UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000 or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________________ to ___________________

Commission File Number 0-22529

inTEST Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware	**22-2370659**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

7 Esterbrook Lane
Cherry Hill, New Jersey 08003
(Address of principal executive offices, including zip code)

(856) 424-6886
(Registrant's Telephone Number, including Area Code)

Indicate by check X whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES X NO ___

Number of shares of Common Stock, $.01 par value, outstanding as of September 30, 2000:

8,658,511

inTEST CORPORATION

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PART 1. FINANCIAL INFORMATION

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inTEST CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	Sept. 30, 2000 (Unaudited)	Dec. 31, 1999 (Audited)
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 7,245	$12,047
Trade accounts and notes receivable, net of allowance for doubtful accounts of $250 and $239, respectively	18,095	10,020
Inventories	10,978	7,972
Deferred tax asset	1,271	1,271
Other current assets	683	898
Total current assets	38,272	32,208
Machinery and equipment:		
Machinery and equipment	9,391	7,279

Leasehold improvements	2,612	1,420
	12,003	8,699
Less: accumulated depreciation	(6,984)	(6,002)
Net machinery and equipment	5,019	2,697
Cash surrender value of life insurance	-	1,067
Deferred tax asset	350	350
Other assets	409	288
Goodwill, net of accumulated amortization of $1,378 and $780, respectively	6,046	6,405
Total assets	$50,096	$43,015
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable to bank	$ -	$ 1,241
Accounts payable	5,372	5,195
Accrued expenses	3,809	3,011
Current portion of long-term debt	-	123
Domestic and foreign income taxes payable	3,406	1,854
Total current liabilities	12,587	11,424
Long-term debt, net of current portion	-	133
Total liabilities	12,587	11,557
Commitments		
Stockholders' equity:		
Preferred stock, $0.01 par value; 5,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, $0.01 par value; 20,000,000 shares authorized; 8,658,511 and 8,630,980 shares issued, respectively	87	86
Additional paid-in capital	21,874	21,872
Retained earnings	18,983	13,077
Accumulated other comprehensive earnings (expense)	(222)	14
Deferred compensation	(98)	(139)
Note receivable from Equity Participation Plan	(3,115)	(3,228)
Treasury stock, at cost; 0 and 55,557 shares, respectively	-	(224)
Total stockholders' equity	37,509	31,458
Total liabilities and stockholders' equity	$50,096	$43,015

See accompanying Notes to Consolidated Financial Statements.

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inTEST CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2000	1999	2000	1999
Net revenues	$24,491	$15,237	$66,061	$34,276
Cost of revenues	13,230	7,622	34,319	17,595
Gross margin	11,261	7,615	31,742	16,681
Operating expenses:				
Selling expense	3,252	2,263	8,279	5,674
Engineering and product development expense	1,591	1,243	4,662	3,495
General and administrative expense	1,999	1,514	5,342	3,890
Merger-related costs	-	-	2,672	-
Write-off deferred offering costs	415	-	415	-
Total operating expenses	7,257	5,020	21,370	13,059
Operating income	4,004	2,595	10,372	3,622

Other income (expense):				
Interest income	130	89	384	240
Interest expense	-	(69)	(30)	(186)
Other	52	54	91	108
Total other income	182	74	445	162
Earnings before income taxes	4,186	2,669	10,817	3,784
Income tax expense	1,552	901	4,911	1,383
Net earnings	$ 2,634	$ 1,768	$ 5,906	$ 2,401
Net earnings per common share-basic	$0.32	$0.22	$0.72	$0.30
Weighted average common shares outstanding-basic	8,232,030	8,081,482	8,186,625	8,071,528
Net earnings per common share-diluted	$0.31	$0.21	$0.70	$0.29
Weighted average common and common share equivalents outstanding-diluted	8,475,730	8,260,359	8,485,023	8,253,696

See accompanying Notes to Consolidated Financial Statements.

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inTEST CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2000	1999	2000	1999
Net earnings	$2,634	$1,768	$5,906	$2,401
Foreign currency translation adjustments	(92)	179	(236)	68
Comprehensive earnings	$2,542	$1,947	$5,670	$2,469

inTEST CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000
(In thousands, except share and per share data)
(Unaudited except Balance, December 31, 1999)

	Common Stock Shares	Common Stock Amount	Addt'l Paid-In Capital	Retained Earnings	Accum. Other Comp. Earnings (Expense)	Deferred Comp.	Equity Part. Plan Note	Treasury Stock	Total Stockholders' Equity
Balance, 12/31/99	8,630,980	$ 86	$21,872	$13,077	$ 14	$ (139)	$(3,228)	$(224)	$31,458
Net earnings	-	-	-	5,906	-	-	-	-	5,906
Other comprehensive expense	-	-	-	-	(236)	-	-	-	(236)
Amortization of deferred compensation	-	-	-	-	-	41	-	-	41
Principal payments by Equity Participation Plan	-	-	-	-	-	-	113	-	113
Stock options exercised	83,088	1	226	-	-	-	-	-	227
Retirement of treasury stock	(55,557)	-	(224)	-	-	-	-	224	-
Balance, 9/30/00	8,658,511	$ 87	$21,874	$18,983	$(222)	$ (98)	$(3,115)	$ -	$37,509

inTEST CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share data)
(Unaudited)

	Nine Months Ended Sept. 30, 2000	Nine Months Ended Sept. 30, 1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings	$ 5,906	$ 2,401
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation	1,062	669
Amortization of goodwill	359	359
Foreign exchange gain	(18)	(15)
Allowance for doubtful accounts, net	11	1
Deferred compensation relating to stock options	41	68
Loss on disposal of fixed assets	16	-
Changes in assets and liabilities:		
Trade accounts and notes receivable	(8,203)	(4,343)
Inventories	(3,023)	(1,044)
Proceeds from sale of demonstration equipment, net of gain	7	57
Refundable domestic and state income taxes	-	975
Other current assets	208	(85)
Accounts payable	234	2,368
Domestic and foreign income taxes payable	1,586	907
Accrued expenses	820	552
Net cash provided by (used in) operating activities	(994)	2,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of machinery and equipment	(3,438)	(777)
Other long-term assets	933	(107)
Net cash used in investing activities	(2,505)	(884)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of revolving debt	(1,241)	(905)
Repayment of long-term debt	(256)	(118)
Note receivable repayments from Equity Participation Plan	113	103
Proceeds from stock options exercised	227	-
Net cash used in financing activities	(1,157)	(920)
Effects of exchange rates on cash	(146)	(10)
Net cash provided by (used in) all activities	(4,802)	1,056
Cash and cash equivalents at beginning of period	12,047	8,637
Cash and cash equivalents at end of period	$ 7,245	$ 9,693

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Information as of September 30, 2000 and for the nine months ended
September 30, 2000 and 1999 is unaudited)
(In thousands, except for share and per share data)

(1) NATURE OF OPERATIONS

inTEST Corporation (the "Company") is a leading independent designer, manufacturer and marketer of interface solutions and temperature management products that semiconductor manufacturers use in conjunction with automatic test equipment, or ATE, in the testing of integrated circuits, or ICs. The Company's interface solutions products include manipulator, docking hardware, and tester interface products.

The consolidated entity is comprised of inTEST Corporation (parent) and its nine 100% owned subsidiaries: inTEST Limited (Thame, UK), inTEST Kabushiki Kaisha (Kichijoji, Japan), inTEST PTE, Limited (Singapore), inTEST Sunnyvale Corp. (Delaware), Temptronic Corporation (Delaware), inTEST GmbH (Germany)(operations commenced during August 2000), inTEST Investments, Inc. (a Delaware holding company), inTEST IP Corp. (a Delaware holding company) and inTEST Licensing Corp. (a Delaware holding company).

The Company manufactures its products in the U.S.,U.K. and Singapore (where the Company commenced manufacturing during September 1999). Marketing and support activities are conducted worldwide from the Company's facilities in the U.S., U.K., Germany, Japan and Singapore.

On March 9, 2000, the Company completed a merger with Temptronic Corporation ("Temptronic") whereby Temptronic was merged into a wholly-owned subsidiary of the Company. The Company exchanged 2,046,793 shares of its common stock for all of the Temptronic common stock. Each share of Temptronic common stock was exchanged for 0.925 shares of the Company's common stock. In addition, outstanding Temptronic stock options were converted at the same exchange ratio into options to acquire 175,686 shares of the Company's common stock. The merger was accounted for under the pooling-of-interests method of accounting and, accordingly, the accompanying consolidated financial statements have been retroactively restated to give effect to the merger. Upon consummation of the merger, 55,557 shares of treasury stock held by Temptronic with a cost of $224 were retired. Temptronic also has a 100% owned foreign subsidiary which is consolidated with Temptronic for reporting purposes.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated upon consolidation. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interim Financial Reporting

In the opinion of management, the accompanying unaudited consolidated financial statements include all adjustments (consisting only of normally recurring adjustments) necessary to present fairly the financial position, results of operations, and changes in cash flows for the interim periods presented.

Certain footnote information has been condensed or omitted from these financial statements. Therefore, these financial statements should be read in conjunction with the consolidated financial statements and accompanying footnotes included in the Company's Form 8-K/A filed on May 16, 2000.

Net Earnings Per Common Share

Basic earnings per common share is computed by dividing net earnings by the weighted average number of common shares outstanding during each period. Diluted earnings per common share is computed by dividing net earnings by the weighted average number of common shares and common share equivalents outstanding during each period. Common share equivalents represent stock options using the treasury stock method.

Weighted average common shares outstanding exclude unallocated shares of common stock held by the Company's Equity Participation Plan (414,685 shares as of September 30, 2000).

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, *Accounting for Derivative Instruments and Hedging Activities*, which establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities. SFAS 133, as amended by SFAS 137 and 138, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. The Company plans to adopt this Statement in the first quarter of 2001, as required. The adoption of this Statement is not expected to have a material effect on the results of operations, financial condition or long-term liquidity of the Company.

In December 1999, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") No. 101, *Revenue Recognition in Financial Statements*, as amended by SAB 101A and 101B, which must be implemented in the quarter ending December 31, 2000. In anticipation of the adoption of SAB 101, the Company has analyzed its revenue recognition policies for its current products line in light of the SEC's guidance. As a result of this analysis, the Company believes that its current revenue recognition policies and practicies conform to both generally accepted accounting principles and the guidance provided in SAB 101.

(3) SEGMENT INFORMATION

The various products the Company designs, manufactures and markets, which include manipulator, docking hardware, tester interface and temperature management products, are considered by management to be a single product segment. Included in this segment are products the Company designs and markets that are manufactured by third parties, which include high performance test sockets and interface boards. The Company operates its business worldwide and divides the world into three geographic segments: North America, Asia-Pacific and Europe. The North America segment includes the Company's manufacturing, design and service facilities in New Jersey, California and Massachusetts; the Asia-Pacific segment includes the Company's manufacturing, design and service facilities in Singapore and the Company's design and service facilities in Japan; and the Europe segment includes the Company's manufacturing, design and service facility in the U.K. and the Company's design and service facility in Germany (operations commenced during August 2000). Each segment sells Company designed and manufactured products, while products produced by third party manufacturers are primarily distributed by the Company's Asia-Pacific segment. All three segments sell to semiconductor manufacturers and automatic test equipment manufacturers. The North America segment sells through Company account managers, independent sales representatives and distributors; the Asia-Pacific segment sells through Company account managers and independent sales representatives; and the Europe segment sells through Company account managers and distributors.

Intercompany pricing between segments is either a multiple of cost for component parts used in manufacturing or a percentage discount from list price for finished goods sold to non-manufacturing segments.

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2000	1999	2000	1999
Net revenues from unaffiliated customers:				
North America	$21,212	$12,586	$55,770	$28,306
Asia-Pacific	2,142	1,596	5,949	3,979
Europe	1,137	1,055	4,342	1,991
	$24,491	$15,237	$66,061	$34,276
Affiliate sales or transfers from:				
North America	$ 1,087	$ 568	$ 2,641	$ 1,454
Asia-Pacific	31	-	41	-
Europe	170	290	475	724
	$ 1,288	$ 858	$ 3,157	$ 2,178
Operating income:				
North America	$ 3,349	$ 2,069	$ 7,384	$ 2,790
Asia-Pacific	410	27	1,346	230
Europe	245	499	1,642	602
	$ 4,004	$ 2,595	$10,372	$ 3,622

(3) SEGMENT INFORMATION (Continued)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2000	1999	2000	1999
Earnings before income taxes:				
North America	$ 3,502	$ 2,092	$ 7,762	$ 2,855
Asia-Pacific	436	77	1,443	321
Europe	248	500	1,612	608
	$ 4,186	$ 2,669	$10,817	$ 3,784

Net earnings:				
North America	$ 2,194	$ 1,423	$ 3,740	$ 1,870
Asia-Pacific	287	(21)	975	62
Europe	153	366	1,191	469
	$ 2,634	$ 1,768	$ 5,906	$ 2,401

The $2.7 million of merger-related costs and $415 write-off of deferred offering costs were charged to the North America segment.

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inTEST CORPORATION AND SUBSIDIARIES

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

We are a leading independent designer, manufacturer and marketer of interface solutions and temperature management products that semiconductor manufacturers use in conjunction with automatic test equipment, or ATE, in the testing of integrated circuits, or ICs. Our interface solutions products include manipulator, docking hardware and tester interface products. Our high performance products are designed to enable semiconductor manufacturers to improve the efficiency of their IC test processes and, consequently, their profitability. We supply our products worldwide to major semiconductor manufacturers directly and through leading ATE manufacturers.

Our revenues depend substantially upon the demand for ATE by semiconductor manufacturers and, therefore, fluctuate generally in response to the cyclicality in the semiconductor manufacturing industry. During the past several years, the demand for ATE by the semiconductor industry has exhibited a high degree of cyclicality. Our third quarter 2000 results reflect the continuation of a period of growth in the semiconductor industry which has been evidenced by our sequential quarterly growth in net revenues which grew from $15.2 million for the quarter ended September 30, 1999 to a record $24.5 million for the quarter ended September 30, 2000. Orders for our products ("bookings") were a record $26.4 million for the quarter ended September 30, 2000 compared with $18.3 million for the quarter ended September 30, 1999. As a result of our increased bookings, our backlog increased from $16.2 million at September 30, 1999 to $21.2 million at September 30, 2000. We believe that the increases in our net revenues, bookings, and backlog reflect the increased demand for ATE by semiconductor manufacturers. Although we calculate bookings and backlog on the basis of firm orders, we cannot give any assurance that customers will purchase the equipment subject to such orders. As a result, our bookings for any period and backlog at any particular date do not necessarily serve as an indicator of actual sales for any succeeding period.

Significant Events

On March 9, 2000, we acquired Temptronic Corporation. The acquisition was in the form of a merger of Temptronic into a subsidiary of ours, and was accounted for as a pooling of interests. The following discussion describes our results of operations and financial condition on a pooled basis.

Results of Operations

Three Months Ended September 30, 2000 Compared to Three Months Ended September 30, 1999:

Net Revenues. Net revenues were a record $24.5 million for the quarter ended September 30, 2000 compared to $15.2 million for the same period in 1999, an increase of $9.3 million or 61%. We believe that the increase in net revenues over the comparable prior period is principally the result of continued growth in the demand for ATE in 2000 compared to 1999.

Gross Margin. Gross margin decreased to 46% for the quarter ended September 30, 2000 from 50% for the same period in 1999. The decline in gross margin primarily resulted from increased material costs coupled with higher levels of fixed manufacturing costs. The increase in material costs was the result of several factors including higher costs to purchase certain component materials, such as aluminum, combined with increases in fabrication costs as well as additions to our obsolescence reserve during the quarter. We believe the increase in fabrication costs is the result of increased demand for fabrication in most of the markets where we operate. The additions to our obsolescence reserve are primarily the result of new product introductions at our Temptronic subsidiary which have caused certain parts in its inventory to become obsolete. The increase in fixed manufacturing costs is primarily the result of increased levels of salary expense due to salary increases for existing staff as well as additional operations staff hired in late 1999 and 2000, combined with higher rent and depreciation costs primarily resulting from the relocation and expansion of our Cherry Hill, NJ and Sunnyvale, CA manufacturing facilities which significantly increased our manufacturing capacity. We believe this increased capacity will enable us to meet the continued demand for our products in the future.

Selling Expense. Selling expense was $3.3 million for the quarter ended September 30, 2000 compared to $2.3 million for the same period in 1999, an increase of $1.0 million or 44%. We attribute the increase primarily to increased commission expense resulting from the higher sales levels in 2000, as well as higher levels of salary and benefits for new and existing staff combined with increased travel to support the higher sales levels.

Engineering and Product Development Expense. Engineering and product development expense was $1.6 million for the quarter ended September 30, 2000 compared to $1.2 million for the same period in 1999, an increase of $348,000 or 28%. We attribute the increase primarily to the salary expense of additional engineering and technical staff, and to a lesser extent, increased spending on technical consultants associated with new product development.

General and Administrative Expense. General and administrative expense was $2.0 million for the quarter ended September 30, 2000 compared to $1.5 million for the same period in 1999, an increase of $485,000 or 32%. We attribute the increase primarily to increases in incentive compensation for existing staff and higher administrative salary expense resulting from staffing additions and salary increases for existing staff.

Write-off of Deferred Offering Costs. During September 2000, we withdrew our registration statement for the offering of 2.0 million shares of our common stock, 1.0 million of which were to be offered by us and 1.0 million by certain of our shareholders. Approximately $415,000 of costs related to the withdrawn offering, which consisted primarily of professional fees, printing costs and roadshow costs, were expensed during the third quarter.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Income Tax Expense. Income tax expense increased to $1.6 million for the quarter ended September 30, 2000 from $901,000 for the comparable period in 1999, an increase of $651,000. Our effective tax rate for the third quarter of 2000 was 37% compared to 34% for the comparable prior period. The increase in the effective tax rate was primarily due to the fact that no taxes were accrued in the third quarter of 1999 on Temptronic's operating income for that period because no benefit had been recorded for Temptronic's previous operating losses. Also contributing to the increase was a higher percentage contribution to pre-tax earnings by our Japanese subsidiary in 2000 compared to 1999.

Nine Months Ended September 30, 2000 Compared to the Nine Months Ended September 30, 1999

Net Revenues. Net revenues were $66.1 million for the nine months ended September 30, 2000 compared to $34.3 million for the same period in 1999, an increase of $31.8 million or 93%. We believe that the increase in net revenues over the comparable prior period is principally the result of continued growth in the demand for ATE in 2000 compared to 1999.

Gross Margin. Gross margin decreased to 48% for the nine months ended September 30, 2000 from 49% for the comparable period in 1999. The decline in gross margin primarily resulted from increased material costs coupled with higher levels of fixed manufacturing costs. The increase in material costs was the result of several factors including higher costs to purchase certain component materials, such as aluminum, combined with increases in fabrication costs and additions to our obsolescence reserve during the third quarter. We believe the increase in fabrication costs is the result of higher demand for fabrication in most of the markets where we operate. The additions to our obsolescence reserve are primarily the result of new product introductions at our Temptronic subsidiary which have caused certain parts in its inventory to become obsolete. The increase in fixed manufacturing costs is primarily the result of increased levels of salary expense due to increases for existing staff as well as additional operations staff hired in late 1999 and 2000, combined with higher rent and depreciation costs. These costs primarily result from the relocation and expansion of our Cherry Hill, NJ (lease commenced in September 2000) and Sunnyvale, CA (lease commenced in February 2000) manufacturing facilities which significantly increased our manufacturing capacity. We believe this increased capacity will enable us to meet the continued demand for our products in the future. The effect of these additional costs was partially offset by significantly higher net revenue levels in 2000 compared to 1999.

Selling Expense. Selling expense was $8.3 million for the nine months ended September 30, 2000 compared to $5.7 million for the same period in 1999, an increase of $2.6 million or 46%. We attribute the increase primarily to increased commission expense resulting from the higher sales levels in 2000, as well as increases in salary expense resulting from new sales and marketing staff hired in 1999. To a lesser extent higher levels of travel costs, advertising expenditures, warranty costs and freight expenses also contributed to the increase in selling expense.

Engineering and Product Development Expense. Engineering and product development expense was $4.7 million for the nine months ended September 30, 2000 compared to $3.5 million for the same period in 1999, an increase of $1.2 million or 33%. We attribute the increase primarily to the salary expense of additional engineering and technical staff, as well as increased expenditures for product development materials, technical consultants and travel expenses associated with new product development.

General and Administrative Expense. General and administrative expense was $5.3 million for the nine months ended September 30, 2000 compared to $3.9 million for the same period in 1999, an increase of $1.5 million or 37%. We attribute the increase primarily to increases in incentive compensation for existing staff and higher administrative salary expense resulting from staffing additions and salary increases for existing staff. To a lesser extent, increases in professional fees and investor relations expense contributed to the increase in general and administrative expenses. This was partially offset by $200,000 received during the first quarter from the settlement of patent infringement litigation.

Merger-related Costs. Merger-related costs resulting from the Company's merger with Temptronic Corporation were $2.7 million, which consisted primarily of fees paid to investment bankers, professional fees, printing, escrow and other miscellaneous costs.

Write-off of Deferred Offering Costs. During September 2000, we withdrew our registration statement for the offering of 2.0 million shares of our common stock, 1.0 million of which were to be offered by us and 1.0 million by certain of our stockholders. Approximately $415,000 of costs related to the withdrawn offering, which consisted primarily of professional fees, printing costs and roadshow costs, were expensed during the third quarter.

Income Tax Expense. Income tax expense increased to $4.9 million for the nine months ended September 30, 2000 from $1.4 million for the comparable prior period in 1999, an increase of $3.5 million. Our effective tax rate for the first nine months of 2000 was 45% compared with 37% for the comparable prior period. The increase in the effective tax rate is primarily due to $2.3 million of non-tax deductible merger-related costs. In addition, we recognized a $237,000 taxable gain on the liquidation of life insurance policies held on certain former Temptronic officers and directors.

Liquidity and Capital Resources

Net cash used in operations for the nine months ended September 30, 2000 was $994,000. Accounts receivable increased $8.2 million from December 31, 1999 to September 30, 2000 primarily due to the significant increase in sales activity during the first nine months of 2000. Inventories increased $3.0 million, also as a result of the increased sales activity as we made purchases for future product shipments. Other current assets decreased $208,000, primarily as a result of the expensing of previously capitalized merger-related costs. This was partially offset by an increase in prepaid consumption taxes paid by our Japanese subsidiary. Accounts payable

increased $234,000 due to the higher production levels during the first nine months of 2000. Accrued expenses increased $820,000 primarily as a result of additional accruals for sales commissions and salary and incentive compensation as well as merger-related costs. This was partially offset by the payment of previously accrued professional fees, primarily related to the merger with Temptronic. Domestic and foreign income taxes payable increased $1.6 million as a result of the accrual of income taxes on the earnings for the first nine months of 2000.
Purchases of machinery and equipment were $3.4 million for the nine months ended September 30, 2000, which consisted primarily of improvements to the Company's facilities in the United States. During this period we spent approximately $518,000 on equipment, $254,000 on leasehold improvements and $250,000 on furnishings at our new facility for our inTEST Sunnyvale operation. During the third quarter of 2000, we also relocated our headquarters and primary manufacturing facility and spent approximately $1.0 million on leasehold improvements, $386,000 on furnishings and $240,000 on machinery and equipment for our new facility. We plan to relocate our Temptronic subsidiary during the first quarter of 2001 and we estimate that the total cost of leasehold improvements and other costs associated with the move will range between $700,000 and $1.0 million. In addition, we spent approximately $506,000 on manufacturing and computer equipment at various other domestic operations during the nine months, including approximately $123,000 for demonstration equipment related to a recently redesigned product of our Temptronic subsidiary and $30,000 as a deposit on an additional coordinate measuring machine for our Cherry Hill location. We expect delivery and final payment for this equipment of approximately $190,000 in the first quarter of 2001.

Other long-term assets decreased $933,000 primarily as a result of the liquidation of life insurance policies held on certain former Temptronic officers and directors.

Net cash used in financing activities for the nine months ended September 30, 2000 was $1.2 million. During that period we repaid approximately $1.2 million under revolving lines of credit as well as $256,000 of long-term debt acquired as a result of the merger with Temptronic. During the same period we received $227,000 from the exercise of stock options held by employees.

We believe that our existing cash balances and lines of credit plus the anticipated net cash provided from operations will be sufficient to satisfy our cash requirements for the foreseeable future. However, future acquisitions or new product development may require additional equity or debt financing to meet working capital requirements or capital expenditure needs. We do not anticipate paying dividends in the foreseeable future.

International Operations

Net revenues generated by our foreign subsidiaries were 16% and 17% of consolidated net revenues for the nine months ended September 30, 2000 and 1999, respectively. We anticipate that net revenues generated by our foreign subsidiaries will continue to account for a significant portion of consolidated net revenues in the foreseeable future. The net revenues generated by our foreign subsidiaries will continue to be subject to certain risks, including political and economic instability of foreign countries, the imposition of financial and operational controls or regulatory restrictions by foreign governments, the need to comply with a variety of U. S. and foreign export and import laws, trade restrictions, changes in tariffs and taxes, longer payment cycles, fluctuations in foreign currency exchange rates, and the greater difficulty of administering business abroad. We cannot predict whether quotas, duties, taxes or other charges or restrictions will be implemented by the United States or any other country upon the importation or exportation of our products in the future. Any of these factors or the adoption of restrictive policies could have a material adverse effect on our business, financial condition or results of operations.

Net revenues denominated in foreign currencies were 11% and 12% of consolidated net revenues for the nine months ended September 30, 2000 and 1999, respectively. Although we seek to operate our business such that a significant portion of our product costs are denominated in the same currency that the associated sales are made in, we may be adversely affected in the future due to our exposure to foreign operations. Moreover, net revenues denominated in currencies other than U.S. dollars expose us to currency fluctuations, which can adversely affect results of operations.

The portion of our consolidated net revenues that were derived from sales to the Asia-Pacific region were 9% and 12% for the nine months ended September 30, 2000 and 1999, respectively. Countries in the Asia-Pacific region, including Japan, have experienced economic instability resulting in weaknesses in their currency, banking and equity markets. Although the past economic instability in the Asia-Pacific region has not materially adversely affected our order backlog, financial position, or results of operations to date, continued economic instability could have a material adverse effect on demand for our products and our consolidated results of operations.

Cautionary Statement Regarding Forward-Looking Statements

This Report contains statements of a forward-looking nature relating to future events, such as statements regarding the anticipated market for our products throughout the balance of 2000; projected expenditures for leasehold improvements and moving costs for our Temptronic subsidiary; anticipated net revenues generated by foreign operations; sufficiency of cash balances, lines of credit and net cash from operations; and use of forward exchange rate contracts. Forward-looking statements typically can be identified by the use of terminology such as "believes," expects," "may," "will," "should" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. Investors and prospective investors are cautioned that such statements are only projections and that actual events or results may differ materially from those expressed in any such forward-looking statements. In addition to the factors described in this Report, our actual consolidated quarterly or annual operating results have been affected in the past, or could be affected in the future, by additional factors, including, without limitation: changes in business conditions and the economy, generally; a decline in the demand for integrated circuits; our ability to obtain patent protection, and enforce our patent rights, for existing and developing proprietary technologies; our ability to integrate successfully businesses, technologies or products which we may acquire; the effect of the loss of, or reduction in orders from, a major customer; cancellation, or delays in shipment, of orders in our backlog; competition from other manufacturers of docking hardware, manipulators, tester interfaces and related ATE interface products and temperature management products; progress of product development programs; cost overruns relating to leasehold improvements and moving costs for our Temptronic subsidiary; unanticipated exchange rate fluctuations; and capital requirements relating to future acquisitions.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to currency exchange rate risk in the normal course of our business, primarily in our Japanese operations. Our exposure results from the fact that the sales of our Japanese subsidiary are in Japanese yen and inventory purchases are in U.S. dollars. We will have the same exposure in our German operations (which commenced in August 2000) as a portion of total sales will be in German deutsche marks while inventory purchases will be in U.S. dollars. We will also have a similar exposure in our Singapore operations as our manufacturing operations, which commenced in September 1999, expand, because our sales will be in U.S. dollars but our manufacturing costs will be primarily in Singapore dollars. We employ risk management strategies, including the use of forward exchange rate contracts, to manage our exposure to exchange rate risks involving the yen, and may, in the future, use forward exchange rate contracts to manage our exposure to exchange rate risks involving the Singapore dollar and German deutsche mark.

Our objective in managing currency exchange risk is to minimize the impact of significant currency exchange rate fluctuations. We use forward exchange rate contracts to establish a fixed conversion rate between the Japanese yen and the U.S. dollar so that the level of our gross margin from sales in Japan is not negatively affected by significant movements in the Japanese yen to U.S. dollar exchange rate. We purchase forward exchange rate contracts on a monthly basis in the amounts management deems appropriate in light of the amount of the U.S. dollar denominated obligations of our Japanese subsidiary that are due within the month. We do not purchase forward contracts with settlement dates beyond 30 days. As of September 30, 2000, there were no forward exchange rate contracts outstanding.

It is our policy to enter into forward exchange rate contracts only to the extent necessary to achieve the desired objectives of management in limiting our exposure to significant fluctuations in currency exchange rates. We do not expect that the results of our operations or our liquidity will be materially affected by these risk management activities. We do not hedge all of our currency exchange rate risk exposures in a manner that would completely eliminate the impact of changes in currency exchange rates on our net earnings.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Not applicable

Item 2. Changes in Securities and Use of Proceeds

Not applicable

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Securities Holders

The Annual Meeting of Stockholders of the Company was held on August 4, 2000 (the "Meeting"). Notice of the Meeting was mailed to stockholders of record on or about July 7, 2000, together with proxy solicitation materials prepared in accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

The matters submitted to a vote of stockholders at the Meeting were the following:

1. Election of the members of the Board of Directors;

2. Approval of amendments to the 1997 Stock Plan which (i) increased the number of shares which may be issued under the 1997 Stock Plan to 1,000,000; and (ii) reduced the number of shares required to be voted in favor of future amendments affecting employee eligibility and the number of shares which may be issued upon exercise of options which may be granted to employees;

3. Ratification of the appointment by the Board of Directors of KPMG LLP as the independent public accountants for inTEST for the year ending December 31, 2000.

There was no solicitation in opposition to the nominees of the Board of Directors for election to the Board of Directors and all such nominees were elected. The number of votes cast for or withheld for each nominee for election to the Board of Directors were as follows:

Nominee	For	Withheld
Alyn R. Holt	7,724,430	91,477
Robert E. Matthiessen	7,724,430	91,477
Daniel J. Graham	7,724,430	91,477
Richard O. Endres	7,724,430	91,477
Stuart F. Daniels, Ph.D.	7,724,430	91,477
Douglas W. Smith	7,717,430	98,477
Gregory W. Slayton	7,717,430	98,477
James J. Greed, Jr.	7,717,430	98,477
William M. Stone	7,716,948	98,959

The proposal to approve the amendments to the 1997 Stock Plan was approved. The number of votes cast for or against as well as the number of abstentions and broker non-votes for the amendments were as follows:

For	Against	Abstentions	Broker Non-Votes
5,703,341	1,129,511	75,920	907,135

The proposal to ratify the appointment of KPMG LLP as the Company's independent public accountants for the year ending December 31, 2000 was ratified. The number of votes cast for or against as well as the number of abstentions and broker non-votes for the ratification were as follows:

For	Against	Abstentions	Broker Non-Votes
7,748,597	100	67,210	0

PART II. OTHER INFORMATION

Item 5. Other Information

On October 18, 2000, the Company issued a press release regarding its earnings performance for the quarter ended September 30, 2000 and management's expectations regarding future performance. This press release is filed as an exhibit hereto and incorporated into this Report by reference.

Item 6. Exhibits and Reports on Form 8-K

(a) *Exhibits:*

3.1* Articles of Incorporation: Previously filed by the Company as an Exhibit to the Company's Registration Statement on Form S-1, File No. 333-26457, and incorporated herein by reference.

3.2* By-Laws: Previously filed by the Company as an Exhibit to the Company's Registration Statement on Form S-1, File No. 333-26457, and incorporated herein by reference.

10.1 Amendment to Employment Agreement dated March 9, 2000 between William M. Stone and Temptronic Corporation (filed as Exhibit 10.4 to the Company's Form 10Q/A filed June 21, 2000).

10.2* Amended and Restated 1997 Stock Plan (filed as an appendix to the Company's proxy statement filed June 30, 2000, and incorporated herein by reference).

27 Financial Data Schedule

99 Press Release dated October 18, 2000

* Indicates document previously filed

(b) *Reports on Form 8-K*

On July 19, 2000, the Company filed a report on Form 8-K providing information responsive to the requirements of Item 5 and 7 of that form regarding its financial results for the three month and six month periods ended June 30, 2000.

On July 26, 2000, the Company filed a report on Form 8-K providing information responsive to the requirements of Item 5 and 7 of that form regarding understated bookings by the Company for the first quarter ended March 31, 2000.

On September 6, 2000, the Company filed a report on Form 8-K providing information responsive to the requirements of Item 5 and 7 of that form regarding the Securities and Exchange Commission granting the Company's request to withdraw its registration statement for the offering of 2,000,000 shares of its common stock.

Signatures

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

inTEST Corporation

Date: November 14, 2000	/s/ Robert E. Matthiessen Robert E. Matthiessen *President and Chief Executive Officer*
Date: November 14, 2000	/s/ Hugh T. Regan, Jr. Hugh T. Regan, Jr. *Treasurer and Chief Financial Officer*

Index to Exhibits

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27 Financial Data Schedule

99 Press Release dated October 18, 2000

* Indicates document previously filed

EXHIBIT 10.1

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment dated as of August 1, 2000, is by and between Temptronic Corporation, a Delaware corporation, with its principal place of business in Newton, Massachusetts (the "Company"), and William M. Stone of 12 Samuel Drive, North Grafton, Massachusetts 01536 (the "Employee").

RECITALS

The Company and the Employee entered into an Employment Agreement dated March 9, 2000 (the "Employment Agreement").

The Company and the Employee desire to amend the Employment Agreement as set forth in this Amendment to Employment Agreement.

NOW, THEREFORE, the Company and the Employee, intending to be legally bound, hereby agree to amend the Employment Agreement as follows:

1. Definitions.

All capitalized terms used and not defined herein shall have the meanings given to them in the Employment Agreement unless otherwise indicated by the context.

2. Amendments.

(I) Section 4(b) of the Employment Agreement is hereby amended and restated to read in its entirety as follows:

"(b) Percent of Profit Bonus. For each full calendar year during the term of this Agreement, the Employee shall receive a bonus equal to 1% of the pre-tax profit of the Company during such fiscal year. Pre-tax profit shall be determined by the Company's independent auditors in accordance with generally accepted accounting principles, except that such computation shall not take into account the bonus payable pursuant to this Section 4(b) but pre-tax profit will be computed ***after*** deduction for the bonus amount paid during such fiscal year pursuant to Section 4(e). The bonus payable pursuant to this Section 4(b) shall be prorated for any portion of a calendar year included within the term of this Agreement."

(II) A new Section 4(e) of the Employment Agreement is hereby added reading in its entirety as follows:

"(e) Fixed Bonus.

(i) In addition to the bonus payable pursuant to Section 4(b), the Employee shall receive additional fixed bonus amounts as follows:

Payable Date	***Amount***
8/1/00	$80,000
8/1/01	$80,000
8/1/02	$80,000
8/1/03	$80,000
8/1/04	$80,000

The fixed bonus amounts payable pursuant to this Section 4(e), are conditioned upon the Employee's continued employment with the Company on the respective Payable Date; provided, however, that upon the occurrence of any of the following events, the remaining bonus amounts will be accelerated and become payable within thirty days thereafter: (A) a Change in Control (as defined below) of the Company's parent, inTEST Corporation ("inTEST"); (B) the Employee's death or disability; or (C) the termination of the Employee's employment by Temptronic without cause as provided in this Agreement.

(ii) "Change of Control" shall be deemed to have occurred upon the earliest to occur of the following events:

(A) The date the stockholders of inTEST (or the Board of Directors, if stockholder action is not required) approve a plan or other arrangement pursuant to which inTEST will be dissolved or liquidated;

(B) The date the stockholders of inTEST (or the Board of Directors, if stockholder action is not required) approve a definitive agreement to sell or otherwise dispose of all or substantially all of the assets of inTEST;

(C) The date the stockholders of inTEST (or the Board of Directors, if stockholder action is not required) and the stockholders of the other constituent corporation (or its board of directors if stockholder action is not required) have approved a definitive agreement to merge or consolidate inTEST with or into such other corporation, other than, in either case, a merger or consolidation of inTEST in which holders of shares of the Common Stock of inTEST immediately prior to the merger or consolidation will hold at least a majority of the ownership of common stock of the surviving corporation (and, if one class of common stock is not the only class of voting securities entitled to vote on the election of directors of the surviving corporation, a majority of the voting power of the surviving corporation's voting securities) immediately after the merger or consolidation, which common stock (and, if applicable, voting securities) is to be held in substantially the same proportion as such holders' ownership of the Common Stock of inTEST immediately before the merger or consolidation; or

(D) the date any entity, person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act")), other than (x) inTEST or any of its Affiliates (as defined below) or any employee benefit plan (or related trust) sponsored or maintained by inTEST or any of its Affiliates or (y) any entity, person or group (other than a group in which an entity described in (x) is a member) who, on the date of this Amendment shall have been the beneficial owner of at least twenty percent (20%) of the outstanding Common Stock of inTEST shall have become the beneficial owner of, or shall have obtained voting control over, more than fifty percent (50%) of the outstanding shares of the Common Stock of inTEST. The term "Affiliates" shall mean any corporation or other business organization in which inTEST owns, directly or indirectly, 50% or more of the voting stock or capital at the date of this Amendment."

(III) The last sentence of Section 5(b) of the Employment Agreement is hereby amended and restated to read in its entirety as follows:

"In addition, the Employee or others so entitled shall be paid (i) any bonus to which the Employee may be entitled pursuant to Section 4(b) that may have accrued through the effective date of termination, as soon as practicable after the determination of such amount, and (ii) the remaining fixed bonus amounts, if any, as provided in Section 4(e)(i)."

3. Reaffirmation.

Except as modified hereby, all of the terms, covenants and conditions of the Employment Agreement are hereby in all respects ratified, reaffirmed and confirmed and shall continue in full force and effect.

4. Counterparts.

This Amendment of Employment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, this Amendment of Employment Agreement has been executed by the Company, by its duly authorized officer, and by the Employee, as of the date first above written.

TEMPTRONIC CORPORATION

/s/ William M. Stone William M. Stone	By: /s/ Hugh T. Regan, Jr. Hugh T. Regan, Jr. Secretary and Treasurer

EXHIBIT 99

[inTEST Corporation News Release Letterhead]

inTEST CORPORATION ANNOUNCES THIRD QUARTER RESULTS AND RECORD QUARTERLY NET REVENUES AND BOOKINGS

CHERRY HILL, NEW JERSEY - October 18, 2000... inTEST Corporation (NASDAQ:INTT) today announced third quarter results. Net earnings for the quarter ended September 30, 2000 were $2.6 million or $.31 per diluted share compared with $1.8 million or $.21 per diluted share for the comparable period in 1999. Included in the results for the third quarter were $415,000 in expenses related to the write-off of deferred offering costs associated with the offering of common shares that was cancelled by the Company in early September 2000. Net earnings for the quarter ended September 30, 2000 adjusted to eliminate the non-recurring write-off of deferred offering costs were $.34 per diluted share. The following is summary financial information for the periods ended September 30, 2000 and 1999:

	Three Months Ended		Nine Months Ended	
	9/30/00	9/30/99	9/30/00	9/30/99
	(in thousands, except per share data)			
Net revenues	$24,491	$15,237	$66,061	$34,276
Gross margin	11,261	7,615	31,742	16,681
Operating income	4,004	2,595	10,372	3,622
Net earnings	2,634	1,768	5,906	2,401
Net earnings per common share - basic	$0.32	$0.22	$0.72	$0.30
Weighted average common shares outstanding - basic	8,232	8,081	8,187	8,072
Net earnings per common share - diluted	$0.31	$0.21	$0.70	$0.29
Weighted average common shares outstanding - diluted	8,476	8,260	8,485	8,254

inTEST's net revenues for the quarter ended September 30, 2000 were a record $24.5 million compared to $21.3 million for the quarter ended June 30, 2000, an increase of $3.2 million or 15%. In addition, inTEST had record bookings (orders for its products) of $26.4 million for the quarter ended September 30, 2000 compared with $25.3 million for the quarter ended June 30, 2000, an increase of $1.1 million or 4%.

Robert E. Matthiessen, President and CEO said, "Our business has continued to exhibit sequential quarterly growth in both bookings and sales in the third quarter, and bookings continue to be strong in the beginning of the fourth quarter. We moved into our new facility in Cherry Hill over the Columbus Day weekend and manufacturing operations began within several days, although we lost about a week's production. The 120,000 square foot facility has tripled our manufacturing area and more than doubled the area available for engineering and product development. We are presently in negotiations for a new facility in Sharon, MA, for the Temptronic product line as it has outgrown its present facility in Newton, MA. We anticipate that Temptronic will move into its new facility at the end of the first quarter of 2001. During the fourth quarter of 2000, we will allocate a significant portion of our production capacity at Temptronic and here in Cherry Hill to the manufacture of several new prototype products which have been in development and for which we expect sales in the first quarter of 2001."

Hugh T. Regan, Jr., Treasurer and CFO said, "Net revenues for the fourth quarter of 2000 are expected to be in the range of $22.0 to $23.0 million. The decline in net revenues from the third quarter is attributable to a number of factors including the significant increase in the manufacturing capacity we will allocate in the fourth quarter to new product development as certain projects approach production readiness, the postponement of some delivery dates by one customer and production down time at our Cherry Hill plant due to the recent move. As a result, diluted earnings per common share for the fourth quarter, based upon 8.5 million shares outstanding, is expected to be approximately $.23 to $.25 per share. We anticipate that bookings for our products will continue to increase during the fourth quarter of 2000 and will be approximately $27.0 to $29.0 million. As a result of this booking activity and our backlog of orders at September 30, 2000 of $21.2 million, we expect net revenues of $26.0 to $27.0 million in the first quarter of 2001."

inTEST Corporation is a leading independent designer, manufacturer and marketer of interface solutions and temperature management products that semiconductor manufacturers use in conjunction with automatic test equipment in the testing of integrated circuits. Headquartered in Cherry Hill, New Jersey, inTEST has manufacturing facilities in New Jersey, Massachusetts, California, the UK and Singapore and design, sales, service and support offices in New Jersey, Massachusetts, California, the UK, Japan, Singapore, and Germany. Design, sales, service and support is also provided by inTEST personnel located in Arizona and Texas.

The statements by Messrs. Matthiessen and Regan are forward-looking statements that are based upon management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from these forward-looking statements. In addition to the factors discussed above, such risks and uncertainties include, but are not limited to, changes in business conditions and the economy, generally; a decline in the demand for integrated circuits; changes in rates of, and timing of, capital expenditures by semiconductor manufacturers; progress of product development programs; increases in raw material and fabrication costs associated with our products; costs associated with, and progress in, the integration of acquired operations; and other risk factors set forth from time to time in our SEC filings including, but not limited to, our report on Form 10-Q for the quarter ended June 30, 2000.

As previously announced, there will be a conference call hosted by management on Wednesday, October 18, 2000 at 9:00 a.m. EST. This call will be broadcast live on the Internet and can be accessed through www.vcall.com. It is recommended that participants register at least 10 minutes prior to the broadcast. The call will be archived for 30 days.

SELECTED FINANCIAL DATA
(in thousands, except per share data)

Consolidated Statement of Earnings Data:

	Three Months Ended	Nine Months Ended

	September 30, 2000	September 30, 1999	September 30, 2000	September 30, 1999
Net revenues	$24,491	$15,237	$66,061	$34,276
Gross margin	11,261	7,615	31,742	16,681
Operating expenses:				
Selling expense	3,252	2,263	8,279	5,674
Engineering and product development expense	1,591	1,243	4,662	3,495
General and administrative expense	1,999	1,514	5,342	3,890
Write-off of deferred offering costs	415	-	415	-
Merger-related costs	-	-	2,672	-
Operating income	4,004	2,595	10,372	3,622
Other income	182	74	445	162
Income tax expense	1,552	901	4,911	1,383
Net earnings	2,634	1,768	5,906	2,401
Net earnings per common share - basic	$0.32	$0.22	$0.72	$0.30
Weighted average common shares outstanding - basic	8,232	8,081	8,187	8,072
Net earnings per common share - diluted	$0.31	$0.21	$0.70	$0.29
Weighted average common shares outstanding - diluted	8,476	8,260	8,485	8,254

Consolidated Balance Sheet Data:

	As of: 9/30/00	12/31/99
Cash and cash equivalents	$ 7,245	$12,047
Trade accounts and notes receivable	18,095	10,020
Inventories	10,978	7,972
Total current assets	38,272	32,208
Net machinery and equipment	5,019	2,697
Total assets	50,096	43,015
Accounts payable	5,372	5,195
Accrued expenses	3,809	3,011
Total current liabilities	12,587	11,424
Long-term debt, net of current portion	-	133
Total stockholders' equity	37,509	31,458