

Exhibit "B"

**Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**Balance Sheet at October 25, 2002**  
**(\$ in thousands)**

**I. Statement of Assets**

	Book Value at 25-Oct-2002 (Unaudited)	Adjustments To Revise Book Value (Estimated)	Adjusted Book Value as of 25-Oct-2002 (Unaudited)	Percent Realization	Preliminary Estimated Liquidation Value @ 6-Dec-2002 (Unaudited)	Reference
<b>Assets:</b>						
<b>Current Assets:</b>						
Cash	\$ 1,512	\$ (1,512)	\$ -	100%	\$ -	Exhibit I
<b>Accounts Receivable - Trade, Less Allowances</b>						
Customer Receivables						
Current Receivables	6,277	(15)	6,262	85%	5,322	
1-30 Days Past Due	2,599		2,599	85%	2,209	
31-60 Days Past Due	665		665	75%	499	
61-90 Days Past Due	180		180	5%	9	
Over 90 Days Past Due	409		409	5%	20	
Allowance for Doubtful Accounts	(277)		(277)	0%	-	
Total Customer Accounts Receivable	9,852	(15)	9,837	82%	8,059	
Miscellaneous Receivables						
Home Office	31		31	75%	23	
Sturgis	64		64	75%	48	
Montgomery	29		29	75%	22	
Alvaton	15		15	0%	-	
Total Miscellaneous	140		140	67%	93	
<b>Total Accounts Receivables</b>	<b>9,992</b>	<b>(15)</b>	<b>9,977</b>	<b>82%</b>	<b>8,153</b>	Note 1
<b>Inventories</b>						
Raw Materials (Net of Consignment)						
Sturgis	2,859		2,859	69%	1,972	
Tulare	873		873	69%	605	
Montgomery	1,908		1,908	70%	1,329	
Alvaton	150		150	0%	-	
Total Raw Materials	5,790		5,790	67%	3,906	Exhibit II
Work-In-Process						
Sturgis	1,787	(255)	1,532	22%	337	
Tulare	442	(53)	389	25%	98	
Montgomery	942	(71)	871	20%	173	
Alvaton	139	-	139	0%	-	
Reserve for Shrinkage	(386)	-	(386)	0%	-	
Total Work-In-Process	2,923	(379)	2,544	24%	608	Exhibit III
Finished Goods						
Sturgis	254	255	509	100%	508	
Tulare	314	53	368	103%	380	
Montgomery	93	71	164	100%	165	
Alvaton	208	-	208	78%	162	
Ford Chassis	-	1,761	1,761	100%	1,761	Note 2
GMAC Chassis	-	5,427	5,427	100%	5,427	Note 3
Total Finished Goods	870	7,567	8,437	100%	8,402	Exhibit IV
<b>Total Inventories</b>	<b>9,584</b>	<b>7,188</b>	<b>16,772</b>	<b>77%</b>	<b>12,916</b>	
Refundable Federal Income Tax	137	(137)	-	100%	-	
<b>PrePaid Expenses</b>						
Prepaid Insurance	225		225	0%	-	
Prepaid Insurance - Worker's Comp Escrow	45		45	100%	45	Note 4
Prepaid Dun & Bradstreet	10		10	0%	-	
Advance Payments to Vendors	399		399	100%	399	Note 5
Prepaid Expenses-Other	139		139	0%	-	
<b>Total PrePaid Expenses</b>	<b>817</b>	<b>-</b>	<b>817</b>	<b>0%</b>	<b>443</b>	
<b>Total Current Assets</b>	<b>22,043</b>	<b>5,523</b>	<b>27,566</b>	<b>78%</b>	<b>21,512</b>	
<b>Non-Current Assets:</b>						
<b>Property, plant and equipment</b>						
Land	917	2,146	3,064	60%	1,843	Exhibit V
Building and Improvements	4,439	4,210	8,649	62%	5,366	Exhibit V
Machinery and Equipment	5,404	-	5,404	46%	2,490	Exhibit VI
Less: Accumulated Depreciation	(3,412)		(3,412)	0%	-	
<b>Total Property, plant and equipment</b>	<b>7,349</b>	<b>6,356</b>	<b>13,705</b>	<b>71%</b>	<b>9,699</b>	
<b>Other Non-Current Assets</b>	<b>630</b>		<b>630</b>	<b>0%</b>	<b>-</b>	Note 6
<b>Total Assets Available</b>	<b>\$ 30,022</b>	<b>\$ 11,878</b>	<b>\$ 41,900</b>	<b>74%</b>	<b>\$ 31,211</b>	
<b>Total Proceeds</b>					\$ 31,211	
<b>Less Direct Costs Associated with Liquidation:</b>						
Payroll & payroll taxes(7)					\$ 511	
Utilities (8)					254	
Other Manufacturing Expense (9)					225	
Professional Fees (10)					50	
Brokerage Costs (6% of Land & Bldg.)					433	
Auctioneer Fees (10% Premium of Machinery & Equipment) (11)					249	
<b>Total Direct Costs of Liquidation</b>					<b>1,722</b>	
<b>Net Estimated Proceeds</b>					<b>\$ 29,489</b>	

**Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**Balance Sheet at October 25, 2002**  
**(\$ in thousands)**

**Notes to Estimated Proceeds:**

- (1) Recovery discount assumed as Grumman will not honor warranty protection after liquidation. Current warranty extends 5-year coverage on structural items and 3-year coverage on paint.
- (2) Represents the value of all Ford chassis on hand as of October 25, 2002 which are not in Work-In-Process. A guaranty by Northrop Grumman exists as collateral for these chassis. This analysis assumes that the chassis will be returned to Ford and any deficiency will be satisfied by the Guarantor. Liability for Work-In-Process chassis is paid by the customer upon completion.
- (3) Represents the value of all GMAC chassis on hand as of October 25, 2002 which are not in Work-In-Process. An outstanding letter-of-credit of \$5.0M guaranteed by Northrop Grumman exists as collateral for these chassis. This analysis assumes that the chassis will be returned to GMAC and any deficiency will be satisfied by the Guarantor. Liability for the Work-In-Process chassis is assumed by the customer upon completion.
- (4) Escrow paid to Gibson Insurance in March, 2002 to guarantee 2002 claims. Due to be refunded July, 2003.
- (5) Amounts paid to vendors on a pro-forma, cash in advance basis for goods not yet received.
- (6) Represents capitalized Loan Refinancing costs with monthly amortization of \$26K per month.

**Costs Associated with 3 month Liquidation:**

- (7) Payroll consists of the following:
  - Manufacturing labor required in order to process Contract Work-In-Process goods (\$55K).
  - Three (3) accounting personnel for a period of 60 days for purpose of collecting receivables, filing tax returns, etc. (\$170K/52 Wks.\*8 Wks = \$26K)
  - Three (3) MIS personnel for a period of 60 days as support for remaining accounting staff. (\$150K/52 Wks. \* 8 Wks. = \$23K)
  - One (1) financial person for a period of 1 year to act as liquidating agent. (\$150K)
  - One (1) security person at each plant (Sturgis, Olson, Montgomery, & Tulare) for a period of 60 days. (\$15/hr. \* 24 hrs./day \* 60 days \* 5 plants = \$108K)
  - Retention bonus equal to 6 mos. Pay of liquidating agent (\$75K)
  - Payroll taxes (FICA, SUTA, FUTA) equal to 17% of payroll, per historical experience percentages.
- (8) Assumes full monthly utility expenses for 60 days as follows: Tulare, CA - \$15K per mo., Montgomery, PA - \$67K per mo., Sturgis, MI - \$39K per mo., Alton, GA - \$6K per mo.
- (9) Assumes absorption of Plant OH as required to process Contract Work-In-Process goods (\$70K) plus \$155K for Property Insurance coverage for 1 year.
- (10) Estimated debtor legal and professional fees to be incurred during the liquidation period. Please refer to the "administrative expense claims" section of "Allocation of Liquidation Proceeds" for additional legal and professional fees incurred by a Trustee in the course of the liquidation.
- (11) Assumes Machinery and Equipment would be sold at auction, resulting in a 10% premium to be charged over and above the estimated recovery value by auctioneer conducting sale. This cost is ordinarily borne by the seller.

**Grumman-Olson, Inc.**  
**Liquidation Analysis**  
(\$ in thousands)

**II. Allocation of Net Liquidation Proceeds**

	Scheduled Book Value As Of 25-Oct-02 (preliminary)	Preliminary Adjustments To Revise Book Value (Estimated)	Estimated Allowable Claim 6-Dec-02 (Estimated)	Recovery Percentage	Available Proceeds	Shortfall (if Applicable)
<b>Net Estimated Liquidation Proceeds</b>					\$ 29,489	
<b>Less Administrative Claims: (Note 1)</b>						
Trustee Fees					744	
Trustee Legal Fees					250	
Trustee Professional Fees					170	
Reclamation Claims					310	
<b>Total Administrative Claims</b>					1,474	
<b>Net estimated Liquidation Proceeds After Administrative Claims</b>					28,015	
<b>Less Secured Claims: (Note 2)</b>						
TransAmerica Revolving Loan (GRM01 AR)	9,170	(393)	8,777	100%	8,777	-
TransAmerica Term Loan (GRM23 RE)	4,989	(119)	4,870	100%	4,870	-
TransAmerica Term Loan (GRM22 EQ)	3,367	(176)	3,190	100%	3,190	-
TransAmerica Term Loan (GRM33 RE)	397	(9)	387	100%	387	-
TransAmerica Term Loan (GRM32 EQ)	183	(10)	174	100%	174	-
TransAmerica Letters of Credit	3,059	-	3,059	100%	3,059	-
Ford Chassis Letter of Credit	-	1,761	1,761	100%	1,761	-
GMAC Chassis Letter of Credit	-	5,427	5,427	100%	5,427	-
<b>Total Secured Claims</b>	<b>21,164</b>	<b>6,481</b>	<b>27,645</b>	<b>100%</b>	<b>27,645</b>	<b>-</b>
<b>Net estimated Liquidation Proceeds After Secured Claims</b>					371	
<b>Priority Claims: (Note 3)</b>						
Accrued Payroll, Vacation, Holiday, & Sick	1,028	(848)	180	83%	148	(31)
Accrued Group Health Insurance	257	(257)	(0)	83%	(0)	0
Payroll Withholding	25	(25)	0	83%	0	(0)
Accrued Commissions	28	(28)	0	83%	0	(0)
Taxes (Real Estate, Sales & Use, Franchise, & Excise)	77	192	269	83%	222	(47)
<b>Total Priority Claims</b>	<b>1,415</b>	<b>(966)</b>	<b>449</b>	<b>83%</b>	<b>371</b>	<b>(78)</b>
<b>Net Estimated Liquidation Proceeds After Priority Claims</b>					-	0%
						Unsecured Recovery %
<b>General Unsecured Claims: (Note 4)</b>						
Lease Obligation	33	-	33	0%	-	(33)
Accrued Warranty Expense	581	-	581	0%	-	(581)
Accrued Product Liability	972	(972)	-	0%	-	-
Accrued Workers Compensation Expense	1,136	(1,136)	-	0%	-	-
Northrup Grumman Claim	-	1,074	1,074	0%	-	-
Trade Accounts Payable	13,084	1,096	14,181	0%	-	(14,181)
Accrued Interest	161	(121)	40	0%	-	(40)
Other Accrued Liabilities	487	(39)	448	0%	-	(448)
Severance Liability (Note 5)	-	2,300	2,300	0%	-	(2,300)
Customer Contract Liability (6)	-	-	9,323	0%	-	(9,323)
Terry Cawley License Agreement	2,442	-	2,442	0%	-	(2,442)
<b>Total General Unsecured Claims</b>	<b>18,897</b>	<b>2,202</b>	<b>30,422</b>	<b>0%</b>	<b>-</b>	<b>(29,348)</b>
<b>Net Estimated Liquidation Proceeds After General Unsecured Claims</b>					-	(29,426)

**Notes:**

- Trustee fees are calculated per statutory rates as a percentage of asset proceeds as follows:  
- 25% of 1st \$5,000; 10% of \$5,000 - \$50,000; 5% of \$50,000 - \$1,000,000; and 3% of >\$1,000,000  
Trustee legal and professional fees represent estimated fees and expenses assuming a wind-down period of 1 year.  
Reclamation claims represent the approximate amount of claims filed as of December 20 and are assumed to be valid at this time.
- Represents loan balances as of October 25, 2002, adjusted for actual as of petition date. Payment in full of the Ford and GMAC Secured chassis claim reflects chassis being sent back in full satisfaction of letter-of-credit obligation.
- Payroll related accruals do not exceed the \$4,650 per employee limit as imposed by the Bankruptcy Code. Accrued payroll reflects vacation earned in the 90 days preceding the bankruptcy filing, but not paid, by 520 employees. Payroll, health insurance, payroll taxes withheld, and commissions are assumed to have been paid in full per the bankruptcy court order authorizing payment of those items. Estimated priority tax claims consist of the following:

Claimant	Amount	Description
County of Tulare, CA	20,650	Personal Prop.
City of Sturgis, MI	156,710	Real/Personal Prop. - Summer
City of Sturgis, MI	60,238	Real/Personal Prop. - Winter
Various	20,000	Sales and Use Tax
Meriweather County, GA	11,592	Real/Personal Prop.
<b>Total Estimated Claim</b>	<b>269,189</b>	

- General Unsecured claims represent Trade Accounts Payable and other accrued liabilities as of October 25, 2002, adjusted to reflect balances as of December 6, 2002. Warranty liability reflects amounts accrued per Debtor's books and assume that warranty coverage would not extend to products sold on a post-petition basis. Accrued Product Liability and Accrued Worker's Compensation are accrued amounts reflecting amounts owed to Hartford Insurance, Zurich Insurance, and Northrup Grumman. Northrup Grumman's claim reflects \$650K of product liability and \$424K of worker's compensation. The remaining accrued product liability and worker's compensation amounts are secured by outstanding letters-of-credit issued by TransAmerica and are reflected as part of the secured claims.
- \$2.3M in potential employee severance claims exist for 22 employees. Some portion of this could potentially be considered a Priority Claim by the bankruptcy court but the total has been included as a general unsecured claim.
- This amount represents the estimated damage claim resulting from the rejection of certain customer contracts as a result of a liquidation, itemized as follows:

Customer	# of Units	Monetary Value
Lance	16	\$ 195,152
Unifirst	34	565,718
Lynch	43	656,151
Frito-Lay	46	616,388
Jerome Duncan	76	413,313
Fed-Ex Ground	222	3,265,272
United States Postal Service WHCC	1,553	19,869,082
United States Postal Service FLCC	1,617	21,035,553
	<b>3,607</b>	<b>\$ 46,616,629</b>

Damage claim as a % of remaining contract value 20%  
Potential Damage Claim \$ 9,323,326

**EXHIBIT I: Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**(\$ in Thousands)**

**Cash Accounts and Balances**

Bank	Account #	Purpose	Balance As of October 25, 2002	Notes
Key Bank, South Bend IN	229851000286	Operating - Disbursement	\$285	
Key Bank - Olson Holdings		Operating - Petty Cash	0	
Key Bank, South Bend IN	359681071197	Lock Box	856	
Key Bank, South Bend IN	229851000732	Merchant Account	18	
Key Bank, South Bend IN	2299851000724	Local Deposits	37	
CIBC		Canadian Imp./US \$\$	14	
Citizens Bank, Sturgis MI	4510290622	Payroll	229	
Wells Fargo	0099-203010	Payroll	66	
???	4001-230-4	Payroll - Alvaton	3	
???		Petty Cash Fund	5	
			\$1,512	
			0%	(1)
	<b>Liquidation Value</b>		-	

**Note**

(1) At the time of liquidation, it is assumed that Grumman Olson will have no availability on its credit facility.

**EXHIBIT II: Grumman-Olson, Inc.**

**Liquidation Analysis**

**(\$ in Thousands)**

**Raw Material Inventories**

<b>Balances as of October 25, 2002</b>		<b>Book Value</b>	<b>Recovery %</b>	<b>NRV</b>	<b>Notes</b>
Sturgis, MI					
	Raw Materials - Mfg.	\$ 2,239	70%	\$ 1,567	(1)
	Raw Materials - Olson Svc. Parts	627	70%	439	(1)
	Raw Materials - Supplies	27	0%	-	(1)
	Raw Materials - Consignment	(34)	100%	(34)	(1)
	Sub-Total - Sturgis	2,859	69%	1,972	
Tulare, CA					
	Raw Materials - Mfg.	888	70%	\$ 621	(1)
	Raw Materials - Svc. Parts	5	70%	4	(1)
	Raw Materials - Consignment	(20)	100%	(20)	(1)
	Sub-Total - Tulare	873	69%	605	
Montgomery, PA					
	Raw Materials - Mfg.	1,146	70%	\$ 802	(1)
	Raw Materials - LLV Svc. Parts	783	70%	548	(1)
	Raw Materials - Consignment	(21)	100%	(21)	(1)
	Sub-Total - Montgomery	1,908	70%	1,329	
Alvaton, GA					
	Raw Materials - Mfg.	150	0%	-	(2)
	Sub-Total - Alvaton	150	0%	-	
	Raw Materials Total	\$ 5,790	67%	\$ 3,906	

**Notes:**

- 1) Book value of Raw Materials at all plants represent values on hand as of October 25, 2002. Recovery values for all manufacturing-related items, except at the Alvaton plant are assumed @ 70% of cost, allowing a 20% discount due to liquidation and an additional 10% freight allowance. Consigned goods are assumed to be returned to vendor.
- 2) Alvaton Raw Materials represents material shipped to them from the Sturgis, MI main plant and is reflected elsewhere in this analysis as part of recovery from Miscellaneous Receivables.

**EXHIBIT III: Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**(\$ in Thousands)**

**Work-In-Process Inventories**

<b>Balances as of October 25, 2002</b>	<b>Book Value</b>	<b>Adj for Work-Out</b>	<b>Adj. Total</b>	<b>Recovery %</b>	<b>NRV</b>	<b>Notes</b>
<b>Sturgis, MI</b>						
Work-In-Process Materials	\$ 1,256	\$ (174)	\$ 1,082	30%	\$ 325	(1)
Work-In-Process Materials - Olson	32	-	32	30%	9	(1)
Work-In-Process Materials - InTransit	10	-	10	30%	3	(1)
Work-In-Process Materials - Olson InTransit	0	-	0	30%	0	(1)
Work-In-Process - RTV	21	-	21	0%	-	(1)
Work-In-Process - RTV - Olson	9	-	9	0%	-	(1)
Work-In-Process - Labor	134	(36)	98	0%	-	(1)
Work-In-Process - Labor - Olson	0	-	0	0%	-	(1)
Work-In-Process - SetUp - Olson	1	-	1	0%	-	(1)
Work-In-Process - Overhead	324	(45)	279	0%	-	(1)
Work-In-Process - Overhead - Olson	0	-	0	0%	-	(1)
<b>Sub-Total - Sturgis</b>	<b>1,787</b>	<b>(255)</b>	<b>1,532</b>	<b>22%</b>	<b>337</b>	
<b>Tulare, CA</b>						
Work-In-Process Materials	225	(35)	190	30%	\$ 57	(1)
Work-In-Process Materials - LLV	128	-	128	30%	38	(1)
Work-In-Process Materials - LLV InTransit	8	-	8	30%	2	(1)
Work-In-Process - RTV	2	-	2	0%	-	(1)
Work-In-Process - RTV - LLV	8	-	8	0%	-	(1)
Work-In-Process - Labor	20	(8)	12	0%	-	(1)
Work-In-Process - Labor - LLV	1	-	1	0%	-	(1)
Work-In-Process - SetUp - LLV	0	-	0	0%	-	(1)
Work-In-Process - Overhead	48	(10)	37	0%	-	(1)
Work-In-Process - Overhead - LLV	3	-	3	0%	-	(1)
<b>Sub-Total - Tulare</b>	<b>442</b>	<b>(53)</b>	<b>389</b>	<b>25%</b>	<b>98</b>	
<b>Montgomery, PA</b>						
Work-In-Process Materials	610	(47)	564	30%	\$ 169	(1)
Work-In-Process Materials - InTransit	12	-	12	30%	4	(1)
Work-In-Process - RTV	38	-	38	0%	-	(1)
Work-In-Process - Labor	82	(11)	71	0%	-	(1)
Work-In-Process - Labor - LLV	1	-	1	0%	-	(1)
Work-In-Process - Overhead	196	(14)	183	0%	-	(1)
Work-In-Process - Overhead - LLV	2	-	2	0%	-	(1)
<b>Sub-Total - Montgomery</b>	<b>942</b>	<b>(71)</b>	<b>871</b>	<b>20%</b>	<b>173</b>	
<b>Alvaton, GA</b>						
Work-In-Process Materials	131	-	131	0%	\$ -	(1)
Work-In-Process - Labor	2	-	2	0%	-	(1)
Work-In-Process - Overhead	5	-	5	0%	-	(1)
<b>Sub-Total - Alvaton</b>	<b>139</b>	<b>-</b>	<b>139</b>	<b>0%</b>	<b>-</b>	
Work-In-Process Shrinkage Reserve	(386)	-	(386)	0%	\$ -	(2)
<b>Work-In-Process Total</b>	<b>\$ 2,923</b>	<b>\$ (379)</b>	<b>\$ 2,544</b>	<b>24%</b>	<b>\$ 608</b>	

**Notes:**

- 1) Book value of Work-In-Process at all plants represent values on hand as of October 25, 2002. Values at each plant, excluding Alvaton, have been adjusted to reflect a conversion to finished goods relating only to chassis on ground that are considered to be "cut on" (prepared for mounting). A recovery value of 30%, which is equal to loan value, has been estimated for material-related WIP only, with no recovery value assigned to labor, overhead, set-up, or RTV (return-to-vendor) goods costs as captured in book values.
- 2) Alvaton Work-In-Process consists of material shipped to them from the Sturgis, MI main plant and is reflected elsewhere in this analysis as part of recovery from Miscellaneous Receivables. Consistent with recovery values reflected in other plants, no recovery value is accorded labor and overhead costs.

**EXHIBIT IV: Grumman-Olson, Inc.**

**Liquidation Analysis**

**(\$ in Thousands)**

**Finished Goods Inventories**

<b>Balances as of October 25, 2002</b>		<b>Total</b>	<b>Adj for Work-Out</b>	<b>Adj. Total</b>	<b>Recovery %</b>	<b>NRV</b>	<b>Notes</b>
<b>Sturgis, MI</b>							
Finished Goods Materials	\$ 73	\$ 174	\$ 247	97%	\$ 239	(1)	
Finished Goods Materials - Olson	67	-	67	78%	52	(1)	
Finished Goods - Demos	22	-	22	78%	17	(1)	
Finished Goods - Chassis	24	-	24	78%	18	(1)	
Finished Goods - Labor	11	36	47	99%	46	(1)	
Finished Goods - Labor - Olson	26	-	26	78%	20	(1)	
Finished Goods - Overhead	26	45	71	95%	67	(1)	
Finished Goods - Overhead - Olson	63	-	63	78%	49	(1)	
Finished Goods - Stock Units Depreciation	(15)	-	(15)	0%	-	(1)	
Finished Goods - Demo Units Depreciation	(41)	-	(41)	0%	-	(1)	
<b>Sub-Total - Sturgis</b>	<b>254</b>	<b>255</b>	<b>509</b>	<b>100%</b>	<b>508</b>		
<b>Tulare, CA</b>							
Finished Goods - Materials	53	35	88	104%	\$ 92	(2)	
Finished Goods - Materials - LLV	148	-	148	100%	148	(2)	
Finished Goods - Demos	33	-	33	100%	33	(2)	
Finished Goods - Labor	9	8	17	105%	18	(2)	
Finished Goods - Labor - LLV	17	-	17	100%	17	(2)	
Finished Goods - Overhead	21	10	31	104%	32	(2)	
Finished Goods - Overhead - LLV	40	-	40	100%	40	(2)	
Finished Goods - Stock Units Depreciation	(3)	-	(3)	0%	-	(2)	
Finished Goods - Demo Units Depreciation	(3)	-	(3)	0%	-	(2)	
<b>Sub-Total - Tulare</b>	<b>314</b>	<b>53</b>	<b>368</b>	<b>103%</b>	<b>380</b>		
<b>Montgomery, PA</b>							
Finished Goods Materials	71	47	118	90%	106	(3)	
Finished Goods - Labor	12	11	23	93%	21	(3)	
Finished Goods - Overhead	29	14	43	88%	37	(3)	
Finished Goods - Stock Units Depreciation	(19)	-	(19)	0%	-	(3)	
<b>Sub-Total - Montgomery</b>	<b>93</b>	<b>71</b>	<b>164</b>	<b>100%</b>	<b>165</b>		
<b>Alvaton, GA</b>							
Finished Goods Materials	155	-	155	69%	106	(4)	
Finished Goods - Labor	24	-	24	69%	16	(4)	
Finished Goods - Overhead	57	-	57	69%	39	(4)	
Finished Goods - Stock Units Depreciation	(25)	-	(25)	0%	-	(4)	
Finished Goods - Demo Units Depreciation	(3)	-	(3)	0%	-	(4)	
<b>Sub-Total - Alvaton</b>	<b>208</b>	<b>-</b>	<b>208</b>	<b>78%</b>	<b>162</b>		
<b>Finished Goods Total</b>	<b>\$ 870</b>	<b>\$ 379</b>	<b>\$ 1,250</b>	<b>97%</b>	<b>\$ 1,215</b>		

**Notes:**

- 1) Book value of Work-In-Process at the Sturgis plant represents values on hand as of October 25, 2002. Finished Goods values have been adjusted to reflect conversion of Work-In-Process relating only to chassis on the ground that are considered to be "cut on" (prepared for mounting). As of October 25, 2002, twenty-four (24) chassis were considered to be work-in-process (24 GMAC, 0 Ford). Estimated recoveries of these units assume that they are sold "as is" with no warranty and have been calculated as a percentage of cost as follows:
  - A) Work-out of WIP has an estimated recovery value of 105% of cost.
  - B) 50% of remaining Finished Goods inventory are return-to-stock items with an estimated recovery value of 50% of cost, excluding depreciation.
  - C) 50% of remaining Finished Goods inventory are retail units available for sale with an estimated recovery value of 100% of cost, excluding depreciation.
- 2) Book value of Work-In-Process at the Tulare plant represents values on hand as of October 25, 2002. Finished Goods values have been adjusted to reflect conversion of Work-In-Process relating only to chassis on the ground that are considered to be "cut on" (prepared for mounting). As of October 25, 2002, twelve (12) chassis were considered to be work-in-process (11 GMAC, 1 Ford). Estimated recoveries of these units assume that they are sold "as is" with no warranty and have been calculated as a percentage of cost as follows:
  - A) Work-out of WIP has an estimated recovery value of 111% of cost.
  - B) 100% of remaining Finished Goods inventory are retail units available for sale with an estimated recovery value of 100% of cost, excluding depreciation.
- 3) Book value of Work-In-Process at the Montgomery plant represents values on hand as of October 25, 2002. Finished Goods values have been adjusted to reflect conversion of Work-In-Process relating only to chassis on the ground that are considered to be "cut on" (prepared for mounting). As of October 25, 2002, fifteen (15) chassis were considered to be work-in-process (15 GMAC, 0 Ford). Estimated recoveries of these units assume that they are sold "as is" with no warranty and have been calculated as a percentage of cost as follows:
  - A) Work-out of WIP has an estimated recovery value of 111% of cost.
  - B) 50% of remaining Finished Goods inventory are return-to-stock items with an estimated recovery value of 50% of cost, excluding depreciation.
  - C) 50% of remaining Finished Goods inventory are retail units available for sale with an estimated recovery value of 100% of cost, excluding depreciation.
- 4) Book value of Work-In-Process at the Alvaton plant represents values on hand as of October 25, 2002. Estimated recoveries assume that inventory is sold "as is" with no warranty and have been calculated as a percentage of cost as follows:
  - A) 70% of Finished Goods inventory are return-to-stock items with an estimated recovery value of 50% of cost, excluding depreciation.
  - B) 30% of Finished Goods inventory are retail units available for sale with an estimated recovery value of 100% of cost, excluding depreciation.

**EXHIBIT V: Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**(\$ in thousands)**

**Land and Building Property Values**

<u>Property</u>		<u>Type</u>	<u>July, 1999 Market Value</u>	<u>July, 1999 Liquidation Value</u>
Sturgis, MI - Vacant Lot	(1)	Land	260	130
Clinton Township, PA	(2)	Land	680	510
		Bldg./Imp.	3,530	2,648
Tulare, CA - Land/Building	(3)	Land	940	611
		Bldg./Imp.	1,060	689
Sturgis, MI - Land/Building (Plant 1-4)	(4)	Land	229	114
		Bldg./Imp.	1,346	673
Sturgis, MI - Land/Building (Plant 5)	(5)	Land	305	153
		Bldg./Imp.	1,945	972
Alvaton, GA - Land/Building	(6)	Land	650	325
		Bldg./Imp.	768	384
			<u>\$11,713</u>	<u>\$7,209</u>

**Notes:**

- 1) 40.16 Acre tract - East of South Centerfield Rd, South of Fawn River Road. Market and Liquidation values per July, 1999 certified appraisal performed by MB Valuation Services, Inc.
- 2) 31.3 Acre tract w/233,904 sq. ft. Building - Saegers Station Road, Clinton Township PA (Montgomery). Market and Liquidation values per July, 1999 certified appraisal performed by MB Valuation Services, Inc.
- 3) 46.98 Acre tract w/119,804 sq. ft. Building - 4789 South K Street, Tulare CA. Market and Liquidation values per July, 1999 certified appraisal performed by MB Valuation Services, Inc.
- 4) 35.23 Acre tract w/173,600 sq. ft. Building - 70810 South Centerville Road, Sturgis MI. Market and Liquidation values per July, 1999 certified appraisal performed by MB Valuation Services, Inc.
- 5) 46.95 Acre tract w/205,480 sq. ft. Building - 1801 South Nottawa Street, Sturgis MI. Market value per July, 1999 certified appraisal performed by Sturgis, MI properties.
- 6) 5.0 Acre tract w/40,250 sq. ft. Building - 21850 State Highway 85, Alvaton GA. July, 1999 appraisal performed by MB Valuation Services, Inc. Included only 5.0 acres when, in fact, 100 acres are owned. Market value for land assumes appraisal Market value of \$6,500 per acre. Building and Improvement Market value assumes appraisal Market value of \$800K less \$6,500 per acre for 5.0 acres. Liquidation value is assumed at 50% of appraisal Market value, due to rural nature of property.

**EXHIBIT VI: Grumman-Olson, Inc.**  
**Liquidation Analysis**  
**(\$ in thousands)**

**Machinery and Equipment Values (1)**

<u>Property</u>	<u>Sept. 2002 Orderly Liquidation Value</u> (2)	<u>Sept. 2002 Auction Value</u> (3)
Sturgis, MI (South Nottawa Street)	1,080	854
Sturgis, MI (Centerville Road)	542	421
Montgomery, PA	976	759
Tulare, CA	431	341
Alvaton, GA	141	115
	<u>\$3,170</u>	<u>\$2,490</u>

**Notes:**

(1) Orderly Liquidation Value ("OLV") and Auction Value ("AV") per September 2002 appraisals by Daley-Hodkin Appraisal Corporation.

(2) OLV is defined as the net proceeds that could be expected from a properly advertised and conducted forced orderly liquidation sale of the items appraised, within a time period of six months. The items would be disposed of individually or through appropriate lots, as-is, where-is.

(3) AV are the proceeds that could be realized at a properly advertised and conducted public auction sale of the items appraised, under forced conditions within a time period of 3 months.