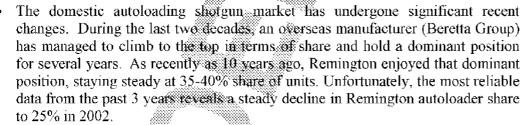


Remington Segment Performance

Remington's autoloading shotgun line includes the Model 1100, Model 11-87 and the SP-10, 2002 sales totaled nearly 53M units, or \$24.7MM in revenue. This represents a 3.3% decrease in units and an 11.1% decrease in revenue from 2001 actuals. Worldwide Remington performance for the autoloading category follows:

Autoloading Shotguns	1999 Actual	2000 Act.	2001 Act.	2002 Act.	2003 Fost	2003 P.O.
Units Sales (M)	62.3	79.3 🔬	54.6	52.8	56.3	55.5
Sales Dollars (\$MM)	26.7	36.9 🍭	27.8	24.7	26.7	26.5
Standard Margin (\$MM)	11.4	18.3 ₈₈₆	11.5	🥍 10.5	11.0	10.9
Standard Margin % Sales	42.5%	49.5%	<u>41.4%</u>	42.3%	41.2%	40.9%

Competitive Outlook



- Data also reveals that the autoloader percentage of the total domestic shotgun market is holding when viewed against a 5 year history. In other words, when the overall shotgun market fluctuates, the percentage that is in the autoloading category has remained steady at 18-20% of the total. Remington's piece of the pie, however, has continued to shrink.
- This loss of share in autoloaders is the result of several factors:
 - Products that are perceived to be in the declining stage of their life cycles.
 - Relatively high manufacturing cost, which limits the flexibility to cut prices and gain share.
 - Shortfalls in product performance and features when compared to the competition in the same price range.

Remington's major competitors in the domestic autoloading shotgun market are Browning/USRAC, Beretta and Benelli. These three manufacturers, together with Remington, make up over 90% of all units sold in the U.S.



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Subject to Protective Order Williams v. Remington