

REMINGTON ARMS COMPANY, INC.

PROPOSED 20,000 OF M/725 (ALUMINUM)
VS. 20,000 OF PRESENT M/721-722

INCREASE IN SALES, EARNINGS & RETURN ON INVESTMENT

	<u>Out-of-Pocket Basis</u>
Quantity	-
Sales	\$438,590
Mill Cost	205,890
Factory Profit	232,700
Selling & Administrative	-
Operative Earnings	232,700
Less: All Other Expense @ 8%	<u>18,620</u>
Earnings Before Federal Taxes on Income	214,080
Less: Federal Taxes on Income @ 50%	<u>107,040</u>
Net Earnings	<u>\$107,040</u>
Expenditure	\$232,100
Working Capital	<u>129,600</u>
Total Capital	361,700
Less: Operations Charges	<u>103,570</u>
Total Investment	\$258,130
<u>Return on Investment</u>	
Total Capital	29.6%
Total Investment after Completion	41.5%

12-27-56

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