

REMINGTON ARMS COMPANY, INC.

M/740 AND M/760 - 244 CALIBER

	First Year			Average Year		
	<u>M/740</u>	<u>M/760</u>	<u>Combined</u>	<u>M/740</u>	<u>M/760</u>	<u>Combined</u>
Quantity	6,000	3,000	9,000	4,000	2,000	6,000
Retail selling price	\$ 128.85	\$ 107.70		\$ 128.85	\$ 107.70	
Net selling price	\$ 69.68	\$ 58.25		\$ 69.68	\$ 58.25	
Sales	\$418,080	\$174,750	\$592,830	\$278,720	\$116,500	\$395,220
Operative earnings	\$132,300	\$ 49,325	\$181,625	\$ 86,200	\$ 33,880	\$122,080
Operative earnings as % of sales	31.6%	28.2%	30.8%	31.0%	29.1%	30.9%
Net earnings	\$ 61,520	\$ 22,935	\$ 84,455	\$ 41,010	\$ 15,755	\$ 56,765
Investment						
Expenditure	\$ 6,860	\$ 4,020	\$ 10,880	\$ 6,860	\$ 4,020	\$ 10,880
Working capital	121,100	53,500	174,600	80,700	34,900	115,600
Total capital required	\$127,960	\$ 57,520	\$185,480	\$ 87,560	\$ 38,920	\$126,480
Less: Charges to operations	1,100	1,100	2,200	1,100	1,100	2,200
Total investment	\$126,860	\$ 56,420	\$183,280	\$ 86,460	\$ 37,820	\$124,280
Return on Investment						
Total capital required	48.1%	39.9%	45.5%	46.8%	40.5%	44.9%
Total investment	48.5%	40.6%	46.1%	47.4%	41.7%	45.7%

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