

Remington Arms Company, Inc.
Status of Capital Expenditures as of July 31, 2004.

Forecast System for \$55M, PBX Upgrade for \$43M, and Spartan Gun Works for \$40M. These overages are partially offset by reductions in E-commerce and IT anticipated expenditures.

Total company budgeted ROIC for 2004 projects is 10.9%. Through July, total company authorized ROIC for 2004 projects is 131.4%. Shown below is a list of projects with substantial authorized returns.

Project	Location	Annualized Savings/ Earnings	ROIC %	Basis for Savings/Earnings
M700 CDL	Ilion	\$1.672M	4573%	Sales
M700 SPS Stainless Steel	Ilion	\$2.981	2149%	Sales
M700 Light Varmint Rifle Stock	Ilion	\$184M	721%	Lower material cost
SIMS (R3) Recoil Pad Conversion	Ilion	\$33M	25%	Higher gun price
Shotshell Buckshot Loader & Packer	Lonoke	\$1.074M	185%	Sales
5.56MM Linked Frang. Ammo Cap.	Lonoke	\$869M	125%	Sales

The following information has been adapted from narratives provided by management at the various manufacturing sites.

Ilion

For the month of July, capital expenditures were \$391M. Projects with major expenditures include the model 105CTi project for \$99M, 700 Modular Overmolded Stock for \$70M, Roof Replacement (Bldg #84) for \$69M, and Model 870 Exp 410/20 IC/RS project for \$30M.

Mayfield

For July, capital expenditures were \$9M for the Magazine Box Alteration project.

Ada/Findlay

For July, there were no expenditures.

Lonoke

For July, expenditures totaled \$249M. Projects with major expenditures include the 5.56mm Frangible Ammo Capability for \$57M, Relocate Primer Bldg 711 Scrubber Unit for \$41M, Upgrade Shotshell Load/Pack Equip for \$30M, R&D Pilot Plant Facility for \$29M, and Used CNC Milling Machine for \$19M.

Ilion – PMPd

For July, there were no expenditures. Materials were returned to C.I. Hayes in January creating a year-to-date credit of \$2M.

Elizabethtown

For July, there were no expenditures.