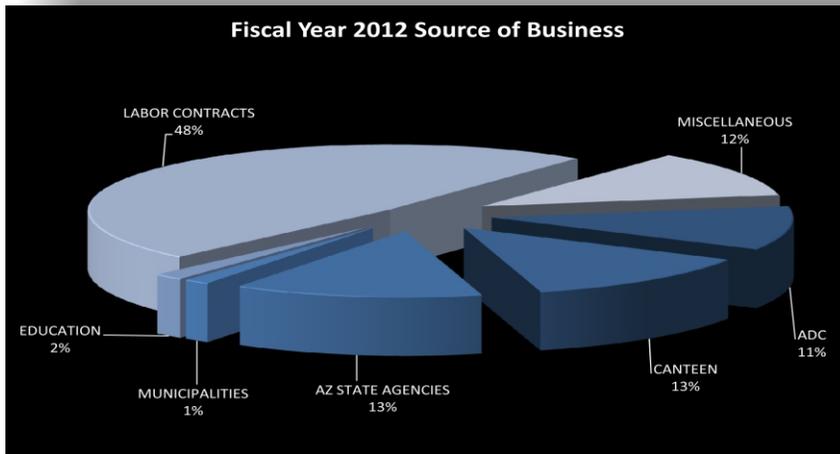


Source of Business

ACI has two revenue sources: Labor Contracts and Owned and Operated business. Labor Contracts accounted for 47% of ACI's total revenue; moreover the Labor Contracts resulted in 59.3% of the total inmate hours worked. The second source of revenue is ACI's Owned and Operated businesses. Owned and Operated contributed 53% of total revenue, and hours worked for the Owned and Operated Business were 40.7% of the total inmate hours worked.



ACI tracks sales by type of customer. Below is a chart showing our top ten customers by sales during the past year.

TOP TEN CUSTOMERS FY 2012	
EUROFRESH	\$ 6,240,508
CANTEEN	4,848,002
HICKMAN EGG RANCH	3,680,308
ARIZONA DEPARTMENT OF CORRECTIONS	3,543,057
ARIZONA DEPARTMENT OF TRANSPORTATION	3,288,195
COMMON MARKET EQUIPMENT	2,948,940
TELEVERDE	2,704,536
GESTAMP SOLAR STEEL	1,103,765
SAFETY SERVICES	931,728
KEEFE	636,057
TOTAL SALES OF TOP TEN CUSTOMERS	\$ 29,925,096
TOTAL SALES	\$ 38,450,425
PERCENTAGE	77.83%

New Products

With the unique capability of customizing a city's colors, logos, or architectural details, ACI has been building custom bus shelters for cities throughout Arizona. During FY 2012, ACI produced new shelters for Benson, Sedona, and Lake Havasu.

In addition, ACI recently completed a heavy-duty custom pallet project for Gestamp Solar Industries.



City of Benson



City of Sedona



Lake Havasu City



Gestamp Solar Pallet