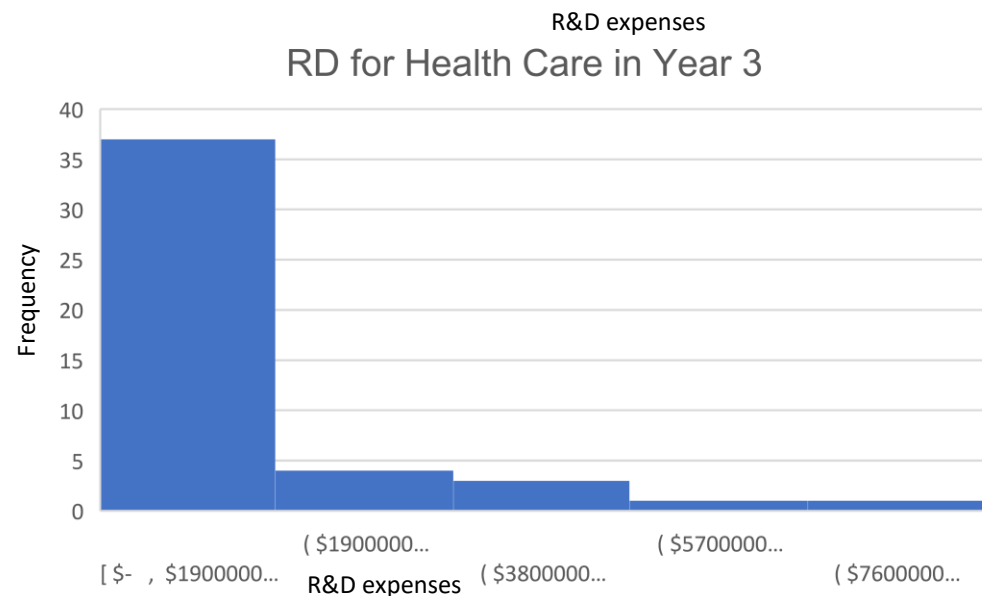
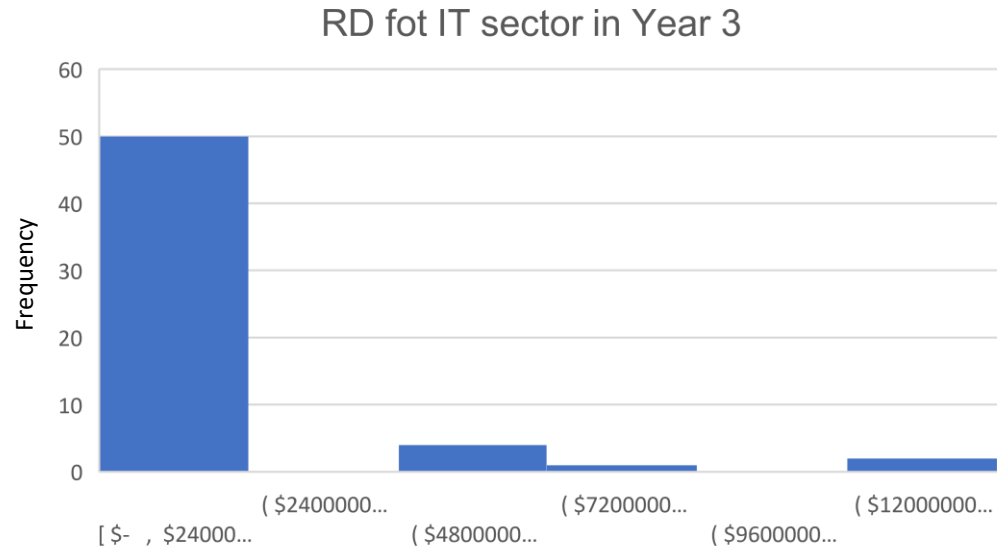




NSYE ANALYZING

Does the Healthcare system had the same interest in development as Technology sector in Year 3 (2015)



Here are histograms which illustrates the annual R&D for two sectors: Health Care and Informational Technology in Year 3.

According to the received information we can observe the positive skew that mean is higher than the median.

For the IT sector the mean num is \$1.4billion, while for health sector is only \$ 1,1 billion. Median for Health Care is \$ 302 million and for IT \$ 637 million. The standard deviation for IT sector is also higher \$2,6 billion when for Health Care its only \$1,9 billion.

That's data give us information that because of higher interest in IT sector the diversification in R&D expenses in IT are higher. The cost range for the IT sector is much higher than for the health sector (\$ 8 billion) at \$ 12 billion. What also illustrates that the half of IT companies spend more than \$ 637 million per year.

But for IT sector R&D expenses consists 33% of all expenses, while for health its only 5%.

Profit and loss for the APPL company

According to given table it is directly seen that it was steadily growth of profit during first 3 years, while reaching the 4 it is observed decreasing of profit.

According gross profit the same situation as for sum profit. By the third year the gross profit has increased by 31% and till 4th year has drop down by 11%.

The declining picture is the same for operating income. Here we also may observe stadily growth of income, while in th4 4year decreased. But the whole tendebcy for the 4 years has positive growth by \$11bln, 18% in total.

Income statement						
			Historical			
			Year 1	Year 2	Year 3	Year 4
	Revenue		170,910,000,000.00	182,795,000,000.00	233,715,000,000.00	215,639,000,000.00
	COGS		106,606,000,000.00	112,258,000,000.00	140,089,000,000.00	131,376,000,000.00
	Gross Profit		64,304,000,000.00	70,537,000,000.00	93 626 000 000,0	84,263,000,000.00
	Sales, General and Admin.		10,830,000,000.00	11,993,000,000.00	14,329,000,000.00	14,194,000,000.00
	Other Operating Items		0.00	0.00	0.00	0.00
	Research and Development		\$ 4,475,000,000.00	\$ 6,041,000,000.00	\$ 8,067,000,000.00	\$ 10,045,000,000.00
	Total operating expenses		15,305,000,000.00	18,034,000,000.00	22,396,000,000.00	24,239,000,000.00
	Operating Income		48,999,000,000.00	52,503,000,000.00	71 230 000 000,0	60,024,000,000.00

Strong Case

Income statement								
			Historical				Forecasting	
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Revenue		170,910,000,000.0	182,795,000,000.0	233,715,000,000.0	215,639,000,000.0	\$276,017,920,000.00	\$353,302,937,600.00
	COGS		106,606,000,000.0	112,258,000,000.0	140,089,000,000.0	131,376,000,000.0		
	Gross Profit		64,304,000,000.0	70,537,000,000.0	93,626,000,000.0	84,263,000,000.0	\$113,167,347,200.00	\$144,854,204,416.00
	Sales, General and Admin.		10,830,000,000.0	11,993,000,000.0	14,329,000,000.0	14,194,000,000.0		
	Other Operating Items		0.0	0.0	0.0	0.0		
	Research and Development		4,475,000,000.0	6,041,000,000.0	8,067,000,000.0	10,045,000,000.0		
	Total operating expenses		15,305,000,000.0	18,034,000,000.0	22,396,000,000.0	24,239,000,000.0		
	Operating Income		48,999,000,000.0	52,503,000,000.0	71,230,000,000.0	60,024,000,000.0	\$82,805,376,000.00	\$105,990,881,280.00

Base Case

Income statement								
			Historical				Forecasting	
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Revenue		170,910,000,000.0	182,795,000,000.0	233,715,000,000.0	215,639,000,000.0	\$230,733,730,000.00	\$246,885,091,100.00
	COGS		106,606,000,000.0	112,258,000,000.0	140,089,000,000.0	131,376,000,000.0		
	Gross Profit		64,304,000,000.0	70,537,000,000.0	93,626,000,000.0	84,263,000,000.0	\$89,986,154,700.00	\$96,285,185,529.00
	Sales, General and Admin.		10,830,000,000.0	11,993,000,000.0	14,329,000,000.0	14,194,000,000.0		
	Other Operating Items		0.0	0.0	0.0	0.0		
	Research and Development		4,475,000,000.0	6,041,000,000.0	8,067,000,000.0	10,045,000,000.0		
	Total operating expenses		15,305,000,000.0	18,034,000,000.0	22,396,000,000.0	24,239,000,000.0		
	Operating Income		48,999,000,000.0	52,503,000,000.0	71,230,000,000.0	60,024,000,000.0	\$71,527,456,300.00	\$76,534,378,241.00

Light Case

Income statement								
			Historical				Forecasting	
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Revenue		170,910,000,000.0	182,795,000,000.0	233,715,000,000.0	215,639,000,000.0	\$198,387,880,000.00	\$182,516,849,600.00
	COGS		106,606,000,000.0	112,258,000,000.0	140,089,000,000.0	131,376,000,000.0		
	Gross Profit		64,304,000,000.0	70,537,000,000.0	93,626,000,000.0	84,263,000,000.0	\$73,403,515,600.00	\$67,531,234,352.00
	Sales, General and Admin.		10,830,000,000.0	11,993,000,000.0	14,329,000,000.0	14,194,000,000.0		
	Other Operating Items		0.0	0.0	0.0	0.0		
	Research and Development		4,475,000,000.0	6,041,000,000.0	8,067,000,000.0	10,045,000,000.0		
	Total operating expenses		15,305,000,000.0	18,034,000,000.0	22,396,000,000.0	24,239,000,000.0		
	Operating Income		48,999,000,000.0	52,503,000,000.0	71,230,000,000.0	60,024,000,000.0	\$57,532,485,200.00	\$52,929,886,384.00

Profit forecast for the company APPL for the next 2 years (5 and 6)

According to given table it is observed the increasement of 3 main features^ revenue growth, gross profit and operating income in both, strong and base cases, except weak, which characterized by decreasing. The revenue growth expected to be increased in the 5 and 6 years by 28% in the best scenario, as in base it will be steadily grow by 7%. While weak scenario will show the declining process by – 8%. The same forecast is shown for gross margin and operating margin for both scenarios, except weak. Where we again can view the decreasing process.