

AVM Seeks To Buy Out Small Stockholders

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AVM Corp. is offering to purchase common stock from all stockholders who own 50 shares or less as of Dec. 8 and who tender all their shares to the company.

It was explained the move is being made to reduce the high cost of servicing such accounts, which involved 4,383 registered holders and 75,717 shares as of the December date. Information regarding the offer will be mailed to them.

The shares represent 4.4 percent of the 1,737,539 shares outstanding. The offer will be a net of \$5.50 per share with no obligation to pay brokerage commissions, fees or transfer taxes in connection with the transaction. Moore, Leonard & Lynch Inc., Pittsburgh, Pa., will serve as dealer manager for the company in connection with the tender offer.

The company, commenting on anticipated results for 1978, said historically it has made no public projections regarding anticipated revenues and net income. It said that while no assurances can be given that the company's revenues and net income projections will be achieved, results for the year should exceed consolidated net income for 1977. The conclusion was based on anticipated 1978 fourth quarter income considerably above the same period last year due to increased sales and more favorable inventory and tax situations.

In 1977, AVM reported sales of \$39,725,000, income from operations of \$1,519,000 or 87 cents a share, an extraordinary credit of \$1,324,000 or 76 cents a share for a final net income of \$2,843,000 or \$1.63 a share.

Fourth quarter sales this year are expected to exceed \$10.3 million compared to \$9.7 million in the same period a year ago. Net income for the quarter this year is expected to exceed 1977 fourth quarter net income of \$540,000 or 31 cents a share.