

PROPOSED AUTOLOADER CLIP MAGAZINE RIM FIRE RIFLE  
(MODEL 550)

ESTIMATED PROJECT COSTS AND ECONOMICS

FULL FACTORY COSTS

|                           | MODEL 550<br>TUBULAR MAGAZINE | MODEL 550 AUTOLOADER<br>CLIP MAGAZINE |
|---------------------------|-------------------------------|---------------------------------------|
| VOLUME                    | (4000)                        | 8000                                  |
| RETAIL SELLING PRICE      | \$ 59.95                      | \$ 54.95                              |
| NET SELLING               | \$ 32.12                      | \$ 29.41                              |
| FACTORY COST              | \$ 25.82                      | \$ 24.54                              |
| SELLING & ADMIN. RESEARCH | \$ 3.49                       | \$ 3.20                               |
| TOTAL COST                | \$ 29.31                      | \$ 27.74                              |
| OPER. EARNINGS            | \$ 2.81                       | \$ 1.67                               |
| % NET SELLING             | 8.7%                          | 5.7%                                  |

CASH OR PROJECT RESULTS

|                             |           |
|-----------------------------|-----------|
| ESTIMATED ANNUAL SALES VOL. | 8,000     |
| NET INCREASE IN SALES VOL.  | 4,000     |
| NET SALES                   | \$106,800 |
| FACTORY COST                | \$ 74,970 |
| OPERATIVE EARNINGS          | \$ 31,830 |
| LESS 5.6% & 52.8%           | \$ 17,650 |
| NET EARNINGS                | \$ 14,180 |
| INVESTMENT                  |           |
| CONSTRUCTION                | \$ 28,000 |
| WORKING CAPITAL             | \$ 61,860 |
| RETURN ON TOTAL EXPENDITURE | 8.8%      |
| RETURN ON INVESTMENT        | 15.8%     |
| PROJECT COSTS               |           |
| DEVELOPMENT                 | \$ 2,000  |
| CAPITAL                     | \$ 28,000 |
| OPERATIONS                  | \$ 77,200 |
| TOTAL                       | \$107,200 |