

Hydrogen Hybrid Fuel Cell System

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1. Executive Summary

Introduction

Hydrogen Hybrid Fuel Cell Corp. has created the Diesel Hydrogen Hybrid Fuel Cell specializing in improving fuel economy for large diesel tractor trailers, SUV's, domestic and import vehicles through on demand hydrogen/oxygen injection, fuel vaporization, ionization, and fuel delivery control via onboard computer system. Its strength being specialized in cutting edge technology that is universal in application, installation, and efficiency of increased fuel mileage for most internal combustion engines, hybrids, and diesel engines. The fuel cells are for commercial and residential application. The focus of this business plan is to put forth objectives to solve the present cash-flow squeeze, and to increase profits from the present break-even level to net profits of over \$35 Million by the end of the first year. We intend to accomplish this by focusing on developing our website, manufacturing production, packaging our more popular products for the large tractor trailer chains, and to concentrate on our designated target markets.

The Company

Hydrogen Hybrid Fuel Cell Corp. is to provide the fuel saving technology products through the mail, business to business, and residential application. These products are available at the retail level for commercial and residential installation through the *Hydrogen Hybrid Fuel Cell Corp.* and can provide mobile installation of the fuel cell for large fleet owners and service for the life of the service agreement warranty.

The Products

A general description of the Diesel Hydrogen Hybrid Fuel Cell is a combination of hydrogen/oxygen injection, fuel ionization and vaporization, as well as computer electronics that lower the fuel delivery to the engine due to hydrogen/oxygen supplementation.

There are 3 models available for small, medium, and large vehicles.

The Market

There is a huge market in the United States for the Hydrogen Hybrid Fuel Cell System. Anyone with a vehicle that uses gasoline or diesel fuel can utilize the system. There are over 320,000,000 registered vehicles in the United States alone. 10% of the market would be equal to \$87 Billion in the US alone with residual revenue from the fuel conditioner monthly increasing revenue.

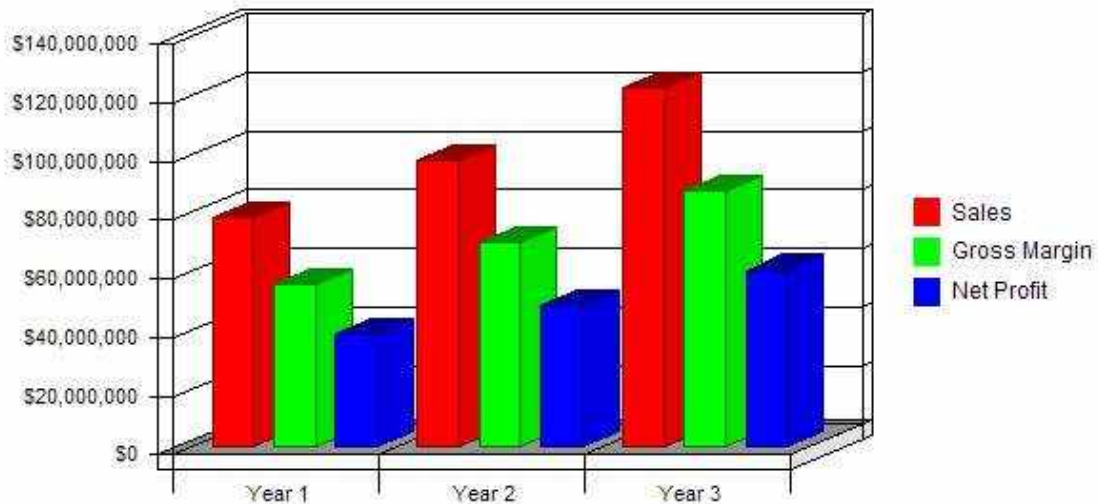
The company will refocus on a number of key industries that have a high level of consumption of fuel. These include tractor trailer companies, telephone, taxi, public utilities, cable, satellite and residential markets. The use of the technology can save fuel budgets for these companies 50% or better each year.

Financial path to Success

Hydrogen Hybrid Fuel Cell Corp. will focus on its key industries and the creation of an effective website, the company expects its profits to steadily increase.

Revenues are projected to increase by at least 30% over the next three years by \$35 Million annually. We expect net profits will increase to \$92 Million by year three. Such a large increase in profits is projected because we will be decreasing our marketing and advertising costs by a significant amount and increasing the efficiency of these activities.

Highlights



1.1. Objectives

The objectives for *Hydrogen Hybrid Fuel Cell Corp.* are outlined below:

1. To create a retail/service-base company whose goal is to exceed customer's expectations by improving fuel mileage for diesel and gasoline engines 50% or better for gasoline and 30% for diesel engines.
2. Sales increase to \$71 million by end of second year and \$ 92 million by end of third year.
3. To increase the number of clients services by at least 30% per year through superior performance and word-of mouth referrals.
4. Have a clientele return rate of 90% by end of first year.
5. Become an established community destination by end of first year.

1.2. Mission

The *Hydrogen Hybrid Fuel Cell Corp.* mission is to provide specialized fuel saving technology quality products at an affordable price for the public and private sectors consumption. It is our belief that the oil industry holds a monopoly that keeps all consumers of the petrol chemical industries products cornered and under the misguided belief that there are few options for relief from the prices that they dictate we pay. The *Hydrogen Hybrid Fuel Cell Corp.*, will bring its products to the people and allow them to see that there are alternative options for financial relief for the fuel that they must buy in order to operate their vehicles. We believe in assisting the consumer in a capacity that allows them to use their vehicles as they do now, without paying more than they should to obtain maximum mileage and performance.

1.3. Keys to Success

There are five generally accepted keys to success in the transportation industry:

1. Develop a safe, quality product.
2. Produce the product.
3. Market and advertise the product.
4. Acquire referrals and word of mouth testimonials.
5. Reduce demand on foreign oil which lowers fuel prices, retail prices, and increases consumer savings.

There is a huge market in the United States for fuel saving technology, with plenty of profitable business to be had. Nearly 70,000 businesses have been identified as attractive in addition to those market sectors to which *Hydrogen Hybrid Fuel Cell Corp.* has directed its attention. Capturing market share at a profit is definitely achievable if the above five steps are skillfully executed.

The Magnus - Moss act protects aftermarket products from voiding manufacture warranties.

US CODE- TITLE 15, CHAPTER, SECTIONS 2301-2312

2. Company Summary

Hydrogen Hybrid Fuel Cell Corp. is incorporated in the state of Nevada and is headquartered in Torrance, CA. The Company shareholders are founders, president – Kenneth Owen.

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

2.1. Company Ownership

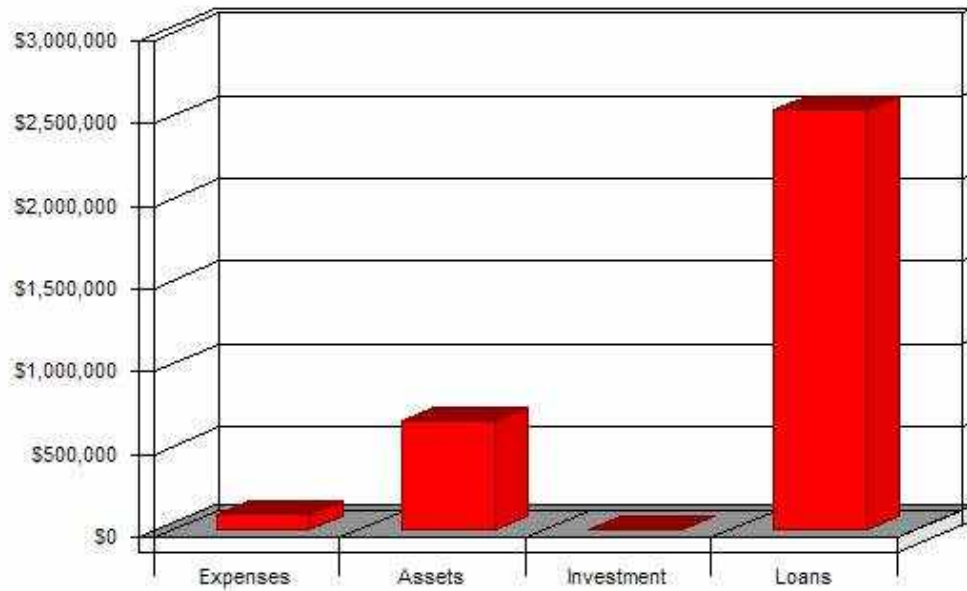
Hydrogen Hybrid Fuel Cell Corp. was established August 27, 2008 in Nevada privately owned by Kenneth Owen CEO.

2.2. Start-up Summary

Our start-up costs come to \$932,700, which is mostly stationery, legal costs, and expenses associated with opening our first office. The start-up costs are to be financed by direct owner investment with 125 Gas Advance HFI Systems in inventory. The assumptions are shown in Table 1 and Illustration 2.

Start-up	
Requirements	
Start-up Expenses	
Legal	\$8,000
Stationery etc.	\$1,000
Insurance	\$0
Rent	\$7,500
Computer	\$1,200
Manufacturing	\$0
Payroll	\$336,000
Advertising	\$30,000
Fleet Test	\$70,000
Utilities	\$2,000
Phone	\$6,000
Consulting Fee	\$2,500
Other	\$1,000
Total Start-up Expenses	\$367,200
Start-up Assets	
Cash Required	\$100,000
Start-up Inventory	\$350,000
Other Current Assets	\$7,500
Long-term Assets	\$0
Total Assets	\$457,500
Total Requirements	\$932,700

Start-up



3. Market Analysis Summary

The overall market for FUEL SAVING products is immense. This business plan has identified over several hundred million customers that have a potential need to save the cost of fuel. In reality, all businesses are in need of a product that will enable them to reduce cost associated with fuel which has become a growing concern among consumers. *Hydrogen Hybrid Fuel Cell Corp.* has the products necessary for this to happen; whether it is Tractor trailer industries, taxi companies, delivery companies, or consumers.

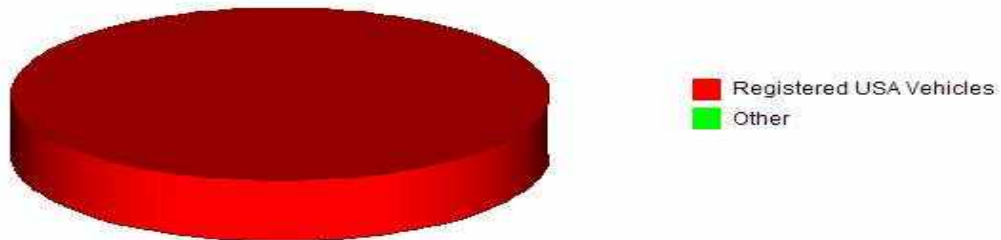
3.1. Market Segmentation

Hydrogen Hybrid Fuel Cell Corp. is targeting any commercial or residential consumer who uses gasoline or diesel fuel. The marketing potential is anyone who drives a vehicle and pays for gasoline or diesel. The table shows the amount of registered vehicles in the United States alone.

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Market Analysis							
	Growth	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Potential Customers Registered USA Vehicles Other	11%	320,000,000	355,200,000	394,272,000	437,641,920	485,782,531	11.00%
Total	11.00%	320,000,000	355,200,000	394,272,000	437,641,920	485,782,531	11.00%

Market Analysis (Pie)



3.2. Target Market Segment Strategy

We will be successful bringing the product and installation services to customers. We must focus on the specific market segments whose need for fuel economy improvement is more demanding.

Hydrogen Hybrid Fuel Cell Corp. has a bonded and insured mobile installation team for installation of the Hydrogen Hybrid Fuel Cell System.

Therefore, our focus and marketing message will be the product and services offered. We will develop our message, communicate it, and fulfill our commitment to excellence.

3.3. Service Business Analysis

Hydrogen Hybrid Fuel Cell Corp. is a part of the fuel Industry, and specializes in providing increased fuel mileage and technology for less dependency on foreign oil. We envision 30%-100% increase fuel economy operating within the context of manufacture warranty will be a huge boost for U.S. businesses

and consumers. We estimate that it could spur more than \$57 Million annually in new sales and increase our customer's gross revenues annually.

At the present time, an estimated two-thirds of all American jobs are dependant on transportation fuel, and that number will increase as the shift from manufacturing to retail industries continues. The convergences of fuel dependency industries will continue because demands are imperative are compelling. If one company does not see the possibilities, another will.

3.3.1. Competition and Buying Patterns

Consumers understand the concept of fuel savings, and are much more likely to pay for it when the offering is clearly stated.

There is no doubt that we compete much more against the oil companies than against other service providers. We need to effectively compete against the idea that consumers are bound by oil companies and their prices which put burdens on public spending.

The technology is dependant on the electronics which a consumer can dial in their fuel mileage as they drive.

There is no other technology to our knowledge that can do this.

Hybrid vehicles are as much as \$40,000. One can have their own hybrid driven by water as a fuel for under \$1500 for gasoline and \$7000 for large diesel tractors.

4. Management Summary

Our management philosophy is based on responsibility and mutual respect. People who work at *Hydrogen Hybrid Fuel Cell Corp.* want to work here because we have an environment that encourages creativity and achievement, promotes a great product while impacting global warming.

4.1. Personnel Plan

There are currently less than ten employees of *Hydrogen Hybrid Fuel Cell Corp.* The growth of the company will be determined by how accurately and efficiently the company is able to implement the facets of this business plan.

Each member of *Hydrogen Hybrid Fuel Cell Corp.* team is highly valued; everyone is expected to have opinions, as it is a team that will make this company excel. It is the mission of the company to employ people who are

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

committed to a high standard of excellence, who thrive on a team atmosphere, and who have outstanding customer service skills. This idealism is represented by the current staff, and will continue to be the guideline by which new team members are hired.

Personnel Plan			
	Year 1	Year 2	Year 3
President	\$60,000	\$60,000	\$60,000
Vice President of Operations	\$48,000	\$48,000	\$48,000
Sales Manager	\$36,000	\$36,000	\$36,000
Director of Shipping Operations	\$24,000	\$24,000	\$24,000
Installation President	\$48,000	\$48,000	\$48,000
Information Technology Business Manager	\$48,000	\$48,000	\$48,000
Vice President of Sales	\$24,000	\$24,000	\$24,000
Total People	0	0	0
Total Payroll	\$336,000	\$336,000	\$336,000

5. Financial Plan

Our financial plan is based on raising \$2.5 million (USD) by way of private equity to start production, develop the central database, and establish the customer base.

We will achieve profitability in less than 1 year and due to the nature of the exponential growth of fuel consumption, we will realize a nice net profit on sales by the end of the first year.

5.1. Start-up Funding

Owner

Ken Owen has invested \$1.7 Million in research and development, product development, startup manufacturing, tools and equipment.

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Start-up Funding	
Start-up Expenses to Fund	\$97,200
Start-up Assets to Fund	\$657,500
Total Funding Required	\$754,700
Assets	
Non-cash Assets from Start-up	\$557,500
Cash Requirements from Start-up	\$100,000
Additional Cash Raised	\$1,788,605
Cash Balance on Starting Date	\$1,888,605
Total Assets	\$2,446,105
Liabilities and Capital	
Liabilities	
Current Borrowing	\$2,500,000
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$41,000
Other Current Liabilities (interest-free)	\$2,305
Total Liabilities	\$2,543,305
Capital	
Planned Investment	
Owner	\$0
Investor	\$0
Additional Investment Requirement	\$0
Total Planned Investment	\$0
Loss at Start-up (Start-up Expenses)	(\$97,200)
Total Capital	(\$97,200)
Total Capital and Liabilities	\$2,446,105
Total Funding	\$2,543,305

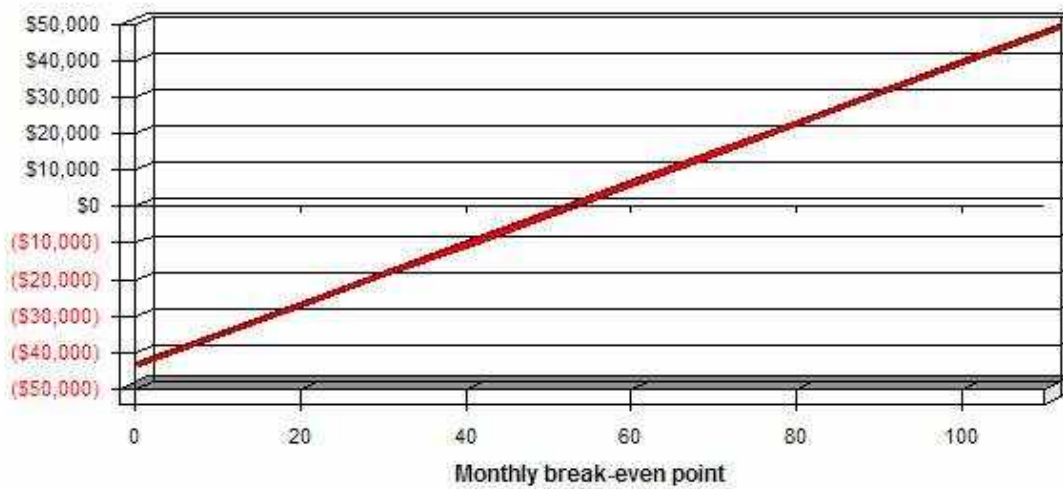
5.2. Break-even Analysis

Hydrogen Hybrid Fuel Cell Corp. revenue break even table indicates 53 units and \$61,393 to break even which is easily obtainable by following the business plan.

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Break-even Analysis	
Monthly Units Break-even	53
Monthly Revenue Break-even	\$61,393
Assumptions:	
Average Per-Unit Revenue	\$1,168.29
Average Per-Unit Variable Cost	\$1,100.00
Estimated Monthly Fixed Cost	\$43,700

Break-even Analysis



Break-even point = where line intersects with 0

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

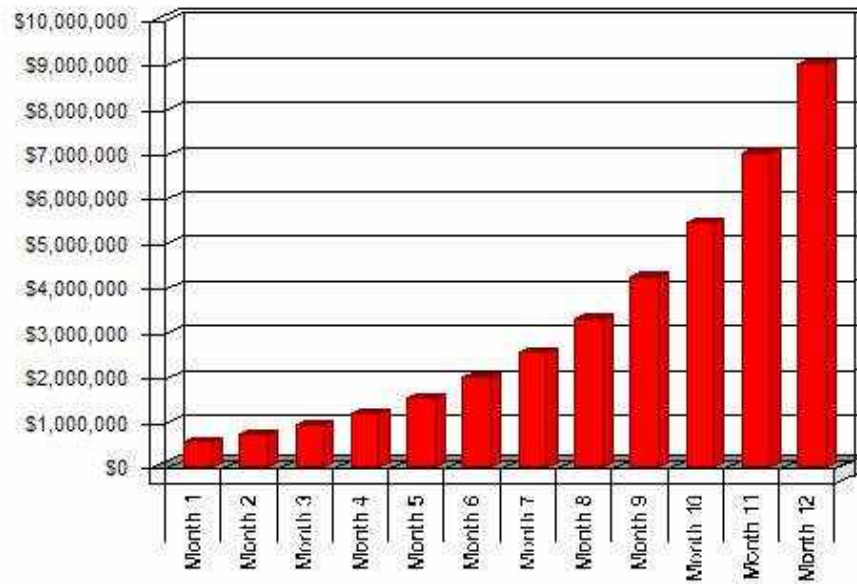
5.3. Projected Profit and Loss

Our Pro Forma Profit and Loss statement was constructed from a conservative point-of-view, and is based in large part on manufacturing production. By strengthening our production, and building our customer relationships, we will widen our customer base and increase sales.

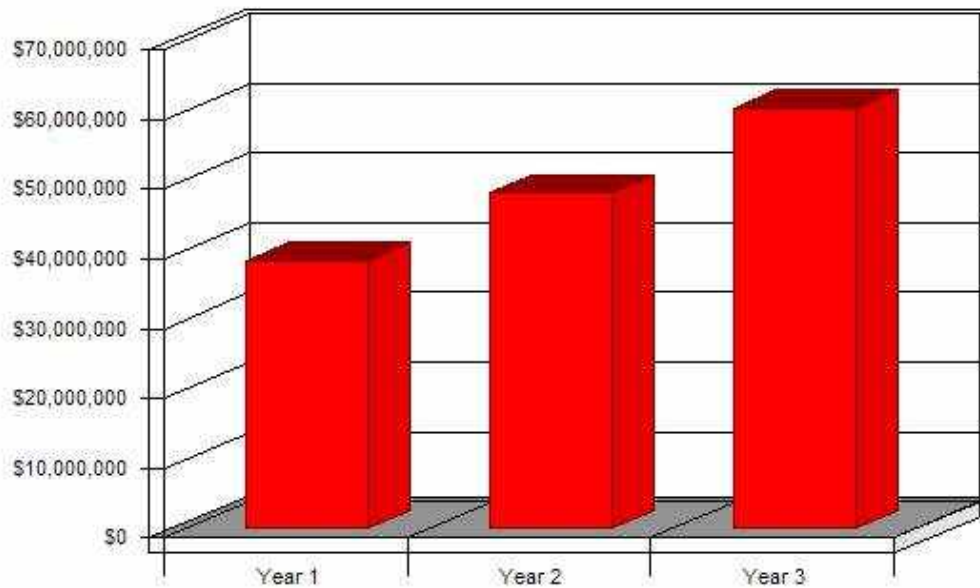
Month-to-month assumptions for profit and loss are included in the appendix.

Pro Forma Profit and Loss			
	Year 1	Year 2	Year 3
Sales	\$78,297,692	\$97,870,970	\$122,335,134
Direct Costs of Goods	\$22,564,480	\$28,205,302	\$35,255,574
Other Costs of Goods	\$0	\$0	\$0
	-----	-----	-----
Cost of Goods Sold	\$22,564,480	\$28,205,302	\$35,255,574
Gross Margin	\$55,733,212	\$69,665,668	\$87,079,560
Gross Margin %	71.18%	71.18%	71.18%
Expenses			
Payroll	\$336,000	\$336,000	\$336,000
Marketing/Promotion	\$120,000	\$120,000	\$120,000
Depreciation	\$0	\$0	\$0
Rent	\$31,200	\$31,200	\$31,200
Utilities	\$4,800	\$4,800	\$4,800
Insurance	\$6,000	\$6,000	\$6,000
Payroll Taxes	\$14,400	\$14,400	\$14,400
Other	\$12,000	\$12,000	\$12,000
	-----	-----	-----
Total Operating Expenses	\$524,400	\$524,400	\$524,400
Profit Before Interest and Taxes	\$55,208,812	\$69,141,268	\$86,555,160
EBITDA	\$55,208,812	\$69,141,268	\$86,555,160
Interest Expense	\$250,000	\$250,000	\$250,000
Taxes Incurred	\$16,487,644	\$20,667,380	\$25,891,548
Net Profit	\$38,471,168	\$48,223,888	\$60,413,612
Net Profit/Sales	49.13%	49.27%	49.38%

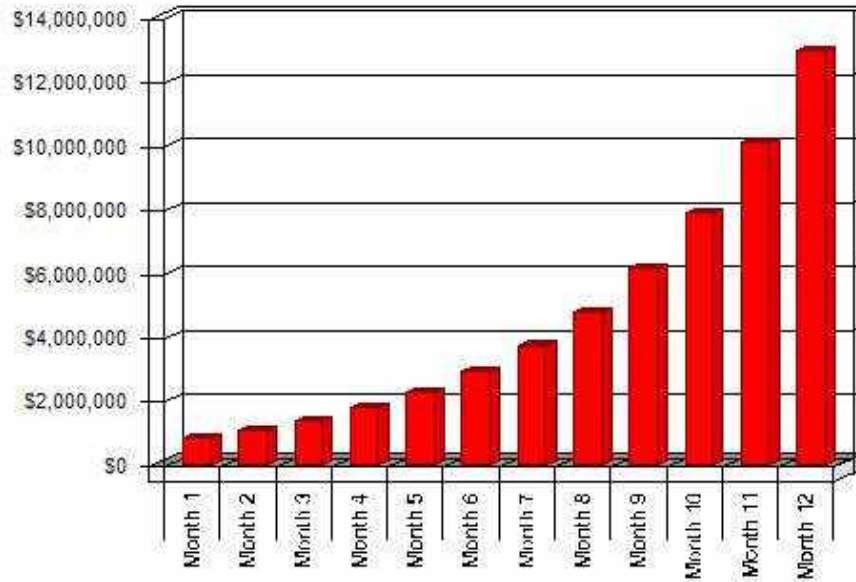
Profit Monthly



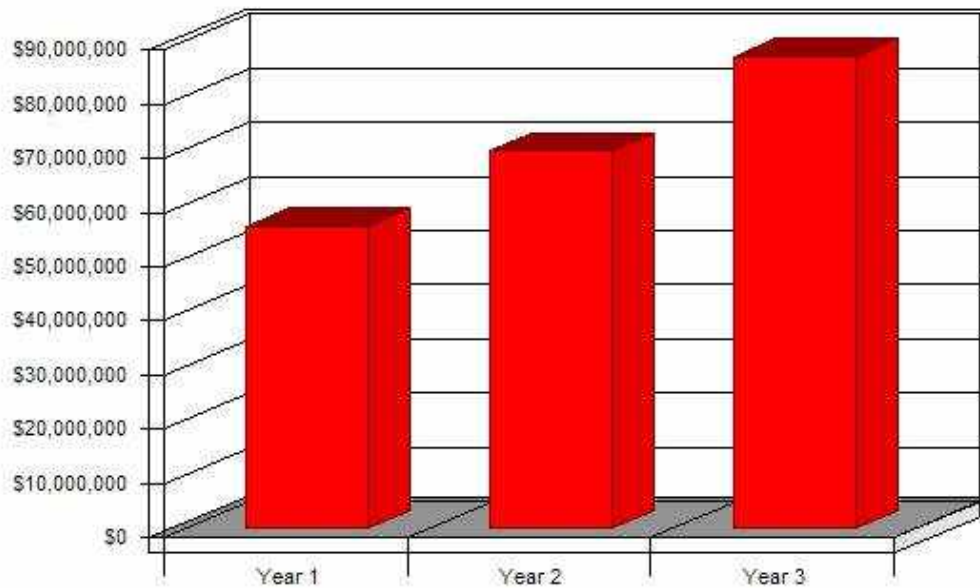
Profit Yearly



Gross Margin Monthly



Gross Margin Yearly



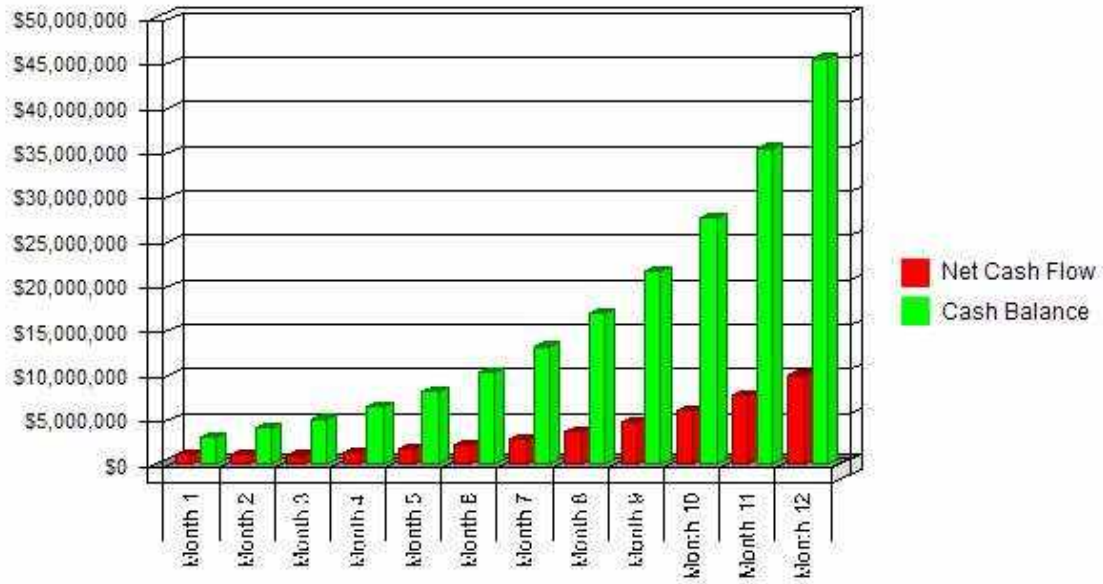
5.4. Projected Cash Flow

The following chart and table show the project cash flow for Hydrogen Hybrid Fuel Cell Corp.

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Pro Forma Cash Flow			
	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	\$78,297,692	\$97,870,970	\$122,335,134
Subtotal Cash from Operations	\$78,297,692	\$97,870,970	\$122,335,134
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
Subtotal Cash Received	\$78,297,692	\$97,870,970	\$122,335,134
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash spending	\$336,000	\$336,000	\$336,000
Bill Payments	\$34,284,263	\$56,352,135	\$62,175,625
Subtotal Spent on Operations	\$34,620,263	\$56,688,135	\$62,511,625
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$34,620,263	\$56,688,135	\$62,511,625
Net Cash Flow	\$43,677,429	\$41,182,835	\$59,823,509
Cash Balance	\$45,566,034	\$86,748,869	\$146,572,379

Cash



Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

5.5. Projected Balance Sheet

The Projected Balance Sheet is quite solid. We do not project any real trouble meeting our debt obligations--as long as we can achieve our specific objectives. The figures are based on a few hundred sales monthly which are obtainable with the technology as fuel prices continue to soar.

Pro Forma Balance Sheet			
	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash	\$45,566,034	\$86,748,869	\$146,572,379
Inventory	\$5,202,985	\$6,503,662	\$8,129,335
Other Current Assets	\$7,500	\$7,500	\$7,500
Total Current Assets	\$50,776,519	\$93,260,032	\$154,709,214
Long-term Assets			
Long-term Assets	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0
Total Long-term Assets	\$0	\$0	\$0
Total Assets	\$50,776,519	\$93,260,032	\$154,709,214
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$9,900,246	\$4,159,871	\$5,195,441
Current Borrowing	\$2,500,000	\$2,500,000	\$2,500,000
Other Current Liabilities	\$2,305	\$2,305	\$2,305
Subtotal Current Liabilities	\$12,402,551	\$6,662,176	\$7,697,746
Long-term Liabilities	\$0	\$0	\$0
Total Liabilities	\$12,402,551	\$6,662,176	\$7,697,746
Paid-in Capital	\$0	\$0	\$0
Retained Earnings	(\$97,200)	\$38,373,968	\$86,597,856
Earnings	\$38,471,168	\$48,223,888	\$60,413,612
Total Capital	\$38,373,968	\$86,597,856	\$147,011,468
Total Liabilities and Capital	\$50,776,519	\$93,260,032	\$154,709,214
Net Worth	\$38,373,968	\$86,597,856	\$147,011,468

5.6. Business Ratios

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Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Ratio Analysis				
	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	0.00%	25.00%	25.00%	0.00%
Percent of Total Assets				
Inventory	10.25%	6.97%	5.25%	0.00%
Other Current Assets	0.01%	0.01%	0.00%	100.00%
Total Current Assets	100.00%	100.00%	100.00%	100.00%
Long-term Assets	0.00%	0.00%	0.00%	0.00%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities				
Current Liabilities	24.43%	7.14%	4.98%	0.00%
Long-term Liabilities	0.00%	0.00%	0.00%	0.00%
Total Liabilities	24.43%	7.14%	4.98%	0.00%
Net Worth	75.57%	92.86%	95.02%	100.00%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	71.18%	71.18%	71.18%	0.00%
Selling, General & Administrative Expenses	22.05%	21.91%	21.80%	0.00%
Advertising Expenses	0.00%	0.00%	0.00%	0.00%
Profit Before Interest and Taxes	70.51%	70.65%	70.75%	0.00%
Main Ratios				
Current	4.09	14.00	20.10	0.00
Quick	3.67	13.02	19.04	0.00
Total Debt to Total Assets	24.43%	7.14%	4.98%	0.00%
Pre-tax Return on Net Worth	143.22%	79.55%	58.71%	0.00%
Pre-tax Return on Assets	108.24%	73.87%	55.79%	0.00%
Additional Ratios				
	Year 1	Year 2	Year 3	
Net Profit Margin	49.13%	49.27%	49.38%	n.a
Return on Equity	100.25%	55.69%	41.09%	n.a
Activity Ratios				
Inventory Turnover	12.00	4.82	4.82	n.a
Accounts Payable Turnover	4.46	12.17	12.17	n.a
Payment Days	27	51	27	n.a
Total Asset Turnover	1.54	1.05	0.79	n.a
Debt Ratios				
Debt to Net Worth	0.32	0.08	0.05	n.a
Current Liab. to Liab.	1.00	1.00	1.00	n.a

Hydrogen Hybrid Fuel Cell Corp. Diesel Hydrogen Hybrid Fuel Cell

Liquidity Ratios				
Net Working Capital	\$38,373,968	\$86,597,856	\$147,011,468	n.a
Interest Coverage	220.84	276.57	346.22	n.a
Additional Ratios				
Assets to Sales	0.65	0.95	1.26	n.a
Current Debt/Total Assets	24%	7%	5%	n.a
Acid Test	3.67	13.02	19.04	n.a
Sales/Net Worth	2.04	1.13	0.83	n.a
Dividend Payout	0.00	0.00	0.00	n.a

Pro Forma Profit and Loss

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Sales	\$1,657,075	\$2,122,929	\$2,731,598	\$3,510,135	\$4,506,802	\$5,800,204	\$7,462,064	\$9,602,184	\$12,366,621	\$15,128,200
Direct Costs of Goods	\$636,618	\$819,285	\$1,056,073	\$1,359,335	\$1,748,090	\$2,253,888	\$2,904,388	\$3,743,413	\$4,828,733	\$6,062,000
Other Costs of Goods	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Gross Margin	\$1,020,457	\$1,303,644	\$1,675,525	\$2,150,800	\$2,758,712	\$3,546,316	\$4,557,676	\$5,858,771	\$7,537,888	\$9,066,200
Gross Margin %	62.4%	62.9%	63.03%	63.2%	63.4%	63.6%	63.7%	63.9%	64%	64.5%
Expenses										
Payroll	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000
Marketing/Promotion	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600
Utilities	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Insurance	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Payroll Taxes	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Other	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
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Total Operating Expenses	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700	\$43,700
Profit Before Interest and Taxes	\$976,757	\$1,259,944	\$1,631,825	\$2,107,100	\$2,715,012	\$3,502,616	\$4,513,976	\$5,815,071	\$7,494,188	\$8,984,200
EBITDA	\$976,757	\$1,259,944	\$1,631,825	\$2,107,100	\$2,715,012	\$3,502,616	\$4,513,976	\$5,815,071	\$7,494,188	\$8,984,200
Interest Expense	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833
Taxes Incurred	\$234,217	\$305,003	\$395,702	\$511,959	\$661,027	\$852,234	\$1,097,576	\$1,412,486	\$1,816,826	\$2,311,666
Net Profit	\$721,707	\$934,108	\$1,215,290	\$1,574,308	\$2,033,152	\$2,629,549	\$3,395,567	\$4,381,752	\$5,674,529	\$6,651,698

Net Profit/Sales	43.6%	44%	44.5%	44.9%	45.1%	45.3%	45.5%	45.6%	45.9%
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Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities											
Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase											
Other											
Current Assets											
Purchase	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Assets											
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$82,933	\$461,476	\$918,706	\$1,161,520	\$1,472,366	\$1,870,452	\$2,380,446	\$3,034,040	\$3,871,965	\$4,940,000	\$4,940,000
Cash Spent											
Net Cash Flow	\$1,110,942	\$1,064,618	\$1,032,786	\$1,334,883	\$1,722,286	\$2,219,256	\$2,857,001	\$3,675,674	\$4,726,953	\$6,070,000	\$6,070,000
Cash Balance	\$2,999,547	\$4,064,165	\$5,096,951	\$6,431,834	\$8,154,120	\$10,373,376	\$13,230,377	\$16,906,051	\$21,633,004	\$27,703,000	\$27,703,000

Pro Forma Balance Sheet

Assets	Starting Balances	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Current Assets											
Cash	\$1,888,605	\$2,999,547	\$4,064,165	\$5,096,951	\$6,431,834	\$8,154,120	\$10,373,376	\$13,230,377	\$16,906,051	\$21,633,004	\$27,364,120
Inventory	\$550,000	\$348,618	\$444,884	\$567,952	\$725,340	\$926,695	\$1,184,395	\$1,514,328	\$1,936,894	\$2,478,297	\$3,141,120
Other Current Assets	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Total Current Assets	\$2,446,105	\$3,355,665	\$4,516,550	\$5,672,403	\$7,164,674	\$9,088,314	\$11,565,271	\$14,752,205	\$18,850,445	\$24,118,801	\$30,612,740
Long-term Assets											
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets	\$2,446,105	\$3,355,665	\$4,516,550	\$5,672,403	\$7,164,674	\$9,088,314	\$11,565,271	\$14,752,205	\$18,850,445	\$24,118,801	\$30,612,740
Liabilities and Capital		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Current Liabilities											
Accounts	\$41,000	\$404,053	\$853,264	\$1,085,813	\$1,383,513	\$1,764,757	\$2,253,167	\$2,879,091	\$3,681,530	\$4,710,624	\$6,019,120

Payable												
Current Borrowing	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Other Current Liabilities	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305	\$2,305
Subtotal Current Liabilities	\$2,543,305	\$2,906,358	\$3,355,569	\$3,588,118	\$3,885,818	\$4,267,062	\$4,755,472	\$5,381,396	\$6,183,835	\$7,212,929	\$8,250,572	\$9,300,172
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$2,543,305	\$2,906,358	\$3,355,569	\$3,588,118	\$3,885,818	\$4,267,062	\$4,755,472	\$5,381,396	\$6,183,835	\$7,212,929	\$8,250,572	\$9,300,172
Paid-in Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)	(\$97,200)
Earnings	\$0	\$546,507	\$1,258,180	\$2,181,485	\$3,376,056	\$4,918,453	\$6,906,999	\$9,468,009	\$12,763,810	\$17,003,072	\$22,250,572	\$28,000,000
Total Capital	(\$97,200)	\$449,307	\$1,160,980	\$2,084,285	\$3,278,856	\$4,821,253	\$6,809,799	\$9,370,809	\$12,666,610	\$16,905,872	\$22,153,372	\$27,902,800
Total Liabilities and Capital	\$2,446,105	\$3,355,665	\$4,516,550	\$5,672,403	\$7,164,674	\$9,088,314	\$11,565,271	\$14,752,205	\$18,850,445	\$24,118,801	\$30,403,944	\$37,202,972
Net Worth	(\$97,200)	\$449,307	\$1,160,980	\$2,084,285	\$3,278,856	\$4,821,253	\$6,809,799	\$9,370,809	\$12,666,610	\$16,905,872	\$22,153,372	\$27,902,800