

3200 OVER AND UNDER 12 GAUGE SHOTGUN  
PRELIMINARY ESTIMATED PROJECT COSTS AND ECONOMICS

BASIS - REVISED PROCESS TO REDUCE N/C OPERATIONS  
AND NO ALLOCATION FOR SPACE OR NEW BUILDING

CASH BASIS - THIRD YEAR 1975

	<u>BASED ON \$425</u> <u>SELLING PRICE</u>	<u>BASED ON \$475</u> <u>SELLING PRICE</u>
VOLUME	18,000	18,000
NET SALES	\$ 4,090,860	\$ 4,572,000
FACTORY COST	\$ 2,189,630	\$ 2,209,270
SELLING AND ADMIN.	\$ 143,180	\$ 160,020
RESEARCH	0	0
TOTAL COST	\$ 2,332,810	\$ 2,369,290
OPERATIVE EARNINGS	\$ 1,758,050	\$ 2,202,710
LESS 5% AND 48.0%	\$ 889,870	\$ 1,114,570
NET EARNINGS	\$ 868,180	\$ 1,088,140
INVESTMENT		
NEW BUILDING CONSTRUCTION	0	0
MANUFACTURING EQUIPMENT	\$ 2,154,600	\$ 2,154,600
SERVICE FACILITIES-GENERAL	0	0
SERVICE FACILITIES-BUILDINGS	0	0
ALLOCATED GENERAL SERVICES	0	0
WORKING CAPITAL	\$ 2,185,100	\$ 2,337,800
TOTAL	\$ 4,339,700	\$ 4,492,400
RETURN ON INVESTMENT	20.0%	24.2%
RETURN ON TOTAL INVESTMENT INCLUDING R&D AND OTHER OPERATING CHARGES	12.5%	15.8%
PROJECT EXPENDITURES		
CONSTRUCTION	\$ 2,154,600	
R&D AND OPERATIONS	\$ 3,047,400	
NEW BUILDING CONSTRUCTION	0	
	\$ 5,202,000	

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