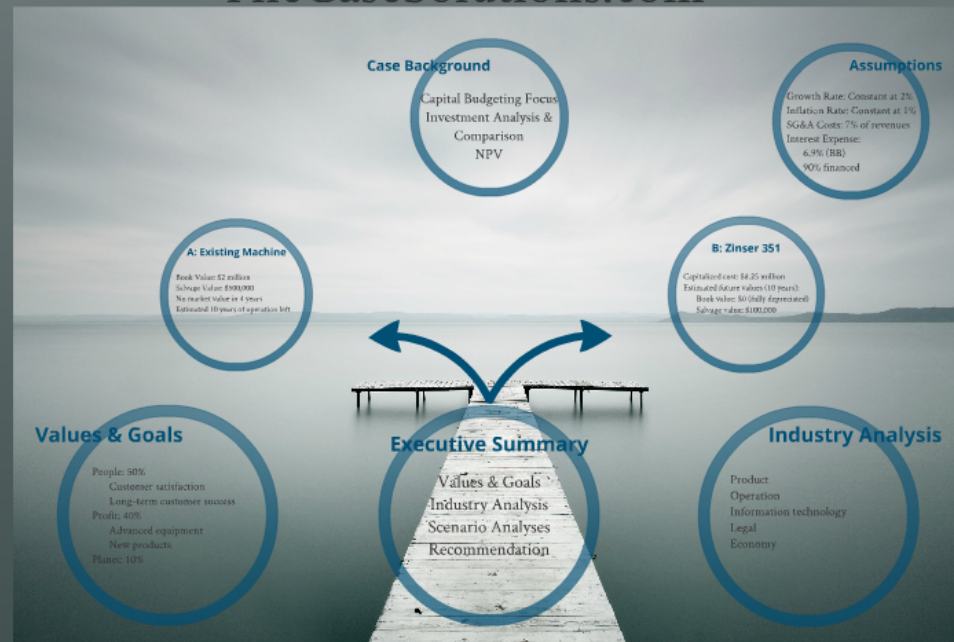


Aurora Capital Group- Douglas Dynamics

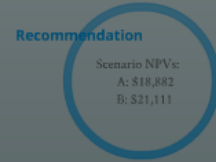
Jasmine Crespo
Stephanie Fernandes
Mariano Gomez

TheCaseSolutions.com

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	1000	1010	1020	1030	1040	1050	1060	1070	1080	1090	1100	1110	1120
SG&A Costs	70	70.7	71.4	72.1	72.8	73.5	74.2	74.9	75.6	76.3	77.0	77.7	78.4
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
EBITDA	230	239.3	248.6	257.9	267.2	276.5	285.8	295.1	304.4	313.7	323.0	332.3	341.6
Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0
Free Cash Flow	230	239.3	248.6	257.9	267.2	276.5	285.8	295.1	304.4	313.7	323.0	332.3	341.6
NPV	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882	118,882



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Case Background

Capital Budgeting Focus

se Background

Capital Budgeting Focus
Investment Analysis &
Comparison
NPV

Case Background

Capital Budgeting Focus
Investment Analysis &
Comparison
NPV

Assumptions

Growth Rate: Constant at 2%
Inflation Rate: Constant at 1%
SG&A Costs: 7% of revenues
Interest Expense:
6.9% (BB)
90% financed

A: Existing Machine

Book Value: \$2 million
Salvage Value: \$500,000
No market value in 4 years
Estimated 10 years of operation left

B: Zinser 351

Capitalized cost: \$8.25 million
Estimated future values (10 years):
Book value: \$0 (fully depreciated)
Salvage value: \$100,000

Values & Goals

People: 50%
Customer satisfaction
Long-term customer success
Profit: 40%
Advanced equipment
New products
Planet: 10%

Executive Summary

Values & Goals
Industry Analysis
Scenario Analyses
Recommendation

Industry Analysis

Product
Operation
Information technology
Legal
Economy

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