

Company Name: NewCo
Selected Industry: NAICS 323110 - Commercial Lithographic Printing

Additional criteria for industry segmentation and comparable selection:

Region: PA
Company size based on net sales: below \$50,000,000
Company size based on total assets: all (no exclusions)
Company Age: above 10

To begin a C-leveled engagement and start assessing your company, please contact C-leveled at info@c-leveled.com or 412-890-8875. For more information, www.c-leveled.com.

REPORT OVERVIEW

The C-leveled® Business Scorecard provides an **assessment of your company's financial performance**. This evaluation is based on selected financial ratios that are typically considered to be Key Performance Indicators (KPIs). This report includes ratios to evaluate your firm's **liquidity** situation, **the efficiency in the use of company assets** as well as the **profitability** of the business. Since performance for any given KPI is largely industry specific, this report also provides industry peer comparables (benchmarks) for all KPIs.

Through **your selections** with respect to **industry segment, region, company size and company age**, you have defined the most relevant industry peers. Please note that all industry comparables are based on your selection.

The ability to calculate ratios for your business and present you

with comparables depends on the accuracy and completeness of the financial information that is being entered. Please consider that the more detail you provide, the more comprehensive and meaningful this assessment can be.

While the data in this report has been compiled with the greatest possible care to ensure reliability, C-leveled recommends using the data in combination with other tools and sources and not as ultimate standards. This material should not be relied upon to replace the requirement for specific professional advice. Please, refer to the Frequently Asked Questions, Terms of Use and Disclaimer for details or contact us if you have additional questions or would like to provide feedback.

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HOW TO MAKE THE MOST OF THIS REPORT - SHORT READ

The C-leveled® Business Scorecard gives you information about the financial performance of your business not just by calculating ratios and KPIs (key performance indicators) but by comparing your firm's results to other similar businesses. With this approach you can be assured that you'll learn much more about the health and performance of your firm than if you would just look at a list of ratios calculated from your own business financial statements (which sometimes your accountant may present to you). In fact, meaningful comparables are much more powerful than traditional ratio analysis and will not only reveal the current situation; they can guide your decisions for growing your business.

Obviously, the analysis by itself will not fix the issues your company may face. It can however focus the management's attention and help to set the right targets that are based on something more than simple estimates or wishful thinking.

Let's look at the individual sections of the report. We will try to pinpoint some specific areas of your company's financial performance that stand out in comparison to your industry peers that may require special attention. If you are unsure about any of the results in this report, and conclusions that you would draw, or about the next steps that should be taken, please seek the help of your trusted advisor (i.e. your accountant) and ask for their guidance.

SUMMARY OF FINANCIAL PERFORMANCE

The aggregated performance ratings are based on the more detailed ratio analysis of this report.

Overall Financial Performance Rating: ★★☆☆☆☆

Liquidity Performance: ★☆☆☆☆

Red Flags: [Current Ratio](#) , [Quick Ratio](#)

Asset Efficiency Performance: ★☆☆☆☆

Red Flags: [Sales to Net Working Capital](#) , [Assets to Sales](#) , [Inventory Turnover](#) , [Accounts Payable to Sales](#)

Profitability Performance: ★★★★★

Red Flags: **No red flags found**

INDUSTRY PROFILE NAICS 323110 - COMMERCIAL LITHOGRAPHIC PRINTING

PLACEMENT IN NAICS CODE SYSTEM

31 Manufacturing
323 Printing and Related Support Activities
3231 Printing and Related Support Activities
32311 Printing
323110 Commercial Lithographic Printing

THIS INDUSTRY IS COMPRISED OF

Printing and Related Support Activities

INDUSTRY DESCRIPTION

This U.S. industry comprises establishments primarily engaged in lithographic (i.e., offset) printing without publishing (except books, grey goods, and manifold business forms). This industry includes establishments engaged in lithographic printing on purchased stock materials, such as stationery, letterhead, invitations, labels, and similar items, on a job order basis.

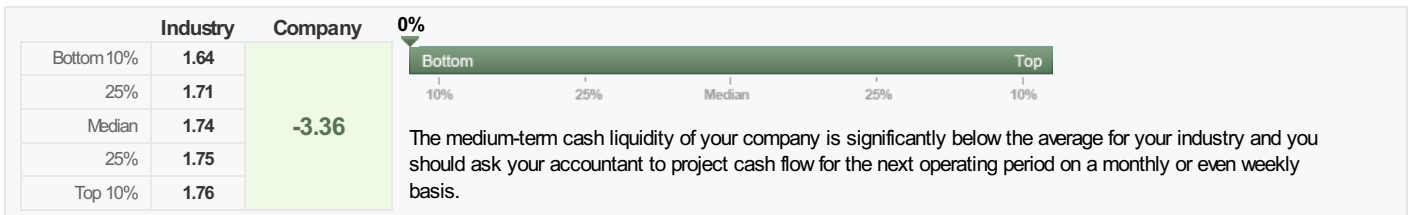
LIQUIDITY

Under Liquidity analysis you will find KPIs designed to help you understand if your company has enough “liquid funds” (mainly cash, accounts receivables and inventory) to be able to meet short term-obligations to creditors such as vendors.

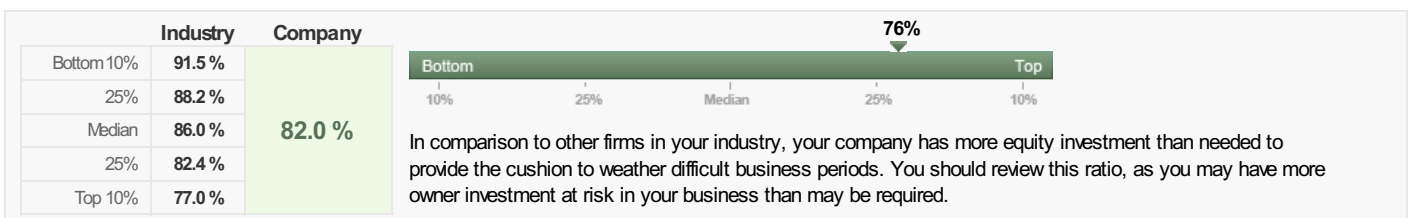
For most businesses, accounts payable (granted by vendors) and lines of credit (provided by financial institutions) are the most significant short-term liabilities (obligations) that are part of the normal operation of a company. Since most vendors expect to get paid in less than 30 days for the purchase of a product or service,

the resulting obligations are considered short-term. The business will need to have sufficient “liquid funds” to be able to pay all vendors on time. The same holds true for lines of credit if they are being provided to a company only for a short period of time (for example, to cover inventory pre-purchases in a seasonal business).

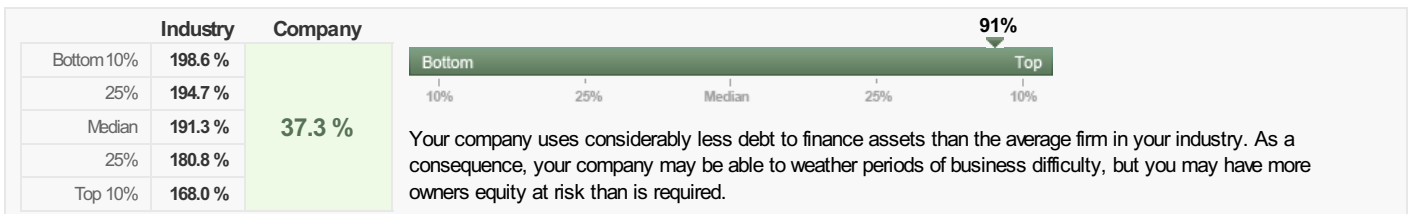
Current Ratio



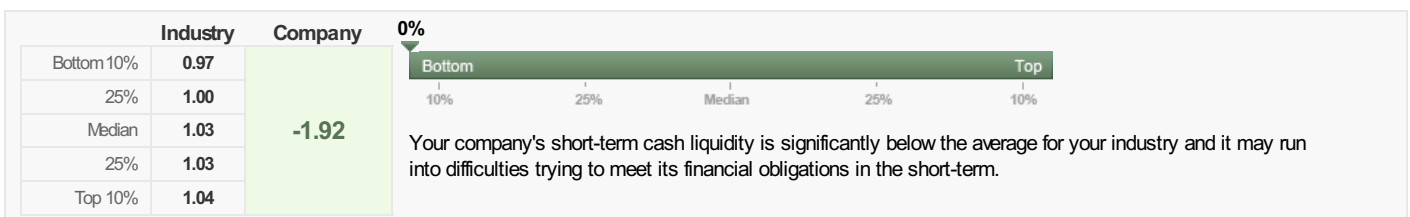
Current Liabilities to Net Worth



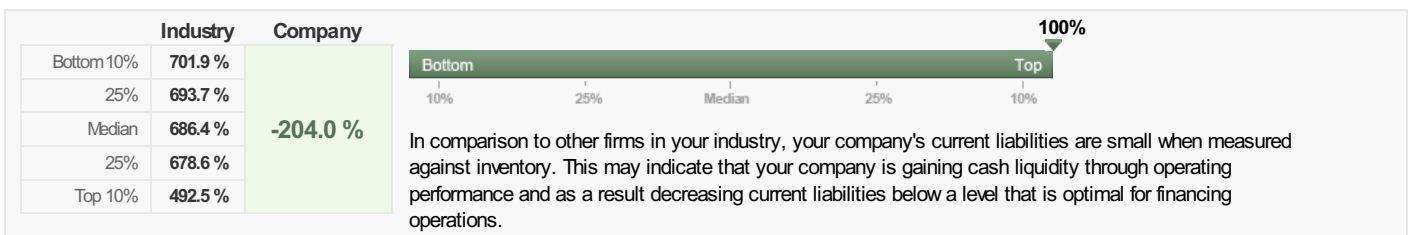
Total Liabilities to Net Worth



Quick Ratio



Current Liabilities To Inventory



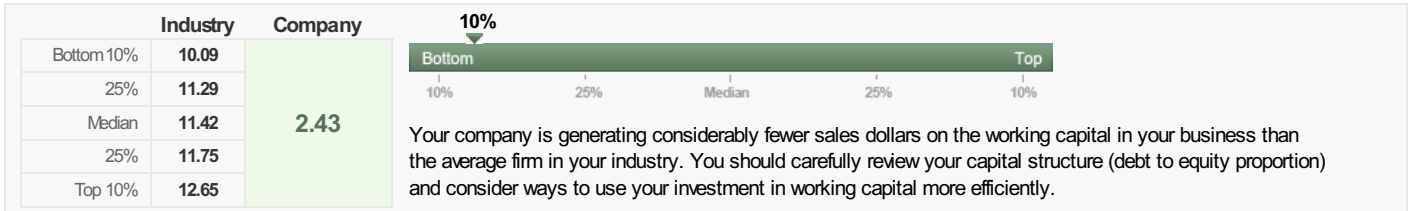
ASSET EFFICIENCY

Under Asset Efficiency analysis you will find metrics designed to help you evaluate how well your company is using the assets and funds at its disposal to generate sales and turn sales into cash.

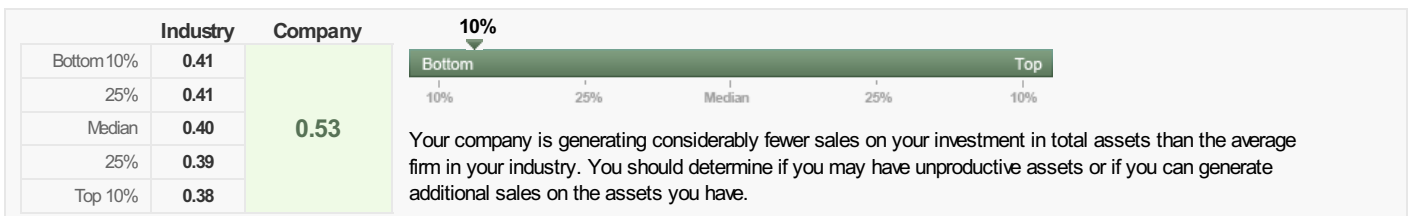
efficiency KPIs may indicate lack of capitalization which in turn may limit growth and impede profitability.

While high efficiency is warranted in most situations, very high

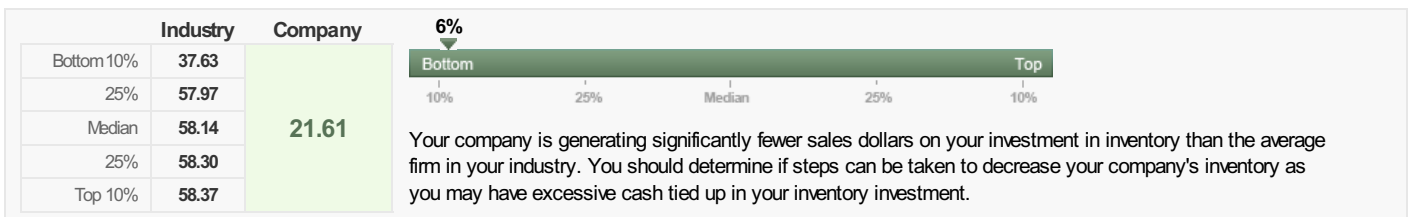
Sales to Net Working Capital



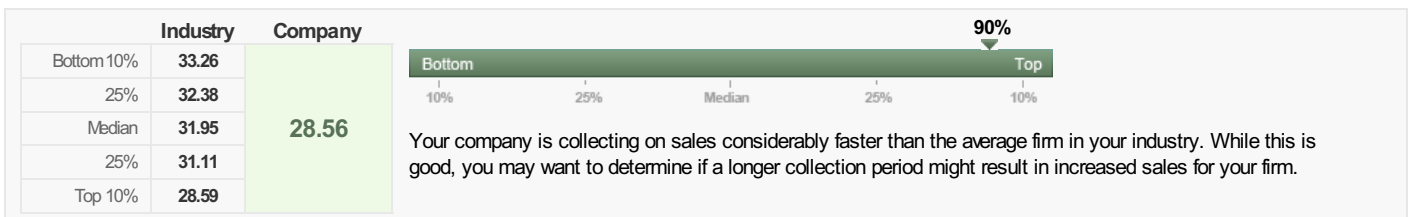
Assets to Sales



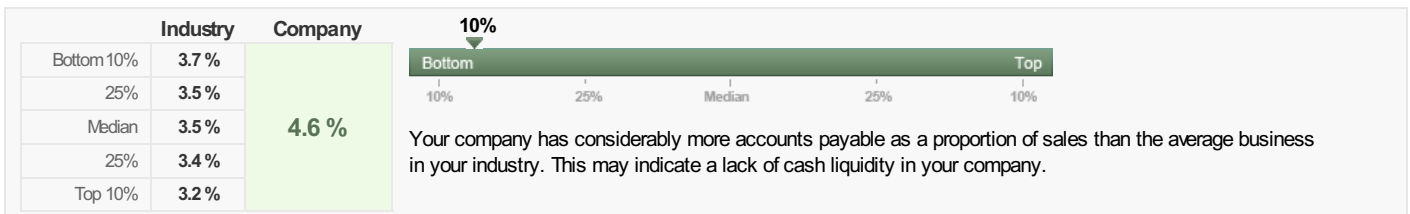
Inventory Turnover



Collection Period



Accounts Payable to Sales



PROFITABILITY

The ratios presented under Profitability analysis indicate how much money your company earns from its business activities. The return is thereby compared to different bases such as overall sales or assets so not just absolute profit numbers are being compared, but that profitability is being measured in relation to your company's size.

Since returns will largely depend on a particular industry, the benchmarks should help you understand the profitability range from weak performers to the "best in class" companies within your industry.

Return on Sales



	Industry	Company
Bottom 10%	1.6 %	4.2 %
25%	1.7 %	
Median	1.7 %	
25%	1.8 %	
Top 10%	2.2 %	

Your company is earning a considerably larger profit on sales compared to the average company in your industry. You should periodically review this ratio to be sure that your above average profit performance continues.

Return on Assets



	Industry	Company
Bottom 10%	3.8 %	7.8 %
25%	4.1 %	
Median	4.2 %	
25%	4.4 %	
Top 10%	6.0 %	

Your company is earning a considerably larger return on your assets compared to the average company in your industry. You should periodically review this ratio to be sure that the above average earning power of your business continues.

Return on Investment



	Industry	Company
Bottom 10%	4.2 %	10.7 %
25%	4.8 %	
Median	4.9 %	
25%	5.2 %	
Top 10%	9.4 %	

Your company is providing its owners with a significantly higher return on their investment compared to the average company in your industry. You should frequently review this ratio as it provides you with a direct measure of the return on owners' investment in the company.

Sales per Employee



	Industry	Company
Bottom 10%	\$70,063	\$82,216
25%	\$76,713	
Median	\$93,632	
25%	\$119,614	
Top 10%	\$151,940	

Sales amount generated per employee of your company is close to the average for your industry. Sales per Employee is a very important indicator of how effective your workforce is and you should consider ways to improve your company's performance in this key area.

Profit per Employee



	Industry	Company
Bottom 10%	\$1,137	\$3,417
25%	\$1,269	
Median	\$1,563	
25%	\$2,100	
Top 10%	\$4,432	

Profit generated for each employee of your company is well above the average for your industry. You should carefully watch profit per employee as any decrease may indicate that your financial performance is slipping.

COMMON SIZE FINANCIAL STATEMENT

Common size statements are used to compare financial statements of the same company over time or, as is the case here, of your company and the industry. The statements are available in two versions. The first version, which is more customary, shows the statement of your company and the comparable industry statement (benchmarks) side by side as percentage of Net Sales (for the income statement line items) and of Total Assets (for the balance sheet accounts).

The second version presents the same comparison in absolute dollar amounts that may be easier to visualize and understand.

NOTE: the "industry statement" shown in this analysis is a mathematically generated statement based on all companies in the selected industry segment; as such, it does not represent one company's particular statement.

To aid in the analysis of the common size statements, the various items of the income statement as well as of the balance sheet for your company and the "industry statement" are also presented in a graphical format.

COMPANY INCOME STATEMENT [% OF NET SALES]

Income Statement	NewCo	Industry	Variance
Net Sales	100.0 %	100.0 %	0.0 %
Cost of Sales	52.8 %	52.6 %	0.5 %
Material Cost	49.4 %	38.5 %	28.2 %
Labor Cost	2.4 %	7.2 %	-66.8 %
Manufacturing Overhead	1.1 %	6.9 %	-84.0 %
Gross Profit	47.2 %	47.4 %	-0.6 %
Operating Expenses	41.6 %	43.6 %	-4.6 %
Salaries / Wages	3.9 %	8.5 %	-53.7 %
Rent	1.4 %	2.2 %	-35.5 %
Bad Debt	0.7 %	0.4 %	93.3 %
Advertising / Marketing	0.0 %	0.5 %	-98.6 %
Other Operating Expenses	35.6 %	32.1 %	10.9 %
EBITDA	5.5 %	3.8 %	45.0 %
Depreciation & Amortization	0.3 %	3.5 %	-92.0 %
EBIT	5.2 %	0.3 %	1,467.9 %
Interest Expense	0.3 %	2.3 %	-88.5 %
Other Expense	0.1 %	-5.3 %	-101.4 %
EBT	4.9 %	3.3 %	46.8 %
Income Taxes	0.7 %	1.7 %	-55.6 %
Net Income	4.2 %	1.7 %	149.5 %

Figure 1. Income Statement Components [€]

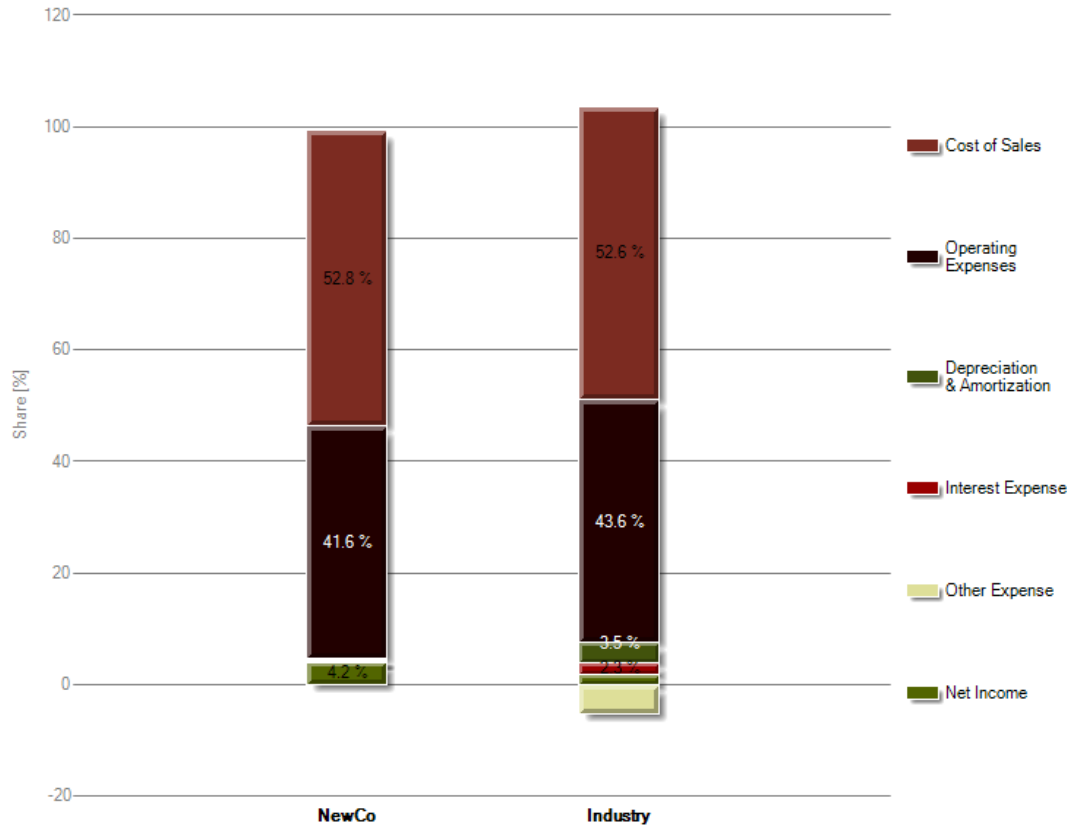


Figure 2. Operating Expenses [% of Net Sales]

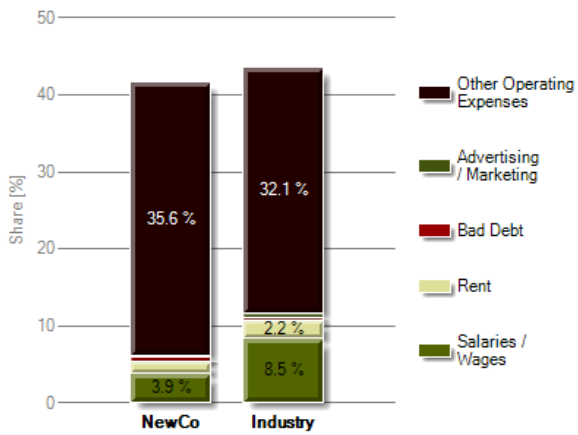
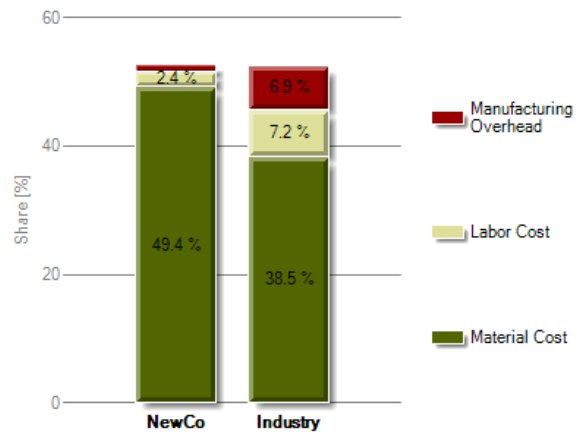


Figure 3. Cost of Sales [% of Net Sales]



COMPANY BALANCE SHEET [% OF TOTAL ASSETS]

Balance Sheet	NewCo	Industry	Variance
Total Assets	100.0 %	100.0 %	0.0 %
Total Current Assets	59.7 %	51.2 %	16.5 %
Cash	19.4 %	8.1 %	139.2 %
Accounts Receivable	14.7 %	22.3 %	-33.8 %
Inventory	8.7 %	4.3 %	102.7 %
Prepaid Expenses	0.2 %	4.0 %	-94.8 %
Other Current Assets	16.6 %	12.5 %	32.3 %
Total Non-Current Assets	40.3 %	48.8 %	-17.3 %
Fixed Assets	20.7 %	40.3 %	-48.6 %
Intangible Assets	0.0 %	1.0 %	-98.6 %
Long-Term Investments	0.2 %	0.0 %	401.2 %
Other Non-Current Assets	19.4 %	7.4 %	160.4 %
Liabilities & Net Worth	100.0 %	100.0 %	0.0 %
Total Current Liabilities	-17.8 %	7.7 %	-331.8 %
Accounts Payable	8.6 %	8.8 %	-1.4 %
ST Notes Payable	1.4 %	7.4 %	-81.2 %
Bank Loan Payable	8.7 %	3.8 %	127.0 %
Current Maturities of LT Debt	2.1 %	0.0 %	N/A
Other Current Liabilities	-38.6 %	-12.4 %	212.4 %
Total Long Term Liabilities	45.0 %	36.2 %	24.1 %
LT Notes Payable	43.5 %	27.4 %	58.9 %
Other Non-Current Liabilities	1.5 %	8.8 %	-83.5 %
Net Worth	72.8 %	56.1 %	29.8 %

Figure 4. Assets Components [€]

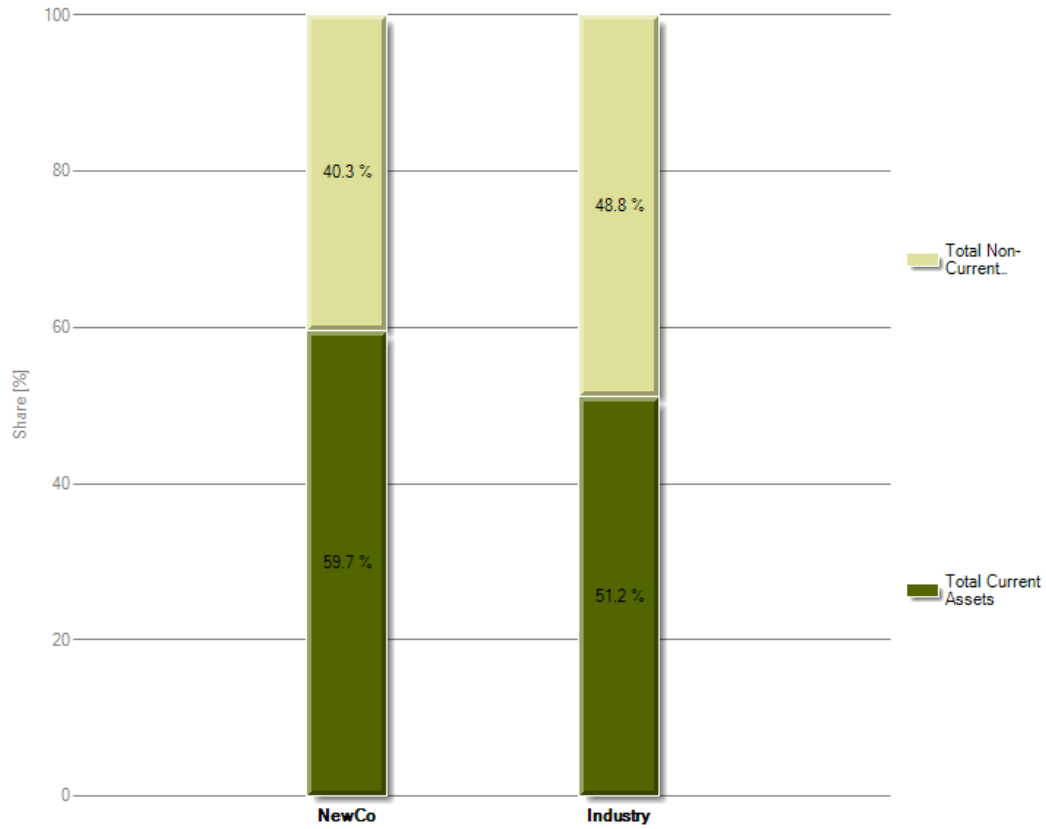


Figure 5. Total Current Assets [% of Total Assets]

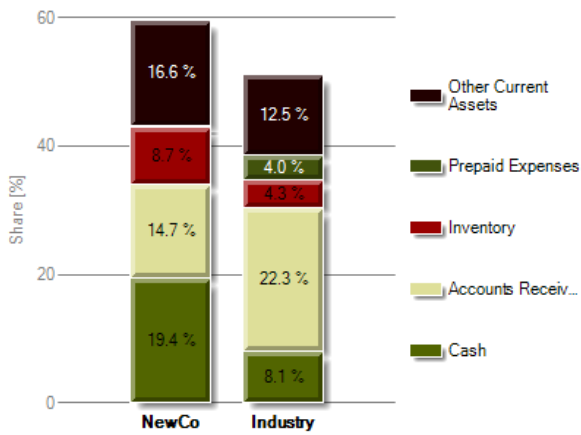


Figure 6. Total Non-Current Assets [% of Total Assets]

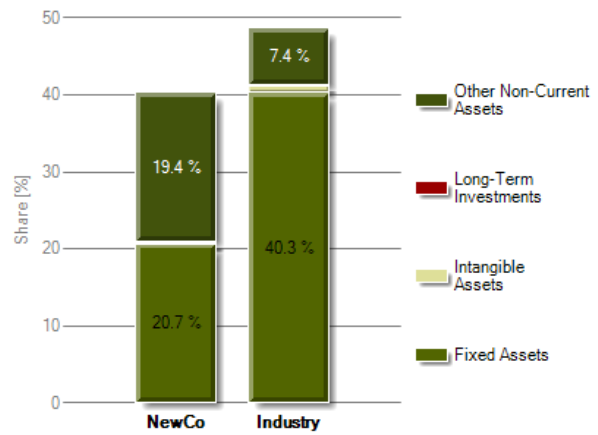


Figure 7. Liabilities Components [€]

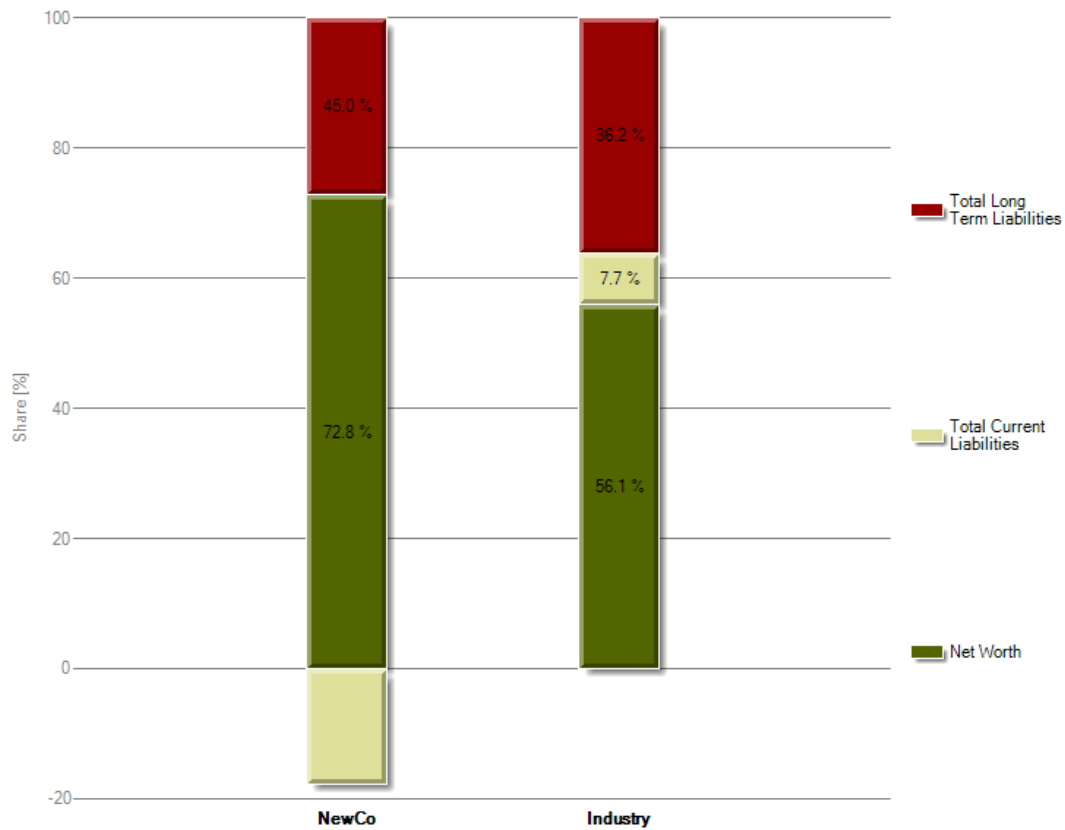


Figure 8. Total Current Liabilities [% of Total Assets]

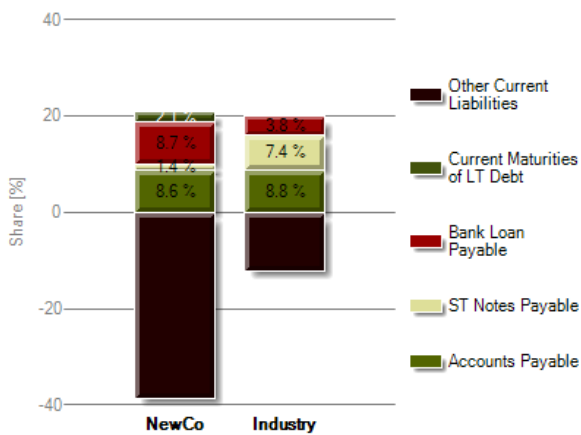
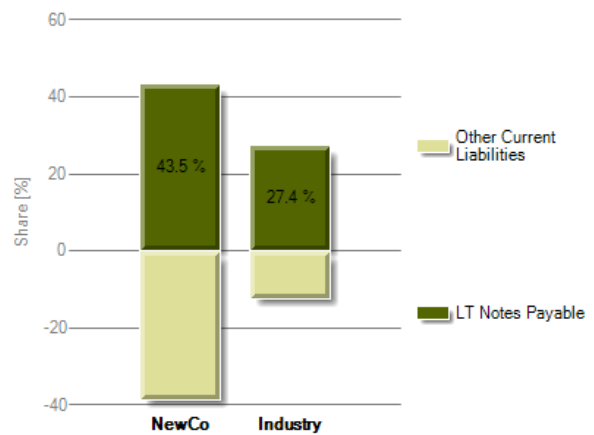


Figure 9. Total Long Term Liabilities [% of Total Assets]



COMPANY INCOME STATEMENT [USD]

Income Statement	NewCo	Industry	Variance
Net Sales	\$3,124,214	\$3,124,214	\$0
Cost of Sales	\$1,650,787	\$1,641,968	\$8,819
Material Cost	\$1,542,122	\$1,203,275	\$338,847
Labor Cost	\$74,212	\$223,624	(\$149,412)
Manufacturing Overhead	\$34,453	\$215,070	(\$180,617)
Gross Profit	\$1,473,427	\$1,482,246	(\$8,819)
Operating Expenses	\$1,301,028	\$1,363,351	(\$62,323)
Salaries / Wages	\$123,232	\$266,213	(\$142,981)
Rent	\$43,453	\$67,391	(\$23,938)
Bad Debt	\$23,232	\$12,017	\$11,215
Advertising / Marketing	\$232	\$16,398	(\$16,166)
Other Operating Expenses	\$1,110,879	\$1,001,333	\$109,546
EBITDA	\$172,399	\$118,895	\$53,504
Depreciation & Amortization	\$8,697	\$108,454	(\$99,757)
EBIT	\$163,702	\$10,441	\$153,261
Interest Expense	\$8,322	\$72,649	(\$64,327)
Other Expense	\$2,321	(\$166,494)	\$168,815
EBT	\$153,059	\$104,286	\$48,773
Income Taxes	\$23,222	\$52,246	(\$29,024)
Net Income	\$129,837	\$52,039	\$77,798

Figure 10. Income Statement Components [%]

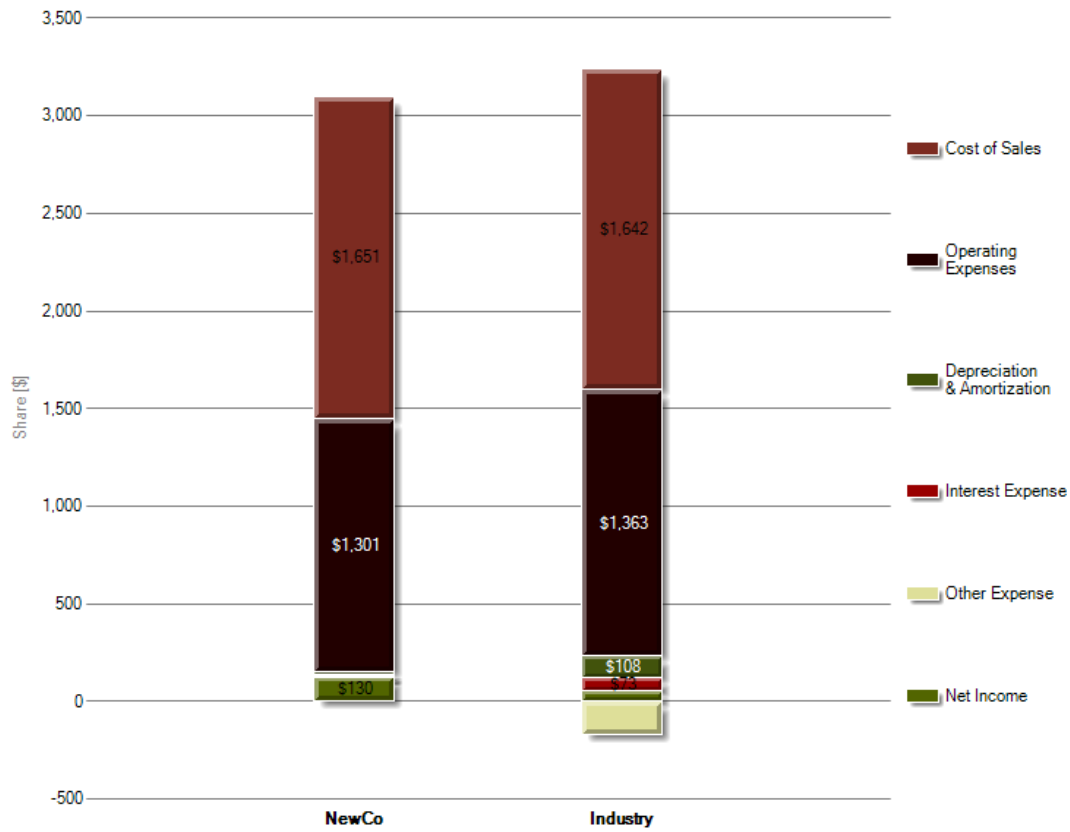


Figure 11. Operating Expenses [\$]

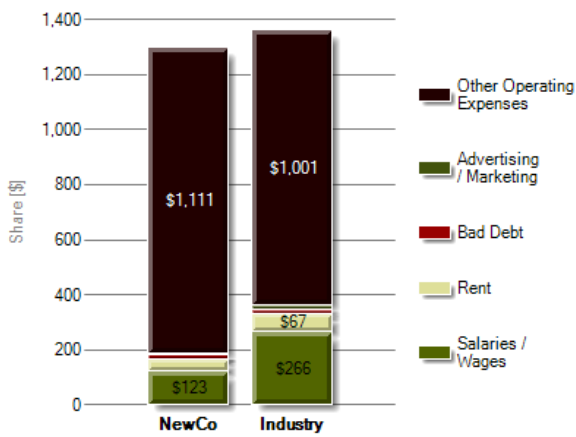
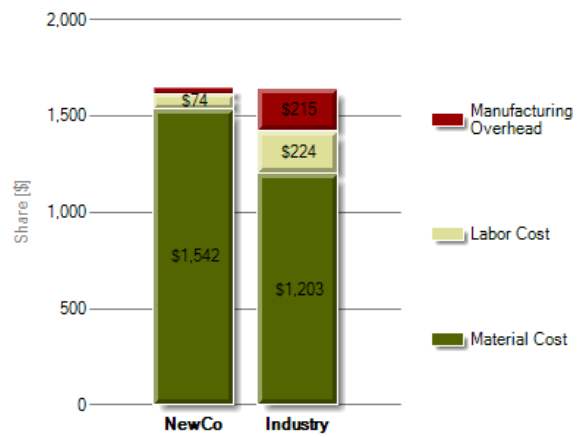


Figure 12. Cost of Sales [\$]



COMPANY BALANCE SHEET [USD]

Balance Sheet	NewCo	Industry	Variance
Total Assets	\$1,658,547	\$1,658,547	\$0
Total Current Assets	\$989,998	\$849,791	\$140,207
Cash	\$322,223	\$134,685	\$187,538
Accounts Receivable	\$244,443	\$369,353	(\$124,910)
Inventory	\$144,553	\$71,319	\$73,234
Prepaid Expenses	\$3,444	\$66,314	(\$62,870)
Other Current Assets	\$275,335	\$208,120	\$67,215
Total Non-Current Assets	\$668,549	\$808,756	(\$140,207)
Fixed Assets	\$343,455	\$668,753	(\$325,298)
Intangible Assets	\$230	\$15,873	(\$15,643)
Long-Term Investments	\$3,322	\$663	\$2,659
Other Non-Current Assets	\$321,542	\$123,467	\$198,075
Liabilities & Net Worth	\$1,658,547	\$1,658,547	\$0
Total Current Liabilities	(\$294,890)	\$127,245	(\$422,135)
Accounts Payable	\$143,333	\$145,299	(\$1,966)
ST Notes Payable	\$23,232	\$123,291	(\$100,059)
Bank Loan Payable	\$144,324	\$63,591	\$80,733
Current Maturities of LT Debt	\$34,343	\$0	\$34,343
Other Current Liabilities	(\$640,122)	(\$204,936)	(\$435,186)
Total Long Term Liabilities	\$745,557	\$600,675	\$144,882
LT Notes Payable	\$721,312	\$454,036	\$267,276
Other Non-Current Liabilities	\$24,245	\$146,639	(\$122,394)
Net Worth	\$1,207,880	\$930,628	\$277,252

Figure 13. Assets Components [%]

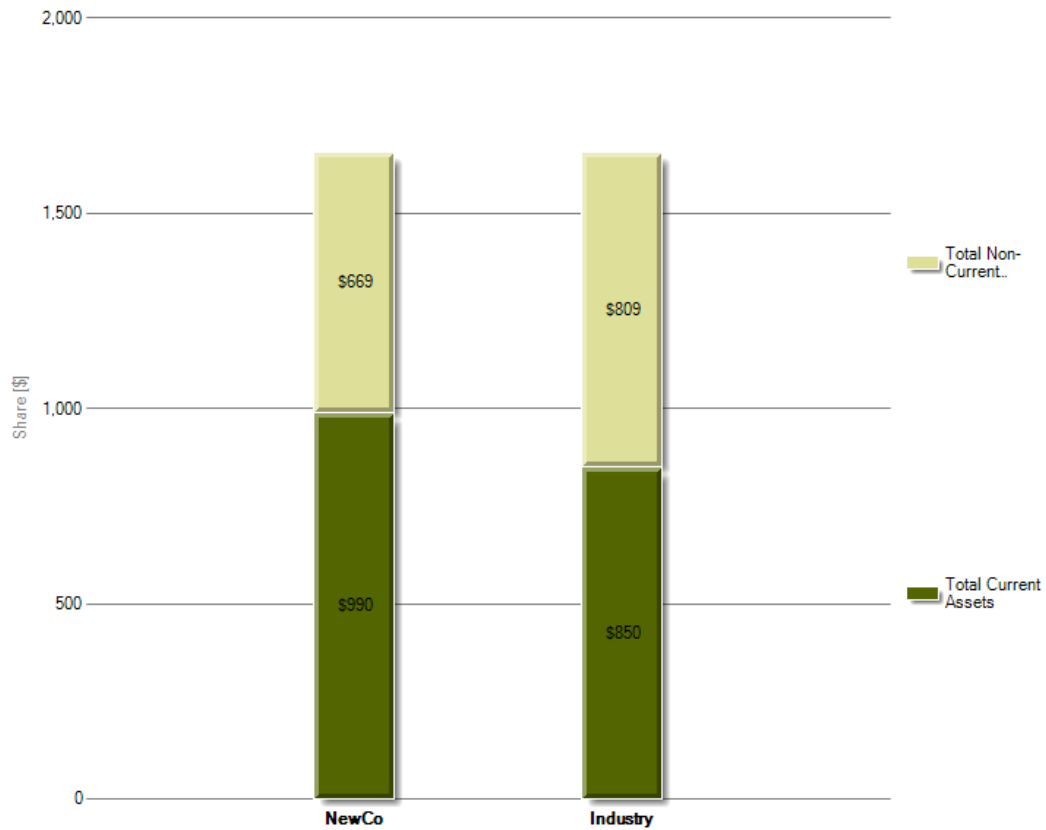


Figure 14. Total Current Assets [\$]

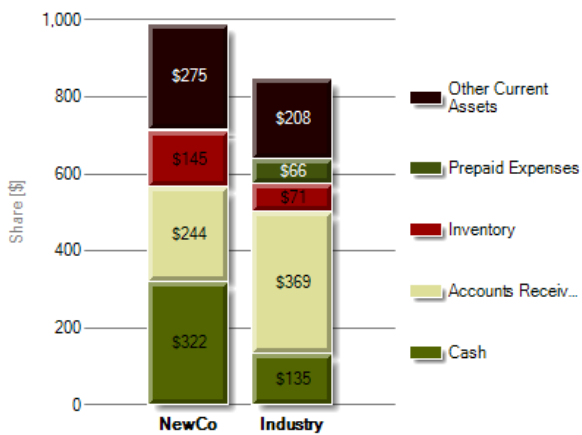


Figure 15. Total Non-Current Assets [\$]

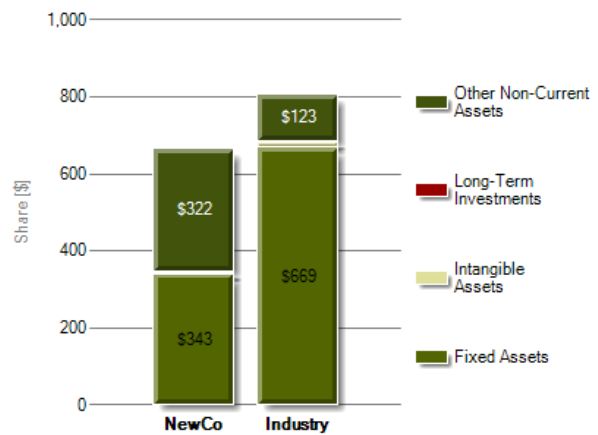


Figure 16. Liabilities Components [%]

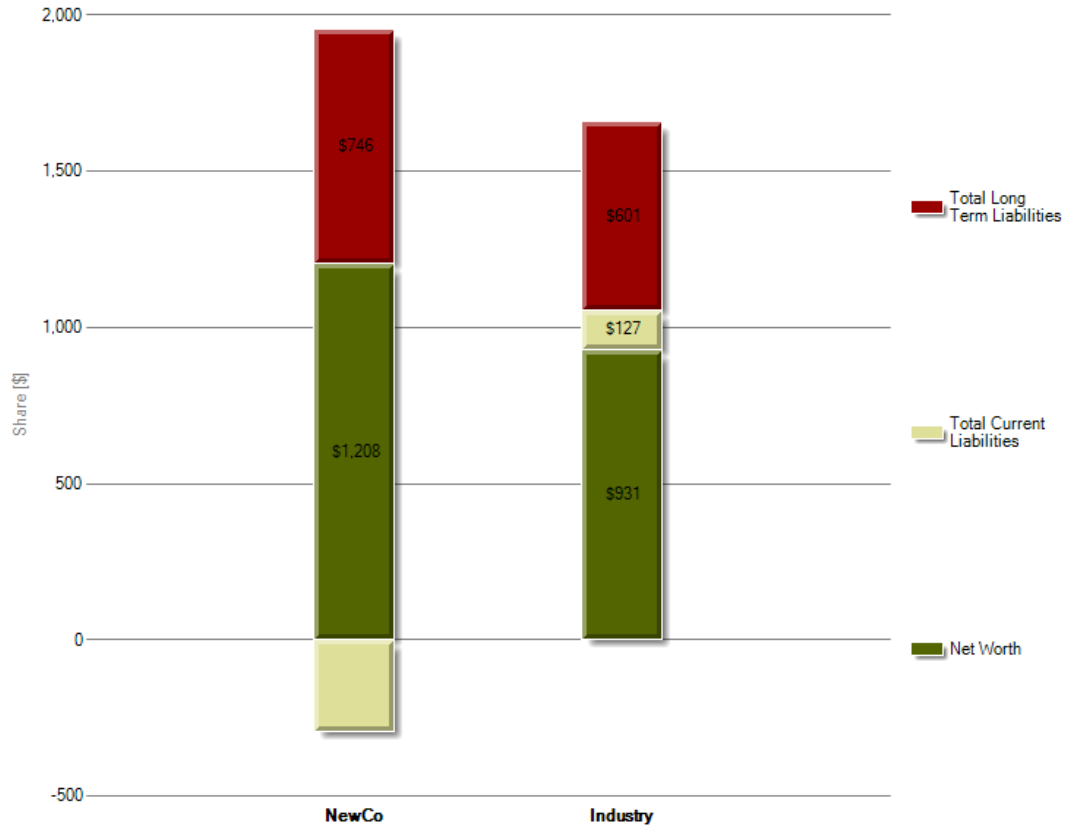


Figure 17. Total Current Liabilities [\$]

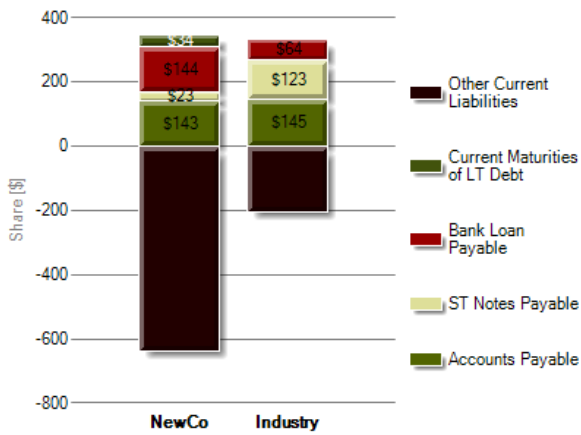
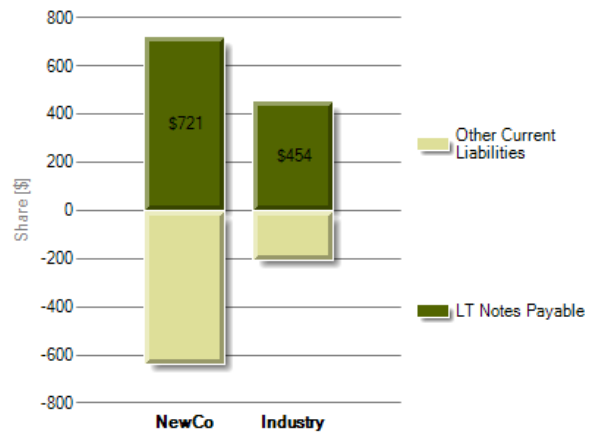


Figure 18. Total Long Term Liabilities [\$]



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Important Notes

For each of the columns, the **"median company" data** is displayed. Median company does not refer to one particular financial statement and company in the database but is a computed "virtual" statement that is a composite based on all financial statements in a particular segment. Median values are shown for each line item of the median company statement. Please note that due to rounding, statements might not exactly balance.

If you have additional questions about the data or its presentation, please see the Glossary and FAQs at the end of this document or contact us.

GLOSSARY

Liquidity Ratios

Current Ratio: *Current Assets* divided by *Current Liabilities*

This ratio provides a general indication of the extent to which claims of short-term creditors are covered by assets expected to be converted into cash, within a period that roughly corresponds to the due dates of the current liabilities. Note that, the higher the ratio, the greater the cushion between current obligations and the firm's ability to pay them. A general guideline suggests that a current ratio less than 2 might indicate a potential cash shortage.

Current Liabilities to Net Worth: *Current Liabilities* divided by *Net Worth*

This ratio expresses the relationship between capital contributed by current obligation creditors and capital contributed by owners. It indicates the ability of a firm to safely meet the obligations of current creditors. The higher the ratio, the greater the risk that a firm will not be able to meet the obligations of creditors and a ratio less than 1 may be an indication of potential cash shortage problems.

Total Liabilities to Net Worth: *Total Liabilities* divided by *Net Worth*

This ratio expresses the relationship between the capital contributed by creditors and the capital contributed to the firm by owners. This provides an indication of the ability of a firm to meet creditor obligations and the lower the ratio the better financial condition the firm is thought to be in. A high ratio may signal potential cash shortage. A firm with a low ratio usually has a greater ability to borrow debt in the future.

Quick Ratio: *(Current Assets – Inventory)* divided by *Current Liabilities*

This is a measure of a firm's ability to meet short-term obligations without relying on sale of inventory. A ratio of less than one may indicate a potential cash shortage.

Current Liabilities to Inventory: *Current Liabilities* divided by *Inventory*

This ratio provides an indication of the ability of a firm's inventory sales to generate the cash needed to meet the short-term obligation of creditors. A ratio that is low usually indicates that the company will be able to meet short-term obligations. A high ratio may be cause for concern and signal a potential cash shortage.

Asset Efficiency Ratios

Sales to Net Working Capital: *Sales* divided by *(Current Assets – Current Liabilities)*

This ratio is a measure of a company's turnover of working capital within a year and reflects how efficiently working capital is being used. A low ratio may indicate the inefficient use of working capital while a high ratio may signal potential cash shortages and indicate a risk of not being able to pay creditors.

Assets Turnover: *Total Assets* divided by *Sales*

This ratio is a measure of a firm's productive use of assets and a low percentage compared to the average for the industry usually indicates high asset use efficiency.

Inventory Turnover: *Sales* divided by *Inventory*

This ratio reflects the number of times a company's average inventory is sold during the operating period. Typically, a higher ratio indicates greater production and sales efficiency.

Collection Period: *Accounts Receivable* divided by *(Sales/365)*

This indicates the amount of time (in days) that the firm must wait after making a sale before receiving payment. A long collection period usually signals high delinquencies and the potential for cash shortages.

Accounts Payable to Sales: *Accounts Payable* divided by *Sales*

This ratio provides a measure of the efficiency of a firm and the ability to generate sales revenue to cover supplier expenses. A low percentage may indicate an over reliance on supplier credit to support sales.

Profitability Ratios

Return on Sales: *Net Profit* divided by *Sales*

This ratio provides a measure of profitability by analyzing a return on sales, after all expenses have been deducted, including operational expenses, depreciation, amortization, and interest. In general, higher Return on Sales is better. However, this ratio varies greatly across industries, and should always be benchmarked to the most relevant industry peers.

Return on Assets: *Net Profit* divided by *Total Assets*

This ratio measures the return on the total investment in assets including those financed with debt as well as equity.

Return on Investment: *Net Profit* divided by *Net Worth*

This ratio is a measure of the return or earnings on the money invested in the firm. This return must be high enough to provide owners with an adequate return for the risk that is being assumed by keeping investments in the firm. A low return will also make it difficult to attract additional investment capital in the future.

Sales per Employee: *Sales* divided by *Number of Employees*

This is a measure of the productivity of employees. In addition, this is a measure of how capital or labor intensive a firm is. A low measure may indicate that the firm is labor intensive (or over staffed) and a high measure may indicate the firm is capital intensive (or under staffed).

Profit per Employee: *Net Profit* divided by *Number of Employees*

This is a measure of the profits a firm is generating for each of its employees.