SUB DIVISION #5

MODEL XP-100 7MM-08 CALIBER – WITH SIGHTS

3RD YEAR ESTIMATED EARNINGS AND RETURN ON INVESTMENT

(1982 COST, VOLUME & PRICES)

(DOLLARS IN THOUSANDS)	1982 Model XP-100 Line Before	Project Results Book	Project Results Incremental	1980 Model XP-100 Line After
PRESENT: 221 FIREBALL CALIBER	6475	– 540	– 540	5935
PROPOSED: 7MM-08 CALIBER		+ 1800	+ 1800	1800
TOTAL	6475	1260	1260	7735
NET SALES	$ 987	$ 304	$ 304	$ 1291
LESS:				
FACTORY COST	$ 659	$ 218	$ 169	$ 877
SELLING + ADMIN.	75	23	9	98
TECHNICAL EXPENSE	15	5	2	20
DISTRIBUTION EXPENSE	21	6	4	27
TOTAL COST	$ 770	$ 252	$ 184	$ 1022
PRE TAX EARNINGS	$ 217	$ 52	$ 120	$ 269
PRE TAX EARNINGS ADJUSTED FOR ADMIN. EXPENSE	$ 208	$ 50	$ 115	$ 258
NET EARNINGS	$ 107	$ 26	$ 59	$ 133
NET EARNINGS ADJ. FOR AMORT. OF INVEST. TAX CREDIT	$ 107	$ 26	$ 59	$ 133
INVESTMENT				
PROJECT EXPENDITURES		$ 1	$ 1	$ 1
EXSISTING FACILITIES USED DIRECTLY IN OPERATIONS	$ 393			393
ALLOWCATED GENERAL FACILITIES	15	5	2	20
WORKING CAPITAL	596	203	191	799
TOTAL	$ 1004	$ 209	$ 194	$ 1212
RETURN ON INVESTMENT	10.7 %	12.4 %	36.4 %	11.0 %
SUPPLEMENTAL CALCULATION				
NET EARNINGS AFTER AMORTIZING (OVER 10 YEARS) OPERATION CHGS.		$ 21	$ 54	
TOTAL CAPITAL INCLUDING OPER. CHARGES LESS ADMIN. EXPENSE + TAXES		$ 258	$ 242	
RETURN ON TOTAL CAPITAL INCL. OPERATION CHARGES		8.1 %	22.3 %	

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