

CUSTOM CHECKERING
EXTENSION TO EXISTING LINES

PROJECT RX-I-40

	ORIGINAL PROJECT ESTIMATE	PROJECT ESTIMATE PER BELOW	HIGH - SPOT ESTIMATE BY SECRETARY PER BELOW
	(PART 2)	(PART 3)	(PART 3)
Models To Be Custom Checkered*	870, 721, 722, 742, 760	870, 700 742, 760 11-48	870, 700, 742, 760, 11-48
Grades To Be Custom Checkered	A Only	A Plus All Machine Grades	A Plus All Machine Checked Grades
Changes From Present Retail Price And Grade Structure	None	None	M-870 Only; Single Grade. Basic Price \$94.95(vs Present \$89.95)
Additional Sales Volume	4000	5400	7400
Additional Net Sales	\$ 240M	\$ 343M	\$ 468M
Additional Cost of Sales	\$ 120M	\$ 247M	\$ 298M
Additional Operative Earnings	\$ 120M	\$ 96M	\$ 170M
Additional Net Earnings	\$ 53M	\$ 43M	\$ 75M
<u>INVESTMENT</u>			
Permanent Investment	\$ 46M	\$ 38M	\$ 38M
Change in Working Capital	\$ 128M	\$ 184M	\$ 226M
Total Capital Required	\$ 174M	\$ 222M	\$ 264M
<u>WRITE OFF</u>	-	\$ 184M	\$ 184M
* Return on Total Capital Required	31%	20%	28%
Total Project Expenditure	\$ 81M	\$ 131M	\$ 131M
Expended to Date	\$ 88M	-	-

*Custom Checkering of Model 1100 covered by Model 1100 Project.