

\$COPE Distribution, Inc.
Historical and Planning Summary Financial Data

	Historical 000s					Common Size				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Sales	3,732	4,036	3,708	3,789	4,653	100%	100%	100%	100%	100%
Cost of Sales	2,669	2,833	2,628	2,627	3,285	71.5%	70.2%	70.9%	69.3%	70.6%
Gross Profit	1,063	1,203	1,080	1,162	1,368	28.5%	29.8%	29.1%	30.7%	29.4%
Operating Expenses:										
Sales, wages and payroll related costs	276	306	266	235	274	7.4%	7.6%	7.2%	6.2%	5.9%
Selling expenses	47	47	46	50	53	1.3%	1.2%	1.2%	1.3%	1.1%
Other wages and payroll related costs	349	342	322	439	455	9.4%	8.5%	8.7%	11.6%	9.8%
Occupancy costs	108	97	110	154	162	2.9%	2.4%	3.0%	4.1%	3.5%
Other operating expenses	98	92	78	77	88	2.6%	2.3%	2.1%	2.0%	1.9%
Total operating expenses	878	884	822	955	1,032	23.6%	22.0%	22.2%	25.2%	22.2%
Operating Income before owner wages and payroll related	185	319	258	207	336	4.9%	7.8%	6.9%	5.5%	7.2%
Officer wages and payroll related costs	223	226	253	332	368	6.0%	5.6%	6.8%	8.8%	7.9%
Operating income	(38)	93	5	(125)	(32)	-1.1%	2.2%	0.1%	-3.3%	-0.7%
Interest income	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
Interest expense	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%
Pre-tax Income	(38)	93	5	(125)	(32)	-1.1%	2.2%	0.1%	-3.3%	-0.7%
Days Sales in Accounts Receivable	33.8	32.5	32.5	24.5	28.9					
Days Cost of Sales in Inventories	52.7	49.4	52.3	47.7	36.9					
Days Cost of Sales in Accounts Payable	30.6	26.5	40.9	27.5	29.4					
Operating cycle days	55.95	55.31	43.93	44.68	36.42					
Inventory turnover	6.83	7.29	6.88	7.55	9.75					
Interest bearing debt	-	-	-	-	-					
Debt to equity	0.70	0.61	0.99	0.72	0.67					

Five-Year Target	Dollars			Common Size			5 - Year Compound Growth
	1-Year Plan	3 - Year Milestone	5 - Year Target	1-Year Plan	3 - Year Milestone	5 - Year Target	
9650			9,650			100.0%	20.00%
30.0%			6,755			70.0%	
			2,895			30.0%	20.61%
5.75%			555			5.75%	19.30%
1.00%			97			1.01%	16.31%
9.00%			869			9.01%	17.56%
2.50%			241			2.50%	10.44%
1.75%			169			1.75%	17.72%
			1,931			20.00%	
			964			10.0%	30.15%
			724			7.50%	18.43%
2.50%			240			2.50%	
25							25
30							30
30							30
25							25
12							12
1.25							1.25

Yellow = Five-Year Stretch but attainable Targets
Orange = Assumptions Needed/Made to attain five-year target

Target
Milestone
Plan

Start with Five-Year Target (Read 10X)

Where would we need to be in three-years to be on track for five-year target?
Based on Target, Milestone and tactics and tasks to execute strategy what is a realistic level to set the one-year plan.