

Achieve Excellence



>> The SalmonBeach Benchmarking Study

A powerful tool for achieving your business objectives and increasing profitability.



Career and Cosmetology Schools

Industry Averages

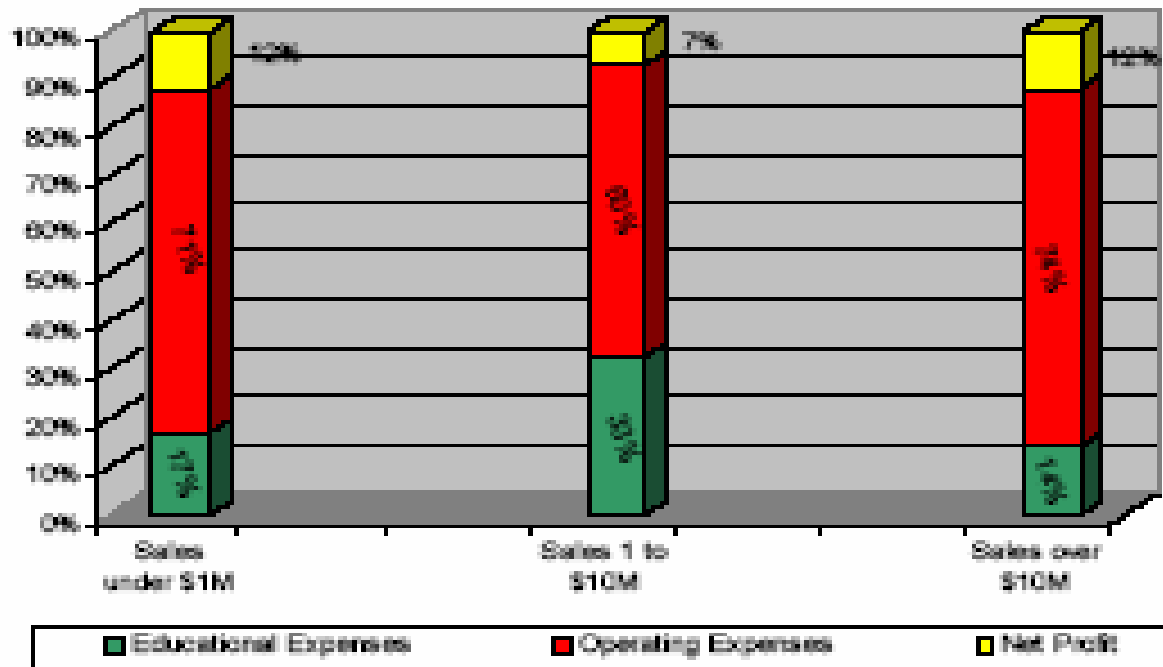
<u>Financial Metric</u>	<u>Under \$1MM</u>	<u>1 to \$10MM</u>	<u>Over \$10MM</u>
Current Ratio	3.78	2.35	3.44
Quick Ratio	2.41	1.84	1.00
Gross Profit Margin	83.17%	67.44%	85.74%
Net Profit Margin	12.44%	6.90%	11.44%
Accounts Receivable Days	41.59	47.43	21.09
Accounts Payable Days	41.89	29.14	33.37
Debt-to-Equity Ratio	1.55	1.41	1.25
Return on Equity	Not available	13.78%	10.37%
Return on Assets	18.26%	2.53%	5.84%
Profit Growth <Decline>	84.86%	38.99%	<17.55%>
Sales Growth <Decline>	9.74%	6.06%	7.61%

Career Cosmetology Schools Industry

Percentage Income Statement

	Sales under \$1M	Sales 1 to \$10M	Sales over \$10M
Sales	100%	100%	100%
Less Educational Expenses	17%	33%	14%
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Gross Profit Margin	83%	67%	86%
Less Operating Expenses	71%	60%	74%
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Net Profit Margin	12%	7%	12%

Career Cosmetology Schools Industry Percentage Income Statement



Cosmetology Schools Industry Averages

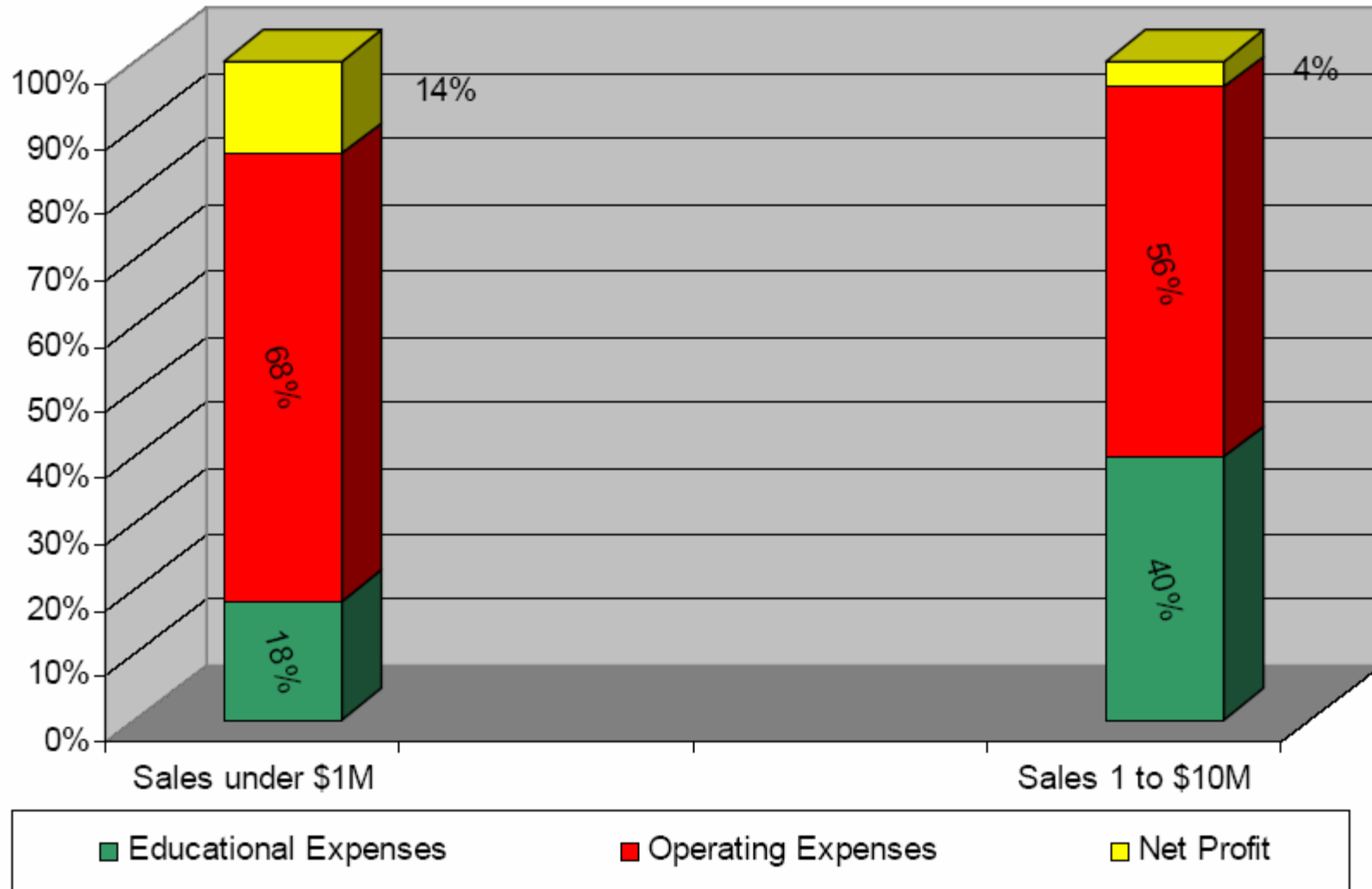
<u>Financial Metric</u>	<u>Under \$1MM</u>	<u>1 to \$10MM</u>
Current Ratio	5.73	1.23
Quick Ratio	3.16	0.89
Gross Profit Margin	82.00%	60.25%
Net Profit Margin	14.17%	4.54%
Accounts Receivable Days	34.21	44.26
Accounts Payable Days	109.56	31.05
Debt-to-Equity Ratio	1.37	1.77
Return on Equity	Not available	11.39%
Return on Assets	15.46%	7.36%
Profit Growth <Decline>	66.67%	51.40%
Sales Growth <Decline>	5.14%	3.64%

Cosmetology School Industry Percentage Income Statement

	Sales under \$1MM	Sales 1 to \$10MM
Sales	100%	100%
Less Educational Expenses	18%	40%
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Gross Profit Margin	82%	60%
Less Operating Expenses	68%	56%
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Net Profit Margin	14%	4%
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Cosmetology Schools Industry

Percentage Income Statement



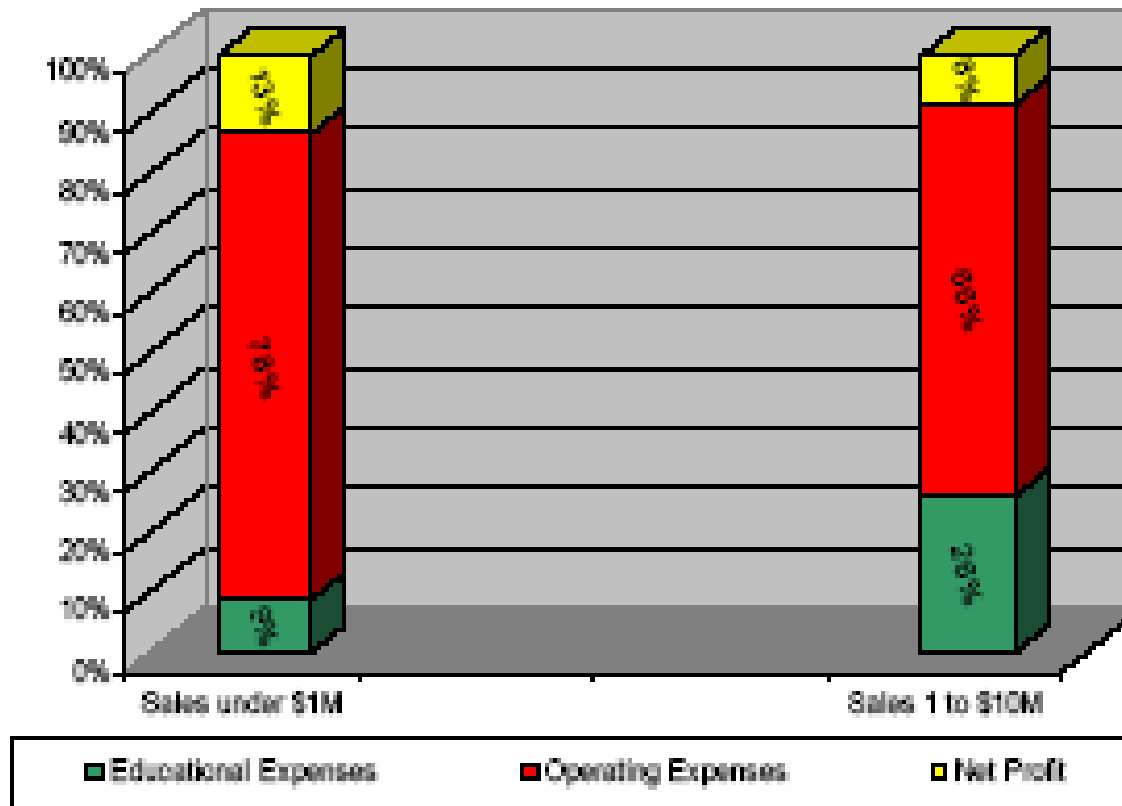
Career Schools Industry Averages

<u>Financial Metric</u>	<u>Under \$1MM</u>	<u>1 to \$10MM</u>
Current Ratio	2.19	2.42
Quick Ratio	1.91	2.15
Gross Profit Margin	90.95%	73.88%
Net Profit Margin	13.02%	8.19%
Accounts Receivable Days	50.12	52.94
Accounts Payable Days	21.71	30.28
Debt-to-Equity Ratio	1.84	1.19
Return on Equity	6.51%	14.38%
Return on Assets	21.57%	6.26%
Profit Growth <Decline>	128.81%	33.91%
Sales Growth <Decline>	11.82%	8.58%

Career Schools Percentage Income Statement

	Sales under \$1MM	Sales 1 to \$10MM
Sales	100%	100%
Less Educational Expenses	9%	26%
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Gross Profit Margin	91%	74%
Less Operating Expenses	78%	66%
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Net Profit Margin	13%	8%
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Career Schools Percentage Income Statement



Publicly Traded Career Colleges and Schools Industry Averages

<u>Financial Metric</u>	<u>APOL</u> Apollo Group, Inc.	<u>CCDC</u> Concorde Career Colleges, Inc.	<u>CECO</u> Career Education Corp.	<u>COCO</u> Corinthian Colleges, Inc.
	FY 2005	FY 2004	FY 2004	FY 2005
Current Ratio	1.61	1.47	1.6	1.65
Quick Ratio	1.1	1.34	1.37	1.1
Gross Profit Margin	58.44%	67.82%	67.77%	44.43%
Net Profit Margin	31.66%	16.87%	16.87%	9.77%
Accounts Receivable Days	32.69	104.86	19.29	20.85
Accounts Payable Days	15.65	50.63	25.07	20.56
Debt-to-Equity Ratio	0.84	1.44	0.41	0.64
Return on Equity	62.92%	16.23%	18.24%	14.22%
Return on Assets	34.13%	6.66%	12.95%	8.66%
Profit Growth <Decline>	62.67%	<36.68%>	57.37%	<25.64%>
Sales Growth <Decline>	25.19%	9.09%	46.74%	21.11%

Publicly Traded Career Colleges and Schools Industry Averages

<u>Financial Metric</u>	<u>DV</u> Devry, Inc.	<u>EDMC**</u> Education Management Corp.	<u>ESI</u> ITT Education Services	<u>EVCI</u> EVCI Career Colleges, Inc.
	FY 2005	FY 2005	FY 2004	FY 2004
Current Ratio	1.3	1.2	1.6	2.87
Quick Ratio	1.08	0.99	1.51	2.85
Gross Profit Margin	44.02%	37.17%	51.65%	77.88%
Net Profit Margin	4.45%	16.54%	19.35%	13.98%
Accounts Receivable Days	18.33	20.76	6.16	66.4
Accounts Payable Days	25.61	17.16	41.26	
Debt-to-Equity Ratio	0.79	0.44	1.1	0.31
Return on Equity	5.62%	15.25%	32.02%	26.17%
Return on Assets	3.14%	10.62%	15.25%	19.96%
Profit Growth <Decline>	<57.29%>	26.77%	26.48%	182.86%
Sales Growth <Decline>	<0.46%>	19.50%	18.17%	63.41%

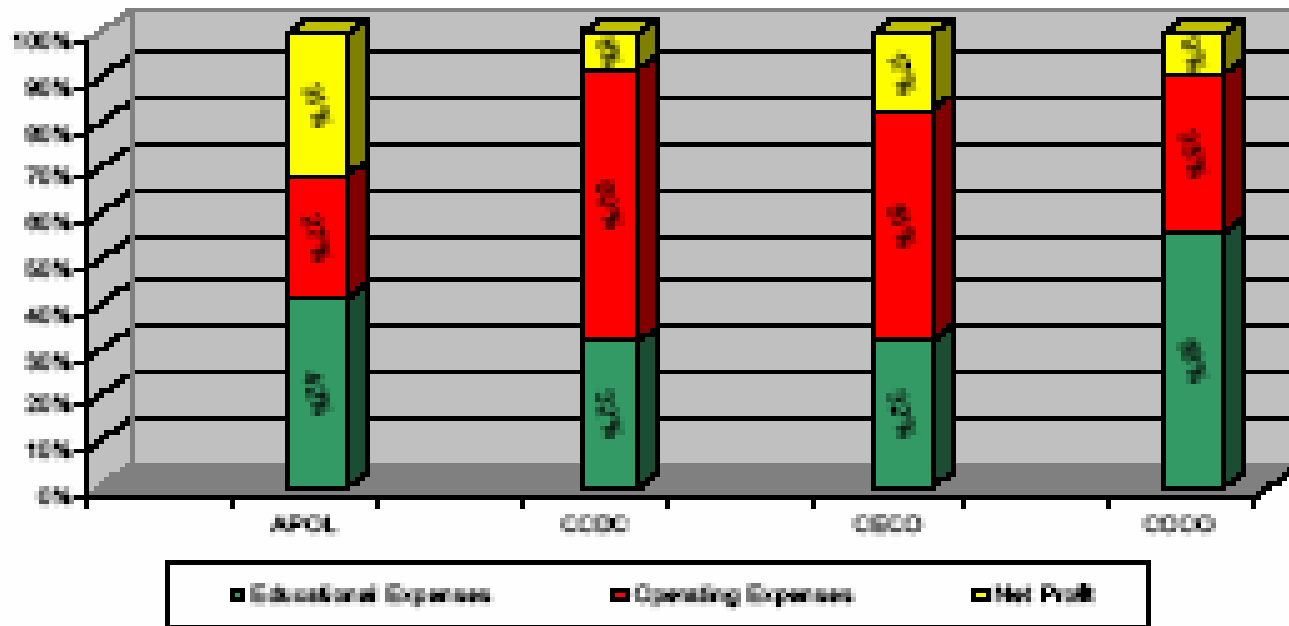
**Educational Management Corporation is undergoing a buy-out and will no longer be a publicly traded school.

Publicly Traded Schools

Percentage Income Statement

	APOL	CCDC	CECO	COCO
	Apollo Group, Inc.	Concorde Career Colleges, Inc.	Career Education Corp.	Corinthian Colleges, Inc.
	FY 2005	FY 2004	FY 2004	FY 2005
Sales	100%	100%	100%	100%
Less Educational Expenses	42%	32%	32%	56%
Gross Profit Margin	58%	68%	68%	44%
Less Operating Expenses	27%	60%	51%	35%
Net Profit Margin	31%	8%	17%	9%

Publicly Traded Schools Percentage Income Statement

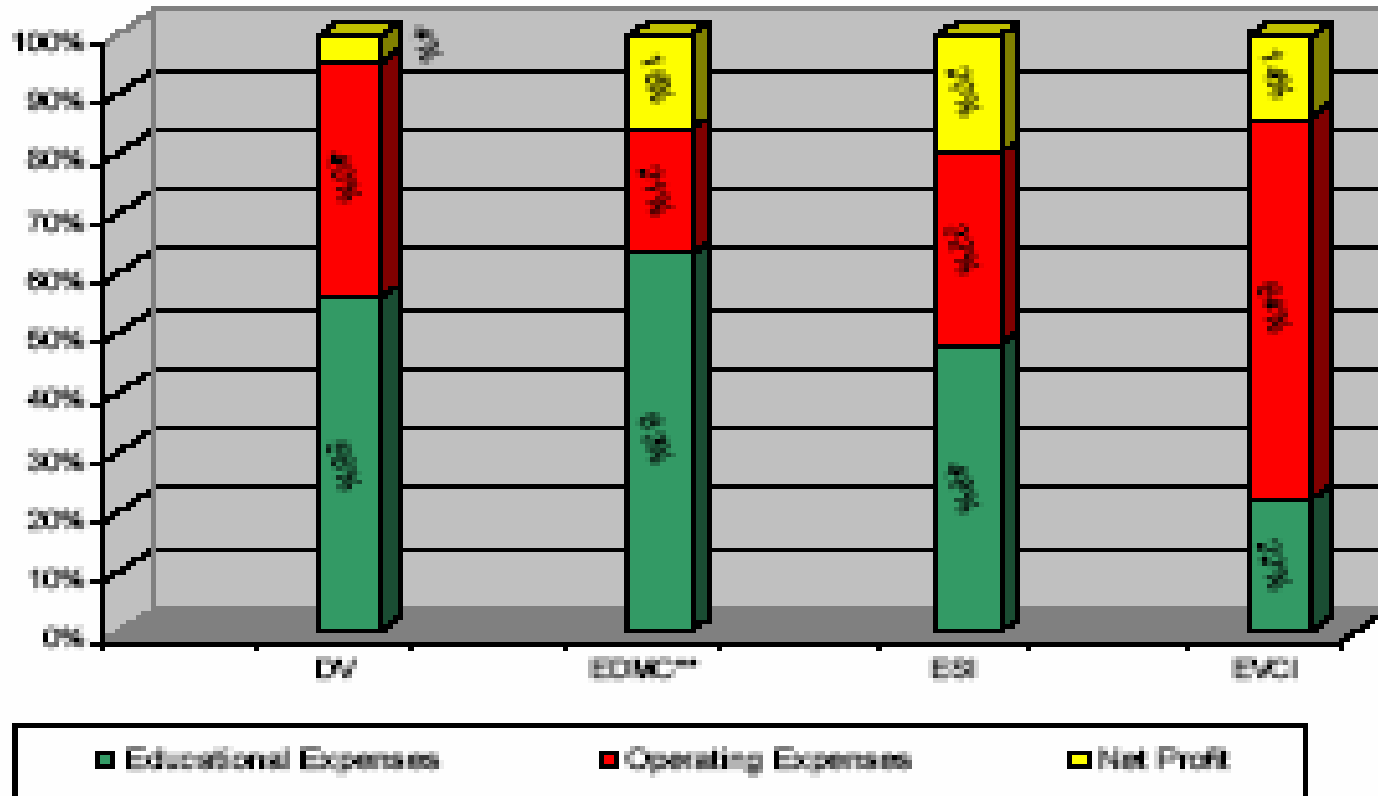


Publicly Traded Schools Percentage Income Statement

	DV	EDMC**	ESI	EVCI
	Devry, Inc.	Education Management Corp.	ITT Education Services	EVCI Career Colleges, Inc.
	FY 2005	FY 2005	FY 2004	FY 2004
Sales	100%	100%	100%	100%
Less Educational Expenses	56%	63%	48%	22%
Gross Profit Margin	44%	37%	52%	78%
Less Operating Expenses	40%	21%	32%	64%
Net Profit Margin	4%	16%	20%	14%

**Educational Management Corporation is undergoing a buy-out and will no longer be a publicly traded school.

Publicly Traded Schools Percentage Income Statement



Publicly Trade Career Colleges and Schools Industry Averages

<u>Financial Metric</u>	<u>Average of Public Schools</u>	<u>Industry Average</u>
Current Ratio	1.66	1.44
Quick Ratio	1.42	1.19
Gross Profit Margin	56.15%	N/A
Net Profit Margin	15.04%	3.15%
Accounts Receivable Days	36.17	61.92
Accounts Payable Days	27.99	37.15
Debt-to-Equity Ratio	0.75	1.41
Return on Equity	23.83%	16.00%
Return on Assets	13.92%	8.00%