

803.1, 803.2 (Items 4 + 5)

September 21, 1998

VIA TELECOPY

Janice C. Johnson, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Room 305
6th & Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Reportability of Proposed Transaction

Dear Janice:

This is a request for confirmation that Company A should use actual or estimated twelve month figures for purposes of determining reporting obligations under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a ("HSR Act") and for complying with Items 4, 5 and 8 of the HSR form. As we discussed, Company A's most recently prepared consolidated financial statements are for a fifteen month period. On Friday, September 18, 1998, you advised that if it were possible, that Company A should estimate or use actual figures representing a twelve month period derived from the fifteen month statement.

In my subsequent conversation with Company A to relay this advice, I learned that the fifteen month financial statements were prepared on a one-time basis solely to change the fiscal year end of Company A from March 31 to June 30. Previously, Company A prepared financial statements for each twelve month period ending March 31 (see attached financial statements reflecting revenues for Company A for the years ended March 31, 1997 and March 31, 1998). In the second quarter of 1998, Company A decided for business purposes to change its fiscal year to a twelve month period ending June 30. Consequently, Company A prepared interim year end financial statements dated June 30, 1998 three months after it had prepared financial statements for the fiscal year ended March 31, 1998. The June 30, 1998 financial statements were prepared by adding revenue figures for April, May and June, 1998 to the March 30, 1998 financial statements. It is the intention of Company A to prepare its next year end financial statements for the twelve month fiscal year beginning July 1, 1998 and ending June 30, 1999.

Based on your advice and on Company A's records, Company A believes that for purposes of determining reporting obligations under the HSR Act and for purposes of complying with Items 4, 5 and 8 of the HSR form, Company A should look to its most recently prepared financial

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Ms. Janice C. Johnson, Esq.
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statements that represent its intended twelve month fiscal period, i.e., the March 31, 1998 financial statements, and not to the interim financial statements prepared on June 30, 1998 that include revenues over a fifteen month period. Please confirm this interpretation at your earliest convenience.

[REDACTED] Should you have any questions regarding this request, please contact me at [REDACTED]

Very truly yours,
[REDACTED]

Enclosures

cc: Richard B. Smith, Esq., Federal Trade Commission, Room 323
[REDACTED]

Called writer on 9/22. He informed her that for letter 5, she must use the annual report for the 12-month period, and for letter 4, she can use the most recent annual report.