

HIGH SPOT ESTIMATE OF THE CASH OR PROJECT RESULT
FOR THE PROPOSED MODEL 744 AND
MODEL 766 SLIDE ACTION CENTER FIRE RIFLE
(BASED ON PROJECT - THIRD YEAR 1974)

	MODEL 742-760	MODEL 744-766	RESULT
1974 VOLUME			
AUTOLOADING RIFLE	45,000	64,000	19,000
1974 VOLUME			
SLIDE ACTION RIFLE	29,500	32,000	2,500
TOTAL	74,500	96,000	21,500
NET SELLING	\$6,338,150	\$8,504,770	\$2,166,620
FACTORY COST	\$2,988,060	\$4,104,930	\$1,116,870
OPERATIVE EARNINGS	\$3,350,090	\$4,399,840	\$1,049,750
LESS 5.6% & 48%	\$1,705,600	\$2,240,050	\$ 534,450
NET EARNINGS	\$1,644,490	\$2,159,790	\$ 515,300
INVESTMENT			
CONSTRUCTION			\$ 590,000
WORKING CAPITAL			\$1,234,900
			\$1,824,900
RETURN ON INVESTMENT			28.2%
NET EARNINGS AFTER AMORTIZING R & D AND OTHER CHARGES - OVER 5 YEARS			\$ 386,250
TOTAL CAPITAL REQUIRED INCLUDING R & D AND OTHER CHARGES LESS FEDERAL TAX AT 48%			\$2,508,400
RETURN ON TOTAL INVESTMENT INCLUDING OPERATION COSTS			15.4%
PROJECT ESTIMATED EXPENDITURES:			
DEVELOPMENT	\$ 206,500		
CONSTRUCTION	\$ 590,000		
OPERATIONS	\$1,108,500		
TOTAL	\$1,904,500		

BASIS FOR INVESTMENT DEPRECIATION

REMINGTON & TRI-ORDINATE MACHINES \$300,000 DEPRECIATED 5 YRS... 20%
STANDARD MACHINES \$290,000 DEPRECIATED 12 YRS..... 8.5%

VGD:I

Revised Feb. 26, 1970