

PROFIT BOOSTER CALCULATOR

Example	<u>LAST YEAR</u>	<u>IMPROVE BY...</u>	EXTRA AFTER 1 YEAR	EXTRA AFTER 3 YEARS	EXTRA AFTER 5 YEARS	EXTRA AFTER 10 YEARS
NUMBER OF SALES	10,000	2.0%				
AVERAGE SELLING PRICE	\$100	2.0%				
SALES	\$1,000,000		\$40,000	\$120,000	\$200,000	\$400,000
COST OF SALES	\$500,000	1.0%	-\$5,000	-\$15,000	-\$25,000	-\$50,000
GROSS PROFIT	\$500,000		\$35,000	\$105,000	\$175,000	\$350,000
STAFF COSTS	\$200,000	2.0%	\$4,000	\$12,000	\$20,000	\$40,000
OTHER OVERHEADS	\$250,000	2.0%	\$5,000	\$15,000	\$25,000	\$50,000
Profit	\$50,000		\$44,000 EXTRA	\$132,000 EXTRA	\$220,000 EXTRA	\$440,000 EXTRA
Increase in Profit =			88%	264%	440%	880%

assumed margin 50.0%