|  |  |  |
| --- | --- | --- |
| **Fabrikam Income Statement** |  |  |
|  |  |  |
| **Income Statement** | **Last year ($)** | **This year ($)** |
| **Revenue** |  |  |
| Cloud Computing | 30,650,000 | 35,300,000 |
| Artificial Intelligence | 8,350,000 | 22,845,000 |
| IT Services | 90,325,000 | 82,369,000 |
| Licensing Fees | 15,300,000 | 18,275,000 |
| **Total Revenue** | 144,625,000 | 158,789,000 |
|  |  |  |
| **Cost of Goods Sold (COGS)** |  |  |
| **Cost of Product Sales** |  |  |
| Direct Material Costs | 15,872,000 | 18,500,000 |
| Direct Labor Costs | 21,570,000 | 25,150,000 |
| Manufacturing Overhead | 8,500,000 | 9,890,000 |
| **Total Cost of Product Sales** | 45,942,000 | 53,540,000 |
|  |  |  |
| **Gross Profit** | 98,683,000 | 105,249,000 |
|  |  |  |
| **Operating Expenses** |  |  |
| Selling Expenses | 9,370,000 | 10,250,000 |
| Research and Development | 4,595,000 | 5,120,000 |
| General and Administrative Expenses | 12,050,000 | 12,447,000 |
| Depreciation and Amortization | 6,125,000 | 6,210,000 |
| **Total Operating Expenses** | 32,140,000 | 34,027,000 |
|  |  |  |
| **Operating Income (EBIT)** | 66,543,000 | 71,222,000 |
|  |  |  |
| **Other Income and Expenses** |  |  |
| Interest Income | 824,650 | 876,200 |
| Interest Expenses | -3,510,000 | -3,675,000 |
| Miscellaneous Income | 320,560 | 315,750 |
| **Total Other Income and Expenses** | -2,364,790 | -2,483,050 |
|  |  |  |
| **Income Before Taxes (EBT)** | 64,178,210 | 68,738,950 |
|  |  |  |
| **Income Tax Expense** |  |  |
| Federal Income Tax Expense | 13,477,424 | 14,435,180 |
| Minnesota State Income Tax Expense | 6,289,465 | 6,736,417 |
| **Total Income Tax Expense** | 19,766,889 | 21,171,597 |
|  |  |  |
| **Net Income** | 44,411,321 | 47,567,353 |