



FINANCIAL MODELING INSTITUTE

LEVEL 1: ADVANCED FINANCIAL MODELER (AFM)

Henderson Manufacturing

August 26, 2021

Sample Exam Solution - Vertical Orientation

This model is designed to give an indication of what a successful candidate may produce during the 4-hour AFM exam.

Henderson Manufacturing

Summary Outputs

SUMMARY VALUES - BASE CASE

		2019A	2020A	2021A	<i>Projected</i>				
					2022	2023	2024	2025	2026
Income Statement Items									
Net Revenue	(MM)	\$214	\$237	\$205	\$252	\$234	\$281	\$281	\$268
Growth	(%)		10.8%	(13.4%)	23.3%	(7.5%)	20.4%	(0.0%)	(4.6%)
EBITDA	(MM)	\$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	(MM)	\$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%)	1250.1%	(56.5%)	200.8%	(14.3%)	(41.7%)

SUMMARY VALUES - BEST CASE

		2019A	2020A	2021A	<i>Projected</i>				
					2022	2023	2024	2025	2026
Income Statement Items									
Net Revenue	(MM)	\$214	\$237	\$205	\$264	\$245	\$297	\$300	\$282
Growth	(%)		10.8%	(13.4%)	29.0%	(7.4%)	21.5%	1.1%	(6.3%)
EBITDA	(MM)	\$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%)	158.3%	(31.6%)	74.4%	(6.7%)	(25.9%)
Net Income	(MM)	\$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%)	1594.2%	(45.3%)	141.7%	(7.6%)	(33.8%)

SUMMARY VALUES - WORST CASE

		2019A	2020A	2021A	<i>Projected</i>				
					2022	2023	2024	2025	2026
Income Statement Items									
Net Revenue	(MM)	\$214	\$237	\$205	\$238	\$220	\$263	\$260	\$245
Growth	(%)		10.8%	(13.4%)	16.4%	(7.7%)	19.3%	(1.0%)	(5.9%)
EBITDA	(MM)	\$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%)	101.5%	(16.4%)	(40.1%)
Net Income	(MM)	\$14	\$24	\$2	\$21	\$4	\$27	\$20	\$5
Margin	(%)	6.6%	10.0%	1.1%	8.9%	1.9%	10.1%	7.6%	2.1%
Growth	(%)		68.1%	(90.7%)	864.8%	(80.4%)	538.9%	(25.8%)	(74.1%)

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Inputs and Assumptions

GENERAL

- First year of forecast in financial model: 2022
- 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 2022 - 2026

Base Case Research Forecast

Best Case +4%

Worst Case (4%)

COSTS

<u>Cost Item</u>	<u>2022</u>	<u>Increases</u>
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
- Years used for depreciation of new assets: 30 years

EQUITY

Stock Price - 08/25/21	\$11.50
Fully Diluted Shares O/S (MM) - Dec. 31, 2021	14.80
Common Dividend Payout Rate	20.0%

OPERATIONS

- Annual Factory Capacity (000's units): 420

TAXES

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

INTEREST RATES

Interest Rates

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

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Inputs and Assumptions

OTHER ASSUMPTIONS		2022	2023	2024	2025	2026
Income Statement						
Cost Adjustments - Gain/(Loss)	MM	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cash Flow Statement						
Investing Activities - Other	MM	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Expenditures	MM	\$16.0	\$17.0	\$17.3	\$17.5	\$18.0
Income Tax						
Reduction in EBT for timing differences	MM	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
Working Capital Days						
Accounts Receivable	days	45.0	40.0	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
Change in Debt & Equity						
Sr. 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

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Economic and Pricing Scenarios

SCENARIO SWITCH: ▼

2022 2023 2024 2025 2026

ECONOMIC SCENARIOS

Cost Inflation	2.0%	2.0%	2.0%	2.5%	2.5%
Base Case	2.0%	2.0%	2.0%	2.5%	2.5%
Best Case	1.8%	1.8%	1.8%	2.0%	2.0%
Worst Case	2.5%	2.5%	2.5%	2.5%	2.5%

SALES SCENARIOS

Sales Price - \$/Unit	800.0	725.0	825.0	800.0	750.0
Base Case	800.0	725.0	825.0	800.0	750.0
Best Case: +4.0%	832.0	754.0	858.0	832.0	780.0
Worst Case: -4.0%	768.0	696.0	792.0	768.0	720.0

Sales Volume Growth	5.0%	4.0%	4.0%	4.0%	4.0%
Base Case	5.0%	4.0%	4.0%	4.0%	4.0%
Best Case	5.0%	4.0%	5.0%	5.0%	4.0%
Worst Case	4.0%	4.0%	3.0%	3.0%	2.0%

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Revenue Schedule

		<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>				
					<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
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	376.1	391.2	406.8	420.0
Implied Operating Rate					86.1%	89.6%	93.1%	96.9%	100.0%
Revenue									
Gross Revenue	(\$ MM)			239.2	289.3	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	\$252.4	\$233.6	\$281.2	\$281.2	\$268.2

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Costs of Production Schedule

		<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>				
					<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Annual Sales Volume	(000's units)			344.5	361.7	376.1	391.2	406.8	420.0
Cost Inflation	(%)					2.0%	2.0%	2.5%	2.5%
<i>COSTS PER UNIT</i>									
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	\$485.2	\$487.5	\$492.5	\$499.0
<i>COSTS IN MILLIONS</i>									
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

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Income Statement

(\$ Millions)

	2019A	2020A	2021A	Projected				
				2022	2023	2024	2025	2026
Sales Volume (000's units)			344.5	361.7	376.1	391.2	406.8	420.0
Revenue								
Gross Revenue	244.8	269.3	239.2	289.3	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
Net Revenue	213.5	236.6	204.8	252.4	233.6	281.2	281.2	268.2
Costs								
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
Total Costs	163.3	168.2	171.7	178.6	186.5	194.8	204.5	213.8
Cost Adjustments - Gain/(Loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	50.2	68.4	33.1	73.9	47.1	86.4	76.7	54.3
Depreciation	15.4	15.5	15.8	16.2	16.7	17.3	17.9	18.5
EBIT	34.8	52.9	17.3	57.7	30.4	69.2	58.8	35.9
Interest Expense	15.0	15.0	14.0	12.0	10.5	9.3	7.6	6.0
EBT	19.8	37.9	3.3	45.7	19.9	59.8	51.3	29.9
Current Income Taxes	3.0	8.0	0.0	14.2	5.2	19.2	16.2	8.7
Deferred Income Taxes	2.7	6.2	1.1	1.8	1.8	1.8	1.8	1.8
Total Income Taxes	5.7	14.2	1.1	16.0	7.0	20.9	17.9	10.5
Net Income	\$14.1	\$23.7	\$2.2	\$29.7	\$12.9	\$38.9	\$33.3	\$19.4

Margins								
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%
Return on Equity			0.9%	10.5%	4.4%	12.0%	9.5%	5.3%

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Cash Flow Statement

(\$ Millions)

	<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>				
				<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Operating Activities								
Net Income	14.1	23.7	2.2	29.7	12.9	38.9	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	0.0	6.9	(3.5)	(1.3)	3.2
Operating Cash Flow	32.2	45.4	19.1	47.6	38.3	54.4	51.7	42.9
Investing Activities								
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
Investing Cash Flow	(19.1)	(11.0)	(12.5)	(16.0)	(17.0)	(17.3)	(17.5)	(18.0)
Financing Activities								
Revolver Issuance / (Repayment)	0.0	0.0	0.0	0.0	5.3	(4.3)	(1.0)	2.5
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)
Financing Cash Flow	(27.8)	(29.7)	(27.4)	(30.9)	(22.3)	(37.1)	(32.6)	(26.4)
Change in the Cash Position	(14.7)	4.7	(20.8)	0.7	(1.0)	0.0	1.5	(1.5)
Beginning Cash	<u>31.1</u>	<u>16.4</u>	<u>21.1</u>	<u>0.3</u>	<u>1.0</u>	<u>(0.0)</u>	<u>(0.0)</u>	<u>1.5</u>
Ending Cash	16.4	21.1	0.3	1.0	0.0	0.0	1.5	0.0

Henderson Manufacturing

Balance Sheet

(\$ Millions)

	<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>				
				<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
ASSETS								
Cash	16.4	21.1	0.3	1.0	0.0	0.0	1.5	0.0
Accounts Receivable	27.0	27.8	28.3	31.1	25.6	30.7	30.8	29.4
Inventory	36.5	36.1	35.1	33.5	32.5	31.3	32.9	31.6
Prepaid Expenses	14.6	14.4	14.9	14.4	15.0	15.6	16.5	17.2
Other	1.4	1.8	1.2	1.4	1.5	1.6	1.6	1.7
Total Current Assets	95.9	101.2	79.8	81.4	74.6	79.2	83.4	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
Total Long Term Assets	417.5	413.0	409.7	409.5	409.8	409.8	409.4	409.0
Total Assets	\$513.4	\$514.2	\$489.5	\$490.9	\$484.4	\$489.0	\$492.8	\$488.9
LIABILITIES AND EQUITY								
Bank Debt - Revolver	0.0	0.0	0.0	0.0	5.3	1.0	0.0	2.5
Accounts Payable	18.3	18.7	18.2	19.1	20.0	20.8	22.0	23.0
Other	4.7	4.9	4.8	4.8	5.0	5.2	5.5	5.7
Total Current Liabilities	23.0	23.6	23.0	23.9	30.3	27.0	27.4	31.2
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
Total Long Term Liabilities	250.7	231.9	208.0	184.8	161.5	138.3	115.0	91.8
Total Liabilities	273.7	255.5	231.0	208.7	191.8	165.3	142.4	123.0
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	203.7	230.4	245.9
Shareholder's Equity	239.7	258.7	258.5	282.3	292.6	323.7	350.4	365.9
Total Liabilities and Equity	\$513.4	\$514.2	\$489.5	\$490.9	\$484.4	\$489.0	\$492.8	\$488.9
<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>

Henderson Manufacturing Depreciation Schedule

(\$ Millions)

	<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>					
				<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	
Years Remaining on Existing Assets:									25
Depreciation Years on New Assets:									30
Depreciation to Existing Assets				\$15.9	\$15.9	\$15.9	\$15.9	\$15.9	\$15.9
CAPEX									
2022		\$16.0		0.3	0.5	0.5	0.5	0.5	0.5
2023		\$17.0			0.3	0.6	0.6	0.6	0.6
2024		\$17.3				0.3	0.6	0.6	0.6
2025		\$17.5					0.3	0.6	0.6
2026		\$18.0							0.3
Total Depreciation				\$16.2	\$16.7	\$17.3	\$17.9	\$18.5	

Henderson Manufacturing Income Tax Schedule

(\$ Millions)

		<i>Projected</i>				
		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Tax Rate	35.0%					
Accounting EBT (as is on I/S)	A	\$45.7	\$19.9	\$59.8	\$51.3	\$29.9
Less: Reduction in EBT for timing differences ⁽¹⁾		5.0	5.0	5.0	5.0	5.0
Government EBT	B	\$40.7	\$14.9	\$54.8	\$46.3	\$24.9
Accounting Taxes (35% of A)		16.0	7.0	20.9	17.9	10.5
Taxes as Appearing on Income Statement						
Current Tax (35% of B)		14.2	5.2	19.2	16.2	8.7
Increase (Decrease) in Deferred Income Taxes		1.8	1.8	1.8	1.8	1.8
Total Income Taxes (Same as Accounting Taxes Above)		16.0	7.0	20.9	17.9	10.5

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

Henderson Manufacturing

Working Capital Schedule

(\$ Millions)

		<u>2019A</u>	<u>2020A</u>	<u>2021A</u>	<i>Projected</i>				
					<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Days per Year	(days)		366	365	365	365	366	365	365
Income Statement Items									
Net Revenue	(\$ MM)		236.6	204.8	252.4	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)		43.0	50.4	45.0	40.0	40.0	40.0	40.0
Inventories	(days)		80.3	76.3	70.0	65.0	60.0	60.0	55.0
Prepaid Expenses	(days)		32.0	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)		41.6	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	31.1	25.6	30.7	30.8	29.4
Inventories	(\$ MM)		36.1	35.1	33.5	32.5	31.3	32.9	31.6
Prepaid Expenses	(\$ MM)		14.4	14.9	14.4	15.0	15.6	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	20.0	20.8	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	56.5	49.6	53.1	54.4	51.2
Change in Working Capital	(\$ MM)				\$0.0	\$0.0	(\$3.5)	(\$1.3)	\$3.2

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Debt and Interest Schedule

(\$ Millions)

	<i>Projected</i>					
	<u>2021A</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
FINANCING COMPONENT						
Cash						
Amount Outstanding - Beginning		0.3	1.0	(0.0)	(0.0)	1.5
Change in Cash		0.7	(1.0)	0.0	1.5	(1.5)
Amount Outstanding - Ending	\$0.3	\$1.0	(\$0.0)	(\$0.0)	\$1.5	(\$0.0)
Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%
Annual Interest Income		\$0.0	\$0.0	(\$0.0)	(\$0.0)	\$0.0
Revolver						
Operating Cash Flow		47.6	38.3	54.4	51.7	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)
FCF After Mandatory Debt Repayment and Dividend		\$0.7	(\$6.3)	\$4.3	\$2.5	(\$4.0)
Revolver Outstanding - Beginning		0.0	0.0	5.3	1.0	0.0
Additions / (Repayments)		0.0	5.3	(4.3)	(1.0)	2.5
Revolver Outstanding - Ending	\$0.0	\$0.0	\$5.3	\$1.0	\$0.0	\$2.5
Interest Rate		6.0%	6.0%	6.0%	6.0%	6.0%
Annual Interest Expense		\$0.0	\$0.0	\$0.3	\$0.1	\$0.0
Senior Secured Term Debt						
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%
Annual Interest Expense		\$12.0	\$10.5	\$9.0	\$7.5	\$6.0
Net Interest Expense		\$12.0	\$10.5	\$9.3	\$7.6	\$6.0

Henderson Manufacturing Shareholders' Equity Schedule

(\$ Millions)

	<i>Projected</i>					
	<u>2021A</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Common Shares						
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	38.9	33.3	19.4
Common Dividend		\$5.9	\$2.6	\$7.8	\$6.7	\$3.9
Retained Earnings						
Amount Outstanding - Beginning		138.5	162.3	172.6	203.7	230.4
Net Income		29.7	12.9	38.9	33.3	19.4
Common Dividend		(5.9)	(2.6)	(7.8)	(6.7)	(3.9)
Amount Outstanding - Ending	\$138.5	\$162.3	\$172.6	\$203.7	\$230.4	\$245.9