

REMINGTON ARMS COMPANY, INC.
COMPARISON OF SALES, EARNINGS AND RETURN ON INVESTMENT
SUMMARY

	BOOK BASIS				OUT-OF-POCKET BASIS		
	Present	Proposed Line			Increase		
	Line (M/721-722)	Aluminum (M/721-722 & M/725)	Steel	Aluminum (M/725)	Aluminum (M/721-722 & M/725)	Steel	Aluminum (M/725)
Quantity	20,000	35,000	35,000	20,000	15,000	15,000	-
Sales	\$ 967,080	\$2,040,400	\$2,040,400	\$1,405,670	\$1,073,320	\$1,073,320	\$438,590
Operative earnings	\$ 195,210	\$ 410,539	\$ 371,040	\$ 318,360	\$ 458,530	\$ 429,230	\$232,700
% of sales	20.2%	20.1%	18.2%	22.6%			
Net earnings	\$ 89,830	\$ 188,845	\$ 170,680	\$ 146,455	\$ 210,830	\$ 197,445	\$107,040
Expenditure					\$ 264,600	\$ 334,600	\$232,100
Working capital					361,200	393,100	129,600
Total capital					626,000	727,700	361,700
Less - Operations charges					133,000	158,050	103,570
Total investment	\$1,206,660	\$2,172,300	\$2,252,140	\$1,593,600	\$ 493,000	\$ 569,650	\$258,130
Return on investment							
Total capital					33.7%	27.1%	29.6%
Total investment	7.4%	8.7%	7.6%	9.2%	42.6%	34.7%	41.5%
Turnover	80%	94%	91%	88%			
Operative earnings as % of sales							
Present - M/721	22.9%						
M/722	16.2						
Total	20.2%						
Proposed - M/721 - modified		17.7%	17.7%				
M/722 - "		15.7	15.7				
		16.5	16.5				
M/725		23.5	19.7	22.6			
Total		20.1%	18.1%	22.6%			

Note: Based on 1956 selling prices.
NFL:dmg 12/31/56