








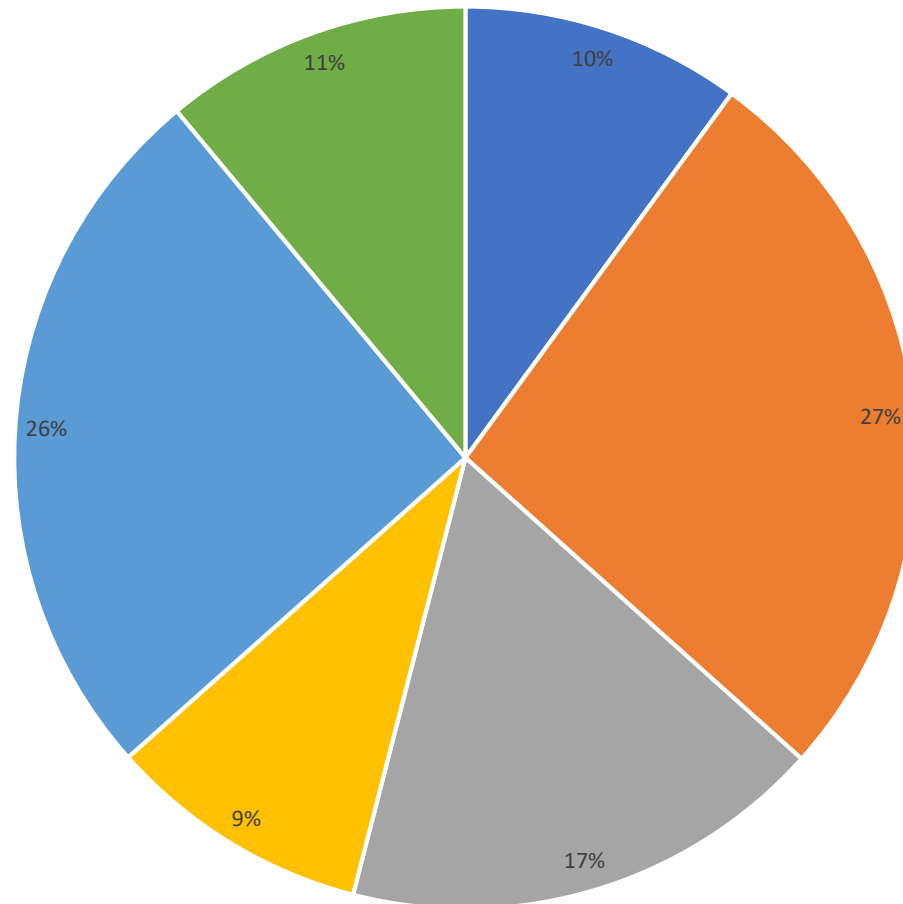


| What-IF Assumptions | |
|--------------------------------------|-------------|
| Bonus | \$200,000 |
| Commission | 6% |
| Margin | 15% |
| Marketing | 58% |
| Research and Development | 8% |
| Sales Revenue for Bonus | \$3,500,000 |
| Support, General, and Administrative | 19% |

Modern Music Shops Six-Month Financial Projection

| | July | August | September | October | November | December | Total | Chart |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---|
| Revenue | \$3,113,612 | \$7,962,236 | \$5,112,269 | \$2,924,628 | \$7,630,535 | \$3,424,270 | \$30,167,549 |  |
| Cost of Goods Sold | \$2,646,570 | \$6,767,900 | \$4,345,429 | \$2,485,934 | \$6,485,954 | \$2,910,630 | \$25,642,417 |  |
| Gross Margin | \$467,042 | \$1,194,335 | \$766,840 | \$438,694 | \$1,144,580 | \$513,641 | \$4,525,132 |  |
| Expenses | | | | | | | | |
| Bonus | \$0 | \$200,000 | \$200,000 | \$0 | \$200,000 | \$0 | \$600,000 |  |
| Commission | \$179,033 | \$457,829 | \$293,955 | \$168,166 | \$438,756 | \$196,896 | \$1,734,634 |  |
| Marketing | \$1,790,327 | \$4,578,285 | \$2,939,555 | \$1,681,661 | \$4,387,557 | \$1,968,955 | \$17,346,341 |  |
| Research and Development | \$179,033 | \$457,829 | \$293,955 | \$168,166 | \$438,756 | \$196,896 | \$1,734,634 |  |
| Support, General, and Administrative | \$583,802 | \$1,492,919 | \$958,550 | \$548,368 | \$1,430,725 | \$642,051 | \$5,656,415 |  |
| Total Expenses | \$2,732,195 | \$7,186,862 | \$4,686,016 | \$2,566,361 | \$6,895,794 | \$3,004,797 | \$27,072,025 |  |
| Operating Expenses | \$2,265,153 | \$5,992,526 | \$3,919,176 | \$2,127,667 | \$5,751,214 | \$2,491,157 | \$22,546,892 | |

Six-Month Financial Projection



■ July ■ August ■ September ■ October ■ November ■ December