LYNCH CORPORATION

2000 ANNUAL REPORT

LYNCH – PAST HISTORY

- Lynch Glass Machinery Company, predecessor of Lynch Corporation, was organized in 1917. The Company emerged in the late twenties as a successful manufacturer of glass-forming machinery. In 1928, Lynch Corporation was incorporated in the State of Indiana
- In 1946, Lynch was listed on the "New York Curb Exchange" the predecessor to the American Stock Exchange.
- In 1964, Curtiss-Wright Corporation purchased a controlling interest in Lynch.
- In 1976, M-tron Industries, Inc., a manufacturer of quartz crystals was acquired.

LYNCH CORPORATION - 1985 - 2000

- In 1985, companies affiliated with Gabelli Funds, Inc. acquired a majority interest in Lynch's Common Stock, including the entire interest of Curtiss-Wright Corporation. Mario J. Gabelli was elected Chairman of the Board and Chief Executive Officer in 1986.
- In July 1986, Lynch issued $23 million of 8% Convertible Subordinated Debentures as the first step in an acquisition program designed to broaden Lynch's business base.
- In 1987, Lynch expanded the scope of its operations into the financial services and entertainment industries with the start-up of Lynch Capital Corporation, a securities broker dealer, and Lynch Entertainment Corporation, a joint venture partner with a 20% interest in WHBF-TV, the CBS television network affiliate in Rock Island, Illinois. Later in the year, the Company acquired Tremont Partners, Inc., a Connecticut-based investment management-consulting firm. In December, Lynch added to its manufacturing sector with the acquisition of an 83% interest in Safety Railway Service Corporation.
- In 1988, Lynch entered the service sector with the acquisition of Morgan Drive Away.
- 1989 was highlighted by Lynch's entry into the telecommunications industry with the acquisition of Western New Mexico Telephone Company.
- Lynch's second telecommunications acquisition, Inter-Community Telephone Company of Nome, North Dakota, was completed in April 1991, followed in October of that year with the acquisitions of Cuba City Telephone Exchange Company and Belmont Telephone Company.
- During 1992, Lynch acquired Bretton Woods Telephone Company of New Hampshire; and completed a rights offering to its shareholders, which resulted in the Tremont investment advisory firm becoming a publicly traded company.
- 1993 saw the launching of The Morgan Group, Inc., as a public company with an initial public offering of 1.1 million Class A Common Shares. Lynch also acquired J.B.N. Telephone Company in Kansas from GTE Corporation.
- 1994 saw the rebirth of Safety Railway Service Corporation into Spinnaker Industries
- In 1995 in multimedia, we partnered with CLR Video, a cable operator in Kansas, bought 340 telephone lines from Sprint and commercialized DirectTV.
- In 1996 on the telephony front, we consummated the affiliation with the Maytum family and Dunkirk & Fredonia and completed the purchase of 1,400 lines from U.S. West. Morgan closed on Transit Homes of America, Inc. We organized and bid on Personal Communications Services licenses in the so-called "C" block and "F" block auctions.
- In 1997, acquired Upper Peninsula Telephone Company. Spun-off East/West Communications, Inc., a F-Block PCS licensee with 20 million "POPs."
- In 1999, Lynch acquired Central Scott Telephone Company, a 6,000 ILEC in Iowa, an area where we would like to grow significantly. This became part of the Lynch Interactive spin-off (see below).
- In 1999, Spinnaker refocused its efforts in the adhesive-backed paper industry and sold its industrial tape operations, also significantly deleveraging itself.
- On September 1, 1999, Lynch Interactive Corporation was born via a tax-free spin-off from Lynch Corporation. Interactive consists of Lynch Corporation's cable, telecommunications, PCS and broad casting operations as well as The Morgan Group, Inc.
- In the latter part of 1999, and early 2000, Spinnaker continued deleveraging by buying back a significant amount of its senior debt at a gain.

LYNCH CORPORATION – BACK TO THE FUTURE

- With the spin off of Interactive, Lynch Corporation is again focused on the manufacturing sector of the economy, which currently provides fertile opportunities for growing the intrinsic value of the enterprise.

FINANCIAL HIGHLIGHTS

Prior Years Restated to Reflect Spin Off of Lynch Interactive Corporation and Discontinued Operations
(in thousands, except for share amounts)

	For the Year Ended December 31,				
	2000	1999	1998	1997	1996
Revenues					
Company Owned and Operated (o/o)					
M-Tron	$ 39,855	$ 26,484	$ 22,798	$ 22,828	$ 18,433
Lynch Systems	23,608	5,656	5,711	18,670	26,095
Total - o/o	63,463	32,140	28,509	41,498	44,528
Spinnaker (48% owned)	155,733	162,082	159,135	112,237	122,448
Total Consolidated	$219,196	$194,222	$187,644	$153,735	$166,976
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)					
M-Tron	$ 4,054	$ 2,540	$ 2,073	$ 2,199	$ 1,766
Lynch Systems	3,239	(1,768)	(1,955)	1,648	4,745
Total - o/o	7,293	772	118	3,847	6,511
Spinnaker (48% owned)	(3,384)	6,588	9,488	6,490	5,409
Corporate expenses	(1,151)	(1,152)	(367)	(391)	(599)
Total EBITDA - Consolidated	$ 2,758	$ 6,208	$ 9,239	$ 9,946	$ 11,321
Depreciation and Amortization					
M-Tron	$ 809	$ 740	$ 645	$ 589	$ 554
Lynch Systems	472	376	237	176	246
Total - o/o	1,281	1,116	882	765	800
Spinnaker (48% owned)	6,454	5,118	4,283	2,451	2,048
Total Consolidated	$ 7,735	$ 6,234	$ 5,165	$ 3,216	$ 2,848
Capital Expenditures					
M-Tron	$ 1,476	$ 804	$ 878	$ 696	$ 782
Lynch Systems	167	154	93	403	1,576
Total - o/o	1,643	958	971	1,099	2,358
Spinnaker (48% owned)	2,680	2,837	2,326	2,132	9,377
Total Consolidated	$ 4,323	$ 3,795	$ 3,297	$ 3,231	$ 11,735
Net Income (loss) - o/o	$ 2,798	$ (1,763)	$ 1,634	$ 1,662	$ 5,432
48% of Income (loss) of Spinnaker	(8,481)	(2,489)	(1,347)	(329)	(743)
Income (loss) of Lynch Interactive distributed to shareholders	-	(7,493)	4,929	(3,349)	(818)
Income (loss) from discontinued operations	-	(572)	(1,859)	(862)	173
Gain on sale of industrial tape segment of Spinnaker	-	10,431	-	-	-
Extraordinary item	2,245	303	-	-	(1,348)
Net Income(loss) -Total Consolidated	$ (3,438)	$ (1,583)	$ 3,357	$ (2,878)	$ 2,696
-Per share -Basic	$ (2.31)	$ (1.12)	$ 2.37	$ (2.03)	$ 1.94
-Diluted	(2.31)	(1.12)	2.37	(2.03)	1.92
Selected Balance Sheet Data:					
Working Capital	$ 25,382	$ 23,214	$ 13,111	$ 30,517	$ 48,761
Current Ratio	1.4 to 1	1.4 to 1	1.1 to 1	2.0 to 1	2.3 to 1
Total Assets -o/o	$ 43,789	$ 25,327	$ 23,727	$ 27,002	$ 21,673
-Spinnaker (48% owned)	119,031	185,865	227,931	156,718	157,176
Total Consolidated	$162,820	$211,192	$251,658	$183,720	$178,849
Total Debt -o/o	$ 5,608	$ 4,794	$ 2,031	$ 3,541	$ 2,660
-Spinnaker (48% owned)	87,406	136,785	170,508	116,359	116,848
Total Consolidated	$ 93,014	$141,579	$172,539	$119,900	$119,508
Shareholders' Equity	$ 15,432	$ 15,991	$ 11,441	$ 14,464	$ 14,787
Price Per Share - High	$ 51	$ 87			
- Low	25 1/4	18 7/8			
At December 31 Stock Price	43	25 13/16			
Shares Outstanding	1,510,183	1,410,183	1,418,248	1,417,048	1,391,034

CHAIRMAN'S LETTER

TO OUR SHAREHOLDERS:

In last year's letter, we reported that with the spin-off of Lynch Interactive (ASE:LIC) in September 1999, Lynch Corporation (ASE:LGL) would focus on opportunities in the industrial and service sectors of the economy initially concentrating on our two operations, Lynch Systems and M-tron, and our holdings of 3.5 million shares of Spinnaker Industries (ASE:SKK). We also outlined our immediate objectives: for Lynch Systems, which had survived a long drought, the goal was to be ready to benefit from a global recovery, particularly in Asia; with respect to M-tron, the goal was to monetize, i.e., surface the value of the enterprise; and, in the case of Spinnaker, our objective was to harvest the fruits of the seeds we had planted over 10 years earlier. In the latter context, we also noted that Spinnaker was slowly moving ahead on its stated goal of spinning off Entoleter to its shareholders.

So how did we do? As to our stock price, LGL started the year at $26 per share and ended the year at $43 per share. As to Lynch Systems and M-tron and our Spinnaker holdings, the answers are, respectively, "success", "good try, but no cigar", and "disappointment."

LOOKING BACK – 2000

- First, the successes:

  - The management of Lynch Systems aggressively took advantage of the opportunities presented to it, and had a truly outstanding year. Under the leadership of Arnold Bowling, who is profiled later in the Annual Report, Systems witnessed its sales surge from $5.6 million in 1999 to $23.6 million in 2000, while its EBITDA enjoyed a $5.1 million swing, from a negative $1.8 million to a positive $3.3 million. To accomplish this remarkable turn around, the teammates of this niche business, headquartered in Bainbridge, Georgia, crisscrossed the globe – from Mexico to China, from Italy to Korea, from the United Kingdom to India, from Brazil to Indonesia, from Turkey to Canada – to market and install its world class line of manufacturing equipment for the electronic display and consumer glass industries. More than 70% of Lynch Systems sales in 2000 were exported to countries outside the U.S., and the efforts continue in 2001. Systems entered the year with the expectation that the slowdown in the U.S. economy will not adversely impact its customers' capital spending plans.

  - M-tron also had an outstanding year, as sales increased nearly 50%, from $26 million in 1999 to almost $40 million. At the same time, EBITDA nearly doubled, from $2.5 million to $4.9 million. Obviously, the boom in the communications infrastructure markets we serve aided M-tron's performance, but it was also attributable in no small part to the leadership and drive brought to the organization by Bob Zylstra, who joined us as CEO in January of last year (see profile).

Next, where we didn't earn the cigar last year was in our efforts to raise the visibility of the value of M-tron, as well as to secure growth capital, by selling a piece of the enterprise through an initial public offering (an "IPO"). We invested a lot of the organization's time (and too much money!) on this effort and, obviously, were disappointed when the IPO market completely dried up as we were about to file our registration statement with the SEC. We tried to salvage a portion of our objective (creating a public vehicle) by converting the IPO to a rights offering to Lynch shareholders, but unfortunately the market continued to deteriorate as we worked our way through the SEC registration process. In February, we finally decided that the prudent thing to do was to suspend our efforts until the markets become more attractive.

Our objective, however, remains the same – to raise the public profile of M-tron and provide it with a currency to leverage its growing technical and manufacturing skill sets.

- Second, the not so good news:

  - Our major disappointment for the year was our difficulty in harvesting our equity position at publicly traded Spinnaker. Through the aggressive use of leverage, Spinnaker has built itself into one of the largest U.S. manufacturers of adhesive-backed materials, primarily for the pressure sensitive label stock market. Two years ago, we envisioned trouble brewing in Spinnaker's markets and acted decisively to have it sell its industrial tape business (at a nice profit) and use the proceeds to reduce debt. Thank goodness for our decision! Unfortunately, the downdraft in Spinnaker's core markets accelerated at an even faster pace than management anticipated. In partial response, early last year Spinnaker cut costs, including closing its Dallas corporate headquarters and transferring responsibility for the functions previously performed there to the Spinnaker Coating staff in Ohio. This saved over $1.5 million per year, but it clearly is not enough. Recently, Spinnaker announced that it is implementing a major strategic restructuring and cost reduction program designed to enhance Spinnaker Coating's ability to compete effectively under the difficult industry conditions it is experiencing.

This step is critical, and to help operating management implement the necessary changes - as well as to work on improving the balance sheet - Lou Guzzetti became full-time Chairman of Spinnaker April 1. Prior to that, Tony Castor, who has served (and continues) as CEO of The Morgan Group since January 2000, acted as interim CEO of Spinnaker. We will also pursue the objective of having Spinnaker spin its Entoleter unit off to its shareholders. With a lot of hard work, and a little bit of luck, sometimes this year's disappointments become next year's successes.

DÉJÀ VU *(From 1999 Annual Report)*

When I assumed the helm of Lynch in 1985, the stock was $11.50–about in line with its intrinsic value.Our long-term shareholders are comfortable with the statement that our goal is to grow the value by about 25% per year by creating synergistic transactions along the lines of a leveraged buyout firm. Well, to reflect the results from 1985 through 1998, let me repeat the information we provided in last year's letter:

Since 1985, we have grown revenues at 35% CAGR and EBITDA at 56% CAGR. We accomplished this with limited financial resources and virtually no increase in shares outstanding. We also have spun off two companies to shareholders. Tremont (NASDAQ:TMAVB - $10) was spun off on January 6, 1992, at a price of $0.40 per share, and East/West Communications (Pink Sheets:EWCM - $1.75) was spun off on December 5, 1997 at $0.10.

	1985	***1998***	***CAGR***
	(000)	*(000)*	
Revenues	*$10,699*	*$514,526*	*35%*
EBITDA	*$ 147*	*$ 49,473*	*56%*
Shareholders' Equity	*$14,348*	*$ 39,793*	*8%*
Number of Shares	*1,364,110*	*1,418,248*	*0.3%*
Intrinsic Value (Pre-tax)	*$12*	*$200+/-*	*24%*
Stock Price	*$11*	*$70*	*15%*

TRANSACTIONS SINCE 1985	
27	*Acquisitions*
9	*Dispositions*
2	*Spin-offs*

In 1999, prior to the September 1 spin off of our multimedia and service assets, we acquired Central Scott Telephone Company . . . In a very timely change of direction, Spinnaker decided to sell its electrical tape business to Intertape and has since used the proceeds to delever. But, obviously, the highlight of 1999 was the spin-off of Lynch Interactive (ASE: LIC). Incidentally, those that follow our efforts noticed that in December we sold a convert in Lynch Interactive to Cascade Investment, LLC. Cascade was willing to make that investment because of our new, more focused efforts.

So, updating the record through the end of 1999, if you had purchased 1,000 shares of Lynch Corporation in 1985 at $11.50 per share, and assuming you had subscribed to the rights offering at Tremont in 1994 (a $400 investment) and at East/West Communications in 1999 (a $375 investment), the aggregate value of your investment as of the market close on December 31, 1999, was as follows:

Lynch Corporation	*$ 25,813*
Spin Offs: Lynch Interactive Corporation	*99,875*
Tremont Advisors, Inc.	*12,500*
East/West Communications, Inc.	*48,125*
	$186,313

In total, the CAGR on the initial investment of $11,500 was 22%.

LOOKING AHEAD

The environment I see before us should provide ample opportunity for Lynch to grow. Declining multiples, especially for basic, "boring" industrial companies (the kind we love), will create an attractive pool of acquisition candidates; declining interest rates and improved liquidity in the banking and high yield markets will eventually create plenty of financing; and, the new accounting rules on goodwill should help make the fruits of one's efforts look even more rewarding.

So, send us your ideas! Tell us the price you want and why we should own it. We'll respond quickly.

It would be remiss of me not to extend my heartfelt appreciation to Lou Guzzetti for his efforts as Chief Executive Officer for the past twelve months. He has accepted an even greater challenge and has become responsible for the operations of Spinnaker. I've asked Lou to remain on the Lynch Board and he has agreed, so he won't be too far away should Lynch need him.

Mario J. Gabelli
Chairman of the Board

REPORT BY THE CHIEF FINANCIAL OFFICER

The continuing goal of Lynch Corporation is to grow intrinsic value by 25% per year. The 1999 spin off of Lynch Interactive Corporation, the vehicle in which we chose to place our higher growth multimedia and service assets, will obviously pose a greater challenge to reach our goal. One of our remaining businesses, M-tron Industries, as an important supplier to the rapidly growing communications segment of the new economy, clearly has the ability to increase in value at more than 25% per year. While our other two businesses, Spinnaker Industries and Lynch Systems, are participants in more mature sectors of our economy, they will play an important role in helping us meet our goal, by providing the cash flow and liquidity that will help drive a key part of our growth strategy – acquisitions.

Acquisitions, both strategic and opportunistic, have always been an important vehicle for value creation at Lynch. We seek to optimize growth through acquisitions by structuring transactions in the most tax efficient manner and by utilizing creative financial engineering skills. To minimize our net investment and to maximize returns, we employ an appropriate level of financial leverage.

The kinds of companies we are looking for are those that are strategically positioned for long-term growth and appreciation in value. Specifically, we are looking for businesses that meet most of the following criteria:

- Basic businesses we can understand
- No turnarounds or start-up companies
- Strong management team in place that is willing to continue with the business and to work with us to build value – hence, no unfriendly deals
- Dependable and growing free cash flow
- A strong franchise with a defensible market position and a competitive edge
- A clear strategy for future growth

We are very interested in hearing from principals or their representatives regarding businesses that meet our criteria and are prepared to move quickly.

Roger J. Dexter
Chief Financial Officer

ARNOLD BOWLING
PRESIDENT & CEO, LYNCH SYSTEMS, INC.

Arnold Bowling joined Lynch Systems as President and CEO in August 1998, with over 30 years of experience in the glass manufacturing industry. Over the course of his career, Arnold gained hands-on knowledge of virtually all aspects of glass production involving an array of products, including cathode ray tube (CRT) displays, bakeware, electronic glass and stemware. Before joining Lynch, Arnold spent ten years with St. George Crystal, a leading lead crystal producer, most recently as Vice President of Manufacturing. Prior to that, he served as Vice President of Manufacturing for Lancaster Colony, with responsibility for four glass factories.

At the time that Arnold joined Lynch Systems, most of the company's traditional markets were mired in recession as a result of the Asian economic crisis. In addition to cutting costs and conserving capital, Arnold saw the need, and led the charge, to broaden the company's base by securing a meaningful position in the consumer glassware equipment market. Under his leadership, Lynch Systems acquired exclusive rights to sell and manufacture Emhart Glass' H-28 Press and Blow equipment, including all after-market component sales, service and installation activity. Emhart's Press and Blow system comprises close to 40% of the glass forming technology used in the tableware industry. In early 1999, he negotiated a joint venture with Amav GmbH that enabled Lynch to gain access to Amav's leading edge technology for the design and manufacture of feeders, shears, fire polishers, spinning machines, push bars and presses.

Arnold holds a number of U.S. patents relating to both glass manufacturing and machine design.

LYNCH SYSTEMS, INC.

Lynch Systems designs, develops and manufactures a broad range of capital equipment for the electronic display and consumer tableware industries. The company's technology serves two primary markets: We are manufacturers of machines that produce cathode ray tube (CRT) displays for television and computer monitors; and, machines for producers of consumer glass items, such as tableware and ovenware.

Over the last decade, more than 80% of Lynch System's shipments have been to international markets, principally those located in the Pacific Rim. With respect to our traditional CRT market, things are finally looking up. Over the past six months, we have seen a significant increase in quoting activity and the actual placement of orders for CRT glass manufacturing equipment. In both the television and computer markets, the consumer has spoken: "bigger is better." Not too long ago, the standard TV screen size was 19 inches. Over time, this grew to 21, then 25, then 27 inches, and today it is larger than 32 inches. Manufacturers are now evaluating the possibility of skipping the in-between steps and supplying CRT screens in the range of 42 inches. Fortunately for Lynch Systems, for a variety of reasons relating to mold size, article weight, handling requirements, force required to drive equipment, etc., our customers can not simply make larger screen sizes on existing equipment. This bodes well for future business. The Flat Panel market, on the other hand, presents both a challenge and an opportunity for Lynch Systems. While currently only half the size of the CRT market, it is growing twice as rapidly and, consequently, Lynch Systems will ultimately need to complement current operations at this higher end of the display market.

One question that will need to be resolved before we can do so on a profitable basis is for the market to decide which of the several different types of flat glass production technologies will prevail.

As a participant in the market for large, durable capital goods, Lynch Systems' business results will invariably be subjected to cyclical fluctuations tied to the plans our customers have for expansion or replacement of production facilities. At the present time, we are coming out of a trough and our prospects are strong. Lynch Systems has a healthy backlog of over $13.5M and we are actively working on several additional projects associated with expansion or development of glass plant production facilities around the world. To build value for the Lynch shareholders, as well as for our employees, it is our intention and objective to maximize the opportunities presented to us by our traditional CRT marketplace at this moment in time, while we continue to broaden our base by careful and strategically sound expansion into the consumer tableware markets.

Lynch Systems and the Eldred Corporation have entered into an agreement whereby Lynch Systems will acquire exclusive rights to sell and manufacture Eldred Burnoff, Loader, Unloader, and Decorating Equipment Technology. This agreement will include all after-market component sales, service, and installation activity. In addition, to access rights for all relevant designs, all existing and future customers of Eldred will be served by Lynch Systems.

Lynch Systems has also entered into an agreement with Emhart Glass to sell and manufacture Emhart Glass' H-28 Press and Blow technology. This agreement includes all after-market components sales, service and installation activity. In addition to access rights for all relevant production designs, all existing and future customers of the H-28 will be served by Lynch Systems.

With the addition of AMAV, our German partner, we are able to sell AMAV products to Consumer and CRT manufacturers.

Arnold Bowling
President & CEO

ROBERT R. ZYLSTRA
PRESIDENT & CEO, M-TRON INDUSTRIES, INC.

Bob Zylstra joined M-tron in January 2000 from Imation Corp., where he had served the prior three years as General Manager of Product Technologies and New Business Ventures for its Data Storage and Information Management Business. In that role, he was charged with responsibility for both managing a mature business and growing a portfolio of assorted technologies into a major business. From 1994 to 1997, Bob served as Manufacturing Director for Imation's and 3M Corporation's Data Storage and Information Management Business. Prior to Imation's spin-off from 3M in 1996, Bob held a variety of domestic and international positions with 3M. He has an MS in mechanical engineering from the University of Iowa and a BS in mathematics and physics from Iowa State University.

Since joining M-tron, Bob has done an outstanding job of energizing the management team. Under his leadership, M-tron has developed a strategic vision that, building on the company's reputation for reliability, quality and customer service, focuses on providing high performance frequency control devices to manufacturers of infrastructure equipment for the telecommunications industry.

M-TRON INDUSTRIES, INC.

HIGHLIGHTS

The year 2000 was a year of strong growth. This growth was driven by good growth in the telecommunications equipment industry. New products developed in 1999 and early 2000 helped M-tron to improve its penetration into this market. Our increase in production was accomplished by improved manufacturing efficiency, capacity expansion and growth in business with our Asian manufacturers.

FINANCIAL PERFORMANCE

New orders for 2000 were $45.4 million, compared to $29.8 million the prior year, an increase of 52%. Revenue was $39.9 million, compared to $26.5 million in 1999, an increase of 51%, while EBITDA was $4.1 million, representing a 62% increase over the prior year's $2.5 million. Overall, M-tron's financial results in 2000 represented a substantial improvement over the prior year. In addition, we entered 2001 with a backlog of $12.4 million, compared to a $6.9 million backlog going into 2000.

OPERATIONAL INITIATIVES

In the year 2000, the senior management team brought broad organizational focus to serving the telecommunications equipment industry. This focus created good growth in 2000. This same focus is driving our new product development and customer service projects.

The production output in Yankton was increased by over 100% compared to 1999. A new production line for high performance oscillators was installed during Q3. Major increases in factory efficiency and asset utilization also contributed to the increase in production. We achieved significant increases in output from our two primary Asia supplier factories.

PRODUCT DEVELOPMENT

The product technology roadmap-planning horizon was extended to address the needs of the telecommunications equipment industry. We expanded our engineering group by over 60% to provide more resources for new product development. We launched the MAXO brand digitally compensated crystal oscillator and a family of PECL output oscillators.

M-tron would like to take this opportunity to thank its valued customers, its employees, its suppliers and the Yankton community for the loyalty and support that will enable us to address and to meet the challenges and exciting opportunities available to us in the marketplace.

Robert R. Zylstra
President & CEO

FORWARD LOOKING INFORMATION

This Annual Report contains certain forward looking information. It should be recognized that such information are estimates or forecasts based upon various assumptions, including the expected operating performance of the Company's businesses and the economy and financial markets as it impacts the Company's businesses. As a result, such information is subject to uncertainties, risks and inaccuracies, which could be material.

Board of Directors

Anthony T. Castor, III
Vice Chairman of the Board of Lynch Corporation and President and Chief Executive Officer of The Morgan Group, Inc.

E. Val Cerutti
Business Consultant

Robert E. Dolan
Chief Financial Officer of Lynch Interactive Corporation

Avrum Gray
Chairman and Chief Executive Officer of G-Bar Limited Partnership

Mario J. Gabelli
Chairman of the Board of Lynch Corporation, Chairman and Chief Executive Officer of Lynch Interactive Corporation, and Chairman and Chief Executive Officer of Gabelli Asset Management, Inc.

Louis A. Guzzetti, Jr.
Chairman of Spinnaker Industries, Inc.

Ralph R. Papitto
Chairman of AFC Cable Systems

Officers

Mario J. Gabelli
Chairman of the Board

Roger J. Dexter
Chief Financial Officer

Transfer Agent & Registrar
For Common Stock
Chase Mellon Shareholder Services
44 Wall Street
New York, NY 10005

Investor Relations Contact
Mario J. Gabelli
(914) 921-7601

Trading Information
American Stock Exchange
Common Stock
Symbol: LGL

Annual Meeting
Our annual meeting of shareholders will be held on May 10, 2001 at 3:00pm
Greenwich Library
101 West Putnam Library
Greenwich, CT 06830