As an investment banking analyst at Deutsche Bank, you are asked to perform a discounted cash flow analysis. Your associate provides you with the following information from the company’s operating model and asks you to calculate the present value of the company’s first five years of unlevered free cash flows assuming a 10% discount rate and a 40% tax rate.

**Projections (millions)**

**Fiscal Year (FY) FY+1 FY+2 FY+3 FY+4 FY+5**

Net Sales €300.0 €374.1 €417.7 €466.5 €521.0

EBITDA 66.0 84.2 94.0 105.0 117.3

Depreciation &

 Amortization 10.0 12.5 15.0 17.5 20.0

Capital Expenditures 7.5 10.6 13.5 16.6 20.0

Net Change in

Working Capital 0.0 0.0 0.0 0.0 0.0

What is the present value of the company’s free cash flows in millions?

Answer: €179

How do I get to the answer?