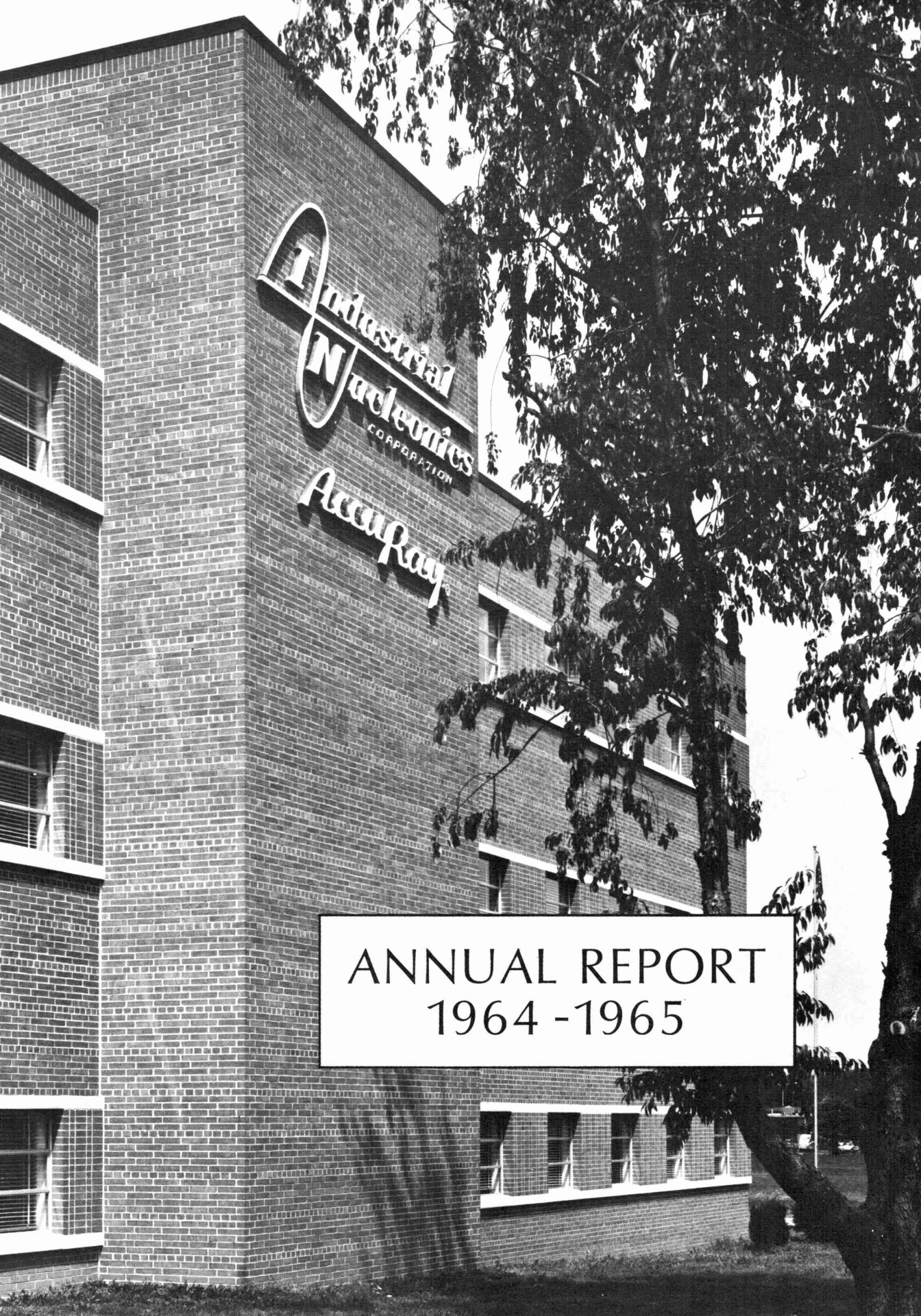


ANNUAL REPORT
1964 -1965

Industrial Nucleonics Corporation

15TH ANNUAL REPORT

for the Fiscal Year Ended April 30, 1965

THE YEAR IN BRIEF

	1964-65	1963-64	Percent Increase
Sales	$9,474,501	$7,977,471	19%
Profit after Taxes	$622,338	$436,482	43%
Cash Flow*	$1,227,556	$939,468	31%
Profit after Taxes per Share	$6.42	$4.50	43%
Cash Flow per Share	$12.67	$9.68	31%
Working Capital	$2,955,086	$2,353,772	26%
Total Assets	$9,368,857	$8,050,137	16%
Stockholders' Equity	$3,365,941	$2,788,746	21%

*Profit after taxes plus depreciation

The Paper — The fine quality paper used in this Annual Report is measured and quality-controlled by an AccuRay Process Control System.

THE PRESIDENT'S MESSAGE

TO OUR STOCKHOLDERS

Industrial Nucleonics Corporation completed its fifteenth year of operation on April 30, 1965. I am pleased to report that the year was one of growth and progress in all segments of the business.

SALES AND EARNINGS

Domestic and overseas sales of $9,474,501 exceeded the preceding year's mark by 19%. This level of sales resulted in earnings of $622,338 which is a gain of 43% over the earnings attained in 1963-64. Earnings per share rose from $4.50 in 1963-64 to $6.42 in 1964-65 based on 96,902 shares outstanding as of April 30, 1965.

Profit as a percent of sales increased from 5.5% in 1963-64 to 6.6% in the current year. Cash flow (net profit after taxes plus depreciation) as a percentage of sales increased from 11.8% to 13.0%.

The increase in sales this year is again a new high for our base line operations which includes sales and rentals of equipment to the heavy and process industries plus service and parts. Our base line sales were the highest in our history when subcontractor shipments of conveyors are excluded from previous years' sales.

It is important to note that orders for leased equipment increased 75% over the prior year. Our leasing business, although reducing sales and profits reported in the current year, provides future recurring income. Income from leasing, service, and parts business this year reached a new high percentage of our break-even cost of operations. This is an excellent hedge against a recession in the national economy.

FINANCE

The revolving term credit commitment of The First National Bank of Chicago was increased from $3,500,000 to $4,500,000. As of April 30, 1965, $3,200,000 had been borrowed under the terms of this agreement. In addition, a similar commitment of $300,000 has been negotiated with the Canadian Imperial Bank of Commerce in Montreal, Canada, to finance our equipment leased through AccuRay of Canada, Ltd., a wholly-owned subsidiary. As of April 30, 1965, there had been no borrowings under this Canadian commitment.

Corporate assets increased $1,318,720 during the year, a gain of 16% over 1963-64. This increase results primarily from additions to property, plant, and equipment, plus equipment shipped under lease/rental agreements.

The Company's consolidated working capital increased $601,314 or an increase of 26% over the preceding year.

Financial statements included in this annual report have been summarized from the annual audit reports prepared by our independent certified public accountants.

MARKETING

I.N.'s continuing success is due in large measure to its nationwide sales and service organization which is second to none in the field of on-line industrial process control systems. Additional success was achieved this year in sales of MOISTRON systems to the paper industry, with four times as many units shipped this year compared to last. Revenue from our Customer Engineering Division's service and parts business continues to grow as our concept of providing more services to the customer through the lease program and service contracts is expanded.

Considerable effort was devoted to planning and selling actively in the international market. Overseas sales again rose to a new high.

Sales of research and development by our Federal Systems Division is one of the fastest growing segments of our business with new orders for 1964-65 reaching 260% of the prior year. The establishment of a separate division has emphasized further increases expected in sales from contracts with government agencies.

NEW PRODUCT DEVELOPMENT

The New Product Development Department was created during the year to centralize all of the talents needed for the successful development and commercialization of new products and the exploitation of new opportunities. The operating divisions of this department are the Nucleonics Systems Division, which is responsible for all products involving nucleonics, the Electronic Systems Division, which is responsible for all products of a non-nuclear nature, and the Federal Systems Division which is performing contract research and development for governmental agencies. Each division includes not only the functions of research, development and engineering, but also the talents for product and market planning.

The Federal Systems Division completed successfully our first rocket-launched space equipment under a Federally-sponsored contract. Other contracts which currently are underway also represent work related closely to our industrial fields and should provide considerable technological knowhow for our commercial markets. Your Company is able to make a direct contribution to our nation's space and defense effort because of prior Company-funded industrial research and development. We receive in return Federally-funded work involving advanced technologies in our chosen field.

FACILITIES

During the course of the year, we acquired 19 acres of land adjacent to our present location, which included 43,000 square feet of additional building space. This acquisition brings our total land to 45 acres and our total building space to 180,000 square feet.

The 19-acre parcel is the last piece of contiguous real estate available to the Company at the Ackerman Road location. Purchase of this land was consummated this year because of the advantage of lower price, while the actual use of the property is not required immediately. This location has the advantage of the proximity to The Ohio State University and fine residential areas.

Building 3, a 52,000 square feet manufacturing and research facility was completed by the beginning of the fiscal year. This modern facility has provided much needed space for expansion of production operations including a modern "clean room" for electronic assembly. The building features a "Communications Center" equipped with the latest audio-visual techniques for conferences, training classes, equipment demonstrations for customers, and a photography and graphic arts studio.

Building 4, containing 7,000 additional square feet of space was constructed during the year. This building houses a technical materials laboratory and storage area.

ORGANIZATION

Our corporate organization was strengthened during the course of the year through a number of key moves designed to provide a continuing basis for future growth. The Management Team shown on the following page represents 130 years of I. N. experience and a relatively youthful average age of 41 years.

Changes in the management of the Company occurred during the year. Mr. David Bossen, formerly Vice President, Corporate Planning and Development, was elected Vice President, Operations. Mr. Bossen joined I. N. in 1952.

Mr. Willard Hays, formerly Director of Marketing, was elected Vice President, Marketing. Mr. Hays joined the Company in 1955.

A key organizational move was the creation of the New Product Development Department under Mr. H. R. Chope, Executive Vice President. Mr. David Nelson, a nine-year I. N. veteran was named Manager of the department.

All manufacturing operations were consolidated under Mr. Walter Canter, who joined I. N. in 1951. Mr. Canter was elected Vice President, Manufacturing, during the year. Included in the Manufacturing Department are the functions of production, manufacturing planning, manufacturing engineering, quality control, and purchasing.

The Administration Department under Mr. James Reider was formed to provide centralized administrative services including public relations, staff management consulting, facilities planning, plant engineering, and publications services to the remainder of the organization. Mr. Reider joined the Company in 1953.

FUTURE

Included in the Annual Report are the key pages from our new Company Brochure which will soon be available and a copy mailed to you. The future of your company is dependent upon our success in helping our customers through "the controlled utilization of raw materials." We sincerely hope that you will find this story interesting.

We believe the course followed during 1964-65 has been a sound one, giving us a solid base for continued progress. Progress is a result of team effort and I want to congratulate the more than 550 members of our employee team for the achievements of this past year. We look forward to another profitable year in 1965-66.

W. E. Chope
President

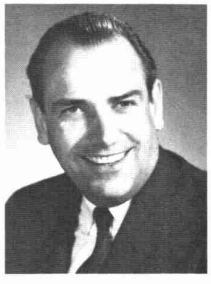
ORGANIZATION

THE MANAGEMENT TEAM

W. E. Chope, *President*

H. R. Chope, *Executive Vice President*

D. A. Bossen, *Vice President, Operations*



R. E. Swenson, *Vice President, Finance and Treasurer*

W. H. Canter, *Vice President, Manufacturing*

W. C. Hays, *Vice President, Marketing*

K. E. Cameron, *Secretary and Personnel*

C. J. Cooperrider, *Manager, Corporate Planning*

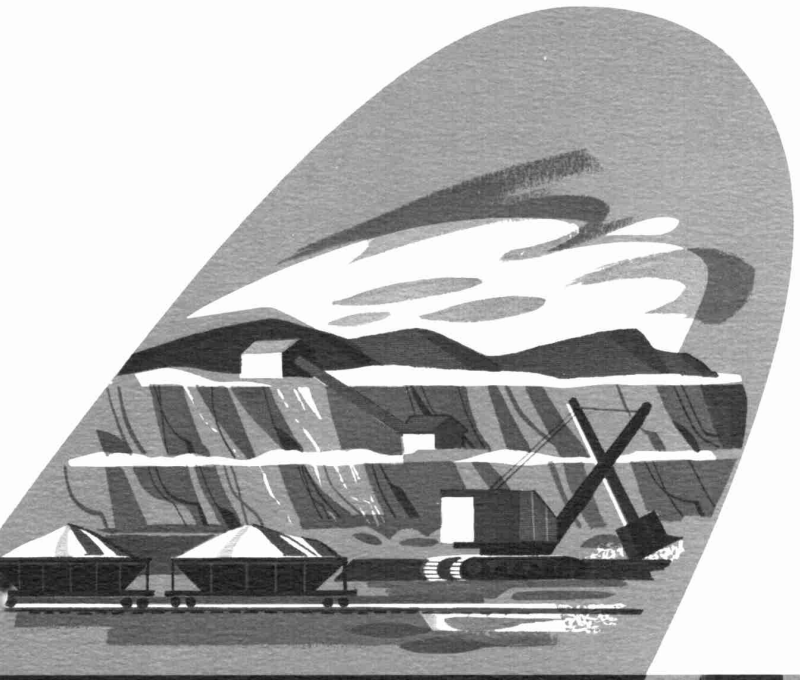
D. L. Nelson, *Manager, New Products Development*

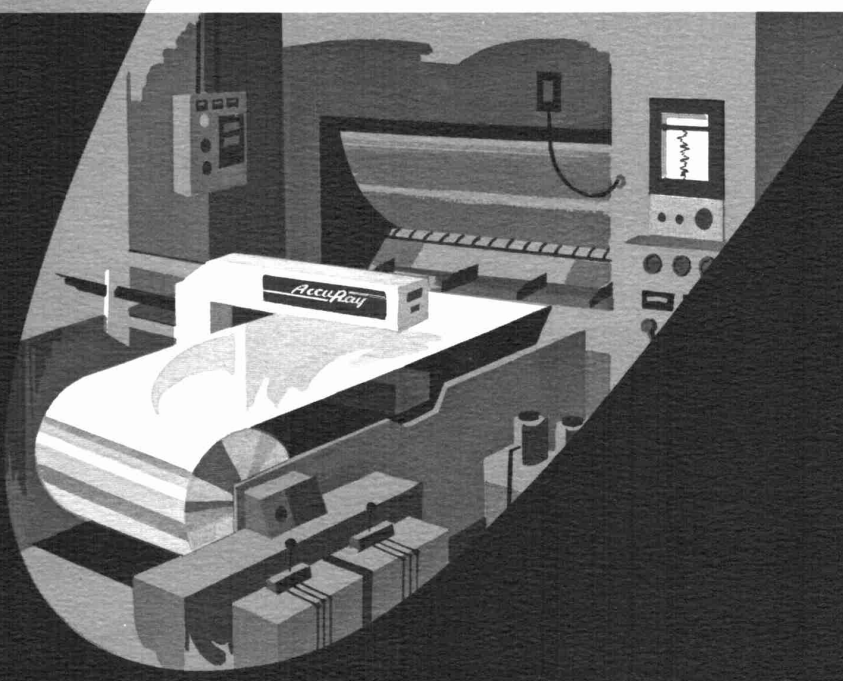
J. E. Reider, *Manager, Administration*

THE CONTROLLED UTILIZATION OF RAW MATERIALS

Industrial Nucleonics' customers can frequently realize annual savings of several times the purchase price as a direct result of an AccuRay installation! Precision on-line measurement and automatic control systems are custom engineered by Industrial Nucleonics to make such savings possible. The following twenty pages are part of a new brochure which describes the dedication of the company to insure that each customer obtains maximum results year after year.

THE CONTROLLED UTILIZATION OF RAW MATERIALS





through use of continuous on-line analytical AccuRay® systems

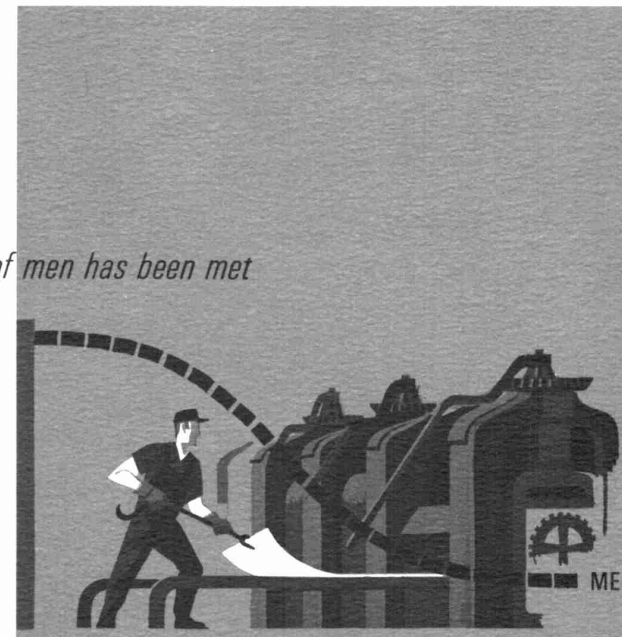
Not a full lifetime has passed since the output of a steel rolling mill was only one ton an hour, and the work so difficult that four-men crews took 15-minute turns at the wheel. Despite the low wages of the time, long hours made labor the most costly item in the production of steel —and in the production of paper, rubber, petroleum and virtually every other product needed by a growing nation.

Today, the challenge of increasing the productivity of men has been met and mastered by industry.

Man's effort, as a part of product cost, has been constantly and successfully reduced.

Hands have been replaced by machines, and muscles by motors. The boredom and drudgery of constant attention have been eased by controllers and computers.

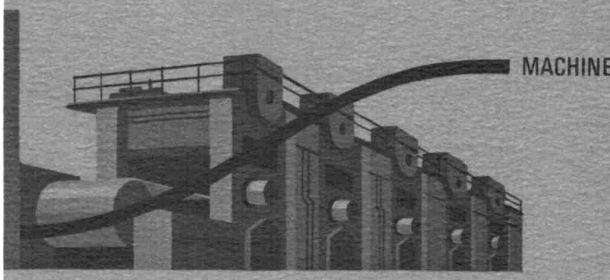
The machines of production, in shouldering more and more of the load from men, have become increasingly complex and costly. But they have also become faster and more efficient.



Greater speed and improved performance have kept machines' part of total product cost at a minimum.

With machines, throughput has increased a thousand fold. This phase of the industrial revolution, man's use of machines to produce more with less effort, has provided a higher standard of living for all.

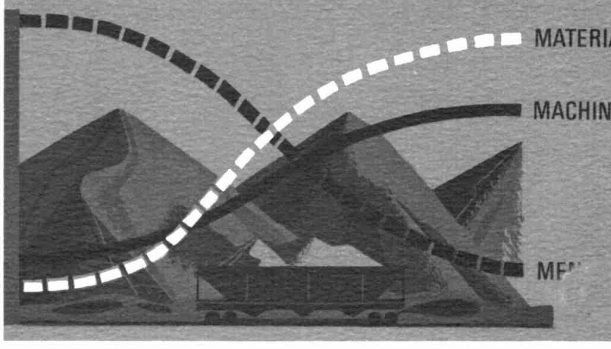
Now there's a new challenge for industry to meet.



The cost of raw materials has emerged as the largest item of expense for approximately 60% of American industry

For this segment of industry, raw materials account for more than half the cost of doing business. Consider many cases in the industrial economy, rolling strip steel for one. Here the finishing operation has a throughput value of such magnitude that a one per cent material saving exceeds the entire payroll for the operation.

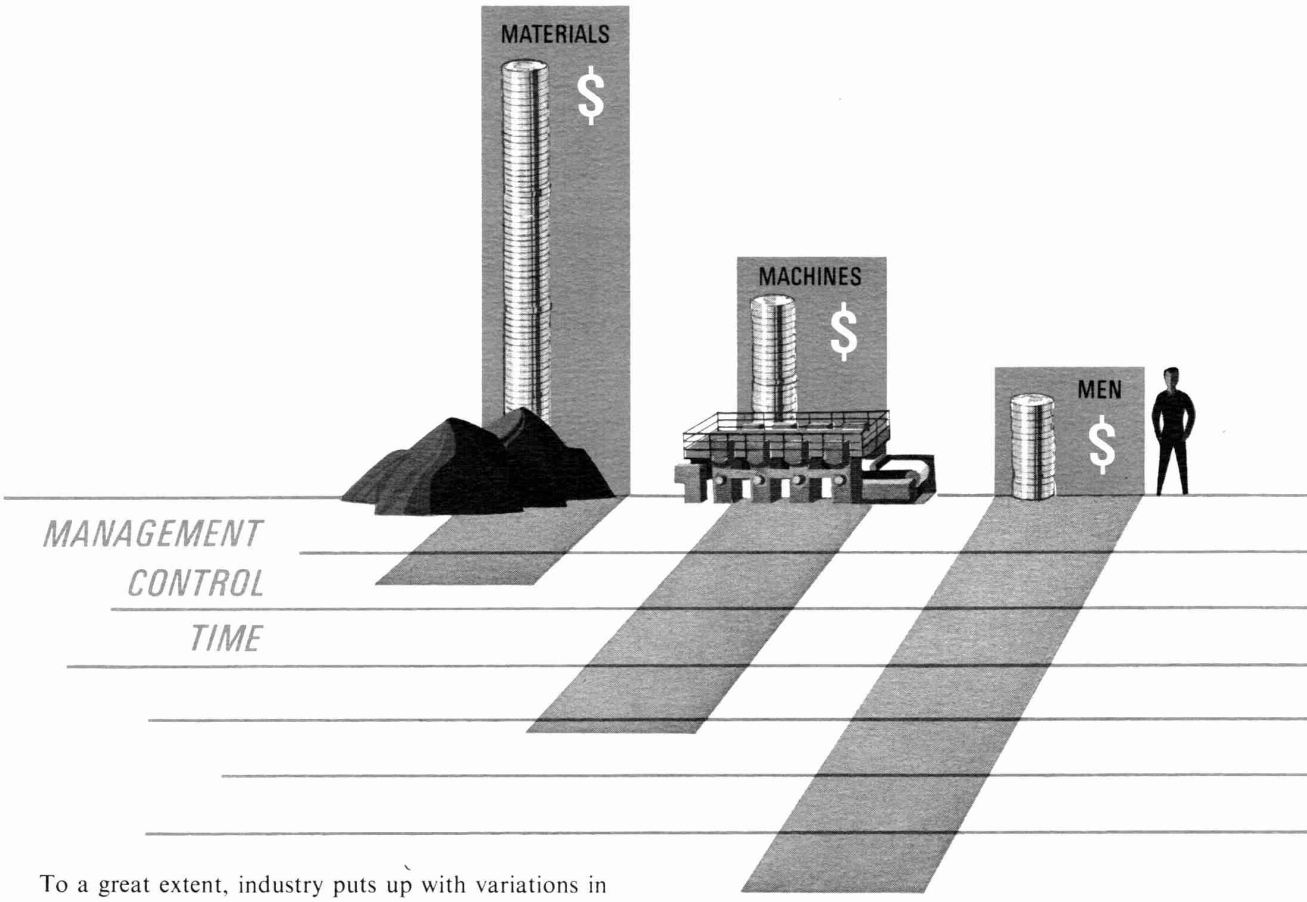
Better utilization of raw materials offers a challenge, an area of economic benefit that promises to exceed any dollar savings achieved through further reduction in labor or further increase in machine output.



Somewhat of a paradox then is where managers of industry spend a large portion of their time.

Big blocks of time are required and are spent to solve socio-economic problems and meet responsibilities concerned with labor. Spending for machines is thoroughly budgeted and closely managed. Capital equipment is evaluated to a fine point of economic justification and management retains total control of authorization for purchase. But a limited amount of control is exercised over improved utilization of raw materials which, for more than half of American industry, is the largest item in cost of manufacturing.

Comparatively little effort is devoted to better utilization of materials.



To a great extent, industry puts up with variations in its products as long as they're within the tolerances accepted by the market. Yet any improvement in uniformity — whether in water content of apple sauce, the thickness of extruded film, or the amount of zinc coating on galvanized steel—is reflected as a bonus yield for the manufacturer from the raw material. And the bonus is substantial.

Controlled utilization of raw materials is the most exciting economic opportunity available to industry today.

Why does such an important area of production cost receive so little attention?

Why has this area of economic opportunity been so long neglected by industry and the suppliers of industry's tools?

The answer is simple. Controlling the utilization of raw materials is not an easy job.

Unlike environmental measurement—where flow, pressure or temperature is determined—the requirement is analytical in nature. Measurement of the product itself—its weight, composition, moisture, thickness or formation—is needed.

Conventionally, analytical measurement has been and still is mostly a matter of sampling. But this technique is no longer adequate for today's high-speed machines. For example, a papermaker, depending upon sampling, must at intervals tear out a piece of his product and take it to a laboratory or test station for analysis before a judgement can be made and an action taken. Working with machines turning out product at 1000 or 2000 or even 3000 feet per minute, this is at best too little control based upon too little information.

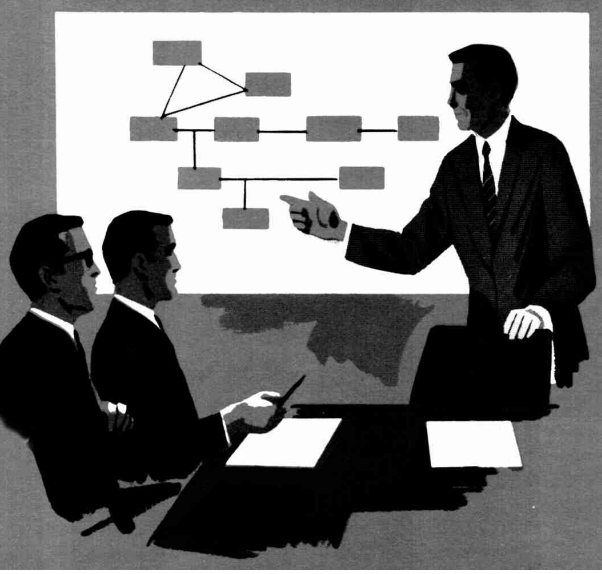
The product must be measured and controlled while it is being made.

To provide both immediate and continuous information, analytical instrumentation must operate on the machine rather than in the lab. And the instrumentation must deliver this information accurately and reliably around the clock, week after week, year in and year out.

To provide the complex tools to meet the stringent and ever-changing needs of industry requires continual advancement in the hardware of instrumentation, new developments that are high in research and development costs, and constant forcing of the state of the art of measurement and control technology.

It requires custom design and custom manufacture of the hardware. And it requires unique "software" techniques—from analysis of the results available because of improved materials control, to obtaining and maintaining these results for industry.

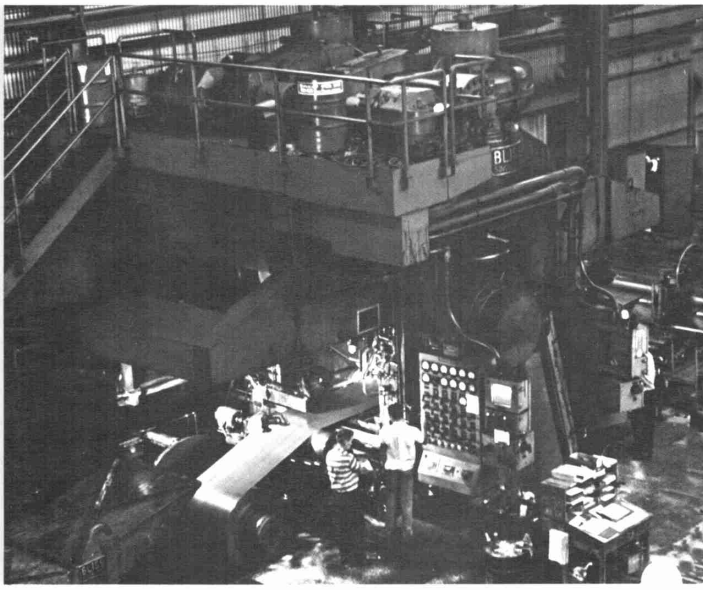
This then is the dedication of Industrial Nucleonics—



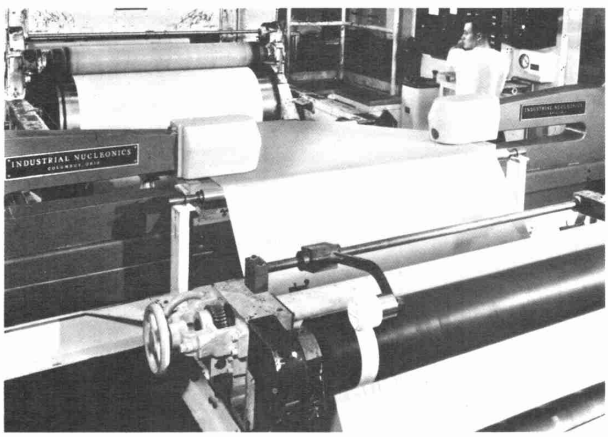
to provide industry with the tools and techniques to take advantage of the great economic opportunity offered by the controlled utilization of raw materials.

AccuRay® SYSTEMS

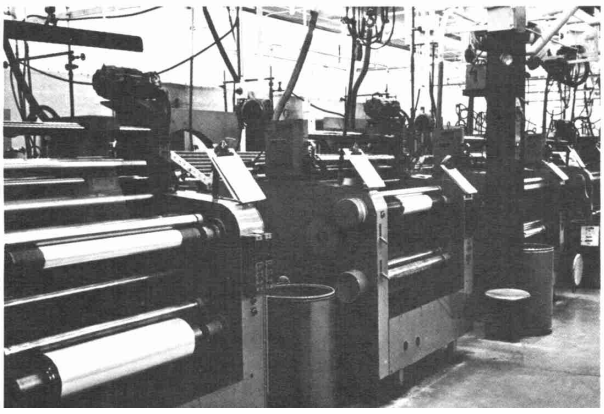
PROVIDE THE SENSORS AND AUTOMATIC CONTROL TO IMPROVE UTILIZATION OF MATERIALS



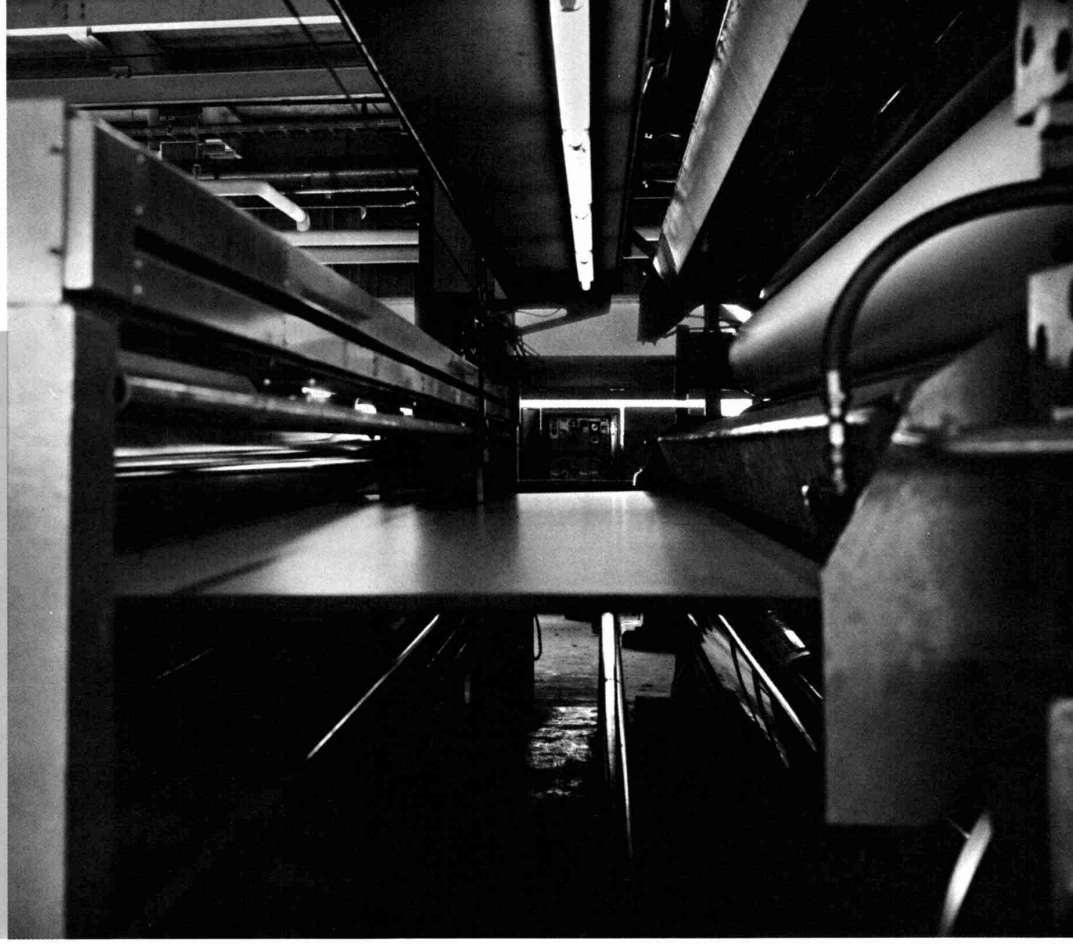
THICKNESS OF STRIP STEEL is held to close tolerances in a reversing mill automatically controlled by an AccuRay system. Similar systems are on the job controlling thickness of stainless, aluminum, titanium, brass and other metals—often to tolerances better than one per cent of specification.



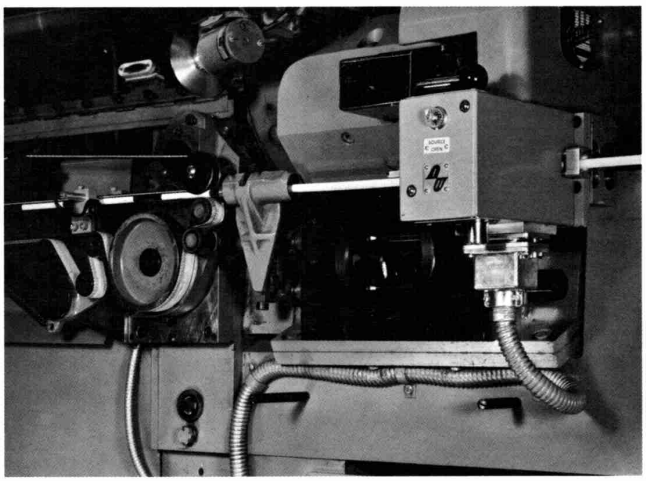
THICKNESS VARIATIONS, from both edges of a plastic sheet, are reduced in a high-speed calender controlled by dual AccuRay systems. AccuRay systems also measure and automatically control thickness of rubber applied to the top and bottom of fabric during the tire-making process.



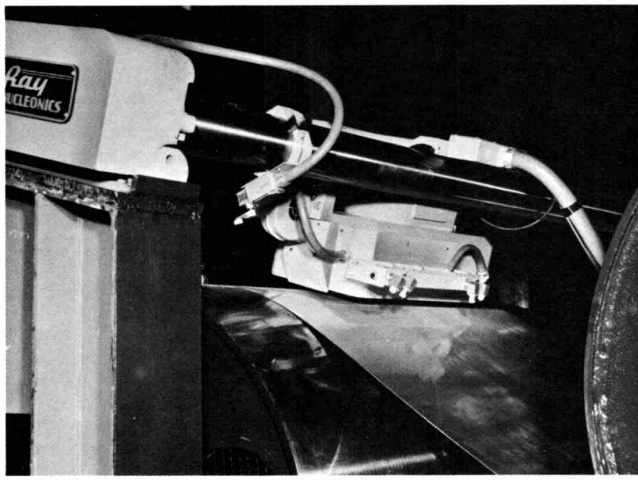
THICKNESS OF PACKAGING FILM is measured and controlled by a major manufacturer with 26 AccuRay systems. These systems are typical of those used during extrusion of polypropylene, cellophane and other film.



BASIS WEIGHT, MOISTURE CONTENT AND TEMPERATURE of paper are accurately determined and continuously controlled by AccuRay instrumentation. More than 350 paper manufacturing and converting operations now use Industrial Nucleonics instrumentation to analyze profile and measure machine-direction variations.



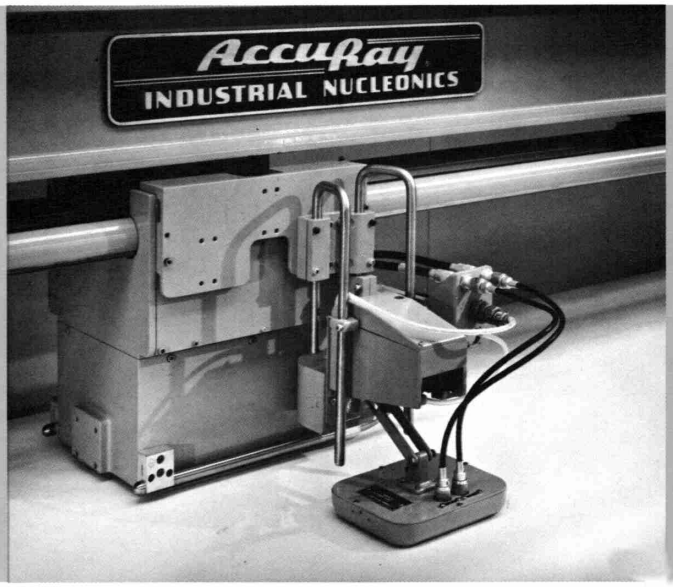
DENSITY OF CIGARETTE ROD is measured by an AccuRay system before the rod is cut into individual cigarettes. Such systems, providing high-speed measurement with automatic control, prevent production of over- or under-weight cigarettes.



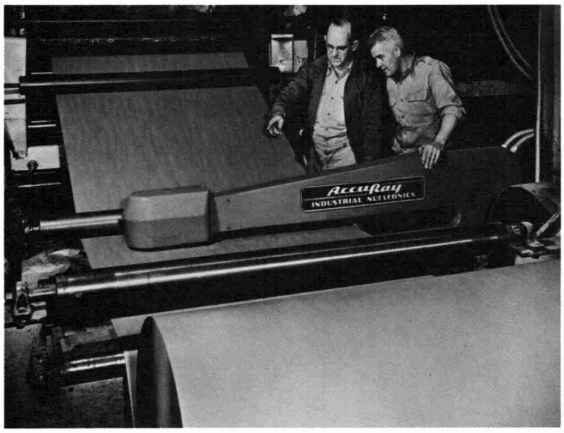
WEIGHT OF THE ZINC COATING, both top and bottom, on steel is measured by an AccuRay system. It provides the control to reduce zinc use, yet prevents undercoating. Documented material savings, due to use of AccuRay systems on galvanizing lines, often run about five per cent. With throughput of a single line in the millions of dollars, this saving can substantially contribute to profit.

AccuRay®
SYSTEMS

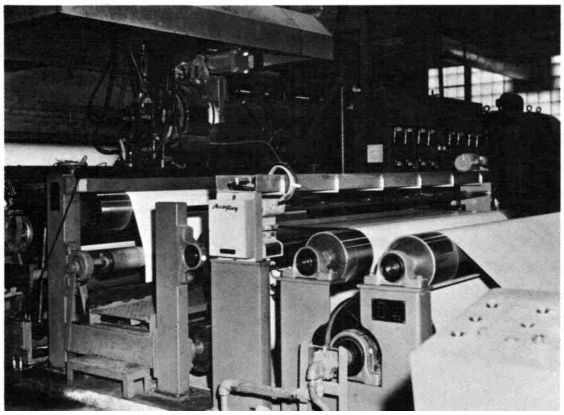
INCREASE QUALITY AND QUANTITY OF THROUGHPUT IN THOUSANDS OF INSTALLATIONS



MOISTURE CONTENT of paper sheet is continuously analyzed by an AccuRay MOISTRON* system. This multiple-frequency system provides the most accurate and reliable measurement of sheet moisture available to the paper industry today. The measurement is independent of sheet weight, temperature and probe contact pressure.

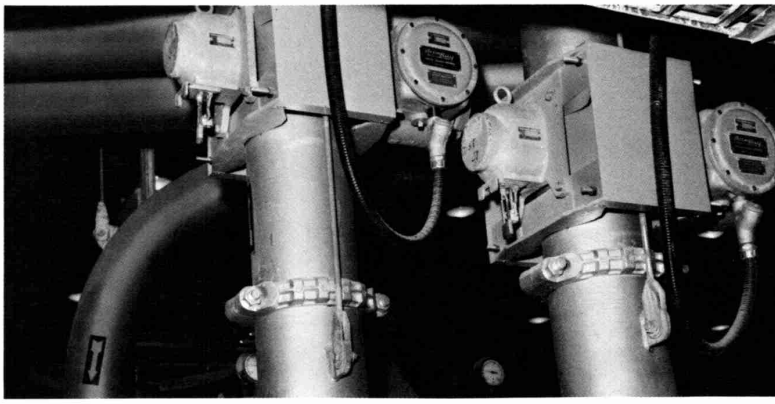


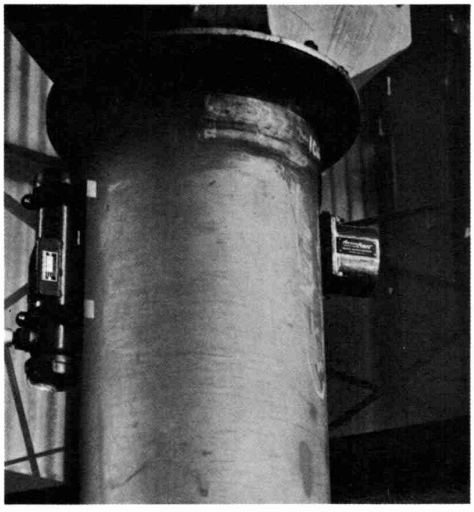
AMOUNT OF ADHESIVE being applied during the manufacture of gummed tape is measured and controlled by an AccuRay system. This product, table-top laminates, label paper and many other products require both before and after measurement for control during the coating, the saturation or impregnation process. Continuous measurement coupled with special-purpose difference, summation and ratio computers provide the data needed for close control of such processes.



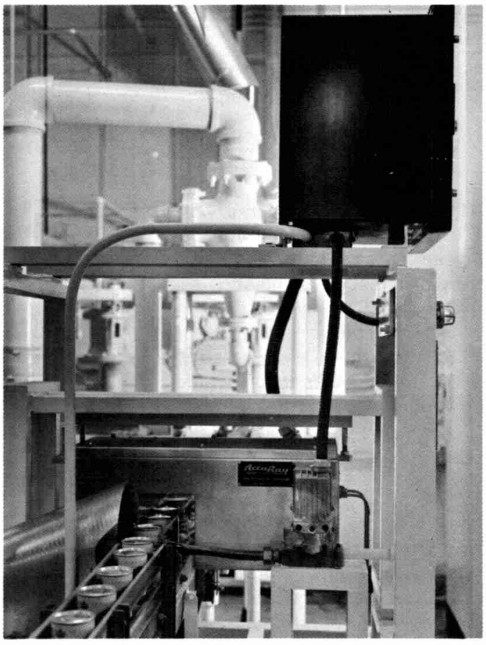
VERY THIN COATINGS OF POLYETHYLENE, applied to both sides of milk carton stock, are measured by an AccuRay system for operator control of the extruder. Plastic coating and laminating, with AccuRay instrumentation providing measurement and control, are helping to produce many of the new packaging materials constantly being developed for changing consumer habits.

DENSITY gauges provide the information necessary to control several important steps in the making of paper. Applications within the paper industry include black liquor concentration, coating solids make-up, underflow thickener control and lime-kiln filter feed determination. The density measurement is made by transmitting radiation through a pipe, without contacting the product stream. Measurement accuracies to the order of 0.001 specific gravity units are common.





LEVEL measurement system is used to detect voids or "rat holes" in a coal-feed supply to a boiler. Other AccuRay level systems are at work on blast furnaces, polymerizing reactors, cement coolers and other industrial equipment where reliable measurements must be made under difficult operating conditions. For example, molten glass level is controlled to ±0.01 of an inch.

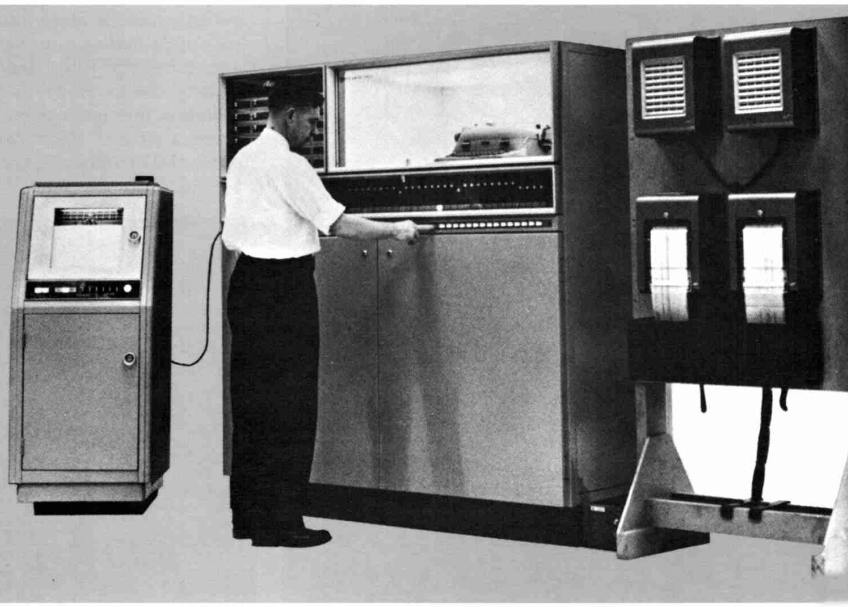


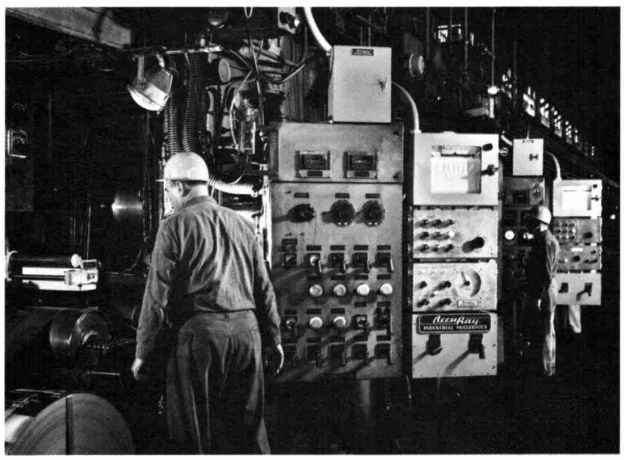
INSPECTION of soft drink, and rejection of cans that are underfilled, is accomplished by an AccuRay system. Similar systems are used to measure contents of varied cans, bottles, boxes and plastic containers—inspecting to 1000 units per minute and holding levels to ±1/64 of an inch.

AccuRay®
SYSTEMS

KEEP PACE WITH THE RAPIDLY-ADVANCING TECHNOLOGICAL REQUIREMENTS OF INDUSTRY

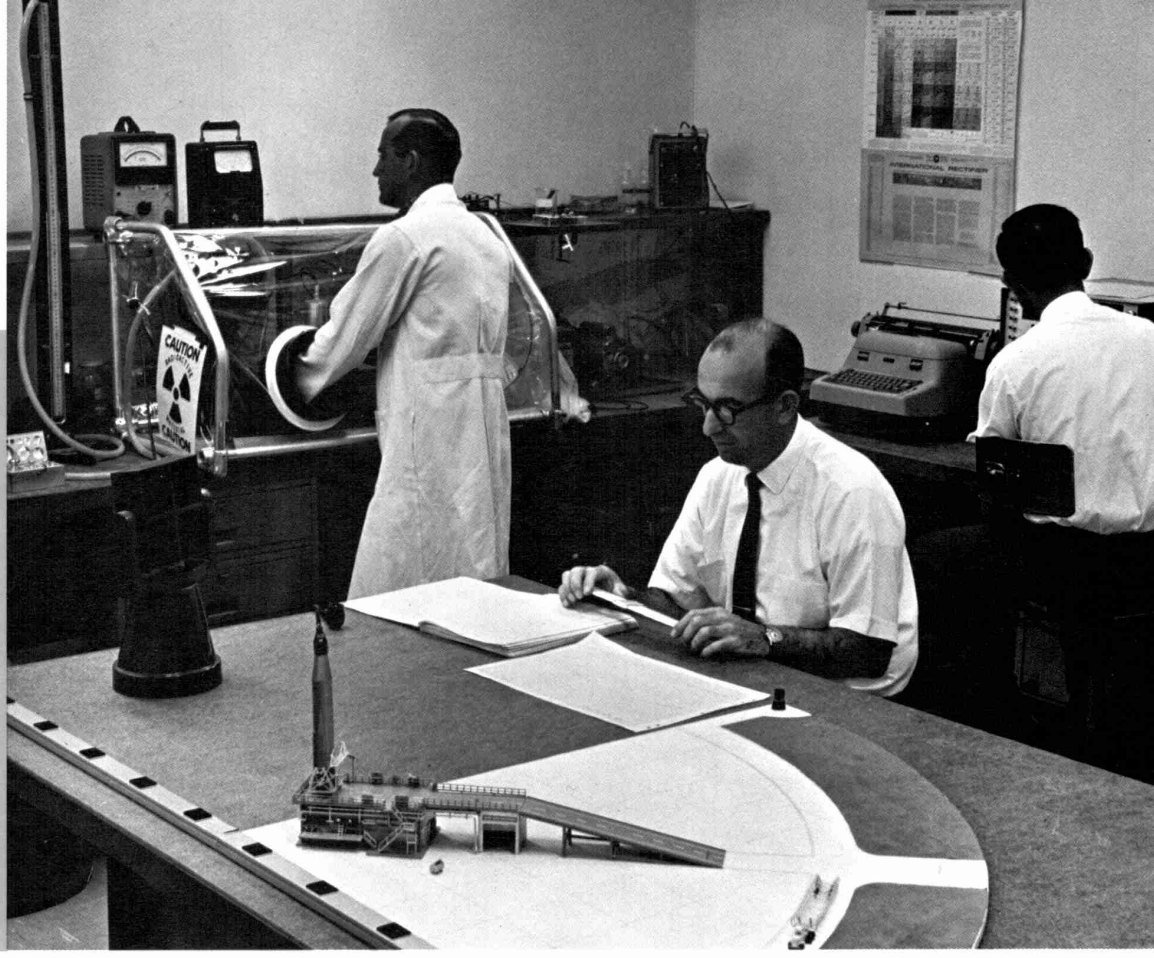
COMPUTATION SYSTEMS, such as the AccuRay quality control center, refine raw process information, making it more useful to the operator. In this case, the QCC scans 30 installations in a processing plant. It continually computes variance and mean, statistical measurements of product quality. Both measurements are logged by an electric typewriter, providing the processor with a written warning of excessive changes in product quality. AccuRay on-line analog computers provide summation, difference, average and ratio data from raw process information.





AUTOMATIC CONTROL SYSTEM for a tandem rolling mill was built first by Industrial Nucleonics. At present, IN supplies automatic control systems for paper machines, plastics extruders and laminators, coating lines, cigarette-making machines, and tire-fabric calenders as well as metals rolling mills. Some of these automatic control systems were the first to include continuous on-line computer-control techniques.

DATA PRESENTATION DEVICES, like the X-Y profile recorder, have been improved and developed by Industrial Nucleonics to provide more usable information for better operator control of a process. Among IN's innovations are target retrace, target identification, integrated scan averages, multiple input X-Y recording and gauge-position location. Many of these innovations have already found widespread acceptance in industry.

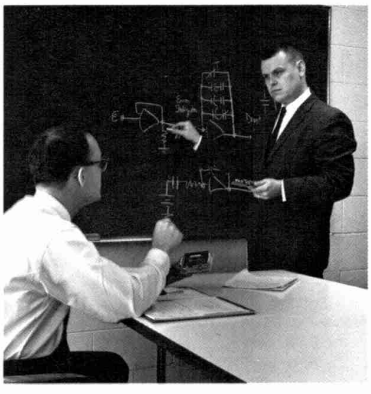


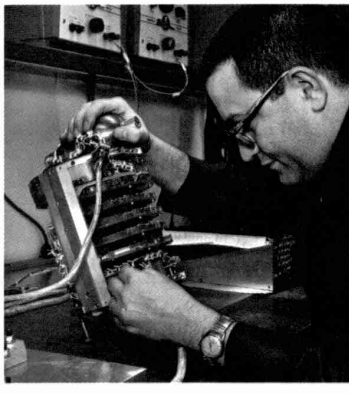
THE NEW-PRODUCT CAPABILITY of Industrial Nucleonics is continually being advanced by expansion of laboratory facilities, and by additions to an already large and competent staff of scientists and engineers.

These facilities and the technical abilities of the IN new product group are being utilized in exploration of the electromagnetic spectrum, in extension of knowledge about the beta particle and in probing deeper into gamma radiation.

The missions undertaken by task-force teams of scientific personnel are aimed at creation of new products and techniques to meet the complex needs of industry. IN laboratory facilities include equipment to analyze process variations to develop and optimize single and multi-variable control systems.

The missions are also aimed at meeting military and space challenges as they develop—such as the requirement for miniaturized electronic circuitry in the space-qualified unit shown at lower right.

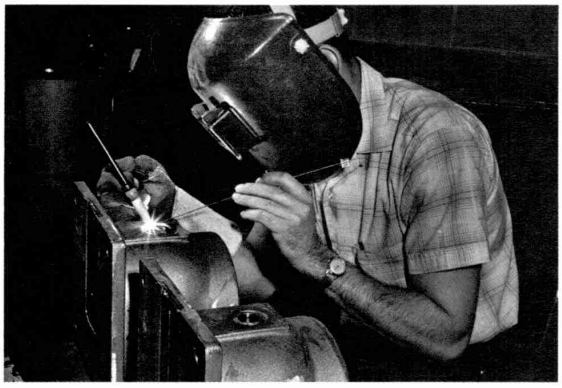




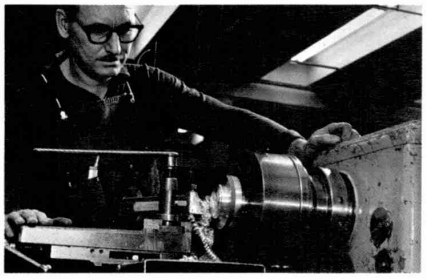
AccuRay®
SYSTEMS

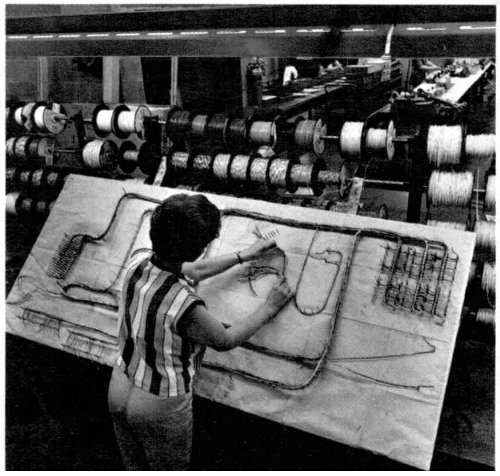
ARE CUSTOM DESIGNED AND MANUFACTURED TO MEET SPECIFIC INDUSTRIAL NEEDS

CUSTOM ENGINEERING is the first step in manufacturing a system to do the measurement and control job required by the industrial user.

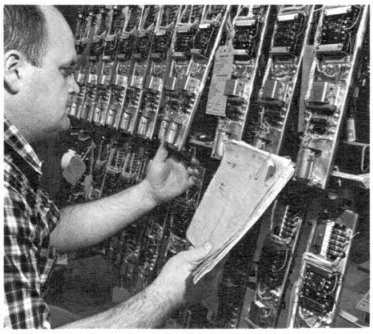


MANUFACTURING KNOW-HOW, gained by Industrial Nucleonics during the production of several thousand systems, is then put to work in fabricating the metal parts and assembling the electronic components that complete the custom-designed system. IN's manufacturing know-how, coupled with sound service and maintenance of systems in use, is responsible for this rather remarkable record: 97% of all AccuRay systems ever built are still in use.

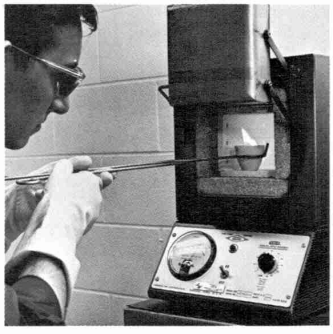


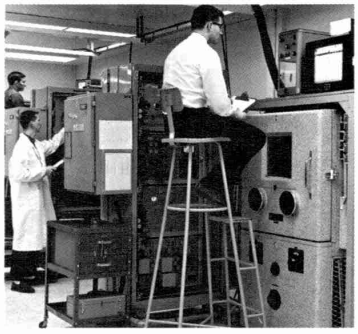


IN FINAL ASSEMBLY AND TEST, each AccuRay system undergoes a vigorous operational test.

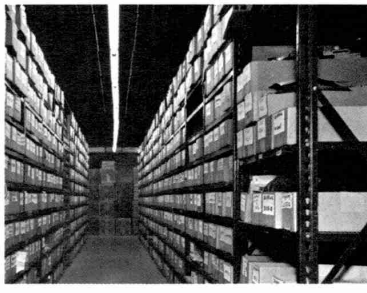


QUALITY IS CONTROLLED at every step in the manufacture of an AccuRay system. Parts and components are subject to statistical quality-control sampling. During assembly of the system, tests and inspections are carried out at every stage of manufacture. As an example of how reliability is built into an AccuRay system, every soldered joint is checked both mechanically and electrically.





CALIBRATION of AccuRay systems is carried out prior to their shipment to the customer. Later, in the customer's plant, calibration and correlation are part of the system installation program.



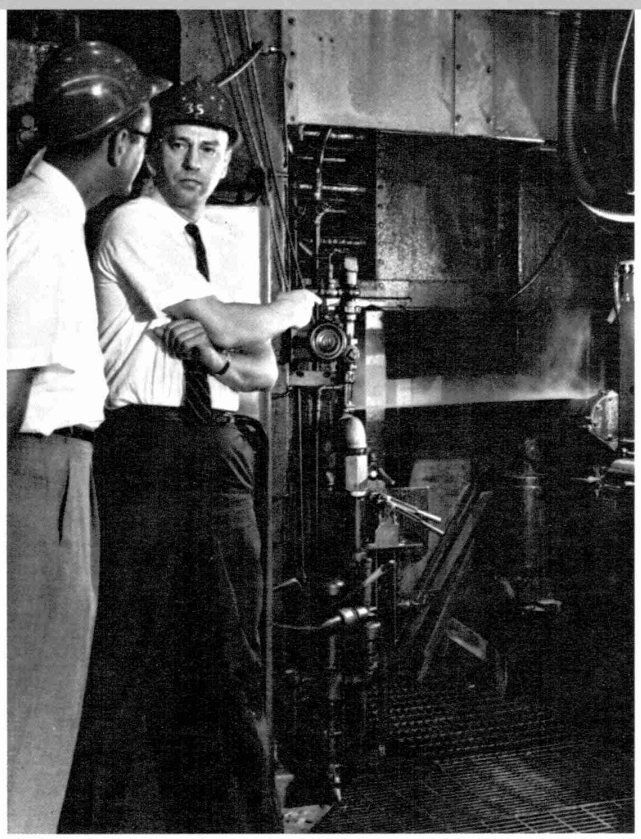
A LARGE INVENTORY, some 7000 types of spare parts, is maintained at all times by IN to speed fulfillment of customer orders.

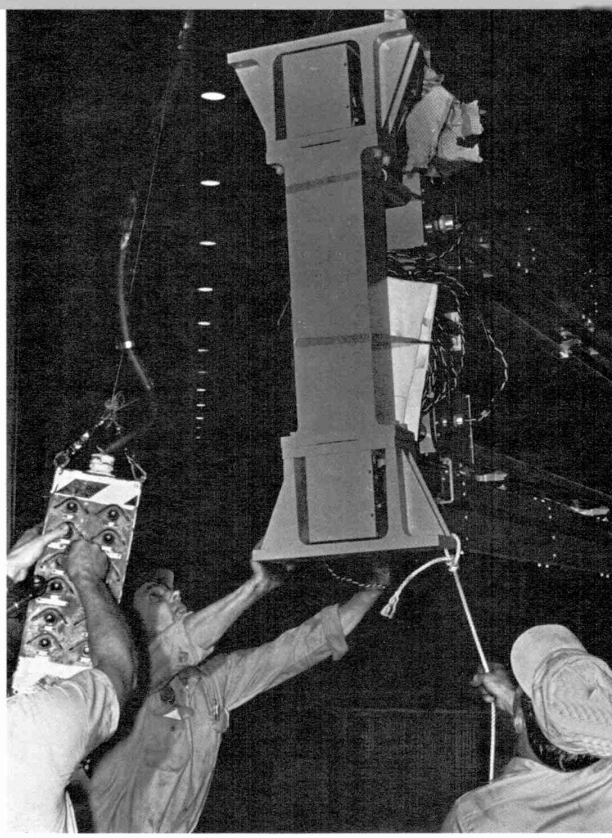
AccuRay® SYSTEMS

ARE BACKED BY MARKETING PROGRAMS AND SERVICE WHICH GUARANTEE RESULTS

RESULTS ANALYSIS is the first step in guaranteeing the success of a measurement and control system. It is a study of the industrial process to determine what can be accomplished, what can be expected. This study, whether of short or long duration, informal or formal in nature, is carried out jointly between the customer and the AccuRay sales engineer. The study includes an examination of process parameters to determine the feasibility and accuracy of the measurement required. It also includes an estimate of results obtainable through analytical measurement in terms of process improvement and tangible economics.

RESULTS ASSURANCE. The customer is assured of obtaining the predicted results by a careful review of the process by an experienced application engineering group, the custom design and manufacture of the measurement system and then the proper installation of the instrumentation. Supervised by an AccuRay installation engineer, the system is carefully installed on the customer's machine. System calibration and performance are thoroughly checked. Operating and maintenance instructions and training are provided for personnel who will operate and maintain the AccuRay system.



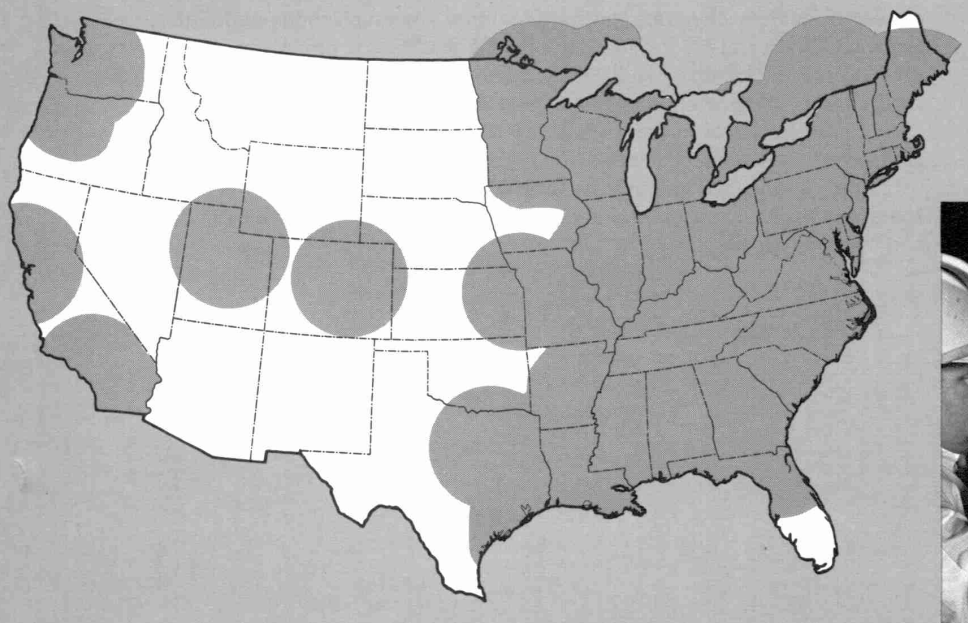


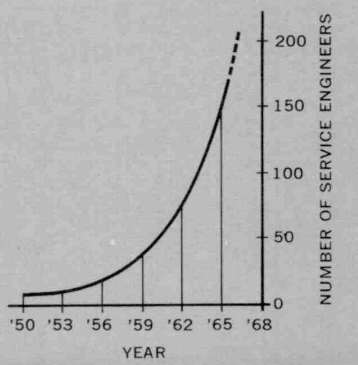
RESULTS ACHIEVEMENT. After installation of the instrumentation, an AccuRay systems engineer is assigned responsibility for fitting the new system into the user's operation. The system engineer must not only help to develop interest and confidence in the system on the part of customer personnel, but through "critical path" and other techniques he assists the customer in achieving the expected results in the shortest possible period of time.

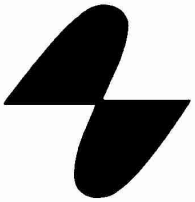
RESULTS INSURANCE. Insurance that the expected benefits will be realized by the system user is provided by Industrial Nucleonics in the form of a guarantee. The real benefits of controlling use of raw materials accrue, however, only when the initially achieved results are maintained. So in addition to the "Guaranteed Results" program which insures that the system will work satisfactorily, other IN-introduced programs like the "Five-Year Operation Guarantee" insure satisfactory in-use performance into the future.

RESULTS CONTINUANCE is realized by a conscious and concentrated effort on the part of both the customer and IN. Programs to constantly up-grade system performance, to set and meet new operating goals and to increase benefits already obtained with AccuRay systems are part of this planned effort. So system-user benefits not only continue, but they grow along with IN's increasing knowledge and experience in analytical instrumentation, and along with IN's expanding field engineering force and service capabilities.

150-MAN FIELD ORGANIZATION PROVIDES "LOCAL SERVICE" TO 90% OF INDUSTRY







Industrial Nucleonics is a growing company with a growing ability to serve.

As measured by sales, Industrial Nucleonics is doubling in size every four years.

Certainly one of the major reasons for this healthy rate of growth is a strong corporate awareness of industry's processes and needs. Virtually all of the company's management have served in the field—in positions where they've come into direct contact with companies and men in varied lines of manufacturing, where they've gained first-hand knowledge of industrial requirements.

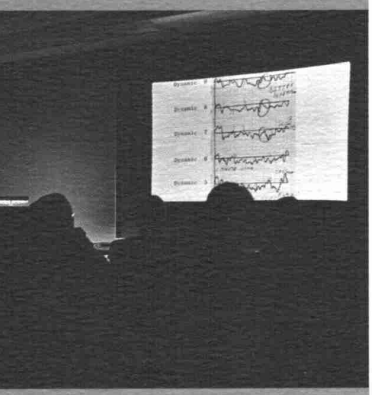
Combined with this unusual awareness of industry's needs are the expanded facilities of the company and the growing capabilities and experience of the IN staff.

The principal facilities of the company are in Columbus, Ohio. Here—in a modern complex of buildings located on a 46-acre campus-like site—are the headquarter offices, the conference rooms and fully-equipped communications center, the technical library and laboratories, and the air-conditioned production areas. Here, near The Ohio State University and Battelle Memorial Institute, has been developed an ideal atmosphere in which creative engineering can flourish.

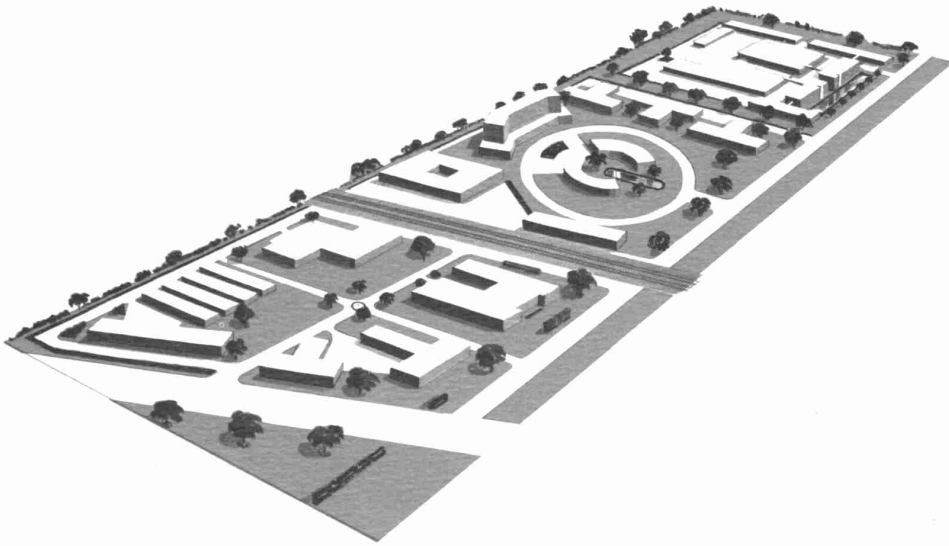
And flourish it does in the work of the 600 people, one-third of whom are graduate scientists and engineers, who represent IN's greatest strength and asset.

It's their spirit, their enthusiasm, their dedication to challenging work that makes Industrial Nucleonics a pioneer and leader in the field of process measurement and control systems.

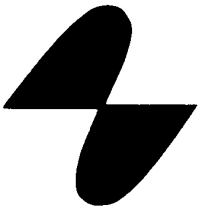
THE MODERN ENGINEERING and production facilities of Industrial Nucleonics are located on a campus-like site near The Ohio State University and Battelle Memorial Institute in Columbus, Ohio.



COMMUNICATION CENTER in IN's Columbus facilities is fully equipped to present technical information to seminar audiences ranging in size from a few to a few hundred people.



FUTURE PLANS call for continued enlargement of facilities to help meet the expanding industrial, military and space requirements of America.



This, then, is the dedication of Industrial Nucleonics.

Industry has made great achievements in increasing efficiency of manufacturing. Man's productivity has increased more than a thousand fold.

These improvements have resulted in the emergence of raw materials as the largest item of cost for much of industry.

Controlling raw materials utilization offers America her new competitive edge and presents management with its greatest single economic opportunity.

To provide industry with the tools and techniques to take full advantage of this great economic opportunity is the dedication of Industrial Nucleonics —for industry's opportunity is also ours.

W. E. Chope

W. E. Chope
President

Directors broaden background, provide guidance and strengthen the dedication of the company.

With a broad background of science, business, law, education, finance and administration, the Board of Directors of Industrial Nucleonics contributes a wealth of experience and abilities to the long range administration and guidance of company affairs.

WILBERT E. CHOPE—president and co-founder of Industrial Nucleonics Corporation—recipient of Distinguished Engineering Alumnus Award, The Ohio State University, and numerous other scientific achievement honors—holder of numerous patents—director of Lake Central Airlines and other companies—trustee of World Neighbors, Incorporated.

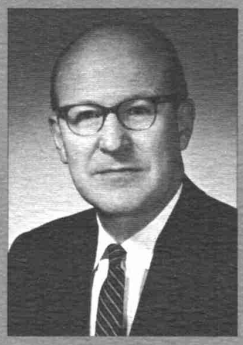
HOWARD B. BEGG—management consultant—retired president of Squier, Schilling & Skiff, distributor of industrial supplies in Newark—former vice president of Alban Corporation, investment and operating company.

JOHN A. ECKLER—partner in law firm of Bricker, Evatt, Barton, Eckler & Niehoff of Columbus—officer or committee chairman of various state and national legal associations—chairman of board of trustees of Ohio Wesleyan University—trustee of World Neighbors, Inc.

MARSHALL FIELD—prominent businessman, publisher and editor, philanthropist—chairman and director of Field Enterprises, Inc.—director of The First National Bank of Chicago and numerous other corporations—publisher and president of The Chicago Sun-Times and The Chicago Daily News—trustee of The University of Chicago, the Art Institute of Chicago and the Chicago Natural History Museum.

EDWARD McCORMICK BLAIR—managing partner of William Blair & Company, Chicago-headquartered investment banking firm—director of Lake Central Airlines, World Book Encyclopedia, and other major corporations.

ROBERT E. SWENSON—vice president of finance and treasurer of Industrial Nucleonics Corporation—prior affiliation with Hall, Penny, Jackson Company, a firm of certified public accountants—graduate of Northwestern University.



GORDON B. CARSON—educator and engineer—vice president of The Ohio State University, former dean of the college of engineering—vice president of Ohio State Research Foundation.

HENRY R. CHOPE—executive vice president and co-founder of Industrial Nucleonics Corporation—electronic and atomic scientist holding masters degrees in physics from California Institute of Technology and in engineering science from Harvard Graduate School—vice president and director of AccuRay of Canada, Ltd.—patentee in automation field.

GEORGE B. YOUNG—noted Chicago businessman and civic leader—president and director of Field Enterprises, Inc.—director of Simon & Schuster, Inc., National Boulevard Bank of Chicago and other companies—director or trustee of Community Fund of Chicago, Presbyterian-St. Luke's Hospital and The Latin School of Chicago.