FINANCIAL MODELING INSTITUTE

LEVEL 1: ADVANCED FINANCIAL MODELER (AFM)

Henderson Manufacturing

February 24, 2020

Sample Exam Solution - Vertical Orientation

This model is designed to given an indication of what a successful candidate may produce during the 4-hour AFM exam.

Henderson Manufacturing

Summary Outputs

SUMMARY VALUES - BASE CASE

					Projected				
		2015A	2016A	2017A	2018	2019	2020	2021	2022
Income Statement Items									
Net Revenue	(MM)	$214	$237	$205	$252	$234	$281	$281	$268
Growth	(%)		*10.8%*	*(13.4%)*	*23.3%*	*(7.5%)*	*20.4%*	*(0.0%)*	*(4.6%)*
EBITDA	(MM)	$50	$68	$33	$74	$47	$86	$77	$54
Margin	(%)	*23.5%*	*28.9%*	*16.2%*	*29.3%*	*20.2%*	*30.7%*	*27.3%*	*20.3%*
Growth	(%)		*36.3%*	*(51.6%)*	*123.2%*	*(36.2%)*	*83.5%*	*(11.3%)*	*(29.2%)*
Net Income	(MM)	$14	$24	$2	$30	$13	$39	$34	$20
Margin	(%)	*6.6%*	*10.0%*	*1.1%*	*12.0%*	*5.7%*	*14.0%*	*12.0%*	*7.4%*
Growth	(%)		*68.1%*	*(90.7%)*	*1272.4%*	*(55.9%)*	*196.4%*	*(14.3%)*	*(41.2%)*

SUMMARY VALUES - BEST CASE

					Projected				
		2015A	2016A	2017A	2018	2019	2020	2021	2022
Income Statement Items									
Net Revenue	(MM)	$214	$237	$205	$264	$245	$297	$300	$282
Growth	(%)		*10.8%*	*(13.4%)*	*29.0%*	*(7.4%)*	*21.5%*	*1.1%*	*(6.3%)*
EBITDA	(MM)	$50	$68	$33	$86	$59	$102	$95	$71
Margin	(%)	*23.5%*	*28.9%*	*16.2%*	*32.4%*	*23.9%*	*34.3%*	*31.7%*	*25.1%*
Growth	(%)		*36.3%*	*(51.6%)*	*158.3%*	*(31.6%)*	*74.4%*	*(6.7%)*	*(25.9%)*
Net Income	(MM)	$14	$24	$2	$38	$21	$50	$46	$31
Margin	(%)	*6.6%*	*10.0%*	*1.1%*	*14.3%*	*8.5%*	*16.8%*	*15.3%*	*10.9%*
Growth	(%)		*68.1%*	*(90.7%)*	*1617.2%*	*(44.7%)*	*138.6%*	*(7.5%)*	*(33.4%)*

SUMMARY VALUES - WORST CASE

					Projected				
		2015A	2016A	2017A	2018	2019	2020	2021	2022
Income Statement Items									
Net Revenue	(MM)	$214	$237	$205	$238	$220	$263	$260	$245
Growth	(%)		*10.8%*	*(13.4%)*	*16.4%*	*(7.7%)*	*19.3%*	*(1.0%)*	*(5.9%)*
EBITDA	(MM)	$50	$68	$33	$61	$34	$68	$57	$34
Margin	(%)	*23.5%*	*28.9%*	*16.2%*	*25.5%*	*15.4%*	*26.0%*	*21.9%*	*14.0%*
Growth	(%)		*36.3%*	*(51.6%)*	*83.8%*	*(44.3%)*	*101.5%*	*(16.4%)*	*(40.1%)*
Net Income	(MM)	$14	$24	$2	$22	$4	$27	$20	$5
Margin	(%)	*6.6%*	*10.0%*	*1.1%*	*9.1%*	*2.0%*	*10.3%*	*7.7%*	*2.2%*
Growth	(%)		*68.1%*	*(90.7%)*	*883.8%*	*(79.7%)*	*513.8%*	*(25.5%)*	*(73.3%)*

Henderson Manufacturing
Inputs and Assumptions

GENERAL	
- First year of forecast in financial model:	2018
- Three scenarios have been used for Inflation, Product Pricing and sales volume growth	

PRODUCT PRICING	
- The product pricing cases used in the model are as follows:	
Pricing Case	**2018 - 2022**
Base Case	Research Forecast
Best Case	+4%
Worst Case	(4%)

COSTS			
Cost Item	**2018**		**Increases**
Raw Materials	$226.0	per Unit	Inflation on a unit basis
Utilities	$66.2	per Unit	Inflation on a unit basis
Rent	$23.5	MM	Inflation on a total $ basis
Operating Labour	$43.5	MM	Inflation on a total $ basis
Other	$2.0	MM	Inflation on a total $ basis
SG&A	$3.9	MM	Inflation on a total $ basis

DEPRECIATION	
- Depreciation Methodology Used:	Straight Line
- Years remaining for depreciation of existing assets:	25 years
- Years used for depreciation of new assets:	30 years

EQUITY	
Stock Price - 02/23/20	$11.50
Fully Diluted Shares O/S (MM) - Dec. 31, 2017	14.80
Common Dividend Payout Rate	20.0%

OPERATIONS	
- Annual Factory Capacity (000's units):	420

TAXES	
- Tax rate assumed in the model:	35.0%
- Additional tax assumptions in "Other Assumptions" box	

INTEREST RATES AND DEBT COVENANTS	
Interest Rates	
Interest rate earned on cash balances:	1.0%
Interest rate on the Bank Revolver:	6.0%
Interest rate on the Senior Secured Term Debt:	6.0%

Henderson Manufacturing
Inputs and Assumptions

OTHER ASSUMPTIONS		2018	2019	2020	2021	2022
Income Statement						
Cost Adjustments - Gain/(Loss)	MM	$0.0	$0.0	$0.0	$0.0	$0.0
Cash Flow Statement						
Investing Activities - Other	MM	$0.0	$0.0	$0.0	$0.0	$0.0
Capital Expenditures	MM	$16.0	$17.0	$17.3	$17.5	$18.0
Income Tax						
Reduction in EBT for timing differences	MM	$5.0	$5.0	$5.0	$5.0	$5.0
Working Capital Days						
Accounts Receivable	days	45.0	40.0	40.0	40.0	40.0
Inventories	days	70.0	65.0	60.0	60.0	55.0
Prepaid Expenses	days	30.0	30.0	30.0	30.0	30.0
Other Assets	days	3.0	3.0	3.0	3.0	3.0
Accounts Payable	days	40.0	40.0	40.0	40.0	40.0
Other Liabilities	days	10.0	10.0	10.0	10.0	10.0
Change in Debt & Equity						
Sr. Term Debt Issuance / (Repayment)	MM	($25.0)	($25.0)	($25.0)	($25.0)	($25.0)
Common Stock Issuance / (Buy-back)	MM	$0.0	$0.0	$0.0	$0.0	$0.0

Henderson Manufacturing
Economic and Pricing Scenarios

SCENARIO SWITCH: Base Case

	2018	2019	2020	2021	2022
ECONOMIC SCENARIOS					
Cost Inflation	**2.0%**	**2.0%**	**2.0%**	**2.5%**	**2.5%**
Base Case	2.0%	2.0%	2.0%	2.5%	2.5%
Best Case	1.8%	1.8%	1.8%	2.0%	2.0%
Worst Case	2.5%	2.5%	2.5%	2.5%	2.5%
SALES SCENARIOS					
Sales Price - $/Unit	**800.0**	**725.0**	**825.0**	**800.0**	**750.0**
Base Case	800.0	725.0	825.0	800.0	750.0
Best Case: +4.0%	832.0	754.0	858.0	832.0	780.0
Worst Case: -4.0%	768.0	696.0	792.0	768.0	720.0
Sales Volume Growth	**5.0%**	**4.0%**	**4.0%**	**4.0%**	**4.0%**
Base Case	5.0%	4.0%	4.0%	4.0%	4.0%
Best Case	5.0%	4.0%	5.0%	5.0%	4.0%
Worst Case	4.0%	4.0%	3.0%	3.0%	2.0%

Henderson Manufacturing
Revenue Schedule

					Projected				
		2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
Pricing									
Gross Sales Price	($/unit)			694.4	800.0	725.0	825.0	800.0	750.0
Cost Inflation	(%)				*2.0%*	*2.0%*	*2.0%*	*2.5%*	*2.5%*
Freight & Warehousing	($/unit)			100.0	102.0	104.0	106.1	108.8	111.5
Net Sales Price	**($/unit)**			**594.4**	**698.0**	**621.0**	**718.9**	**691.2**	**638.5**
Sales Volume									
Annual Factory Capacity	(000's units)				420.0	420.0	420.0	420.0	420.0
Sales Volume Growth	(%)				*5.0%*	*4.0%*	*4.0%*	*4.0%*	*4.0%*
Annual Sales Volume	**(000's units)**			**344.5**	**361.7**	**376.1**	**391.2**	**406.8**	**420.0**
Implied Operating Rate					86.1%	89.6%	93.1%	96.9%	100.0%
Revenue									
Gross Revenue	($ MM)			239.2	289.3	272.7	322.7	325.5	315.0
Freight & Warehousing	($ MM)			34.4	36.9	39.1	41.5	44.3	46.8
Net Revenue	**($ MM)**			**$204.8**	**$252.4**	**$233.6**	**$281.2**	**$281.2**	**$268.2**

Henderson Manufacturing
Costs of Production

					Projected				
		2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
Annual Sales Volume	(000's units)			344.5	361.7	376.1	391.2	406.8	420.0
Cost Inflation	(%)					2.0%	2.0%	2.5%	2.5%
COSTS PER UNIT									
Variable Costs									
Raw Materials	($/unit)				226.0	230.5	235.1	241.0	247.0
Utilities	($/unit)				66.2	67.5	68.9	70.6	72.4
Total Variable Costs	**($/unit)**				**292.2**	**298.0**	**304.0**	**311.6**	**319.4**
Fixed Costs									
Rent	($/unit)				65.0	63.7	62.5	61.6	61.2
Operating Labour	($/unit)				120.3	118.0	115.7	114.0	113.2
Other	($/unit)				5.5	5.4	5.3	5.2	5.2
Total Fixed Costs	**($/unit)**				**190.8**	**187.1**	**183.5**	**180.9**	**179.6**
Total Costs	**($/unit)**				**$483.0**	**$485.2**	**$487.5**	**$492.5**	**$499.0**
COSTS IN MILLIONS OF CDN$									
Variable Costs									
Raw Materials	($ MM)				81.7	86.7	92.0	98.1	103.8
Utilities	($ MM)				23.9	25.4	26.9	28.7	30.4
Total Variable Costs	**($ MM)**				**105.7**	**112.1**	**118.9**	**126.8**	**134.1**
Fixed Costs									
Rent	($ MM)				23.5	24.0	24.4	25.1	25.7
Operating Labour	($ MM)				43.5	44.4	45.3	46.4	47.5
Other	($ MM)				2.0	2.0	2.1	2.1	2.2
Total Fixed Costs	**($ MM)**				**69.0**	**70.4**	**71.8**	**73.6**	**75.4**
Total Costs	**($ MM)**				**$174.7**	**$182.5**	**$190.7**	**$200.4**	**$209.6**

Henderson Manufacturing
Income Statement

($ Millions)

					Projected				
		2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
Sales Volume	(000's units)			344.5	361.7	376.1	391.2	406.8	420.0
Revenue									
Gross Revenue		244.8	269.3	239.2	289.3	272.7	322.7	325.5	315.0
Freight & Warehousing		31.3	32.7	34.4	36.9	39.1	41.5	44.3	46.8
Net Revenue		**213.5**	**236.6**	**204.8**	**252.4**	**233.6**	**281.2**	**281.2**	**268.2**
Cost of Sales		159.9	164.6	167.9	174.7	182.5	190.7	200.4	209.6
S,G & A		3.4	3.6	3.8	3.9	4.0	4.1	4.2	4.3
Total Costs		**163.3**	**168.2**	**171.7**	**178.6**	**186.5**	**194.8**	**204.5**	**213.8**
Cost Adjustments - Gain/(Loss)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA		**50.2**	**68.4**	**33.1**	**73.9**	**47.1**	**86.4**	**76.7**	**54.3**
Depreciation		15.4	15.5	15.8	16.2	16.7	17.3	17.9	18.5
EBIT		**34.8**	**52.9**	**17.3**	**57.7**	**30.4**	**69.2**	**58.8**	**35.9**
Interest Expense		15.0	15.0	14.0	11.2	9.9	8.4	6.7	5.2
EBT		19.8	37.9	3.3	46.5	20.5	60.8	52.1	30.6
Current Income Taxes		3.0	8.0	0.0	14.5	5.4	19.5	16.5	9.0
Deferred Income Taxes		2.7	6.2	1.1	1.8	1.8	1.8	1.8	1.8
Total Income Taxes		5.7	14.2	1.1	16.3	7.2	21.3	18.2	10.7
Net Income		**$14.1**	**$23.7**	**$2.2**	**$30.2**	**$13.3**	**$39.5**	**$33.9**	**$19.9**
Margins									
EBITDA Margin		*23.5%*	*28.9%*	*16.2%*	*29.3%*	*20.2%*	*30.7%*	*27.3%*	*20.3%*
EBIT Margin		*16.3%*	*22.4%*	*8.4%*	*22.9%*	*13.0%*	*24.6%*	*20.9%*	*13.4%*
Return on Equity				*0.9%*	*10.7%*	*4.5%*	*12.2%*	*9.6%*	*5.4%*

Henderson Manufacturing
Cash Flow Statement

($ Millions)

				Projected				
	2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
Operating Activities								
Net Income	14.1	23.7	2.2	30.2	13.3	39.5	33.9	19.9
Depreciation & Amortization	15.4	15.5	15.8	16.2	16.7	17.3	17.9	18.5
Deferred Income Taxes	2.7	6.2	1.1	1.8	1.8	1.8	1.8	1.8
Changes in working capital	0.0	0.0	0.0	0.0	6.9	(3.5)	(1.3)	3.2
Operating Cash Flow	**32.2**	**45.4**	**19.1**	**48.1**	**38.7**	**55.0**	**52.2**	**43.3**
Investing Activities								
CAPEX	(14.1)	(15.0)	(15.5)	(16.0)	(17.0)	(17.3)	(17.5)	(18.0)
Other	(5.0)	4.0	3.0	0.0	0.0	0.0	0.0	0.0
Investing Cash Flow	**(19.1)**	**(11.0)**	**(12.5)**	**(16.0)**	**(17.0)**	**(17.3)**	**(17.5)**	**(18.0)**
Financing Activities								
Revolver Issuance / (Repayment)	0.0	0.0	0.0	0.0	4.6	(4.6)	0.0	0.5
Term Debt Issuance / (Repayment)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Common Shares Issuance/ (Buy-Back)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common Dividends	(2.8)	(4.7)	(2.4)	(6.0)	(2.7)	(7.9)	(6.8)	(4.0)
Financing Cash Flow	**(27.8)**	**(29.7)**	**(27.4)**	**(31.0)**	**(23.1)**	**(37.5)**	**(31.8)**	**(28.5)**
Change in the Cash Position	(14.7)	4.7	(20.8)	1.1	(1.4)	0.2	2.9	(3.1)
Beginning Cash	31.1	16.4	21.1	0.3	1.4	(0.0)	0.2	3.1
Ending Cash	16.4	21.1	0.3	1.4	0.0	0.2	3.1	0.0

Henderson Manufacturing
Balance Sheet

($ Millions)

				Projected				
	2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
ASSETS								
Cash	16.4	21.1	0.3	1.4	0.0	0.2	3.1	0.0
Accounts Receivable	27.0	27.8	28.3	31.1	25.6	30.7	30.8	29.4
Inventory	36.5	36.1	35.1	33.5	32.5	31.3	32.9	31.6
Prepaid Expenses	14.6	14.4	14.9	14.4	15.0	15.6	16.5	17.2
Other	1.4	1.8	1.2	1.4	1.5	1.6	1.6	1.7
Total Current Assets	95.9	101.2	79.8	81.8	74.6	79.4	85.0	79.9
Net PP&E	398.5	398.0	397.7	397.5	397.8	397.8	397.4	397.0
Other	19.0	15.0	12.0	12.0	12.0	12.0	12.0	12.0
Total Long Term Assets	417.5	413.0	409.7	409.5	409.8	409.8	409.4	409.0
Total Assets	**$513.4**	**$514.2**	**$489.5**	**$491.3**	**$484.4**	**$489.2**	**$494.4**	**$488.9**
LIABILITIES AND EQUITY								
Bank Debt - Revolver	0.0	0.0	0.0	0.0	4.6	0.0	0.0	0.5
Accounts Payable	18.3	18.7	18.2	19.1	20.0	20.8	22.0	23.0
Other	4.7	4.9	4.8	4.8	5.0	5.2	5.5	5.7
Total Current Liabilities	23.0	23.6	23.0	23.9	29.6	26.1	27.4	29.2
Deferred Income Taxes	0.7	6.9	8.0	9.8	11.5	13.3	15.0	16.8
Senior Secured Term Debt	250.0	225.0	200.0	175.0	150.0	125.0	100.0	75.0
Total Long Term Liabilities	250.7	231.9	208.0	184.8	161.5	138.3	115.0	91.8
Total Liabilities	**273.7**	**255.5**	**231.0**	**208.7**	**191.1**	**164.3**	**142.4**	**121.0**
Common Shares	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Retained Earnings	119.7	138.7	138.5	162.7	173.3	204.9	232.0	247.9
Shareholder's Equity	**239.7**	**258.7**	**258.5**	**282.7**	**293.3**	**324.9**	**352.0**	**367.9**
Total Liabilities and Equity	**$513.4**	**$514.2**	**$489.5**	**$491.3**	**$484.4**	**$489.2**	**$494.4**	**$488.9**
Check	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*

Henderson Manufacturing

Depreciation Schedule

($ Millions)

		2015A	2016A	2017A	Projected 2018	2019	2020	2021	2022
Years Remaining on Existing Assets:	25								
Depreciation Years on New Assets:	30								
Depreciation to Existing Assets					$15.9	$15.9	$15.9	$15.9	$15.9
CAPEX									
2018	$16.0				0.3	0.5	0.5	0.5	0.5
2019	$17.0					0.3	0.6	0.6	0.6
2020	$17.3						0.3	0.6	0.6
2021	$17.5							0.3	0.6
2022	$18.0								0.3
Total Depreciation					**$16.2**	**$16.7**	**$17.3**	**$17.9**	**$18.5**

Henderson Manufacturing
Income Tax Schedule

($ Millions)

Tax Rate 35.0%		Projected 2018	2019	2020	2021	2022
Accounting EBT (as is on I/S)	**A**	**$46.5**	**$20.5**	**$60.8**	**$52.1**	**$30.6**
Less: Reduction in EBT for timing differences [(1)]		5.0	5.0	5.0	5.0	5.0
Government EBT	**B**	**$41.5**	**$15.5**	**$55.8**	**$47.1**	**$25.6**
Accounting Taxes (35% of A)		16.3	7.2	21.3	18.2	10.7
Taxes as Appearing on Income Statement						
Current Tax (35% of B)		14.5	5.4	19.5	16.5	9.0
Increase (Decrease) in Deferred Income Taxes		1.8	1.8	1.8	1.8	1.8
Total Income Taxes (Same as Accounting Taxes Above)		**16.3**	**7.2**	**21.3**	**18.2**	**10.7**

(1) Assumes aggregate reduction in government pre-tax earnings due to timing differences between accounting and government rules.

Henderson Manufacturing
Working Capital Schedule

($ Millions)

					Projected			
		2015A	**2016A**	**2017A**	**2018**	**2019**	**2020**	**2021**	**2022**
Days per Year	(days)		366	365	365	365	366	365	365
Income Statement Items									
Net Revenue	($ MM)		236.6	204.8	252.4	233.6	281.2	281.2	268.2
Cost of Sales	($ MM)		164.6	167.9	174.7	182.5	190.7	200.4	209.6
Days In									
Accounts Receivable	(days)		43.0	50.4	45.0	40.0	40.0	40.0	40.0
Inventories	(days)		80.3	76.3	70.0	65.0	60.0	60.0	55.0
Prepaid Expenses	(days)		32.0	32.4	30.0	30.0	30.0	30.0	30.0
Other Assets	(days)		4.0	2.6	3.0	3.0	3.0	3.0	3.0
Accounts Payable	(days)		41.6	39.6	40.0	40.0	40.0	40.0	40.0
Other Liabilities	(days)		10.9	10.4	10.0	10.0	10.0	10.0	10.0
Account Balances									
Accounts Receivable	($ MM)		27.8	28.3	31.1	25.6	30.7	30.8	29.4
Inventories	($ MM)		36.1	35.1	33.5	32.5	31.3	32.9	31.6
Prepaid Expenses	($ MM)		14.4	14.9	14.4	15.0	15.6	16.5	17.2
Other Assets	($ MM)		1.8	1.2	1.4	1.5	1.6	1.6	1.7
Accounts Payable	($ MM)		18.7	18.2	19.1	20.0	20.8	22.0	23.0
Other Liabilities	($ MM)		4.9	4.8	4.8	5.0	5.2	5.5	5.7
Net Working Capital	**($ MM)**		**56.5**	**56.5**	**56.5**	**49.6**	**53.1**	**54.4**	**51.2**
Change in Working Capital	**($ MM)**			**$0.0**	**$0.0**	**$6.9**	**($3.5)**	**($1.3)**	**$3.2**

Henderson Manufacturing
Debt and Interest Schedule

($ Millions)

		Projected				
	2017A	**2018**	**2019**	**2020**	**2021**	**2022**
FINANCING COMPONENT						
Cash						
Amount Outstanding - Beginning		0.3	1.4	(0.0)	0.2	3.1
Change in Cash		1.1	(1.4)	0.2	2.9	(3.1)
Amount Outstanding - Ending	$0.3	$1.4	($0.0)	$0.2	$3.1	$0.0
Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%
Annual Interest Income		**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**
Revolver						
Operating Cash Flow		48.1	38.7	55.0	52.2	43.3
Investing Cash Flow		(16.0)	(17.0)	(17.3)	(17.5)	(18.0)
Mandatory Debt Repayments		(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Common Stock Issuance / (Buy-back)		0.0	0.0	0.0	0.0	0.0
Dividends		(6.0)	(2.7)	(7.9)	(6.8)	(4.0)
FCF After Mandatory Debt Repayment and Dividend		**$1.1**	**($6.0)**	**$4.8**	**$2.9**	**($3.6)**
Revolver Outstanding - Beginning		0.0	0.0	4.6	0.0	0.0
Additions / (Repayments)		0.0	4.6	(4.6)	0.0	0.5
Revolver Outstanding - Ending	$0.0	$0.0	$4.6	$0.0	$0.0	$0.5
Interest Rate		6.0%	6.0%	6.0%	6.0%	6.0%
Annual Interest Expense		**$0.0**	**$0.1**	**$0.1**	**$0.0**	**$0.0**
Senior Secured Term Debt						
Amount Outstanding - Beginning		200.0	175.0	150.0	125.0	100.0
Additions / (Repayments)		(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Amount Outstanding - Ending	$200.0	$175.0	$150.0	$125.0	$100.0	$75.0
Interest Rate		6.0%	6.0%	6.0%	6.0%	6.0%
Annual Interest Expense		**$11.3**	**$9.8**	**$8.3**	**$6.8**	**$5.3**
Net Interest Expense		**$11.2**	**$9.9**	**$8.4**	**$6.7**	**$5.2**

Henderson Manufacturing
Shareholders' Equity Schedule

($ Millions)

		Projected				
	2017A	**2018**	**2019**	**2020**	**2021**	**2022**
Common Shares						
Amount Outstanding - Beginning		120.0	120.0	120.0	120.0	120.0
New Issuance / (Buy-Back)		0.0	0.0	0.0	0.0	0.0
Amount Outstanding - Ending	$120.0	$120.0	$120.0	$120.0	$120.0	$120.0
Dividend Payout Rate		20.0%	20.0%	20.0%	20.0%	20.0%
Net Income		30.2	13.3	39.5	33.9	19.9
Common Dividend		**$6.0**	**$2.7**	**$7.9**	**$6.8**	**$4.0**
Retained Earnings						
Amount Outstanding - Beginning		138.5	162.7	173.3	204.9	232.0
Net Income		30.2	13.3	39.5	33.9	19.9
Common Dividend		(6.0)	(2.7)	(7.9)	(6.8)	(4.0)
Amount Outstanding - Ending	**$138.5**	**$162.7**	**$173.3**	**$204.9**	**$232.0**	**$247.9**