

American Locker Reports Income Down, Sales Up

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Slightly lower net income than last year, along with higher net sales and an increased return per share of basic common stock, has been reported by American Locker Group of Jamestown for 2002 compared to the previous year.

Net income in the past year decreased 1 percent to \$3,022,828 from \$3,060,361 in 2001 on sales during the respective years of \$40,670,721 and \$39,627,216.

Net income per basic stock share rose to \$1.57 from \$1.49.

The report said 2002 results include the full year for Security Manufacturing Corp., the company's subsidiary, while 2001 results include returns from its acquisition date of July 6, 2001, until the end of that year.

The company reported returns last year of \$23,580,000 from sales of plastic lockers to the U.S. Postal Service, compared to \$25,166,000 in 2001.

Sales of plastic cluster box units to the USPS decreased 5 percent to \$22,649,000 last year from \$23,864,000 in 2001.

The decrease in cluster box sales was explained by overall declines in purchase volumes as a result of budget restraints, changes in product mix as a lower-priced model was introduced in mid-2001 and, to a lesser extent, price reductions of 3 to 5 percent extended to the USPS in April 2001.

The current two-year contract was awarded April 15, 2001, providing the postal agency with four two-year extension options.

American Locker remains the sole approved source of cluster box units.

American Locker's subsidiary, Security Manufacturing Corp., was acquired July 6, 2001, and also was awarded a two-year contract for cluster box units by the USPS in April of that year.

The financial report said shipments of the cluster box units by the area firm's subsidiary to the postal agency, distributors and resellers were a significant portion of Security Manufacturing Corp.'s total sales in 2002 and are included in American Locker's metal and