

REMINGTON ARMS COMPANY, INC.
 ESTIMATED SAVINGS AND RETURN ON INVESTMENT
 PROJECT NO. RI-1137 - ILION PLANT
 MODEL 3200 COMPETITION TRAP & SKEET SHOTGUN
 EXPANDED FACILITIES - ESTABLISHED PRODUCT
 (DOLLARS IN THOUSANDS)

THIRD YEAR OF OPERATION

	M/3200 LINE BEFORE THIS PROJECT	RESULTS FROM THIS PROJECT	M/3200 LINE AFTER THIS PROJECT
<u>SALES QUANTITY</u>	15,000	3,030	18,030
<u>NET SALES</u>	\$ 5,842	\$ 1,731	\$ 7,573
Less: Factory cost	\$ 5,111	829	\$ 5,940
Selling and Administrative Expense	450	52	502
Technical Expense	99	9	108
Distribution Expense	100	20	120
	\$ 5,760	\$ 910	\$ 6,670.23
<u>OPERATIVE EARNINGS</u>	\$ 82	\$ 821	\$ 903
<u>NET EARNINGS</u>	\$ 39	\$ 385	\$ 425
<u>INVESTMENT</u>			
Manufacturing Equipment	\$ 2,349	\$ 16	\$ 2,365
Allocated Equipment	231		231
Allocation of Buildings	166		166
Allocation of Service and General Facilities	164		164
General Services - Bridgeport	88	14	102
Working Capital	4,156	935	5,091
<u>TOTAL INVESTMENT</u>	\$ 7,154	\$ 965	\$ 8,119
<u>RETURN ON INVESTMENT</u>	.5%	40.0%	5.2%
<u>SUPPLEMENTAL CALCULATION</u>			
Net earnings after amortisation (over 10 years) of Operations Charges		\$ 384	
Total capital required including Operations charges less Federal Tax and all other expense		\$ 991	
Return on total capital required		38.7%	

(Subdivision 5)
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