

MODEL 870 POLICE GUN WITH LAW ENFORCEMENT STOCK

	<u>FULL FACTORY COST</u>	
	<u>STANDARD</u>	<u>WITH LAW</u>
	<u>POLICE</u>	<u>ENFORCEMENT</u>
	<u>GUN</u>	<u>STOCK</u>
VOLUME		2000
RETAIL PRICE	\$114.95	\$139.95
NET SELLING	61.06	74.33
FACTORY COST	44.18	51.78
SELLING & ADMIN.	5.68	6.91
RESEARCH	1.47	1.78
TOTAL COST	\$ 51.33	\$ 60.47
OPERATING EARNINGS	9.73	13.86
% of NET SELLING	15.9%	18.7%

INCREMENTAL CASH AND PROJECT RESULTS

NET INCREASE IN SALES VOLUME	2000
TOTAL NET SALES	\$148,660
TOTAL COST TO SALES	89,020
TOTAL GROSS OPER. EARNINGS	59,640
LESS 5.0% AND 48.0%	30,180
TOTAL NET EARNINGS	\$ 29,460
PROJECT INVESTMENT	
CONSTRUCTION	-
ADDITIONAL WORKING CAPITAL	\$ 84,800
RETURN ON INVESTMENT	34.7%
RETURN ON TOTAL INVESTMENT INCLUDING R & D AND OTHER OPERATION CHARGES	34.4%

JHS:I
4/20/72