



## V-TWIN HOLDINGS SIX MONTHS RESULTS:

([PRWEB](#)) March 6, 2001 -- Contacts:

Stanley Wunderlich  
Consulting For Strategic Growth, Ltd.  
Public Relations  
Corporate Development Consultants  
Tel: 800-625-2236  
Fax: 516-625-4523  
Email: [cfsg@iname.com](mailto:cfsg@iname.com)

Richard Paone  
President  
V-Twin Holdings, Inc.  
Tel: 212-431-7221  
Fax: 212-431-7487  
Website: [www.vtwin.net](http://www.vtwin.net)  
Email: [info@vtwin.net](mailto:info@vtwin.net)

New York, NY Â February 27, 2001 Â V-Twin Holdings, Inc., (OTCBB:VTWN) announced today the results for its first six months ending December 31, 2001.

Total revenue for the six months ending December 31, 2000 was \$8.4 million as compared to \$2.4 million for the same period in 1999. Total revenue for the quarter ending December 31, 2000 was \$3.4 million and \$930,000 for the same period in 1999. The increase in revenue is primarily attributable to revenue from the new stores purchased after January 2000. Gross profit as a percent of total revenue for the six months decreased from 22% at December 31, 1999 to 16% at December 31, 2000. The decrease in gross profit as a percent of total revenue is primarily due to the sale of motorcycles at lower margins during the second quarter ended December 31, 2000.

Revenue for the quarter ended December 31, 2000 reflects lower sales as compared to the quarter ended September 30, 2000 due to this seasonality.

Operating expenses include compensation and benefits, other labor costs, rent and facility costs, advertising, accounting, consulting, legal and other selling, general and administrative expenses. The Company's operating expense increased from \$748,000 to \$2.7 million for the six months ended December 31, 2000. Operating expense as a percent of total revenue was 32% for the six months as compared to 31% for the same period in 1999. For the quarter ended December 31, 2000, the Company's operating expenses increased to \$1.3 million for the quarter from \$373,000 for the same period in 1999. Operating expense as a percent of total revenue was 39% for the quarter as compared to 40% for the same period in 1999.

The higher dollar amount of expenses is primarily due to additional expenses associated with the new stores purchased after January 2000. During the quarter ended December 31, 2000, the Company also incurred costs associated with establishing CycleClick.com's business-to-business operations, including compensation and



benefits, facility costs, travel and advertising costs. In addition, during the quarter ended September 30, 2000, the Company increased advertising and promotion expenses at several of its stores.

The Company had a net loss of \$1,472,872 or (\$0.36) per share for the period ending December 31, 2000 and a net loss of \$247,878 or (\$0.07) per share for the same period in 1999. For the quarter ending December 31, 2000 and 1999, the Company had a net loss of \$940,912 or (\$0.23) per share and \$155,986 or (\$0.05) per share, respectively. The increase in the loss is primarily due to the lower gross margin percentage as well as higher overall operating costs and interest expense for the three and six months ended December 31, 2000.

In November 2000, the Company added three new executives to improve the stores' performance and bring them to profitability. To reduce expenses, the Company reduced its staff through layoffs and attrition by 20 employees at various stores in December 2000. The annualized effect of this employee reduction is approximately \$585,000. The Company anticipates hiring additional employees near the end of the third quarter, as needed, as the busy season begins. In addition, management reviewed store operating costs and reduced other operating costs as necessary, including advertising, and continues to do so on an ongoing basis. Some of the effect of these cost reductions may be offset by the costs associated with the CycleClick.com subsidiary. The Company anticipates that CycleClick.com will begin earning revenue in the fourth quarter.

The Company has also reached dealer agreements with several other motorcycle manufacturers. Management believes that these manufacturers will provide motorcycles with price points both above and below the current Ultra motorcycles existent on the showroom floors. Additional new sources of salable motorcycles include purchasing used inventory from auctions and private persons. The Company anticipates increasing the purchasing and selling of used motorcycles to further decrease its reliance upon any one particular manufacturer.

In commenting about the six-month results, Mr. Richard Paone, President highlighted, "Coming off a successful trade show, we continue to build a solid infrastructure in management and distribution, as we shift our focus to CycleClick.com."

#### About V-Twin Holdings, Inc.

V-Twin is a business-to-business, web-based marketplace builder that integrates industry brick and mortar with a web-based, e-procurement system. By driving transactions into industry specific marketplaces, V-Twin can assure its marketplaces have a significant advantage over virtual distributors. In its first marketplace, V-Twin created transactions by organizing a large purchasing base and industry know-how through the acquisition of a multi-location motorcycle/powersport dealership network. Leveraging the insider advantage of its growing network of superstores and franchises, V-Twin with its technology partner PurchasePro.com [NASDAQ:PPRO], launched CycleClick.com, a B2B web site for retailers and manufacturers that want to increase their purchasing power and sales. V-Twin is also a Channel Partner/Reseller of PurchasePro's web-based, e-procurement system.

#### About CycleClick.com

CycleClick.com has created a web-based B2B marketplace serving the \$35 billion powersports and motorcycle industry. CycleClick.com's goal is to return pricing power to the thousands of independent retailers, distributors and manufacturers that have been economically compromised by the traditional industry structure. It is anticipated that CycleClick.com will be an attractive alternative to its target population with its unique combination of competitive advantages: an easy-to-use web-based interface, a deep catalog of SKUs, building word-of-mouth support, first mover and industry insider status, and the technology expertise of



PurchasePro.com (NASDAQ:PPRO) ([www.purchasepro.com](http://www.purchasepro.com)).

For additional information, including a copy of the updated financials for V-Twin Holdings, Inc., please visit their website: [www.vtwin.net](http://www.vtwin.net) or call CFSG at 800-625-2236.

###

This press release contains forward-looking statements that, if not verifiable historical fact, may be viewed as forward-looking statements that could predict future events or outcomes with respect to V-Twin and its business. The predictions embodied in these statements will involve risks and uncertainties and accordingly, V-Twin actual results may differ significantly from the results discussed or implied in such forward-looking statements.



**Contact Information**

**Barbara Coen**

Consulting For Strategic Growth, Ltd.

**Online Web 2.0 Version**

You can read the online version of this press release [here](#).