

AVM Corp. Of Jamestown Cites Improved Operations

Improved operations resulting in net income of \$1,367,000 or 91 cents a share on sales of \$34,141,258 from continuing

operations during the first nine months this year have been reported by AVM Corp. of Jamestown.

The result compares to a loss of \$763,396 or 51 cents a share on sales of \$25,074,599 from such operations during

the same period in 1982. The first nine months last year showed a net return of 18 cents per share from discontinued operations, resulting in a 33 cents per share net loss during the period.

The 1983 nine-month provision for taxes benefited from the utilization of investment tax credits of about \$26,000 or 35 cents a share. Such credits arose in prior years but could not be applied, due to losses incurred in 1982 and previously.

Sales from continuing operations increased an average of 36 percent the first three quarters this year compared to the same period a year ago. Increases were reported as 35 percent in fabricated metal products sales to the automotive industry, 50 percent in locker and lock revenues and 21 percent in the computer furniture products field.

The improvements were attributed to the general business recovery and the growing volume of new products in all of AVM's lines of business.

Continuing operations during the third quarter produced sales of \$10,938,854 — an increase of 14 percent from the 1982 third quarter. Net income during the period this year was \$39,387 or 3 cents a share. This compares to a return of \$174,000 or 12 cents a share

during the comparable 1983 period. AVM's automotive products business continued non-profitable during the third quarter but operated at about a break-even point during August and September, before corporate expenses were applied. This year's third quarter provision for taxes reflects an increase in the effective tax rate for the year due to higher state and foreign levies.

Vacations during July idled production capacity and were cited as a large subtractor from August and September profits. The financial report said the company does not expect October and November results to be offset to the same extent in December which does not shut down production capacity as extensively as in July.