Income Statement

Sample Corp

($M)	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
REVENUE										
Precision Components	125	130	135	140	145	149	154	158	163	168
Automation Solutions	55	62	72	83	95	106	118	130	142	153
Industrial Services	48	51	54	58	65	69	73	77	82	87
Total Revenue	228	243	261	281	305	**325**	**345**	**366**	**387**	**408**
COST OF GOODS SOLD										
Precision Components COGS	70	72	74	76	80	82	85	87	90	92
Automation Solutions COGS	36	40	46	54	62	68	76	83	91	98
Industrial Services COGS	25	26	27	29	33	34	37	39	41	43
Total COGS	131	138	147	159	174	**185**	**197**	**209**	**221**	**234**
Gross Profit	97	105	114	122	131	**140**	**148**	**157**	**165**	**174**
Gross Margin %	42.4%	43.3%	43.5%	43.6%	42.9%	43.1%	43.0%	42.9%	42.8%	42.7%
OPERATING EXPENSES										
Selling, General & Administrative	27	29	31	34	37	39	41	44	46	49
Research & Development	9	10	10	11	12	13	14	15	15	16
Total Operating Expenses	37	39	42	45	49	**52**	**55**	**59**	**62**	**65**
EBITDA	60	66	72	78	82	**88**	**93**	**98**	**104**	**109**
EBITDA Margin %	26.4%	27.3%	27.5%	27.6%	26.9%	27.1%	27.0%	26.9%	26.8%	26.7%
Depreciation & Amortization	17	17	18	20	21	23	24	26	27	28
EBIT (Operating Income)	44	49	54	58	61	**65**	**69**	**73**	**77**	**81**
Interest Expense	9	8	8	8	7	6	6	5	5	5
Earnings Before Tax	35	41	46	51	54	**59**	**63**	**67**	**72**	**76**
Income Tax Expense	9	10	12	13	14	15	16	17	18	19
Net Income	26	31	35	38	40	**44**	**47**	**51**	**54**	**57**
Net Margin %	11.6%	12.6%	13.3%	13.5%	13.2%	13.7%	13.8%	13.8%	13.9%	13.9%

Balance Sheet

Sample Corp

($M)	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
ASSETS										
Cash & Equivalents	18	22	20	25	28	72	109	149	193	241
Accounts Receivable	28	30	32	35	38	40	43	45	48	50
Inventory	38	40	43	46	50	30	32	34	36	38
Total Current Assets	84	92	95	106	116	**142**	**184**	**229**	**277**	**330**
Net PP&E	105	110	112	116	120	113	105	97	88	79
Intangible Assets	48	47	46	46	45	44	43	42	41	40
Other Assets	12	13	14	15	15	15	15	15	15	15
TOTAL ASSETS	249	262	267	282	296	**314**	**346**	**382**	**422**	**464**
LIABILITIES										
Accounts Payable	22	23	25	27	29	18	19	20	21	22
Accrued Expenses	14	15	16	17	18	19	21	22	23	24
Current Portion of LT Debt	10	10	10	10	10	5	5	5	5	5
Total Current Liabilities	46	48	51	54	57	**42**	**45**	**47**	**49**	**52**
Long-Term Debt	98	93	88	85	90	90	85	80	75	70
Other Liabilities	6	7	7	8	8	8	8	8	8	8
Total Liabilities	150	148	146	147	155	**140**	**138**	**135**	**132**	**130**
SHAREHOLDERS' EQUITY										
Common Stock & APIC	50	50	50	50	50	50	50	50	50	50
Retained Earnings	49	64	71	86	91	123	159	197	239	284
Total Shareholders' Equity	99	114	121	136	141	**173**	**209**	**247**	**289**	**334**
TOTAL LIABILITIES + EQUITY	249	262	267	282	296	**314**	**346**	**382**	**422**	**464**
Balance Check (Assets - L&E)	-	-	-	-	-	-	-	-	-	-

Cash Flow Statement

Sample Corp

($M)

	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
CASH FROM OPERATING ACTIVITIES										
Net Income	26	31	35	38	40	44	47	51	54	57
Depreciation & Amortization	17	17	18	20	21	23	24	26	27	28
Change in Working Capital	-	(2)	(2)	(3)	(4)	8	(2)	(2)	(2)	(2)
Cash from Operations	**43**	**46**	**51**	**54**	**57**	**75**	**70**	**74**	**78**	**83**
CASH FROM INVESTING ACTIVITIES										
Capital Expenditures	(12)	(14)	(14)	(15)	(17)	(15)	(16)	(16)	(17)	(18)
Cash from Investing	**(12)**	**(14)**	**(14)**	**(15)**	**(17)**	**(15)**	**(16)**	**(16)**	**(17)**	**(18)**
CASH FROM FINANCING ACTIVITIES										
Debt Repayment (TLA Amort)	(5)	(5)	(5)	(3)	-	(5)	(5)	(5)	(5)	(5)
Dividends Paid	(8)	(9)	(10)	(10)	(10)	(12)	(12)	(12)	(12)	(12)
Cash from Financing	**(13)**	**(14)**	**(15)**	**(13)**	**(10)**	**(17)**	**(17)**	**(17)**	**(17)**	**(17)**
CASH BALANCE										
Net Change in Cash	**18**	**18**	**23**	**27**	**31**	**44**	**37**	**41**	**44**	**48**
Beginning Cash Balance	15	18	22	20	25	28	72	109	149	193
Ending Cash Balance	18	22	20	25	28	**72**	**109**	**149**	**193**	**241**

Revenue Build

Sample Corp

($M)	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
SEGMENT REVENUE										
Precision Components	125	130	135	140	145	149	154	158	163	168
Automation Solutions	55	62	72	83	95	106	118	130	142	153
Industrial Services	48	51	54	58	65	69	73	77	82	87
Total Revenue	228	243	261	281	305	**325**	**345**	**366**	**387**	**408**
YEAR-OVER-YEAR GROWTH										
Precision Components		4.0%	3.8%	3.7%	3.6%	3.0%	3.0%	3.0%	3.0%	3.0%
Automation Solutions		12.7%	16.1%	15.3%	14.5%	12.0%	11.0%	10.0%	9.0%	8.0%
Industrial Services		6.3%	5.9%	7.4%	12.1%	6.0%	6.0%	6.0%	6.0%	6.0%
Total Revenue Growth		**6.6%**	**7.4%**	**7.7%**	**8.5%**	**6.4%**	**6.3%**	**6.0%**	**5.8%**	**5.5%**
REVENUE MIX										
Precision Components	54.8%	53.5%	51.7%	49.8%	47.5%	46.0%	44.6%	43.3%	42.2%	41.2%
Automation Solutions	24.1%	25.5%	27.6%	29.5%	31.1%	32.8%	34.2%	35.5%	36.6%	37.5%
Industrial Services	21.1%	21.0%	20.7%	20.6%	21.3%	21.2%	21.2%	21.2%	21.2%	21.3%

Depreciation & Capex Schedule

Sample Corp

($M)	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
PP&E SCHEDULE										
Gross PP&E, Beginning	198	210	224	238	253	269	284	299	316	333
Capital Expenditures	12	14	14	15	17	15	16	16	17	18
Gross PP&E, Ending	210	224	238	253	269	**284**	**299**	**316**	**333**	**351**
DEPRECIATION										
Accumulated Depreciation, Beginning	89	105	114	126	137	149	171	194	219	245
Depreciation Expense	17	9	12	11	13	22	23	25	26	27
Accumulated Depreciation, Ending	105	114	126	137	149	**171**	**194**	**219**	**245**	**272**
NET PP&E										
Net PP&E	105	110	112	116	120	**113**	**105**	**97**	**88**	**79**
INTANGIBLES										
Intangibles, Net	48	47	46	46	45	44	43	42	41	40
Intangibles Amortization						1	1	1	1	1
Total D&A (Depr + Intang Amort)	17	17	18	20	21	**23**	**24**	**26**	**27**	**28**

Working Capital Schedule

Sample Corp

($M)

	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
ACCOUNTS RECEIVABLE										
DSO (days)	45	45	45	46	46	45	45	45	45	45
Accounts Receivable	28	30	32	35	38	40	43	45	48	50
INVENTORY										
DIO (days)	106	106	107	106	105	60	60	60	60	60
Inventory	38	40	43	46	50	30	32	34	36	38
ACCOUNTS PAYABLE										
DPO (days)	61	61	62	62	61	35	35	35	35	35
Accounts Payable	22	23	25	27	29	18	19	20	21	22
ACCRUED EXPENSES										
Accrued Expenses	14	15	16	17	18	19	21	22	23	24
NET WORKING CAPITAL SUMMARY										
Net Working Capital	**30**	**32**	**34**	**37**	**41**	**33**	**35**	**37**	**40**	**42**
Change in Net Working Capital		2	2	3	4	(8)	2	2	2	2

Debt Schedule

Sample Corp

($M)	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
TERM LOAN A										
TLA Beginning Balance	65	60	55	50	48	50	45	40	35	30
Mandatory Amortization	5	5	5	3	-	5	5	5	5	5
TLA Ending Balance	60	55	50	48	50	**45**	**40**	**35**	**30**	**25**
TLA Interest Expense						3	2	2	2	2
TERM LOAN B (Bullet)										
TLB Beginning Balance	48	48	48	48	48	50	50	50	50	50
TLB Ending Balance	48	48	48	48	50	**50**	**50**	**50**	**50**	**50**
TLB Interest Expense						3	3	3	3	3
TOTAL DEBT SUMMARY										
Total Debt	108	103	98	95	100	**95**	**90**	**85**	**80**	**75**
Total Interest Expense	9	8	8	8	7	**6**	**6**	**5**	**5**	**5**
Current Portion of LT Debt	10	10	10	10	10	5	5	5	5	5
Long-Term Debt (net of current)	98	93	88	85	90	90	85	80	75	70

Scenarios & Sensitivity Analysis

Sample Corp

SCENARIO ASSUMPTIONS

Parameter	Base	Bull	Bear
Precision Comp. Growth	3.0%	5.0%	1.0%
Automation Solutions Growth (Avg)	10.0%	14.0%	6.0%
Industrial Services Growth	6.0%	8.0%	3.0%
COGS % - Precision	55.0%	52.0%	58.0%
COGS % - Automation	64.0%	61.0%	67.0%
COGS % - Services	50.0%	47.0%	53.0%
SG&A % of Revenue	12.0%	11.0%	13.5%
Capex % of Revenue	4.5%	5.0%	3.5%

FY2030E NET INCOME SENSITIVITY ($M)

Revenue Growth \ EBITDA Margin	22.0%	24.0%	26.0%	28.0%	30.0%
4.0%	40	43	47	51	54
6.0%	44	48	52	56	60
8.0%	48	52	57	61	66
10.0%	53	58	62	67	72
12.0%	58	63	68	73	79

KEY PROJECTED METRICS (FY2030E)

Metric	Base Case
Total Revenue	408
EBITDA	109
EBITDA Margin	26.7%
Net Income	57
Net Margin	13.9%

Assumptions & Drivers

Sample Corp

	2026E	2027E	2028E	2029E	2030E	Units
REVENUE GROWTH ASSUMPTIONS						
Precision Components Growth	3.0%	3.0%	3.0%	3.0%	3.0%	%
Automation Solutions Growth	12.0%	11.0%	10.0%	9.0%	8.0%	%
Industrial Services Growth	6.0%	6.0%	6.0%	6.0%	6.0%	%
COST STRUCTURE						
Precision Components COGS %	55.0%					*% of seg rev*
Automation Solutions COGS %	64.0%					*% of seg rev*
Industrial Services COGS %	50.0%					*% of seg rev*
SG&A as % of Revenue	12.0%					*% of total rev*
R&D as % of Revenue	4.0%					*% of total rev*
TAX & OTHER						
Effective Tax Rate	25.0%					
Annual Dividends	12					*$M*
WORKING CAPITAL						
Days Sales Outstanding (DSO)	45					*days*
Days Inventory Outstanding (DIO)	60					*days*
Days Payable Outstanding (DPO)	35					*days*
Accrued Expenses as % of Revenue	6.0%					
CAPEX & DEPRECIATION						
Capex as % of Revenue	4.5%					
Depreciation Rate (% of Gross PP&E)	8.0%					
Annual Intangibles Amortization	1					*$M*
DEBT STRUCTURE						
Term Loan A Interest Rate	5.0%					
Term Loan B Interest Rate	6.5%					
Revolver Interest Rate	5.5%					
TLA Annual Mandatory Amortization	5					*$M*
Revolver Facility Size	30					*$M*
Minimum Cash Balance	15					*$M*
MODEL CONTROLS						
Circuit Breaker (0=BOY interest, 1=avg balar	0					
Scenario Toggle (1=Base, 2=Bull, 3=Bear)	1					
OTHER BALANCE SHEET ITEMS						
Other Assets (flat)	15					
Other Liabilities (flat)	8					
Common Stock & APIC	50					

Model Checks & Tie-Outs

Check Description	Expected	Actual	Variance	Status
BS Balance Check FY2026E	-	-	-	PASS
BS Balance Check FY2027E	-	-	-	PASS
BS Balance Check FY2028E	-	-	-	PASS
BS Balance Check FY2029E	-	-	-	PASS
BS Balance Check FY2030E	-	-	-	PASS
CF Cash = BS Cash FY2026E	71.7	71.7	-	PASS
CF Cash = BS Cash FY2027E	108.8	108.8	-	PASS
CF Cash = BS Cash FY2028E	149.3	149.3	-	PASS
CF Cash = BS Cash FY2029E	193.4	193.4	-	PASS
CF Cash = BS Cash FY2030E	241.0	241.0	-	PASS
Debt Sched = BS Debt FY2026E	95.0	95.0	-	PASS
Debt Sched = BS Debt FY2027E	90.0	90.0	-	PASS
Debt Sched = BS Debt FY2028E	85.0	85.0	-	PASS
Debt Sched = BS Debt FY2029E	80.0	80.0	-	PASS
Debt Sched = BS Debt FY2030E	75.0	75.0	-	PASS