

SUB DIVISION #5

M/700 7MM MAUSER CALIBER WITH HAND SAWED STOCK

ESTIMATED EARNINGS AND RETURN ON INVESTMENT
(1979 COST, PRICING & VOLUMES)

DOLLARS IN THOUSANDS)	1979	PROJECT		RESULTS		1979
	M/700 LINE BEFORE	BOOK	INCREMENTAL			M/700 LINE AFTER
M/700 A.D.L.	34635	- 1250	- 1250			33385
CLASSIC	15905					15905
B.D.L.	96709					96709
PROPOSED 7MM. MAUSER		+ 5000	+ 5000			5000
TOTAL	141249	+ 3750	+ 3750			144999
NET SALES	\$ 22321	\$ 562	\$ 562			\$ 22883
LESS:						
FACTORY COST	\$ 15398	\$ 407	\$ 307			\$ 15805
SELLING + ADMIN.	1696	43	17			1739
TECHNICAL EXPENSE	335	8	3			343
DISTRIBUTION EXPENSE	469	12	7			481
TOTAL COST	\$ 17898	\$ 470	\$ 334			\$ 18368
PRE TAX EARNINGS	\$ 4423	\$ 92	\$ 228			\$ 4515
PRE TAX EARNINGS ADJUSTED FOR ADMIN. EXPENSE	\$ 4233	\$ 88	\$ 218			\$ 4321
NET EARNINGS	\$ 2180	\$ 45	\$ 112			\$ 2225
NET EARNINGS ADJ. FOR EST. OF INVEST. TAX CREDIT	\$ 2180	\$ 45	\$ 112			\$ 2225
INVESTMENT						
PROJECT EXPENDITURES		—	—			—
EXISTING FACILITIES USED DIRECTLY IN OPERATIONS	\$ 8797	—	—			\$ 8797
LOCATED GENERAL FACILITIES	335	\$ 8	\$ 3			343
WORKING CAPITAL	13634	349	323			13983
TOTAL	\$ 22766	\$ 357	\$ 326			\$ 23123
RETURN ON INVESTMENT	9.6%	12.6%	34.4%			9.6%
SUPPLEMENTAL CALCULATION		\$ 45	\$ 112			
NET EARNINGS AFTER AMORTIZING (OVER 10 YEARS) OPERATION CHGS.						
TOTAL CAPITAL INCLUDING OPER. CHARGES LESS ADMIN. EXPENSE + TAXES		\$ 362	\$ 331			
RETURN ON TOTAL CAPITAL INCL. OPERATION CHARGES		12.4%	33.8%			

S.M. MORRIS

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