

Pipe Technologies, Inc.
3 Year Projections

3-Yr. Income Statement Projections			
	Year 1	Year 2	Year 3
# Units Sold 3rd Tier Dist	218,458	438,000	990,000
# Units Sold Wholesale	100	2,050	2,400
# Units Sold Retail	500	10,250	12,000
# Lighters & Access Whls	1,977	4,200	9,625
# Atomizers	4,486	9,240	21,175
# of Packaging	845,500	3,900,000	4,800,000
# of Pigtails	22,250	12,000	30,000
\$ Units Sold 3rd Tier Dist	\$5,679,908	\$11,388,000	\$25,740,000
\$ Units Sold Wholesale	3,600	73,800	86,400
\$ Units Sold Retail	29,975	614,488	719,400
\$ Lighters & Access Whls	\$8,402	\$17,850	\$40,906
\$ Atomizers	31,402	64,680	148,225
\$ Packaging	845,500	3,900,000	4,800,000
\$ Pigtail Royalty	\$222,500	\$120,000	\$300,000
Total Revenue	\$6,821,287	\$16,178,818	\$31,834,931
Cost of Goods Sold (COGS)	\$2,837,525	\$6,722,050	\$16,594,047
Gross Revenues	\$3,983,762	\$9,456,768	\$15,240,884
Expenses	\$790,770	\$1,656,813	\$2,603,194
Initial Start-Up	\$1,001,125	\$140,000	\$0
Employee	\$252,000	\$219,000	\$262,800
Royalties	\$0	\$372,048	\$618,745
Bonuses	\$0	\$148,819	\$247,498
Total Operating Costs	\$2,043,895	\$2,536,680	\$3,732,236
Net Income (Loss)	\$1,939,868	\$6,920,088	\$11,508,648

3-Yr. Balance Sheet Projections			
	Year 1	Year 2	Year 3
Current Assets			
Cash	4,198,550	7,721,802	10,855,491
Accounts Receivable	16,674	1,789,975	3,371,800
Other Current Assets	46,280	5,281	15,600
Total Current Assets	4,261,505	9,517,058	14,242,891
Property & Equipment, net	565,000	1,565,000	3,565,000
Total Assets	4,826,505	11,082,058	17,807,891
Current Liabilities			
Debt & Leases, current portion*	0	0	0
Accounts Payable	466,442	777,269	1,252,675
Other Current Liabilities	102,195	126,834	186,612
Total Current Liabilities	568,637	904,103	1,439,287
Long Term Liabilities	318,000	318,000	0
Owners' Equity			
Invested Capital	2,000,000	1,000,000	-4,000,000
Accumulated Retained Earnings	1,939,868	8,859,956	20,368,604
Total Owners' Equity	3,939,868	9,859,956	16,368,604
Total Liabilities & Owners' Equity	4,826,505	11,082,058	17,807,891

3-Yr. Cash Flow From Operations Projections			
	Year 1	Year 2	Year 3
Cash Flow From Operations			
Net Income/Loss	\$1,939,868	\$6,920,088	\$11,508,648
Minus Change in Accounts Receivable	(\$16,674)	(\$1,773,301)	(\$1,581,825)
Minus Change in Other Current Assets	(\$46,280)	\$40,999	(\$10,319)
Plus Change in Current Liabilities	\$886,637	\$335,465	\$535,185
Net Cash Flow from Operating	\$2,763,550	\$5,523,252	\$10,451,689
Cash Flows from Investing Activities			
Purchases of Property & Equipment	(\$565,000)	(\$1,000,000)	(\$2,000,000)
Net Cash Flow from Investing	(\$565,000)	(\$1,000,000)	(\$2,000,000)
Cash Flows from Financing Activities			
Cash Received from Investors	\$2,000,000	(\$1,000,000)	(\$5,000,000)
Net Cash Flow from Financing	\$2,000,000	(\$1,000,000)	(\$5,000,000)
Net Cash Flow	\$4,198,550	\$3,523,252	\$3,451,689
Cash Available at beginning of period	\$0	\$4,198,550	\$7,721,802
Net Cumulative Cash Flow	\$4,198,550	\$7,721,802	\$11,173,491