

Rehrig Pacific Company

SAMPLE

INTERNAL RATE OF RETURN AND CASH FLOW ANALYSIS QUESTIONNAIRE & SUMMARY

Customer : [Local Bottling Company](#)
Location : [Anywhere](#)

Date Prepared : [November 1, 2008](#)
File name :

Prepared for : [Operations Manager](#)
Product : [Rehrig Merchandiser](#)

Prepared by : [Rehrig Sales Rep.](#)

Section I : Assumptions and Data

1. Annual case volume	(Enter #)	5,000,000
2. Average annual growth rate	(Enter %)	2.0%
3. Returnable float as a percent of annual case volume (see chart ----->)	(Enter %)	12.0%
4. Annual replacement percent due to breakage and loss	(Enter %)	3.0%
7. Purchase cost per crate or tray:		
a. corrugated plus all secondary wraps	(Enter \$)	\$0.300
b. Rehrig Merchandiser	(Enter \$)	\$3.50
8. Average annual inflation factor	(Enter %)	3.0%
9. Average deposit collected per crate	(Enter \$)	\$0.00
10. Operating cost per plastic crate	(Enter \$)	\$0.050
11. Depreciation period (5, 7, or 10 years) for plastic crates. (Must be <= line 16)	(Enter #)	5
12. Investment tax credit, if applicable		
a. crate purchases	(Enter %)	0.0%
b. equipment purchases	(Enter %)	0.0%
13. Marginal corporate tax rate (fed. & state)	(Enter %)	35.0%
14. Scrap value of plastic crate	(Enter \$)	\$0.50
15. Total cost of additional equipment		\$350,000
a. Equipment A	(Enter \$)	\$250,000
b. Equipment B	(Enter \$)	\$100,000
c. additional equipment	(Enter \$)	\$0
d. other	(Enter \$)	\$0
16. Depreciation period (5, 7, or 10 years) for additional equipment. (Must be >= line 11)	(Enter #)	5
17. Labor cost per man year, if necessary	(Enter \$)	\$30,000
18. Number of additional people needed or saved (-)	(Enter #)	0
19. Discount rate for present value analysis (NPV and IRR, See Section IV)	(Enter %)	8.0%

Section III - After-Tax Cash Flow Analysis - Plastic Crates and Trays

2c. Back-hauling, if any (cost/crate/trip)	(Enter \$)	0
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Section IV - Investment Analysis

5. Present value of net after-tax cash flows (NPV)	\$1,668,720
7. Internal rate of return (IRR)	30.4%