

COST AND ECONOMICS  
FOR  
PROPOSED MODEL 788, 308, 243 & 6MM CAL. RIFLES FOR 1969  
(BASED ON USING SYCAMORE FOR THE STOCK)

FACTORY COSTS

	<u>308 Cal.</u>	<u>243 Cal.</u>	<u>6mm Cal.</u>	<u>Total</u>
VOLUME	6200	5200	2600	14,000
RETAIL SELLING PRICE				\$89.95
NET SELLING				\$48.50
FACTORY COST				\$36.11
SELLING & ADMIN. RESEARCH				\$ 5.33
TOTAL COST				\$41.44 83
OPER. EARNINGS				\$ 7.06
% NET SELLING				14.6%

CASH BASIS

	<u>Capital</u>	<u>Total Expenditures</u>
VOLUME	14,000	14,000
NET SELLING	\$679,000	\$679,000
FACTORY COST	\$400,280	\$408,640
OPERATIVE EARNINGS	\$278,720	\$270,360
LESS 5.8% & 48%	\$142,190	\$148,110
NET EARNINGS	\$136,530	\$122,250
<u>INVESTMENT</u>		
CONSTRUCTION	\$ 1,100	\$ 1,100
WORKING CAPITAL	\$432,100	\$432,100
R & D - OPERATING CHARGES (LESS FEDERAL TAX)	0	\$ 51,200
<u>RETURN ON INVESTMENT</u>	31.5%	25.2%
<u>PROJECT COSTS</u>		
DEVELOPMENT	\$ 1,100	
CAPITAL	\$ 1,100	
OPERATIONS	\$ 97,300	
TOTAL	\$ 99,500	

Exhibit III