

MagNet Analytics Inc.

3 Year Financial Plan Summary

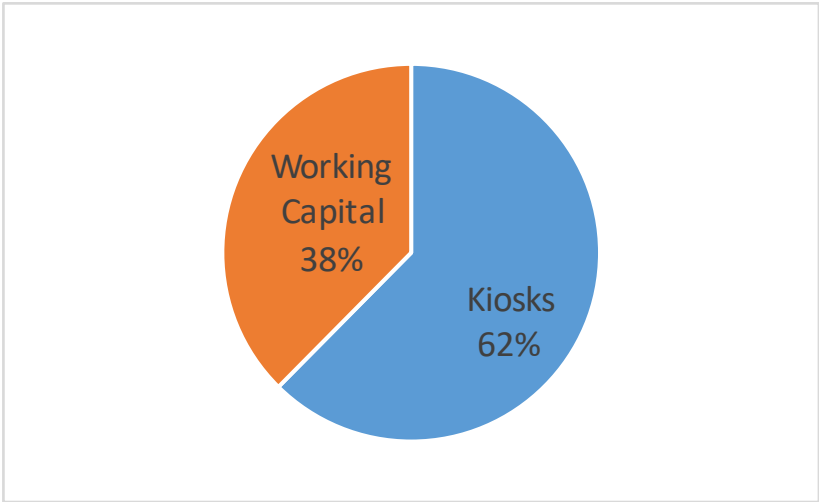
Earnings in Steady State (Stage 1)

# of kiosks	350
Direct profit per kiosk/yr	\$ 15,900
Total direct profit	\$ 5,565,000
Overhead	\$ (1,096,000)
Net earnings (EBT)	\$ 4,469,000

Capital Requirement

# of kiosks to deploy:	350
Time to deploy (months)	18
Kiosks	\$ 2,730,000
Working Capital	\$ 1,644,000
Total	\$ 5,196,000

Note: 60% of



SEC Disclaimer: Includes forward-looking projections that cannot be guaranteed.

capital could be financed by kiosk manufacturers

Deployment Stages

SEC Disclaimer: Includ

Stage	# of Kiosks	Period	Investment	# of Brands
Beta	4	Done	\$ 1,100,000	4
1A	210	year 1	\$ 2,000,000	5
1B	350	year 2	Non Dilutive Financing	6
2	1,000	year 3-4	Non Dilutive Financing	15
3	10,000	Year 5+	Non Dilutive Financing	50

es forward-looking projections that cannot be guaranteed.

Annual Revenue	Focus
Na	Prove Value Prop. and Tech.
\$ 9,576,000	Scale
\$ 15,960,000	Scale
\$ 45,600,000	Scale
\$ 456,000,000	Scale

Kiosk P&L (Monthly)

SEC Disclaimer: Includes forward-

Product Sales	\$ 3,500	Based on Pilots	
Marketing Revenue	\$ 300		
COGS	\$ 1,575	45% Cost	
Retail space rent	\$ 450		
Capital amortization	\$ 195	4 years	10% interest
Replenishment:	\$ 80	\$ 40 per visit	2 visits
Repairs	\$ 30		
Internet	\$ 40		
Credit card fee	\$ 105	3% of sales	
Direct profit	\$ 1,325		

Kiosk Cost

Kiosk	\$ 6,400	Including containers
Deployment and shipping	\$ 1,400	
Total Kiosk Installed Cost:	\$ 7,800	

-looking projections that cannot be guaranteed.

Overhead (Yearly)

SEC Disclaimer: Includes forward-looking projections that cann

CEO	\$ 240,000
Business Development / Locations & Brands	\$ 180,000
Strategy, Merchandising, & Analytics	\$ 180,000
Operation Management	\$ 160,000
Technology Director	\$ 160,000
Admin	\$ 80,000
Other	\$ 60,000
Office Rent	\$ 36,000
Total	\$1,096,000

HR, Accounting, Legal
Travel, supplies

Note: Overhead budget is ramped up over 6 months on the cashflow as kiosks are deployed

ot be guaranteed.

Cash Flow

SEC Disclaimer: Includes forward-looking projections that c

Month (Starting at first kiosk delivery)	1	2	3	4
Kiosks Deployed	0	10	30	50
New Kiosks Installed	10	20	20	20
Kiosks Paid (60 days after installation)	0	0	10	20

Product Sales	\$ -	\$ 21,000	\$ 84,000	\$ 105,000
Marketing fee	\$ -	\$ -	\$ 9,000	\$ 15,000
COGS (Consignment)	\$ -	\$ 10,500	\$ 42,000	\$ 52,500
Retail space rent	\$ -	\$ 4,500	\$ 13,500	\$ 22,500
Replenishment	\$ -	\$ 800	\$ 2,400	\$ 4,000
Repairs	\$ -	\$ 300	\$ 900	\$ 1,500
Internet	\$ -	\$ 400	\$ 1,200	\$ 2,000
Credit card fee	\$ -	\$ 630	\$ 2,520	\$ 3,150

Overhead	\$ 36,533	\$ 45,667	\$ 54,800	\$ 63,933
R&D	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
Capital Investment (Kiosks)	\$ -	\$ -	\$ 78,000	\$ 156,000

Net Cash Flow Before Inv.	\$ (56,533)	\$ (51,797)	\$ (112,320)	\$ (195,583)
Accumulated Net Cash Flow	\$ (56,533)	\$ (108,330)	\$ (220,650)	\$ (416,233)

Investments	\$ 700,000			
Financing				
Net	\$ 643,467	\$ 591,670	\$ 479,350	\$ 283,767

cannot be guaranteed.

5	6	7	8	9	10	11
70	90	110	130	150	170	190
20	20	20	20	20	20	20
20	20	20	20	20	20	20

\$ 196,000	\$ 315,000	\$ 385,000	\$ 455,000	\$ 525,000	\$ 595,000	\$ 665,000
\$ 21,000	\$ 27,000	\$ 33,000	\$ 39,000	\$ 45,000	\$ 51,000	\$ 57,000
\$ 98,000	\$ 157,500	\$ 192,500	\$ 227,500	\$ 262,500	\$ 297,500	\$ 332,500
\$ 31,500	\$ 40,500	\$ 49,500	\$ 58,500	\$ 67,500	\$ 76,500	\$ 85,500
\$ 5,600	\$ 7,200	\$ 8,800	\$ 10,400	\$ 12,000	\$ 13,600	\$ 15,200
\$ 2,100	\$ 2,700	\$ 3,300	\$ 3,900	\$ 4,500	\$ 5,100	\$ 5,700
\$ 2,800	\$ 3,600	\$ 4,400	\$ 5,200	\$ 6,000	\$ 6,800	\$ 7,600
\$ 5,880	\$ 9,450	\$ 11,550	\$ 13,650	\$ 15,750	\$ 17,850	\$ 19,950

\$ 73,067	\$ 82,200	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333
\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000

\$ (162,947)	\$ (122,150)	\$ (104,383)	\$ (77,483)	\$ (50,583)	\$ (23,683)	\$ 3,217
\$ (579,180)	\$ (701,330)	\$ (805,713)	\$ (883,197)	\$ (933,780)	\$ (957,463)	\$ (954,247)

	\$ 1,300,000					
\$ 120,820	\$ 1,298,670	\$ 1,194,287	\$ 1,116,803	\$ 1,066,220	\$ 1,042,537	\$ 1,045,753

12	13	14	15	16	17	18
210	230	250	270	290	310	330
20	20	20	20	20	20	20
20	20	20	20	20	20	20

\$ 735,000	\$ 805,000	\$ 875,000	\$ 945,000	\$ 1,015,000	\$ 1,085,000	\$ 1,155,000
\$ 63,000	\$ 69,000	\$ 75,000	\$ 81,000	\$ 87,000	\$ 93,000	\$ 99,000
\$ 367,500	\$ 402,500	\$ 437,500	\$ 472,500	\$ 507,500	\$ 542,500	\$ 577,500
\$ 94,500	\$ 103,500	\$ 112,500	\$ 121,500	\$ 130,500	\$ 139,500	\$ 148,500
\$ 16,800	\$ 18,400	\$ 20,000	\$ 21,600	\$ 23,200	\$ 24,800	\$ 26,400
\$ 6,300	\$ 6,900	\$ 7,500	\$ 8,100	\$ 8,700	\$ 9,300	\$ 9,900
\$ 8,400	\$ 9,200	\$ 10,000	\$ 10,800	\$ 11,600	\$ 12,400	\$ 13,200
\$ 22,050	\$ 24,150	\$ 26,250	\$ 28,350	\$ 30,450	\$ 32,550	\$ 34,650

\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333
\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000	\$ 156,000

\$ 30,117	\$ 57,017	\$ 83,917	\$ 110,817	\$ 137,717	\$ 164,617	\$ 191,517
\$ (924,130)	\$ (867,113)	\$ (783,197)	\$ (672,380)	\$ (534,663)	\$ (370,047)	\$ (178,530)

\$ 1,075,870	\$ 1,132,887	\$ 1,216,803	\$ 1,327,620	\$ 1,465,337	\$ 1,629,953	\$ 1,821,470

19	20	21	22	23	24	25
350	350	350	350	350	350	350
20	20	0	0	0	0	0

\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000
\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500
\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500
\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500
\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750

\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333
\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$ 156,000	\$ 156,000	\$ -	\$ -	\$ -	\$ -	\$ -

\$ 218,417	\$ 218,417	\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417
\$ 39,887	\$ 258,303	\$ 632,720	\$ 1,007,137	\$ 1,381,553	\$ 1,755,970	\$ 2,130,387

\$ 2,039,887	\$ 2,258,303	\$ 2,632,720	\$ 3,007,137	\$ 3,381,553	\$ 3,755,970	\$ 4,130,387

26	27	28	29	30	31	32
350	350	350	350	350	350	350
0	0	0	0	0	0	0

\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000
\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500
\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500
\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500
\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750

\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333
\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417
\$ 2,504,803	\$ 2,879,220	\$ 3,253,637	\$ 3,628,053	\$ 4,002,470	\$ 4,376,887	\$ 4,751,303

\$ 4,504,803	\$ 4,879,220	\$ 5,253,637	\$ 5,628,053	\$ 6,002,470	\$ 6,376,887	\$ 6,751,303

33	34	35	36
350	350	350	350
0	0	0	0

\$ 1,225,000	\$ 1,225,000	\$ 1,225,000	\$ 1,225,000
\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
\$ 612,500	\$ 612,500	\$ 612,500	\$ 612,500
\$ 157,500	\$ 157,500	\$ 157,500	\$ 157,500
\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500
\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
\$ 36,750	\$ 36,750	\$ 36,750	\$ 36,750

\$ 91,333	\$ 91,333	\$ 91,333	\$ 91,333
\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$ -	\$ -	\$ -	\$ -

\$ 374,417	\$ 374,417	\$ 374,417	\$ 374,417
\$ 5,125,720	\$ 5,500,137	\$ 5,874,553	\$ 6,248,970

\$ 7,125,720	\$ 7,500,137	\$ 7,874,553	\$ 8,248,970

Cash Flow

SEC Disclaimer: Includes forward-looking projections that cannot

Year	1	2	3
Kiosks Deployed	210	350	350

Product Sales	\$ 4,081,000	\$13,230,000	\$14,700,000
Marketing fee	\$ 360,000	\$ 1,134,000	\$ 1,260,000
COGS	\$ 2,040,500	\$ 6,615,000	\$ 7,350,000
Retail space rent	\$ 544,500	\$ 1,701,000	\$ 1,890,000
Replenishment:	\$ 96,800	\$ 302,400	\$ 336,000
Repairs	\$ 36,300	\$ 113,400	\$ 126,000
Internet	\$ 48,400	\$ 151,200	\$ 168,000
Credit card fee	\$ 122,430	\$ 396,900	\$ 441,000

Overhead	\$ 904,200	\$ 1,096,000	\$ 1,096,000
R&D	\$ 90,000	\$ 60,000	\$ 60,000
Capital Investment (Kiosks)	\$ 1,482,000	\$ 1,248,000	\$ -

Net Cash Flow	\$ (924,130)	\$ 2,680,100	\$ 4,493,000
Accumulated Net Cash Flow	\$ (924,130)	\$ 1,755,970	\$ 6,248,970

ot be guaranteed.

Target Cities

SEC Disclaimer: Includes forward-looking proj

2014 rank	City	State	2014 population	# of Kiosks
1	New York	New York	8,491,079	104
2	Los Angeles	California	3,928,864	48
3	Chicago	Illinois	2,722,389	33
4	Houston	Texas	2,239,558	27
5	Philadelphia	Pennsylvania	1,560,297	19
6	Phoenix	Arizona	1,537,058	19
7	San Antonio	Texas	1,436,697	18
8	San Diego	California	1,381,069	17
9	Dallas	Texas	1,281,047	16
10	San Jose	California	1,015,785	12
11	San Francisco	California	852,469	10
12	Denver	Colorado	663,862	8
13	Seattle	Washington	668,342	8
14	Washinton DC	DC	658,893	8
15	Boston (Base)	Massachusetts	655,884	8
16	Baltimore	Maryland	622,793	8
17	Las Vegas	Nevada	613,599	7
18	Atlanta	Georgia	456,002	6
19	Miami	Florida	430,332	5
20	Orlando	Florida	262,372	3
			Total potential	384

jections that cannot be guaranteed.