

Intrinsic Value Weekly

Volume 3, No. 40

Published Weekly by Intrinsic Value Associates, LLC

October 16, 2000

"Patience and Perseverance"

The violence of the moves in the market last week wasn't evident in the moves in the widely followed indexes. And the season of earnings being one of mostly disappointment among very large capitalization stocks has been offset by some degree of recovery among those stocks previously trashed such as the pharmaceuticals. And the element of a "flight to safety" movement has also emerged with spreads between the yield on US government bonds flat to down while corporate bond yields have risen. And of course the continued advance of energy stocks helped the indexes too.

But you'll notice that few of the Intrinsic Value Portfolio stocks exhibit the currently favored characteristics and thus were swept downward last week. The amazing thing is that it wasn't worse. The disappointing warning from **Home Depot (HD - NYSE)** had a modest sympathetic effect on **Lowe's (LOW - NYSE)** which had warned earlier of slowing sales trends. Because the slower growth reflected lower prices for lumber, LOW remained comfortable with extant earnings estimates and margins appear well-controlled. HD apparently was less successful at cost control and reported they expect earnings to come in well below their longer term trend growth. Both these retailers are excellent companies, and now sell well below their intrinsic values. For the patient investor, these discounts offer good expected investment returns. **Nucor (NUE - NYSE)** is expected to report earnings for its third quarter on Wednesday, October 18th. The consensus estimate is \$0.87 per share versus \$0.78 in the previous year. However, because the range of analysts' estimates is quite wide, it appears that whatever happens most analysts will be surprised. This phenomenon is usually known as "noise". And with the new Regulation FD from the SEC about to come into effect, we expect more "noise" in quarterly earnings announcements in the future as earnings guidance to analysts becomes extremely rare outside of public announcement events. With the average discount in the IVP now 39%, patience and perseverance is the best course.

Intrinsic Value Portfolio

Companies that create Intrinsic Value

Symbol	Name	Updated Valuation	10/13/2000	Intrinsic Value	Over/ (Under) Priced	Q Ratio	Weekly Price Change
HON	Honeywell Int'l Inc.	9/22/2000	\$ 34.625	\$59.52	(41.8%)	1.6	(5.1%)
BGP	Borders Group, Inc.	9/22/2000	\$ 13.375	\$29.31	(54.4%)	1.1	0.9%
BGG	Briggs & Stratton	9/22/2000	\$ 35.938	\$98.87	(63.7%)	1.3	(1.5%)
CTL	CenturyTel, Inc.	9/22/2000	\$ 31.375	\$40.74	(23.0%)	1.4	(4.9%)
DAL	Delta Air Lines, Inc.	3/6/2000	\$ 42.313	\$66.30	(36.2%)	0.7	(11.3%)
G	Gillette Company	9/14/2000	\$ 29.063	\$40.84	(28.8%)	3.5	(6.8%)
INTC	Intel Corporation	9/11/2000	\$ 40.375	\$67.55	(40.2%)	7.4	1.1%
LOW	Lowe's Companies	9/22/2000	\$ 38.813	\$56.04	(30.7%)	2.5	(4.9%)
MLHR	Herman Miller, Inc.	3/6/2000	\$ 27.063	\$46.28	(41.5%)	3.0	(12.9%)
NYT	New York Times Co.	9/22/2000	\$ 34.938	\$46.26	(24.5%)	2.6	(8.2%)
NUE	Nucor Corporation	9/22/2000	\$ 30.063	\$60.65	(50.4%)	0.9	(1.4%)
WEN	Wendy's International	9/22/2000	\$ 19.250	\$28.69	(32.9%)	1.5	(3.5%)

Average: (39.0%) Average: (4.9%)

S&P 500 (2.5%)

Bold - Outperformed the S&P 500 for the week

Value Drivers

Standard Market Statistics

Symbol	Sales					Standard Market Statistics				
	Capital Turnover	Growth Last 12M	EBIT Margin %	Return On Capital	Quarterly Sales Y/Y	Yield	PE Last 12M	Price/Book	Price/Market Cap Sales (\$billions)	Market Cap (\$billions)
HON	1.2	0.7%	13.8%	14.0%	5.9%	2.2%	17.7	3.3	1.6	27.7
BGP	1.0	13.7%	5.7%	10.9%	10.9%	0.0%	11.4	1.3	0.3	1.0
BGG	2.2	5.9%	12.9%	30.5%	(9.2%)	3.3%	6.3	2.0	0.5	0.8
CTL	0.4	2.0%	30.3%	11.1%	1.5%	0.6%	16.5	2.1	2.6	4.4
DAL	0.8	8.0%	11.6%	10.0%	12.9%	0.2%	4.3	1.4	0.3	5.2
G	0.9	(0.1%)	21.3%	14.5%	2.0%	2.2%	26.2	9.9	3.2	30.6
INTC	0.9	12.9%	34.6%	24.3%	23.0%	0.2%	29.5	8.5	8.5	271.1
LOW	2.2	18.9%	7.4%	11.1%	18.7%	0.4%	21.9	3.7	0.9	14.9
MLHR	1.9	11.2%	12.1%	17.6%	11.4%	0.5%	18.1	8.5	1.1	2.1
NYT	1.1	12.0%	18.7%	13.1%	13.6%	1.3%	19.3	4.7	1.8	5.9
NUE	1.4	20.1%	9.3%	14.4%	21.7%	2.0%	7.9	1.2	0.6	2.4
WEN	0.9	9.6%	13.8%	10.2%	7.8%	1.2%	13.7	2.2	1.1	2.2

Intrinsic Value Weekly

ECONOMIC SECTOR VALUATION

<u>SECTORS</u>	<u>S&P 500</u>	<u>S&P MIDCAP</u>	<u>S&P SMALL CAP</u>
BASIC INDUSTRY	(25.6%)	(37.7%)	(19.3%)
CONSUMER CYCLICALS	(38.3%)	(26.7%)	(18.4%)
CONSUMER STAPLES	(10.5%)	(26.7%)	(9.6%)
HEALTH	(23.7%)	20.3%	19.4%
ENERGY	21.1%	121.2%	72.1%
FINANCIAL	(14.7%)	(32.0%)	(28.4%)
CAPITAL GOODS	(14.4%)	(4.1%)	(3.4%)
TECHNOLOGY	(15.2%)	(4.9%)	4.0%
COMMUNICATIONS	(31.1%)	40.4%	(44.5%) *
UTILITY	10.5%	(12.1%)	(19.6%)
TRANSPORTATION	(42.0%)	(24.7%)	(19.5%)
Weighted Total:	(15.3%)	(0.7%)	(2.3%)

RED - Overvalued

BLUE - (Undervalued)

Bold - outperformed the relevant index

WEEKLY PRICE CHANGE

<u>SECTORS</u>	<u>S&P 500</u>		<u>S&P MIDCAP</u>		<u>S&P SMALL CAP</u>	
	Weight	Price	Weight	Price	Weight	Price
prices as of 10/13/2000	% of Total	% Change	% of Total	% Change	% of Total	% Change
BASIC INDUSTRY	1.8%	(5.9%)	3.6%	(0.1%)	3.5%	(0.4%)
CONSUMER CYCLICALS	6.5%	(6.6%)	12.3%	(0.3%)	17.5%	(3.0%)
CONSUMER STAPLES	10.5%	(3.2%)	7.0%	(2.0%)	8.5%	0.6%
HEALTH	11.9%	0.8%	13.7%	(1.3%)	13.5%	(0.3%)
ENERGY	6.2%	2.6%	7.5%	3.3%	6.1%	7.3%
FINANCIAL	15.1%	(5.0%)	11.6%	(3.9%)	12.1%	(5.1%)
CAPITAL GOODS	8.8%	(3.1%)	7.1%	(3.2%)	14.0%	(0.2%)
TECHNOLOGY	29.1%	(5.5%)	23.9%	(4.1%)	18.0%	1.8%
COMMUNICATIONS	6.1%	(6.0%)	1.6%	(2.3%)	0.3%	17.3% *
UTILITY	3.3%	1.3%	10.2%	(4.7%)	3.7%	3.6%
TRANSPORTATION	0.6%	(5.7%)	1.4%	1.0%	2.9%	(4.0%)
Index Total:		(2.5%)		(2.3%)		(0.4%)

* Sector contains only 3 companies

Weekly price changes may not match prior issues due to changes in composition of sectors.

Sector Comments: Large and Mid Cap Technology swooned again last week. The process of becoming under valued is not pretty or fun. You will notice that these sectors are not nearly as under-valued as other yet. So, more could be in store before a trough is reached. With earnings disappointments now in full roar, each week brings a new slate. Last week it was communications and chips. Microsoft reports this week, so stay tuned. When the largest cap stocks catch cold, the small caps sometimes get pneumonia. Though last week, Small Cap Technology rose. We haven't highlighted these sturdy names for a while, so we show their value drivers on Page 3 this week. You should note that the sector is still somewhat over-valued in the market though. On the other hand, the sector has shrunk greatly as a percent of its index over the past 6 months.

Energy Stocks soared last week as crude oil and various fuel prices made new highs. We've rarely seen a sector continue to shrink through consolidation and layoffs when its growth prospects were improving. Perhaps the managers of energy companies know more than the markets about the sector's fundamental prospects. We have seen Energy over-valued before, but the long run investment returns look quite dismal still and a break in Middle East tensions could come at any time. We'd counsel caution. Transportation stocks look uniformly under-valued though and provide a good hedge to any positions you might have in Energy.

(\$millions)	Large Capitalization		Mid-Cap Capitalization		Small-Cap Capitalization	
	\$ 12,020,828	90.6%	\$887,761	6.7%	\$ 353,424	2.7%

Intrinsic Value Weekly

Small Cap Tech has held up well, so far.

Page 3

Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
ACTEL CORP	ACTL	\$767	33.5%	32.1	16.43	14.3	20.5	4.5	25.7	15.52	0.0%
ADAPTIVE BROADBAND CORP	ADAP	\$598	@NC	15.9	(15.37)	(116.9)	(24.4)	4.8	(24.9)	(14.45)	0.0%
AEROFLEX INC	ARXX	\$1,835	15.1%	52.8	9.81	13.4	101.3	8.4	78.5	10.66	0.0%
ALLEN TELECOM INC	ALN	\$407	14.1%	14.6	(5.48)	0.5	(564.6)	2.0	24.3	0.34	0.0%
ALLIANCE SEMICONDUCTOR C	ALSC	\$745	167.7%	18.1	0.11	14.5	1.3	0.9	1.2	1.92	0.0%
ALPHA INDUSTRIES INC	AHAA	\$1,198	69.9%	28.0	12.98	18.6	49.4	6.0	32.6	20.66	0.0%
AMERICAN MANAGEMENT SYS	AMSY	\$698	4.2%	16.8	40.96	9.2	10.5	2.3	9.9	21.59	0.0%
ANALOGIC CORP	ALOG	\$450	8.3%	35.0	8.87	3.6	39.2	1.8	14.3	3.36	0.8%
ANALYSTS INTERNATIONAL CC	ANLY	\$141	-10.5%	6.3	8.34	3.7	16.8	1.6	9.0	6.31	6.4%
ANIXTER INTL INC	AXE	\$854	37.5%	23.0	(2.01)	2.5	11.8	2.3	8.6	5.86	0.0%
ASPECT COMMUNICATIONS CC	ASPT	\$1,088	23.4%	21.1	(20.77)	(8.7)	(93.8)	3.1	(180.7)	(6.20)	0.0%
ASPEN TECHNOLOGY INC	AZPN	\$1,013	46.1%	35.1	4.14	9.2	237.5	7.7	46.5	6.13	0.0%
AUDIOVOX CORP -CL A	VOXX	\$252	58.5%	11.9	12.81	2.3	9.2	1.4	7.6	8.47	0.0%
AUSPEX SYSTEMS INC	ASPX	\$324	-53.8%	10.8	(31.97)	(75.4)	(4.2)	31.2	(4.5)	(102.73)	0.0%
AVANT CORP	AVNT	\$665	19.1%	17.1	36.74	30.5	10.2	2.3	8.6	33.51	0.0%
AVID TECHNOLOGY INC	AVID	\$372	3.1%	14.8	(59.91)	(17.5)	(2.2)	2.0	(10.3)	(16.54)	0.0%
AVT CORP	AVTC	\$166	-20.8%	5.4	16.72	25.2	9.8	1.6	7.2	39.62	0.0%
AWARE INC	AWRE	\$798	52.8%	35.4	3.44	23.8	104.1	15.9	116.4	10.60	0.0%
AXT INC	AXTI	\$630	39.3%	33.3	(1.44)	0.3	104.5	13.3	90.0	0.32	0.0%
BARRA INC	BARZ	\$901	27.8%	65.0	47.03	22.5	25.9	8.8	28.6	43.68	0.0%
BILLING CONCEPTS CORP	BILL	\$120	-16.4%	2.8	(1.06)	10.7	(4.8)	1.1	4.2	6.45	0.0%
BISYS GROUP INC	BSYS	\$2,229	13.0%	80.2	63.37	20.2	30.2	5.9	22.1	27.95	0.0%
BRIGHTPOINT INC	CELL	\$290	14.2%	5.2	(1.26)	1.6	9.5	1.8	(4.5)	4.14	0.0%
BROOKTROUT INC	BRKT	\$250	39.7%	20.9	13.20	7.0	17.0	4.6	9.1	14.55	0.0%
C-CUBE MICROSYSTEMS INC	CUBE	\$937	28.5%	19.1	25.55	17.5	34.2	2.2	10.7	20.92	0.0%
CABLE DESIGN TECH CP -CL / CDT		\$891	23.5%	20.7	20.34	10.7	18.8	4.1	16.0	13.55	0.0%
CACI INTL INC -CL A	CACI	\$230	3.7%	20.1	43.16	9.8	13.7	1.7	7.8	12.87	0.0%
CIBER INC	CBR	\$375	-19.3%	6.5	20.04	12.0	18.8	1.4	5.5	22.39	0.0%
COHERENT INC	COHR	\$982	29.9%	38.6	5.46	4.4	52.3	5.9	29.4	4.58	0.0%
COMPUTER TASK GROUP INC	TSK	\$48	-31.1%	2.9	29.42	7.1	(312.5)	0.5	2.2	28.81	1.7%
CONCORD COMMUNICATIONS	CCRD	\$125	43.2%	7.6	23.16	32.1	42.7	6.1	7.4	39.74	0.0%
DALLAS SEMICONDUCTOR CO DS		\$2,003	37.9%	33.3	25.61	25.4	23.4	3.9	16.8	21.95	0.4%
DAVOX CORP	DAVX	\$96	-2.0%	7.1	13.16	12.2	11.3	1.8	6.0	15.97	0.0%
DENDRITE INTERNATIONAL IN	DRTE	\$1,003	23.6%	25.4	14.09	20.4	39.4	10.2	41.1	19.33	0.0%
DIGI INTERNATIONAL INC	DGII	\$104	-36.7%	6.9	8.30	4.6	(16.8)	0.9	11.2	6.01	0.0%
DMC STRATEX NETWORKS INC	STXN	\$1,385	31.5%	18.9	3.82	6.2	55.4	4.4	47.8	8.74	0.0%
ELECTROGLAS INC	EGLS	\$305	98.6%	14.7	5.43	5.7	10.8	1.9	20.9	4.13	0.0%
ELOYALTY CORP	ELOY	\$483	41.0%	9.8	3.17	5.8	212.5	7.2	39.0	-	0.0%
EPICOR SOFTWARE CORP	EPIC	\$102	-13.1%	2.5	(11.37)	(11.5)	(2.1)	2.2	(2.4)	(55.20)	0.0%
EPRESENCE INC	EPRE	\$142	84.6%	6.0	(9.44)	(21.5)	3.3	1.3	4.9	(8.32)	0.0%
ESS TECHNOLOGY INC	ESST	\$572	18.4%	13.3	16.32	15.2	16.1	3.2	9.9	24.93	0.0%
EXABYTE CORP	EXBT	\$253	5.8%	11.2	(33.78)	(20.7)	(4.8)	2.1	(7.3)	(24.45)	0.0%
FACTSET RESEARCH SYSTEM	FDS	\$1,228	31.1%	37.7	19.15	29.2	47.6	15.3	42.0	43.23	0.3%
FAIR ISAAC & COMPANY INC	FIC	\$574	12.9%	39.8	30.67	11.7	21.2	3.8	11.7	16.89	0.2%
FILENET CORP	FILE	\$718	15.9%	20.9	11.11	6.8	22.2	3.9	18.4	16.94	0.0%
GENERAL SEMICONDUCTOR IN SEM		\$419	26.3%	11.1	7.11	10.5	12.3	3.4	8.2	7.96	0.0%

FOR INFORMATIONAL PURPOSES ONLY The information contained in this publication has been obtained from a variety of sources. We cannot vouch for their reliability. However, through our analysis we attempt to provide reliable information. We do not guarantee accuracy or completeness. Intrinsic Value Weekly is published solely for informational purposes and should not be construed as a solicitation to buy or sell any security. All opinions and estimates included in this report represent our judgment as of this date and are subject to change without notice. Delivery of this publication shall not, under any circumstances, create any implication that there has been no change in the information provided herein from the date of this report which is October 16, 2000. Intrinsic Value Associates, LLC or its affiliates may maintain ownership positions in any of the companies mentioned in this report

@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

Red - Warning

Bold Blue - Favorable Drivers

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC

Intrinsic Value Weekly

Small Cap Tech has held up well, so far.

Page 4

Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
GERBER SCIENTIFIC INC	GRB	\$182	-0.8%	8.3	15.14	6.5	12.1	0.7	3.5	8.02	3.9%
GREAT PLAINS SOFTWARE INC	GPSI	\$502	68.2%	28.9	2.91	3.9	(28.1)	1.9	19.5	3.32	0.0%
HELIX TECHNOLOGY CORP	HELX	\$492	79.9%	21.8	13.81	14.4	22.8	9.3	24.5	30.71	2.2%
HENRY (JACK) & ASSOCIATES	JKHY	\$2,016	54.2%	48.8	18.98	23.0	51.6	11.6	40.5	28.06	0.4%
HNC SOFTWARE INC	HNCS	\$386	20.6%	14.3	(14.35)	(3.9)	(48.7)	8.1	182.8	(2.12)	0.0%
HUTCHINSON TECH	HTCH	\$533	-17.2%	21.5	(5.96)	5.1	(6.7)	1.1	4.8	3.35	0.0%
HYPERION SOLUTIONS CORP	HYSL	\$424	32.9%	13.0	20.67	13.6	28.4	2.7	7.8	13.21	0.0%
INNOVEX INC	INVX	\$193	86.2%	13.0	8.62	12.6	(16.4)	1.9	14.0	8.84	0.0%
INTER-TEL INC -SER A	INTL	\$291	30.0%	11.0	23.99	13.2	(14.8)	1.8	7.9	24.11	0.4%
INTERVOICE-BRITE INC	INTV	\$293	-9.3%	8.9	15.51	14.4	(13.6)	3.1	(124.2)	23.18	0.0%
KENT ELECTRONICS CORP	KNT	\$521	50.2%	18.3	7.44	3.8	26.8	2.0	13.8	5.68	0.0%
KRONOS INC	KRON	\$439	1.4%	35.6	46.16	15.1	21.0	3.6	12.8	34.87	0.0%
KULICKE & SOFFA INDUSTRIES	KLIC	\$666	142.1%	13.7	(5.84)	(4.1)	7.9	2.3	(671.9)	(5.55)	0.0%
MEADE INSTRUMENTS CORP	MEAD	\$320	47.6%	19.5	10.37	9.3	23.2	7.7	23.9	27.19	0.0%
MERCURY COMPUTER SYSTEMS INC	MRCY	\$638	19.0%	29.8	22.64	23.1	23.4	5.5	21.5	31.51	0.0%
METHODE ELECTRONICS -CL	METHA	\$1,462	17.1%	40.9	20.17	11.0	50.9	5.8	29.3	16.90	0.5%
MICROS SYSTEMS INC	MCRS	\$288	-24.5%	16.6	30.96	11.7	15.7	1.6	10.5	18.54	0.0%
NATIONAL DATA CORP	NDC	\$1,082	-1.4%	32.9	43.87	15.4	39.5	3.3	12.9	15.75	0.9%
NATIONAL INSTRUMENTS CORP	NATI	\$2,029	24.8%	40.3	14.70	14.8	43.3	8.7	35.8	19.82	0.0%
NETWORK EQUIPMENT TECH INC	NWK	\$198	-30.6%	9.2	(8.87)	(2.7)	(4.6)	1.2	(10.0)	(1.92)	0.0%
NYFIX INC	NYFX	\$957	81.9%	38.8	0.69	10.6	428.2	35.7	555.5	5.57	0.0%
P-COM INC	PCOM	\$434	37.8%	5.6	(11.72)	(29.8)	(5.9)	5.0	(6.8)	(18.24)	0.0%
PERICOM SEMICONDUCTOR CORP	PSEM	\$750	89.6%	30.6	13.26	23.2	59.6	5.6	47.8	19.83	0.0%
PHOENIX TECHNOLOGIES LTD	PTEC	\$357	16.6%	13.6	8.38	10.5	53.1	3.9	47.4	10.69	0.0%
PHOTRONICS INC	PLAB	\$565	18.2%	19.1	5.23	8.9	87.2	2.5	8.9	5.21	0.0%
PINNACLE SYSTEMS INC	PCLE	\$532	34.1%	10.4	3.27	4.9	70.3	2.2	17.6	5.30	0.0%
PIONEER STANDARD ELECTRONICS CORP	PIOS	\$363	17.2%	11.5	14.20	2.8	8.4	1.3	6.7	7.39	1.0%
PLANTRONICS INC	PLT	\$1,984	34.3%	40.6	29.30	29.6	27.0	17.6	28.9	83.87	0.0%
PROGRESS SOFTWARE CORP	PRGS	\$465	-6.8%	13.0	22.53	18.1	12.9	3.4	10.0	42.35	0.0%
PROJECT SOFTWARE & DEVELOPMENT INC	PSDI	\$235	24.3%	10.8	19.83	18.8	34.9	2.8	10.4	27.25	0.0%
PROXIM INC	PROX	\$1,241	50.1%	48.6	6.07	14.1	296.7	8.2	220.8	8.83	0.0%
QRS CORP	QRSI	\$186	23.5%	12.4	26.88	19.2	(10.4)	2.0	8.2	26.73	0.0%
RADISYS CORP	RSYS	\$688	40.5%	40.4	21.13	9.0	41.8	6.2	25.2	19.60	0.0%
READ-RITE CORP	RDRT	\$492	-19.4%	7.9	(49.07)	(16.4)	(1.8)	6.6	11.3	(13.78)	0.0%
REMEDY CORP	RMDY	\$545	30.3%	17.3	17.45	16.2	16.6	2.6	12.5	16.16	0.0%
ROBOTIC VISION SYSTEMS INC	ROBV	\$181	102.4%	5.2	(6.01)	(6.1)	18.1	4.3	93.8	(6.74)	0.0%
RSA SECURITY INC	RSAS	\$2,031	29.4%	51.9	16.12	18.6	10.5	2.7	10.5	9.51	0.0%
S3 INCORPORATED	SIII	\$753	137.2%	8.2	(16.75)	(18.0)	2.1	2.1	(56.9)	(10.34)	0.0%
SAGA SYSTEMS INC	AGS	\$152	-12.1%	5.2	13.36	12.6	22.3	2.5	5.6	17.06	0.0%
SILICON VALLEY GROUP INC	SVGI	\$1,107	59.3%	32.6	(16.28)	(5.4)	27.1	1.6	46.8	(3.98)	0.0%
SPEEDFAM-IPEC INC	SFAM	\$269	48.4%	9.1	(12.83)	(5.5)	(10.6)	1.4	239.9	(3.80)	0.0%
SPSS INC	SPSS	\$234	10.4%	24.0	41.69	18.6	15.1	4.2	11.0	39.79	0.0%

FOR INFORMATIONAL PURPOSES ONLY The information contained in this publication has been obtained from a variety of sources. We cannot vouch for their reliability. However, through our analysis we attempt to provide reliable information. We do not guarantee accuracy or completeness. Intrinsic Value Weekly is published solely for informational purposes and should not be construed as a solicitation to buy or sell any security. All opinions and estimates included in this report represent our judgment as of this date and are subject to change without notice. Delivery of this publication shall not, under any circumstances, create any implication that there has been no change in the information provided herein from the date of this report which is October 16, 2000. Intrinsic Value Associates, LLC or its affiliates may maintain ownership positions in any of the companies mentioned in this report

@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

Red - Warning

Bold Blue - Favorable Drivers

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC

Intrinsic Value Weekly

Small Cap Tech has held up well, so far.

Page 5

Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
SYSTEMS & COMPUTER TECH	SCTC	\$364	-6.0%	11.2	6.47	5.7	43.9	3.0	10.9	7.64	0.0%
TELCOM SEMICONDUCTOR INC	TLCM	\$189	44.3%	10.4	7.94	14.0	15.2	5.5	9.4	17.04	0.0%
TELXON CORP	TLXN	\$273	-2.5%	15.6	(99.29)	(24.9)	1.1	1.0	1.0	(18.61)	0.1%
THQ INC	THQI	\$452	-37.1%	23.5	45.66	18.6	25.7	4.0	12.9	55.69	0.0%
TRIMBLE NAVIGATION LTD	TRMB	\$434	0.6%	18.6	12.40	7.5	15.9	5.0	15.2	13.69	0.0%
ULTRATECH STEPPER INC	UTEK	\$336	14.5%	15.9	(1.40)	(0.7)	(29.7)	1.7	84.8	(0.37)	0.0%
VERITY INC	VRTY	\$853	58.3%	25.8	12.33	26.3	32.2	6.1	22.8	21.07	0.0%
VIASAT INC	VSAT	\$359	115.0%	16.5	7.35	12.6	46.6	8.0	24.2	14.98	0.0%
VISUAL NETWORKS INC	VNWK	\$186	35.0%	6.0	8.70	15.3	(4.8)	2.8	19.6	25.86	0.0%
X-RITE INC	XRIT	\$99	7.8%	6.0	17.02	21.0	12.7	2.6	5.4	22.08	1.7%
XIRCOM INC	XIRC	\$628	16.8%	21.0	41.93	16.4	26.0	3.3	9.0	34.07	0.0%
ZEBRA TECHNOLOGIES CP -C	ZBRA	\$1,414	31.9%	46.1	36.70	19.0	20.9	4.3	18.2	23.50	0.0%

FOR INFORMATIONAL PURPOSES ONLY The information contained in this publication has been obtained from a variety of sources. We cannot vouch for their reliability. However, through our analysis we attempt to provide reliable information. We do not guarantee accuracy or completeness. Intrinsic Value Weekly is published solely for informational purposes and should not be construed as a solicitation to buy or sell any security. All opinions and estimates included in this report represent our judgment as of this date and are subject to change without notice. Delivery of this publication shall not, under any circumstances, create any implication that there has been no change in the information provided herein from the date of this report which is October 16, 2000. Intrinsic Value Associates, LLC or its affiliates may maintain ownership positions in any of the companies mentioned in this report

@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

Red - Warning

Bold Blue - Favorable Drivers

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC