



StablesOnline.com Inc.,
StablesOnline.com 2012 Racing Partnership
Potential of Profit



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(US Currency)

In addition to Purse Structure the Partnership horses that are successful may yield additional returns through Sale or Retention of Breeding Rights as well as eventual Sale of the horses themselves.

The following Scenarios indicate possible High, Medium and Low returns based on the 2012 Partnership's net profits (gross income less all operating expenses) and StablesOnline.com share of net profits (set forth under VIII. Management Compensation, Fees and other Expenses as indicated in the 2012 Partnership Agreement).

Scenario I

HIGH (return): US25m

Partnership high per unit

US25m by US2.5m: 1000%

Partnership net profit:	Partners percent:	Partners share:	Agent percent:	Agent share:
US2.5m	100%	US2.5m	0	0
US3.125m	80%	US2.5m	20%	US625k
US19.375m	60%	US11.625m	40%	US7.750m
Total US25m	66.5%	US16.625m	33.5%	US8.375m

Partnership net profits of US25m: a 1000% rate of return on investment.

Partners share of net profits at 66.5%: US16.625m, a 665% rate of return on investment.

Agent share of net profits at 33.5%: US8.375m.

Scenario II

MEDIUM (return): US15m

Partnership medium per unit

US15m by US2.5m: 600%

Partnership net profit:	Partners percent:	Partners share:	Agent percent:	Agent share:
US2.5m	100%	US2.5m	0	0
US3.125m	80%	US2.5m	20%	US625k
US9.375m	60%	US5.625m	40%	US3.750m
Total US15m	71%	US10.650m	29%	US4.350m

Partnership net profits of US15m: a 600% rate of return on investment.

Partners share of net profits at 71%: US10.650m, a 426% rate of return on investment.

Agent share of net profits at 29%: US4.350m.

Scenario III

LOW (return): US5m

Partnership low per unit

US5m by US2.5m: 200%

Partnership net profit:	Partners percent:	Partners share:	Agent percent:	Agent share:
US2.5m	100%	US2.5m	0	0
US2.5m	80%	US2m	20%	US500k
0	0	0	0	0
Total US5m	90%	US4.5m	10%	US500k

Partnership net profits of US5m: a 200% rate of return on investment.

Partners share of net profits at 90%: US4.500m, a 180% rate of return on investment.

Agent's share of net profits at 10%: US500k.

Scenario IV

BREAK EVEN (return): \$2.5m

Partnership break even per unit

US2.5m by US2.5m: 100%

Partnership net profit:	Partners percent:	Partners share:	Agent percent:	Agent share:
US2.5m	100%	US2.5m	0	0
0	0	0	0	0
0	0	0	0	0
Total US2.5m	100%	US2.5m	0	0

Partnership net profits of US2.5m: a 100% rate of return on investment.

Partners share of net profits at 100%: US2.5m, a 100% rate of return on investment.

Agent's share of net profits at 0%: 0.

On a semi-annual basis, each Partner will receive his/her share of the Partnership net profits based on each Partner's percentage of ownership interest.

Accordingly, with the potential of profit, there is significant risk. No estimate can be made as to whether or when a Partner investing in the Partnership might receive a cash distribution from the Partnership.