

RIM FIRE - CENTER FIRE - SHOTGUNS

HIGH SPOT ESTIMATED ADDITIONAL EARNINGS & RETURN ON INVESTMENT

THIRD YEAR OF OPERATION - IN 000'S DOLLARS

	<u>Rim Fire (M/514 Disc.)</u>	<u>Center Fire</u>	<u>Rim Fire plus Center Fire</u>	<u>Shotguns</u>	<u>Rim Fire, Center Fire & Shotguns</u>
Volume - Additional Guns <u>High Range</u>	25,000	34,000	59,000	38,000	97,000
Net Selling	\$ 554	\$ 1115	\$ 1669	\$ 879	\$ 2548
Factory (Mill) Cost	\$ 292	\$ 556	\$ 848	\$ 666	\$ 1514
Oper. Earnings	\$ 262	\$ 559	\$ 821	\$ 213	\$ 1034
Net Earnings	\$ 127	\$ 272	\$ 399	\$ 104	\$ 503
Investment					
Construction	\$ 521	\$ 262	\$ 783	\$ 57	\$ 840
Working Capital	\$ 248	\$ 473	\$ 721	\$ 566	\$ 1287
Total Capital Required	\$ 769	\$ 735	\$ 1504	\$ 623	\$ 2127
Facilities Retired	\$ 126	0	136	0	136
Investment after Completion	\$ 633	\$ 735	\$ 1368	\$ 623	\$ 1991
<u>Return on Investment</u>					
Total Capital Required	1.65%	31.0%	26.5%	16.7%	23.6%
Investment after Completion	20.1%	37.0%	29.2%	16.7%	25.3%
Total Capital - R & D Oper.	8.3%	19.6%	13.7%	8.9%	12.3%

Table VII