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Remington Arms Company, Inc.
Board of Directors' Meeting
Wednesday, August 17, 2005





Remington International

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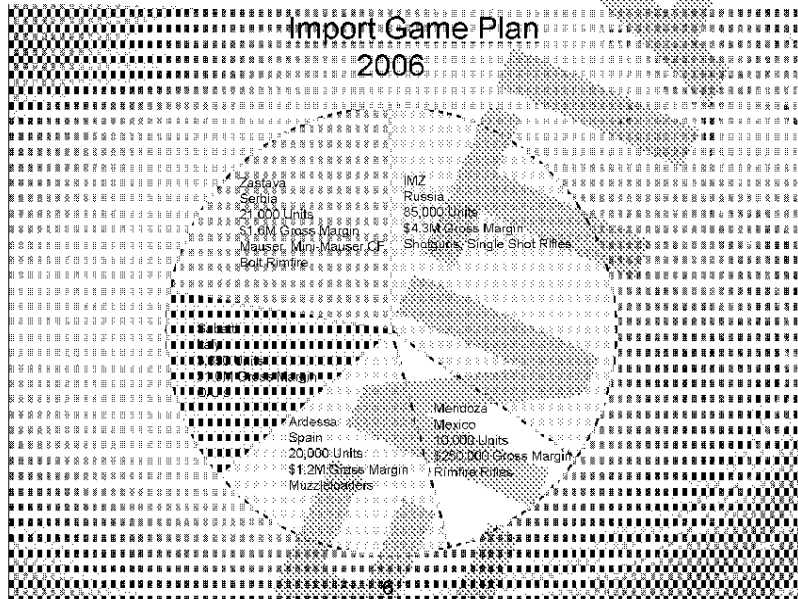
• Zastava
• 153 year old company near Belgrade
• ISO 9001 certified
• 3,000 employees
• Modern machine centers and forging operations
• Currently sell through an importer, Charles Daly
• Product lines include Mauser Action Centerfire,
Bolt Action Rimfires for the mid market.
• Also make O/U's and SXS but need work

• Ardesa
• 50 years old
• Bilbao, Spain
• Currently sell as Traditions in USA
• Put us in the Blackpowder Market

Fabarms
Extremely high quality family company in Brescia
• Produce O/U's \$500-\$1,500
• Produce Semi Auto Shotgun \$1,000
• ISO certified, state of the art factory
Mendoza
• Family Business — 40 years old
• Primarily airguns and rimfire rifles
Mexico City
Give us an OPP Rimfire (\$89.00 Retail)

Testing Requirements

- All samples must pass Remington safety, performance, and SAAMI requirements
- All Spec's required - steel, trigger pulls, etc.
- Contracts to be executed (to include exclusivity)
- In plant QC required (as per Russian model)
- No minimums will be agreed to



Financial Projections International Sourced Product

Manufacturer	Volume	Avg Mrg \$ per Unit	Avg Mrg % per Unit	Gross Mrg \$
IMZ (2005 Forecast)	84,931	\$50.37	23.5	\$4,278,000
Sabatti	3,350	\$333.66	24.2	\$1,043,500
Zastava	21,000	\$82.80	24.8	\$1,654,000
Ardesa	20,000	\$66.80	26.4	\$1,164,500
Mendoza	10,000	\$25.00	29.4	\$250,000
Totals	135,931	\$56.24	26.02%	\$8,390,000



Sabatti

Field Grade Over and Under

- Coin Nickel Plated Frame
- Scroll Embellishment On Frame And Hinge Pin
- Embellished "R" On Underbelly Of Frame
- Gold Trigger
- Hard Case
- 5 Flush Mount Choke Tubes
- Recoil Pad TBD
- Ivory Front Bead Steel Mid Bead
- Configurations:
 - 12 Gauge, 28" and 26" Barrels
 - 20 Gauge, 28" and 26" Barrels
 - 28 Gauge, 28" and 26" Barrels

Sabatti

Upland Grade Over Under

- Satin Finish, Straight Grip, Schnable F/E Cased Receiver
- Upland Game Scene Embellishment with Gold Inlays
- Embellished "R" on underbelly of Frame
- Gold Trigger
- Hard Case
- 5 Flush Mounted Choke Tubes
- Recoil Pad TBD
- Ivory Front Bead, Steel Mid Bead
- Configurations:
 - 12 Gauge, 26" Barrel
 - 20 Gauge, 26" Barrel
 - 28 Gauge, 26" Barrel

Sabatti

Target/Sporting Over Under

- Gloss Walnut Target Stock, Schnabel F/E, Nickel Receiver
- Jewelled Frame, Satin Side Plates
- Embellished Script "R" On Underbelly Of Frame
- Gold Trigger
- Hard Case
- 5 Extended Choke Tubes
- Sporting Recoil Pad
- Wide Rib with Ivory Front Bead, Steel Mid Bead
- Configurations:
 - 12 Gauge 28" Barrels
 - 12 Gauge 30" Barrels

Sabatti	
Pricing Strategy	
• Field Grade O/U – 1800 Units	
– Net Acquisition Cost – \$999.00	
– Net Distributor Sell Price – \$1249.00	
– Suggested Retail – \$1599.00	
• Upland Grade O/U – 550 Units	
– Net Acquisition Cost – \$1049.00	
– Net Distributor Sell Price – \$1399.00	
– Suggested Retail – \$1799.00	
• Target/Sporting O/U – 1,000 Units	
– Net Acquisition Cost – \$1049.00	
– Net Distributor Sell Price – \$1450.00	
– Suggested Retail – \$1850.00	

Sabatti			
Pricing Strategy Cont.			
• Over Under Shotguns			
Configuration	Volume	Margin \$	Gross Mrg \$
Field Grade	1,800	\$250	\$450,000
Upland Grade	550	\$350	\$192,500
Target Grade	1,000	\$401	\$401,000



Model 798 Long Action Product Review

▲ 98 square bridge Mauser style action

— Controlled Round Feed

— Non Rotating Claw Extractor

— 22" bbl Standard Calibers; 24" bbl On Magnum Calibers

— Blued Plain bbl & Receiver, Drilled & Tapped

— Hinged Floor Plate

— Adjustable Trigger

— 1" Recoil Pad

— S&K produced Laminated Stock

— Suggested Calibers

— .243Win, .308Win, .25-06Rem, .30-06SPRG, .270Win, 7mm Mag,
300Win

Model 799 Short Action

Product Review

- Mini 98 Mauser style action
 - Controlled Round Feed
 - Non Rotating Claw Extractor
 - 20" Plain bbl, Drilled & Tapped
 - Blued bbl & Receiver
 - Hinged Floor Plate
 - Adjustable Trigger
 - Rubber Butt Plate
 - S&K produced Laminated Stock
 - Suggested Calibers
 - 22 Hornet, 222Rem, 22-250 Rem, 223Rem, 243Win

Model Five Rimfire Product Review

- Bolt Action Rimfire
 - Blued 22" bbl And Receiver
 - Grooved Receiver w/ Mechanical Sights
 - 5 Shot Magazine Box
 - Simple Trigger
 - Hard Recoil Pad
 - S&K Produced Laminated Stock (Express Finish)
 - Suggested Calibers

• 22LR • 22Mag • 17HMR TBD

Zastava				
Pricing Strategy				
• Model 798 Long Action				
2006 Proposed Volume				
5,500 Units				
4,000 Standard Caliber				
1,500 Magnum Caliber				
Net Acquisition Cost				
• \$299.00 Standard Caliber				
• \$319.00 Magnum Calibers				
Net Distributor Sell Price				
• \$399.00 Standard Calibers				
• \$425.00 Magnum Calibers				
Suggested Retail Price				
• \$550.00 Std. Calibers				
• \$570.00 Mag. Calibers				
Configuration	Volume	Margin \$	Margin %	Gross Margin
Std. Calibers	4,500 Units	\$100.00	25.0	\$250,000
Mag. Calibers	1,000 Units	\$105.00	23.9	\$105,000

Zastava			
Pricing Strategy			
• Model 799 Short Action			
– 2006 Proposed Volume			
• 5,500 Units			
– Net Acquisition Cost			
• \$299.00 Standard Caliber			
– Net Distributor Sell Price			
• \$399.00 Standard Caliber			
– Suggested Retail Price			
• \$550.00			
Volume	Margin \$	Margin %	Gross Margin \$
5,500 Units	\$100.00	25.0	\$550,000

Zastava				
Pricing Strategy				
Model Five Rimfire				
2006 Proposed Volume				
10,000 Units				
9,000 22LR				
1,000 22Mag				
Net Acquisition Cost				
\$180.00 for 22LR				
\$172.00 for 22Mag				
Net Distributor Sell Price				
\$215.00 for 22LR				
\$225.00 for 22Mag				
Suggested Retail Price				
\$299.00 for 22LR				
\$309.00 for 22Mag				
Configuration	Volume	Margin \$	Margin %	Revenue
22LR	9,000 Units	\$33.00	25.6%	\$495,000
22Mag	1,000 Units	\$33.00	27.8%	\$32,000



Genesis Black Powder Rifle

Product Review

- Pivot Breech, with hammer
 - Removable Breech Plug
 - 50 caliber Black Powder rifle
 - Drilled and Tapped for Scope Mounts
 - 209 Primer Ignition
 - Williams Fiber Optic Sights
 - Aluminum Anodized Ramrod with Jag
 - Front and Rear Swivel Studs
 - Cross Bolt Safety

**Genesis Black Powder Muzzleloader
Configurations**

- **Black Synthetic Stock, Satin Barrel, Matte Receiver**
- **Mossy Oak Breakup Camo Synthetic Stock, Mossy Oak Camo Barrel, Matte Receiver**
- **Mossy Oak Breakup Thumbhole Stock, Stainless Barrel, Matte Receiver**
- **Black Laminate Thumbhole Stock, Stainless Barrel, Matte Receiver**
- **Black Synthetic Overmold Stock, Satin Stainless Barrel, Matte Receiver**

Remington Genesis	
Pricing Strategy	
Black Synthetic Volume – 10,000 Units	
Net Acquisition Cost - \$125.00	
Net Distributor Sell Price - \$175.00	
Suggested Retail - \$249.00	
Camo Synthetic Volume – 5,000 Units	
Net Acquisition Cost - \$169.00	
Net Distributor Sell Price - \$229.00	
Suggested Retail - \$329.00	
Camo Thumbhole Volume – 1,500 Units	
Net Acquisition Cost - \$192.00	
Net Distributor Sell Price - \$259.00	
Suggested Retail - \$369.00	
Laminate Thumbhole Volume – 1,500 Units	
Net Acquisition Cost - \$289.00	
Net Distributor Sell Price - \$389.00	
Suggested Retail - \$549.00	
Black Synthetic Overmold Volume – 2,000 Units	
Net Acquisition Cost - \$102.00	
Net Distributor Sell Price - \$219.00	
Suggested Retail - \$319.00	

Ardesa				
Pricing Strategy Cont.				
• Genesis Blackpowder Muzzleloader				
Configuration	Volume	Margin \$	Margin %	Gross Mrg \$
Black Syn	10,000	\$50	28.5	\$500,000
Camo Syn	5,000	\$60	26.2	\$300,000
Camo Thumb	1,500	\$67	25.8	\$100,500
Lam. Syn	1,500	\$100	25.7	\$160,000
Rebbl. Syn	2,000	\$57	26.0	\$114,000
		26		



Mendoza, Mexico

Model 412 Bolt Action Rimfire Rifle

Mendoza Bolt Action Rimfire Product Review

- Single Shot w/second shot holder
- Hardwood Stock
- Polished Blue Receiver & Barrel
- Grooved Receiver for tipoff rings
- Open Sights
- Cocks on close of bolt
- Auto Safety
- Non Adjustable Simple Trigger
- Swivel Studs

Mendoza				
Pricing Strategy				
• 22LR				
- 2006 Proposed Volume				
• 10,000 Units				
10,000 22LR Caliber				
Net Acquisition Cost				
• \$60.00 22LR Caliber				
- Net Distributor Sell Price				
• \$85.00 22LR Calibers				
Suggested Retail Price				
• \$135.00 22LR Calibers				
Configuration	Volume	Margin \$	Margin %	Gross Margin
22LR	10,000	25.00	29.4	\$250,000

Ilion

When the Company makes a decision to move Ilion, we are required to notify under Federal Law

Currently we are in the discovery mode and not subject to notification

Status

- Defining the future state

- Benefits

- Workrules

- # of plants

- Wage rates

- State incentives (outside New York)

- Exploratory surgery

- Quasi secret

- Learn what is possible

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Ilion

- Define point of indifference

- Stay or 60

- We will stay if we can get X, Y, Z...

- we will leave if we cannot

- We are not in this process trying to lay out the engineering of a new plant.

Sales Force Reorganization

- **Current Status**

- Multi bag Rep group
- Salesmen are salaried. Principal is commissioned
- Largely unfocused due to multiple lines

- High cost — 2005 — \$7.0M

- **New Structure**

- Remington exclusive sales force
- Salary + bonus (margin, volume, MBO) + expenses

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• First region — Northeast — 9/1/05

- Pittsburgh next to Dick's
- Regional plus four Reps
- Current cost \$1.5M, new cost \$700K-\$800K

• Second region — Midwest — 4/2006

- Columbia/Missouri based regional manager
- 4 salesmen
- Current cost \$2.0M, future cost \$700K-\$800K

• Third region — Southeast - Fall 2006 / Winter 2007

West Coast — Current Rep group to remain in place

Walmart

- Trends are as strong as reported in May.
Up double digits in all segments
- Solid Fall on tap

Other Critical Issues

Firearms (cost – pricing)

- May 1, 2005 increase has held; value \$1.3M

- Steel softened mildly

- 2006 increases to customers under review

Ammunition

- Two price increases in 2005 have held

- Total value versus Budget + \$3.0M

- Plan 6% increase in 2006 (value \$11.4M)

- Across the board

Materials

- Lead softened

- Copper still strong

- Resins still strong



Industry Issues

Industry Issues

- July 29, 2005 – Senate passed S. 397, the "Protection of Lawful Commerce in Arms Act" by a vote of 65-32
- Provides for immunity from prosecution or suit in cases alleging liability for the criminal misuse of a firearm
- Goes to conference in September
- Bullet serialization
 - California Attorney General Bill Lockyer withdrew this initiative in mid July 2005

Clay Targets

- No progress to report in alternative suppliers
- Plant idling to occur on August 19
- Preliminary view on 2006 (Findlay only) versus 2005

Revenues

Earnings (EBITDA)

2005 \$6MM

\$500K

2006 \$3MM

\$300K

Industry Sales and Marketing Issues

- **Ruger**
 - Stock up to \$10.89 from mid \$6.00 range on news of S.397 passage
 - Quarter ending June 30, 2005
 - Sales up 4%
 - Net loss of \$2,000 versus loss of \$461,000
- **Marlin**
 - Currently for sale
 - \$60M Revenues
 - 2004 Gross Margins 16.8% (LTM 3/31/05 18%)
 - 2004 EBITDA 3.3% (LTM 3/31/05 4.4%)
 - Produce 406,000 units

52,000 Lever Rifles	112,000 Single Shot Shotguns
68,000 Semiauto Rifles	98,000 Bolt Rifles
	76,000 Single Shot Rifles

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• Of note - Marlin notes:

- Increased offshore competition
- Increased seasonal compression
- Increased inventory pressure on manufacturers
- Import strategy from China, etc. with 20% margins. Currently 2% of revenue, growing to 8% in 2005
- China
 - Turkey
 - Italy
- Winchester - Federal
 - Winchester remains price disciplined
 - Federal less so

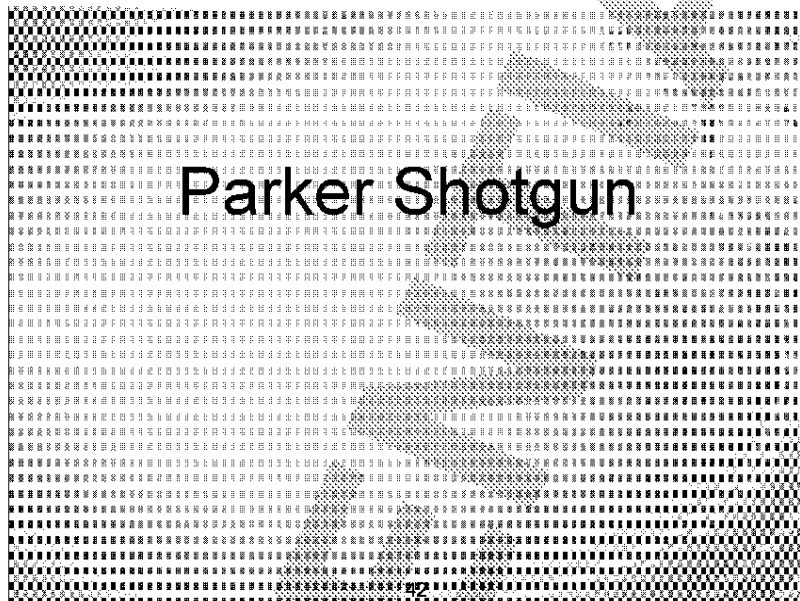
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Winchester Second Quarter

Winchester 2005 second quarter sales were \$80.4M versus \$70.5M in the second quarter of 2004. The increase reflects higher Law Enforcement and Military sales. Commercial sales in the quarter were below 2004 levels. Winchester generated breakeven results in the quarter versus a profit of \$3.0M in the second quarter of 2004 due to higher manufacturing and material cost including commodity metals which more than offset the impact of increased volume and increased prices to commercial customers.



New Domestic Projects



Parker Shotgun

**Parker Gun
Specifications**

28 Gauge AAHE Grade 7 Gun

• Custom Built to Consumers Specifications

— 26", 28", or 30" Barrels Choked to Customer's Request

— Solid Rib with Twin Beads

— Exhibition Grade Circassian Walnut-American Walnut Optional

— Oil Finish with 26 LPI Checkering

— Splinter or Beavertail Fore End

— English, Half Pistol, or Full Pistol with Initials in Gold Plate

— Stock Dimensions Specified by Customer

— Fleur-de-lis Checkering Pattern

— Engraving-Customers Request

— Hinged Double Trigger or Single Trigger

— Oak and Leather Case

Parker Gun Volume & Price			
	2006	2007	2008
Cost	\$23,500	\$23,500	\$23,500
Selling Price	\$49,000	\$49,000	\$49,000
Volume	10	15	20

Parker Gun Launch Strategy

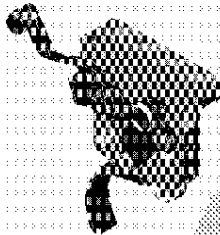
- Produce Quality Catalog-\$25 Retail
– Includes Options and Order Information
- Press Relations and Product Announcement
- Display at SCI, FNAWS, and SHOT Show
- Write Orders at SCI and FNAWS Shows

Parker Gun Order Process

- 50% Deposit Due at Time of Order Approval
- Deposit is Refundable up to Time of Build
- Balance Due 30 Days Before Completion
- Orders will Only Be Accepted for Guns to be Delivered within 12 Months
- Gun Shipped to Customer Supplied FFL
- All Inquiries over 12 Months Placed on List
- Customer Service

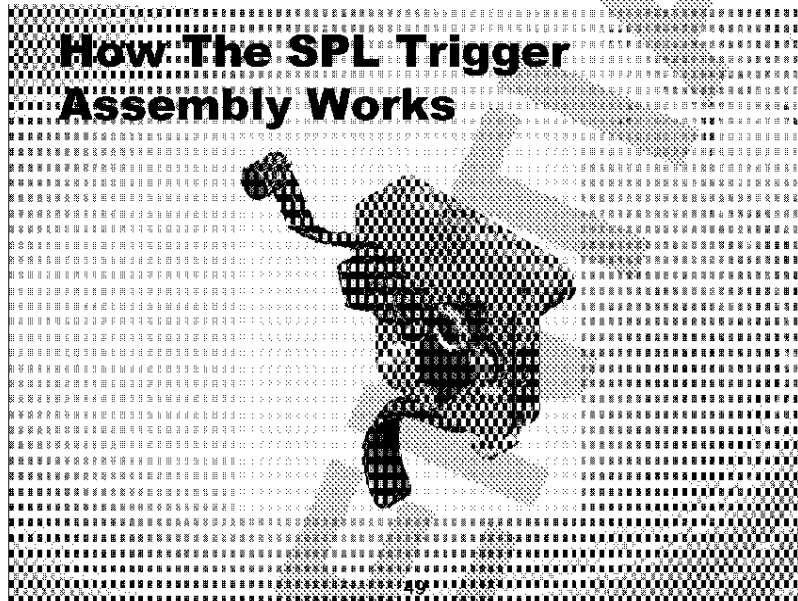
**Model 700/Model Seven
Trigger Assembly Review
(Safety Pivoted Link Design)**

Safety Pivoted Link Design Highlights



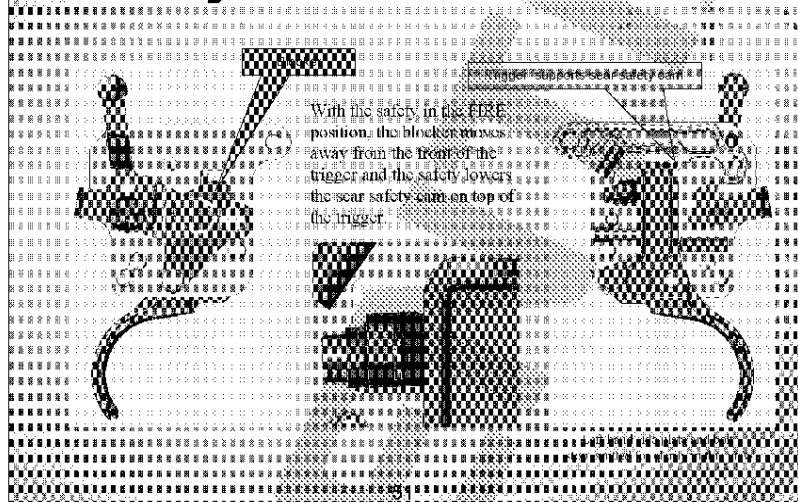
Features

- Improved out-of-the-box feel
- Better surface finish on key components for crisper trigger pull
- Designed to accommodate all products in the Model 700 and Model 760 families
- Design allows for lower trigger pull settings from the factory
- Enhanced corrosion resistance
- Operates like current fire control
- Safety blocks seek and hold
- Trigger pull adjustable by Authorized Repair Centers

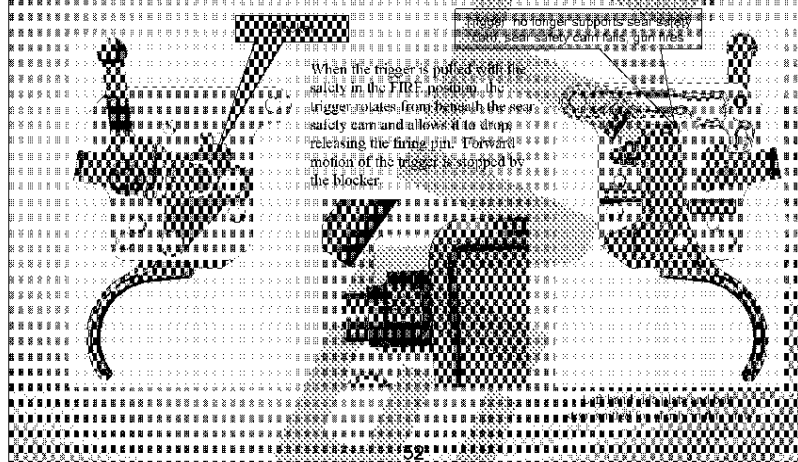


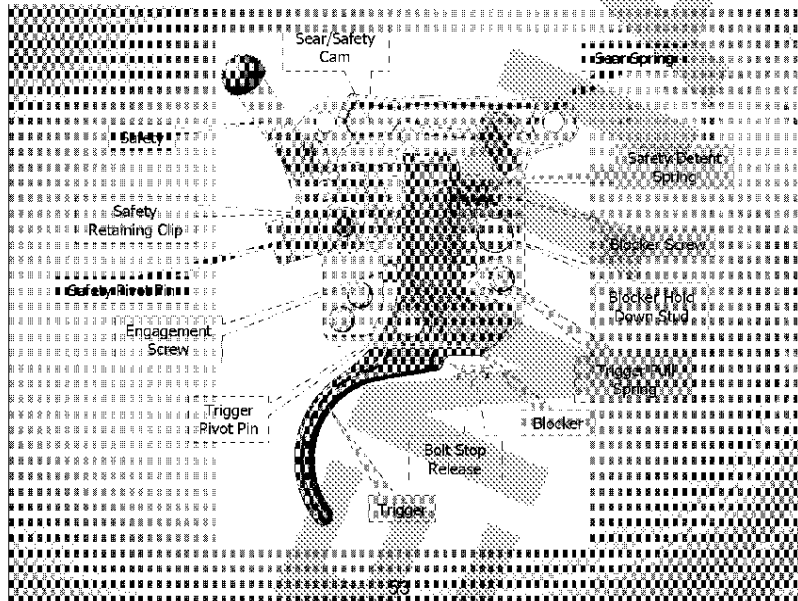
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Safety in FIRE Position



Trigger Assembly - Fired







Model 105 CTI Product Review

- Bottom Feed and Eject
 - Ambidextrous with no Peripheral Distraction
- Cast Titanium and Carbon Fiber Receiver
 - Over 1 lb. Lighter than 11-87
- Rotary Bolt Lock Up with Fixed Bolt Face
 - Smooth and Highly Efficient
- Target Grade Trigger
 - Roller Sear Breaks Consistently Clean at 3 1/2 lbs.
- Convex R3 Recoil Pad
 - Functional Visual Indicator of Softest Recoiling Shotgun

Model 105 CTI Product Review

- **Overbored (.735") Barrel**

- Offers Enhanced Pattern Performance and Reduced Recoil

- **New ProBore Choke Tubes**

- Optimized for Use With Overbore Barrel

- **Rate Reducer**

- Factor in Recoil Reduction

Model 105 CTI Specifications

- 12 Gauge 2 1/4" and 3" Shells
- 26" and 28" Barrels
- Gun Weight-7 Pounds
- Length of Pull-14 1/4" Drop at Comb-1 1/2" Drop at Heel-2 1/2"
- Bore Diameter-.735"
- 5 Shot Capacity
- Magazine Plug
- IC, Mod, Full Extended Choke Tubes
- FAA Approved Hard Case
- CA DOJ Approved Trigger Block

105 CTI

Marketing Support

- Product Video and 30 Second TV Spot
- Outdoor Writer Mini-Conference
- New Products Seminar Introduction
- Catalog Cover and Two Page Spread
- Sales Meeting Introduction
Video, Sell Sheets
- SHOT Show Shooting Demo
Writers and Customers



870 Express

870 Express

- 2005 Wood Guns Convert to Laminated Stock & Fore End
- Offers Higher Perceived Value and a Nicer Looking Gun
- Also Exploring New Rib Posts and Receiver Panel Artwork
- 2007-New Synthetic Stocks with SPS Look
- Discuss Long Term Strategy for Express Line

Summary

- S. 397 clears the air

- Import program has grown from \$0 to \$30M in 2006 in the span of 18 months

- A new 700 Fire Control now exists following 25 years of failed attempts

- Exciting new product for 2006... Most in our history

High End

Parker

Low

New CPP Rifle

Italian O/U's
105 CT

Middle

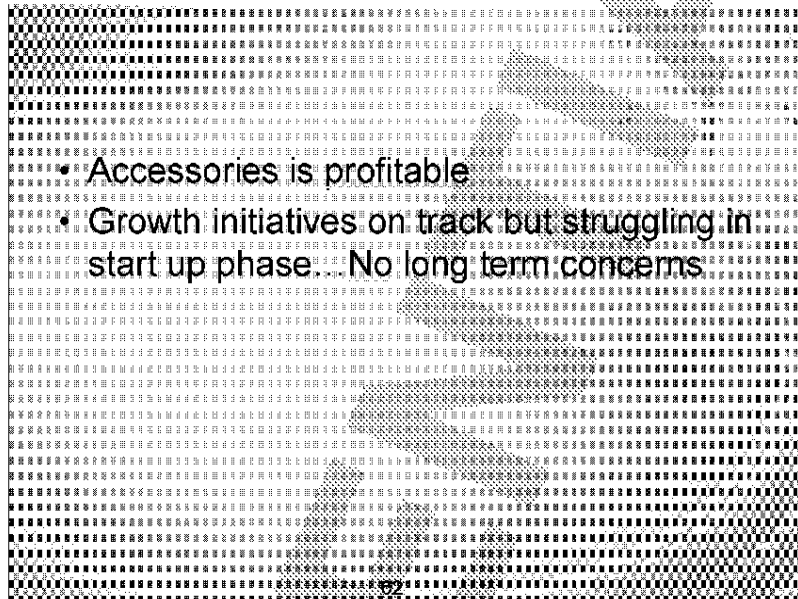
New 870 Express

New 1100

New 700 Fire Control

New Mauser CE

New Muzzleloader



- Accessories is profitable
- Growth initiatives on track but struggling in start up phase. No long term concerns

Litigation Update

Personal Injury Cases:

- Less than dozen active pending cases, including discontinued product/pre-1993 matters
- Case mix: Ammo, bolt-action rifle, common-fire control
- Recent trial and appellate victories
 - *Kensinger* (AK) and *Williams* (TX)

Municipal Cases:

- No cases pending against Remington
- Status of Lawful Commerce in Arms Act
- September 6 trial date in *City of New York v. Beretta*

**Remington Arms Company,
Inc.**

Accessories

Law Enforcement and Military Products

Remington Technologies Division

Remington-Elisag Law Enforcement Systems, LLC

Board of Directors

August, 2005

Accessory Business - Status

Financial Performance

Staffing has been reduced as forecasted

2005 SGA costs have been reduced

Budget \$1,356,000

Forecast \$1,712,000

Inventory, on track to be reduced by \$1,400,000 by year end

Eye and Hearing \$300,000

Sales \$250,000

Soft Goods \$350,000

Game Calls \$200,000

Excess and Obso. reduction \$120,000

Better Buying & packaging \$180,000

Categories Licensed

Eye & Hearing

Licensee is in place, all inventory sold

Sales

Licensee selected, transition to occur by 4th quarter 2005

Cut and Sew

Potential candidates identified, data package being developed

Categories to be shut down

Electronic Game calls

Inventory will be sold out by end of year

Categories Kept

Gun parts

Merged with Barrels and will become part of Firearms business

Knives & Gun Care will remain with Accessory & Licensee business

65

Military
 Fi

870 MCS

Completed delivery of Airforce variant of MCS in 2 quarter of 2005 = 300 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

Egypt: 1000 units between 1st quarter 2015 and 1st quarter 2016

• **SASS – US Military Sniper Weapons Program.**

— 5 entrants still remain

— Supposed to be awarded in June
No update from Military or Navy

Ammunition

- **Business volume is small - Even with last year**

Plant is

market, the capability
issue will arise around

We are unable to make 5.55 and 7.62 BLT ammunition.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 104

[illegible]

Law Enforcement and Military Products

Law Enforcement & Federal Agency

Firearms

7615

Business is strong.

Plant started delivering in May.

Forecast for 2005: 8,000 units.

Shipped to date 2005: 1,500.

870

Business is steady with local LE customers.

Slow migration away from the business to 7615 is anticipated.

As usual several big contracts are expected to be let in 3rd and 4th q of

2005.

Ammunition

Pricing continues to be supporting pre-Spotting price increases.

Margins continue to hover between 7% and 15% on most contracts.

Backordered on most major skis.

9mm.

223.

Ammunition quality problems plague us at F&E TC.

Over \$1,500,000 in lost business in 2005.

Firearms shipments are at par with last year.

Remington Technologies Division

Markets

Have recently negotiated rights to ALL Products developed by ODF for next 10 years

US & Canada

Military

Law Enforcement

Correctional Institutions

Private Security

Production

Startup problems being experienced by ODF

Next run scheduled for mid september

Governmental Approvals

Last milestones appear to have been cleared

Waiting on final test for FCC approval

Sales

Have booked over \$250,000 in orders

All markets have placed orders

Shipments will depend entirely on FCC approval date and Production quantities received

Financial Arrangement

Split gross profit 50/50

RELES, LLC

- Orders Received
 - 7 different Departments
 - 20 Units
- 75% of top agencies have either tested product or had sales presentation
- Pilot projects, sweeps and demonstrations have resulted in great validation of system effectiveness
- Business is starting to show promise — Great interest from
 - 8 of top 10 agencies in America
 - NYPD and NYSHRP
 - Capital Police
 - LAPD, CHP and LAC Sheriff
- Orders are starting to come in from the above
 - 100 to 150 units are expected from these groups in next 2 to 3 months and 50 are expected before end of the month
- Negotiated a lower price from Elsas so as to remain at the forefront of price competitiveness

Rais, L.L.L. Sweep Results				
Asset	Count	Issues	Count	Issues
Asset 1	1	1	1	1
Asset 2	1	1	1	1
Asset 3	1	1	1	1
Asset 4	1	1	1	1
Asset 5	1	1	1	1
Asset 6	1	1	1	1
Asset 7	1	1	1	1
Asset 8	1	1	1	1
Asset 9	1	1	1	1
Asset 10	1	1	1	1
Asset 11	1	1	1	1
Asset 12	1	1	1	1
Asset 13	1	1	1	1
Asset 14	1	1	1	1
Asset 15	1	1	1	1
Asset 16	1	1	1	1
Asset 17	1	1	1	1
Asset 18	1	1	1	1
Asset 19	1	1	1	1
Asset 20	1	1	1	1
Asset 21	1	1	1	1
Asset 22	1	1	1	1
Asset 23	1	1	1	1
Asset 24	1	1	1	1
Asset 25	1	1	1	1
Asset 26	1	1	1	1
Asset 27	1	1	1	1
Asset 28	1	1	1	1
Asset 29	1	1	1	1
Asset 30	1	1	1	1
Asset 31	1	1	1	1
Asset 32	1	1	1	1
Asset 33	1	1	1	1
Asset 34	1	1	1	1
Asset 35	1	1	1	1
Asset 36	1	1	1	1
Asset 37	1	1	1	1
Asset 38	1	1	1	1
Asset 39	1	1	1	1
Asset 40	1	1	1	1
Asset 41	1	1	1	1
Asset 42	1	1	1	1
Asset 43	1	1	1	1
Asset 44	1	1	1	1
Asset 45	1	1	1	1
Asset 46	1	1	1	1
Asset 47	1	1	1	1
Asset 48	1	1	1	1
Asset 49	1	1	1	1
Asset 50	1	1	1	1
Asset 51	1	1	1	1
Asset 52	1	1	1	1
Asset 53	1	1	1	1
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Asset 80	1	1	1	1
Asset 81	1	1	1	1
Asset 82	1	1	1	1
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Asset 87	1	1	1	1
Asset 88	1	1	1	1
Asset 89	1	1	1	1
Asset 90	1	1	1	1
Asset 91	1	1	1	1
Asset 92	1	1	1	1
Asset 93	1	1	1	1
Asset 94	1	1	1	1
Asset 95	1	1	1	1
Asset 96	1	1	1	1
Asset 97	1	1	1	1
Asset 98	1	1	1	1
Asset 99	1	1	1	1
Asset 100	1	1	1	1