



REMINGTON OUTDOOR COMPANY, INC.

(Exact name of company as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

870 Remington Drive

P.O. Box 1776

Madison, North Carolina 27025-1776

(Address of principal executive offices) (Zip Code)

(336) 548-8700

(Company's telephone number, including area code)

CURRENT REPORT

Date of Earliest Event Reported

August 12, 2016

Item 4.02 Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

In connection with the preparation of the financial statements of Remington Outdoor Company, Inc. (the “Company”) for the three and six months ended June 26, 2016, management, in consultation with the audit committee of the Company’s board of directors concluded on August 12, 2016 that the financial statements for the three months ended March 27, 2016, March 29, 2015 and June 28, 2015 contained in the Company’s quarterly reports for those periods (the “Original Reports”), could no longer be relied upon due to a calculation error in the Company’s annual inventory standard cost revaluation which occurs on January 1 each year and the accounting for capitalized inventory variances. Correction of this error resulted in the restatement of the Company’s financial statements contained in the Original Reports.

As a result of the calculation error relating to inventory valuation, costs of goods sold was understated by \$5.8 million for the three months ended March 27, 2016, overstated by \$1.1 million for the three months ended March 29, 2015, and understated by \$1.1 million for the three months ended June 28, 2015. No other accounts were affected by the restatement.

After giving effect to the restatement, costs of goods sold will be properly reflected in the financial statements for the three months ended June 26, 2016.

The error had no effect on the consolidated balance sheets or statements of operations as of and for the six months ended June 26, 2016 or June 28, 2015. Inventory balances of \$254.6 million and \$201.7 million as of June 26, 2016 and June 28, 2015, respectively, properly reflect inventory balances as of such dates.

Information related to the restatement will be included in the notes to the financial statements included in the Company’s Quarterly Report for the second quarter ended June 26, 2016. As a result, the financial statements in the Original Reports should be read in conjunction with the information related to the restatement included in Quarterly Report for the second quarter of 2016.

In connection with the identification of the error in the Company’s annual inventory standard cost revaluation and related restatement of the financial statements in the Original Reports, management has concluded that the Company did not maintain effective controls over the accuracy and valuation of the accounting for and disclosure of inventory and the related cost of goods sold accounts. Specifically, controls over the Company’s annual inventory standard cost revaluation process and accounting for capitalized variances were not effective. Accordingly, the Company determined that this control deficiency constituted a material weakness at June 26, 2016 and for the periods covered by the Original Reports.

The audit committee of the Company’s board of directors and management has discussed the matters disclosed in this Current Report with the Company’s independent accounting firm, Grant Thornton LLP.