

SUB DIVISION #5

MODEL XP-100 TMM-08 CALIBER - WITHOUT SIGHTS

3RD YEAR ESTIMATED EARNINGS AND RETURN ON INVESTMENT
(1982 COST, VOLUME & PRICES)

	1982 Model		PROJECT	RESULTS		1980 Model
DOLLARS IN THOUSANDS)	XP-100 LINE					XP-100 LINE
	BEFORE		Book	INCREMENTS		AFTER
PRESENT: 221 FIREBALL CALIBER	6475		- 540	- 540		5935
PROPOSED: TMM-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 SHORT. OF INVEST. TAX CREDIT	\$ 107		\$ 56	\$ 81		\$ 163
INVESTMENT						
PROJECT EXPENDITURES			\$ 1	\$ 1		\$ 1
EXISTING FACILITIES USED DIRECTLY IN OPERATIONS	\$ 393					\$ 393
LOCATED 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 CRED. CHARGES LESS ADMIN. EXPENSE + TAXES			\$ 193	\$ 182		
RETURN ON TOTAL CAPITAL						S.M. MARRIS
OPERATION CHARGES						4-6-79