

Present Value of Future Cash Flows @ Various Discount Rates

US \$ in 000's

Excludes License Fee

Discount Rate	SAVA Tires Standalone Value		Retail Profit on Offtake		Technology License Fee	Total Tires	75.0% Eng Prod	Total Eng Prod & Tires	Graph Data - % Incremental	
	100.0%	75.0%	Passenger	RLT					50.0%	0.0%
8.0%	\$196,764	\$147,573	\$40,108	\$998	\$78,679	\$267,358	\$63,182	\$330,539	\$326,693	\$285,587
9.0%	\$169,437	\$127,078	\$34,747	\$893	\$69,165	\$231,882	\$52,102	\$283,984	\$280,608	\$244,968
10.0%	\$147,884	\$110,913	\$30,499	\$807	\$61,583	\$203,802	\$43,389	\$247,191	\$244,190	\$212,884
11.0%	\$130,515	\$97,886	\$27,058	\$737	\$55,406	\$181,088	\$36,394	\$217,481	\$214,787	\$186,991
12.0%	\$116,267	\$87,200	\$24,222	\$678	\$50,282	\$162,383	\$30,681	\$193,063	\$190,623	\$165,723
13.0%	\$104,406	\$78,305	\$21,848	\$628	\$45,967	\$146,748	\$25,949	\$172,697	\$170,471	\$147,995
14.0%	\$94,408	\$70,806	\$19,837	\$584	\$42,286	\$133,513	\$21,983	\$155,496	\$153,454	\$133,033
15.0%	\$85,888	\$64,416	\$18,114	\$546	\$39,112	\$122,189	\$18,626	\$140,815	\$138,931	\$120,271
16.0%	\$78,561	\$58,921	\$16,625	\$513	\$36,348	\$112,406	\$15,761	\$128,167	\$126,422	\$109,284
17.0%	\$72,207	\$54,155	\$15,326	\$483	\$33,922	\$103,886	\$13,296	\$117,182	\$115,558	\$99,749
18.0%	\$66,656	\$49,992	\$14,186	\$457	\$31,776	\$96,410	\$11,163	\$107,574	\$106,058	\$91,416
19.0%	\$61,777	\$46,333	\$13,178	\$433	\$29,866	\$89,809	\$9,307	\$99,116	\$97,696	\$84,085
20.0%	\$57,462	\$43,096	\$12,282	\$411	\$28,155	\$83,944	\$7,683	\$91,627	\$90,294	\$77,601
21.0%	\$53,626	\$40,219	\$11,481	\$391	\$26,616	\$78,707	\$6,257	\$84,964	\$83,708	\$71,836
22.0%	\$50,199	\$37,649	\$10,762	\$373	\$25,224	\$74,008	\$4,999	\$79,006	\$77,820	\$66,685
23.0%	\$47,124	\$35,343	\$10,114	\$356	\$23,959	\$69,772	\$3,886	\$73,657	\$72,535	\$62,065
24.0%	\$44,354	\$33,265	\$9,527	\$341	\$22,805	\$65,938	\$2,898	\$68,836	\$67,772	\$57,904
25.0%	\$41,849	\$31,386	\$8,993	\$327	\$21,750	\$62,456	\$2,018	\$64,474	\$63,464	\$54,144

NPV

Analyze as possible

Retail Profit on Offtake = Retail Selling Price (\$23.20 Pass & \$50.00 RLT) - SAG @ 10% - Transfer Price (Sava Cost +10%) - 3% Freight

50.0% Incremental

3:51 AM

12/6/96