REMINGTON ARMS COMPANY, INC.

SALES, EARNINGS + RETURN ON INVESTMENT

5mm REMINGTON MAGNUM RIM FIRE CARTRIDGES + RIFLES

INCREMENTAL BASIS - CURRENT ESTIMATE

	5mm CARTRIDGES	RIFLES: SS MAGNUM	RIFLES: LIP MAGNUM	RIFLES: FUTURE MARKET	RIFLES: TOTAL	PROJECT	TOTAL LINE
SECOND YEAR							
QUANTITY	15000 M	1000	1800	4000	7800	7800	
RETAIL SELLING PRICE	6500/M	3495	4995	5295			
NET SELLING PRICE	2658	1950	2787	2656			
SALES	398700	19500	50166	69100	138766	138766	537466
FACTORY COST	249900	17790	33186	27100	78056	79456	332356
SELLING, ADMINISTRATIVE + RESEARCH	—	—	—	—	—	—	—
OPERATIVE EARNINGS	148800				60710	53306	204510
NET EARNINGS	89000				36920	32425	122930
INVESTMENT							
Project Expenditures	271000				30000	30000	301000
Working Capital	188200				35022	68924	258222
TOTAL	459200				65022	98924	559222
RETURN on INVESTMENT	19.4%				22.7%	19.0%	19.2%
THIRD YEAR							
QUANTITY	25000 M	1000	1800	2000	4800	4800	
RETAIL SELLING PRICE	5500/M	3495	4995	5295			
NET SELLING PRICE	2658	1950	2787	2656			
SALES	664500	19500	50166	53100	122766	122766	787266
FACTORY COST	398300	17790	28655	21020	67465	71012	466406
SELLING, ADMINISTRATIVE + RESEARCH	—	—	—	—	—	—	—
OPERATIVE EARNINGS	267400				55301	51754	320860
NET EARNINGS	157400				25521	23919	181321
INVESTMENT							
Project Expenditures	271000				30000	30000	301000
Working Capital	300400				65525	65525	430125
					95525	95525	731125

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