

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Licensing revenue	\$ 2,657	\$ 3,246	\$ 9,870	\$ 7,391
Product revenue	4,883	3,213	14,682	10,900
Service revenue	1,847	2,167	5,437	6,276
Total revenue	<u>9,387</u>	<u>8,626</u>	<u>29,989</u>	<u>24,567</u>
Intellectual property costs	656	1,820	2,162	8,367
Cost of product revenue	2,378	1,946	7,206	5,877
Cost of service revenue	530	582	1,560	1,767
Research, development and engineering	1,306	1,014	3,661	3,229
Selling and administrative	3,939	3,241	11,248	9,358
Total costs and operating expenses	<u>8,809</u>	<u>8,603</u>	<u>25,837</u>	<u>28,598</u>
Operating income (loss)	578	23	4,152	(4,031)
Media pension costs	67	185	181	556
Interest expense	1,169	768	3,100	2,082
Amortization of debt financing costs	2	1	4	3
Interest income	(92)	(67)	(299)	(244)
Other (income) expense, net	(118)	(2,713)	(113)	(3,478)
Income (loss) from continuing operations before income taxes	<u>(450)</u>	<u>1,849</u>	<u>1,279</u>	<u>(2,950)</u>
Provision for income taxes	-	10	15	40
Income (loss) from continuing operations	<u>(450)</u>	<u>1,839</u>	<u>1,264</u>	<u>(2,990)</u>
Loss from discontinued operations (net of taxes of nil in 2007 and 2006)	<u>(90)</u>	<u>-</u>	<u>(90)</u>	<u>(195)</u>
Net income (loss)	<u>(540)</u>	<u>1,839</u>	<u>1,174</u>	<u>(3,185)</u>
Other comprehensive income (loss), net of tax:				
Minimum pension adjustment	783	982	2,347	2,947
Foreign currency translation adjustments	46	(25)	39	22
Comprehensive income (loss)	<u>\$ 289</u>	<u>\$ 2,796</u>	<u>\$ 3,560</u>	<u>\$ (216)</u>
Basic income (loss) per share from continuing operations	<u>\$ (0.12)</u>	<u>\$ 0.48</u>	<u>\$ 0.33</u>	<u>\$ (0.78)</u>
Basic loss per share from discontinued operations	<u>\$ (0.02)</u>	<u>\$ 0.00</u>	<u>\$ (0.02)</u>	<u>\$ (0.05)</u>
Basic income (loss) per share	<u>\$ (0.14)</u>	<u>\$ 0.48</u>	<u>\$ 0.30</u>	<u>\$ (0.83)</u>
Weighted average number of basic common shares outstanding	<u>3,890,506</u>	<u>3,819,268</u>	<u>3,871,689</u>	<u>3,816,547</u>
Diluted income (loss) per share from continuing operations	<u>\$ (0.12)</u>	<u>\$ 0.47</u>	<u>\$ 0.33</u>	<u>\$ (0.78)</u>
Diluted loss per share from discontinued operations	<u>\$ (0.02)</u>	<u>\$ 0.00</u>	<u>\$ (0.02)</u>	<u>\$ (0.05)</u>
Diluted income (loss) per share	<u>\$ (0.14)</u>	<u>\$ 0.47</u>	<u>\$ 0.30</u>	<u>\$ (0.83)</u>
Weighted average number of diluted common shares outstanding	<u>3,890,506</u>	<u>3,875,505</u>	<u>3,876,706</u>	<u>3,816,547</u>