

## Financial Model Solution

Vertical Orientation

# Blu Containers Company

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# Blu Containers Company

## Summary Outputs




### SUMMARY VALUES - BASE CASE

SUMMARY VALUES - BASE CASE									
(\$ Millions)	Trend	2020A	2021A	2022A	Projected				
					2023	2024	2025	2026	2027
Income Statement Items									
Net Revenue		\$214	\$237	\$205	\$252	\$234	\$281	\$281	\$268
Growth			10.8%	(13.4%)	23.3%	(7.5%)	20.4%	(0.0%)	(4.6%)
EBITDA		\$50	\$68	\$33	\$74	\$47	\$86	\$77	\$54
Margin		23.5%	28.9%	16.2%	29.3%	20.2%	30.7%	27.3%	20.3%
Growth			36.3%	(51.6%)	123.2%	(36.2%)	83.5%	(11.3%)	(29.2%)
Net Income		\$14	\$24	\$2	\$30	\$13	\$39	\$33	\$19
Margin		6.6%	10.0%	1.1%	11.8%	5.5%	13.8%	11.8%	7.2%
Growth			68.1%	(90.7%)	1250.3%	(56.6%)	201.2%	(14.1%)	(41.7%)

### SUMMARY VALUES - BEST CASE

					Projected				
(\$ Millions)	Trend	2020A	2021A	2022A	2023	2024	2025	2026	2027
Income Statement Items									
Net Revenue		\$214	\$237	\$205	\$264	\$245	\$297	\$300	\$282
Growth			10.8%	(13.4%)	29.0%	(7.4%)	21.5%	1.1%	(6.3%)
EBITDA		\$50	\$68	\$33	\$86	\$59	\$102	\$95	\$71
Margin		23.5%	28.9%	16.2%	32.4%	23.9%	34.3%	31.7%	25.1%
Growth			36.3%	(51.6%)	158.4%	(31.6%)	74.4%	(6.7%)	(25.9%)
Net Income		\$14	\$24	\$2	\$37	\$20	\$49	\$46	\$30
Margin		6.6%	10.0%	1.1%	14.1%	8.3%	16.6%	15.2%	10.7%
Growth			68.1%	(90.7%)	1594.4%	(45.3%)	141.8%	(7.6%)	(33.8%)

### SUMMARY VALUES - WORST CASE

(\$ Millions)	Trend	2020A	2021A	2022A	Projected				
					2023	2024	2025	2026	2027
Income Statement Items									
Net Revenue		\$214	\$237	\$205	\$238	\$220	\$263	\$260	\$245
Growth			10.8%	(13.4%)	16.4%	(7.7%)	19.3%	(1.0%)	(5.9%)
EBITDA		\$50	\$68	\$33	\$61	\$34	\$68	\$57	\$34
Margin		23.5%	28.9%	16.2%	25.5%	15.4%	26.0%	21.9%	14.0%
Growth			36.3%	(51.6%)	83.8%	(44.3%)	101.4%	(16.4%)	(40.1%)
Net Income		\$14	\$24	\$2	\$21	\$4	\$26	\$20	\$5
Margin		6.6%	10.0%	1.1%	8.9%	1.9%	10.1%	7.6%	2.1%
Growth			68.1%	(90.7%)	865.0%	(80.8%)	548.1%	(25.6%)	(74.1%)

## Blu Containers Company

### Inputs and Assumptions #1

## GENERAL

- First year of forecast in financial model: 2023
- Three scenarios have been used for Inflation, Product Pricing and sales volume growth

## PRODUCT PRICING

- The product pricing cases used in the model are as follows:

### Pricing Case

**2023 - 2027**

## Base Case

## Research Forecast

## Best Case

+4%

## Worst Case

(4%)

## COSTS

<b><u>Cost Item</u></b>	<b><u>2023</u></b>	<b><u>Increases</u></b>
Raw Materials	\$226.0 per Unit	Inflation on a unit basis
Utilities	\$66.2 per Unit	Inflation on a unit basis
Rent	\$23.5 MM	Inflation on a total basis
Operating Labour	\$43.5 MM	Inflation on a total basis
Other	\$2.0 MM	Inflation on a total basis
SG&A	\$3.9 MM	Inflation on a total basis

## DEPRECIATION

- |  |               |
|--|---------------|
| - Depreciation Methodology Used:                       | Straight Line |
| - Years remaining for depreciation of existing assets: | 25            |
| - Years used for depreciation of new assets:           | 30            |

## EQUITY

Stock Price - 06/30/24	\$11.50
Fully Diluted Shares O/S (MM) - Dec. 31, 2022	14.80
Common Dividend Payout Rate	20.0%

## OPERATIONS

Annual Factory Capacity (000's units):	420
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## INTEREST RATES

Interest earned on Cash balances:	1.0%
Interest rate on Bank Revolver:	6.0%
Interest rate on Senior Secured Term Debt:	6.0%

## TAXES

Tax rate assumed in the model:	35.0%
Additional tax assumptions in "Other Assumptions" box	

## Blu Containers Company

### Inputs and Assumptions #2

OTHER ASSUMPTIONS		2023	2024	2025	2026	2027
<b>Income Statement</b>						
Cost Adjustments - Gain/(Loss)	MM	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow Statement</b>						
Investing Activities - Other	MM	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Capital Expenditures</b>	MM	\$16.0	\$17.0	\$17.3	\$17.5	\$18.0
<b>Income Tax</b>						
Reduction in EBT for timing differences	MM	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
<b>Working Capital Days</b>						
Accounts Receivable	days	48.0	44.0	40.0	40.0	40.0
Inventories	days	70.0	65.0	60.0	60.0	55.0
Prepaid Expenses	days	30.0	30.0	30.0	30.0	30.0
Other Assets	days	3.0	3.0	3.0	3.0	3.0
Accounts Payable	days	40.0	40.0	40.0	40.0	40.0
Other Liabilities	days	10.0	10.0	10.0	10.0	10.0
<b>Change in Debt &amp; Equity</b>						
Senior Term Debt Issuance / (Repayment)	MM	(\$25.0)	(\$25.0)	(\$25.0)	(\$25.0)	(\$25.0)
Common Stock Issuance / (Buy-back)	MM	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

## Blu Containers Company

### Economic and Sales Scenarios

<b>SCENARIO SWITCH:</b>	Base Case	▼
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2023	2024	2025	2026	2027
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#### ECONOMIC SCENARIOS

##### Cost Inflation

Base Case  
Best Case  
Worst Case

2.0%	2.0%	2.0%	2.5%	2.5%
2.0%	2.0%	2.0%	2.5%	2.5%
1.8%	1.8%	1.8%	2.0%	2.0%
2.5%	2.5%	2.5%	2.5%	2.5%

#### SALES SCENARIOS

##### Sales Price - \$/Unit

Base Case  
Best Case  
Worst Case

800.0	725.0	825.0	800.0	750.0
800.0	725.0	825.0	800.0	750.0
832.0	754.0	858.0	832.0	780.0
768.0	696.0	792.0	768.0	720.0

##### Sales Volume Growth

Base Case  
Best Case  
Worst Case

5.0%	4.0%	4.0%	4.0%	4.0%
5.0%	4.0%	4.0%	4.0%	4.0%
5.0%	4.0%	5.0%	5.0%	4.0%
4.0%	4.0%	3.0%	3.0%	2.0%

Currently Running: Base Case Scenario

## Blu Containers Company

### Revenue Schedule

		2020A	2021A	2022A	Projected				
					2023	2024	2025	2026	2027
Pricing									
Gross Sales Price	(\$/unit)			694.4	800.0	725.0	825.0	800.0	750.0
Cost Inflation	(%)				2.0%	2.0%	2.0%	2.5%	2.5%
Freight & Warehousing	(\$/unit)			100.0	102.0	104.0	106.1	108.8	111.5
Net Sales Price	(\$/unit)			594.4	698.0	621.0	718.9	691.2	638.5
Sales Volume									
Annual Factory Capacity	(000's units)				420.0	420.0	420.0	420.0	420.0
Sales Volume Growth	(%)				5.0%	4.0%	4.0%	4.0%	4.0%
Annual Sales Volume	(000's units)			344.5	361.7	376.2	391.2	406.9	420.0
Implied Operating Rate					86.1%	89.6%	93.1%	96.9%	100.0%
Revenue									
Gross Revenue	(\$ MM)			239.2	289.4	272.7	322.7	325.5	315.0
Freight & Warehousing	(\$ MM)			34.4	36.9	39.1	41.5	44.3	46.8
Net Revenue	(\$ MM)			\$204.8	\$252.5	\$233.6	\$281.2	\$281.2	\$268.2

## Blu Containers Company

### Costs of Production Schedule

		2020A	2021A	2022A	Projected				
					2023	2024	2025	2026	2027
Annual Sales Volume	(000's units)			344.5	361.7	376.2	391.2	406.9	420.0
Cost Inflation	(%)					2.0%	2.0%	2.5%	2.5%
COSTS PER UNIT									
Variable Costs									
Raw Materials	(\$/unit)				226.0	230.5	235.1	241.0	247.0
Utilities	(\$/unit)				66.2	67.5	68.9	70.6	72.4
Total Variable Costs	(\$/unit)				292.2	298.0	304.0	311.6	319.4
Fixed Costs									
Rent	(\$/unit)				65.0	63.7	62.5	61.6	61.2
Operating Labour	(\$/unit)				120.3	118.0	115.7	114.0	113.2
Other	(\$/unit)				5.5	5.4	5.3	5.2	5.2
Total Fixed Costs	(\$/unit)				190.8	187.1	183.5	180.9	179.6
Total Costs	(\$/unit)				483.0	485.1	487.5	492.5	499.0
COSTS IN MILLIONS									
Variable Costs									
Raw Materials	(\$ MM)				81.7	86.7	92.0	98.1	103.8
Utilities	(\$ MM)				23.9	25.4	26.9	28.7	30.4
Total Variable Costs	(\$ MM)				105.7	112.1	118.9	126.8	134.1
Fixed Costs									
Rent	(\$ MM)				23.5	24.0	24.4	25.1	25.7
Operating Labour	(\$ MM)				43.5	44.4	45.3	46.4	47.5
Other	(\$ MM)				2.0	2.0	2.1	2.1	2.2
Total Fixed Costs	(\$ MM)				69.0	70.4	71.8	73.6	75.4
Total Costs	(\$ MM)				174.7	182.5	190.7	200.4	209.6

## Blu Containers Company

### Income Statement

(\$ Millions)

	2020A	2021A	2022A	<i>Projected</i>				
				2023	2024	2025	2026	2027
Annual Sales Volume (000's units)			344.5	361.7	376.2	391.2	406.9	420.0
Cost Inflation (%)					2.0%	2.0%	2.5%	2.5%
<b>Revenue</b>								
Gross Revenue	244.8	269.3	239.2	289.4	272.7	322.7	325.5	315.0
Freight & Warehousing	31.3	32.7	34.4	36.9	39.1	41.5	44.3	46.8
<b>Net Revenue</b>	<b>213.5</b>	<b>236.6</b>	<b>204.8</b>	<b>252.5</b>	<b>233.6</b>	<b>281.2</b>	<b>281.2</b>	<b>268.2</b>
Cost of Sales	159.9	164.6	167.9	174.7	182.5	190.7	200.4	209.6
S,G & A	3.4	3.6	3.8	3.9	4.0	4.1	4.2	4.3
<b>Total Costs</b>	<b>163.3</b>	<b>168.2</b>	<b>171.7</b>	<b>178.6</b>	<b>186.5</b>	<b>194.8</b>	<b>204.5</b>	<b>213.8</b>
Cost Adjustments - Gain/(Loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>50.2</b>	<b>68.4</b>	<b>33.1</b>	<b>73.9</b>	<b>47.1</b>	<b>86.5</b>	<b>76.7</b>	<b>54.3</b>
Depreciation	15.4	15.5	15.8	16.2	16.7	17.3	17.9	18.5
<b>EBIT</b>	<b>34.8</b>	<b>52.9</b>	<b>17.3</b>	<b>57.7</b>	<b>30.4</b>	<b>69.2</b>	<b>58.8</b>	<b>35.9</b>
Interest Expense	15.0	15.0	14.0	12.0	10.6	9.5	7.6	6.0
<b>EBT</b>	<b>19.8</b>	<b>37.9</b>	<b>3.3</b>	<b>45.7</b>	<b>19.8</b>	<b>59.7</b>	<b>51.3</b>	<b>29.9</b>
Current Income Taxes	3.0	8.0	0.0	14.2	5.2	19.1	16.2	8.7
Deferred Income Taxes	2.7	6.2	1.1	1.8	1.8	1.8	1.8	1.8
<b>Total Income Taxes</b>	<b>5.7</b>	<b>14.2</b>	<b>1.1</b>	<b>16.0</b>	<b>6.9</b>	<b>20.9</b>	<b>17.9</b>	<b>10.5</b>
<b>Net Income</b>	<b>\$14.1</b>	<b>\$23.7</b>	<b>\$2.2</b>	<b>\$29.7</b>	<b>\$12.9</b>	<b>\$38.8</b>	<b>\$33.3</b>	<b>\$19.4</b>

<b>Margins</b>								
EBITDA Margin	23.5%	28.9%	16.2%	29.3%	20.2%	30.7%	27.3%	20.3%
EBIT Margin	16.3%	22.4%	8.4%	22.9%	13.0%	24.6%	20.9%	13.4%
Profit Margin	6.6%	10.0%	1.1%	11.8%	5.5%	13.8%	11.8%	7.2%
Return on Equity		10%	1%	11%	4%	13%	10%	5%



## Blu Containers Company

### Cash Flow Statement

(\$ Millions)

	2020A	2021A	2022A	<i>Projected</i>				
				2023	2024	2025	2026	2027
<b>Operating Activities</b>								
Net Income	14.1	23.7	2.2	29.7	12.9	38.8	33.3	19.4
Depreciation & Amortization	15.4	15.5	15.8	16.2	16.7	17.3	17.9	18.5
Deferred Income Taxes	2.7	6.2	1.1	1.8	1.8	1.8	1.8	1.8
Changes in working capital	0.0	0.0	0.0	(2.1)	6.6	(1.3)	(1.1)	3.2
<b>Operating Cash Flow</b>	<b>32.2</b>	<b>45.4</b>	<b>19.1</b>	<b>45.6</b>	<b>37.9</b>	<b>56.6</b>	<b>51.8</b>	<b>42.9</b>
<b>Investing Activities</b>								
CAPEX	(14.1)	(15.0)	(15.5)	(16.0)	(17.0)	(17.3)	(17.5)	(18.0)
Other	(5.0)	4.0	3.0	0.0	0.0	0.0	0.0	0.0
<b>Investing Cash Flow</b>	<b>(19.1)</b>	<b>(11.0)</b>	<b>(12.5)</b>	<b>(16.0)</b>	<b>(17.0)</b>	<b>(17.3)</b>	<b>(17.5)</b>	<b>(18.0)</b>
<b>Financing Activities</b>								
Revolver Issuance / (Repayment)	0.0	0.0	0.0	1.1	6.7	(6.5)	(1.2)	2.6
Term Debt Issuance / (Repayment)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Common Shares Issuance/ (Buy-Back)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common Dividends	(2.8)	(4.7)	(2.4)	(5.9)	(2.6)	(7.8)	(6.7)	(3.9)
<b>Financing Cash Flow</b>	<b>(27.8)</b>	<b>(29.7)</b>	<b>(27.4)</b>	<b>(29.9)</b>	<b>(20.9)</b>	<b>(39.3)</b>	<b>(32.9)</b>	<b>(26.3)</b>
Change in the Cash Position	(14.7)	4.7	(20.8)	(0.3)	0.0	0.0	1.4	(1.4)
Beginning Cash	31.1	16.4	21.1	0.3	0.0	0.0	0.0	1.4
Ending Cash	16.4	21.1	0.3	0.0	0.0	0.0	1.4	0.0

## Blu Containers Company

### Balance Sheet

(\$ Millions)

	2020A	2021A	2022A	<i>Projected</i>				
				2023	2024	2025	2026	2027
<b>ASSETS</b>								
Cash	16.4	21.1	0.3	0.0	0.0	0.0	1.4	0.0
Accounts Receivable	27.0	27.8	28.3	33.2	28.1	30.8	30.8	29.4
Inventory	36.5	36.1	35.1	33.5	32.4	31.4	32.9	31.6
Prepaid Expenses	14.6	14.4	14.9	14.4	15.0	15.7	16.5	17.2
Other	1.4	1.8	1.2	1.4	1.5	1.6	1.6	1.7
<b>Total Current Assets</b>	95.9	101.2	79.8	82.5	76.9	79.4	83.3	79.9
Net PP&E	398.5	398.0	397.7	397.5	397.8	397.8	397.4	397.0
Other	19.0	15.0	12.0	12.0	12.0	12.0	12.0	12.0
<b>Total Long Term Assets</b>	417.5	413.0	409.7	409.5	409.8	409.8	409.4	409.0
<b>Total Assets</b>	<b>\$513.4</b>	<b>\$514.2</b>	<b>\$489.5</b>	<b>\$492.0</b>	<b>\$486.7</b>	<b>\$489.2</b>	<b>\$492.7</b>	<b>\$488.9</b>
<b>LIABILITIES AND EQUITY</b>								
Bank Debt - Revolver	0.0	0.0	0.0	1.1	7.7	1.2	0.0	2.6
Accounts Payable	18.3	18.7	18.2	19.1	19.9	20.9	22.0	23.0
Other	4.7	4.9	4.8	4.8	5.0	5.2	5.5	5.7
<b>Total Current Liabilities</b>	23.0	23.6	23.0	25.0	32.7	27.4	27.4	31.3
Deferred Income Taxes	0.7	6.9	8.0	9.8	11.5	13.3	15.0	16.8
Senior Secured Term Debt	250.0	225.0	200.0	175.0	150.0	125.0	100.0	75.0
<b>Total Long Term Liabilities</b>	250.7	231.9	208.0	184.8	161.5	138.3	115.0	91.8
<b>Total Liabilities</b>	<b>273.7</b>	<b>255.5</b>	<b>231.0</b>	<b>209.8</b>	<b>194.2</b>	<b>165.6</b>	<b>142.4</b>	<b>123.1</b>
Common Shares	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Retained Earnings	119.7	138.7	138.5	162.3	172.6	203.6	230.3	245.8
<b>Shareholder's Equity</b>	<b>239.7</b>	<b>258.7</b>	<b>258.5</b>	<b>282.3</b>	<b>292.6</b>	<b>323.6</b>	<b>350.3</b>	<b>365.8</b>
<b>Total Liabilities and Equity</b>	<b>\$513.4</b>	<b>\$514.2</b>	<b>\$489.5</b>	<b>\$492.0</b>	<b>\$486.7</b>	<b>\$489.2</b>	<b>\$492.7</b>	<b>\$488.9</b>
<i>Check</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>

Currently Running: Base Case Scenario

## Blu Containers Company

### Fixed Assets (PP&E) and Depreciation Schedule

(\$ Millions)

	2020A	2021A	2022A	<i>Projected</i>				
				2023	2024	2025	2026	2027
Methodology used:	Straight Line							
Years Remaining Existing Assets:	25							
Depreciation Years on New Assets:	30							
<b>Fixed Assets (Net PP&amp;E) - Beginning</b>				<b>\$397.7</b>	<b>\$397.5</b>	<b>\$397.8</b>	<b>\$397.8</b>	<b>\$397.4</b>
Plus: CAPEX				\$16.0	\$17.0	\$17.3	\$17.5	\$18.0
Depreciation to Existing Assets				\$15.9	\$15.9	\$15.9	\$15.9	\$15.9
<b>CAPEX</b>								
2023	\$16.0			0.3	0.5	0.5	0.5	0.5
2024	\$17.0				0.3	0.6	0.6	0.6
2025	\$17.3					0.3	0.6	0.6
2026	\$17.5						0.3	0.6
2027	\$18.0							0.3
<b>Total Depreciation</b>				<b>\$16.2</b>	<b>\$16.7</b>	<b>\$17.3</b>	<b>\$17.9</b>	<b>\$18.5</b>
<b>Fixed Assets (Net PP&amp;E) - Ending</b>			<b>\$397.7</b>	<b>\$397.5</b>	<b>\$397.8</b>	<b>\$397.8</b>	<b>\$397.4</b>	<b>\$397.0</b>

Currently Running: Base Case Scenario

## Blu Containers Company Income Tax Schedule

(\$ Millions)

		<i>Projected</i>				
		2023	2024	2025	2026	2027
<b>Tax Rate</b>	<b>35.0%</b>					
<b>Accounting EBT (as is on I/S)</b>	<b>A</b>	<b>\$45.7</b>	<b>\$19.8</b>	<b>\$59.7</b>	<b>\$51.3</b>	<b>\$29.9</b>
Less: Reduction in EBT for timing differences <sup>(1)</sup>		5.0	5.0	5.0	5.0	5.0
<b>Government EBT</b>	<b>B</b>	<b>\$40.7</b>	<b>\$14.8</b>	<b>\$54.7</b>	<b>\$46.3</b>	<b>\$24.9</b>
Accounting Taxes (35% of A)		16.0	6.9	20.9	17.9	10.5
<b>Taxes as Appearing on Income Statement</b>						
Current Tax (35% of B)		14.2	5.2	19.1	16.2	8.7
Increase (Decrease) in Deferred Income Taxes		1.8	1.8	1.8	1.8	1.8
<b>Total Income Taxes (Same as Accounting Taxes Above)</b>		<b>16.0</b>	<b>6.9</b>	<b>20.9</b>	<b>17.9</b>	<b>10.5</b>

(1) Assumes aggregate reduction in government pre-tax earnings due to timing differences between accounting and government rules.

Currently Running: Base Case Scenario

## Blu Containers Company Working Capital Schedule

(\$ Millions)

		2020A	2021A	2022A	Projected					
					2023	2024	2025	2026	2027	
Days per Year	(days)		365	365	365	366	365	365	365	
Income Statement Items										
Net Revenue	(\$ MM)		236.6	204.8	252.5	233.6	281.2	281.2	268.2	
Cost of Sales	(\$ MM)		164.6	167.9	174.7	182.5	190.7	200.4	209.6	
Days In										
Accounts Receivable	(days)		42.9	50.4	48.0	44.0	40.0	40.0	40.0	
Inventories	(days)		80.1	76.3	70.0	65.0	60.0	60.0	55.0	
Prepaid Expenses	(days)		31.9	32.4	30.0	30.0	30.0	30.0	30.0	
Other Assets	(days)		4.0	2.6	3.0	3.0	3.0	3.0	3.0	
Accounts Payable	(days)		41.5	39.6	40.0	40.0	40.0	40.0	40.0	
Other Liabilities	(days)		10.9	10.4	10.0	10.0	10.0	10.0	10.0	
Account Balances										
Accounts Receivable	(\$ MM)		27.8	28.3	33.2	28.1	30.8	30.8	29.4	
Inventories	(\$ MM)		36.1	35.1	33.5	32.4	31.4	32.9	31.6	
Prepaid Expenses	(\$ MM)		14.4	14.9	14.4	15.0	15.7	16.5	17.2	
Other Assets	(\$ MM)		1.8	1.2	1.4	1.5	1.6	1.6	1.7	
Accounts Payable	(\$ MM)		18.7	18.2	19.1	19.9	20.9	22.0	23.0	
Other Liabilities	(\$ MM)		4.9	4.8	4.8	5.0	5.2	5.5	5.7	
Net Working Capital	(\$ MM)		56.5	56.5	58.6	52.0	53.3	54.4	51.2	
Change in Working Capital	(\$ MM)				\$0.0	(\$2.1)	\$6.6	(\$1.3)	(\$1.1)	\$3.2

## Blu Containers Company

### Debt and Interest Schedule

(\$ Millions)

		<i>Projected</i>				
	2022A	2023	2024	2025	2026	2027
<b>FINANCING COMPONENT</b>						
<b>Cash</b>						
Amount Outstanding - Beginning		0.3	0.0	0.0	0.0	1.4
Change in Cash		(0.3)	0.0	0.0	1.4	(1.4)
Amount Outstanding - Ending	\$0.3	\$0.0	\$0.0	\$0.0	\$1.4	\$0.0
Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%
<b>Annual Interest Income</b>		<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Revolver</b>						
Operating Cash Flow		45.6	37.9	56.6	51.8	42.9
Investing Cash Flow		(16.0)	(17.0)	(17.3)	(17.5)	(18.0)
Mandatory Debt Repayments		(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Common Stock Issuance / (Buy-back)		0.0	0.0	0.0	0.0	0.0
Dividends		(5.9)	(2.6)	(7.8)	(6.7)	(3.9)
<b>FCF After Mandatory Debt Repayment and Dividend</b>		<b>(\$1.4)</b>	<b>(\$6.7)</b>	<b>\$6.5</b>	<b>\$2.6</b>	<b>(\$4.0)</b>
Revolver Outstanding - Beginning		0.0	1.1	7.7	1.2	0.0
Additions / (Repayments)		1.1	6.7	(6.5)	(1.2)	2.6
Revolver Outstanding - Ending	\$0.0	\$1.1	\$7.7	\$1.2	\$0.0	\$2.6
Interest Rate		6.0%	6.0%	6.0%	6.0%	6.0%
<b>Annual Interest Expense</b>		<b>\$0.0</b>	<b>\$0.1</b>	<b>\$0.5</b>	<b>\$0.1</b>	<b>\$0.0</b>
<b>Senior Secured Term Debt</b>						
Amount Outstanding - Beginning		200.0	175.0	150.0	125.0	100.0
Additions / (Repayments)		(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Amount Outstanding - Ending	\$200.0	\$175.0	\$150.0	\$125.0	\$100.0	\$75.0
Interest Rate		6.0%	6.0%	6.0%	6.0%	6.0%
<b>Annual Interest Expense</b>		<b>\$12.0</b>	<b>\$10.5</b>	<b>\$9.0</b>	<b>\$7.5</b>	<b>\$6.0</b>
<b>Net Interest Expense</b>		<b>\$12.0</b>	<b>\$10.6</b>	<b>\$9.5</b>	<b>\$7.6</b>	<b>\$6.0</b>

Currently Running: Base Case Scenario

## Blu Containers Company Shareholders' Equity Schedule

(\$ Millions)

	2022A	2023	2024	<i>Projected</i>		
				2025	2026	2027
<b>Common Shares</b>						
Amount Outstanding - Beginning		120.0	120.0	120.0	120.0	120.0
New Issuance / (Buy-Back)		0.0	0.0	0.0	0.0	0.0
Amount Outstanding - Ending	\$120.0	\$120.0	\$120.0	\$120.0	\$120.0	\$120.0
Dividend Payout Rate		20.0%	20.0%	20.0%	20.0%	20.0%
Net Income		29.7	12.9	38.8	33.3	19.4
<b>Common Dividend</b>		<b>\$5.9</b>	<b>\$2.6</b>	<b>\$7.8</b>	<b>\$6.7</b>	<b>\$3.9</b>
<b>Retained Earnings</b>						
Amount Outstanding - Beginning		138.5	162.3	172.6	203.6	230.3
Net Income		29.7	12.9	38.8	33.3	19.4
Common Dividend		(5.9)	(2.6)	(7.8)	(6.7)	(3.9)
<b>Amount Outstanding - Ending</b>	<b>\$138.5</b>	<b>\$162.3</b>	<b>\$172.6</b>	<b>\$203.6</b>	<b>\$230.3</b>	<b>\$245.8</b>