

SUMMARY OF KEY ASSUMPTIONS

Number of Department Store Chains ordering	40
Number of units ordered per department store chain	500
Total units to be sold in 2004 (Nov & Dec)	20,000
No. of units reordered/ dept. store chain	2,000
No. of units sold in dept. store (divided between Jan & Feb 2005)	80,000
No. of specialty boutiques ordering	200
No. of units ordered per boutique	500
No. of units ordered by boutiques (divided between Jan & Feb 2005)	100,000
Increase of sales for dept. stores & specialty boutiques (Mar-May'05)	20%
No. of units sold for total of March, April & May- stores	96,000
No. of units sold for total of March, April & May- stores	120,000
Average Price per garment	\$ 80.00
Average Price per garment for sales to Roush	\$ 40.00
Retail Sales Mark-down Allowance % to Store & Boutique sales	5%
Discounts & Buybacks % to Store & Boutiques Sales	1%
Cost of clothing	50%
Commissions to sales force percentage to Total Revenue	10%
Commissions to Executives percentage to Total Revenue	5%
Percentage of total sales that are by credit card	3%
Credit Card clearing	3%
Percentage of Marketing to Total Revenue	3%
Depreciation	\$ 160,292.50
Useful life (months)	60
Monthly depreciation	2,672
Rent per month	\$ 1,000.00
Salaries for 2 personnel at \$2,000 per month	\$ 4,000.00
Salaries for 2 executives at \$50,000 per annum	\$ 8,333.33
Total salaries	\$ 12,333.33
Year 2005 starting October, part time help to hire for busy holiday season	5
Rate per hour	\$ 8.00
No. of hours per week per help	24
October, November, December 2005 increase in wages by	\$ 3,840.00
Payroll taxes employer share, % to total salaries	12.35%
Budget for employee benefits % to total salaries	8%
Maintenance/ cleaning per week	\$ 150.00
Utilities	\$ 300.00
Phone	\$ 300.00
1 Vehicle lease per month inclusive of auto expense	\$ 1,200.00
Inventory Purchases / Sales - Year 1	8%
Inventory Purchases / Sales - Year 2	6%
Inventory Purchases / Sales - Year 3	4%
Accounts Payable % =( Cost of Clothing & Art )/Sales	24%
Taxes on Income Federal 34%	34.00%
Projections started at year 3 and scaled down to half for preceeding year	
Formulas on Statistics:	
Return on Equity = Net Income/Total Stockholders' Equity	
Current Ratio = Total Current Assets/Total Current Liabilities	
Debt to Equity Ratio = Long-Term Debt/Total Stockholders' Equity	
Working Capital = Total Stockholders' Equity - Total Property Net	
Net Worth = Total Stockholders' Equity	
Book Value Per Share = Total Stockholders' Equity / Total Shares Outstanding	
Useful life for Leasehold Improvement (years using straight line method)	10
Useful life for Furnitures and Fixtures (years using straight line method)	5
Useful life for Computers and Equipment	5
Common Stock Dividend (per annum), % of Income from Operations	50%
Interest per annum for investments (year end) from financial institution	4.5%
Accounts Payable and Payment of Other Expenses	Net 30 days