

## PERFORMANCE HIGHLIGHTS

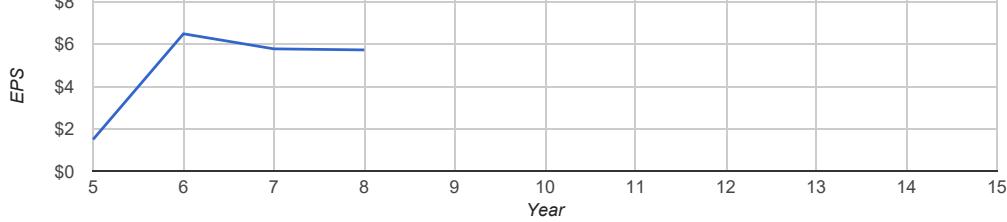
Year 8

Financial		Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
<b>EPS</b> (earnings per share)		\$1.50	\$6.48	\$5.77	\$5.72							
<b>ROE</b> (return on equity)		14.0%	76.5%	47.2%	44.5%							
<b>Stock Price</b>		\$24.00	\$132.98	\$190.25	\$180.96							
<b>Credit Rating</b>		B	A	A	A							
<b>Image Rating</b>		70	75	82	81							
<b>Net Revenues</b>	AC Camera	188,637	313,994	314,159	254,145							
	UAV Drone	145,491	296,278	307,904	282,052							
	<b>Total</b>	334,128	610,272	622,063	536,197							
<b>AC Camera — Sales</b>	North America	285.0	322.4	329.6	252.9							
	Market Share (000s of units)	25.0%	28.0%	36.5%	29.7%							
	Europe-Africa	240.0	255.3	178.1	124.2							
	Market Share	25.0%	26.2%	23.4%	31.7%							
	Asia-Pacific	185.0	198.9	180.1	141.4							
	Market Share	25.0%	25.5%	23.1%	21.6%							
	Latin America	130.0	144.6	126.1	99.3							
	Market Share	25.0%	26.4%	22.7%	21.4%							
	<b>Total</b>	840.0	921.2	813.9	617.8							
	Market Share	25.0%	26.7%	28.5%	26.9%							
<b>UAV Drone — Sales</b>	North America	52.0	62.7	56.0	50.9							
	Market Share (000s of units)	25.0%	27.5%	34.1%	28.3%							
	Europe-Africa	43.0	46.9	40.9	39.5							
	Market Share	25.0%	26.1%	31.9%	30.0%							
	Asia-Pacific	28.0	36.2	39.6	30.9							
	Market Share	25.0%	27.4%	28.3%	22.1%							
	Latin America	17.0	22.3	24.6	21.0							
	Market Share	25.0%	27.9%	29.3%	23.9%							
	<b>Total</b>	140.0	168.1	161.1	142.3							
	Market Share	25.0%	27.1%	31.4%	26.7%							
Strategic / Operating		Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
<b>PQ Rating</b>	AC Camera	4.0★	4.1★	4.4★	5.2★							
	UAV Drone	4.0★	4.2★	4.6★	5.1★							
<b>Compensation</b>	AC Camera	25,000	25,683	26,302	26,692							
	UAV Drone	25,000	25,683	35,308	32,696							
<b>PAT Productivity</b>	AC Camera	3,000	3,325	3,270	3,506							
	UAV Drone	1,500	1,668	1,879	1,940							
<b>Labor Cost</b>	AC Camera	33.67	33.95	34.75	33.18							
	UAV Drone	65.38	65.12	59.03	58.45							
<b>Production Cost</b>	AC Camera	156.97	175.06	200.44	193.27							
	UAV Drone	806.22	982.56	1,084.20	1,084.05							
<b>Marketing Cost</b>	AC Camera	17.73	20.34	27.63	36.40							
	UAV Drone	77.71	176.56	310.37	311.31							
<b>Operating Profit</b>	AC Camera	29.33	121.15	128.54	151.83							
	Margin	13.1%	35.5%	33.3%	36.9%							
	UAV Drone	65.75	487.38	389.84	467.10							
	Margin	6.3%	27.7%	20.4%	23.6%							

Earnings Per Share (EPS) ▾

Earnings Per Share (EPS) – A Company

— EPS



**Action Digital**

(Industry 1)

**ASSEMBLY AND FACILITY OPERATIONS**
**Year 8**

Action-Capture Cameras				UAV Drones			
AC Camera Production		UAV Drone Production		Product Attributes		Product Attributes	
<b>Units Assembled (000s)</b>		<b>Extra Performance Features</b>		<b>Number of Models</b>		<b>Extra Performance Features</b>	
Regular-Time	617.8	4	Overtime	0.0	5	5	3
Total	617.8	P/Q Rating	5.2 ★	Total	142.3	P/Q Rating	5.1 ★
<b>Product R&amp;D Expenditures in Year 8 (\$000s)</b>		\$ 6,000		<b>Product R&amp;D Expenditures in Year 8 (\$000s)</b>		\$ 12,000	
<b>Cumulative Product R&amp;D Expenditures (\$000s)</b>		\$ 69,000		<b>Cumulative Product R&amp;D Expenditures (\$000s)</b>		\$ 63,000	
AC Camera Assembly Facility				UAV Drone Assembly Facility			
<b>Space Available for Workstations</b> (at end of Year 7)		300 spaces		<b>Space Available for Workstations</b> (at end of Year 7)		110 spaces	
<b>New Spaces Added</b> (facility expansion at begin. of Y8)		0		<b>New Spaces Added</b> (facility expansion at begin. of Y8)		0	
<b>Space Available for ACC Workstations</b> (in Year 8)		300 spaces		<b>Space Available for Drone Workstations</b> (in Year 8)		110 spaces	
<b>Installed Workstations</b> (at end of Year 7)		300 workstations		<b>Installed Workstations</b> (at end of Year 7)		110 workstations	
<b>New workstations Added</b> (at beginning of Y8)		0		<b>New workstations Added</b> (at beginning of Y8)		0	
<b>Total Installed Workstations</b> (available for use in Y8)		300 workstations		<b>Total Installed Workstations</b> (available for use in Y8)		110 workstations	
Investment in AC Camera Facility (\$000s)				Investment in UAV Drone Facility (\$000s)			
		Beginning Gross Investment		Beginning Gross Investment		New Year 8 Investment	
<b>Plant Facility</b>		\$ 127,750	\$ 1,500	\$ 97,750	\$ 1,500	\$ 129,250	\$ 99,250
<b>Workstations</b>		32,000	0	11,000	0	32,000	11,000
<b>Robotics Upgrade</b>		0	0	0	0	0	0
<b>Total (Gross) Investment in AC Camera Facilities</b>		\$ 161,250		<b>Total (Gross) Investment in UAV Drone Facilities</b>	\$ 110,250		
- Accumulated Depreciation (at the end of Year 7)		53,351		- Accumulated Depreciation (at the end of Year 7)	20,751		
- Current-Year Depreciation (5% of gross investment)		8,063		- Current-Year Depreciation (5% of gross investment)	5,513		
<b>Net Investment in AC Camera Facilities</b>		\$ 99,836		<b>Net Investment in UAV Drone Facilities</b>	\$ 83,986		
AC Camera Work Force Statistics				UAV Drone Work Force Statistics			
		Year 8 Decisions		Year 8 Decisions		\$ Per Worker	
<b>Base Wage Per PAT Member</b>		+2%		\$ 21,648		\$ 23,347	
<b>Incentive Bonus</b> (to reduce warranty claims)		\$2.50 / unit		2,044		2,349	
<b>Attendance Bonus</b> (for perfect attendance)		\$1,000 / worker		1,000		1,000	
<b>Fringe Benefit Package</b>		\$2,000 / worker		2,000		6,000	
<b>Total Compensation</b> (annual pay per worker)		\$ 26,692		<b>Total Compensation</b> (annual pay per worker)	\$ 32,696		
<b>Best Practices / Productivity Improvement Training (\$PAT)</b>		\$ 8,500		<b>Best Practices / Productivity Improvement Training (\$PAT)</b>	\$ 9,000		
<b>PAT Productivity</b> (units assembled per PAT per year)		3,506		<b>PAT Productivity</b> (units assembled per PAT per year)	1,940		
<b>Number of PATs Employed</b> (for AC camera assembly)		177		<b>Number of PATs Employed</b> (for AC camera assembly)	74		
x Number of Workers Per PATs (no robotics upgrade)		x 4		x Number of Workers Per PATs (no robotics upgrade)	x 4		
<b>Total Number of Workers Employed</b>		708		<b>Total Number of Workers Employed</b>	296		
AC Camera Production and Assembly Costs				UAV Drone Production and Assembly Costs			
		\$000s		\$000s		\$ / Unit	
<b>AC Camera — Image Sensor Components and Features</b>		6,116		Built-In Camera Components	30,227	212.42	
LCD Display Screen		6,116		GPS / WiFi / Bluetooth	7,044	49.50	
Image Quality		7,951		Battery Pack	21,132	148.50	
Photo Modes		5,505		Rotors / Performance / Controller	17,328	121.77	
Camera Housing		9,885		Body Frame Construction	6,339	44.55	
Editing / Sharing		9,885		Obstacle Sensors	12,961	91.08	
Included Accessories		12,356		Camera Stabilization Device	2,536	17.82	
Extra Performance Features		8,477		Extra Performance Features	12,552	88.21	
<b>Total Cost of Components and Features</b>		66,291		<b>Total Cost of Components and Features</b>	110,119	773.85	
<b>Assembly — Regular-Time Labor</b>		18,996		<b>Regular-Time Labor</b>	7,652	53.77	
Overtime Labor		0		Overtime Labor	0	0.00	
<b>Costs</b>		1,505		<b>PAT Training</b>	666	4.68	
<b>Total Cost of Labor and Training</b>		3,506		<b>Total Cost of Labor and Training</b>	8,318	58.45	
<b>Product R&amp;D Expenditures</b>		6,000		<b>Product R&amp;D Expenditures</b>	12,000	84.33	
Allowance for Warranty Repairs (18.6% claims)		5,745		Allowance for Warranty Repairs (20.0% claims)	8,550	60.08	
Plant Operations and Maintenance		12,800		Plant Operations and Maintenance	9,760	68.59	
Depreciation of Plant and Equipment		8,063		Depreciation of Plant and Equipment	5,513	38.74	
<b>Total Camera Production/Assembly Cost</b>		119,400		<b>Total Drone Production/Assembly Cost</b>	154,260	1,084.05	

Regular AC Camera Sales	North America		Europe-Africa		Asia-Pacific		Latin America		Overall
Revenue-Cost-Profit Breakdown	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s
<b>Revenues — Gross Revenues</b>	113,805	450.00	62,100	500.00	60,095	425.00	42,203	425.01	278,203
– Promo Discounts	-10,505	-41.54	-5,732	-46.15	-3,698	-26.15	-2,597	-26.15	-22,532
± Exchange Rate Adj.	-1,614	-6.38	1,898	15.28	-624	-4.41	-1,186	-11.94	-1,526
<b>Net Revenues</b>	<b>101,686</b>	<b>402.08</b>	<b>58,266</b>	<b>469.13</b>	<b>55,773</b>	<b>394.43</b>	<b>38,420</b>	<b>386.91</b>	<b>254,145</b>
<b>Production Costs</b> (components / assembly)	48,876	193.26	24,004	193.27	27,327	193.26	19,192	193.27	119,399
<b>Delivery — Shipping Costs</b>	1,265	5.00	621	5.00	707	5.00	497	5.01	3,090
Import Duties	0	0.00	2,484	20.00	3,606	25.50	2,532	25.50	8,622
<b>Marketing — Retailer Support Costs</b>	1,710	6.76	1,440	11.59	1,110	7.85	780	7.85	5,040
Advertising	7,000	27.68	2,500	20.13	1,000	7.07	800	8.06	11,300
Website Expenditures	2,500	9.89	2,000	16.10	900	6.36	750	7.55	6,150
<b>Administrative Expenses</b>	2,760	10.91	1,355	10.91	1,543	10.91	1,084	10.92	6,742
<b>Operating Profit</b>	<b>37,575</b>	<b>148.58</b>	<b>23,862</b>	<b>192.13</b>	<b>19,580</b>	<b>138.47</b>	<b>12,785</b>	<b>128.75</b>	<b>93,802</b>
<b>Operating Profit Margin</b>	37.0%		41.0%		35.1%		33.3%		37%
Unit Demand and Sales	Units (000s)	Market Share	Units (000s)	Market Share	Units (000s)	Market Share	Units (000s)	Market Share	Market Share
<b>Projected Demand</b> (from decision entries)	272.0	29.4%	175.3	22.5%	161.8	19.4%	115.1	19.3%	23.9%
<b>Actual Demand</b> (as determined by competition in Y8)	252.9	29.7%	124.2	31.7%	141.4	21.6%	99.3	21.4%	26.9%
<b>Units Gained/Lost</b> (due to stock-outs)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Units Assembled and Shipped</b>	<b>252.9</b>	<b>29.7%</b>	<b>124.2</b>	<b>31.7%</b>	<b>141.4</b>	<b>21.6%</b>	<b>99.3</b>	<b>21.4%</b>	<b>26.9%</b>
Retail Outlets	Year 8	Year 9	Year 8	Year 9	Year 8	Year 9	Year 8	Year 9	
<b>Number of Multi-Store Chains Outlets</b>	53	63	48	56	41	49	34	45	Number of retail outlets willing to carry the company's brand of AC cameras.
Online Retailers	122	145	103	129	85	111	74	98	
Local Retail Shops	4,926	5,931	4,310	5,320	3,604	4,551	2,552	3,070	

Special AC Camera Contracts	North America		Europe-Africa		Asia-Pacific		Latin America		Overall
Discount Offer (% off of standard price)	0.0%	No Offer	0.0%	No Offer	0.0%	No Offer	0.0%	No Offer	0 Offers Accepted
<b>Value Index of Units Offered</b>	0	0	0	0	0	0	0	0	0.0 units
<b>Units Assembled / Sold (000s)</b>	0.0 units	0.0 units	0.0 units	0.0 units	0.0 units	0.0 units	0.0 units	0.0 units	0.0 units
Incremental Revenues-Costs-Margins	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s
<b>Revenues — Gross Revenues</b>	0	0.00	0	0.00	0	0.00	0	0.00	0
± Exchange Rate Adj.	0	0.00	0	0.00	0	0.00	0	0.00	0
<b>Net Revenues</b>	0	0.00	0	0.00	0	0.00	0	0.00	0
<b>Less: Cost of Components / Features</b>	0	0.00	0	0.00	0	0.00	0	0.00	0
Assembly Labor Costs	0	0.00	0	0.00	0	0.00	0	0.00	0
Allowance for Warranty Repairs	0	0.00	0	0.00	0	0.00	0	0.00	0
Delivery (shipping and import duties)	0	0.00	0	0.00	0	0.00	0	0.00	0
<b>Contribution Margin</b>	0	0.00	0	0.00	0	0.00	0	0.00	0

All AC Camera Operations	North America	Europe-Africa	Asia-Pacific	Latin America	Overall
Revenue-Cost-Profit Breakdown	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Net Revenues</b>	101,686	58,266	55,773	38,420	254,145
<b>Operating — Production Costs</b>	48,876	24,004	27,327	19,192	119,399
<b>Delivery</b> (shipping / duties)	1,265	3,105	4,313	3,029	11,712
<b>Marketing Costs</b>	11,210	5,940	3,010	2,330	22,490
<b>Administrative Costs</b>	2,760	1,355	1,543	1,084	6,742
<b>Operating Profit</b>	<b>37,575</b>	<b>23,862</b>	<b>19,580</b>	<b>12,785</b>	<b>93,802</b>
<b>Operating Profit Margin</b>	37.0%	41.0%	35.1%	33.3%	36.9%
Warranty Period / Claims / Costs					
<b>Warranty Period Offered in Year 8</b>	360 days				
<b>Anticipated Warranty Claim Rate</b>	18.6%	18.6%	18.6%	18.6%	18.6%
<b>Allowance for Warranty Repairs (\$000s)</b>	2,350	1,155	1,315	925	5,745
<b>Warranty Repair Cost (\$ per unit sold)</b>	9.29	9.30	9.30	9.32	9.30

Direct Online Sales	North America		Europe-Africa		Asia-Pacific		Latin America		Overall
Revenue-Cost-Profit Breakdown	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s
Revenues — Gross Revenues ± Exchange Rate Adj.	63,425	2,150.00	53,460	2,200.00	44,200	2,000.00	29,200	2,000.00	190,285
Net Revenues	-991	-33.59	1,800	74.07	-489	-22.13	-874	-59.86	-554
Production Costs (components / assembly)	62,434	2,116.41	55,260	2,274.07	43,711	1,977.87	28,326	1,940.14	189,731
Delivery — Shipping Costs	31,989	1,084.37	26,339	1,083.91	23,957	1,084.03	15,824	1,083.84	98,109
Import Duties	1,770	60.00	1,458	60.00	1,326	60.00	876	60.00	5,430
Marketing — Website Expenditures Costs	0	0.00	2,138	87.98	2,652	120.00	1,752	120.00	6,542
Search Engine Advertising	5,000	169.49	4,000	164.61	1,500	67.87	2,000	136.99	12,500
Administrative Expenses	7,000	237.29	6,000	246.91	5,000	226.24	4,000	273.97	22,000
Operating Profit	383	12.98	315	12.96	287	12.99	189	12.95	1,174
Operating Profit Margin	16,292	552.27	15,010	617.70	8,989	406.74	3,685	252.40	43,976
Direct Online Sales (000s of units)	30 units		24 units		22 units		15 units		90.5 units
% of Total UAV Drone Unit Sales	58.0%		61.5%		71.5%		69.5%		63.6%

3rd-Party Online Retailers	North America		Europe-Africa		Asia-Pacific		Latin America		Overall
Revenue-Cost-Profit Breakdown	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s	\$ / Unit	\$000s
Revenues — Gross Revenues ± Exchange Rate Adj.	38,188	1,784.49	28,424	1,870.00	14,960	1,700.00	10,880	1,700.00	92,452
Net Revenues	-597	-27.90	957	62.96	-165	-18.75	-326	-50.94	-131
Production Costs (components / assembly)	37,591	1,756.59	29,381	1,932.96	14,795	1,681.25	10,554	1,649.06	92,321
Delivery — Shipping Costs	23,192	1,083.74	16,478	1,084.08	9,543	1,084.43	6,938	1,084.06	56,151
Import Duties	214	10.00	152	10.00	88	10.00	64	10.00	518
Retailer Recruitment / Support	0	0.00	1,137	74.80	898	102.05	653	102.03	2,688
Administrative Expenses	5,000	233.64	3,000	197.37	1,000	113.64	800	125.00	9,800
Operating Profit	277	12.94	197	12.96	114	12.95	83	12.97	671
Operating Profit Margin	8,908	416.26	8,417	553.75	3,152	358.18	2,016	315.00	22,493
3rd-Party Sales (000s of units)	21.4 units		15.2 units		8.8 units		6.4 units		51.8 units
% of Total UAV Drone Unit Sales	42.0%		38.5%		28.5%		30.5%		36.4%
Retail Outlets	Year 8	Year 9	Year 8	Year 9	Year 8	Year 9	Year 8	Year 9	Number of online retailers willing to carry the company's brand of UAV drones.
Number of 3rd-Party Online Retailers	55	60	41	44	33	26	28	23	

All UAV Drone Operations	North America		Europe-Africa		Asia-Pacific		Latin America		Overall
Revenue-Cost-Profit Breakdown	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Net Revenues	100,025		84,641		58,506		38,880		282,052
Operating — Production Costs	55,181		42,817		33,500		22,762		154,260
Delivery (shipping / duties)	1,984		4,885		4,964		3,345		15,178
Marketing Costs	17,000		13,000		7,500		6,800		44,300
Administrative Costs	660		512		401		272		1,845
Operating Profit	25,200		23,427		12,141		5,701		66,469
Operating Profit Margin	25.2%		27.7%		20.8%		14.7%		23.6%
Unit Demand and Sales	Units (000s)	Market Share	Units (000s)	Market Share	Units (000s)	Market Share	Units (000s)	Market Share	Market Share
Projected Demand (from decision entries)	56.4	30.7%	44.8	31.1%	41.3	24.6%	26.2	26.2%	28.6%
Actual Demand (as determined by competition)	50.9	28.3%	39.5	30.0%	30.9	22.1%	21.0	23.9%	26.7%
Units Gained/Lost (due to stock-outs)	0.0		0.0		0.0		0.0		
Total Units Assembled and Shipped	50.9	28.3%	39.5	30.0%	30.9	22.1%	21.0	23.9%	26.7%
Warranty Period / Claims / Costs									
Warranty Period Offered in Year 8	360 days		360 days		360 days		360 days		
Anticipated Warranty Claim Rate	20.1%		20.1%		20.1%		20.1%		20.0%
Allowance for Warranty Repairs (\$000s)	3,060		2,370		1,860		1,260		8,550
Warranty Repair Cost (\$ per unit sold)	60.12		60.00		60.19		60.00		60.08

Action Digital

## **FINANCIAL STATEMENTS**

Year 8

### (Industry 1)

Income Statement (\$000)	North America	Europe Africa	Asia Pacific	Latin America	Company Total	Notes to Income Statement
AC Camera Revenues	101,686	58,266	55,773	38,420	254,145	<sup>1</sup> Revenues listed here have been adjusted for promotional discounts and exchange rates. See the Market Segment Performance reports for details on promotional discount and exchange rate adjustments to revenues.
UAV Drone Revenues	100,025	84,641	58,506	38,880	282,052	
<b>Total Revenues<sup>1</sup></b>	<b>201,711</b>	<b>142,907</b>	<b>114,279</b>	<b>77,300</b>	<b>536,197</b>	
Cost of Goods Sold	104,057	66,821	60,827	41,954	273,659	<sup>2</sup> Other Income (Expense) will include charitable contributions, instructor-imposed fines (appearing as negative), and instructor-awarded refunds (appearing as positive).
Delivery Costs	3,249	7,990	9,277	6,374	26,890	
Marketing Costs	28,210	18,940	10,510	9,130	66,790	
Administrative Expenses	3,420	1,867	1,944	1,356	8,587	
<b>Operating Profit (Loss)</b>	<b>62,775</b>	<b>47,289</b>	<b>31,721</b>	<b>18,486</b>	<b>160,271</b>	
Profitability and Payout		Year 7	Year 8	Interest Income (Expense) Other Income (Expense) <sup>2</sup>	-5,335	
Earnings Per Share	\$5.77	\$5.72		Pre-Tax Profit (Loss)	0	
Dividends Per Share	\$1.00	\$2.50		Income Taxes <sup>3</sup>	154,936	
				Net Profit (Loss)	46,481	
					108,455	The income tax rate is 30%. If a net loss was recorded in Year 7, the loss is carried forward and may offset some or all taxable Year 8 profit and reduce the company's tax liability in Year 8.

## **Balance Sheet**

<b>Assets</b>	<b>\$000s</b>		
<b>Cash on Hand</b>	56,016		
<b>Accounts Receivable</b> (see Note 1)	86,617		
<b>Component Inventories</b> (see Note 2)	17,641		
<b>Total Current Assets</b>	160,274		
<b>Gross Investment in Plant and Equipment</b>	271,500		
<b>Less Accumulated Depreciation</b>	87,678		
<b>Total Fixed Asset Investment</b> (see Note 3)	183,822		
<b>Total Assets</b>	344,096		
<b>Liabilities</b>	<b>\$000s</b>		
<b>Accounts Payable</b> (see Note 4)	48,513		
<b>Overdraft Loan Payable</b> (see Note 5)	0		
<b>1-Year Bank Loan Payable</b> (see Note 6)	0		
<b>Current Portion of Long-Term Loans</b> (see Note 7)	10,000		
<b>Total Current Liabilities</b>	58,513		
<b>Long-Term Bank Loans</b> (see Note 8)	50,000		
<b>Total Liabilities</b>	108,513		
<b>Shareholder Equity</b>	<b>Beginning Balance</b>	<b>Change in Year 8</b>	<b>\$000s</b>
<b>Common Stock</b> (see Note 9)	9,677	-200	9,477
<b>Additional Capital</b> (see Note 10)	17,224	-77,504	-60,280
<b>Retained Earnings</b>	225,316	+61,070	286,386
<b>Total Shareholder Equity</b>	252,217	-16,634	235,583
<b>Return on Average Equity</b> (see Note 11)			44.5%

## Cash Flow Statement

<b>Cash Available in Year 8</b>		<b>\$000s</b>
<b>Beginning Cash Balance</b>	(carried over from Year 7)	68,308
<b>Cash Inflows</b>	<b>Receipts from Sales</b> (see Note 1) Bank Loan	548,121 0
	<b>1-Year</b>	0
	<b>5-Year</b>	0
	<b>10-Year</b>	0
	<b>Stock Issue</b> (0 shares issued @\$194.26)	0
	<b>Loan to Cover Overdraft</b>	0
	<b>Interest on Year 7 Cash Balance</b>	615
	<b>Cash Refund</b> (awarded by instructor)	0
<b>Total Cash Available</b>	(from all sources)	617,044
<b>Cash Outlays in Year 8</b>		<b>\$000s</b>
<b>Payments to Component Suppliers</b>	(see Note 2)	184,567
<b>Production and Assembly Expenses</b>	(see Note 3)	83,674
<b>Delivery, Marketing, and Administrative Expenses</b>		102,267
<b>Capital Outlays</b>	<b>New Workstations</b>	0
	<b>Robotics Upgrades</b>	0
	<b>Facilities Expansion</b>	0
	<b>Facilities Improvements</b> (CSRC)	3,000
<b>Repayment of Bank Loan Principal</b>	<b>Overdraft Loan</b>	0
(see Note 4)	<b>1-Year Loan</b>	0
	<b>5-Year Loan</b>	0
	<b>10-Year Loan</b>	10,000
<b>Interest Payments</b>	<b>Year 8 Overdraft Loan</b>	0
	<b>Bank Loans</b> (1-year, 5-year, 10-year)	5,950
<b>Stock Repurchases</b>	(400 shares repurchased @\$194.26)	77,704
<b>Income Tax Payments</b>		46,481
<b>Dividend Payments to Shareholders</b>		47,385
<b>Charitable Contributions</b>		0
<b>Cash Fines</b> (assessed by instructor)		0
<b>Total Cash Outlays</b>		561,028
<b>Net Cash Balance</b> (\$000s at the end of Year 8)		<b>56,016</b>
<b>Notes to Cash Flow Statement</b>		
<b>Note 1:</b> Receipts from sales equals all direct-sale drone revenues plus 75% of camera		

## **Selected Financial Statistics**

Credit Rating Measures	Debt / Equity Percentage (Debt : Equity)	32.68
	Interest Coverage Ratio (oper. prof. + int. exp.)	30.04
	Current Ratio (current assets ÷ current liabilities)	2.74
	Credit Rating (at the end of Year 8)	A
Operating Profit Margin (operating profit ÷ net sales revenues)	29.9%	
Net Profit Margin (net profit ÷ net sales revenues)	20.2%	
Dividend Payout (dividend per share ÷ earnings per share)	43.7%	
Market Capitalization (\$180.96 stock price × 18,954 shares)	\$3,429.916	

**Note:** Because unit demand and unit sales figures are rounded to the nearest 100 units, minor anomalies in the company's financial statements may occasionally occur. Any rounding inconsistencies that do appear will be smaller than +\$10 and will likely average-out over time. *Such rounding anomalies have no significant impact on company performance.*

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Page 5