

## List of Tables (PART A)

### 1. Table A

Four different machines are under consideration for improving a certain production process. An engineer performed an economic analysis to select the best machine, but some of his calculations were MISSING in the report as shown below. The life of all machines is 10 years, MARR = 11%

Cash flows in 000's

Machine	1	2	3	4
First Cost	<b>A</b>	-65	-72	-98
Annual cost	-70	-64	-61	-58
Annual Savings	+80	+80	+80	+82
Overall ROR(IRR)	18.6%	<b>B</b>	23.1%	20.8%
<u>Machine's</u> compared		2 to 1	3 to 2	4 to 3
Incremental Investment	-	-16	<b>C</b>	-26
Incremental cash flows (ie., Net income) per year	-	+6	<b>E</b>	<b>D</b>
Incremental ROR	-	35.7%	22.72%	14 to 15 %

### 2. Table B

<b>Year</b>	<b>Cash Flow</b>
0	-\$15,459
1	3,000
2	3,000
⋮	⋮

3. Table C

Year ( $n$ )	Vendor A	Vendor B	Vendor B – Vendor A
0	-\$500,000	-\$600,000	-\$100,000
1 - 15	48,170	65,880	17,710
IRR	5%	7%	15.73%

4. Table D

$n$	Repayment Amount
1	\$100
2	\$300
3	\$500
4	$X$