

**AMPEX CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**  
(in thousands, except share and per share data)

	For the Three Months Ended		Year Ended December 31,	
	December 31,		2006	2005
	2006	2005	2006	2005
	(unaudited)			
Licensing revenue	\$ 3,412	\$ 2,464	\$ 10,803	\$ 28,914
Product revenue	5,936	3,933	16,836	15,382
Service revenue	2,006	2,277	8,282	8,858
Total revenue	<u>11,354</u>	<u>8,674</u>	<u>35,921</u>	<u>53,154</u>
Intellectual property costs	2,270	1,903	10,637	11,604
Cost of product revenue	2,633	2,176	8,510	9,440
Cost of service revenue	489	644	2,256	2,765
Research, development and engineering	1,195	993	4,424	4,205
Selling and administrative	4,393	4,814	13,751	15,940
Total costs and operating expense	<u>10,980</u>	<u>10,530</u>	<u>39,578</u>	<u>43,954</u>
Operating income (loss)	374	(1,856)	(3,657)	9,200
Media pension costs	225	194	781	774
Interest expense	871	600	2,953	2,481
Amortization of debt financing cost	2	2	5	195
Interest income	(84)	(80)	(328)	(264)
Other (income) expense, net	113	(2)	(3,365)	(547)
Income (loss) from continuing operations before income taxes	<u>(753)</u>	<u>(2,570)</u>	<u>(3,703)</u>	<u>6,561</u>
Provision for income taxes	10	(131)	50	749
Income (loss) from continuing operation	<u>(763)</u>	<u>(2,439)</u>	<u>(3,753)</u>	<u>5,812</u>
Income (loss) from discontinued operations (net of taxes of \$19 in 2005)	-	915	(195)	915
Net income (loss)	<u>(763)</u>	<u>(1,524)</u>	<u>(3,948)</u>	<u>6,727</u>
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustment	26	(45)	4	(148)
Minimum pension adjustment	12,289	(21,761)	12,289	(21,761)
Comprehensive income (loss)	<u>\$ 11,552</u>	<u>\$ (23,330)</u>	<u>\$ 8,345</u>	<u>\$ (15,182)</u>
Basic income (loss) per share:				
Income (loss) per share from continuing operation	\$ (0.20)	\$ (0.64)	\$ (0.98)	\$ 1.56
Income (loss) per share from discontinued operation	\$ 0.00	\$ 0.24	\$ (0.05)	\$ 0.24
Income (loss) per share applicable to common stockholder	<u>\$ (0.20)</u>	<u>\$ (0.40)</u>	<u>\$ (1.03)</u>	<u>\$ 1.80</u>
Weighted average number of basic common shares outstanding	<u>3,817,473</u>	<u>3,783,385</u>	<u>3,816,779</u>	<u>3,734,916</u>
Diluted income (loss) per share				
Income (loss) per share from continuing operation	\$ (0.20)	\$ (0.64)	\$ (0.98)	\$ 1.51
Income (loss) per share from discontinued operation	\$ 0.00	\$ 0.24	\$ (0.05)	\$ 0.24
Income (loss) per share applicable to common stockholder	<u>\$ (0.20)</u>	<u>\$ (0.40)</u>	<u>\$ (1.03)</u>	<u>\$ 1.75</u>
Weighted average number of diluted common shares outstanding	<u>3,817,473</u>	<u>3,783,385</u>	<u>3,816,779</u>	<u>3,850,846</u>