SUB DIVISION #5

MODEL XP-100 7MM-08 CALIBER - WITHOUT SIGHTS

3RD YEAR ESTIMATED EARNINGS AND RETURN ON INVESTMENT

(1982 COST, VOLUME & PRICES)

(DOLLARS IN THOUSANDS)	1982 MODEL XP-100 LINE BEFORE		PROJECT RESULTS BOOK	INCREMENTAL		1980 MODEL XP-100 LINE AFTER
PRESENT: 221 FIREBALL CALIBER	6475		- 540	- 540		5935
PROPOSED: 7MM-08 CALIBER			+ 1800	+ 1800		1800
TOTAL	6475		1260	1260		7735
NET SALES	$ 987		$ 262	$ 262		$ 1249
LESS:						
FACTORY COST	$ 659		$ 120	$ 86		779
SELLING + ADMIN.	75		20	8		95
TECHNICAL EXPENSE	15		4	1		19
DISTRIBUTION EXPENSE	21		5	3		26
TOTAL COST	$ 770		$ 149	$ 98		$ 919
PRE TAX EARNINGS	$ 217		$ 113	$ 164		$ 330
PRE TAX EARNINGS ADJUSTED FOR ADMIN. EXPENSE	$ 208		$ 108	$ 157		$ 316
NET EARNINGS	$ 107		$ 56	$ 81		$ 163
NET EARNINGS ADJ. FOR AMORT. OF INVEST. TAX CREDIT	$ 107		$ 56	$ 81		$ 163
INVESTMENT						
PROJECT EXPENDITURES			$ 1	$ 1		$ 1
EXSISTING FACILITIES USED DIRECTLY IN OPERATIONS	$ 393					393
ALLOCATED GENERAL FACILITIES	15		4	1		19
WORKING CAPITAL	596		140	131		736
TOTAL	$ 1004		$ 145	$ 133		$ 1149
RETURN ON INVESTMENT	10.7 %		37.9 %	60.9 %		14.2
SUPPLEMENTAL CALCULATION						
NET EARNINGS AFTER AMORTIZING (OVER 10 YEARS) OPERATION CHGS.			$ 51	$ 76		
TOTAL CAPITAL INCLUDING OPER. CHARGES LESS ADMIN EXPENSE + TAXES			$ 193	$ 182		
RETURN ON TOTAL CAPITAL + OPERATION CHARGES						

S.M. Morris
4-6-79

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BARBER - PRESALE R 0107421