

Financial Impact Estimator

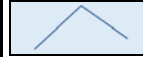
Organization: (SAMPLE CO)

Ref#	Reported Financial Measure	Scale	FY-2015	FY-2016	FY-2017
	Period # for Trendlines:		1	2	3

Visual Trend	Notes	YoY 1-2 Change	YoY 2-3 Change	YoY 1-3 Change
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1 Cash in Bank

2	Cash & Cash Equivalents (end of year)	MM	\$ 1,311	\$ 1,820	\$ 1,436
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	Low cash suggests need for leasing; High cash can mean wasted resources.	38.8%	-21.1%	9.5%
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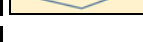

4 What Cash in Bank, short-term investments, or 1-year T-bills would EARN.

5	Interest Income	MM	\$ 39	\$ 26	\$ 20
6	Cash & Cash Equivalents (start of year)	MM	\$ 686	\$ 1,311	\$ 1,820
7	Average CASH+ Over YR		\$ 999	\$ 1,566	\$ 1,628
8	Aggregate Interest Income Rate (apprx)		3.9%	1.7%	1.2%
8	1 year T-bill rates:		0.96%	2.06%	2.55%

	Earned from cash investments	-33.3%	-23.1%	-48.7%
	A better way to use excess cash.	-57.5%	-26.0%	-68.5%
	A better way to use excess cash.	114.6%	23.8%	165.6%


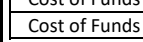

13 What Cash invested in the business EARNs

14	Net Income	MM	\$ 1,406	\$ 873	\$ 1,594
15	Shareholders Equity	MM	\$ 5,069	\$ 4,915	\$ 5,672
16	Return on Equity		27.74%	17.76%	28.10%
17	Total Assets	MM	\$ 17,076	\$ 15,771	\$ 16,538
18	Return on Assets		8.23%	5.54%	9.64%

	UP is Better	-37.9%	82.6%	13.4%
	UP is Better	-3.0%	15.4%	11.9%
	Shareholder expectations	-36.0%	58.2%	1.3%
	UP is Better	-7.6%	4.9%	-3.2%
	Denominator (Assets) lower with RVF.	-32.8%	74.1%	17.1%


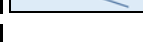
20 What your COST of FUNDS is (for comparing with RVF effective rates)

21	Weighted Average Interest (Short Term debt)		13.20%	5.80%	1.90%
22A	Average Cost of Debt (reported or approx.)*		8.06%	4.34%	4.42%
22B	Weghted Average Cost of Capital (WACC)*				6.94%
23	gurufocus.com				

	Operating lease % is always below 0.	-56.1%	-67.2%	-85.6%
	Cost of Funds To compare with RVF effective rate.	-46.2%	1.9%	-45.2%
	Cost of Funds To compare with RVF effective rate.			

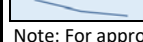
25 Other Financial Items of Relevance

26	Interest Expense	MM	\$ 125	\$ 125	\$ 105
27	Long-Term Debt	MM	\$ 4,251	\$ 4,317	\$ 4,138

	Use Operating Leases to Avoid Interest	0.0%	-16.0%	-16.0%
	Use Operating Leases to Avoid LTD.	1.6%	-4.1%	-2.7%

29 CAPEX (as reported)

30	Capital Expenditures	MM	\$ 430	\$ 380	\$ 360
31	Scenario: CAPEX shifted to RVF:	20%	\$ 86	\$ 76	\$ 72
32	Cumulative RVF pmts:		\$ 28	\$ 52	\$ 75
33	Yearly excess cash to invest:		\$ 58	\$ 24	\$ (3)
34	High-certainty financial benefits:				
35	Additional Interest Income	MM	\$ 2.28	\$ 0.49	\$ (0.09)
36	Interest Expense Avoided	MM	\$ 4.70	\$ 1.03	\$ (0.07)
37	Total minimum gain (from invested cash):	MM	\$ 6.97	\$ 1.52	\$ (0.15)
38	Business ROI financial benefits:				
39	Gain from additional assets (ROA rate)	MM	\$ 4.80	\$ 1.32	\$ (0.33)

	Some of this could have been leased.	-11.6%	-5.3%	-16.3%
Note: For appropriate short-lived assets (esp. technology)				
Note: Can be configured for either EBITDA-sensitive or LTD-avoidance scenarios				
\$ 78.63	Cumulative Free Cash for use			
Excess cash placed in short-term cash equivalents				
At greater of T-bills or Average Interest income rate.				
At lower of Short Term interest or WACD				
\$ 8.34	Cumulative Gains			
Excess cash invested in business initiatives				
\$ 5.78	Cumulative Gains			

41 Cash Spend Reduction (for assets at point-of-procurement)

42	Spend reduction on shifted CAPEX (at above %)	MM	\$ 11.9	\$ 7.0	\$ 6.7
43	Spend reduction as % of original CAPEX\$		13.8%	9.2%	9.3%
44	RVF effective rate		-2.28%	-2.28%	-2.28%

\$ 25.47	Cumulative Gains	ASC 842 structure
Can be configured for EBITDA-sensitive or LTD-avoidance goals.		
Solutions typically mitigate risk of poor asset management controls.		