

Law Enforcement and Military Products

- Firearms
 - 1,870 MCS.
 - Completed delivery of Airforce variant of MCS in 24 parts of 2005 (3,000 units).
 - Bidding on 750 to 1,000 more units to US & Overseas Military operations for delivery in 41 qtr 2005.
 - M24
 - US Military procurement has been put on hold by the military pending SAGG outcome.
 - Repair and parts business should be double average of last 4 years.
 - Have developed a model M24 A2 version to improve the life of the veteran's business.
 - Expect to upgrade a few versions in 4th q of 2005.
 - Major FMS orders on the horizon.
 - Various countries : 268 units.
 - Egypt 1000 units between 4th quarter 2005 and 2nd quarter 2006.
 - SAGS - US Military Sniper Weapons Program.
 - 5 variants still remain.
 - Supposed to be awarded in June.
 - No update from Military on timing.
 - Ammunition.
 - Business volume is small - Even with last year.
 - Plant is has installed linking capability for 223/5.56 ammunition and we are selling it.
 - market the capability.
 - Issue will arise around plants ability to load 223.
 - We are unable to make 5.56 and 7.62 NATO ammunition.
 - 65.