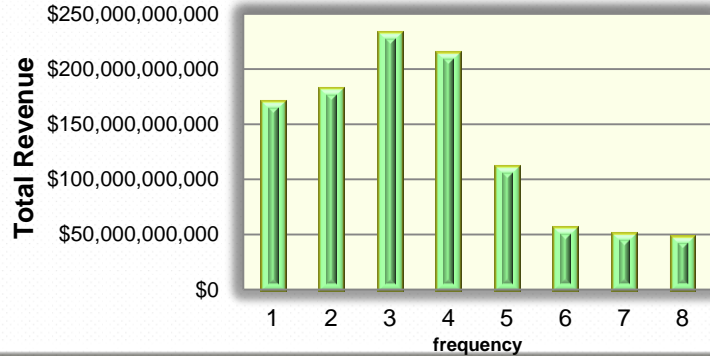
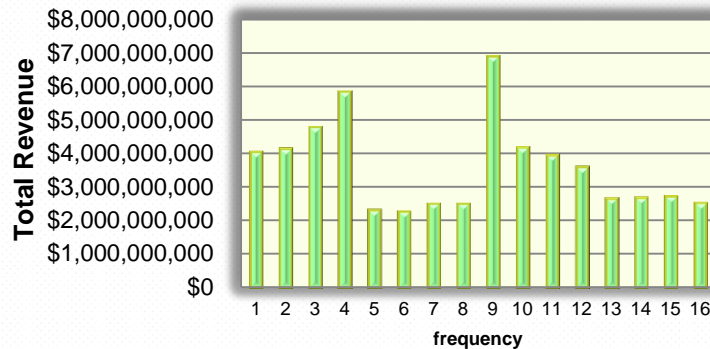


Total Revenue for IT Sector-Graph

IT,Computer Hardware



IT,Application Software

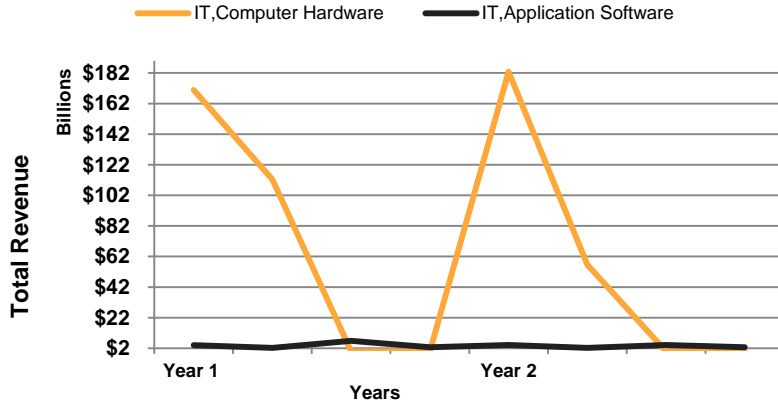


There are two Plots that represent, **there is a comparison between two sub-industries in the IT sector:**

Comparison is between computer Hardware and software application in four years and across companies. The information technology sector has the bigger Total Revenue where it appears to us that it is the **Maximum** of computer Hardware was \$234 billions Dollars with **Average** \$134 billions Dollars. and on other side application software the **Maximum** was \$7 billions Dollars with **Average** \$4 billions Dollars.

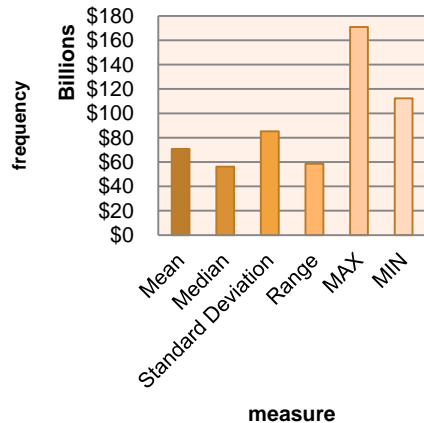
On a scale the **Minimum** for Hardware was \$48,238,000,000 and \$2,273,900,000 for software.

Total Revenue for IT Sector – During 1&2 Years

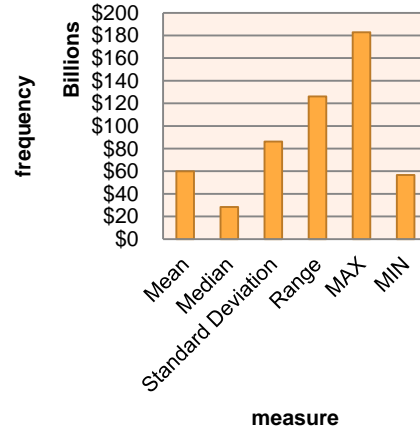


As we see in the graph in the first and second years, the total revenue is higher for Hardware compared to Software.

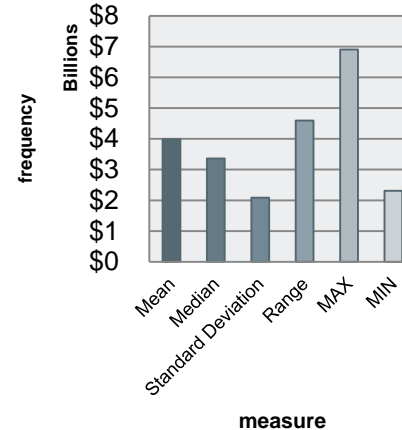
IT,Computer Hardware Year 1



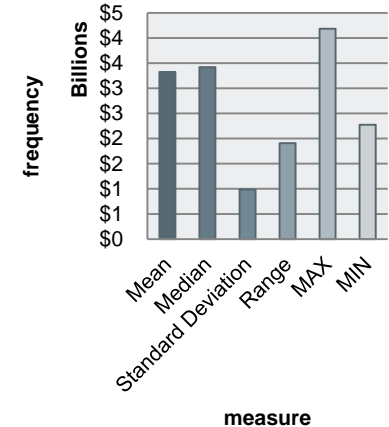
IT,Computer Hardware Year 2



IT,Application Software Year 1



IT,Application Software Year 2



Total Revenue for IT Sector– Measure

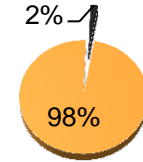
Let's see the **Median** of total revenue for Hardware was \$142 billion compared to \$3 billion for Software.

Whereas, if we look at the **Range**, we will see that there are a big difference in Range Where the Hardware was \$185,477,000,000 with **Standard Deviation** \$76,506,413,086.82 compared to \$4,632,100,000 with Standard Deviation \$1,361,663,067.56 for software.

	IT, Computer Hardware	IT, Application Software
Mean	\$133,963,625,000	\$3,607,415,375
Median	\$141,604,000,000	\$3,166,000,000
Standard Deviation	\$76,506,413,086.82	\$1,361,663,067.56
Range	\$185,477,000,000	\$4,632,100,000
MAX	\$233,715,000,000	\$6,906,000,000
MIN	\$48,238,000,000	\$2,273,900,000

Median

- IT, Computer Hardware
- IT, Application Software



In conclusion, the hardware industries have a higher total revenue on average than all industries categorized under application software in the information technology sector.

✓ So the computer Hardware low risk for invest depend on the Standard Deviation.

Profit and Loss Statement of AAL Company Between First to Fourth Year

We can see from the below Profit & Loss Statement gross profit increased remarkably for four years.

In the second year revenue growth was 8%, and in the third year there was a jump where revenue growth reached 59% compared to the 1&2 year and In the third year revenue decreased by 4%.

Operating profits registered in the first year \$534 million. and an increase in the second year to \$2 billion and 5 billion for the third year and still increase in the year four to \$7 billion.

In the second year, they changed the style and they think outside the box, and it appears in Operating profits increased to 266%

Income Statement						
		Historical				
		Year 1	Year 2	Year 3	Year 4	
Revenue		\$ 24,855,000,000	\$ 26,743,000,000	\$ 42,650,000,000	\$ 40,990,000,000	
COGS		\$ 10,499,000,000	\$ 11,019,000,000	\$ 15,620,000,000	\$ 11,096,000,000	
Gross Profit		\$ 14,356,000,000	\$ 15,724,000,000	\$ 27,030,000,000	\$ 29,894,000,000	
Sales, General and Admin.		\$ 12,977,000,000	\$ 12,913,000,000	\$ 20,686,000,000	\$ 21,275,000,000	
Other operating expenses		\$ 845,000,000	\$ 853,000,000	\$ 1,295,000,000	\$ 1,364,000,000	
Research and Development		\$ -	\$ -	\$ -	\$ -	
Total operating expenses		\$ 13,822,000,000	\$ 13,766,000,000	\$ 21,981,000,000	\$ 22,639,000,000	
Operating income/ EBIT		\$534,000,000	\$1,958,000,000	\$5,049,000,000	\$7,255,000,000	

Profit and Loss Statement of AAL Company in next two Years

We can see from the below Profit & Loss in the next two years.

- Let's take the Best scenarios to analyse our data so the expected revenue growth for the fifth year will 49% and in the sixth year 50%.
- The expected Gross margin for the fifth year will 0.99% = \$60 Billion and in the sixth year 0.99% = \$90 Billion.
- The expected Operating margin for the fifth year will 0.19% = \$11 Billion and in the sixth year 0.19% = \$17 Billion.

	Weak Scenario		Base Scenario		Strong Scenario	
	Forecast		Forecast		Forecast	
	Year 5	Year 6	Year 5	Year 6	Year 5	Year 6
Revenue	\$ 43,657,147,332.33	\$ 46,061,269,785.45	\$ 49,623,163,153.63	\$ 60,570,843,033.63	\$ 60,923,473,639.59	\$ 91,159,848,064.38
COGS						
Gross Profit	\$ 39,291,432,599.10	\$ 41,455,142,806.90	\$ 46,645,773,364.41	\$ 56,936,592,451.61	\$ 60,314,238,903.20	\$ 90,248,249,583.74
Sales, General and Admin.						
Other operating expenses						
Research and Development						
Total operating expenses						
Operating income/ EBIT	\$ 6,112,000,626.53	\$ 6,448,577,769.96	\$ 8,435,937,736.12	\$ 10,297,043,315.72	\$ 11,575,459,991.52	\$ 17,320,371,132.23

Thank you

Eng. Fahd Yhaya Alfifi

Eng. Fahd Yhaya Alfifi