

**Remington Arms Company, Inc.**  
**Status of Capital Expenditures as of June 30, 2004.**

Total company budgeted ROIC for 2004 projects is 10.9%. Through June, total company authorized ROIC for 2004 projects is 90.0%. Shown below is a list of projects with substantial authorized returns.

Project	Location	Annualized Savings/ Earnings	ROIC %	Basis for Savings/Earnings
M/700 Light Varmint Rifle Stock	Ilion	\$164M	721%	Lower material cost
SIMS (R3) Recoil Pad Conversion	Ilion	\$37M	25%	Higher gun price
M/700 CDL	Ilion	\$1,672M	4573%	Sales
5.56MM Linked Frang. Ammo Cap.	Lonoke	\$669M	125%	Sales
Shotshell Buckshot Loader & Packer	Lonoke	\$1,074M	185%	Sales

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

**Ilion**

For the month of June, capital expenditures were \$324M. The model 105CTi project and the Purchases from Carrier Auction project incurred expenditures of \$114M and \$141M, respectively.

**Mayfield**

For June, there were no expenditures.

**Ada/Findlay**

For June, there were no expenditures.

**Lonoke**

For Lonoke, expenditures totaled \$151M. Projects with major expenditures include the Shotshell Buckshot Loader and Packer for \$73M, the Spare Rimfire Cupping Die Set for \$20M, the Centerfire #728 Wash Drain Lines for \$12M, and the Overhaul #49 Centerfire Priming Press for \$12M.

**Ilion – PMPd**

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

**Elizabethtown**

For June there were no expenditures.

**Corporate**

For June expenditures were \$6M. The Job Description Software incurred expenditures of \$6M.