

XYZ Project

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026
Sales		2,350.0	2,514.5	2,690.5	2,878.9	3,080.4	3,296.0	3,526.7	3,773.6
× EBITDA margin		26%	26%	26%	26%	26%	26%	26%	26%
= Earnings before interest, taxes & amortization (EBITDA)		611.0	653.8	699.5	748.5	800.9	857.0	916.9	981.1
– Depreciation		400.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0
= Earnings before interest and taxes (EBIT)		211.0	253.8	299.5	348.5	400.9	457.0	516.9	581.1
– Interest expense (net)		200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0
= Earnings before taxes (EBT)		11.0	53.8	99.5	148.5	200.9	257.0	316.9	381.1
– Taxes		1.1	5.4	10.0	14.9	20.1	25.7	31.7	38.1
= Net income		9.9	48.4	89.6	133.7	180.8	231.3	285.3	343.0
Initial property, plant and equipment (PPE)		4,000.0	3,600.0	3,200.0	2,800.0	2,400.0	2,000.0	1,600.0	1,200.0
+ Capital expenditures (CAPX)	4,000.0	-	-	-	-	-	-	-	-
– Depreciation		400.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0
= Final property, plant and equipment (PPE)	4,000.0	3,600.0	3,200.0	2,800.0	2,400.0	2,000.0	1,600.0	1,200.0	800.0
Accounts receivable (A/R)		211.5	226.3	242.1	259.1	277.2	296.6	317.4	339.6
+ Inventory		23.5	25.1	26.9	28.8	30.8	33.0	35.3	37.7
– Accounts payable (A/P)		141.0	150.9	161.4	172.7	184.8	197.8	211.6	226.4
= Net working capital (NWC)		94.0	100.6	107.6	115.2	123.2	131.8	141.1	150.9

Tax rate	10.0%
Cost of capital	6.3%