


RAZORBACK FABRICATION & METALFORMING
PROJECT RAZORBACK

Statement of Operations and Return on Investment

	Navistar Actual 10+2		Razorback Fabrication & Metalforming <u>Project Razorback</u> (Fiscal Years Ending October 31st)									
			(Guaranteed Navistar Contract 2016 - 2018)									
	2015		2016	2017	2018		2019	2020		CAGR		
Tulsa Bus Volumes	12500		12600	13800	14600		14600	14600		3%		
Sales:												
Navistar / Tulsa Bus	\$ 40,839,792.55		\$ 47,560,237.72	\$ 55,375,498.45	\$ 61,759,585.32		\$ 58,583,626.79	\$ 52,725,264.11				
Outside Sales	-		-	3,539,216.64	4,334,030.06		4,836,553.08	4,439,412.59				
Navistar TTH Insourcing	-		3,000,000.00	3,000,000.00	3,000,000.00		-	-				
Net Sales	40,839,792.55		50,560,237.72	61,914,715.09	69,093,615.37		63,420,179.86	57,164,676.70		7%		
Cost of Sales	42,893,432.28	105%	45,685,311.30	90%	52,611,979.19	85%	55,439,627.66	80%	46,749,960.87	74%	38,639,498.26	68%
Gross Profit	(2,053,639.74)	-5%	4,874,926.42	10%	9,302,735.90	15%	13,653,987.71	20%	16,670,218.99	26%	18,525,178.44	32%
Selling, General and Administrative Expenses	918,132.44	2%	1,313,181.31	3%	1,313,181.31	2%	1,313,181.31	2%	1,313,181.31	2%	1,313,181.31	2%
Gain on Sale of Assets, Net of Depreciation	(567,319.67)	-1%	(489,955.25)	-1%	660,044.75	1%	810,044.75	1%	960,044.75	2%	1,110,044.75	2%
Asset Impairment Charges	0	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Restructuring	0	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Income from Operations	(2,404,452.51)	-6%	4,051,700.36	9%	7,329,509.85	13%	11,530,761.65	19%	14,396,992.93	23%	16,101,952.39	28%
Other Income, Net:												
Interest Income (Expense), Net	0	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Rental Income	0	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Misc Income (Expense)	(1,772.13)	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Total Other Income, Net	(1,772.13)		-	-	-		-	-			-	
Income Before Provision (Benefit) for Income Taxes	(2,402,680.39)	-6%	4,051,700.36	9%	7,329,509.85	13%	11,530,761.65	19%	14,396,992.93	23%	16,101,952.39	28%
Provision (Benefit) for Income Taxes	-	0%	1,215,510.11	3%	2,198,852.95	4%	3,459,228.50	6%	4,319,097.88	7%	4,830,585.72	8%
Net Income	\$ (2,402,680.39)	-6%	\$ 2,836,190.25	6%	\$ 5,130,656.89	9%	\$ 8,071,533.16	13%	\$ 10,077,895.05	16%	\$ 11,271,366.67	20%
EBITDA	\$ (1,575,435.39)	-4%	\$ 3,541,655.61	7%	\$ 6,669,465.10	12%	\$ 10,720,716.90	17%	\$ 13,436,948.18	21%	\$ 14,991,907.64	26%
Cash Flows												
Net Income	(2,402,680.39)		2,836,190.25	5,130,656.89	8,071,533.16		10,077,895.05	11,271,366.67				
Depreciation	827,245.00		510,044.75	660,044.75	810,044.75		960,044.75	1,110,044.75				
Capital Investment	750,000.00		(15,855,031.00)	1,500,000.00	1,500,000.00		1,500,000.00	1,500,000.00				
Deal Related / Closing Costs	-		(1,000,000.00)									
Working Capital	-		(3,000,000.00)									
Total Net Cash Flows	\$ (825,435.39)	n/a	\$ (16,508,796.00)	\$ 7,290,701.64	\$ 10,381,577.91		\$ 12,537,939.80	\$ 13,881,411.42				

Internal Rate of Return	48%
Payback Period (years)	2.9
NPV	\$16,000,055.97