
	19.00	1.9%	0.6%	-0.8%	-2.1%						
	20.00	0.2%	-1.2%	-2.6%	-3.9%						
	21.00	-1.5%	-2.9%	-4.3%	-5.6%						
	22.00	-3.1%	-4.5%	-5.9%	-7.3%						
	23.00	-4.7%	-6.1%	-7.5%	-8.9%						

		CLOSE	2017E	2018E	2019E	2020E	2021E	2022E
Balance Sheet Check		ok	ok	ok	ok	ok	ok	ok
End of Period		9/30/2017	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2021
Days in Period		273	92	365	365	366	365	365
Fraction of Year		0.750	0.250	1.000	1.000	1.000	1.000	1.000
Assumptions								
Debt Amortization Schedule	Check							
Senior Debt A	100%	0%	25%	25%	25%	25%	0%	0%
Senior Debt B	100%	0%	0%	20%	20%	20%	20%	20%
Subordinated Debt	100%	0%	0%	0%	0%	0%	0%	100%
Revenue Growth (% Change) Cost of Goods Sold (% of Revenue)								
Marketing, Advertising & Promotion (% of Revenue)								
Depreciation & Amortization (% of PP&E)			20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Tax Rate (% of Earnings Before Tax)			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Accounts Receivable (Days)			18	18	18	18	18	18
Inventory (Days)			80	90	100	100	100	100
Accounts Payable (Days)			37	37	37	37	37	37
Equity Issued (Repaid) (\$000's)			-	_	_	_	-	_
Dividends Paid			-	-	-	500	500	500
Income Statement		CLOSE	2017E	2018E	2019E	2020E	2021E	2022E
Revenue			65,738	296,053	329,972	362,815	391,320	416,771
Cost of Goods Sold (COGS)			27,610	123,968	137,757	152,588	167,227	178,400
Gross Profit			38,128	172,085	192,215	210,227	224,093	238,371
Expenses			•	,	•	•	,	•
Marketing, Advertising & Promotion			10,933	48,506	53,314	57,948	62,684	66,921
General & Administrative			5,500	21,700	21,350	21,000	21,000	21,000
Depreciation & Amortization			6,950	27,447	26,108	25,036	24,179	23,493
Interest			3,359	12,063	10,113	6,163	4,213	3,638
Total Expenses			26,742	109,715	110,884	110,146	112,075	115,052
Earnings Before Tax			11,386	62,369	81,331	100,081	112,018	123,320
Taxes			3,416	18,711	24,399	30,024	33,605	36,996
Net Earnings			7,970	43,659	56,932	70,056	78,412	86,324

i io i offila Model							
Balance Sheet	CLOSE	2017E	2018E	2019E	2020E	2021E	2022E
Assets							
Cash	98,805	165,562	174,083	173,923	208,707	275,995	326,378
Accounts Receivable	14,070	12,862	14,600	16,273	17,843	19,298	20,553
Inventory	105,170	24,009	30,568	37,742	41,691	45,816	48,877
Current Assets	218,046	202,432	219,250	227,937	268,241	341,108	395,808
Property & Equipment	138,997	137,235	130,538	125,180	120,894	117,465	114,722
Goodwill	297,588	297,588	297,588	297,588	297,588	297,588	297,588
Total Assets	654,630	637,254	647,376	650,705	686,722	756,161	808,117
Liabilities							
Short Term Debt							
Accounts Payable	11,450	11,104	12,567	13,964	15,426	16,952	18,084
Current Liabilities	11,450	11,104	12,567	13,964	15,426	16,952	18,084
Long Term Debt	205,000	180,000	145,000	90,000	55,000	45,000	10,000
Total Liabilities	216,450	191,104	157,567	103,964	70,426	61,952	28,084
Shareholder's Equity	.,	,	,,,,	,		,,,,,,	.,
Equity Capital	340,313	340,313	340,313	340,313	340,313	340,313	340,313
Retained Earnings	97,868	105,838	149,496	206,428	275,984	353,897	439,721
Shareholder's Equity	438,180	446,150	489,809	546,741	616,297	694,209	780,033
Total Liabilities & Shareholder's Equity	654,630	637,254	647,376	650,705	686,722	756,161	808,117
Check	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Cash Flow Statement	CLOSE	2017E	2018E	2019E	2020E	2021E	2022E
Operating Cash Flow							
Net Earnings		7,970	43,659	56,932	70,056	78,412	86,324
Plus: Depreciation & Amortization		6,950	27,447	26,108	25,036	24,179	23,493
Less: Changes in Working Capital		82,024	(6,834)	(7,449)	(4,059)	(4,053)	(3,184)
Cash from Operations		96,944	64,271	75,590	91,034	98,538	106,633
Investing Cash Flow							
Investments in Property & Equipment		(5,188)	(20,750)	(20,750)	(20,750)	(20,750)	(20,750)
Investments in Businesses  Cash from Investing		(5,188)	(20,750)	(20,750)	(20,750)	(20,750)	(20,750)
•		(0,.00)	(-0,.00)	(==;. ==;	(==). ==)	(==,.==,	(=0,.00)
Financing Cash Flow		(05.000)	(25.000)	(55,000)	(25.000)	(40.000)	(05.000)
Issuance (repayment) of debt		(25,000)	(35,000)	(55,000)	(35,000)	(10,000)	(35,000)
Issuance (repayment) of equity		-	-	-	(500)	(500)	(500)
Payment of Dividends		(25,000)	(25 000)	/EE 000\	(500)	(500)	(500)
Cash from Financing		(25,000)	(35,000)	(55,000)	(35,500)	(10,500)	(35,500)
Net Increase (decrease) in Cash		66,756	8,521	(160)	34,784	67,288	50,383
Opening Cash Balance		98,805	165,562	174,083	173,923	208,707	275,995
Closing Cash Balance	98,805	165,562	174,083	173,923	208,707	275,995	326,378

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Supporting Schedules		CLOSE	2017E	2018E	2019E	2020E	2021E	2022E
Working Capital Schedule								
Accounts Receivable		14,070	12,862	14,600	16,273	17,843	19,298	20,553
Inventory		105,170	24,009	30,568	37,742	41,691	45,816	48,877
Accounts Payable		11,450	11,104	12,567	13,964	15,426	16,952	18,084
Net Working Capital (NWC)		107,790	25,766	32,601	40,050	44,108	48,162	51,345
Change in NWC		101,700	(82,024)	6,834	7,449	4,059	4,053	3,184
Depreciation Schedule								
PPE Opening			138,997	137,235	130,538	125,180	120,894	117,465
Plus Capex			5,188	20,750	20,750	20,750	20,750	20,750
Less Depreciation			6,950	27,447	26,108	25,036	24,179	23,493
PPE Closing		138,997	137,235	130,538	125,180	120,894	117,465	114,722
Debt Schedule								
Senior Debt A								
Opening Balance			100,000	75,000	50,000	25,000	-	-
Addition (Repayment)			(25,000)	(25,000)	(25,000)	(25,000)	-	
Closing Balance		100,000	75,000	50,000	25,000	-	-	-
Senior Debt B			50.000	50.000	40.000	20.000	00.000	40.000
Opening Balance			50,000	50,000	40,000 (10,000)	30,000	20,000	10,000
Addition (Repayment) Closing Balance		50,000	50,000	(10,000) 40,000	30,000	(10,000) 20,000	(10,000) 10,000	(10,000)
Subordinated Debt								
Opening Balance			25,000	25,000	25,000	25,000	25,000	25,000
Addition (Repayment)			23,000	23,000	25,000	25,000	23,000	(25,000)
Closing Balance		25,000	25,000	25,000	25,000	25,000	25,000	(20,000)
Target Debt								
Opening Balance			-	-	-	-	-	-
Addition (Repayment)			-	-	-	-	-	-
Closing Balance		-	-	-	-	-	-	-
Acquirer Debt								
Opening Balance			30,000	30,000	30,000	10,000	10,000	10,000
Addition (Repayment)			-	-	(20,000)	-	-	
Closing Balance		30,000	30,000	30,000	10,000	10,000	10,000	10,000
Total Debt			005.000	400.000	445.000	00.000	55.000	45.000
Opening Balance			205,000 (25,000)	180,000 (35,000)	145,000 (55,000)	90,000	55,000 (10,000)	45,000 (35,000)
Addition (Repayment) Closing Balance		205,000	180,000	145,000	90,000	(35,000) <b>55,000</b>	45,000	10,000
Interest Schedule Interest Rates								
Senior Debt A			5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Senior Debt A Senior Debt B			5.8%	5.8%	5.8%	5.5% 5.8%	5.8%	5.5% 5.8%
Subordinated Debt			8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
Target Debt			8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Acquirer Debt			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Interest Expense (opening balance)								
Senior Debt A			1,375	4,125	2,750	1,375	-	-
Senior Debt B			719	2,875	2,300	1,725	1,150	575
Subordinated Debt			516	2,063	2,063	2,063	2,063	2,063
Target Debt			-	-	-		· -	-
Acquirer Debt			750	3,000	3,000	1,000	1,000	1,000
Total			3,359	12,063	10,113	6,163	4,213	3,638

DCF Model										
Assumptions										
Tax Rate	25%									
Discount Rate	12%									
Perpetual Growth Rate	4%									
EV/EBITDA Multiple	8.0x									
Current Price	\$11.75									
Shares Outstanding	73,238									
<b>3</b>										
Discounted Cash Flow	E .	2017	2018	2019	2020	2021	2022	Exit	Terminal Value	
Discounted Cash Flow  Date	9/30/2017	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2022	EV/EBITDA	1,123,272
Date	9/30/2011	12/31/2017	12/31/2010	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2022	EV/EBITDA	1,123,272
EBIT		14,746	74,432	91,443	106,243	116,230	126,957			
Less: Cash Taxes		3,686	18,608	22,861	26,561	29,058	31,739			
NOPAT		11,059	55,824	68,583	79,682	87,173	95,218			
Plus: D&A		6,950	27,447	26,108	25,036	24,179	23,493			
EBITDA		21,695	101,879	117,551	131,279	140,409	150,450			
Less: Capex		5,188	20,750	20,750	20,750	20,750	20,750			
Less: Changes in NWC		(82,024)	6,834	7,449	4,059	4,053	3,184			
Unlevered FCF		94,845	55,687	66,491	79,910	86,548	94,777	1,123,272		
Transaction FCFF	-	94,845	55,687	66,491	79,910	86,548	94,777	1,123,272		
IRR FCFF										
Intrinsic Value			larket Value				F	Rate of Return		
Enterprise Value	972,186		Market Cap		na			RR		
Plus: Cash	98,805	F	lus: Debt							
Less: Debt	205,000	L	ess: Cash							
Equity Value	865,992	E	interprise Value							
Equity Value/Share	11.82	E	quity Value/Shar	е						

Merger Integration	2017E	2018E	2019E	2020E	2021E	2022E
Revenue						
Acquirer	41,462	182,434	200,678	218,739	236,238	252,774
	24,276	111,669	125,069	137,576	148,582	157,497
Target	24,270	1,950	4,225	6,500	6,500	6,500
Synergies Total	65,738	296,053	329,972	362,815	391,320	416,771
Cost of Goods Sold						
Acquirer	17,414	78,447	88,298	98,432	108,669	116,276
Target	10,196	45,784	50,028	55,030	59,433	62,999
Synergies		(263)	(569)	(875)	(875)	(875)
Total	27,610	123,968	137,757	152,588	167,227	178,400
Marketing, Advertising & Promotion						
Acquirer	7,049	31,014	34,115	37,186	40,160	42,972
Target	3,884	17,867	20,011	22,012	23,773	25,200
Synergies		(375)	(813)	(1,250)	(1,250)	(1,250)
Total	10,933	48,506	53,314	57,948	62,684	66,921
General & Administrative						
Acquirer	3,750	15,000	15,000	15,000	15,000	15,000
Target	1,750	7,000	7,000	7,000	7,000	7,000
Synergies		(300)	(650)	(1,000)	(1,000)	(1,000)
Total	5,500	21,700	21,350	21,000	21,000	21,000

Balance Sheet Check End of Period Days in Period	2012A ok 12/31/2012 366	2013A ok 12/31/2013 365	2014A ok 12/31/2014 365	2015A ok 12/31/2015 365	2016A ok 12/31/2016 366	2017E ok 12/31/2017 365	2018E ok 12/31/2018 365	2019E ok 12/31/2019 365	2020E ok 12/31/2020 366	2021E ok 12/31/2021 365	2022E ok 12/31/2022 365	9/30/2017 273	12/31/2017 Stub 12/31/2017 92
Fraction of Year	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.750	0.250
Assumptions													
				LIVE	SCENARIO	1							
SCENARIO 1													
Revenue Growth (% Change) Cost of Goods Sold (% of Revenue)						10.0% 42.0%	10.0% 43.0%	10.0% 44.0%	9.0% 45.0%	8.0% 46.0%	7.0% 46.0%	10.0% 42.0%	10.0% 42.0%
Salaries and Benefits (% of Revenue)						42.0% 17.0%	43.0% 17.0%	44.0% 17.0%	45.0% 17.0%	46.0% 17.0%	17.0%	42.0% 17.0%	42.0% 17.0%
Rent and Overhead (\$000's)						15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Depreciation & Amortization (% of PP&E)						20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt)						10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Tax Rate (% of Earnings Before Tax)						28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Accounts Receivable (Days)						18	18	18	18	18	18	18	18
Inventory (Days)						80 37	90 37	100 37	100 37	100 37	100 37	80 37	80 37
Accounts Payable (Days) Capital Expenditures (\$000's)						15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Debt Issuance (Repayment) (\$000's)						-	-	(20,000)	-	-	-	10,000	-
Equity Issued (Repaid) (\$000's)						-	_	-	_	-	_	_	_
Payment of Dividends						-	-	-	-	200	200	-	-
SCENARIO 2													
Revenue Growth (% Change)						5.0%	4.5%	4.0%	3.5%	3.0%	3.0%	5.0%	5.0%
Cost of Goods Sold (% of Revenue)						37.0%	37.0%	36.0%	36.0%	35.0%	35.0%	37.0%	37.0%
Salaries and Benefits (% of Revenue)						17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Rent and Overhead (\$000's)						10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Depreciation & Amortization (% of PP&E)						20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt) Tax Rate (% of Earnings Before Tax)						5.0% 28.0%	5.0% 28.0%	5.0% 28.0%	5.0% 28.0%	5.0% 28.0%	5.0% 28.0%	5.0% 28.0%	5.0% 28.0%
Accounts Receivable (Days)						18	18	18	18	18	18	18	18
Inventory (Days)						73	73	73	73	73	73	73	73
Accounts Payable (Days)						37	37	37	37	37	37	37	37
Capital Expenditures (\$000's)						15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Debt Issuance (Repayment) (\$000's)						-	-	(20,000)	-	-	-	-	-
Equity Issued (Repaid) (\$000's)						-	-	-	-	-	-	-	-
Payment of Dividends						-	-	-	-	100	100	-	-
LIVE SCENARIO						10.00:	10.00	10.00	2.22	• • • • • • • • • • • • • • • • • • • •	<b>-</b> 001	10.00	
Revenue Growth (% Change)						10.0%	10.0%	10.0%	9.0%	8.0%	7.0%	10.0%	10.0%
Cost of Goods Sold (% of Revenue)  Marketing, Advertising & Promotion (% of Rev	(onuo)					42.0% 17.0%	43.0% 17.0%	44.0% 17.0%	45.0% 17.0%	46.0% 17.0%	46.0% 17.0%	42.0% 17.0%	42.0% 17.0%
General & Administrative (\$000's)	reflue)					15,000	15.000	15.000	15.000	15.000	15.000	15,000	15.000
Depreciation & Amortization (% of PP&E)						20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt)						10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Tax Rate (% of Earnings Before Tax)						28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Accounts Receivable (Days)						18	18	18	18	18	18	18	18
Inventory (Days)						80	90	100	100	100	100	80	80
Accounts Payable (Days)						37 45 000	37 15 000	37 15 000	37 15 000	37 15 000	37 15 000	37 15 000	37 15 000
Capital Expenditures (\$000's)  Debt Issuance (Repayment) (\$000's)						15,000	15,000	15,000 (20,000)	15,000	15,000	15,000	15,000	15,000
Equity Issued (Repaid) (\$000's)						-	-	(20,000)	-	-	-	-	-
Payment of Dividends						-	-	-	-	200	200	-	-
•													

Income Statement	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Revenue	102,007	118,086	131,345	142,341	150,772	165,849	182,434	200,678	218,739	236,238	252,774	124,387	41,462
Cost of Goods Sold (COGS)	39,023	48,004	49,123	52,654	56,710	69,657	78,447	88,298	98,432	108,669	116,276	52,242	17,414
Gross Profit	62,984	70,082	82,222	89,687	94,062	96,193	103,987	112,379	120,306	127,568	136,498	72,144	24,048
Expenses													
Marketing, Advertising & Promotion	26,427	22,658	23,872	23,002	25,245	28,194	31,014	34,115	37,186	40,160	42,972	21,146	7,049
General & Administrative	10,963	10,125	10,087	11,020	11,412	15,000	15,000	15,000	15,000	15,000	15,000	11,250	3,750
Depreciation & Amortization	19,500	18,150	17,205	16,544	16,080	7,504	9,003	10,203	11,162	11,930	12,544	5,628	1,876
Interest	2,500	2,500	1,500	1,500	1,500	3,000	3,000	1,000	1,000	1,000	1,000	2,250	750
Total Expenses	59,390	53,433	52,664	52,066	54,237	53,699	58,017	60,318	64,348	68,090	71,515	40,274	13,425
Earnings Before Tax	3,594	16,649	29,558	37,622	39,825	42,494	45,970	52,062	55,958	59,478	64,983	31,870	10,623
Taxes	1,120	4,858	8,483	10,908	11,598	11,898	12,872	14,577	15,668	16,654	18,195	8,924	2,975
Net Earnings	2,474	11,791	21,075	26,713	28,227	30,596	33,099	37,484	40,290	42,824	46,788	22,947	7,649

Balance Sheet	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Assets													
Cash	67,971	81,210	83,715	111,069	139,550	159,474	182,573	190,511	224,399	261,248	303,250	153,654	159,474
Accounts Receivable	5,100	5,904	6,567	7,117	7,539	8,179	8,997	9,896	10,758	11,650	12,466	8,201	8,179
Inventory	7,805	9,601	9,825	10,531	11,342	15,267	19,343	24,191	26,894	29,772	31,856	15,309	15,267
Current Assets	80,876	96,715	100,107	128,717	158,430	182,920	210,913	224,599	262,051	302,670	347,572	177,165	182,920
Property & Equipment	45,500	42,350	40,145	38,602	37,521	45,017	51,013	55,811	59,649	62,719	65,175	43,143	45,017
Goodwill													
Total Assets	126,376	139,065	140,252	167,319	195,951	227,937	261,927	280,410	321,700	365,389	412,748	220,307	227,937
Liabilities													
Short Term Debt													
Accounts Payable	3,902	4,800	4,912	5,265	5,671	7,061	7,952	8,951	9,951	11,016	11,787	7,080	7,061
Current Liabilities	3,902	4,800	4,912	5,265	5,671	7,061	7,952	8,951	9,951	11,016	11,787	7,080	7,061
Long Term Debt	50,000	50,000	30,000	30,000	30,000	30,000	30,000	10,000	10,000	10,000	10,000	30,000	30,000
Total Liabilities	53,902	54,800	34,912	35,265	35,671	37,061	37,952	18,951	19,951	21,016	21,787	37,080	37,061
Shareholder's Equity													
Equity Capital	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Retained Earnings	2,474	14,265	35,340	62,053	90,280	120,876	153,974	191,459	231,749	274,373	320,961	113,227	120,876
Shareholder's Equity	72,474	84,265	105,340	132,053	160,280	190,876	223,974	261,459	301,749	344,373	390,961	183,227	190,876
Total Liabilities & Shareholder's Equity	126,376	139,065	140,252	167,319	195,951	227,937	261,927	280,410	321,700	365,389	412,748	220,307	227,937
Check	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Popularing Cash Flow   Popular Principle   P		Online (	∍ompan	y inc ivid	oaei									
Nel Earnings	Cash Flow Statement	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Plus Depresation A monitant   9,500   18,150   17,205   16,544   10,800   7,594   9,003   10,203   11,162   11,930   12,544   5,628   1,376   1,000	Operating Cash Flow													
Less: Changes in Working Capital 9.003 1.702 7.75 9.03 8.27 3.775 4.003 4.749 2.564 2.706 2.128 3.220 (4.5.6 hr from Operation 12,071 28,239 37,505 42,348 034,924 38,099 42,938 48,888 52,048 57,203 25,354 9,570 investing Cash Flow Investments in Property & Equipment (15,000) (15,00	Net Earnings	2,474	11,791	21,075	26,713	28,227	30,596	33,099	37,484	40,290	42,824	46,788	22,947	7,649
Cash from Operations   12,971   28,239   37,595   42,354   43,480   34,924   38,099   42,938   48,888   52,048   57,203   25,354   9,370	Plus: Depreciation & Amortization	19,500	18,150	17,205	16,544	16,080	7,504	9,003	10,203	11,162	11,930	12,544	5,628	1,876
Cash from Operations   12,971   28,239   37,595   42,354   43,480   34,924   38,099   42,938   48,888   52,048   57,203   25,354   9,370	Less: Changes in Working Capital	9,003	1,702	775	903	827	3,175	4,003	4,749	2,564	2,706	2,128	3,220	(45)
Investments in Property & Equipment (15,000) (10	Cash from Operations		28,239	37,505	42,354	43,480	34,924	38,099	42,938	48,888	52,048	57,203	25,354	9,570
Interstitist in Dissinesses   Cash from Investing   (15,000)   (	Investing Cash Flow													
Interstitist in Dissinesses   Cash from Investing   (15,000)   (	Investments in Property & Equipment	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(11,250)	(3,750)
Supporting   Schedules	Investments in Businesses						, ,		, ,	, , ,				, ,
Issuance (repenyment) of dealty   70,000   -   -   -   -   -   -   -   -   -	Cash from Investing	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(11,250)	(3,750)
Issuance (repayment) of equity   70,000	Financing Cash Flow													
Issuance (repayment) of equity   70,000	Issuance (repayment) of debt	_	_	(20,000)	_	_	-	-	(20,000)	-	_	_	_	-
Payment of Dividends		70,000	_	-	_	_	-	-	-	-	_	-	_	-
Net Increase (decrease) in Cash   67,971   13,239   2,505   27,354   28,480   19,924   23,099   7,938   33,888   36,848   42,003   14,104   5,820     Opening Cash Balance		· -	_	_	_	_	-	-	-	-	(200)	(200)	-	-
Opening Cash Balance         -         67,971         81,210         83,715         111,069         139,550         159,474         182,573         190,511         224,399         261,248         139,550         153,654           Closing Cash Balance         67,971         81,210         83,715         111,069         139,550         159,474         182,573         190,511         224,399         261,248         303,250         153,654         159,474           Supporting Schedules         2012         2013A         2014A         2015A         2016A         2017E         2018E         2019E         202E         202E         202E         930/2017 Stub         12/31/2017 Stub           Working Capital Schedule           Accounts Receivable         5,100         5,904         6,567         7,117         7,539         8,179         8,997         9,896         10,758         11,650         12,466         8,201         8,179           Accounts Receivable         5,100         5,904         6,567         7,117         7,539         8,179         8,997         9,896         10,758         11,650         12,466         8,201         8,179           Accounts Receivable         5,000         5,904	Cash from Financing	70,000		(20,000)					(20,000)					
Opening Cash Balance         -         67,971         81,210         83,715         111,069         139,550         159,474         182,573         190,511         224,399         261,248         139,550         153,654           Closing Cash Balance         67,971         81,210         83,715         111,069         139,550         159,474         182,573         190,511         224,399         261,248         303,250         153,654         159,474           Supporting Schedules         2012         2013A         2014A         2015A         2016A         2017E         2018E         2019E         202E         202E         202E         930/2017 Stub         12/31/2017 Stub           Working Capital Schedule           Accounts Receivable         5,100         5,904         6,567         7,117         7,539         8,179         8,997         9,896         10,758         11,650         12,466         8,201         8,179           Accounts Receivable         5,100         5,904         6,567         7,117         7,539         8,179         8,997         9,896         10,758         11,650         12,466         8,201         8,179           Accounts Receivable         5,000         5,904	Net Increase (decrease) in Cash	67.971	13.239	2.505	27.354	28.480	19.924	23.099	7.938	33.888	36.848	42.003	14.104	5.820
Closing Cash Balance   67,971   81,210   83,715   111,069   139,550   159,474   182,573   190,511   224,399   261,248   303,250   153,654   159,474		_		,										
Supporting Schedules   2012A   2013A   2014A   2015A   2016A   2017E   2018E   2019E   2020E   2021E   2022E   9/30/2017 Stub   12/31/2017 Stub		67 971								1 -				
Accounts Receivable 5,100 5,904 6,567 7,117 7,539 8,179 8,997 9,896 10,758 11,650 12,466 8,201 8,179 Inventory 7,805 9,601 9,825 10,531 11,342 15,267 19,343 24,191 26,894 29,772 31,856 15,309 15,267 Naccounts Payable 3,902 4,800 4,912 5,265 5,671 7,061 7,952 8,951 9,951 11,016 11,787 7,080 7,061 Net Working Capital (NWC) 9,003 10,705 11,480 12,382 13,210 16,385 20,388 25,137 27,701 30,407 32,535 16,430 16,385 Change in NWC 9,003 1,702 775 903 827 3,175 4,003 4,749 2,564 2,706 2,128 3,220 (45)      Depreciation Schedule   PPE Opening 50,000 45,500 42,350 40,145 38,602 37,521 45,017 51,013 55,811 59,649 62,719 37,521 43,143     Plus Capex 15,000 1	Supporting Schedules	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Accounts Receivable 5,100 5,904 6,567 7,117 7,539 8,179 8,997 9,896 10,758 11,650 12,466 8,201 8,179 Inventory 7,805 9,601 9,825 10,531 11,342 15,267 19,343 24,191 26,894 29,772 31,856 15,309 15,267 Naccounts Payable 3,902 4,800 4,912 5,265 5,671 7,061 7,952 8,951 9,951 11,016 11,787 7,080 7,061 Net Working Capital (NWC) 9,003 10,705 11,480 12,382 13,210 16,385 20,388 25,137 27,701 30,407 32,535 16,430 16,385 Change in NWC 9,003 1,702 775 903 827 3,175 4,003 4,749 2,564 2,706 2,128 3,220 (45)      Depreciation Schedule   PPE Opening 50,000 45,500 42,350 40,145 38,602 37,521 45,017 51,013 55,811 59,649 62,719 37,521 43,143     Plus Capex 15,000 1	Working Capital Schedule													
Inventory   7,805   9,601   9,825   10,531   11,342   15,267   19,343   24,191   26,894   29,772   31,856   15,309   15,267   Accounts Payable   3,902   4,800   4,912   5,265   5,671   7,061   7,952   8,951   9,951   11,016   11,787   7,080   7,061   7,061   7,952   8,951   9,951   11,016   11,787   7,080   7,061   7,061   7,952   8,951   9,951   11,016   11,787   7,080   7,061   7,061   7,952   8,951   9,951   11,016   11,787   7,080   7,061   7,061   7,952   8,951   7,061   7,061   7,952   8,951   7,061   7,061   7,952   8,951   7,061   7,0		5 100	5 904	6 567	7 117	7 530	8 170	8 997	9 896	10 758	11 650	12.466	8 201	8 170
Accounts Payable 3,902 4,800 4,912 5,265 5,671 7,061 7,952 8,951 9,951 11,016 11,787 7,080 7,061 Net Working Capital (NWC) 9,003 10,705 11,480 12,382 13,210 16,385 20,388 25,137 27,701 30,407 32,535 16,430 16,385 Change in NWC 9,003 1,702 775 903 827 3,175 4,003 4,749 2,564 2,706 2,128 3,220 (45)    Depreciation Schedule														
Net Working Capital (NWC)	,													
Change in NWC         9,003         1,702         775         903         827         3,175         4,003         4,749         2,564         2,706         2,128         3,220         (45)           Depreciation Schedule           PPE Opening         50,000         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         37,521         43,143           Plus Capex         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         11,250         3,750           Less Depreciation         19,500         18,150         17,205         16,544         16,080         7,504         9,003         10,203         11,162         11,930         12,544         5,628         1,876           PPE Closing         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         65,175         43,143         45,017           Debt A Interest Schedule           Debt Closing         50,000         50,000         30,000														
Depreciation Schedule														
PPE Opening         50,000         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         37,521         43,143           Plus Capex         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         15,000         11,250         3,750           Less Depreciation         19,500         18,150         17,205         16,544         16,080         7,504         9,003         10,203         11,162         11,930         12,544         5,628         1,876           PPE Closing         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         65,175         43,143         45,017           Debt & Interest Schedule           Debt Opening         50,000         50,000         50,000         30,000         30,000         30,000         30,000         30,000         30,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         30,000         30,000         30,000	Change in NWC	9,000	1,702	113	303	021	5,175	4,003	4,143	2,304	2,700	2,120	3,220	(40)
Plus Capex         15,000         15,														
Less Depreciation         19,500         18,150         17,205         16,544         16,080         7,504         9,003         10,203         11,162         11,930         12,544         5,628         1,876           PPE Closing         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         65,175         43,143         45,017           Debt Set Interest Schedule           Debt Opening         50,000         50,000         50,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         30,000         30,000           Issuance (repayment)         -         -         (20,000)         -	PPE Opening	50,000	45,500	42,350	40,145	38,602	37,521	45,017	51,013	55,811	59,649	62,719	37,521	43,143
PPE Closing         45,500         42,350         40,145         38,602         37,521         45,017         51,013         55,811         59,649         62,719         65,175         43,143         45,017           Debt & Interest Schedule           Debt Opening         50,000         50,000         50,000         30,000         30,000         30,000         10,000         10,000         10,000         30,000         30,000           Issuance (repayment)         -         -         (20,000)         -         -         -         (20,000)         -	Plus Capex	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000		3,750
Debt & Interest Schedule           Debt Opening         50,000         50,000         50,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         30,000         30,000           Issuance (repayment)         -         -         (20,000)         -         -         -         (20,000)         -	Less Depreciation	19,500	18,150	17,205	16,544	16,080	7,504	9,003	10,203	11,162	11,930	12,544	5,628	1,876
Debt Opening         50,000         50,000         50,000         50,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         10,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         10,000         30,000         30,000         30,000         30,000         30,000         10,000         10,000         10,000         10,000         3	PPE Closing	45,500	42,350	40,145	38,602	37,521	45,017	51,013	55,811	59,649	62,719	65,175	43,143	45,017
Issuance (repayment)         -         -         (20,000)         -         -         -         (20,000)         -	Debt & Interest Schedule													
Debt Closing 50,000 50,000 30,000 30,000 30,000 30,000 10,000 10,000 10,000 10,000 30,000 30,000	Debt Opening	50,000	50,000	50,000	30,000	30,000	30,000	30,000	30,000	10,000	10,000	10,000	30,000	30,000
	Issuance (repayment)	-	-	(20,000)	_	-	-	-	(20,000)	-	-	-	-	-
Interest Expense 2,500 2,500 1,500 1,500 1,500 3,000 3,000 1,000 1,000 1,000 1.000 2,250 750	Debt Closing	50,000	50,000	30,000	30,000	30,000	30,000	30,000	10,000	10,000	10,000	10,000	30,000	30,000
	Interest Expense	2,500	2,500	1,500	1,500	1,500	3,000	3,000	1,000	1,000	1,000	1,000	2,250	750

#### DCF Model

Assumptions	
Tax Rate	25%
Discount Rate	12%
Perpetual Growth Rate	4%
EV/EBITDA Multiple	8.0
Current Price	\$11.75
Shares Outstanding	50,000

Discounted Cash Flow	Entry	2017	2018	2019	2020	2021	2022	Exit	Terminal Value	
Date	9/30/2017	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2022	EV/EBITDA	579,263
Year Fraction		0.25	1.00	1.00	1.00	1.00	1.00	1.00		
EBIT		45,494	48,970	53,062	56,958	60,478	65,983			
Less: Cash Taxes		11,373	12,243	13,265	14,240	15,120	16,496			
NOPAT		34,120	36,728	39,796	42,719	45,359	49,487			
Plus: D&A		7,504	9,003	10,203	11,162	11,930	12,544			
EBITDA		52,998	57,974	63,264	68,121	72,408	78,526			
Less: Capex		15,000	15,000	15,000	15,000	15,000	15,000			
Less: Changes in NWC		3,175	4,003	4,749	2,564	2,706	2,128			
Unlevered FCF		23,449	26,728	30,250	36,317	39,583	44,902	579,263		
Transaction FCFF	-	5,862	26,728	30,250	36,317	39,583	44,902	579,263		
IRR FCFF	(463,846)	5,862	26,728	30,250	36,317	39,583	44,902	579,263		
Intrinsic Value			Market Value					Rate of Return		
Enterprise Value	445,967	_	Market Cap		587,500		_	IRR	11%	
Plus: Cash	153,654		Plus: Debt		30,000					
Less: Debt	30,000		Less: Cash	_	153,654					
Equity Value	569,621		Enterprise Valu	e	463,846					
Equity Value/Share	11.39		Equity Value/S	hare	11.75					

Balance Sheet Check End of Period Days in Period Fraction of Year	2012A ok 12/31/2012 366 1.000	2013A ok 12/31/2013 365 1.000	2014A ok 12/31/2014 365 1.000	2015A ok 12/31/2015 365 1.000	2016A ok 12/31/2016 366 1.000	2017E ok 12/31/2017 365 1.000	2018E ok 12/31/2018 365 1.000	2019E ok 12/31/2019 365 1.000	2020E ok 12/31/2020 366 1.000	2021E ok 12/31/2021 365 1.000	2022E ok 12/31/2022 365 1.000	9/30/2017 Stub 9/30/2017 273 0.750	12/31/2017 Stub 12/31/2017 92 0.250
Assumptions													
				LIVE	SCENARIO [	1							
SCENARIO 1													
Revenue Growth (% Change)						15.0%	15.0%	12.0%	10.0%	8.0%	6.0%	15.0%	15.0%
Cost of Goods Sold (% of Revenue)						42.0%	41.0%	40.0%	40.0%	40.0%	40.0%	42.0%	42.0%
Salaries and Benefits (% of Revenue)						16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%
Rent and Overhead (\$000's)						7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Depreciation & Amortization (% of PP&E)						20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt)						8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Tax Rate (% of Earnings Before Tax)						32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Accounts Receivable (Days)						22	18	18	18	18	18	22	22
Inventory (Days)						75 20	75 20	75 20	75 20	75 20	75 20	75	75 20
Accounts Payable (Days)						39 5,750	39 5,750						
Capital Expenditures (\$000's)						5,750	5,750	5,750	5,750	5,750		5,750	5,750
Debt Issuance (Repayment) (\$000's) Equity Issued (Repaid) (\$000's)						-	-	-	-	-	(10,000)	-	-
Payment of Dividends						-	-	-	-	200	200	-	-
rayment of Dividends						-	-	-	-	200	200	-	-
SCENARIO 2						F 00/	4.50/	4.00/	2.50/	2.00/	2.00/	5.00/	
Revenue Growth (% Change)						5.0%	4.5%	4.0%	3.5%	3.0%	3.0%	5.0%	5.0%
Cost of Goods Sold (% of Revenue)						37.0%	37.0%	36.0%	36.0%	35.0%	35.0%	37.0%	37.0%
Salaries and Benefits (% of Revenue)						17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Rent and Overhead (\$000's)						10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Depreciation & Amortization (% of PP&E)						20.0% 5.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt)						28.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Tax Rate (% of Earnings Before Tax)						20.0%	28.0% 18	28.0% 18	28.0% 18	28.0% 18	28.0% 18	28.0% 18	28.0% 18
Accounts Receivable (Days) Inventory (Days)						73	73	73	73	73	73	73	73
Accounts Payable (Days)						37	37	37	37	37	37	37	37
Capital Expenditures (\$000's)						15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Debt Issuance (Repayment) (\$000's)						13,000	13,000	(20,000)	13,000	13,000	13,000	10,000	13,000
Equity Issued (Repaid) (\$000's)								(20,000)			_		
Payment of Dividends						_	_	_	_	100	100		_
•										100	100		
LIVE SCENARIO  Revenue Growth (% Change)						15.0%	15.0%	12.0%	10.0%	8.0%	6.0%	15.0%	15.0%
Cost of Goods Sold (% of Revenue)						42.0%	41.0%	40.0%	40.0%	40.0%	40.0%	42.0%	42.0%
Marketing, Advertising & Promotion (% of Rever	auo)					16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%
General & Administrative (\$000's)	iue)					7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000
Depreciation & Amortization (% of PP&E)						20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Interest (% of Debt)						8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Tax Rate (% of Earnings Before Tax)						32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Accounts Receivable (Days)						22	18	18	18	18	18	22	22
Inventory (Days)						75	75	75	75	75	75	75	75
Accounts Payable (Days)						39	39	39	39	39	39	39	39
Capital Expenditures (\$000's)						5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750
Debt Issuance (Repayment) (\$000's)						5,750	5,750	5,750	5,750	3,730	(10,000)	5,750	5,750
Equity Issued (Repaid) (\$000's)						-	-	-	-	-	(10,000)	-	-
Payment of Dividends						_	-	-	-	200	200	-	-
i ajmont of Dividondo						-	-	-	-	200	200	-	=

Income Statement	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Revenue	57.128	66,132	73,558	79,716	84,438	97,103	111.669	125,069	137.576	148.582	157,497	72.828	24,276
Cost of Goods Sold (COGS)	21,854	26,884	27,511	29,488	31,760	40,783	45,784	50,028	55,030	59,433	62,999	30,588	10,196
Gross Profit	35,273	39,248	46,047	50,228	52,678	56,320	65,885	75,041	82,546	89,149	94,498	42,240	14,080
Expenses													
Marketing, Advertising & Promotion	14,800	12,689	13,369	12,882	14,138	15,537	17,867	20,011	22,012	23,773	25,200	11,652	3,884
General & Administrative	6,140	5,670	5,649	6,172	6,391	7,000	7,000	7,000	7,000	7,000	7,000	5,250	1,750
Depreciation & Amortization	10,921	10,165	9,635	9,265	9,006	4,203	4,512	4,760	4,958	5,116	5,243	3,152	1,051
Interest	1,400	1,400	840	840	840	1,344	1,344	1,344	1,344	1,344	544	1,008	336
Total Expenses	33,261	29,924	29,494	29,159	30,375	28,083	30,723	33,115	35,314	37,233	37,987	21,062	7,021
Earnings Before Tax	2,013	9,324	16,554	21,069	22,303	28,237	35,161	41,927	47,232	51,916	56,512	21,178	7,059
Taxes	1,120	4,858	8,483	10,908	11,598	9,036	11,252	13,417	15,114	16,613	18,084	6,777	2,259
Net Earnings	893	4,466	8,071	10,161	10,706	19,201	23,910	28,510	32,118	35,303	38,428	14,401	4,800

Balance Sheet	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Assets													
Cash	37,573	42,850	40,521	51,041	61,889	77,065	99,589	126,030	156,278	189,737	216,666	72,624	77,065
Accounts Receivable	2,856	3,307	3,678	3,986	4,222	5,853	5,507	6,168	6,766	7,327	7,767	5,869	5,853
Inventory	4,371	5,377	5,502	5,898	6,352	8,380	9,408	10,280	11,277	12,212	12,945	8,403	8,380
Current Assets	44,801	51,534	49,701	60,925	72,462	91,298	114,504	142,477	174,321	209,276	237,378	86,896	91,298
Property & Equipment	25,482	23,718	22,483	21,618	21,013	22,561	23,798	24,789	25,581	26,215	26,722	22,174	22,561
Goodwill	· -	· -	· -		· · · · · ·								-
Total Assets	70,282	75,251	72,184	82,543	93,476	113,858	138,302	167,266	199,902	235,491	264,100	109,070	113,858
											-	<del></del>	
Liabilities													
Short Term Debt	-	-	-	-	-								-
Accounts Payable	2,185	2,688	2,751	2,949	3,176	4,358	4,892	5,345	5,864	6,350	6,731	4,370	4,358
Current Liabilities	2,185	2,688	2,751	2,949	3,176	4,358	4,892	5,345	5,864	6,350	6,731	4,370	4,358
Long Term Debt	28,002	28,002	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	6,801	16,801	16,801
Total Liabilities	30,187	30,690	19,552	19,750	19,977	21,159	21,693	22,146	22,665	23,151	13,532	21,171	21,159
Shareholder's Equity													
Equity Capital	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203	39,203
Retained Earnings	893	5,358	13,429	23,591	34,296	53,497	77,407	105,917	138,034	173,137	211,365	48,697	53,497
Shareholder's Equity	40,095	44,561	52,632	62,793	73,499	92,699	116,609	145,119	177,237	212,340	250,568	87,899	92,699
Total Liabilities & Shareholder's Equity	70,282	75,251	72,184	82,543	93,476	113,858	138,302	167,266	199,902	235,491	264,100	109,070	113,858
Check	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Cash Flow Statement				CI									
	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Operating Cash Flow													
Net Earnings	893	4,466	8,071	10,161	10,706	19,201	23,910	28,510	32,118	35,303	38,428	14,401	4,800
Plus: Depreciation & Amortization	10,921	10,165	9,635	9,265	9,006	4,203	4,512	4,760	4,958	5,116	5,243	3,152	1,051
Less: Changes in Working Capital	5,042	953	434	506	463	2,477	147	1,079	1,077	1,010	791	2,505	(27)
Cash from Operations	6,771	13,677	17,272	18,921	19,248	20,926	28,274	32,190	35,998	39,409	42,880	15,048	5,878
Investing Cash Flow													
Investments in Property & Equipment	(8,401)	(8,401)	(8,401)	(8,401)	(8,401)	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)	(4,313)	(1,438)
Investments in Businesses			* * *				, , ,	, ,			* * *	, , ,	, , ,
Cash from Investing	(8,401)	(8,401)	(8,401)	(8,401)	(8,401)	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)	(5,750)	(4,313)	(1,438)
Financing Cash Flow													
Issuance (repayment) of debt	_	_	(11,201)	_	_	-	-	-	-	_	(10,000)	-	-
Issuance (repayment) of equity	39,203	_	-	_	_	-	-	-	-	_	-	-	-
Payment of Dividends	-	_	_	_	_	-	_	-	-	(200)	(200)	_	-
Cash from Financing	39,203		(11,201)	•	-	-		•		(200)	(10,200)		
Net Increase (decrease) in Cash	37,573	5,277	(2,329)	10,520	10,847	15,176	22,524	26,440	30,248	33,459	26,930	10,736	4,441
Opening Cash Balance	-	37,573	42.850	40.521	51.041	61.889	77,065	99.589	126.030	156,278	189,737	61,889	72,624
Closing Cash Balance	37,573	42,850	40,521	51,041	61,889	77,065	99,589	126,030	156,278	189,737	216,666	72,624	77,065
Supporting Schedules	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
	2012A	2013A	2014A	2015A	2016A	2017E	2018E	2019E	2020E	2021E	2022E	9/30/2017 Stub	12/31/2017 Stub
Working Capital Schedule	·												
Working Capital Schedule Accounts Receivable	2,856	3,307	3,678	3,986	4,222	5,853	5,507	6,168	6,766	7,327	7,767	5,869	5,853
Working Capital Schedule Accounts Receivable Inventory	2,856 4,371	3,307 5,377	3,678 5,502	3,986 5,898	4,222 6,352	5,853 8,380	5,507 9,408	6,168 10,280	6,766 11,277	7,327 12,212	7,767 12,945	5,869 8,403	5,853 8,380
Working Capital Schedule Accounts Receivable Inventory Accounts Payable	2,856 4,371 2,185	3,307 5,377 2,688	3,678 5,502 2,751	3,986 5,898 2,949	4,222 6,352 3,176	5,853 8,380 4,358	5,507 9,408 4,892	6,168 10,280 5,345	6,766 11,277 5,864	7,327 12,212 6,350	7,767 12,945 6,731	5,869 8,403 4,370	5,853 8,380 4,358
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC)	2,856 4,371 2,185 5,042	3,307 5,377 2,688 5,995	3,678 5,502 2,751 6,429	3,986 5,898 2,949 6,935	4,222 6,352 3,176 7,398	5,853 8,380 4,358 9,875	5,507 9,408 4,892 10,023	6,168 10,280 5,345 11,102	6,766 11,277 5,864 12,179	7,327 12,212 6,350 13,189	7,767 12,945 6,731 13,981	5,869 8,403 4,370 9,902	5,853 8,380 4,358 9,875
Working Capital Schedule Accounts Receivable Inventory Accounts Payable	2,856 4,371 2,185	3,307 5,377 2,688	3,678 5,502 2,751	3,986 5,898 2,949	4,222 6,352 3,176	5,853 8,380 4,358	5,507 9,408 4,892	6,168 10,280 5,345	6,766 11,277 5,864	7,327 12,212 6,350	7,767 12,945 6,731	5,869 8,403 4,370	5,853 8,380 4,358
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule	2,856 4,371 2,185 5,042 5,042	3,307 5,377 2,688 5,995 953	3,678 5,502 2,751 6,429 434	3,986 5,898 2,949 6,935 506	4,222 6,352 3,176 7,398 463	5,853 8,380 4,358 9,875 2,477	5,507 9,408 4,892 10,023 147	6,168 10,280 5,345 11,102 1,079	6,766 11,277 5,864 12,179 1,077	7,327 12,212 6,350 13,189 1,010	7,767 12,945 6,731 13,981 791	5,869 8,403 4,370 9,902 2,505	5,853 8,380 4,358 9,875 (27)
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening	2,856 4,371 2,185 5,042 5,042 28,002	3,307 5,377 2,688 5,995 953	3,678 5,502 2,751 6,429 434 23,718	3,986 5,898 2,949 6,935 506	4,222 6,352 3,176 7,398 463	5,853 8,380 4,358 9,875 2,477	5,507 9,408 4,892 10,023 147	6,168 10,280 5,345 11,102 1,079	6,766 11,277 5,864 12,179 1,077	7,327 12,212 6,350 13,189 1,010	7,767 12,945 6,731 13,981 791	5,869 8,403 4,370 9,902 2,505	5,853 8,380 4,358 9,875 (27)
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex	2,856 4,371 2,185 5,042 5,042 28,002 8,401	3,307 5,377 2,688 5,995 953 25,482 8,401	3,678 5,502 2,751 6,429 434 23,718 8,401	3,986 5,898 2,949 6,935 506	4,222 6,352 3,176 7,398 463 21,618 8,401	5,853 8,380 4,358 9,875 2,477 21,013 5,750	5,507 9,408 4,892 10,023 147 22,561 5,750	6,168 10,280 5,345 11,102 1,079	6,766 11,277 5,864 12,179 1,077 24,789 5,750	7,327 12,212 6,350 13,189 1,010 25,581 5,750	7,767 12,945 6,731 13,981 791 26,215 5,750	5,869 8,403 4,370 9,902 2,505 21,013 4,313	5,853 8,380 4,358 9,875 (27)
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening	2,856 4,371 2,185 5,042 5,042 28,002 8,401 10,921	3,307 5,377 2,688 5,995 953 25,482 8,401 10,165	3,678 5,502 2,751 6,429 434 23,718	3,986 5,898 2,949 6,935 506 22,483 8,401 9,265	4,222 6,352 3,176 7,398 463	5,853 8,380 4,358 9,875 2,477 21,013 5,750 4,203	5,507 9,408 4,892 10,023 147 22,561 5,750 4,512	6,168 10,280 5,345 11,102 1,079	6,766 11,277 5,864 12,179 1,077 24,789 5,750 4,958	7,327 12,212 6,350 13,189 1,010 25,581 5,750 5,116	7,767 12,945 6,731 13,981 791 26,215 5,750 5,243	5,869 8,403 4,370 9,902 2,505 21,013 4,313 3,152	5,853 8,380 4,358 9,875 (27) 22,174 1,438 1,051
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex	2,856 4,371 2,185 5,042 5,042 28,002 8,401	3,307 5,377 2,688 5,995 953 25,482 8,401	3,678 5,502 2,751 6,429 434 23,718 8,401	3,986 5,898 2,949 6,935 506	4,222 6,352 3,176 7,398 463 21,618 8,401	5,853 8,380 4,358 9,875 2,477 21,013 5,750	5,507 9,408 4,892 10,023 147 22,561 5,750	6,168 10,280 5,345 11,102 1,079 23,798 5,750	6,766 11,277 5,864 12,179 1,077 24,789 5,750	7,327 12,212 6,350 13,189 1,010 25,581 5,750	7,767 12,945 6,731 13,981 791 26,215 5,750	5,869 8,403 4,370 9,902 2,505 21,013 4,313	5,853 8,380 4,358 9,875 (27)
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex Less Depreciation	2,856 4,371 2,185 5,042 5,042 28,002 8,401 10,921	3,307 5,377 2,688 5,995 953 25,482 8,401 10,165 23,718	3,678 5,502 2,751 6,429 434 23,718 8,401 9,635	3,986 5,898 2,949 6,935 506 22,483 8,401 9,265	4,222 6,352 3,176 7,398 463 21,618 8,401 9,006 21,013	5,853 8,380 4,358 9,875 2,477 21,013 5,750 4,203 22,561	5,507 9,408 4,892 10,023 147 22,561 5,750 4,512 23,798	6,168 10,280 5,345 11,102 1,079 23,798 5,750 4,760	6,766 11,277 5,864 12,179 1,077 24,789 5,750 4,958	7,327 12,212 6,350 13,189 1,010 25,581 5,750 5,116	7,767 12,945 6,731 13,981 791 26,215 5,750 5,243	5,869 8,403 4,370 9,902 2,505 21,013 4,313 3,152	5,853 8,380 4,358 9,875 (27) 22,174 1,438 1,051
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex Less Depreciation PPE Closing	2,856 4,371 2,185 5,042 5,042 28,002 8,401 10,921	3,307 5,377 2,688 5,995 953 25,482 8,401 10,165	3,678 5,502 2,751 6,429 434 23,718 8,401 9,635	3,986 5,898 2,949 6,935 506 22,483 8,401 9,265	4,222 6,352 3,176 7,398 463 21,618 8,401 9,006	5,853 8,380 4,358 9,875 2,477 21,013 5,750 4,203	5,507 9,408 4,892 10,023 147 22,561 5,750 4,512	6,168 10,280 5,345 11,102 1,079 23,798 5,750 4,760	6,766 11,277 5,864 12,179 1,077 24,789 5,750 4,958	7,327 12,212 6,350 13,189 1,010 25,581 5,750 5,116	7,767 12,945 6,731 13,981 791 26,215 5,750 5,243	5,869 8,403 4,370 9,902 2,505 21,013 4,313 3,152	5,853 8,380 4,358 9,875 (27) 22,174 1,438 1,051
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex Less Depreciation PPE Closing  Debt & Interest Schedule	2,856 4,371 2,185 5,042 5,042 28,002 8,401 10,921 25,482	3,307 5,377 2,688 5,995 953 25,482 8,401 10,165 23,718	3,678 5,502 2,751 6,429 434 23,718 8,401 9,635 22,483	3,986 5,898 2,949 6,935 506 22,483 8,401 9,265 21,618	4,222 6,352 3,176 7,398 463 21,618 8,401 9,006 21,013	5,853 8,380 4,358 9,875 2,477 21,013 5,750 4,203 22,561	5,507 9,408 4,892 10,023 147 22,561 5,750 4,512 23,798	6,168 10,280 5,345 11,102 1,079 23,798 5,750 4,760 24,789	6,766 11,277 5,864 12,179 1,077 24,789 5,750 4,958 25,581	7,327 12,212 6,350 13,189 1,010 25,581 5,750 5,116 26,215	7,767 12,945 6,731 13,981 791 26,215 5,750 5,243 26,722	5,869 8,403 4,370 9,902 2,505 21,013 4,313 3,152 22,174	5,853 8,380 4,358 9,875 (27) 22,174 1,438 1,051 22,561
Working Capital Schedule Accounts Receivable Inventory Accounts Payable Net Working Capital (NWC) Change in NWC  Depreciation Schedule PPE Opening Plus Capex Less Depreciation PPE Closing  Debt & Interest Schedule Debt Opening	2,856 4,371 2,185 5,042 5,042 28,002 8,401 10,921 25,482	3,307 5,377 2,688 5,995 953 25,482 8,401 10,165 23,718	3,678 5,502 2,751 6,429 434 23,718 8,401 9,635 22,483	3,986 5,898 2,949 6,935 506 22,483 8,401 9,265 21,618	4,222 6,352 3,176 7,398 463 21,618 8,401 9,006 21,013	5,853 8,380 4,358 9,875 2,477 21,013 5,750 4,203 22,561	5,507 9,408 4,892 10,023 147 22,561 5,750 4,512 23,798	6,168 10,280 5,345 11,102 1,079 23,798 5,750 4,760 24,789	6,766 11,277 5,864 12,179 1,077 24,789 5,750 4,958 25,581	7,327 12,212 6,350 13,189 1,010 25,581 5,750 5,116 26,215	7,767 12,945 6,731 13,981 791 26,215 5,750 5,243 26,722	5,869 8,403 4,370 9,902 2,505 21,013 4,313 3,152 22,174	8,380 4,358 9,875 (27) 22,174 1,438 1,051 22,561

#### DCF Model

25%
12%
4%
8.0x
\$17.30
25,000

Discounted Cash Flow	Entry	2017	2018	2019	2020	2021	2022	Exit	Terminal Value	
Date	9/30/2017	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2022	EV/EBITDA	467,009
Year Fraction		0.25	1.00	1.00	1.00	1.00	1.00	1.00		
EBIT		29,581	36,506	43,271	48,576	53,260	57,056			
Less: Cash Taxes		7,395	9,126	10,818	12,144	13,315	14,264			
NOPAT		22,186	27,379	32,453	36,432	39,945	42,792			
Plus: D&A		4,203	4,512	4,760	4,958	5,116	5,243			
EBITDA		33,783	41,018	48,030	53,533	58,376	62,299			
Less: Capex		5,750	5,750	5,750	5,750	5,750	5,750			
Less: Changes in NWC		2,477	147	1,079	1,077	1,010	791			
Unlevered FCF		18,161	25,994	30,383	34,563	38,301	41,493	467,009		
Transaction FCFF	-	4,540	25,994	30,383	34,563	38,301	41,493	467,009		
IRR FCFF	(376,677)	4,540	25,994	30,383	34,563	38,301	41,493	467,009		
Intrinsic Value			Market Value		Market Value	Takeover		Rate of Return		
Enterprise Value	378,381	Market Cap			432,500	540,625	•	IRR (Current Share Price)	12%	
Plus: Cash	72,624	Plus: Debt			16,801	16,801				
Less: Debt	16,801	Less: Cash			72,624	72,624				
Equity Value	434,204	Enterprise Value			376,677	484,802				
Equity Value/Share	17.37		Equity Value/S	hare	17.30					