

To our Shareholders:

***D**uring this past year, we have reviewed Franklin Covey's overall business piece by piece. We have challenged business models, analyzed the Company's profitability by sku, channel and customer segment, reorganized key business units, and determined the focus of the business going forward. As we begin our new fiscal year, we would like to update you on the business review process, and to provide you with an overview of our business plan and overall financial goals for fiscal year 2001.*