Percentage Formulas to Help Calculate a Budgeted Forecast for Next Year

Begin Revenue

Caterpillar Inc. (CAT) Income Statement

All numbers in thousands

For Every $1 that comes into Cash Register, How Many Pennies Went to Each Item?

	12/31/2015	
Total Revenue	$47,172,000	100.00%
Expenses:		
Cost of Goods Sold	$34,133,000	72.36%
Research Development	2,119,000	4.49%
Selling, Marketing and Administrative	6,974,000	14.78%
Interest Expense	507,000	1.07%
Income Tax Expense	916,000	1.94%
Other Expense	11,000	0.02%
Total Expenses	$44,660,000	94.67%
Net Income (Profit)	$2,512,000	5.33%

1) Expenses As a % of Revenue Formula:

Rate = Part / Base =B11/$B$9

Rate of Change = ROC

Percentage Increase in Revenue	0.15

End Revenue

Caterpillar Inc. (CAT) Income Statement

All numbers in thousands

	12/31/2016
Total Revenue	$54,247,800
Expenses:	
Cost of Goods Sold	$39,252,950
Research Development	2,436,850
Selling, Marketing and Administrative	8,020,100
Interest Expense	583,050
Income Tax Expense	1,053,400
Other Expense	12,650
Total Expenses	$51,359,000
Net Income (Profit)	$2,888,800

2) This Year Revenue Based on Assumed % Increase

End = Begin*(1+ROC) =B9*(1+I4)

3) Expenses As a % of This Year Revenue Formula:

Part = Rate * Base =D11*$I$9

Percentage Formulas to Help Calculate a Budgeted Forecast for Next Year

Begin Revenue

Amazon.com, (AMZN) Income Statement

All numbers in thousands

For Every $1 that comes into Cash Register, How Many Pennies Went to Each Item?

	12/31/2015	
Total Revenue	$107,006,000	100.00%
Expenses:		
Cost of Goods Sold	$71,651,000	66.96%
Research Development	0	0.00%
Selling, Marketing and Administrative	33,122,000	30.95%
Interest Expense	459,000	0.43%
Income Tax Expense	950,000	0.89%
Other Expense	228,000	0.21%
Total Expenses	$106,410,000	99.44%
Net Income	$596,000	0.56%

1) Expenses As a % of Revenue Formula:

Rate = Part / Base =B11/$B$9

Rate of Change = ROC

Percentage Increase in Revenue	0.25

End Revenue

Amazon.com, (AMZN) Income Statement

All numbers in thousands

	12/31/2016
Total Revenue	$133,757,500
Expenses:	
Cost of Goods Sold	$89,563,750
Research Development	0
Selling, Marketing and Administrative	41,402,500
Interest Expense	573,750
Income Tax Expense	1,187,500
Other Expense	285,000
Total Expenses	$133,012,500
Net Income (Profit)	$745,000

2) This Year Revenue Based on Assumed % Increase

End = Begin*(1+ROC) =B9*(1+I4)

3) Expenses As a % of This Year Revenue Formula:

Part = Rate * Base =D11*$I$9