

<SUBMISSION- INFORMATION- FILE>

<TYPE>	10-Q	</TYPE>
<CONFIRMING-COPY>	NO	</CONFIRMING-COPY>
<SROS>	AMEX	</SROS>
<FILER>		
<FILER-CIK>	0000061004	</FILER-CIK>
<FILER-CCC>	m#fckf3d	</FILER-CCC>
</FILER>		
<SUBMISSION- CONTACT>		
<CONTACT- NAME>		</CONTACT- NAME>
<CONTACT- PHONE>		</CONTACT- PHONE>
</SUBMISSION- CONTACT>		
<NOTIFY- INTERNET>		</NOTIFY- INTERNET>
<RETURN- COPY>	NO	</RETURN- COPY>
<PERIOD>	06-30-2005	</PERIOD>

</SUBMISSION- INFORMATION- FILE>

<html>
<head>
<title>sec document</title>
</head>
<body>
<PRE>

SECURITIES & EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2005

or

TRANSITION REPORT PURSUANT TO SECTION 13 OF 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 1-106

LYNCH CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Indiana

38-1799862

(State or other jurisdiction of incorporation or organization)

I.R.S. Employer Identification No.)

140 Greenwich Avenue, 4th Floor, Greenwich, CT

06830

(Address of principal executive offices)

(Zip Code)

(203) 622-1150

Registrant's telephone number, including area code

(Former address, changed since last report)

Indicate by check mark 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 No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock, as of the latest practical date.

CLASS	Outstanding At June 30, 2005
----- Common Stock, \$0.01 par value	----- 1,624,926

<PAGE>

INDEX

LYNCH CORPORATION AND SUBSIDIARIES

PART I. FINANCIAL INFORMATION.....3

Item 1. Financial Statements (Unaudited).....3
Consolidated Balance Sheets:.....3
- June 30, 2005.....3
- December 31, 2004.....3
Consolidated Statements of Operations:.....5
- Three months ended June, 30, 2005 and 2004.....5
- Six months ended June 30, 2005 and 2004.....5
Consolidated Statements of Cash Flows:.....6
- Six months ended June 30, 2005 and 2004.....6
Notes to Condensed Consolidated Financial Statements:.....7

Item 2. Management's Discussion and Analysis of Financial Condition and
Results of Operations.....15

Item 3. Quantitative and Qualitative Disclosure About Market Risk.....23

Item 4. Controls and Procedures.....23

PART II. OTHER INFORMATION.....24

Item 1. Legal Proceedings.....24

Item 2. Issuer Purchase of Its Equity Securities.....25

Item 4. Submission of Matters to a Vote of Security Holders.....26

Item 6. Exhibits and Reports on Form 8-K.....26

<PAGE>

PART 1 -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

LYNCH CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS -- UNAUDITED

(In Thousands, Except Share Amounts)

	June 30, 2005	December 31, 2004 (A)
	-----	-----
ASSETS		
Current Assets		
Cash and cash equivalents.....	\$ 1,067	\$ 2,580
Restricted cash (Note E).....	1,000	1,125
Investments - marketable securities (Note F).....	3,842	3,609
Accounts receivable, less allowance for doubtful accounts of \$91 and \$92, respectively.....	9,392	6,360
Unbilled accounts receivable.....	3,520	2,507
Inventories (Note G).....	6,892	7,852
Deferred income taxes.....	413	111
Prepaid expense.....	536	626
	-----	-----
Total Current Assets.....	26,662	24,770
Property, Plant and Equipment		
Land.....	800	871
Buildings and improvements.....	5,606	5,811
Machinery and equipment.....	14,224	14,443
	-----	-----
	20,630	21,125
Less: accumulated depreciation.....	(13,274)	(12,669)
	-----	-----
	7,356	8,456
Other assets.....		
	599	657
	-----	-----
Total Assets.....	\$ 34,617	\$ 33,883
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Notes payable (Note H).....	\$ 5,186	\$ 5,557
Trade accounts payable.....	3,334	2,667
Accrued warranty expense (Note I).....	450	466
Accrued compensation expense.....	1,170	1,101
Accrued income taxes.....	1,314	966
Accrued professional fees.....	352	534
Margin liability on marketable securities.....	1,565	1,566
Other accrued expenses.....	1,149	1,139
Commitments and contingencies (Note M).....	761	775
Customer advances.....	1,172	2,115
Current maturities of long-term debt (Note H).....	4,153	3,842
	-----	-----
Total Current Liabilities.....	20,606	20,728
Long-term debt (Note H).....	2,413	3,162
	-----	-----
Total Liabilities.....	23,019	23,890
Shareholders' Equity		
Common stock, \$0.01 par value - 10,000,000 shares authorized; 1,649,834 shares issued; 1,624,926 shares outstanding.....	16	16
Additional paid-in capital.....	17,404	17,404
Accumulated deficit.....	(6,385)	(7,786)
Accumulated other comprehensive income (Note K).....	1,116	849
Treasury stock, at cost, of 24,908 and 17,708 shares, respectively.....	(553)	(490)
	-----	-----
Total Shareholders' Equity.....	11,598	9,993
	-----	-----
Total Liabilities and Shareholders' Equity.....	\$ 34,617	\$ 33,883
	=====	=====

<PAGE>

(A) The Balance Sheet at December 31, 2004 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

<PAGE>

PART I -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

LYNCH CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS -- UNAUDITED
(In Thousands, Except Share Amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
SALES AND REVENUES	\$ 14,913	\$ 6,736	\$ 25,508	\$ 13,548
Cost and expenses:				
Manufacturing cost of sales	9,401	4,750	16,719	10,050
Selling and administrative	3,511	2,028	6,561	4,303
Lawsuit settlement provision (Note M)	--	425	--	425
OPERATING PROFIT (LOSS)	2,001	(467)	2,228	(1,230)
Other income (expense):				
Investment income	7	4	17	8
Interest expense	(208)	(62)	(393)	(113)
Other income	77	(5)	80	22
	(124)	(63)	(296)	(83)
INCOME (LOSS) BEFORE INCOME TAXES	1,877	(530)	1,932	(1,313)
Provision for income taxes	(526)	(30)	(531)	(55)
NET INCOME (LOSS)	\$ 1,351	\$ (560)	\$ 1,401	\$ (1,368)
Weighted average shares outstanding	1,630,539	1,495,500	1,631,333	1,496,300
BASIC AND DILUTED INCOME (LOSS) PER SHARE:	\$ 0.83	\$ (0.37)	\$ 0.86	\$ (0.91)

- o Effective September 30, 2004, the Company acquired, through its subsidiary M-tron Industries, Inc., 100% of the common stock of Piezo Technology, Inc. (See Note D to the Condensed Consolidated Financial Statements.) The three month and six month results for the period ending June 30, 2004 do not include Piezo Technology, Inc.

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

<PAGE>

PART I -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

LYNCH CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS -- UNAUDITED

(In Thousands)

	Six Months Ended June 30,	
	2005	2004
OPERATING ACTIVITIES		
Net income (loss).....	\$ 1,401	\$ (1,368)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation.....	640	428
Amortization of definite-lived intangible assets.....	44	123
Gain on sale of fixed assets.....	(69)	-
Lawsuit settlement provision (Note M)	-	425
Changes in operating assets and liabilities:		
Receivables.....	(4,045)	2,094
Inventories.....	960	(1,104)
Accounts payable and accrued liabilities.....	882	(98)
Other assets/liabilities.....	(729)	3
Net cash provided by operating activities.....	(916)	503
INVESTING ACTIVITIES		
Capital expenditures.....	(191)	(184)
Restricted cash.....	125	-
Purchase of marketable securities.....	-	(754)
Proceeds from sale of fixed assets.....	307	-
Payment on margin liability on marketable securities.....	-	(300)
Cash provided by (used in) investing activities.....	241	(1,238)
FINANCING ACTIVITIES		
Net repayments of notes payable.....	(371)	(97)
Repayment of long-term debt.....	(438)	(62)
Other.....	-	-
Purchase of treasury stock.....	(63)	(32)
Net cash used in financing activities.....	(832)	(191)
(Decrease) increase in cash and cash equivalents.....	(1,513)	(926)
Cash and cash equivalents at beginning of period.....	2,580	3,981
Cash and cash equivalents at end of period.....	\$ 1,067	\$ 3,055

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

<PAGE>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A. SUBSIDIARIES OF THE REGISTRANT

As of June 30, 2005, the Subsidiaries of the Registrant are as follows:

	Owned By Lynch -----
Lynch Systems, Inc.....	100.0%
M-tron Industries, Inc.....	100.0%
M-tron Industries, Ltd.....	100.0%
Piezo Technology, Inc.....	100.0%
Piezo Technology India Private Ltd.....	99.9%

B. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month and six month period ended June 30, 2005 are not necessarily indicative of the results that may be expected for the year ended December 31, 2005.

The balance sheet at December 31, 2004 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Registrant Company and Subsidiaries Annual Report on Form 10-K for the year ended December 31, 2004.

C. ADOPTION OF ACCOUNTING PRONOUNCEMENTS

On December 14, 2004, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 123 (revised 2004), "Share Based Payment" ("SFAS 123R"), which is a revision of SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"). SFAS 123R supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and amends SFAS No. 95 "Statement of Cash Flows". Generally, the approach in SFAS 123R is similar to the approach described in SFAS 123. However, SFAS 123R requires all share-based payments to employees, including grants to employee stock options, to be recognized in the income statement based on their fair values. Pro-forma disclosure is no longer an alternative.

On April 14, 2005, the Securities and Exchange Commission announced that it would provide for a phased-in implementation process for SFAS No. 123R. This ruling effectively delayed the Company's adoption of the standard until the first quarter of 2006. The Company will continue to evaluate the provisions of SFAS No. 123R to determine its impact on its financial condition and results of operations.

In November 2004, the FASB issued SFAS No. 151, "INVENTORY COSTS - AN AMENDMENT OF ARB NO. 43". SFAS No. 151 is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. This Statement amends the guidance in ARB No. 43, Chapter 4, "INVENTORY PRICING", to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). This Statement requires that those items be recognized as current-period charges regardless of whether they meet the criterion of "so abnormal". In addition, this Statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. The adoption of this standard is not expected to have a material impact on the Company's overall financial position or results of operations.

D. ACQUISITION

On October 15, 2004, the Company acquired, through its wholly-owned subsidiary, Mtron, 100% of the common stock of PTI. The acquisition was effective September 30, 2004. PTI manufactures and markets high-end oscillators, crystals, resonators and filters used in electronic and communications systems. The purchase price was approximately \$8,736,000 (before deducting cash acquired, and before adding acquisition costs and transaction fees). The Company funded the purchase price by (a) new notes payable and long-term debt of \$6,936,000 and (b) proceeds of \$1,800,000 received from the sale of Lynch Stock to Venator Merchant Fund ("Venator"), which is controlled by the Company's Chairman, Marc Gabelli.

<PAGE>

The following is a revised allocation of the purchase price to the estimated fair value of assets acquired and liabilities assumed for the PTI acquisition. The allocation is based on management's estimates, including the valuation of the fixed and intangible assets by independent third-party appraisers.

(in thousands)

ASSETS:	

Cash.....	\$ 1,389
Accounts receivable.....	1,565
Inventories.....	2,485
Prepaid expenses and other current assets.....	853
Property and equipment.....	4,454
Intangible assets.....	627
Other assets.....	356

Total assets acquired.....	\$ 11,729
=====	
LIABILITIES:	
Accounts payable.....	\$ 556
Accrued expenses.....	1,292
Debt assumed by the Company.....	1,145
Total liabilities assumed.....	2,993

Net Assets acquired.....	\$ 8,736
=====	

Although the Company is in the process of finalizing the purchase price accounting and related income tax implications, during the second quarter of 2005, certain adjustments totaling approximately \$400,000 were made to the acquired property and equipment.

The fair market value of net assets acquired in the PTI acquisition exceeded the purchase price, resulting in negative goodwill of approximately \$4.4 million. In accordance with Statement of Financial Accounting Standards No. 141 "Accounting for Business Combinations", this negative goodwill was allocated back to PTI's non-current assets, resulting in a write-down in the fair market value initially assigned to property and equipment and intangible assets. The adjusted intangible assets of \$627,000 consist of customer relationships, trade name and funded technologies, and were determined to have definite lives that range from two to ten years.

E. RESTRICTED CASH

At June 30, 2005 and December 31, 2004, the Company had \$1.0 million and \$1.1 million, respectively, of Restricted Cash that secures a Letter of Credit issued by Bank of America to the First National Bank of Omaha as collateral for its M-tron subsidiary's loans.

F. INVESTMENTS

The following is a summary of marketable securities (investments) held by the Company (in thousands):

Equity Securities	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value

June 30, 2005.....	\$ 2,774	\$ 1,068	--	\$ 3,842
December 31, 2004.....	\$ 2,774	\$ 835	--	\$ 3,609

<PAGE>

The Company has a margin liability against this investment of \$1,565,000 at June 30, 2005 and of \$1,566,000 at December 31, 2004 which must be settled upon the disposition of the related securities whose fair value is based on quoted market prices. The Company has designated these investments as available for sale pursuant to Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities".

G. INVENTORIES

Inventories are stated at the lower of cost or market value. At June 30, 2005, inventories were valued by two methods: last-in, first-out (LIFO) 52%, and first-in, first-out (FIFO) 48%. At December 31, 2004, inventories were valued by the same two methods: LIFO - 47%, and FIFO - 53%.

	June 30, 2005	December 31, 2004

	(in thousands)	
Raw materials.....	\$ 2,624	\$ 2,308
Work in process.....	2,659	3,763
Finished goods.....	1,609	1,781

Total Inventories.....	\$ 6,892	\$ 7,852
	=====	

Current costs exceed LIFO value of inventories by \$851,000 and \$1,110,000 at June 30, 2005 and December 31, 2004, respectively.

H. INDEBTEDNESS

Lynch Systems and MtronPTI maintain their own short-term line of credit facilities. In general, the credit facilities are secured by property, plant and equipment, inventory, receivables and common stock of certain subsidiaries and contain certain covenants restricting distributions to the Company. The Lynch Systems credit facility includes an unsecured parent Company guarantee. MtronPTI's credit facility includes an unsecured parent Company guarantee and is supported by a \$1.0 million Letter of Credit that is secured by a \$1.0 million deposit at Bank of America (see Note E - "Restricted Cash").

On June 30, 2005, MtronPTI renewed its credit agreement with First National Bank of Omaha extending the due date to May 31, 2006. MtronPTI's short-term credit facility totals \$5.5 million, of which \$2.8 million was available for future borrowings. MtronPTI's \$3.0 million bridge loan from First National Bank of Omaha is scheduled to mature on October 14, 2005. MtronPTI is in discussions to refinance this bridge loan, however, there can be no assurances that it will be able to do so.

On June 29, 2005, Lynch Systems entered into an extension agreement with SunTrust Bank to extend the due date of its credit agreement until August 31, 2005. Lynch Systems \$7.0 million short-term credit facility was reduced to a \$4.3 million credit facility in accordance with the extension agreement, of which \$200,000 was available for letters of credit. Lynch Systems is currently seeking to obtain new financing, however, there can be no assurances that such financing will be available.

On May 12, 2005, Venator Merchant Fund, L.P. made a loan to Lynch Corporation in the amount of \$700,000 due September 11, 2005 or within seven days after demand by Venator. Venator is an investment limited partnership controlled by Lynch's Chairman of the Board, Marc Gabelli. The loan was approved by the Audit Committee of the Board of Directors of Lynch. JUNE 30, DECEMBER 31,

<PAGE>

	June 30, ----- 2005 -----	December 31, ----- 2004 -----
	(in thousands)	
Notes payable:		
Mtron bank revolving loan at variable interest rates (greater of prime or 4.5%; 6.25% at June 30, 2005), due May, 2006	\$ 2,730	\$ 3,557
Lynch Systems working capital revolving loan at variable interest rates, (LIBOR + 2%; 5.11% at June 30, 2005), due August, 2005	1,756	2,000
Venator promissory note at a fixed interest rate of 6%, due September 11, 2005	700	--
	-----	-----
	\$ 5,186	\$ 5,557
	=====	=====

Long-term debt consists of:

	June 30, ----- 2005 -----	December 31, ----- 2004 -----
	(in thousands)	
Long-term debt:		
Mtron commercial bank term loan at variable interest rates (6.50% at June 30, 2005), due April, 2007	\$ 563	\$ 686
Yankton Area Progressive Growth loan at 0% interest	--	50
South Dakota Board of Economic Development at a fixed rate of 3%, due December, 2007	268	273
Yankton Areawide Business Council loan at a fixed interest rate of 5.5%, due November, 2007	78	83
Lynch Systems term loan at a fixed interest rate of 5.5%, due August, 2005	403	427
Mtron bridge loan at variable interest rates (greater of prime or 4.5%; 6.25% at June 30, 2005), due October, 2005	3,000	3,000
Mtron term loan at variable interest rates (greater of prime plus 50 basis points or 4.5%; 6.75% at June 30, 2005), due October, 2007	1,760	1,943
Rice University Promissory Note at a fixed interest rate of 4.5%, due August, 2009	309	345
Smythe Estate Promissory Note at a fixed interest rate of 4.5% due August, 2009	185	197
	-----	-----
Current maturities	6,566 (4,153)	7,004 (3,842)
	-----	-----
	\$ 2,413	\$ 3,162
	=====	=====

I. LONG-TERM CONTRACTS AND WARRANTY EXPENSE

Lynch Systems, a 100% wholly-owned subsidiary of the Company, is engaged in the manufacture and marketing of glass-forming machines and specialized manufacturing machines. Certain sales contracts require an advance payment (usually 30% of the contract price) which is accounted for as a customer advance. The contractual sales prices are paid either (i) as the manufacturing process reaches specified levels of completion or (ii) based on the shipment date or (iii) negotiated terms of sale. Guarantees by letter of credit from a qualifying financial institution are required for most sales contracts. Because of the specialized nature of these machines and the period of time needed to complete production and shipping, Lynch Systems accounts for these contracts using the percentage-of-completion accounting method as costs are incurred compared to total estimated project costs (cost-to-cost basis). At June 30, 2005 and December 31, 2004, unbilled accounts receivable were \$3.5 million and \$2.5 million, respectively.

Lynch Systems provides a full warranty to world-wide customers who acquire machines. The warranty covers both parts and labor and normally covers a period of one year or thirteen months. Based upon experience, the warranty accrual is based upon three to five percent of the selling price of the machine. The Company periodically assesses the adequacy of the reserve and adjusts the amounts as necessary.

<PAGE>

(in thousands)

Balance, December 31, 2004.....	\$ 466
Warranties issued during the period.....	170
Settlements made during the period.....	(186)
Changes in liabilities for pre-existing warranties during the period, including expirations.....	--
Balance, June 30, 2005.....	\$ 450
	=====

J. EARNINGS PER SHARE AND STOCKHOLDERS' EQUITY

On May 26, 2005, the Company's shareholders approved amendments to the 2001 Equity Incentive Plan to increase the total number of shares of the Company's Common Stock available for issuance from 300,000 to 600,000 shares and to add provisions that require terms and conditions of awards to comply with section 409A of the Internal Revenue Code of 1986. Also on May 26, 2005, the Company granted options to purchase 120,000 shares of Company common stock to certain employees and directors of the Company at \$13.17 per share. These options were anti-dilutive and have lives of up to ten years. As of June 30, 2005, 300,000 options are outstanding and fully vested.

The Company accounts for the 2001 Equity Incentive Plan under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation cost is reflected in net income, as all options granted under those plans had an exercise price equal to or above the market value of the underlying common stock on the date of grant. The Company provides pro-forma disclosures of the compensation expense determined under the fair value provisions of Financial Accounting Standards Board Statement No. 123, "Accounting for Stock-Based Compensation" as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
	----- (in thousands, except share amounts)			
Net income (loss) as reported	\$ 1,351	\$ (560)	\$ 1,401	\$ (1,368)
Deduct: Total stock based employee compensation expense determined under fair value based method for all awards, net of related tax effect	(222)	(38)	(222)	(77)
Pro-forma net income (loss)	\$ 1,129	\$ (598)	\$ 1,179	\$ (1,445)
	=====	=====	=====	=====
Basic & diluted income (loss) per share:				
As reported	\$ 0.83	\$ (0.37)	\$ 0.86	\$ (0.91)
Pro forma	\$ 0.69	\$ (0.40)	\$ 0.72	\$ (0.97)

The net income (loss) as reported in each period did not include any stock-based compensation.

<PAGE>

K. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Total comprehensive income was \$1,175,000 in the three months ended June 30, 2005, compared to a total comprehensive loss of \$835,000 in the three months ended June 30, 2004. Included in total comprehensive income (loss) were losses on available for sale securities of \$189,000 and \$275,000 in the three months ended June 30, 2005 and 2004, respectively.

Total comprehensive income was \$1,668,000 in the six months ended June 30, 2005, compared to a total comprehensive loss of \$1,057,000 in the six months ended June 30, 2004. Included in total comprehensive income (loss) were gains on available for sale securities of \$233,000 and \$311,000 in the six months ended June 30, 2005 and 2004, respectively.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Net income (loss) as reported	\$ 1,351	\$ (560)	\$ 1,401	\$ (1,368)
Foreign currency translation	13	--	34	--
Unrealized (loss) gain on available for sale securities	(189)	(275)	233	311
Total comprehensive income (loss)	\$ 1,175	\$ (835)	\$ 1,668	\$ (1,057)

The components of accumulated other comprehensive income, net of related tax, at June 30, 2005 and December 31, 2004, and June 30, 2004 are as follows:

	June 30, 2005	December 31, 2004	June 30, 2004
Balance beginning of period.....	\$ 849	\$ 291	\$ 291
Foreign currency translation.....	34	14	--
Unrealized gain on available for-sale securities.....	233	544	311
Accumulated other comprehensive income.....	\$ 1,116	\$ 849	\$ 602

L. SEGMENT INFORMATION

The Company has two reportable business segments: 1) glass manufacturing equipment business, which represents the operations of Lynch Systems, and 2) frequency control devices (quartz crystals and oscillators) which represents products manufactured and sold by MtronPTI. The Company's foreign operations in Hong Kong and India exist under MtronPTI.

Operating profit (loss) is equal to revenues less operating expenses, excluding investment income, interest expense, and income taxes. The Company allocates a negligible portion of its general corporate expenses to its operating segments. Such allocation was \$125,000 and \$87,500 in the three months ending June 30, 2005 and 2004, respectively and \$250,000 and \$175,000 in the six months ending June 30, 2005 and 2004, respectively. Identifiable assets of each industry segment are the assets used by the segment in its operations excluding general corporate assets. General corporate assets are principally cash and cash equivalents, short-term investments and certain other investments and receivables.

<PAGE>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
REVENUES				
Glass manufacturing equipment - USA	\$ 616	\$ 181	\$ 1,066	\$ 333
Glass manufacturing equipment - Foreign	5,448	970	7,209	3,117
Total Glass manufacturing equipment	6,064	1,151	8,275	3,450
Frequency control devices - USA	4,837	2,052	9,691	4,189
Frequency control devices - Foreign	4,012	3,533	7,542	5,909
Total Frequency control devices	8,849	5,858	17,233	10,098
Consolidated total revenues	\$ 14,913	\$ 6,736	\$ 25,508	\$ 13,548
OPERATING PROFIT (LOSS)				
Glass manufacturing equipment	\$ 1,774	\$ (130)	\$ 1,848	\$ (522)
Frequency control devices	638	407	1,217	469
Total manufacturing	2,412	277	3,065	(53)
Unallocated Corporate expense	(411)	(744)	(837)	(1,177)
Consolidated total operating profit (loss)	\$ 2,001	\$ (467)	\$ 2,228	\$ (1,230)
OTHER PROFIT (LOSS)				
Investment income	\$ 7	\$ 4	\$ 17	\$ 8
Interest expense	(208)	(62)	(393)	(113)
Other income (expense)	77	(5)	80	22
Consolidated total profit (loss) before taxes	\$ 1,877	\$ (530)	\$ 1,832	\$ (1,313)
CAPITAL EXPENDITURES				
Glass manufacturing equipment	\$ 8	\$ 10	\$ 20	\$ 13
Frequency control devices	152	105	170	171
General Corporate	--	--	1	--
Consolidated total capital expenditures	\$ 160	\$ 115	\$ 191	\$ 184
TOTAL ASSETS				
Glass manufacturing equipment			\$ 12,109	\$ 9,902
Frequency control devices			17,100	9,018
General Corporate			5,308	2,878
Consolidated total assets			\$ 34,517	\$ 21,798

M. COMMITMENTS AND CONTINGENCIES

In the normal course of business, subsidiaries of the Company are defendants in certain product liability, worker claims and other litigation in which the amounts being sought may exceed insurance coverage levels. The resolution of these matters is not expected to have a material adverse effect on the Company's financial condition or operations. In addition, the Company and/or one or more of its subsidiaries are parties to the following additional legal proceedings:

<PAGE>

IN RE: SPINNAKER COATING, INC., DEBTOR/PACE LOCAL 1-1069 V. SPINNAKER COATING, INC., AND LYNCH CORPORATION, U.S. BANKRUPTCY COURT, DISTRICT OF MAINE, CHAPTER 11, ADV. PRO. NO. 02-2007, PACE LOCAL 1-1069 V. LYNCH CORPORATION AND LYNCH SYSTEMS, INC. CUMBERLAND COUNTY SUPERIOR COURT, CV-2001-00352; AND MAINE SUPREME JUDICIAL COURT, LAW DOCKET NO. CUM-04-682

On or about June 26, 2001, in anticipation of the July 15, 2001 closure of Spinnaker's Westbrook, Maine facility, Plaintiff PACE Local 1-1069 ("PACE") filed a three count complaint in Cumberland County Superior Court, CV-2001-00352 naming the following Defendants: Spinnaker Industries, Inc., Spinnaker Coating, Inc., and Spinnaker Coating-Maine, Inc. (collectively, the "Spinnaker Entities") and the Company. The complaint alleged that under Maine's Severance Pay Act both the Spinnaker Entities and the Company would be liable to pay approximately \$1,166,000 severance pay under Maine's Severance Pay Act in connection with the plant closure. Subsequently, the Spinnaker Entities filed for relief under Chapter 11 of the Bankruptcy Code and the action proceeded against the Company on the issue of whether the Company has liability to PACE's members under the Maine Severance Pay Act.

In 2002, both PACE and the Company moved for summary judgment in the action. On July 28, 2003, the Court issued an order denying the Company's motion, finding that there remained a disputed issue of material fact regarding one of the Company's primary defenses. The Court granted partial summary judgment in favor of PACE to the extent that the Court found that the Company was the Spinnaker Entities "parent corporation" and, therefore, the Company was an "employer" subject to potential liability under Maine's Severance Pay Act.

On November 3, 2004, the Court held that the Spinnaker Entities' bankruptcy did not prevent the award of severance pay under the statute. The Court granted summary judgment to PACE on the second count of its complaint based on its earlier ruling that the Company was the parent corporation of the Spinnaker Entities. The Court also issued a separate order that related to the calculation of damages, largely agreeing with the Company on the appropriate method of calculating damages and awarded PACE \$653,018 (subsequently modified to \$656,020) in severance pay, which is approximately one-half the amount claimed by PACE. The Court rejected PACE's claim for pre-judgment interest, but granted its request for attorney fees.

Both PACE and the Company have appealed to the Maine Supreme Judicial Court. The Company filed its brief on April 4, 2005. PACE filed its brief on May 18, 2005. Lynch filed its Reply Brief on June 9, 2005. The Maine Supreme Court has not yet scheduled oral argument. Management does not believe that the resolution of this case will have a material adverse effect on the Company's consolidated financial condition and operations.

QUI TAM LAWSUIT

The Company, Lynch Interactive and numerous other parties have been named as defendants in a lawsuit brought under the so-called "qui tam" provisions of the federal False Claims Act in the United States District Court for the District of Columbia. The complaint was filed under seal with the court in February, 2001, and the seal was lifted in January, 2002. The Company was formally served with the complaint in July, 2002. The main allegation in the case is that the defendants participated in the creation of "sham" bidding entities that allegedly defrauded the United States Treasury by improperly participating in Federal Communications Commission ("FCC") spectrum auctions restricted to small businesses, as well as obtaining bidding credits in other spectrum auctions allocated to "small" and "very small" businesses. While the lawsuit seeks to recover an unspecified amount of damages, which would be subject to mandatory trebling under the statute, a report prepared for the relator (a private individual who filed the action on behalf of the United States) in 2005 alleges damages of approximately \$91 million in respect of bidding credits, approximately \$70 million in respect of government loans and approximately \$206 million in respect of subsequent resales of licenses, in each case prior to trebling.

In September, 2003, the Court granted Lynch Interactive's motion to transfer the action to the Southern District of New York and in September, 2004, the Court issued a ruling denying defendants' motion to refer the issues in the action to the FCC. In December, 2004, the defendants filed a motion in the United States District Court for the District of Columbia to compel the FCC to provide information subpoenaed by them in order to conduct their defense. This motion was denied in May, 2005 and the defendants are considering appropriate

<PAGE>

responses. In the mean-time, discovery is substantially complete and the preparation and filing of dispositive motions has begun.

The U. S. Department of Justice has notified the Court that it declined to intervene in the case. The Defendants strongly believe that the action is completely without merit and that the relator's damage computation is without basis, and are vigorously defending it. Under the separation agreement between the Company and Lynch Interactive pursuant to which Lynch Interactive was spun-off to the Company's shareholders on September 1, 1999, Lynch Interactive would be obligated to indemnify the Company for any losses or damages incurred by the Company as a result of this action. Lynch Interactive has agreed in writing to defend the case on the Company's behalf and to indemnify the Company for any losses it may incur. Lynch Interactive has retained legal counsel to defend the claim on behalf of the Company and Lynch Interactive, at the expense of Lynch Interactive and certain other defendants. Nevertheless, the Company cannot predict the ultimate outcome of the litigation, nor can the Company predict the effect that the lawsuit or its outcome will have on the Company's business or plan of operation.

N. INCOME TAXES

The Company files consolidated federal income tax returns. The Company has approximately \$2,400,000 net operating loss ("NOL") carry-forward as of June 30, 2005. This NOL expires in 2026 if not utilized prior to that date.

O. GUARANTEES

The Company presently guarantees (unsecured) the SunTrust Bank loans of its subsidiary, Lynch Systems. The Company presently guarantees (unsecured) the First National Bank of Omaha loans of its subsidiary, MtronPTI, and has guaranteed a Letter of Credit issued to the First National Bank of Omaha on behalf of its subsidiary, MtronPTI (see Note H - "Indebtedness Debt"). As of June 30, 2005, the \$1,000,000 Letter of Credit issued by Bank of America to The First National Bank of Omaha was secured by a \$1,000,000 deposit at Bank of America. (See Note E - "Restricted Cash", also see "subsequent events".)

There were no other financial, performance, indirect guarantees or indemnification agreements.

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

CRITICAL ACCOUNTING POLICIES

The Company has identified the accounting policies listed below that we believe are most critical to our financial condition and results of operations, and that require management's most difficult, subjective and complex judgments in estimating the effect of inherent uncertainties. This section should be read in conjunction with Note 1 to the Consolidated Financial Statements, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2004, which includes other significant accounting policies.

ACCOUNTS RECEIVABLE

Accounts receivable on a consolidated basis consists principally of amounts due from both domestic and foreign customers. Credit is extended based on an evaluation of the customer's financial condition and collateral is not generally required except at Lynch Systems. In relation to export sales, the Company requires letters of credit supporting a significant portion of the sales price prior to production to limit exposure to credit risk. Certain subsidiaries and business segments have credit sales to industries that are subject to cyclical economic changes. The Company maintains an allowance for doubtful accounts at a level that management believes is sufficient to cover potential credit losses.

<PAGE>

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our clients to make required payments. We base our estimates on our historical collection experience, current trends, credit policy and relationship of our accounts receivable and revenues. In determining these estimates, we examine historical write-offs of our receivables and review each client's account to identify any specific customer collection issues. If the financial condition of our customers was to deteriorate, resulting in an impairment of their ability to make payment, additional allowances may be required. Our failure to estimate accurately the losses for doubtful accounts and ensure that payments are received on a timely basis could have a material adverse effect on our business, financial condition, and results of operations.

INVENTORY VALUATION

Inventories are stated at the lower of cost or market value. Inventories valued using the last-in, first-out (LIFO) method comprised approximately 52% and 47% of consolidated inventories at June 30, 2005 and December 31, 2004, respectively. The balance of inventories are valued using the first-in-first-out (FIFO) method. If actual market conditions are more or less favorable than those projected by management, including the demand for our products, changes in technology, internal labor costs and the costs of materials, adjustments may be required.

REVENUE RECOGNITION AND ACCOUNTING FOR LONG-TERM CONTRACTS

Revenues, with the exception of certain long-term contracts discussed below, are recognized upon shipment when title passes. Shipping costs are included in manufacturing cost of sales.

Lynch Systems, a 100% owned subsidiary of the Company, is engaged in the manufacture and marketing of glass-forming machines and specialized manufacturing machines. Certain sales contracts require an advance payment (usually 30% of the contract price) which is accounted for as a customer advance. The contractual sales prices are paid either (i) as the manufacturing process reaches specified levels of completion; or (ii) based on the shipment date; or (iii) negotiated terms of sale. Guarantees by Letter of Credit from a qualifying financial institution are required for most sales contracts. Because of the specialized nature of these machines and the period of time needed to complete production and shipping, Lynch Systems accounts for these contracts using the percentage-of-completion accounting method as costs are incurred compared to total estimated project costs (cost-to-cost basis). At June 30, 2005, and December 31, 2004, unbilled accounts receivable were \$3.5 and \$2.5 million respectively.

The percentage of completion method is used since reasonably dependable estimates of the revenues and costs applicable to various stages of a contract can be made, based on historical experience and milestones set in the contract. These estimates include current customer contract specifications, related engineering requirements and the achievement of project milestones. Financial management maintains contact with project managers to discuss the status of the projects and, for fixed-price engagements, financial management is updated on the budgeted costs and required resources to complete the project. These budgets are then used to calculate revenue recognition and to estimate the anticipated income or loss on the project. In the past, we have occasionally been required to commit unanticipated additional resources to complete projects, which have resulted in lower than anticipated profitability or losses on those contracts. Favorable changes in estimates result in additional profit recognition, while unfavorable changes in estimates result in the reversal of previously recognized earnings to the extent of the error of the estimate. We may experience similar situations in the future. Provisions for estimated losses on contracts are made during the period in which such losses become probable and can be reasonably estimated. To date, such losses have not been significant.

WARRANTY EXPENSE

Lynch Systems provides a full warranty to world-wide customers who acquire machines. The warranty covers both parts and labor and normally covers a period of one year or thirteen months. Based upon experience, the warranty accrual is based upon three to five percent of the selling price of the machine. The Company periodically assesses the adequacy of the reserve and adjusts the amounts as necessary.

<PAGE>

	(in thousands)
Balance, December 31, 2004.....	\$ 466
Warranties issued during the period.....	170
Settlements made during the period.....	(186)
Changes in liabilities for pre-existing warranties during the period, including expirations.....	-

Balance, June 30, 2005.....	\$ 450
	=====

RESULTS OF OPERATIONS
 SECOND QUARTER
 THREE MONTHS ENDED JUNE 30, 2005 COMPARED TO JUNE 30, 2004

CONSOLIDATED REVENUES AND GROSS MARGIN

Consolidated revenues for the second quarter 2005 increased \$8.2 million, or 121%, to \$14.9 million from \$6.7 million for the comparable period in 2004. The increase came from both MtronPTI, including the contribution of the PTI acquisition, and Lynch Systems.

Revenues at MtronPTI increased by \$3.2 million, or 57%, to \$8.8 million for the second quarter 2005 from \$5.6 million for the comparable period in 2004. The increase was primarily due to the contribution of the PTI acquisition, which was acquired effective September 30, 2004.

Revenues at Lynch Systems increased by \$4.9 million, or 408%, to \$6.1 million for the second quarter 2005 from \$1.2 million for the comparable period in 2004. Approximately \$4.2 million of the increase was related to the sales of large CRT machines.

The consolidated gross margin as a percentage of revenues for the second quarter increased to 37.0%, compared to 29.5% for the comparable period in 2004. Both MtronPTI and Lynch Systems experienced higher margins as compared to 2004.

MtronPTI's gross margin as a percentage of revenues for the second quarter, increased to 29.1% from 26.4% for the comparable period in 2004. The contribution from PTI, combined with selective price increases and operational efficiencies resulted in the improved gross margin rates.

Lynch Systems' gross margin as a percentage of revenues for the second quarter, increased to 48.5% from 44.4% for the comparable period in 2004. The margin improvement was primarily due to higher margin sales of CRT machines in the second quarter of 2005.

OPERATING PROFIT (LOSS)

Operating profit increased \$2.5 million, to \$2.0 million for the second quarter 2005 from an operating loss of \$467,000 for the comparable period in 2004.

Operating profit at MtronPTI increased \$231,000, or 57%, to \$638,000 for the second quarter 2005 from \$407,000 for the comparable period in 2004. The operating profit improvement was primarily due to the significant sales increase and improvements in gross margin, which was partially offset by higher operating expenses resulting from the addition of PTI, which was acquired effective September 30, 2004.

Operating profit at Lynch Systems increased \$1.8 million to \$1.7 million for the second quarter 2005 from a \$130,000 loss for the comparable period in 2004. The operating profit improvement resulted from higher gross margins and lower operating expenses.

<PAGE>

Corporate expenses decreased \$333,000 to \$411,000 for the second quarter 2005 from \$744,000 for the comparable period in 2004. In the second quarter of 2004, the Company recorded a \$425,000 lawsuit settlement provision.

OTHER INCOME (EXPENSE), NET

Investment income increased \$3,000 to \$7,000 for the second quarter 2005 from \$4,000 for the comparable period in 2004.

Interest expense increased \$146,000 to \$208,000 for the second quarter 2005 from \$62,000 for the comparable period in 2004, primarily due to increase in debt resulting from the acquisition of PTI and borrowings at Lynch Systems.

Other income increased \$82,000 to \$77,000 for the second quarter 2005 from a loss of \$5,000 for the comparable period in 2004, primarily due to a gain on sale of a warehouse in Orlando.

INCOME TAXES

The Company files consolidated federal income tax returns, which includes all subsidiaries.

The income tax provision for the three month period ended June 30, 2005 included federal, as well as state, local, and foreign taxes offset by provisions made for certain net operating loss carryforwards that may not be fully realized.

NET INCOME (LOSS)

Net income for the second quarter 2005 was \$1.4 million compared to a net loss of \$560,000 in the comparable period in 2004. As a result, fully diluted income per share for the second quarter 2005 was \$0.83 compared to a loss of \$0.37 per share for the comparable period in 2004.

SIX MONTHS ENDED JUNE 30, 2005 COMPARED TO JUNE 30, 2004

CONSOLIDATED REVENUES AND GROSS MARGIN

Consolidated revenues for the six month period ending June 30, 2005 increased \$12.0 million, or 88%, to \$25.5 million from \$13.5 million for the comparable period in 2004. The significant increase came from both MtronPTI, including the contribution of the PTI acquisition, and Lynch Systems.

Revenues at MtronPTI increased by \$7.1 million, or 70%, to \$17.2 million for the six month period ending June 30, 2005 from \$10.1 million for the comparable period in 2004. The increase was primarily due to the contribution of the PTI acquisition, which was acquired effective September 30, 2004.

Revenues at Lynch Systems increased by \$4.8 million, or 137%, to \$8.3 million for the six month period ending June 30, 2005 from \$3.5 million for the comparable period in 2004. The increase was primarily due to sales of large CRT machines in 2005.

The consolidated gross margin as a percentage of revenues for the six month period ending June 30, 2005 increased to 34.5%, compared to 25.8% for the comparable period in 2004. Both MtronPTI and Lynch Systems experienced higher margins as compared to 2004.

MtronPTI's gross margin as a percentage of revenues for the six month period ending June 30, 2005 increased to 29.4% from 25.0% for the comparable period in 2004. The contribution from PTI, combined with selective price increases and operational efficiencies resulted in the improved gross margin rates.

<PAGE>

Lynch Systems' gross margin as a percentage of revenues for the six month period ending June 30, 2005 increased to 44.9% from 28.1% for the comparable period in 2004. The increase was primarily due to sales of large CRT machines, which carry higher gross margins, in the second quarter of 2005.

OPERATING PROFIT (LOSS)

Operating profit increased \$3.4 million, to \$2.2 million for the six month period ended June 30, 2005 from an operating loss of \$1.2 million for the comparable period in 2004.

Operating profit at MtronPTI increased \$748,000 to \$1.2 million for the six month period ended June 30, 2005 from \$469,000 for the comparable period in 2004. The operating profit improvement was primarily due to the significant sales increase and improvements in gross margin, which was partially offset by higher operating expenses resulting from the addition of PTI, which was acquired effective September 30, 2004.

Operating profit at Lynch Systems increased \$2.3 million to \$1.8 million for the six month period ended June 30, 2005 from a \$522,000 operating loss for the comparable period in 2004. The operating profit improvement resulted from higher gross margins and lower operating expenses.

Corporate expenses decreased \$340,000, to \$837,000 for the six month period ending June 30, 2005 from \$1.2 million for the comparable period in 2004. In 2004, the Company recorded a \$425,000 lawsuit settlement provision.

OTHER INCOME (EXPENSE), NET

Investment income increased \$9,000 to \$17,000 for the six month period ended June 30, 2005 from \$8,000 for the comparable period in 2004.

Interest expense increased \$280,000 to \$393,000 for the six month period ended June 30, 2005 from \$113,000 for the comparable period in 2004 primarily due to increase in debt resulting from acquisition of PTI and borrowing at Lynch Systems.

Other income increased \$58,000 to \$80,000 for the six month period ended June 30, 2005 from \$22,000 for the comparable period in 2004 primarily due to a gain on the sale of warehouse in Orlando.

INCOME TAXES

The Company files consolidated federal income tax returns, which includes all subsidiaries.

The income tax provision for the six month period ended June 30, 2005 included federal, as well as state, local, and foreign taxes offset by provisions made for certain net operating loss carryforwards that may not be fully realized.

NET INCOME (LOSS)

Net income for the six months ended June 30, 2005 was \$1.4 million compared to a net loss of \$1.4 million in the comparable period in 2004. As a result, fully diluted income per share for the six month period ended June 30, 2005 was \$0.86 compared to a loss of \$0.91 per share for the comparable period in 2004.

BACKLOG/NEW ORDERS

Total backlog of manufactured products at June 30, 2005 was \$12.9 million, a \$4.7 million decline over the backlog at December 31, 2004, and \$0.7 million more than the backlog at June 30, 2004.

MtronPTI had backlog orders of \$7.6 million at June 30, 2005 which is consistent with the backlog at December 31, 2004 and represents an increase over the \$3.3 million of backlog at June 30, 2004. Backlog increased from June 30, 2004 primarily due to the addition of backlog attributable to PTI, which was acquired effective September 30, 2004.

<PAGE>

Lynch Systems had backlog orders of \$5.3 million at June 30, 2005 compared to \$9.9 million at December 31, 2004 and \$8.8 million at June 30, 2004. Backlog decreased from December 2004 due to sales of large CRT machines in the second quarter of 2005. At June 30, 2005, the backlog of CRT machines is approximately \$0.8 million and the related revenue is expected to be recognized in the third quarter of 2005.

FINANCIAL CONDITION

At June 30, 2005, the Company had current assets of \$26.7 million and current liabilities of \$20.6 million. At June 30, 2005, working capital was \$6.1 million, compared to \$4.0 million at December 31, 2004 and \$7.4 million at June 30, 2004. The ratio of current assets to current liabilities was 1.30 to 1.00 at June 30, 2005; 1.19 to 1.00 at December 31, 2004; and 1.71 to 1.00 ratio at June 30, 2004.

Cash used in operating activities was approximately \$0.9 million in the six months ended June 30, 2005, compared to cash provided by operating activities of approximately \$0.5 million in the six months ended June 30, 2004. The year to year unfavorable change in operating cash flow of \$1.4 million was primarily due to an increase in accounts receivable. Capital expenditures were \$191,000 in the six months ended June 30, 2005, compared to \$184,000 in the six months ended June 30, 2004.

At June 30, 2005, the Company's total cash, cash equivalents and investments in marketable securities (before margin liability) was \$5.9 million (including \$1.0 million of restricted cash).

Total debt of \$11.8 million at June 30, 2005 was \$0.8 million less than the amount outstanding at December 31, 2004 and \$8.2 million more than the debt at June 30, 2004. Debt outstanding at June 30, 2005 included \$1.9 million of fixed rate debt at an average interest rate of 5.1%, and \$9.8 million of variable rate debt at an average interest rate of 6.2%.

On June 29, 2005, Lynch Systems entered into an extension agreement with SunTrust Bank to extend the due date of its credit agreement until August 31, 2005. Lynch Systems \$7.0 million short-term credit facility was reduced to \$4.3 million in accordance with the extension agreement, of which \$200,000 was available for letters of credit. The extension agreement also calls for the acceleration of the existing Lynch Systems term loan from August, 2013 to August 31, 2005. At June 30, 2005, there were outstanding Letters of Credit of \$2,323,000 and borrowings of \$1,756,000 under the working capital line and \$403,000 under the term loan. These loans include an unsecured parent company guarantee. Under the terms of extension agreement Lynch Systems cannot make any cash distributions to the parent company. In order to meet the on-going working capital and capital expenditure requirements, Lynch Systems will need to obtain new financing. Lynch Systems is currently seeking to obtain new financing, however, there can be no assurance that such financing will be available.

In connection with the completion of the acquisition of PTI, on October 14, 2004, M-tron and PTI, each wholly-owned subsidiaries of Lynch Corporation, entered into a Loan Agreement with First National Bank of Omaha. The Loan Agreement provides for loans in the amounts of \$2,000,000 (the "Term Loan") and \$3,000,000 (the "Bridge Loan"), together with a \$5,500,000 Revolving Line of Credit (the "Revolving Loan"). On June 30, 2005, MtronPTI renewed its Revolving Loan with First National Bank of Omaha extending the due date to May 31, 2006. At June 30, 2005, the Company had \$2.8 million available for future borrowings under the Revolving Loan. The Revolving Loan bears interest at the greater of prime rate or 4.5%. The Term Loan bears interest at the greater of prime rate plus 50 basis points, or 4.5%, and is to be repaid in monthly installments of \$37,514, with the then remaining principal balance plus accrued interest to be paid on the third anniversary of the Loan Agreement. The Bridge Loan bears interest at the same rate as the Term Loan. Accrued interest thereon is payable monthly and the principal amount thereof, together with accrued interest, is payable on the first anniversary of the Loan Agreement.

All outstanding obligations under the Loan Agreement are collateralized by security interests in the assets of M-tron and PTI, as well as by a mortgage on

<PAGE>

PTI's premises. The Loan Agreement contains a variety of affirmative and negative covenants of types customary in an asset-based lending facility. The Loan Agreement also contains financial covenants relating to maintenance of levels of minimal tangible net worth and working capital, and current, leverage and fixed charge ratios, restricting the amount of capital expenditures.

Pursuant to an Unconditional Guaranty for Payment and Performance, the Company has guaranteed to First National Bank of Omaha the payment and performance of its subsidiaries' obligations under the Loan Agreement and ancillary agreements and instruments. The Company has guaranteed a Letter of Credit issued to the First National Bank of Omaha on behalf of its subsidiary, MtronPTI. As of June 30, 2005, the \$1,000,000 Letter of Credit issued by Bank of America to The First National Bank of Omaha was secured by a \$1,000,000 deposit at Bank of America.

On May 12, 2005, Venator Merchant Fund, L.P. made a loan to Lynch Corporation in the amount of \$700,000 due September 11, 2005 or within seven days after demand by Venator. Venator is an investment limited partnership controlled by Lynch's Chairman of the Board, Marc Gabelli. The loan was approved by the Audit Committee of the Board of Directors of Lynch. The Company does not have any revolving credit facilities at the parent company level.

ADOPTION OF ACCOUNTING PRONOUNCEMENTS

On December 14, 2004, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 123 (revised 2004), "State Based Payment" ("SFAS 123R"), which is a revision of SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"). SFAS 123R supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and amends SFAS No. 95 "Statement of Cash Flows". Generally, the approach in SFAS 123R is similar to the approach described in SFAS 123. However, SFAS 123R requires all share-based payments to employees, including grants to employee stock options, to be recognized in the income statement based on their fair values. Pro-forma disclosure is no longer an alternative.

On April 14, 2005, the Securities and Exchange Commission announced that it would provide for a phased-in implementation process for SFAS No. 123R. This ruling effectively delayed the Company's adoption of the standard until the first quarter of 2006. The Company will continue to evaluate the provisions of SFAS No. 123R to determine its impact on its financial condition and results of operations.

OFF-BALANCE SHEET ARRANGEMENTS

Aside from the Company's stand-by Letter of Credit in the amount of \$1,000,000, the Company does not have any off-balance sheet arrangements.

AGGREGATE CONTRACTUAL OBLIGATIONS

Details of the Company's contractual obligations for short-term debt, long-term debt, leases, purchases and other long term obligations as of June 30, 2005 are as follows:

	Payments Due by Period - Including Interest (In Thousands)				
	Total	Less Than 1 Year	1 - 3 Years	3 - 5 Years	More Than 5 Years
Contractual Obligations					
Short-term Debt (Revolving Credit)	\$ 5,390	\$ 5,390	--	--	--
Long-term Debt Obligations	6,887	4,348	2,509	30	--
Capital Lease Obligations	--	--	--	--	--
Operating Lease Obligations	268	176	82	10	--
Purchase Obligations	--	--	--	--	--
Other Long-term Liabilities Reflected on the Registrant's Balance Sheet under GAAP	--	--	--	--	--
TOTAL	\$12,545	\$ 9,914	\$ 2,591	\$ 40	--

<PAGE>

MARKET RISK

The Company is exposed to market risk relating to changes in the general level of U.S. interest rates. Changes in interest rates affect the amounts of interest earned on the Company's cash equivalents and short-term investments (approximately \$2.1 million at June 30, 2005). The Company generally finances the debt portion of the acquisition of long-term assets with fixed rate, long-term debt. The Company does not use derivative financial instruments for trading or speculative purposes. Management does not foresee any significant changes in the strategies used to manage interest rate risk in the near future, although the strategies may be reevaluated as market conditions dictate. There has been no significant change in market risk since December 31, 2004.

Since the Company's international sales are in U.S. Dollars, there is no monetary risk.

At June 30, 2005, approximately \$9.8 million of the Company's debt bears interest at variable rates. Accordingly, the Company's earnings and cash flows are affected by changes in interest rates. Assuming the current level of borrowings for variable rate debt, and assuming a two percentage point increase in the 2005 average interest rate under these borrowings, it is estimated that the Company's interest expense would change by approximately \$0.2 million. In the event of an adverse change in interest rates, management would take actions to further mitigate its exposure.

SUBSEQUENT EVENTS

On July 1, 2005, Lynch Corporation filed a Registration Statement with the Securities and Exchange Commission in connection with a proposed rights offering to its existing shareholders.

The proposed rights offering consists of transferable rights to subscribe to Lynch common stock. Lynch would issue one subscription right for each share of common stock held on the record date. Every three such rights will entitle the shareholder to subscribe for one common share.

Each right will also carry with it an oversubscription privilege to subscribe for additional common shares that are not purchased by other holders of rights. The rights will not be exercisable until the registration statement is declared effective. The record date and exercise price will be set at the time of effectiveness at a discount to market determined by the Lynch Board of Directors. Subscription rights in the proposed offering will be issued only to shareholders on the record date.

After the SEC declares effective the Registration Statement, a subscription certificate, together with a prospectus containing details of the rights offering, will be mailed to shareholders. It is expected that the rights offering will remain open for 30 days, subject to extension for up to 15 days. No fractional shares will be issued, and Lynch will round up to the nearest whole number the number of shares its shareholders may purchase.

The purpose of this offering is to provide for our ongoing operating needs. The proceeds will be used for working capital, general corporate purposes and acquisitions, although the Company has not identified any specific acquisitions at this time.

The foregoing is not an offering, which can be made only by means of the prospectus. A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This disclosure shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

RISK FACTORS

Certain subsidiaries and business segments of the Company sell to industries that are subject to cyclical economic changes. Any downturns in the economic environment would have a financial impact on the Company and its consolidated subsidiaries and may cause the reported financial information herein not to be indicative of future operating results, financial condition or cash flows.

Future activities and operating results may be adversely affected by fluctuating demand for capital goods such as large glass presses, delay in the recovery of demand for components used by telecommunications infrastructure manufacturers, disruption of foreign economies and the inability to renew or obtain new financing for expiring loans.

<PAGE>

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash investments and trade accounts receivable.

The Company maintains cash and cash equivalents and short-term investments with various financial institutions. These financial institutions are located throughout the country and the Company's policy is designed to limit exposure to any one institution. The Company performs periodic evaluations of the relative credit standing of those financial institutions that are considered in the Company's investment strategy. Other than certain accounts receivable, the Company does not require collateral on these financial instruments. In relation to export sales, the Company requires Letters of Credit supporting a significant portion of the sales price prior to production to limit exposure to credit risk. The Company maintains an allowance for doubtful accounts at a level that management believes is sufficient to cover potential credit losses.

For a complete list of risk factors, see the Company's Annual Report on Form 10-K for the year ended December 31, 2004.

FORWARD LOOKING INFORMATION

Included in this Management Discussion and Analysis of Financial Condition and Results of Operations are certain forward looking financial and other information, including without limitation matters relating to "Risks". It should be recognized that such information are projections, estimates or forecasts based on various assumptions, including without limitation, meeting its assumptions regarding expected operating performance and other matters specifically set forth, as well as the expected performance of the economy as it impacts the Company's businesses, government and regulatory actions and approvals, and tax consequences, and the risk factors and cautionary statements set forth in reports filed by the Company with the Securities and Exchange Commission. As a result, such information is subject to uncertainties, risks and inaccuracies, which could be material.

The Registrant makes available, free of charge, its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and current reports, if any, on Form 8-K.

The Registrant also makes this information available on its website, whose internet address is WWW.LYNCHCORP.COM.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

See "Market Risk" under Item 2 above.

ITEM 4. CONTROLS AND PROCEDURES

The principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report based on the evaluation of these controls and procedures required by Exchange Act Rule 13a-15.

There has been no changes in the Registrant's internal control over financial reporting that occurred during the Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

<PAGE>

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

IN RE: SPINNAKER COATING, INC., DEBTOR/PACE LOCAL 1-1069 V. SPINNAKER COATING, INC., AND LYNCH CORPORATION, U.S. BANKRUPTCY COURT, DISTRICT OF MAINE, CHAPTER 11, ADV. PRO. NO. 02-2007, PACE LOCAL 1-1069 V. LYNCH CORPORATION AND LYNCH SYSTEMS, INC. CUMBERLAND COUNTY SUPERIOR COURT, CV-2001-00352; AND MAINE SUPREME JUDICIAL COURT, LAW DOCKET NO. CUM-04-682

On or about June 26, 2001, in anticipation of the July 15, 2001 closure of Spinnaker's Westbrook, Maine facility, Plaintiff PACE Local 1-1069 ("PACE") filed a three count complaint in Cumberland County Superior Court, CV-2001-00352 naming the following Defendants: Spinnaker Industries, Inc., Spinnaker Coating, Inc., and Spinnaker Coating-Maine, Inc. (collectively, the "Spinnaker Entities") and the Company. The complaint alleged that under Maine's Severance Pay Act both the Spinnaker Entities and the Company would be liable to pay approximately \$1,166,000 severance pay under Maine's Severance Pay Act in connection with the plant closure. Subsequently, the Spinnaker Entities filed for relief under Chapter 11 of the Bankruptcy Code and the action proceeded against the Company on the issue of whether the Company has liability to PACE's members under the Maine Severance Pay Act.

In 2002, both PACE and the Company moved for summary judgment in the action. On July 28, 2003, the Court issued an order denying the Company's motion, finding that there remained a disputed issue of material fact regarding one of the Company's primary defenses. The Court granted partial summary judgment in favor of PACE to the extent that the Court found that the Company was the Spinnaker Entities "parent corporation" and, therefore, the Company was an "employer" subject to potential liability under Maine's Severance Pay Act.

On November 3, 2004, the Court held that the Spinnaker Entities' bankruptcy did not prevent the award of severance pay under the statute. The Court granted summary judgment to PACE on the second count of its complaint based on its earlier ruling that the Company was the parent corporation of the Spinnaker Entities. The Court also issued a separate order that related to the calculation of damages, largely agreeing with the Company on the appropriate method of calculating damages and awarded PACE \$653,018 (subsequently modified to \$656,020) in severance pay, which is approximately one-half the amount claimed by PACE. The Court rejected PACE's claim for pre-judgment interest, but granted its request for attorney fees.

Both PACE and the Company have appealed to the Maine Supreme Judicial Court. The Company filed its brief on April 4, 2005. PACE filed its brief on May 18, 2005. Lynch filed its Reply Brief on June 9, 2005. The Maine Supreme Court has not yet scheduled oral argument. Management does not believe that the resolution of this case will have a material adverse effect on the Company's consolidated financial condition and operations.

QUI TAM LAWSUIT

The Company, Lynch Interactive and numerous other parties have been named as defendants in a lawsuit brought under the so-called "qui tam" provisions of the federal False Claims Act in the United States District Court for the District of Columbia. The complaint was filed under seal with the court in February, 2001, and the seal was lifted in January, 2002. The Company was formally served with the complaint in July, 2002. The main allegation in the case is that the defendants participated in the creation of "sham" bidding entities that allegedly defrauded the United States Treasury by improperly participating in Federal Communications Commission ("FCC") spectrum auctions restricted to small businesses, as well as obtaining bidding credits in other spectrum auctions allocated to "small" and "very small" businesses. While the lawsuit seeks to recover an unspecified amount of damages, which would be subject to mandatory trebling under the statute, a report prepared for the relator (a private individual who filed the action on behalf of the United States) in 2005 alleges damages of approximately \$91 million in respect of bidding credits, approximately \$70 million in respect of government loans and approximately \$206 million in respect of subsequent resales of licenses, in each case prior to trebling.

<PAGE>

In September, 2003, the Court granted Lynch Interactive's motion to transfer the action to the Southern District of New York and in September, 2004, the Court issued a ruling denying defendants' motion to refer the issues in the action to the FCC. In December, 2004, the defendants filed a motion in the United States District Court for the District of Columbia to compel the FCC to provide information subpoenaed by them in order to conduct their defense. This motion was denied in May, 2005 and the defendants are considering appropriate responses. In the mean-time, discovery is substantially complete and the preparation and filing of dispositive motions has begun.

The U. S. Department of Justice has notified the Court that it declined to intervene in the case. The Defendants strongly believe that the action is completely without merit and that the relator's damage computation is without basis, and are vigorously defending it. Under the separation agreement between the Company and Lynch Interactive pursuant to which Lynch Interactive was spun-off to the Company's shareholders on September 1, 1999, Lynch Interactive would be obligated to indemnify the Company for any losses or damages incurred by the Company as a result of this action. Lynch Interactive has agreed in writing to defend the case on the Company's behalf and to indemnify the Company for any losses it may incur. Lynch Interactive has retained legal counsel to defend the claim on behalf of the Company and Lynch Interactive, at the expense of Lynch Interactive and certain other defendants. Nevertheless, the Company cannot predict the ultimate outcome of the litigation, nor can the Company predict the effect that the lawsuit or its outcome will have on the Company's business or plan of operation.

ITEM 2. ISSUER PURCHASE OF ITS EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (Or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plans or Programs
April 1, 2005 -				
April 30, 2005	--	--	--	47,600 Shares
May 1, 2005 -				
May 31, 2005	1,200	\$ 8.6225	1,200	46,400 Shares
June 1, 2005 -				
June 30, 2005	6,000	\$ 8.7738	6,000	40,400 Shares
Total	7,200	\$ 8.7486	7,200	40,400 Shares

On February 4, 2004, Lynch announced that on January 23, 2004, the Board of Directors authorized the repurchase of up to 50,000 shares of the Company's outstanding common stock. The timing of the buy-back and the exact number of shares purchased will depend on market conditions; this program does not have an expiration date. The Company will buy back shares through both public and private channels at prices believed to be appropriate and in the best interest of shareholders.

As of June 30, 2005, the Company has repurchased 9,600 shares in the amount of \$94,995, at an average price of \$9.8953 per share and 40,400 shares remain available for purchase under this program.

<PAGE>

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Annual Meeting of Stockholders of the Registrant held on May 26, 2005:

The following persons were elected as Directors with the following votes:

NAME	VOTES FOR	VOTES WITHHELD
E. Val Cerutti	1,453,178	71,046
Marc Gabelli	1,456,578	67,646
John C. Ferrara	1,456,198	68,026
Avrum Gray	1,453,073	71,151
Anthony R. Pustorino	1,449,692	74,532

The Amendments to 2001 Equity Incentive Plan were approved with the following votes:

VOTES FOR	VOTES AGAINST
620,822	170,805

ITEM 6. EXHIBITS

Exhibits filed herewith:

- 31.1 Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certificate of Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32 Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14(b) or 15d-14(b) of the Securities Act of 1934, as amended, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

<PAGE>

SIGNATURES

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

LYNCH CORPORATION
(Registrant)

August 11, 2005

By: /s/ Eugene Hynes

Eugene Hynes
Principal Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
---	-----
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certificate of Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Section 1350 Certifications of Registrant's principal executive and principal financial officers required by Exchange Act Rule 13a-14(b).

The Exhibits listed above have been filed separately with the Securities and Exchange Commission in conjunction with this Quarterly Report on Form 10-Q or have been incorporated by reference into this Quarterly Report on Form 10-Q. Upon request, Lynch Corporation will furnish to each of its shareholders a copy of any such Exhibit. Requests should be addressed to the Office of the Secretary, Lynch Corporation, 140 Greenwich Avenue, 4th Floor, Greenwich CT 06830.

</PRE>
</body>
</html>

<html>
<head>
<title>sec document</title>
</head>
<body>
<PRE>

EXHIBIT 31.1

CERTIFICATIONS

I, John C. Ferrara, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lynch Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operation and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) (inapplicable language intentionally omitted) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) [Intentionally omitted]

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 11, 2005

/s/ John C. Ferrara

John C. Ferrara
PRESIDENT AND CHIEF EXECUTIVE OFFICER

</PRE>
</body>
</html>

```
<html>  
<head>  
<title>sec document</title>  
</head>  
<body>  
<PRE>
```

EXHIBIT 31.2

CERTIFICATIONS

I, Eugene Hynes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lynch Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operation and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) (inapplicable language intentionally omitted) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) [Intentionally omitted]

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 11, 2005

/s/ Eugene Hynes

Eugene Hynes
VICE PRESIDENT AND PRINCIPAL FINANCIAL OFFICER

```
</PRE>  
</body>  
</html>
```

<html>
<head>
<title>sec document</title>
</head>
<body>
<PRE>

EXHIBIT 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Lynch Corporation (the "Company") on Form 10-Q for the period ending June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John C. Ferrara, Chief Executive Officer of the Company, and I, Eugene Hynes, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ John C. Ferrara

John C. Ferrara
CHIEF EXECUTIVE OFFICER

August 11, 2005

/s/ Eugene Hynes

Eugene Hynes
PRINCIPAL FINANCIAL OFFICER

August 11, 2005

A signed original of this written statement required by Section 906 has been provided to Lynch Corporation and will be retained by Lynch Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

</PRE>
</body>
</html>