

Law Enforcement and Military Products

Military

Firearms

1,870 MCS

Completed delivery of Airforce variant of MCS in 2nd quarter of 2005, 3,000 units

Bidding on 750 to 1,000 more units to US & Overseas Military operations for delivery in 4th q 2005

M24

US Military procurement has been put on hold by the military pending SASS outcome

Repair and parts business should be double average of last 4 years

Have developed a model M24 A2 version to improve the size of future repairs business

Expect to upgrade a few version 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

SASS - US Military Sniper Weapons Program

6 entrants 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 & 56 ammunition and we are starting to market the capability

Issue will arise around plants ability to load 223

We are unable to make 56 and 7.62 NATO ammunition