FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)
/ X / Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee Required) For the fiscal year ended November 1, 1996

or

/ / Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee Required) For the transition period from to

Commission File Number: 1-9232

VOLT INFORMATION SCIENCES, INC.
(Exact name of registrant as specified in its charter)

New York	13-5658129
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1221 Avenue of the Americas, New York, New York	10020-1579
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 704-2400

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $.10 par value
(Title of Class)

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 X NO
--- ---

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the common stock held by non-affiliates of the Registrant as of January 17, 1997 (based on the closing price on the NASDAQ National Market on that date) was approximately $ 221,000,000 (based on the number of shares outstanding on that date exclusive of all shares held beneficially by executive officers and directors and their spouses and the Registrant's Savings Plan and Employee Stock Ownership Plan, without conceding that all such persons or plans are "affiliates" of the Registrant).

The number of shares of common stock outstanding as of January 17, 1997 was 9,708,143.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement for its 1997 Annual Meeting are incorporated by reference into Part III of this Report.

PART I

ITEM 1. BUSINESS

GENERAL

Volt Information Sciences, Inc., a New York corporation, incorporated in 1957, and its subsidiaries (collectively "Volt" or the "Company", unless the context otherwise requires) operate in three major businesses, consisting of the following five industry segments, and two joint ventures:

STAFFING SERVICES

(1) Technical Services and Temporary Personnel - This segment provides employee staffing services, including temporary help and other contingent staffing services, employment and personnel placement services, technical personnel placement, payrolling services, employment outsourcing services and employee leasing services, as well as some permanent placement services, to a wide range of customers.

TELECOMMUNICATIONS & INFORMATION SOLUTIONS

(2) Telephone Directory - This segment provides telephone directory production, commercial printing, database management, sales and marketing services, licensing of directory production and contract management software systems to directory publishers and is an independent publisher of telephone directories.

(3) Telecommunications Services - This segment provides telecommunications services, including engineering, design, construction, installation, maintenance, removals and distribution of telecommunications products in the outside plant and central office, and within end-user premises.

(4) Computer Systems - This segment designs, develops, integrates, markets, sells, leases and maintains computer-based directory assistance and other database management and telecommunications systems and related services for the telecommunications industry and provides services, principally computer-based projects, to public utilities.

PREPRESS PUBLISHING SYSTEMS

(5) Electronic Publication and Typesetting Systems - This segment designs, develops, manufactures, integrates, markets, sells and services computerized imagesetting and publication systems. On January 29, 1996, the Company completed the combination of its electronic publication and typesetting systems segment, Autologic, incorporated and related foreign subsidiaries, with Information International, Inc., to form a publicly traded company, Autologic Information International, Inc. ("AII".) Volt owns approximately 59% of AII.

JOINT VENTURES

The Company is a party to a joint venture, which commenced operations in July 1991, with Telstra Corporation Ltd., the Australian government-owned telephone company, and others for the marketing, selling and compilation functions of yellow pages directories throughout Australia. In January 1997, the Company sold its interest (acquired in July 1994) in Telelistas Editora Ltda., a Brazilian company which has a contract to publish Rio de Janeiro's official White Pages, Yellow Pages and Street Guides telephone directories.

INFORMATION AS TO INDUSTRY SEGMENTS

The following tables set forth the relative contribution of each industry segment to the Company's consolidated sales and operating profit (loss) for each of the three fiscal years in the period ended November 1, 1996, and those assets identifiable within each segment at the end of each of those years (see Notes J and K of "Notes to Consolidated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations").

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
INDUSTRY SEGMENT DATA

<TABLE>
<CAPTION>

	November 1, 1996	November 3, 1995	October 28, 1994
	--------	--------	--------
	(Dollars in thousands)		
<S>	<C>	<C>	<C>
SALES			
Technical Services and Temporary Personnel:			

Sales to unaffiliated customers	$ 713,476	$570,514	$433,443
Intersegment sales	2,809	1,832	1,067
	716,285	572,346	434,510
Telephone Directory:			
Sales to unaffiliated customers	77,972	68,086	72,319
Intersegment sales	639	1,681	1,836
	78,611	69,767	74,155
Telecommunications Services:			
Sales to unaffiliated customers	89,957	67,179	51,391
Intersegment sales	1,515	811	1,285
	91,472	67,990	52,676
Computer Systems:			
Sales to unaffiliated customers	79,033	131,920	99,059
Intersegment sales	53	40	76
	79,086	131,960	99,135
Electronic Publication and Typesetting Systems:			
Sales to unaffiliated customers	88,476	69,608	64,659
Intersegment sales	762	797	664
	89,238	70,405	65,323
Elimination of intersegment sales	(5,778)	(5,161)	(4,928)
Total sales	$1,048,914	$907,307	$720,871
OPERATING PROFIT (LOSS)			
Technical Services and Temporary Personnel	$ 27,346	$ 28,117	$ 16,337
Telephone Directory	4,858	1,506	6,695
Telecommunications Services	9,484	6,178	792
Computer Systems	7,707	6,395	(2,168)
Electronic Publication and Typesetting Systems	(4,817)	456	1,334
Eliminations	(69)	(159)	(8)
Total operating profit	44,509	42,493	22,982
Interest income and other expense - net	2,278	1,055	797
Gains (losses) on securities - net	52	(7)	
Equity in (loss) income of joint ventures	(1,414)	(1,000)	3,055
Gain on sale of interest in subsidiaries	3,666	9,770	
General corporate expenses	(9,811)	(9,408)	(9,263)
Interest expense	(5,167)	(6,045)	(7,468)
Foreign exchange (loss) gain - net	(516)	186	(39)
Income before income taxes, minority interests and extraordinary item	$ 33,597	$ 27,281	$ 19,827

</TABLE>

<TABLE>
<CAPTION>

	November 1, 1996	November 3, 1995	October 28, 1994
	(Dollars in thousands)		
<S>	<C>	<C>	<C>
IDENTIFIABLE ASSETS			

Technical Services and Temporary Personnel	$ 98,706	$ 52,955	$ 40,230
Telephone Directory	41,622	32,135	28,941
Telecommunications Services	41,082	31,812	21,836
Computer Systems	42,069	44,887	50,273
Electronic Publications and Typesetting Systems	66,504	37,532	36,276
	--------	--------	--------
	289,983	199,321	177,556
Cash, investments, joint ventures and other corporate assets	47,161	64,690	49,348
	--------	--------	--------
Total assets	$337,144	$264,011	$226,904
	========	========	========

</TABLE>

TECHNICAL SERVICES AND TEMPORARY PERSONNEL SEGMENT

Volt's Technical Services and Temporary Personnel segment provides, from 238 branch and on-site offices located throughout the United States, a broad range of employee staffing services, including temporary help and other contingent staffing services, employment and personnel placement services, technical personnel placement, payrolling services, employment outsourcing services and employee leasing services, as well as some permanent placement services, to a wide range of customers. Except for professional employer services, which are marketed under the name "Shaw & Shaw", the remainder of this segment's services are identified and marketed throughout the United States as "Volt Services Group".

VOLT SERVICES GROUP

Volt Services Group is a single-source provider of all levels of temporary staffing, offering to its customers an extensive range of contingent employment services. As a full-service supplier, Volt Services Group also provides payrolling and outsourcing services, as well as assuming full responsibility for staffing, supervision and the management of large projects which are staffed by temporary workers.

Volt Services Group provides professional, engineering, design, data processing, scientific and technical support personnel, as well as information technology services, contract engineering services and temporary help in administrative, clerical, office automation, accounting, industrial and other job classifications, for varying periods of time (both short and long-term) to companies and other organizations (including government agencies) in a broad range of industries which have a need for such personnel, but are unable, or do not choose to engage such personnel as their own employees. Customers range from those that require one or two temporary employees to national accounts that require as many as several thousand temporary employees at one time.

Volt Services Group has been successful in obtaining a number of large national contracts which typically involve servicing numerous customer facilities, on-site Volt representation and customized invoicing and management reports. In some cases, Volt uses subcontractors to assist in meeting the requirements of the contract. Employees assigned to a single customer under a national account range from light industrial workers to high level engineers and information technology professionals. The bidding process for national accounts is very competitive and Volt is usually in competition with other major temporary staffing firms. Most contracts are for a one to three-year time period, at which time they are typically rebid. Others are for shorter periods and may be for the duration of a particular identified project or subproject or a particular need that has arisen which requires additional or substitute personnel and expire upon completion of the project or when the particular need ends. These contracts with national accounts typically require considerable start-up costs and can take up to one year to reach anticipated revenue levels. This segment maintains a group dedicated to the acquisition, implementation and service of national accounts; however, there can be no assurance that Volt Services Group will maintain accounts that it currently serves, nor that it can obtain additional national accounts on satisfactory terms.

Volt Services Group provides personnel to companies throughout a broad spectrum of industries, including the computer, electronics, manufacturing, aerospace, defense, telecommunications, utility, power (including certain nuclear and fossil fuel power plants), transportation, petrochemical, chemical, retail, finance, banking, insurance, architectural, engineering and other industries, and to government agencies and universities. Volt Services Group, through its Volt Accounting Specialists division, provides specialized temporary personnel in accounting, bookkeeping and other financial classifications. Volt also acts as a subcontractor to other national providers to assist them in

meeting their obligations to their customers. Most customers are located in the United States, but a small portion of the segment's services are performed outside the United States.

Volt Services Group furnishes temporary employees to meet various client requests, such as assigning employees to a specific identified project or subproject or to meet a particular need that has arisen (which employees are typically retained until its completion), substituting for permanent employees during vacation and sick leave, staffing high turnover positions, filling in during the full-time hiring process or during a hiring freeze, and staffing seasonal peaks, special projects, conversions, inventories and offices that are downsizing. Volt Services Group also provides management personnel to coordinate special projects and to supervise temporary employees, thus relieving a customer of the need to supervise temporary employees.

Volt Services Group provides the services of employees with a wide variety of skills, ranging from technical, engineering, computer and other professional and scientific classifications to clerks, typists, office automation personnel, secretaries, receptionists, sales promotion personnel, bank personnel, customer service representatives, telemarketers, data entry clerks, inventory clerks, assemblers, warehousing personnel and other clerical and administrative personnel.

Volt Services Group maintains computerized nationwide resume databases containing resumes of engineers, computer professionals and other technical, professional and scientific candidates, from which it fills customer job requirements for these types of employees; these individuals are frequently willing to relocate to fulfill these assignments. Lesser skilled employees are generally recruited and assigned locally, and resumes for these employees are maintained in computerized data bases at branch offices.

Employees hired by Volt Services Group become Volt employees during the period of their segment (which typically ranges from as little as one day to several years). As the employer of record, Volt is responsible for the payment of salaries, payroll taxes, workers' compensation and unemployment insurance and other benefits, which may include paid sick days, holidays and vacations and medical insurance.

SHAW & SHAW

Shaw & Shaw, Inc. specializes in "employee leasing", known as professional employer services. Shaw & Shaw shares the employer responsibilities with its client companies, typically serving as the administrative employer of record for either the entire full-time workforce or for a specific department or division of the client company. Services provided by Shaw & Shaw include complete human resource management, legal and regulatory compliance, comprehensive health benefits, retirement plans and administration, workers' compensation insurance, loss control and risk management and payroll administration. Shaw & Shaw utilizes the purchasing power of the Company and is able to provide its customers with cost savings in health care, workers' compensation insurance, and labor administration, as well as relieving them of the administrative responsibility involved in maintaining employees.

Shaw & Shaw provides and markets its services to large and small client companies in a broad spectrum of industries, such as domestic and international airlines, retail, convenience markets, country clubs, restaurants, building contractors, petroleum, manufacturing, grocery, home care, maintenance, janitorial, banking, aerospace, and computer.

The Technical Services and Temporary Personnel segment also provides some existing customers with direct full-time employees, the majority of whom have previously been assigned on a temporary basis and who the customer desires to hire as direct full-time employees.

During the week ended November 1, 1996, this segment provided approximately 26,400 employees to its customers.

The segment is not dependent upon a single customer or a few customers, the loss of which might have a materially adverse effect upon its business. However, some of this segment's national contracts are large, and the loss of any large contract could have a negative effect on this segment's business unless and until the business is replaced.

While the markets for the segment's services include a broad range of industries throughout the United States, general economic conditions in specific geographic areas or industrial sectors have in the past, and could in the future, affect the profitability of this segment.

Downward pressures on this segment's operating margins occurred in fiscal 1996 and are anticipated to continue in fiscal 1997 due to increases in overhead to open new offices, particularly on-site offices for national accounts, start up costs related to new contracts and additional personnel to bid and service national accounts, as well as significantly increased competition. In addition, the trend in the industry is for large customers to consolidate their use of contingent workers to single source providers.

The segment competes with many technical service, temporary personnel and other contingent staffing firms, some of which are larger than Volt, as well as with individuals seeking direct employment.

The ability of Volt to compete successfully for customers depends on its reputation, pricing and quality of services provided and its ability to engage, in a timely manner, personnel meeting customer requirements. Competition is intense and many of the contracts entered into by this segment are of relatively short duration, and awarded on the basis of competitive proposals which are periodically rebid by the customer. Although Volt has been successful in obtaining various short and long-term contracts in the past, and increasing revenues accordingly, margins under such contracts have decreased in many instances. There can be no assurance that existing contracts will be renewed on satisfactory terms or that additional or replacement contracts will be awarded to the Company, nor that revenues from an expired contract will be immediately replaced.

TELEPHONE DIRECTORY SEGMENT

Volt's Telephone Directory segment provides telephone directory production, commercial printing, database management, sales and marketing services, licensing of directory production and contract management software systems to directory and other advertising media publishers and is an independent publisher of telephone directories. This segment consists of the Directory Systems/Services division, the DataNational division, the Uruguay division and the Advanced Technologies, Research & Development subsidiary.

DIRECTORY SYSTEMS/SERVICES

The division markets to directory publishers, and utilizes internally, highly specialized computer systems, including both those developed by third parties for the division and those developed by the Company, as well as third-party off-the-shelf software. The division integrates and maintains these systems for managing the production and control of databases, principally for directory and other advertising media publishers. These systems produce digitized display advertisements and photocomposed pages, using equipment manufactured by AII and others, with integrated graphics for yellow and white pages directories, as well as CD/ROM and Internet directories. The systems incorporate "workflow management" by which ads are automatically routed between workstations, increasing through-put and control.

The division customizes its systems to meet the needs of publishers who desire to perform their work in-house. The division also provides outsourcing services for advertising, database management and publication to publishers and others who choose not to do the work in-house. The systems are sold or licensed to, and the services are performed for, publishers and others worldwide. The division also provides directory management systems and various photocomposition services to a number of regional telephone and independent directory publishers, licenses production system software to directory publishers and provides commercial services, such as composition, data processing and database management services, to other customers.

The division also separately markets workstations which are used to facilitate the creation of telephone directories. These include a graphics workstation (RAD-GRAF) containing Volt-developed software, which facilitates the incorporation of special graphic effects in the presentation of ads and provides merging text and graphics on a finished page. Another workstation, the Real-time Incolumn Display (RID), is an on-line electronic galley editor which allows last minute alterations and insertions of ads and listings, while displaying the composed results as they will appear on the finished page.

The division, through its Volt Directory Marketing group, also provides telemarketing services for directory advertising sales for both white and yellow pages directories and provides other telemarketing services to directory publishers.

Services are rendered under various short and long-term contracts and are performed primarily at facilities maintained by Volt in Blue Bell and Huntingdon Valley, Pennsylvania; Indianapolis, Indiana; Anaheim and San Diego, California; and, in one instance, at the customer's facility.

A substantial portion of Volt's business in this division is obtained through submission of competitive proposals for contracts that typically expire in one to three years and are then rebid. Certain contracts expired in 1996, while others were renewed, and new contracts were awarded to the Company. A contract with one customer, which accounted for approximately 19% of the segment's revenues and 61% of the segment's operating profit for fiscal 1996, is scheduled to expire on December 31, 1997, with the customer having renewal options. However, the division has obtained several significant contracts which have begun in fiscal 1997. Other contracts are scheduled to expire in 1997 through 2001. While the Company believes it can secure renewals and/or extensions of some of the contracts which are scheduled to expire, some of which are material to this segment, and to obtain replacement business, there can be no assurance that contracts will be renewed or extended, or that additional or replacement contracts will be awarded to the Company, on satisfactory terms.

This division faces intense competition with respect to all of its services and products from other suppliers and from in-house facilities of potential customers. Some of this division's significant competitors are companies which are larger and have substantially greater financial resources than Volt.

DATANATIONAL

DataNational, the independent telephone directory publishing division of Volt, publishes community-based directories in Virginia, Maryland, North Carolina and Arkansas.

DataNational offers a community-based directory that provides consumers with information on businesses which provide services within their local geographic area. The directories also include features that are unique to the community, such as school information, maps and a calendar of events. The principal competition for this division is from the regional telephone companies, whose directories cover a much wider geographic area than the locations for which the division publishes directories. The advertiser is attracted to the division's community directory because it enables them to specifically target local markets at a much lower cost.

During fiscal 1996, the division added new directories in Charlotte, North Carolina and Norfolk, Virginia. The division will publish new directories in Delaware and the District of Columbia in fiscal 1997, bringing the total community, county and regional directories to sixty-four, an increase of seventeen over the last five years. The division identifies new markets where demographics and their local shopping patterns are favorable to the division's community product.

URUGUAY DIVISION

This South American division is the official publisher of the white and yellow page telephone directories for Antel, the government-owned telephone company in Uruguay. The original contract with Antel was signed in 1983 and, in 1996, the division received an extension through 2002.

In addition to the directory business, the division owns and operates a printing plant which prints its own telephone directories and also prints directories for publishers in Argentina and Brazil and does commercial printing for various customers in those countries and in Uruguay.

The division's revenues are generated from yellow page advertising and its printing operations.

In 1997, the division plans to publish a business-to-business directory for the Mercosur common market (Argentina, Brazil, Uruguay and Paraguay) and will begin offering operator assisted yellow pages ("OAYP") on "900" telephone numbers in Uruguay. The OAYP will use a sophisticated proprietary computerized system developed jointly by this division and the Company's Computer Systems segment.

ADVANCED TECHNOLOGIES, RESEARCH & DEVELOPMENT

Volt's Advanced Technologies, Research & Development subsidiary researches and implements new product lines and adopts new computer technology for internal office and business processing automation. This subsidiary, through its Volt Consulting Services division, also provides the Company, as well as non-affiliated customers, with data processing consulting, applications development and software systems integration services.

The Company holds several patents and trademarks related to this segment's products, but does not believe that any are material to the segment.

Volt's ability to compete in its Telephone Directory segment depends upon its reputation, technical capabilities, price, quality of service and ability to meet customer requirements in a timely manner. Volt believes that its competitive position in this segment's areas of operations is augmented by its ability to draw upon the expertise and resources of its other segments.

Although Volt continues its investment in research and development, there is no assurance that this segment's present or future products will be competitive, that the segment will continue to develop new products or that present products or new products will continue to be successfully marketed.

TELECOMMUNICATIONS SERVICES SEGMENT

Volt's Telecommunications Services (formerly referred to as the Construction and Engineering segment) provides telecommunications services, including engineering, design, construction, installation, maintenance, removal and distribution of telecommunications products and other support services for the telecommunications industry. This segment consists of the Voltelcon and Advanced Technology Services divisions.

VOLTELCON

The division is a nationwide full service provider of telecommunications services, including engineering, design, construction, installation, maintenance, removals and distribution of telecommunications products. The division performs these services on a project and/or contract personnel placement basis in the outside plant and central office, and within end-user premises, for telephone operating companies, interexchange carriers, local exchange carriers, wireless carriers, telecommunications equipment manufacturers, cable television, electric, water and sewerage utilities, federal, state and local government units and private industry.

The division provides both aerial and underground construction services, using its own vehicles and high production equipment, including jack and bore, directional boring, excavation for conduit and manhole systems, cable placement and splicing, pole placement and wrecking, fiber optic cable installation, splicing, termination and testing, project management and inspection services.

The division also offers a wide range of outside plant engineering services, including right of way acquisition, network design for fiber and copper systems, carrier systems design, conduit design, computer aided design drafting, digitizing records, building industry consultant engineering, turnkey design and construction and air pressure design and record verification.

The division's Business Systems group provides systems integration, cabling and wiring and telephone equipment installation. This involves the engineering, design, installation and management of all types of local and wide area networks, via copper and fiber, for voice, data and video.

The division's Central Office group is a leading provider of quality telecommunications services for central office engineering, furnishing, installation and removal of transmission systems, distribution frame systems, AC/DC power systems, wiring and cabling, switch peripheral systems, pre and post conditioning, equipment assembly and system integration and controlled environment structures.

The division's Wireless group offers partial or complete turnkey services to cellular and Personal Communications Services (PCS) license holders to establish or enhance their network infrastructure. These services include radio frequency engineering, site evaluations and acquisition, network engineering and equipment specifications, logistic support, site construction, testing and integration into the network, outside plant engineering and construction services and central office engineering, furnishing and installation to integrate the license holders' wireless networks into the national telecommunications network.

The division offers the added value of being able to provide total management of multi- discipline projects because of its ability to integrate the efforts of all of its groups on a single project.

ADVANCED TECHNOLOGY SERVICES

Volt's Advanced Technology Services was established in 1994 to meet the challenges of the "Information Superhighway" and the merging of voice, data and video services to telephony, broadband and other providers of information system services, such as telephone companies, interexchange carriers, government and private industry. This division accommodates clients in the telecommunications industry who require a full range of services from multiple Volt business segments, such as human resources, equipment, vehicles, systems analysis, network integration, software development and turnkey applications.

This segment faces substantial competition with respect to all of its telecommunications services from other suppliers and from in-house capabilities of potential customers. Competition in this segment remains intense, often resulting in low margins. Some of this segment's significant competitors are larger and have substantially greater financial resources than Volt. Other competitors are small, local companies, that generally have lower overhead.

Volt's ability to compete in this segment depends upon its reputation, technical capabilities, pricing, quality of service and ability to meet customer requirements in a timely manner. Volt believes that its competitive position in this segment is augmented by its ability to draw upon the expertise and resources of other Volt segments.

A substantial portion of Volt's business in this segment is obtained through submission of competitive proposals for contracts that typically expire in one to three years and are then rebid. While the segment has obtained various short and long-term contracts, margins under such contracts have decreased in many instances. Certain contracts have expired in 1996 and were renewed, and others will expire in 1997 and 1998. While the Company believes it can secure renewals and/or extensions of these contracts which are scheduled to expire, some of which are material to this segment, and to obtain replacement business, there can be no assurance that contracts will be renewed or extended or that additional or replacement contracts will be awarded to the Company on satisfactory terms.

COMPUTER SYSTEMS SEGMENT

The Computer Systems segment designs, develops, sells, leases and maintains computer-based directory assistance and other data base management and telecommunications systems and related services for the telecommunications industry and provides services, principally computer-based projects, to public utilities. This segment is comprised of Volt Delta Resources and Volt Viewtech.

VOLT DELTA RESOURCES

Volt Delta Resources ("Volt Delta") is engaged in the design, programming, sale and/or lease, integration and maintenance of computer information systems and services, primarily for the telecommunications market. Volt Delta operates as two business units: Information Systems and Maintech.

The Information Systems division markets operator services solutions to telephone companies and interexchange carriers worldwide. In the past, the division's services consisted of the development and sale of turnkey systems to its customers. However, some potential customers have expressed an interest in upgrading their operator services capabilities by procuring outside services as an alternative to making a capital investment. Therefore, the division began marketing enhanced directory assistance capabilities as a transaction-based outsourcing service. This service is marketed as Directory Express, with the division owning and operating its own proprietary Delta Operator Services System ("DOSS") and providing access to a national database. Directory Express is a transaction-based service designed to offer Directory Assistance operators worldwide with access to over 120 million United States business, residential and government listings. For consumers (the end-users), especially cellular and PCS users, Directory Express is expected to provide a more convenient and efficient level of directory assistance service since, among other things, consumers may obtain enhanced directory information without having to know the correct area code.

DOSS provides new revenue sources to the telephone company from such applications as call completion, customized intercept and automated directory assistance. Although a basic DOSS system is offered to customers who wish to purchase systems, typically each customer will require some special features and, in some instances, extensive customization to attain service differentiation. In this market, the division faces intense competition from much larger international companies which limits the division's success in winning contracts.

During 1996, Volt Delta Europe ("VDE"), the division's European operations based in the United Kingdom, was awarded a contract by PTT Telecom (the Netherlands telephone company) for VDE's Operator and Agent Services Integration System (OASIS), which provides operator services providers open access to multiple information-based databases. VDE is marketing OASIS to other European telecom providers as well.

Volt Delta's services division, Maintech, provides installation planning, database creation, system and network monitoring, computer operations, and system maintenance services to Volt Delta's customers. The division also provides an array of services to customers who have purchased computer systems and networks from others. These services include network management, system and network design and implementation, help desk support and workstation and PC integration, as well as maintenance services on DEC, SUN, Silicon Graphics, IBM RS/6000 and other advanced technology product lines.

In order to fulfill its commitments under its contracts, Volt Delta is required to develop advanced computer software programs and purchase substantial amounts of computer and related equipment manufactured by unaffiliated corporations. Much of the equipment required for these contracts is purchased as needed and is readily available from a number of suppliers.

Under the completed contract method of accounting used by the Volt Delta division, revenues together with related costs are recognized in income upon acceptance by the customer. Since sales of systems under DOSS and OASIS contracts are generally recorded upon customer

acceptance, the number of acceptances in a particular year may affect the comparability of results with other years. Although sales of systems are normally not recurring, a larger installed base provides opportunities for future expansion of existing customer systems, system enhancement sales and maintenance revenue.

VOLT VIEWTECH

Volt's VIEWtech subsidiary implements energy and water efficiency programs and provides various management, outsourcing, technical and financial services to the energy and water utility industry, major financial institutions, trade associations and manufacturers.

The subsidiary is a certified Fannie Mae lender, operating the nation's largest residential energy efficiency finance program for a major utility in San Francisco, under which it has processed, funded and services over $40 million in low-interest loans, all of which it sells to Fannie Mae, retaining only limited exposure on the sold loans. The subsidiary also operates a loan center in Richmond, Virginia, for another major finance company, supporting energy conservation loan programs for nineteen utilities and equipment manufacturers who provide financing to consumers.

The subsidiary manages some of the nation's largest water conservation programs, which encourage utility customers to install more efficient water fixtures to reduce water use. In New York City, California and Florida, the subsidiary has processed over two hundred thirty million dollars in rebates from the government for over one million installed water saving devices.

The subsidiary is responsible for the field installation of one of the largest wireless, fixed-network, real-time data gathering and distribution automation systems in the United States, installing almost 400,000 network meter reading devices for one utility. The subsidiary also reads over 500,000 meters monthly for major utilities in the United States.

The subsidiary internally develops its computer systems and software, which includes a family of Windows(TM) energy and water analyses products. The subsidiary has established one of the first interactive energy analyses on the internet serving major utilities. The subsidiary has also developed its Rate VIEW product, which provides Department of Energy specified home energy ratings to label a home's energy efficiency according to national lender guidelines.

The industry in which the subsidiary operates has been impacted by deregulation of the energy industry, resulting in a decline of utility subsidized conservation services, which the subsidiary has provided to energy utilities since its inception. The subsidiary's business strategy is to diversify its customer base and develop services and products which support energy utility marketing efforts, reduce utility operational costs, support water utility conservation programs, and facilitate energy efficient home improvements through utility sponsored low-interest finance programs.

Although Volt continues its investment in research and development, there is no assurance that this segment's present or future products will be competitive, that the segment will continue to develop new products or that present products or new products can be successfully marketed. The inability to sell additional major systems would have an adverse effect on this segment's business.

The Company holds several patents and trademarks related to this segment's products, but does not believe that these patents or trademarks are material to the segment.

The business environment in which this segment operates is highly competitive. Some of this segment's principal competitors are considerably larger than Volt and have substantially greater financial resources. This segment's position in its market depends largely upon its reputation, quality of services and ability to develop, maintain and implement information systems on a cost competitive basis.

Some of this segment's contracts have expired in 1996, while others were renewed and new contracts were awarded to the Company. The segment anticipates that a contract with one customer, which accounted for approximately 9% of the segment's revenues and 46% of the segment's operating profit for fiscal 1996, will expire in fiscal 1997, because the customer no longer requires Volt's services. Other contracts are scheduled to expire in 1997 through 2000.

ELECTRONIC PUBLICATION AND TYPESETTING SYSTEMS SEGMENT

Autologic Information International, Inc., a 59% owned publicly held subsidiary of the Company, and its subsidiaries (collectively, "AII"), design, develop, manufacture, integrate, market, sell and service computerized image setting and publication systems equipment and software that automate the various prepress production steps in the publishing process. AII's products are primarily marketed and sold to the newspaper publishing industry, the commercial printing industry and other organizations having internal publishing facilities. AII has traditionally focused its efforts on high-volume and deadline-driven customers. AII is seeking to utilize its core capabilities to expand into the lower-volume, less time- sensitive portion of the commercial publishing and electronic document transmission markets, while maintaining a leadership role in its primary market. Although competition is more intense in these additional markets, they are expanding and AII believes that significant opportunities exist therein. AII's strategy to meet this competition is to enter niche markets where AII's strengths can most effectively meet customers' requirements.

On January 29, 1996, Volt caused its wholly-owned subsidiary, Autologic, Incorporated ("Autologic"), to be merged with and into AII (a newly formed subsidiary of Volt) and contemporaneously caused all of the capital stock of certain foreign subsidiaries of Volt to be transferred to AII. At that time, Information International, Inc. ("Triple-I), a publicly held company was, pursuant to a vote of its stockholders, also merged with and into AII, as a result of which the former owners of Triple-I became the owners of 41% (with Volt owning the remaining 59%) of the then outstanding common stock of AII. The foregoing formation transactions are collectively referred to as the "Merger".

The Company's reported results of operations contained in this Report for periods prior to January 29, 1996 reflect only the operations of Autologic and not those of Triple-I and for subsequent periods reflect the operations of the combined entities. Accordingly, the Company believes that information contained in this Report which compares results for periods of this segment before and after the Merger are not comparable, as they do not reflect results for comparable business structures. In addition, during the period subsequent to the Merger, AII effected various restructuring and, therefore, results for the nine month period of fiscal 1996 subsequent to the Merger are not indicative of results that may be expected for any subsequent period.

In general, AII's systems consist of computers and computer-based products used for scanning images, storing and retrieving computerized text and images and controlling output of those elements to various output devices, such as laser imaging systems, proofers, platemakers and telecommunications systems. The Company also produces a variety of hardware and software interface products that enable different computers and other products to communicate and transfer information efficiently. To meet the specific requirements of AII's customers, AII's products can be integrated into complete systems, integrated with a customer's existing products (whether previously purchased from AII or from another vendor) or sold and used individually as "stand alone" units.

AII's systems are available in a variety of hardware and software configurations on a broad base of computer hardware platforms which allow them to be structured to meet the individual needs of members of the prepress industry, including publishers of newspapers, telephone directories, magazines, books, directories, catalogues, yearbooks, print advertising, checks, and other quality graphic art printed products. To satisfy this diverse customer base, AII offers systems providing different speed, page size and output quality requirements, depending on the customer's requirements for final publication. These systems normally output either to film or photographic paper (both of which are then used to make printing press plates) or the printing press plates themselves.

Marketing and sale of AII's products within the United States, Canada, Australia and parts of Europe is provided by AII's direct sales force, and through independent foreign distributors elsewhere. AII has established a European operations headquarters near London, England and a Pacific operations headquarters in Sydney, Australia.

Sales made outside the United States by AII subsidiaries, of products manufactured or assembled in the United States, together with export sales by AII directly to unaffiliated foreign customers, amounted to $46.2 million in fiscal 1996, $36.2 million in fiscal 1995 and $31.2 million in fiscal 1994.

In the past, both Autologic and Triple-I were adversely affected by general economic recessions in the United States and in other countries where AII's products are sold. In addition, a significant portion of AII's business is in the newspaper publishing industry, which has in the past experienced significant downturns during recessions. Recently newspapers have sought to reduce costs and expenditures to offset increased newsprint costs, intense competition for advertising revenues by newspapers and other media and reduced readership of the smaller number of newspapers, especially in the United States. These factors have resulted in reductions in equipment purchases by AII's traditional customers, adversely affecting AII's performance. However, newsprint costs have decreased in recent months, which may increase the newspapers' ability to make additional capital expenditures.

AII operates in a highly competitive marketplace with many competitors. Its position in its markets depends largely upon its reputation, the quality, design and pricing of its products, its ability to maintain high level technological capabilities, foresee market changes and continue to identify, develop and commercialize innovative and competitive products and systems, the timeliness of its deliveries and its field service. Technological advancements, "open system" architecture (which allows customers to assemble standardized component products themselves from several different sources) and general market conditions have increased price competition. A number of firms, some of which are substantially larger and have substantially greater financial resources than AII, manufacture one or more prepress products competing with each of AII's prepress products. Some of these competitors sell their products as complete prepress systems, for some of which AII has no competing systems. Other competitors grant significant discounts of their products which compete with AII's products in order to promote sales of ancillary products as to which AII has no competing product.

As a result of this increasing competition, as well as changing patterns of customer purchasing which have produced an industry-wide trend toward the purchase of open systems, the industry, including AII, has experienced downward pressure on profit margins on sales of equipment and software which is likely to continue. Gross profit margins on customer services have likewise been under considerable pressure in recent years, which is attributable to the industry trend towards using open systems, which enables the user to service some equipment in-house and, because such products are more software oriented, obtain some service from AII through remote data transfer, rather than on-site.

AII holds several patents and trademarks related to its products; however, it does not believe that any of these is material to AII's business. AII is also a licensee of technology from many of its suppliers, none of which individually is considered material to AII's business.

JOINT VENTURES

A subsidiary of the Company is a 12-1/2% shareholder in Pacific Access Pty. Ltd. ("Pacific Access"), a joint venture company in Australia. This venture, which commenced operations in July 1991, assumed responsibility throughout Australia for the marketing, selling and compilation functions of all yellow pages directories of Telstra Corporation Ltd., the Australian government-owned telephone company, under the terms of a twelve-year contract. Telstra Corporation Ltd. owns fifty percent of the voting common stock of Pacific Access, while subsidiaries of Volt, Southwestern Bell, Bell Canada and Edward H. O'Brien Industries each hold twelve and one-half percent.

In January 1997, the Company sold its interest (acquired in July 1994) in Telelistas Editora Ltda., a Brazilian company which has a contract to publish Rio de Janeiro's official telephone directories on behalf of the government-owned telephone company. The Company's interest consisted of 50% of the common shares and 75% of the redeemable preferred shares and debt in Telelistas.

For further information concerning the Company's operations and joint ventures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Research and Development

During fiscal years 1996, 1995 and 1994, the Company expended approximately $12,187,000, $6,989,000 and $6,262,000, respectively, on research and development, all of which is Company sponsored. A major portion of research and development expenditures were incurred by the Electronic Publication and Typesetting Systems segment, the Telephone Directory segment and the Computer Systems segment.

The increase in fiscal year 1996 was due to increased efforts of these segments to develop new products, upgrade existing products, and maintain competitive positions by enhancing the quality, efficiency, reliability and price/performance of products.

Customers

No customer represented more than 10% of the Company's consolidated revenues for the year ended November 1, 1996. However, in fiscal year 1996, the Technical Services and Temporary Personnel segment's sales to one customer represented approximately 13% of the total sales of that segment; the Telephone Directory segment's sales to one customer represented approximately 20% of the total sales of that segment; the Telecommunications Services segment's sales to three customers represented approximately 25%, 23% and 15% of the total sales of that segment; and the Computer Systems segment's sales to three customers represented approximately 27%, 12% and 11% of the total sales of that segment. Each of these segments is dependent on such respective customers. In the event that there were a loss of one or more of these customers and, unless the business is replaced by that segment, there could be an adverse effect on the results for that segment's business, although the Company does not believe that there would be an adverse effect on the Company taken as a whole.

Seasonality

Historically, the Company's results of operations have been lower in its first fiscal quarter as a result of reduced requirements for its technical and temporary personnel due to the holiday season. In addition, Pacific Access (see "Joint Ventures" above) produces a major portion of its revenues and significantly all of its profits in the Company's second and third fiscal quarters. The Uruguayan division produces a major portion of its revenues and most of its profits in the Company's fourth fiscal quarter, and DataNational's revenues and profits are lower in the Company's first fiscal quarter due to the seasonality of its directory closing schedule. Sales by AII are generally lower in the months of November and December due to the holiday season, which is a peak publishing period when customers are reluctant to install and test new equipment.

Employees

During the week ended November 1, 1996, Volt employed approximately 31,400 persons, including approximately 26,400 persons who were on temporary assignment for the Technical Services and Temporary Personnel segment.

Volt is a party to two collective bargaining agreements which cover a small number of employees.

Certain of the services rendered by Volt's Electronic Publication and Typesetting Systems, Telephone Directory and Computer Systems segments require highly trained technical personnel in specialized fields some of whom are currently in short supply and, while the Company currently has a sufficient number of such technical personnel in its employ, there can be no assurance that in the future these segments can continue to employ sufficient technical personnel necessary for the successful conduct of such services.

Management currently believes that its relations with its employees are satisfactory.

Regulation

The Company's business is not subject to specific industry government regulations. In connection with foreign sales, it is subject to the Foreign Corrupt Practices Act and export controls. The export of certain technologies are restricted. At the present time, and with respect to the countries in which the Company's Electronic Publication and Typesetting Systems, Telephone Directory and Computer Systems segments currently sell most of their products, the sale of their current products, both hardware and software, are permitted pursuant to a general export license. If the Company began selling to countries designated by the United States as sensitive, such sales would be subject to more restrictive export regulations.

Compliance with applicable present federal, state and local environmental laws and regulations has not had, and the Company believes that compliance with such laws and regulations in the future will not have, a material effect on the Company's earnings, capital expenditures or competitive position.

See also Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

ITEM 2. PROPERTIES

The Company occupies 41,000 square feet at 1221 Avenue of the Americas, New York, New York under a lease which expires in 2000. The facility is shared by its corporate headquarters, its Computer Systems' segment headquarters and a regional headquarters of its Technical Services and Temporary Personnel segment. The following table sets forth certain information as to each of the Company's other major facilities:

<TABLE>
<CAPTION>

Location	Business Segment	Sq. Ft. Leased or Owned	If Leased, Year of Lease Expiration
<S>	<C>	<C>	<C>
Anaheim, California	Telephone Directory Computer Systems Technical Services and Temporary Personnel	39,000*	owned
El Segundo, California	Technical Services and Temporary Personnel Telephone Directory	20,000	owned
Thousand Oaks, California	Electronic Publication and Typesetting Systems	134,000	owned

Orange, California	West Region Headquarters Accounting Center Technical Services and Temporary Personnel Telephone Directory Computer Systems	200,000*	owned
San Diego, California	Technical Services and Temporary Personnel	20,000	owned
Norcross, Georgia	Electronic Publication and Typesetting Systems Technical Services and Temporary Personnel Telecommunications Services	13,000	1998
Indianapolis, Indiana	Telephone Directory Technical Services and Temporary Personnel	22,000	1998

</TABLE>

<TABLE>
<CAPTION>

Location	Business Segment	Sq. Ft. Leased or Owned	If Leased, Year of Lease Expiration
<S>	<C>	<C>	<C>
Wallington, New Jersey	Computer Services	32,000	1997
Blue Bell, Pennsylvania	Telephone Directory	52,000	2001
Montevideo, Uruguay	Telephone Directory	96,000	2001
Chantilly, Virginia	Telephone Directory Computer Systems Technical Services and Temporary Personnel	20,000	2000
Redmond, Washington	Technical Services and Temporary Personnel	21,000	1998
Los Angeles, California	Electronic Publication and Typesetting Systems	52,000	1999

</TABLE>

* See Note G of Notes to Consolidated Financial Statements for information regarding a term loan secured by these properties.

In addition, the Company leases space in approximately 207 other facilities throughout the United States and Europe (excluding month-to-month rentals), each of which consists of less than 10,000 square feet. These leases expire at various times from 1997 until 2002 (with one, in the United Kingdom, expiring in 2010).

At times, the Company leases space to others in the buildings which it owns if it does not then require the space for its own business.

The Company believes that its facilities are adequate for its presently anticipated requirements and that it is not dependent upon any individually leased premises.

For additional information pertaining to properties, see Note O of Notes to

Consolidated Financial Statements.

ITEM 3. LEGAL PROCEEDINGS

Not applicable.

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

Not applicable.

Executive Officers

WILLIAM SHAW, 72, a founder of the Company, has been President and Chairman of the Board of the Company for more than the past five years and has been employed in executive capacities by the Company and its predecessors for over forty years. He is the brother of Jerome Shaw.

JEROME SHAW, 70, a founder of the Company, has been Executive Vice President and Secretary of the Company for more than the past five years and has been employed in executive capacities by the Company and its predecessors for over forty years. He is the brother of William Shaw.

IRWIN B. ROBINS, 62, has been a Senior Vice President of the Company since September 1985. For more than five years prior thereto, he served as Vice President and General Counsel of the Company.

JAMES J. GROBERG, 68, has been a Senior Vice President of the Company since September 1985. Mr. Groberg also served as Treasurer of the Company from September 1985 to January 1994 and Executive Vice President and Treasurer of the Company from July 1973 until April 1981.

HOWARD B. WEINREICH, 54, has been General Counsel of the Company since September 1985 and served as Associate General Counsel of the Company from September 1981 until he assumed his present position.

JACK EGAN, 47, has been Vice President - Corporate Accounting and Principal Accounting Officer since January 1992. For more than five years prior thereto, he served as Assistant Controller of the Company.

DANIEL G. HALLIHAN, 48, has been Vice President - Accounting Operations since January 1992. For more than five years prior thereto, he served as Director of Corporate Financial Planning & Control.

LUDWIG M. GUARINO, 45, has been Treasurer of the Company since January 1994. For more than five years prior thereto, he served as Assistant Treasurer of the Company.

ITEM 5. MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

The Company's common stock is quoted on the NASDAQ National Market (NASDAQ Symbol-Volt). The following table sets forth the high and low prices of Volt's common stock, as reported by NASDAQ, without retail mark-up, mark-down or commission:

<TABLE>
<CAPTION>

	1996		1995(a)	
Fiscal Period	High	Low	High	Low
<S>	<C>	<C>	<C>	<C>
First Quarter	$27-1/2	$22	$14-3/4	$12-7/8
Second Quarter	31	19	16-5/8	13-5/8
Third Quarter	45-1/2	28-1/4	16	14-1/8
Fourth Quarter	44-1/4	37	24-3/4	14-5/8

</TABLE>

(a) Restated to reflect a two-for-one stock split, effected on October 6, 1995.

The approximate number of record holders of the Company's common stock at January 17, 1997 was 416.

Cash dividends have not been paid during the two-year period ended November 1, 1996. The Company has agreements, which contain financial covenants, the most restrictive of which requires the Company to maintain a consolidated net worth of $93,225,000. At November 1, 1996, this condition was met. (See Note G of Notes to Consolidated Financial Statements).

ITEM 6. SELECTED FINANCIAL DATA

<TABLE>
<CAPTION>

	Year Ended (Note 1)				
	November 1, 1996	November 3, 1995	October 28, 1994	October 29, 1993	October 30, 1992
	(Dollars in thousands, except per share data)				
<S>	<C>	<C>	<C>	<C>	<C>
Revenues	$1,053,496	$ 907,362	$ 734,486	$ 565,173	$ 530,567
Income (loss) from operations before extraordinary item and cumulative effect of a change in accounting	$ 22,435*	$ 16,386*	$ 12,044*	$ (3,674)*	$ 1,091*
Extraordinary item-loss on the repurchase of debt, net of income taxes--Note 2	(87)	(62)	(271)		
Cumulative effect of a change in accounting for income taxes--Note 3				959	
Net income (loss)	$ 22,348	$ 16,324	$ 11,773	$ (2,715)	$ 1,091

<CAPTION>

	Per Share Data				
<S>	<C>	<C>	<C>	<C>	<C>
Income (loss) from operations before extraordinary item and cumulative effect of a change in accounting	$ 2.27*	$ 1.70*	$ 1.26*	$ (.38)*	$ .11*
Extraordinary item	(.01)	(.01)	$ (.03)		
Cumulative effect of a change in accounting for income taxes				.10	
Net income (loss)	$ 2.26	$ 1.69	$ 1.23	$ (.28)	$ .11
Number of shares used in computation	9,866,443	9,634,334	9,605,492	9,597,726	9,580,762
Total assets	$ 337,144	$ 264,011	$ 226,904	$ 235,892	$ 226,502
Long-term debt, net of current portion	$ 57,395	$ 28,819	$ 40,788	$ 58,095	$ 81,076

</TABLE>

Note 1--Fiscal years 1992 through 1994 and 1996, were comprised of 52, weeks while fiscal year 1995 was comprised of 53 weeks.

Note 2--See Note G of Notes to Consolidated Financial Statements for fiscal years 1996, 1995 and 1994.

Note 3--The cumulative effect of adopting statement No. 109, "Accounting for Income Taxes."

Note 4--Cash dividends have not been paid during the five-year period ended November 1, 1996.

* The results of operations include the following gains and (losses) on the sale or write-down of marketable securities: 1996 - $52,000; 1994 - ($7,000); 1993 - $199,000 or $.02 per share and 1992 - $541,000 or $.06 per share.

The results for the fiscal year ended November 1, 1996 included gains aggregating $2,625,000 ($1,600,000, net of taxes or $.16 per share), as a result of an agreement to pay a premium to an insurance carrier to close out prior years' retrospective insurance policies at an amount less than related liabilities for workers' compensation insurance previously provided by the Company.

In October 1996, the Internal Revenue Service concluded its examination of the Company's tax returns for fiscal 1989 through 1993. As a result of the examination, $1,414,000 ($.14 per share) and $723,000 ($443,000, net of taxes, or $.04 per share) were included as a tax benefit and interest income, respectively, for fiscal year ended November 1, 1996.

The results of operations for fiscal 1993 includes a pretax charge of $6,400,000 or ($.44 per share) for estimated costs in excess of anticipated revenues under two contracts for major directory assistance systems. In fiscal 1994 and 1995, the Company received customer acceptance under such contracts, which, because of the pretax charge in 1993 related to such contracts, had no effect on Company's earnings for 1994 and 1995, although revenues (and costs) of $59 million and $15 million were recognized in 1994 and 1995, respectively.

The results of fiscal 1992 include a reversal of a portion of prior years' business tax expenses of $1,070,000 ($.08 per share) and a charge of $722,000 ($.05 per share) relating to a portion of a facility under lease until fiscal 1994 which is no longer being utilized.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information which appears below relates to prior periods, the results of operations for which periods are not necessarily indicative of the results which may be expected for any subsequent periods. Management has made no predictions or estimates as to future operations and no inferences as to future operations should be drawn. This discussion and analysis contains forward- looking statements which, in addition to assuming a continuation of the degree and timing of customer utilization and rate of renewals of contracts with the Company at historical levels, are subject to a number of known and unknown risks that, in addition to general economic, competitive and other business conditions, (many of which are discussed elsewhere in this Report) could cause actual results, performance and achievements to differ materially from those described or implied in the forward-looking statements. The following discussion should be read in conjunction with the Industry Segment Data in Item 1 of this Report and the Consolidated Financial Statements and Notes thereto which appear in Item 8 of this Report.

Results of Operations - Summary

Revenues in fiscal 1996 increased by $146,134,000, or 16%, from fiscal 1995, as sales increased by $141,607,000, or 16%. Revenues in 1996 included a pretax gain of $3,666,000 from the sale of an interest in the Company's Electronic Publication and Typesetting Systems segment. Revenues in fiscal 1995 increased by $172,876,000, or 24%, from fiscal 1994, as sales increased by $186,436,000, or 26%. The increase in sales in 1996 and 1995 are primarily attributable to increases in the Technical Services and Temporary Personnel segment of $143,939,000 and $137,836,000, respectively, and the Telecommunications Services segment of $23,482,000 and $15,314,000, respectively. This was partially offset, in 1996, by a decrease in the Computer Systems segment of $52,874,000 due to the completion in 1995 of several long-term contracts, which were accounted for under the completed contract method of accounting.

The Company's income before income taxes, minority interests, and extraordinary items, increased by 23% in 1996 to $33,597,000, and by 38% in 1995 to $27,281,000. The 1996 results include a $3,666,000 pretax gain on the sale of interest in subsidiaries. The increase in operating profit in 1996 was primarily from the Telephone Directory segment, with an increase of $3,352,000, and the

Telecommunications Services segment, with an increase of $3,306,000, partially offset by the Electronic Publication and Typesetting systems segment, with a decrease of $5,273,000. The increase in the operating profit in 1995 was primarily from the Technical Services and Temporary Personnel segment, with an increase of $11,780,000, and the Computer Systems segment, with an increase of $8,563,000.

The extraordinary items in fiscal 1996, 1995 and 1994 were losses of $87,000, $62,000, and $271,000, respectively, due to the early redemption at par of $22,854,000, $10,000,000 and $30,000,000 face value of the Company's 12-3/8% Subordinated Debentures.

Net income in fiscal 1996, 1995 and 1994 was $22,348,000, $16,324,000, and $11,773,000 respectively.

The fiscal 1996 and 1994 years include 52 weeks, compared to 53 weeks in fiscal 1995.

Results of Operations - Segments

The Company's consolidated operating profit was $44,509,000 in fiscal 1996, compared to $42,493,000 in fiscal 1995 and $22,982,000 in fiscal 1994. (See Industry Segment Data in Item 1 of this Report and Note J of Notes to Consolidated Financial Statements in Item 8 of this Report).

The Technical Services and Temporary Personnel segment's sales increased by $143,939,000, or 25%, in fiscal 1996 to $716,285,000 and by $137,836,000, or 32%, in fiscal 1995 to $572,346,000. Operating profit of the segment decreased by $771,000, or 3%, to $27,346,000 in fiscal 1996 after having increased by $11,780,000, or 72%, to $28,117,000 in fiscal 1995. Approximately $48,100,000, or 33%, of the segment's 1996 sales increase and $11,700,000, or 8%, of the 1995 sales increase was due to pass-through costs primarily related to the use of subcontractors to service large national contracts. In fiscal 1996 and 1995, approximately $28,000,000 and $56,000,000, respectively, of the segment's sales increase resulted from business with new customers, with pre-existing customers accounting for the balance of the sales increase. In fiscal 1995, a new customer, with a high gross margin, accounted for approximately $38,000,000 of the increase in sales. However, subsequent to February 1996, the segment's services to that customer were no longer required. The operating profit decrease in fiscal 1996 was due to a 1.8 percentage point decrease in gross margin, as well as increases in overhead due to opening new offices to service national contracts, partially offset by the increased sales and a $2,100,000 retrospective workers' compensation insurance adjustment. One-half of the 1.8 percentage point decrease in gross margin was due to higher subcontractor usage billed without a mark-up. The loss of the high-margin customer discussed above, lower margins on the increasing business with large national contracts, and an increase in unemployment insurance costs accounted for the remainder of the gross margin decline. The operating profit increase in fiscal 1995 was due to the increased sales volume and a .9 percentage point increase in gross margin resulting from lower workers' compensation insurance and other costs, partially offset by increases in overhead to support the additional sales. Downward pressures on operating margins are anticipated for fiscal 1997 due to increases in overhead to open new offices, particularly on-site offices for national accounts, start-up costs related to new contracts and additional personnel to bid and service national accounts, as well as significantly increased competition. As revenues from these new contracts reach their anticipated levels in the second half of fiscal 1997, operating profits should begin to increase. Although the markets for the segment's services include a broad range of industries throughout the United States, general economic difficulties in specific geographic areas or industrial sectors have in the past, and could in the future, affect the profitability of this segment.

The Telephone Directory segment's sales increased by $8,844,000, or 13%, to $78,611,000 in fiscal 1996 and decreased by $4,388,000, or 6%, to $69,767,000 in fiscal 1995. In fiscal 1996, the segment's operating profit increased by $3,352,000, or 223%, to $4,858,000. In fiscal 1995, the segment's operating profit decreased by $5,189,000, or 78%, to $1,506,000. The fiscal 1996 sales increase was due to a 11% increase in telephone directory production volume, an increase in independent directory sales of 20% and increased sales by the Uruguayan division of 19%. The increase in operating profit in fiscal 1996 was due to the sales increase discussed above and higher gross margins on the telephone directory production sales, partially offset by higher printing costs in the Uruguayan printing operation resulting from a move to a new facility and installation of new equipment. The fiscal 1995 sales decline was due to a decrease in telephone directory production volume, primarily related to the expiration of a contract in early 1995, which generated sales of $9,000,000 in fiscal 1994, partially offset by increases in independent directory sales of 16% and

increased volume in the Uruguayan division of 15%. The fiscal 1995 decline in operating profit was due to the lower telephone directory production sales volume, an increase in costs to develop new directory management systems and start-up losses incurred in the automated production of newspaper display advertisements. This segment's services are rendered under various short and long-term contracts, some of which expired in 1996 while others were renewed and new contracts were awarded to the segment. A contract with one customer, which accounted for approximately 19% of the segment's revenues and 61% of the segment's operating profit for fiscal 1996, is scheduled to expire on December 31, 1997, with the customer having renewal options. However, the segment has obtained several significant contracts which have begun in fiscal 1997. Other contracts are scheduled to expire in 1997 through 2001. While the segment believes it can secure renewals and/or extensions of some of the contracts which are scheduled to expire, some of which are material this segment, and obtain replacement business, there can be no assurance that contracts will be renewed or extended, or that additional or replacement contracts will be awarded to the segment, on satisfactory terms.

The Telecommunications Services segment's sales increased by $23,482,000, or 35% to $91,472,000 in 1996 and $15,314,000, or 29%, to $67,990,000 in fiscal 1995. Operating profit of the segment increased by $3,306,000, or 54% in fiscal 1996 to $9,484,000, and by $5,386,000, or 680% in fiscal 1995 to $6,178,000. The fiscal 1996 sales increase was due to a 32% increase in the Construction division and a 29% increase in the Business Systems division. Operating results improved due to increased sales volume, and a 1.9 percentage point decrease in overhead expended per sales dollar. The fiscal 1995 sales increase was due to a 37% increase in the Construction division and an 8% increase in the Business Systems division. Fiscal 1995 operating income improved due to the increased sales volume, an increase in the gross margin of 1.3 percentage points and a 6.8 percentage point decrease in overhead expended per sales dollar.

The Computer Systems segment's sales decreased by $52,874,000, or 40%, to $79,086,000 in fiscal 1996 after having increased by $32,825,000, or 33%, to $131,960,000 in fiscal 1995, from $99,135,000 in fiscal 1994. The segment had operating profits in fiscal 1996 and 1995 of $7,707,000 and $6,395,000, respectively, as compared to an operating loss of $2,168,000 in fiscal 1994. The 1996 and 1995 sales included revenues of $28,000,000 and $85,000,000, respectively, recognized on customer acceptance of several major Delta Operator Service Systems (DOSS). The higher level of sales in 1995, than in 1996 was due to a greater number of DOSS systems accepted by customers in 1995. Fiscal 1996 sales included increased sales of conservation services to utilities. The increase in operating profit in 1996 was primarily due to increased profits on conservation services to utilities. The fiscal 1995 increase in sales and operating profit over 1994 levels was primarily due to a higher number of DOSS systems accepted in 1995 compared to 1994, increased maintenance revenues and increased sales and profits on conservation services to utilities. The segment anticipates that a contract with one customer, which accounted for approximately 9% of the segment's revenues and 46% of the segment's operating profits for fiscal 1996, will expire in fiscal 1997, because the customer no longer requires Volt's services. Under the completed contract

method of accounting used by this segment, revenues together with related costs are recognized in income upon acceptance by the customer. Since sales of systems under large contracts are generally recorded upon customer acceptance, acceptance in a particular year may affect the comparability of results with other years. Although sales of systems are normally not recurring, a larger installed base provides opportunities for future expansion of existing customer systems, system enhancement sales and maintenance revenue.

The Electronic Publication and Typesetting Systems segment's sales increased by $18,833,000, or 27%, to $89,238,000 in fiscal 1996 and increased by $5,082,000, or 8%, to $70,405,000 in fiscal 1995. The segment incurred an operating loss in fiscal 1996 of $4,817,000, compared to operating profit of $456,000 and $1,334,000, respectively, in fiscal 1995 and 1994. Since January 29, 1996, the segment has been comprised of the Company's former Autologic, Incorporated subsidiary and related foreign subsidiaries ("Autologic"), which were combined on that date with Information International Incorporated ("Triple-I") as a publicly held company. (See Note I in the Notes to Consolidated Financial Statements). The results of operations for all periods prior to the merger reflect the results of Autologic on a stand-alone basis, while results subsequent to that date reflect the combined operations of Autologic and Triple-I. The fiscal 1996 sales increase resulted primarily from the integration of the two businesses. Had this transaction occurred at the beginning of fiscal year 1995, sales in 1996 would have been $99,194,000 compared to sales of $104,643,000 in 1995. The decrease of $5,449,000, or 5.2%, was primarily due to the phase out of a product line by Triple-I. The 1996 operating loss included $700,000 of restructuring charges and $1,602,000 for amortization of intangibles resulting from the merger. The decrease in operating profits in 1996 was also due to a 4 percentage point increase in total operating expenses expended per sales dollar, partially offset by the increased sales volume. The fiscal 1996 increase in operating expenses included a 76% increase in engineering, research and development and a 35% increase in selling and administrative expenses. These expenses increased at a greater rate than sales in 1996 due to additional new product and expansion into new markets. The fiscal 1995 sales increase was primarily due to increased equipment sales in overseas markets. Despite the increase in sales, operating profits decreased by $878,000, or 66%, in fiscal 1995 to $456,000, primarily due to a reduction in the gross margin of 2.3 percentage points, partially offset by a 1.2 percentage point decrease in total operating expenses expended per sales dollar. The decrease in the gross margin percentage resulted from a change in the product mix (a decrease in sales of some high-margin products and an increase in sales of some low-margin items which are in direct competition with other manufacturers' products). The markets in which the segment competes are marked by rapidly changing technology, with sales in fiscal years 1996, 1995 and 1994 of equipment introduced within the last three years comprising approximately 98%, 84% and 84%, respectively, of equipment sales.

Results of Operations - Other Interest income increased by $1,086,000, or 54%, in fiscal 1996 and increased by $673,000, or 50%, in fiscal 1995. The fiscal 1996 increase was primarily due to $723,000 of interest income received on a tax refund from the Internal Revenue Service as the result of the completion of an examination of the Company's tax returns for fiscal years 1989 to 1993. The fiscal 1995 increase was primarily due to higher prevailing rates and additional funds available for investment in interest-bearing securities.

The Company's equity in the net loss of its joint ventures was $1,414,000 in 1996, compared to a net loss of $1,000,000 in 1995 and net income of $3,055,000 in 1994. The fiscal 1996 and 1995 decreases were due to the start-up losses incurred by the Company's Brazilian joint venture which began operations in July 1994. The Company's share of the income of its Australian joint venture, which produces a major portion of its revenues and significantly all of its profit in the Company's second and third fiscal quarters, increased by $242,000 and $313,000 in fiscal 1996 and 1995, respectively, due to increased revenues. In January 1997, the Company sold its 50% interest in Telelistas Editora Ltda. ("Telelistas"), a Brazilian joint venture, which is the official publisher of telephone directories in Rio de Janeiro, for the government-owned telephone company (see Note L of Consolidated Notes to Financial Statements).

In February 1994, the Company sold for $16,400,000 its 50% interest in Pacific Volt Information Systems, a joint venture, which composed telephone directories in California under a contract that was due to expire in 1996. The sale resulted in a pretax gain of $9,770,000.

Selling and administrative expenses increased by $7,848,000, or 17%, to $52,848,000 in 1996 and by $2,491,000, or 6%, to $45,000,000 in 1995 to support the increased sales activities. These expenses expressed as a percentage of sales were 5.0% in each of the fiscal years 1996 and 1995 and 5.9% in 1994.

Research and development expenses increased by $5,198,000, or 74%, to $12,187,000 in 1996 and by $727,000, or 12%, to $6,989,000 in 1995. The increase in 1996 was due to additional product development by the Telephone Directory, Computer Systems and, as a result of the combination of Autologic and Triple-I, the Electronic Publication and Typesetting Systems segments. The increase in 1995 was due to additional product development by the Telephone Directory and Computer Systems segments, partially offset by a decrease in the Electronic Publication and Typesetting Systems segment. The decrease in the Electronic Publication and Typesetting Systems segment in 1995 was due primarily to a reduction in certain development projects.

Depreciation and amortization increased by $3,683,000, or 29%, to $16,299,000 in 1996 and by $1,305,000, or 12%, to $12,616,000 in 1995. The fiscal 1996 and 1995 increases are due to increased fixed asset expenditures in 1994, 1995 and 1996, and, in 1996, to the amortization of goodwill created in the Autologic transaction.

The foreign exchange loss in fiscal year 1996 was $516,000, compared to a gain in 1995 of $186,000, and a loss of $39,000 in fiscal 1994. The foreign exchange losses in 1996 and 1994 were due to unfavorable, and the gain in 1995, was due to favorable, currency movements in the European currency market. To minimize the potential adverse impact on the Company's foreign currency receivables and sales when the dollar strengthens against foreign currencies, foreign currency options are purchased.

Interest expense decreased by $878,000, or 15%, to $5,167,000 in 1996 and by $1,423,000, or 19%, to $6,045,000 in 1995. The decreases in 1996 and 1995 were due to redemptions and the retirement of $30,000,000 (in 1994), $10,000,000 (in 1995), and the remaining $22,854,000 (in 1996) of the Company's 12-3/8% Subordinated Debentures. The Company has established additional financing at lower costs through the issuance in a private placement of $50,000,000 and the sale of accounts receivable under a securitization program. In fiscal 1996, 1995 and 1994, other income reflects charges of $1,955,000, $2,133,000 and $1,557,000, respectively, for costs incurred in conjunction with the sale of accounts receivable (see Note C of Notes to Consolidated Financial Statements).

See Note F of Notes to Consolidated Financial Statements for information concerning the Company's effective tax rates for fiscal 1994 through fiscal 1996.

Liquidity and Capital Resources

Cash and cash equivalents decreased by $12,073,000 in 1996 to $13,277,000.

Cash of $16,346,000 was used by operating activities in 1996 as a result of the expansion of the Company's businesses. Primary among the factors providing cash flows to operating activities in 1996 were the Company's net income of $22,348,000, augmented by $16,299,000 of depreciation and amortization, and increases in accounts payable of $14,328,000 primarily due to the use of subcontractors by the Technical Services and Temporary Personnel segment to service national accounts. Among the principal uses of cash in operating activities in 1996 were an increase in the level of accounts receivable of $57,478,000 due to a $17,000,000 reduction in interests in accounts receivable sold at November 1, 1996 compared with November 3, 1995 (see Note C of Notes to Consolidated Financial Statements) as well as increased business with new and existing customers. A decrease in accrued expenses of $4,034,000 was primarily the result of an agreement to pay a premium totaling $4,050,000 to an insurance carrier to close out prior years' retrospective insurance policies, which resulted in a pretax gain of $2,625,000 (see Note K of Notes to Consolidated Financial Statements). A decrease in income taxes payable of $8,292,000 was due to the timing of tax payments made during the year.

The principal factors in the application of $22,558,000 to investing activities were the net expenditures for property, plant and equipment of $26,370,000 and the investment in joint ventures of $7,309,000.

The principal factors in cash provided by financing activities ($26,370,000) were proceeds of $50,000,000 from the private placement of the Company's 7.92% Senior Notes partially offset by the early redemption of $22,854,000 of the Company's 12-3/8% Subordinated Debentures.

In addition to its cash and cash equivalents, at November 1, 1996, the Company's investment portfolio, primarily U.S. treasury notes and certificates of deposit, had a carrying value of $4,458,000. In addition, the Company has the ability to sell up to $32,000,000 of additional receivables, in excess of amounts sold at November 1, 1996, under its existing receivable sales program. The Company also has $16,500,000 of credit lines with banks, of which $10,000,000 is under a revolving credit agreement that expires at August 1, 1997 unless renewed. The Company had outstanding bank borrowings of $5,414,000 at November 1, 1996 under such lines.

The Company believes its current financial position, working capital financing lines and future cash flows will be sufficient to fund its presently contemplated operations and satisfy its debt obligations. The Company has no material capital commitments. The Company may determine, from time-to-time in the future, to buy shares of its common stock.

In October 1995, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 123 ("SFAS 123"), "Accounting for Stock-Based Compensation," which establishes a fair value based method of accounting for stock-based compensation plans. SFAS 123 encourages, but does not require, adoption of a fair value based method. The Company has determined it will continue to account for such plans in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

ERNST & YOUNG LLP
787 Seventh Avenue
New York, New York 10019
Phone #: 212-773-3000

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Volt Information Sciences, Inc.

We have audited the accompanying consolidated balance sheets of Volt Information Sciences, Inc. and subsidiaries as of November 1, 1996 and November 3, 1995, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended November 1, 1996. Our audits also included the financial statement schedule listed in the Index at Item 14(a)(2). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Volt Information Sciences, Inc. and subsidiaries at November 1, 1996 and November 3, 1995, and the consolidated results of its operations and its cash flows for each of the three years in the period ended November 1, 1996, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

January 8, 1997

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

<S>	November 1, 1996 <C>	November 3, 1995 <C>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents--Note A	$ 13,277,000	$ 25,350,000
Short-term investments--Notes B, N and O	4,458,000	1,047,000
Trade accounts receivable less allowances of $5,191,000 (1996) and $3,943,000 (1995)--Note C and Schedule II	170,484,000	111,696,000
Inventories--Notes A and D	31,646,000	28,207,000
Deferred income taxes--Notes A and F	11,757,000	8,711,000
Prepaid expenses and other assets--Note L	11,524,000	7,204,000
	------------	------------
TOTAL CURRENT ASSETS	243,146,000	182,215,000
INVESTMENTS IN SECURITIES-- Note B and Schedule II	--	4,136,000
INVESTMENTS IN JOINT VENTURES-- Note L	11,179,000	13,903,000
PROPERTY, PLANT AND EQUIPMENT-- at cost--Notes A, G and J		
Land and buildings	33,589,000	33,591,000
Machinery and equipment	65,778,000	51,233,000
Leasehold improvements	4,263,000	2,818,000
	------------	------------
	103,630,000	87,642,000
Less allowances for depreciation and amortization	38,761,000	32,057,000

	64,869,000	55,585,000
DEPOSITS, RECEIVABLES AND OTHER ASSETS	1,459,000	2,764,000
DEFERRED INCOME TAXES--Notes A and F	1,034,000	--
INTANGIBLE ASSETS--net of accumulated amortization of $6,459,000 (1996) and $4,181,000 (1995)--Notes A and F	15,457,000	5,408,000
	$337,144,000	$264,011,000

</TABLE>

<TABLE>
<CAPTION>

<S>	November 1, 1996 <C>	November 3, 1995 <C>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable to banks--Note E	$ 5,414,000	$ 5,154,000
Current portion of long-term debt--Note G	1,949,000	2,000,000
Accounts payable	43,345,000	30,786,000
Accrued expenses		
Wages and commissions	29,998,000	23,403,000
Taxes other than income taxes	12,149,000	10,059,000
Insurance	9,334,000	18,893,000
Other	8,229,000	6,686,000
Customer advances and other liabilities	16,215,000	15,250,000
Income taxes--Notes A and F	3,022,000	12,401,000
TOTAL CURRENT LIABILITIES	129,655,000	124,632,000
LONG-TERM DEBT--Note G	57,395,000	28,819,000
DEFERRED INCOME TAXES--Notes A and F	--	3,433,000
	187,050,000	156,884,000
MINORITY INTERESTS--Note I	19,857,000	--
STOCKHOLDERS' EQUITY--Notes A,B,C,G,H and L and Schedule II		
Preferred stock, par value $1.00 Authorized--500,000 shares; issued--none		
Common stock, par value $.10 Authorized--30,000,000 shares; issued--9,692,143 shares (1996) and 9,664,794 shares (1995)	969,000	966,000
Paid-in capital	27,763,000	27,098,000
Retained earnings	101,505,000	79,157,000
Cumulative foreign currency translation adjustment	(4,000)	(168,000)
Unrealized gain on marketable securities	4,000	74,000
	130,237,000	107,127,000

COMMITMENTS--Note O

	$ 337,144,000	$ 264,011,000

</TABLE>

See Notes to Consolidated Financial Statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

<TABLE>
<CAPTION>

	YEAR ENDED		
	November 1, 1996	November 3, 1995	October 28, 1994
<S>	<C>	<C>	<C>
Revenues:			
Sales of services	$ 960,438,000	$ 837,699,000	$ 656,212,000
Sales of products	88,476,000	69,608,000	64,659,000
Total sales	1,048,914,000	907,307,000	720,871,000
Interest income	3,095,000	2,009,000	1,336,000
Gains (losses) on securities-net	52,000		(7,000)
Equity in (loss) income of joint ventures--Note L	(1,414,000)	(1,000,000)	3,055,000
Gain on sale of joint venture--Note L			9,770,000
Gain on sale of interest in subsidiaries--Note I	3,666,000		
Other expense-net--Note C	(817,000)	(954,000)	(539,000)
	1,053,496,000	907,362,000	734,486,000
Costs and expenses:			
Cost of sales:			
Services	870,677,000	761,240,000	603,607,000
Products	60,026,000	47,104,000	41,984,000
Selling and administrative	52,848,000	45,000,000	42,509,000
Research and development	12,187,000	6,989,000	6,262,000
Engineering	2,179,000	1,273,000	1,479,000
Depreciation and amortization	16,299,000	12,616,000	11,311,000
Foreign exchange loss (gain) - net	516,000	(186,000)	39,000
Interest expense	5,167,000	6,045,000	7,468,000
	1,019,899,000	880,081,000	714,659,000
Income before income taxes and items shown below	33,597,000	27,281,000	19,827,000
Income tax provision--Notes A and F	12,448,000	10,895,000	7,783,000
Minority interests--Note I	1,286,000		
Income before extraordinary item	22,435,000	16,386,000	12,044,000
Extraordinary item-loss on repurchase of debt, net of income taxes--Note G	(87,000)	(62,000)	(271,000)
NET INCOME	$ 22,348,000	$ 16,324,000	$ 11,773,000
Per Share Data			
Income before extraordinary item	$ 2.27	$ 1.70	$ 1.26
Extraordinary item	(.01)	(.01)	(.03)

NET INCOME	$ 2.26	$ 1.69	$ 1.23
	===============	=============	=============
Number of shares used in computation--Note A	9,866,443	9,634,334	9,605,492
	===============	=============	=============

</TABLE>

See Notes to Consolidated Financial Statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

<TABLE>
<CAPTION>

	Common Stock $.10 Par Value Shares	Common Stock $.10 Par Value Amount	Paid-In Capital	Retained Earnings	Cumulative Foreign Currency Translation Adjustment	Unrealized Gain (Loss) On Marketable Securities	Treasury Stock
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at October 29, 1993	7,789,580	$ 779,000	$ 43,823,000	$ 79,882,000	$(706,000)		$(46,100,000)
Stock award--1,000 shares			7,000				11,000
Unrealized foreign currency translation adjustment--net of taxes of $338,000					423,000		
Unrealized loss on marketable securities-net of $30,000 tax benefit						$(47,000)	
Net income for the year				11,773,000			
	----------	---------	------------	------------	---------	--------	------------
Balance at October 28, 1994	7,789,580	779,000	43,830,000	91,655,000	(283,000)	(47,000)	(46,089,000)
Contribution to ESOP-8,621 shares			154,000				96,000
Stock options exercised, including related tax benefit of $130,000	22,750	3,000	469,000				
Cancellation of treasury stock	(2,977,933)	(298,000)	(16,873,000)	(28,822,000)			45,993,000
Issuance of shares of common stock resulting from a two-for-one stock split in the form of a 100% stock dividend	4,830,397	482,000	(482,000)				
Unrealized gain on marketable securities-net of taxes of $78,000						121,000	
Unrealized foreign currency translation adjustment--net of taxes of $58,000					115,000		
Net income for the year				16,324,000			
	----------	---------	------------	------------	---------	--------	------------
Balance at November 3, 1995	9,664,794	966,000	27,098,000	79,157,000	(168,000)	74,000	--
Contribution to ESOP	18,349	2,000	498,000				
Stock awards	600		11,000				
Stock options exercised, including related tax benefit of $64,000	8,400	1,000	156,000				
Unrealized foreign currency translation adjustment--net of taxes of $93,000					164,000		
Unrealized loss on marketable securities-net of $45,000 tax benefit						(70,000)	
Net income for the year				22,348,000			
	----------	---------	------------	------------	---------	--------	------------
Balance at November 1, 1996	9,692,143	$ 969,000	$ 27,763,000	$101,505,000	$ (4,000)	$ 4,000	$ --
	==========	=========	============	============	=========	========	============

</TABLE>

There were no shares of preferred stock issued or outstanding.

See Notes to Consolidated Financial Statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	YEAR ENDED		
	November 1, 1996	November 3, 1995	October 28, 1994
<S>	<C>	<C>	<C>
CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES			
Net income	$ 22,348,000	$ 16,324,000	$ 11,773,000
Adjustments to reconcile to cash (used in) provided by operating activities:			
Extraordinary loss	87,000	62,000	271,000
Depreciation and amortization	16,299,000	12,616,000	11,311,000
Equity in (income) loss of joint ventures	1,414,000	1,000,000	(3,055,000)
Gain on sale of joint venture			(9,770,000)
Gain on partial sale of subsidiaries	(3,666,000)		
Distributions from joint ventures	2,599,000	2,316,000	3,036,000
Accounts receivable provisions	2,718,000	2,081,000	1,903,000
Minority interests	(1,286,000)		
(Gains) losses on foreign currency translation	(214,000)	102,000	755,000
Losses (gains) on dispositions of property, plant and equipment	64,000	(354,000)	(68,000)
Deferred income tax (benefit) expense	(2,736,000)	(5,419,000)	816,000
(Gains) losses on sales of securities	(34,000)		7,000
Other	(8,000)	226,000	304,000
Changes in operating assets and liabilities:			
Increase in accounts receivable	(57,478,000)	(15,731,000)	(27,226,000)
(Increase) decrease in inventories	(1,661,000)	(3,124,000)	526,000
Decrease in recoverable income taxes			4,695,000
Decrease (increase) in prepaid expenses and other current assets	1,765,000	(2,892,000)	666,000
Decrease (increase) in other assets	1,379,000	(1,494,000)	1,654,000
Increase (decrease) in accounts payable	14,328,000	1,788,000	(108,000)
(Decrease) increase in accrued expenses	(4,034,000)	10,596,000	11,164,000
Increase in customer advances and other liabilities	62,000	3,635,000	4,928,000
(Decrease) increase in income taxes payable	(8,292,000)	12,383,000	931,000
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(16,346,000)	34,115,000	14,513,000
CASH (APPLIED TO) PROVIDED BY INVESTING ACTIVITIES			
Sales of investments	48,000	1,050,000	6,851,000
Maturities of investments	7,561,000	10,770,000	12,602,000
Purchases of investments	(7,676,000)	(8,688,000)	(19,888,000)
Investment in joint ventures	(7,309,000)	(5,049,000)	(2,517,000)
Proceeds from sale of a joint venture			16,382,000
Cash of acquired subsidiaries, less transaction costs	8,421,000		
Proceeds from disposals of property, plant and equipment	121,000	953,000	258,000
Purchases of property, plant and equipment	(21,700,000)	(11,886,000)	(14,916,000)
Other	(2,024,000)	(1,365,000)	
NET CASH APPLIED TO INVESTING ACTIVITIES	(22,558,000)	(14,215,000)	(1,228,000)

</TABLE>

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS--Continued

	YEAR ENDED November 1, 1996	YEAR ENDED November 3, 1995	YEAR ENDED October 28, 1994
CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES			
Payment of long-term debt	(24,854,000)	(12,000,000)	(45,400,000)
Proceeds from long-term debt	50,000,000		10,000,000
Exercises of minority interest stock options	205,000		
Exercises of stock options	103,000	341,000	
Increase (decrease) in notes payable-banks	916,000	1,030,000	(948,000)
NET CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES	26,370,000	(10,629,000)	(36,348,000)
Effect of exchange rate changes on cash	461,000	(970,000)	(969,000)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(12,073,000)	8,301,000	(24,032,000)
Cash and cash equivalents, beginning of year	25,350,000	17,049,000	41,081,000
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 13,277,000	$ 25,350,000	$ 17,049,000
SUPPLEMENTAL INFORMATION			
Cash Paid During The Year			
Interest expense	$ 5,390,000	$ 6,512,000	$ 8,846,000
Income taxes, net of refunds	$ 22,808,000	$ 4,058,000	$ 1,416,000

See Notes to Consolidated Financial Statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business: The Company operates in three major businesses, consisting of five industry segments; Technical Services and Temporary Personnel; Telephone Directory; Telecommunications Services; Computer Systems; and Electronic Publication and Typesetting Systems.

Fiscal Year: The Company's fiscal year consists of the 52 or 53 weeks ending on the Friday nearest October 31. The 1996 and 1994 fiscal years were comprised of 52 weeks, compared with 53 weeks in fiscal year 1995.

Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions have been eliminated upon consolidation. The minority interest primarily represents the 41% separate public ownership of Autologic Information International Inc. ("AII"). The Company has investments in joint ventures which are accounted for by the equity method.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Stock Based Compensation: The Company accounts for its stock based compensation arrangements under the provisions of APB 25, "Accounting for Stock Issued to Employees", and intends to continue to do so.

Revenue Recognition: Sales are recorded when products are shipped and when services are rendered. Revenues and costs applicable to long-term contracts, including those providing for software customization or modification, are recognized on the percentage-of-completion method, measured by work performed, or the completed-contract method, as appropriate. Provisions for estimated losses on contracts are recorded when such losses become evident.

Cash Equivalents: Cash equivalents consist of investments in short-term, highly liquid securities having an initial maturity of three months or less.

Investments: The Company's management determines the appropriate classification of marketable equity and debt securities at the time of purchase and re-evaluates such designation as of each balance sheet date. Debt securities are classified as held-to-maturity when the Company has the positive intent and ability to hold the securities to maturity. Held-to-maturity securities are stated at amortized cost. Marketable equity securities and debt securities not classified as held-to-maturity are classified as available-for-sale. Available-for-sale securities are carried at fair value with the unrealized gains and losses, net of tax, reported as a separate component of stockholders' equity.

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Inventories: Manufacturing inventories are priced at the lower of cost, on a first-in, first-out basis, or market. Accumulated unbilled costs on contracts related to performing services are carried at the lower of actual cost or realizable value.

Long - Lived Assets: In fiscal 1996, the Company adopted SFAS No. 121, "Accounting for the Impairment of Long - Lived Assets and for Long - Lived Assets to be Disposed of". The Company reviews for the impairment of long-lived assets and certain identifiable intangibles whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No such impairment indicators have been identified by the Company. Under Statement No. 121, an impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount.

Property, Plant and Equipment: Depreciation and amortization are provided on the straight-line and accelerated methods at rates calculated to write off the cost of the assets over their estimated useful lives. Fully depreciated assets are written off against their related allowance accounts. The assets are depreciated over the following periods:

Buildings	- 25 to 31 1/2 years
Machinery and equipment	- 3 to 15 years
Leasehold improvements	- length of lease or life of asset, whichever is shorter

Intangible Assets: Intangible assets principally consist of the unamortized balances of the excess of cost over the fair value of the net assets of companies acquired. The intangibles are being amortized using the straight-line method, over a five to twenty-year period with an average remaining life of five years.

Income Taxes: Income taxes are provided using the liability method in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (see Note F).

Foreign Exchange Contracts: Gains and losses on foreign currency option and forward contracts designated as hedges of existing assets and liabilities and of identifiable firm commitments are deferred and included in the measurement of the related foreign currency transaction (see Note N).

Translation of Foreign Currencies: The U.S. dollar is the Company's functional currency throughout the world, except for the Company's Uruguayan operation and its joint ventures in Australia and Brazil. Where the U.S. dollar is used as the functional currency, and in Uruguay and Brazil, which have high inflation rates, foreign currency gains and losses are included in operations. Translation adjustments due to the Company's investment in its Australian joint venture, whose functional currency is its local currency, are recorded as a separate component of stockholders' equity.

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Per Share Data: Per share data are computed on the basis of the weighted average number of shares of common stock outstanding and, if applicable, the assumed exercise of dilutive outstanding stock options based on the treasury stock method.

NOTE B--INVESTMENTS IN SECURITIES

At November 1, 1996, short-term investments consist principally of U.S. treasury notes which mature within one year. At November 1, 1996, the Company's portfolio of debt securities had a market value of $4,458,000 and an amortized cost of $4,451,000. Gross unrealized holding gains of $7,000 ($4,000 net of taxes) are shown as an addition to stockholders' equity. At November 3, 1995, the Company's portfolio of debt securities had a market value of $5,183,000 and an amortized cost of $5,061,000, with gross unrealized holding gains of $122,000 ($74,000 net of taxes) shown as an addition to stockholders' equity.

NOTE C--ACCOUNTS RECEIVABLE

In October 1993, the Company entered into a three-year agreement to sell, on a limited recourse basis, up to $25,000,000 of undivided interests in a designated pool of certain eligible accounts receivable. In March 1995, the limit was increased to $45,000,000 and the agreement was extended to March 1998. As collections reduce previously sold undivided interests, interests in new receivables may be sold up to the $45,000,000 level. At November 1, 1996 and November 3, 1995, $13,000,000 and $30,000,000, respectively, of interests in accounts receivable had been sold under this agreement. The sold accounts receivable are reflected as a reduction of receivables in the accompanying balance sheets. The Company pays fees based primarily on the purchaser's borrowing cost incurred on short-term commercial paper which financed the purchase of receivables. Other income (expense) in the accompanying 1996, 1995 and 1994 statements of operations includes fees related to the agreement of $1,955,000, $2,133,000 and $1,557,000, respectively.

The purchaser may terminate the agreement on a minimum of six months' notice. In addition, the agreement may be terminated if the Company does not maintain a stated minimum tangible net worth, as defined, or exceeds a stated maximum ratio of debt to tangible net worth. At November 1, 1996, the Company was in compliance with such terms.

NOTE D--INVENTORIES

<TABLE>
<CAPTION>

Inventories consist of:	November 1, 1996	November 3, 1995
	(Dollars in thousands)	
<S>	<C>	<C>
Services:		
Accumulated unbilled costs on:		
Service contracts	$17,651	$15,909
Long-term contracts	1,694	2,980
	19,345	18,889
Products:		
Materials	5,257	3,441
Work-in-progress	2,654	1,377
Service parts	2,396	1,124
Finished goods	1,994	3,376
	12,301	9,318
Total	$31,646	$28,207

</TABLE>

The cumulative amounts billed, principally under long-term contracts, of $3,418,000 at November 1, 1996 and $3,469,000 at November 3, 1995, are credited against the related costs in inventory. Substantially all of the amounts billed have been collected.

NOTE E--SHORT-TERM BORROWINGS

The Company has credit lines with domestic and foreign banks which provide for unsecured borrowings and letters of credit up to an aggregate of $16,500,000. The Company's revolving credit agreement, which extended the domestic credit line of $10,000,000 to August 1, 1997, contains various financial covenants. At November 1, 1996, the Company had outstanding domestic bank borrowings of $750,000 ($700,000 - 1995) and foreign bank borrowings of $4,664,000 ($4,454,000 - - 1995). The weighted average interest rate of short-term borrowings at each year-end was 24% in 1996 and 20% in 1995. The weighted average interest rates are high due to a high proportion of the borrowings by the Uruguayan operation, whose interest rates reflect the country's high inflation level. Borrowings in Uruguay serve to hedge receivables against a loss in value due to the strengthening of the U.S. dollar against the Uruguayan currency.

NOTE F--INCOME TAXES

Deferred tax assets and liabilities are determined based on differences between financial reporting and the tax bases of assets and liabilities and are measured using enacted tax rates and laws that are scheduled to be in effect when the differences are scheduled to reverse.

NOTE F--INCOME TAXES--Continued

<TABLE>
<CAPTION>

	Year Ended		
	November 1, 1996	November 3, 1995	October 28, 1994

<S>	<C>	<C>	<C>
	(Dollars in thousands)		
The components of income before income taxes based on the location of operations, consist of the following:			
Domestic	$ 33,049	$ 23,975	$16,322
Foreign	548	3,306	3,505
	$ 33,597	$ 27,281	$19,827
The components of the income tax provision include:			
Current:			
Federal	$ 10,928(a)	$ 12,201(a)	4,585(a)
Foreign	1,513	1,247	1,233
State and local	2,743	2,866	1,149
Total current	15,184	16,314	6,967
Deferred:			
Federal	(2,181)	(4,357)	494
Foreign	(643)	140	153
State and local	88	(1,202)	169
Total deferred	(2,736)	(5,419)	816
Total income tax provision	$ 12,448	$ 10,895	$ 7,783

</TABLE>

(a) Reduced in 1996 by $158,000 of foreign tax credit carryforwards and reduced in 1996, 1995 and 1994, respectively, by benefits of $859,000, $247,000 and $374,000 from general business credits.

As a result of the completion of a tax return examination for fiscal years 1989 through 1993, the 1996 current federal provision includes $1,414,000 of benefit related to the refund of previously paid taxes.

NOTE F--INCOME TAXES--Continued

The consolidated effective tax rates are different than the U.S. Federal statutory rate. The differences result from the following:

<TABLE>
<CAPTION>

	Year Ended		
	November 1, 1996	November 3, 1995	October 29, 1994
<S>	<C>	<C>	<C>
Statutory rate	35.0%	35.0%	35.0%
State and local taxes, net of federal tax benefit	4.7	3.9	4.6
Tax effect of foreign operations	2.7	1.1	1.6
Goodwill amortization	2.3	.8	1.0
Adjustment resulting from conclusion of tax examination related to prior years	(4.2)		
Utilization of net operating loss carryforward		(2.5)	(2.4)
General business credits	(2.6)	(.9)	(1.9)
Other - net	(.8)	2.5	1.4

Effective tax rate	37.1%	39.9%	39.3%
	====	====	====

</TABLE>

NOTE F--INCOME TAXES--Continued

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and operating loss and tax credit carryforwards. Significant components of the Company's deferred tax assets and liabilities are as follows:

<TABLE>
<CAPTION>

	November 1, 1996	November 3, 1995
	(Dollars in thousands)	
<S>	<C>	<C>
Deferred Tax Assets:		
Allowance for doubtful accounts	$ 2,018	$ 1,597
Inventory valuation	5,898	4,818
Domestic net operating loss carryforwards	3,954	
Foreign tax credit carryforwards	1,205	1,363
Vacation accruals	1,430	1,198
Warranty accruals	292	419
Foreign asset bases	920	300
Other--net	1,625	414
	--------	--------
Total deferred tax assets	17,342	10,109
Valuation allowance for deferred tax assets	1,252	1,477
	--------	--------
Net deferred tax assets	16,090	8,632
	--------	--------
Deferred Tax Liabilities:		
Unremitted earnings of corporate joint ventures	2,140	1,924
Earnings of joint ventures not currently taxable	464	462
Accelerated depreciation	695	968
	--------	--------
Total deferred tax liabilities	3,299	3,354
	--------	--------
Net deferred tax assets	$ 12,791	$ 5,278
	========	========
Balance sheet classification:		
Current assets	$ 11,757	$ 8,711
Noncurrent assets	1,034	
Noncurrent liabilities		(3,433)
	--------	--------
Net deferred tax assets	$ 12,791	$ 5,278
	========	========

</TABLE>

NOTE F--INCOME TAXES--Continued

As of November 1, 1996, for tax purposes, the Company had foreign tax credit carryforwards of $1,205,000, which will expire from 1997 through 2000. For financial statement purposes, a valuation allowance has been recognized to offset the deferred tax asset related to these carryforwards. At November 1, 1996, net deferred tax assets include $3,954,000 related to domestic net operating loss carryforwards of its 59% owned subsidiary, AII, of which $2,822,000 is subject to certain annual limitations. The carryforwards expire between 2008 and 2011. Although realization is not assured, management believes it is more likely than not that all of the asset related to such loss carryforwards will be realized. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term, if estimates of future taxable income during the carryforward period are reduced.

The valuation allowance was decreased during fiscal 1996 by $225,000 primarily as a result of the utilization of foreign tax credit carryforwards. The valuation allowance was decreased during fiscal 1995 by $1,525,000, primarily as a result of the utilization of domestic net operating loss carryforwards, partially offset by reserves for additional foreign tax credit carryforwards, which arose during such year, whose use is subject to limitations. The utilization of the net operating loss resulted in a $1,421,000 reduction to income tax expense and a $104,000 reduction to goodwill.

Income taxes are provided on the undistributed earnings of the Australian corporate joint venture, as remittances of such earnings are anticipated. Undistributed earnings of foreign subsidiaries ($1,757,000) at November 1, 1996 are considered permanently invested and, accordingly, no federal income taxes have been provided. Should these earnings be distributed, foreign tax credits would reduce the additional federal income tax which would be payable. Availability of credits is subject to limitations; accordingly, it is not practicable to estimate the amounts of the ultimate deferred tax liability, if any, on such accumulated earnings.

NOTE G--LONG-TERM DEBT

Long-term debt consists of the following:

	November 1, 1996	November 3, 1995
	(Dollars in thousands)	
7.92% Senior Notes (a)	$50,000	
12-3/8% Senior Subordinated Debentures, --net of unamortized discount of $36,000 (b)		$22,819
Term Loan (c)	6,000	8,000
Notes Payable (d) & (e)	3,344	
	59,344	30,819
Less amounts due within one year	1,949	2,000
Total long-term debt	$57,395	$28,819

The aggregate maturities of long-term debt for the years 1997 through 2001 are as follows: $1,949,000, $1,949,000, $1,399,000, $11,399,000 and $12,648,000.

(a) On August 28, 1996, the Company issued $50,000,000 of Senior Notes in a private placement with institutional investors. The notes, which have a term of eight years, bear interest at 7.92% per annum, payable semi-annually on February 28 and August 28, and provide for amortization of principal in five equal annual installments, beginning in August 2000. A portion of the proceeds of the notes were used to retire the outstanding 12-3/8% Senior Subordinated Debentures. The notes were issued pursuant to Note Purchase Agreements, which contain various affirmative and negative covenants, the most restrictive of which requires the Company to maintain a consolidated net worth of $93,225,000.

(b) The Company's 12-3/8% Senior Subordinated Debentures were retired on September 27, 1996 at par plus accrued interest, resulting in an extraordinary charge of $87,000, net of income tax benefit of $55,000. During fiscal years 1995 and 1994, respectively, the Company redeemed $10,000,000 and $30,000,000 of the debentures, resulting in extraordinary charges of $62,000 and $271,000, net of income tax benefits of $42,000 and $157,000, respectively.

(c) In October 1994, the Company entered into a $10,000,000 five-year loan agreement with Fleet Bank, which is secured by a deed of trust on land and buildings (book value at November 1, 1996 - $15,022,000). In October 1996, certain conditions were met and the loan which bears interest at 7.86% per annum was extended for two years with a subsequent reduction of principal payments from $500,000 to $225,000 per quarter and final payment of $1,725,000, due October 2001.

(d) Includes two notes payable (which bear interest at 90 day commercial paper rates), each for $550,000, due on January 2, 1997 and January 2, 1998, respectively.

(e) An unsecured loan of $2,493,000 from Chase Manhattan Bank was made to a foreign subsidiary on January 18, 1996 to finance the acquisition of a printing press. The five-year loan, guaranteed by the Company, is to be repaid in semi-annual payments of $249,000 plus interest calculated at LIBOR (5.50% November 1, 1996) plus .25% through September 15, 2001.

NOTE H--STOCK OPTION PLANS

The Non-Qualified Stock Option Plan adopted by the Company in fiscal 1980 terminated on June 30, 1990, except for options previously granted under the plan. Unexercised options expire ten years after grant. Outstanding options at November 1, 1996 were granted at 100% of the market price on the date of grant and became exercisable cumulatively in increments of 20% per year in each of the second through sixth years after date of grant.

In May 1995, the Company adopted a new Non-Qualified Stock Option Plan which provides for the granting of options to acquire up to 800,000 shares of common stock to key employees of the Company. Option exercise prices may not be less than the fair market value of a share on the date the options are granted. The date each option becomes exercisable and the term of each option, which may not exceed ten years, are at the discretion of the Company.

Transactions involving outstanding stock options under these plans were:

<TABLE>
<CAPTION>

<S>	1980 Plan Number of Shares <C>	1980 Plan Total Option Price <C>	1995 Plan Number of Shares <C>	1995 Plan Total Option Price <C>
	(Dollars in thousands)			
Outstanding, October 29, 1993	132,450	$ 2,515		
Cancelled	(1,000)	(16)		
Outstanding, October 28, 1994	131,450	2,499		
Cancelled	(2,500)	(63)		
Exercised	(22,750)	(341)		
Stock Split (see Note K)	110,200			
Outstanding, November 3, 1995	216,400	2,095		
Exercised	(6,400)	(66)		
Granted			477,050	$ 13,288
Cancelled			(10,700)	(290)
Outstanding November 1, 1996	210,000	$ 2,029	466,350	$ 12,998

Exercisable November 1, 1996 at prices ranging from $6 - $13.50	210,000
	========

</TABLE>

In conjunction with the acquisition of a subsidiary in December 1986, ten-year non-qualified stock options to purchase a total of 100,000 shares of the Company's common stock at a price of $13.75 per share (adjusted for the stock split in 1995) were granted to four of the sellers. As of November 1, 1996, 2,000 of these options have been exercised.

NOTE I--ACQUISITION AND SALE OF SUBSIDIARIES

During fiscal 1996, the Company acquired a technical services business and a temporary services business for a total of $3,111,000 in cash and notes, which resulted in an increase in intangible assets of $3,057,000.

On January 29, 1996, the Company merged its wholly-owned subsidiary, Autologic, Incorporated and related foreign subsidiaries ("Autologic"), representing its Electronic Publication and Typesetting Systems segment, with Information International, Inc. ("Triple-I"), resulting in the formation of a new publicly traded company, Autologic Information International, Inc. ("AII"). Triple-I was a publicly traded company in the business of electronic publishing prepress systems. In connection with the merger, the stockholders of Triple-I received 41% of AII's common stock, based on one share of AII being issued for each outstanding share of Triple-I and the Company received 59% of the outstanding shares of AII common stock.

The merger has been accounted for as a purchase of a 59% interest in Triple-I and a corresponding sale of a 41% interest in Autologic to the former shareholders of Triple-I. The accompanying 1996 financial statements include the accounts of AII with the former Triple-I shareholders' 41% interest in AII, shown as a minority interest in the consolidated balance sheet. The results of operations of Triple-I are included in the accompanying consolidated statement of income since the date of acquisition. The sale of 41% of Autologic resulted in a pretax gain of $3,666,000, net of transaction costs, and also resulted in 41% of Autologic's assets being reflected in the 1996 balance sheet at fair value, resulting in an intangible asset of $5,215,000, with a corresponding increase in the minority interest. Amortization of such intangibles, which amounted to $783,000 in fiscal 1996 is being charged to the minority interest. In addition, the purchase of the assets of Triple-I resulted in an intangible of $3,847,000. These intangibles are being amortized over a period of five years. In connection with the merger, Autologic restructured its operations and incurred a charge of $700,000 related principally to a reduction in workforce as a result of the merger. Such charge is included in the results of operations for the year ended November 1, 1996.

The following unaudited pro forma information presents a summary of consolidated results of operations as if the acquisitions had occurred at the beginning of the respective periods with pro forma adjustments to give effect to amortization of intangibles, minority interest share in operations and certain income tax adjustments. The pro forma results have been prepared for comparative purposes only and do not purport to be indicative of the results of operations which actually would have resulted had the acquisitions occurred on the date indicated or which may result in the future.

	(Unaudited) Year Ended	
	November 1, 1996	November 3, 1995
	(Dollars in thousands, except per share amounts)	
Revenue	$1,067,059	$953,400
Net income	$22,885	$13,009*
Net income per share	$2.32	$1.35*

*Reduced by $1,421,000 ($.15 per share) for discontinued operations of Triple-I.

NOTE J--INDUSTRY SEGMENTS

Financial data concerning the Company's sales, operating profit (loss) and identifiable assets by industry segments for the fiscal years 1996, 1995 and 1994 are presented in tables under Item 1 of Form 10-K and are included herein by reference.

Total revenues include both sales to unaffiliated customers, as reported in the Company's consolidated statements of operations, and intersegment sales. Sales between segments are generally priced at fair market value. Operating profit (loss) is comprised of total revenues less operating expenses. In computing operating profit (loss), none of the following items have been added or deducted: general corporate expense; interest expense; fees related to sales of accounts receivable; corporate interest income and income taxes. Identifiable assets are those assets that are used in the Company's operations in each industry segment. Corporate assets consist principally of cash and cash equivalents, investments and investments in joint ventures.

Capital expenditures and depreciation and amortization by the Company's industry segments are as follows:

<TABLE>
<CAPTION>

	Capital Expenditures Year Ended		
	November 1, 1996	November 3, 1995	October 28, 1994
	(Dollars in thousands)		
<S>	<C>	<C>	<C>
Technical Services and Temporary Personnel	$ 3,017	$ 2,336	$ 1,401
Telephone Directory	7,779	2,145	1,660
Telecommunications Services	4,135	4,032	3,528
Computer Systems	2,990	7,599	3,937
Electronic Publication and Typesetting Systems	2,914	1,620	2,590
Total segments	20,835	17,732	13,116
Corporate	350	459	1,129
	$21,185	$18,191	$14,245

</TABLE>

<TABLE>
<CAPTION>

	Depreciation and Amortization (a) Year Ended		
	November 1, 1996	November 3, 1995	October 28, 1994
	(Dollars in thousands)		
<S>	<C>	<C>	<C>
Technical Services and Temporary Personnel	$ 1,868	$ 1,439	$ 1,123
Telephone Directory	2,414	2,490	2,616
Telecommunications Services	2,872	2,206	2,040
Computer Systems	4,037	4,005	3,000
Electronic Publication and Typesetting Systems	4,403	1,850	1,647
Total segments	15,594	11,990	10,426
Corporate	705	626	885
	$16,299	$12,616	$11,311

</TABLE>

(a) Includes depreciation and amortization of property, plant and equipment for fiscal years 1996, 1995 and 1994 of $14,052,000, $11,959,000 and $10,745,000, respectively.

NOTE K--QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following is a summary of unaudited quarterly results of operations for fiscal years ended November 1, 1996 and November 3, 1995. Each quarter contains thirteen weeks, except for the fourth quarter of fiscal year 1995, which had fourteen weeks.

<TABLE>
<CAPTION>

	Fiscal 1996 Quarter			
	First	Second	Third	Fourth
	(Dollars in thousands, except per share amounts)			
Net sales	$224,813	$252,313	$258,890	$312,898
Gross profit	$19,748 (a)	$30,216 (a)	$28,225	$40,022
Income before extraordinary item	$2,267 (b)	$4,931	$4,693	$10,544(c)
Extraordinary item				(87)
Net income	$2,267	$4,931	$4,693	$10,457
Income per share:				
Income before extraordinary item	$.23	$.51	$.47	$1.05
Extraordinary item				(.01)
Net income	$.23	$.51	$.47	$1.04

</TABLE>

<TABLE>
<CAPTION>

	Fiscal 1995 Quarter			
	First	Second	Third	Fourth
	(Dollars in thousands, except per share amounts)			
Net sales	$183,296	$190,596	$225,924	$307,491
Gross profit	$20,586	$18,750	$23,818	$35,809
Income before extraordinary item	$2,023	$1,430	$5,056	$7,877
Extraordinary item			(62)	
Net income	$2,023	$1,430	$4,994	$7,877
Income (loss) per share: (d)				
Income before extraordinary item	$.21	$.15	$.53	$.82
Extraordinary item			(.01)	
Net income	$.21	$.15	$.52	$.82

</TABLE>

(a) Includes first and second quarter gains, respectively, of $597,000 ($364,000, net of taxes, or $.04 per share) and $2,028,000 ($1,236,000, net of taxes or $.13 per share) as a result of an agreement to pay a premium to an insurance carrier to close out prior years retrospective insurance policies at an amount less than related liabilities for workers' compensation insurance previously provided by the Company.

(b) Includes a pretax gain of $3,666,000 ($2,371,000, net of taxes, or $.24 per share) on the sale of an interest in subsidiaries.

(c) Includes $1,414,000 ($.14 per share) and $723,000 ($443,000, net of taxes, or $.04 per share) as a tax benefit and interest income, respectively, for the fourth quarter, related to the refund of previously paid taxes as result of a tax return examination for fiscal years 1989 through 1993.

(d) Per share amounts have been restated to reflect a two-for-one stock split of the Company's common stock which was effected by a 100% stock dividend, distributed on October 6, 1995 to shareholders of record as of the close of business on September 12, 1995.

NOTE K--QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)--Continued

Historically, the Company's results of operations have been lower in the first fiscal quarter, as a result of reduced requirements for its technical and temporary personnel, due to the holiday season. An Australian joint venture (see Note L) produces a major portion of its revenues and significantly all of its profits in the Company's second and third fiscal quarters. The Uruguayan division produces a major portion of its revenues and most of its profits in the Company's fourth fiscal quarter, and DataNational's revenues and profits are lower in the Company's first fiscal quarter due to the seasonality of its directory closing schedule. Sales by AII are generally lower in the months of November and December due to the holiday season, which is a peak publishing period when customers are reluctant to install and test new equipment.

NOTE L--SUMMARIZED FINANCIAL INFORMATION OF JOINT VENTURES

The Company owns 12-1/2% of the voting stock of Pacific Access Pty. Ltd. ("Pacific Access"), an international joint venture in Australia. This venture, which commenced operations in July 1991, assumed responsibility throughout Australia for the marketing, sales and compilation functions of all yellow pages directories of Telstra Corporation Ltd., ("Telstra"), the Australian government-owned telephone company, under the terms of a twelve-year contract. Telstra owns 50% of the voting stock of Pacific Access. In the event of a change in the control of the Company, as defined, the Company may be required to sell its share of the venture to Telstra at a formula price based upon various factors, including earnings.

In October 1996, the Company agreed to sell its 50% interest in Telelistas Editora Ltda. (Telelistas"), a Brazilian joint venture, which is the official publisher of telephone directories in Rio de Janeiro , for the government-owned telephone company. In January 1997, the Company received approximately $3,000,000 in excess of its carrying value at the date of the sale. The agreement also provides that the Company will continue to guarantee certain Telelistas obligations which will mature in the next twelve months aggregating approximately $8,700,000. Accordingly, the Company will defer the recognition of the gain until and as such guaranteed obligations are repaid. The obligations to which the Company is a guarantor are secured by the accounts receivable of Telelistas.

The income of Telelistas for the period November 2, 1996 through the date of sale, (approximately $2,900,000) will be reported by the Company as equity in income of joint ventures in the fiscal quarter ended January 31, 1997.

NOTE L--SUMMARIZED FINANCIAL INFORMATION OF JOINT VENTURES--Continued

The following summarizes certain financial information of the joint ventures:

<TABLE>
<CAPTION>

	November 1, 1996		November 3, 1995	
	(Dollars in thousands)			
	Total	Company's Equity	Total	Company's Equity
<S>	<C>	<C>	<C>	<C>
Current assets	$308,561		$270,495	
Noncurrent assets	16,275		17,207	
Current liabilities	(257,310)		(227,749)	
Due to Volt	(754)	$754		
Noncurrent liability	(209)		(259)	
Equity of combined joint ventures	$66,563		$59,694	
Equity of Brazilian joint venture	$4,336	4,153	$3,961	$3,467
Equity of Australian joint venture (a)	62,227	11,179	55,733	10,436
	$66,563		$59,694	
Total investments in and advances to joint ventures		16,086		13,903
ncluded in prepaid expenses and other assets (b)		4,907		
Investments in joint ventures		$11,179		$13,903

</TABLE>

(a) Pursuant to the venture agreement, the initial capital contributions of all venturers, other than Telstra, exceeded their proportionate share of ownership interest in the corporate joint venture. The agreement provides that, upon liquidation of the venture, the venturers will be entitled to recover such excess contributions from the net assets of the venture.

(b) The advances to and equity in the Brazilian joint venture at November 1, 1996 is included in the prepaid expenses and other assets, due to the sale of the Company's interest in January, 1997.

NOTE L--SUMMARIZED FINANCIAL INFORMATION OF JOINT VENTURES--Continued

<TABLE>
<CAPTION>

	Year ended					
	November 1, 1996		November 3, 1995		October 28, 1994	
	(Dollars in thousands)					
	Total	Company's Equity	Total	Company's Equity	Total	Company's Equity
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues	$ 601,174		$ 559,858		$ 509,481	
Costs and expenses	564,945		529,540		476,346	
Income tax provision	15,360		11,632		11,321	
Net income	$ 20,869		$ 18,686		$ 21,814	

Net income of Australian joint ventures	$ 26,021	$ 3,146	$ 24,056	$ 2,904	$ 20,734	$ 2,591
Net loss of Brazilian joint venture	(5,152)	(4,560)	(5,370)	(3,904)	(392)	(197)
Net income of United States joint venture					1,472 (a)	661
	---------	---------	---------	---------	---------	---------
	$ 20,869		$ 18,686		$ 21,814	
	=========		=========		=========	
Company's equity in net income (loss) of joint ventures		$ (1,414)		$ (1,000)		$ 3,055
		=========		=========		=========

</TABLE>

(a) Represents income through February 28, 1994, the date the Company's 50% interest in Pacific Volt Information Systems, a joint venture with a subsidiary of Pacific Bell Directory, was redeemed by the venture for approximately $16,400,000. The sale of the Company's interest resulted in a gain of $9,770,000 ($5,760,000, net of income taxes, or $.60 per share).

Consolidated retained earnings at November 1, 1996 includes $5,534,000, representing the undistributed earnings of the Australian joint venture. United States income taxes have been provided for the anticipated remittance of such earnings.

NOTE M--EMPLOYEE BENEFITS

The Company has a non-contributory Employee Stock Ownership Plan (ESOP), which provides for open market or private purchases of Company common stock from time-to-time, or contributions by the Company of unissued or treasury shares. Discretionary contributions are made for all employees who have completed one year of service for a participating employer. Vesting occurs at a rate of 25% per year of service, commencing with the completion of three years of service. Contributions of $500,000 in each of fiscal 1996 and 1995 and $250,000 in fiscal 1994 were accrued. Contributions of previously unissued shares were made to the plan in 1996 and contributions of treasury shares were made in 1995.

The Company has savings plans which permit eligible employees to make contributions on a pretax salary reduction basis in accordance with the provisions of Section 401(k) of the Internal Revenue Code. The Company does not match employees' contributions.

NOTE N--FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Company to concentrations of credit risk are primarily cash investments and accounts receivable. At November 1, 1996, the Company's cash investments were primarily in investment grade, short-term instruments. Concentrations of credit risk with respect to the receivables are limited due to the large number of customers in the Company's customer base, and their dispersion across different industries and geographic areas.

The Company purchases foreign currency option contracts generally having a maturity of three months to hedge the adverse impact on its foreign currency receivables and sales when the dollar strengthens against the related foreign currencies. Foreign exchange (gains) losses in the accompanying statements of income include (1) any gain on option contracts, which are recognized in income in the same period as losses on the hedged receivables and reduced dollar amount of sales and (2) the premium cost of such option contracts, which is amortized over the contract period. At November 1, 1996, the Company had purchased options, all of which expire in the first quarter of 1997, at a cost of $81,000, to exchange various European currencies for U.S. dollars, in the aggregate notional amount of $5,500,000. There were no unrealized gains or losses on these contracts at such date.

In addition, the Company entered into foreign currency forward and option contracts to hedge future foreign currency revenues and payments during the next three years resulting from a long term service contract. Accordingly, gains and losses on these hedge contracts are deferred and will be accounted for as part of the underlying service contract. At November 1, 1996, the Company had forward contracts to exchange 11,400,000 Dutch guilders for British pounds at fixed rates. Further, the Company has purchased put options which permit, but do not require, the Company to exchange an additional 13,600,000 Dutch guilders to be received in the future from another party at fixed U.S. dollar exchange rates. To finance the premiums paid on the put options, the Company has written call options at exercise prices which limit, but do not eliminate, the effect of the purchased put options. At November 1, 1996, the deferred gain on the aforementioned contracts was $330,000.

Counterparties to the currency option and forward contracts are major banks. Credit loss from counterparty nonperformance is not anticipated.

NOTE N--FINANCIAL INSTRUMENTS--Continued

The carrying amount of financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and notes payable to banks, approximated fair value as of November 1, 1996 and November 3, 1995, due to the relatively short maturity of these instruments. The carrying value of long-term debt, including the current portion, approximates fair value as of November 1, 1996 and November 3, 1995, based upon quoted market prices for same or similar debt issues.

NOTE O--COMMITMENTS

The future minimum rental commitments as of November 1, 1996 for all noncancellable operating leases are as follows:

Fiscal Year	Total	Office Space	Equipment
	(Dollars in thousands)		
1997	$ 9,035	$ 8,808	$ 227
1998	7,204	7,005	199
1999	5,141	5,077	64
2000	3,726	3,726	
2001	1,657	1,657	
Thereafter	1,357	1,357	
	$28,120	$27,630	$ 490

Rental expense for all operating leases for fiscal years 1996, 1995 and 1994 was $10,661,000, $8,638,000 and $10,075,000, respectively. Many of the leases also require the Company to pay or contribute to property taxes, insurance and ordinary repairs and maintenance.

The Company has guaranteed the performance of a subsidiary under a contract and also guaranteed the commitments of a joint venture. At November 1, 1996, outstanding letters of credit of $3,750,000 were issued by banks in support of these guarantees which were secured by $4,358,000 of the Company's investments in securities. The letters of credit expire in fiscal 1997, unless renewed, and the Company believes that risk of loss relative to these financial guarantees is remote.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

PART III

The information called for by Part III (Items 10, 11, 12 and 13) of Form 10-K (except information as to the Company's executive officers, which information follows Item 4 in this Report) will be included in the Company's Proxy Statement which the Company intends to file within 120 days after the close of its fiscal year ended November 1, 1996, and is hereby incorporated by reference to such

Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

14(a)(1). Financial Statements

The following consolidated financial statements of Volt Information Sciences, Inc. and subsidiaries are included in Item 8:

<TABLE>
<CAPTION>

<S>	Page ---- <C>
Consolidated Balance Sheets--November 1, 1996 and November 3, 1995.	32
Consolidated Statements of Income--Years ended November 1, 1996, November 3, 1995 and October 28, 1994.	33
Consolidated Statements of Stockholders' Equity--Years ended November 1, 1996, November 3, 1995 and October 28, 1994.	34
Consolidated Statements of Cash Flows--Years ended November 1, 1996, November 3, 1995 and October 28, 1994.	35
Notes to Consolidated Financial Statements.	37

14(a)(2). Financial Statement Schedules

The following consolidated financial statement schedule of Volt Information Sciences, Inc. and subsidiaries is included in response to Item 14(d).

Schedule II--Valuation and qualifying accounts	S-1

Other schedules (Nos. I, III, IV and V) for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are not applicable and, therefore, have been omitted.
</TABLE>

14 (a) (3). Exhibits

Exhibit Description

2.1 Asset Purchase and Sale Agreement entered into October 6, 1993 between the Company and Omnibus Funding Corporation, et. al. (Exhibit 2.1 to the Company's Form 8-K, dated October 6, 1993, File No. 1-9232).

2.2 Agreement and Plan of Merger dated as of October 5, 1995, as amended on November 10, 1995 and December 7, 1995, among Information International, Incorporated, Autologic, Inc., a recently formed Delaware corporation, the name of which has since been change to Autologic Information International, Inc., and Volt Information Sciences, Inc., Incorporated by Reference to Appendix I to the Registration Statement on Form S-4 of Autologic Information International, Inc., (File No. 33-99278).

3.1* Restated Certificate of Incorporation of the Company, as filed with the Department of State of New York on January 29, 1997.

3.2 By-Laws of the Company (Exhibit 4.02 to the Company's

Quarterly Report on Form 10-Q for the quarter ended July 29, 1988).

4.1 Composite Conformed Note Purchase Agreement drafted as of August 28, 1996 with respect to the issuance of the Company's $50,000,000, 7.92% Senior Notes due August 28, 2004 (excluding disclosure schedules). (Exhibit 4.01(a) to the Company's Quarterly Report on Form 10-Q for the quarter ended August 28, 1996).

10.1(a)*+ Non-Qualified Stock Option Incentive Plan, as amended effective August 26, 1996.

10.1(b)*+ 1995 Non-Qualified Stock Option Plan, as amended effective August 26, 1996.

10.2(a)+ Employment Agreement dated as of May 1, 1987 between the Company and William Shaw (Exhibit 19.01 to Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).

10.2(b)+ Amendment dated January 3, 1989 to Employment Agreement between the Company and William Shaw (Exhibit 19.01(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October 28, 1988, File No. 1-9232).

Exhibit Description

10.3(a)+ Agreement dated as of May 1, 1987 between the Company and Jerome Shaw (Exhibit 19.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).

10.3(b)+ Amendment dated January 3, 1989 to Agreement between the Company and Jerome Shaw (Exhibit 19.02(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October 28, 1988, File No. 1-9232).

10.4(a)+ Agreement dated as of May 1, 1987 between the Company and Irwin B. Robins (Exhibit 19.03 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).

10.4(b)+ Amendment dated June 1, 1992 to Agreement between the Company and Irwin B. Robins. (Exhibit 10.04(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October 30, 1992, File No. 1-9232).

10.4(c)+ Amendment dated April 28, 1994 to Agreement between the Company and Irwin B. Robins. (Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 29, 1994, File No. 1-9232).

10.4(d)*+ Amendment dated November 28, 1996 to Agreement between the Company and Irwin B. Robins.

21.* Subsidiaries of the Registrant.

23.* Consent of Ernst & Young LLP.

27.* Financial Data Schedule (filed with electronic version only).

- --------------------

+ Management contract or compensation plan or arrangement.

* Filed herewith. All other exhibits are incorporated herein by reference to

the exhibit indicated in the parenthetical references.

14 (b). Reports on Form 8-K

No reports on Form 8-K were filed during the fourth quarter of the year ended November 1, 1996.

UNDERTAKING

The Company hereby undertakes to furnish to the Securities and Exchange Commission, upon request, all constituent instruments defining the rights of holders of long-term debt of the Company and its consolidated subsidiaries not filed herewith. Such instruments have not been filed since none are, nor are being, registered under Section 12 of the Securities Exchange Act of 1934 and the total amount of securities authorized under any such instruments does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VOLT INFORMATION SCIENCES, INC.

Dated: New York, New York
January 24, 1997 By: /s/William Shaw

William Shaw
Chairman of the Board, President
and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
/s/William Shaw - --------------------- William Shaw	Chairman of the Board, President and Chief Executive Officer and Director	January 24, 1997
/s/James J. Groberg - -------------------- James J. Groberg	Director, Senior Vice President (Principal Financial Officer)	January 24, 1997
/s/Jack Egan - -------------------- Jack Egan	Vice President, Corporate Accounting (Principal Accounting Officer)	January 24, 1997
/s/Jerome Shaw - -------------------- Jerome Shaw	Director	January 24, 1997
/s/Irwin B. Robins - -------------------- Irwin B. Robins	Director	January 24, 1997

Director
- --------------------
Mark N. Kaplan

Director
- --------------------
John R. Torell, III
</TABLE>

INDEX TO EXHIBITS

Exhibit	Description
2.1	Asset Purchase and Sale Agreement entered into October 6, 1993 between the Company and Omnibus Funding Corporation, et. al. (Exhibit 2.1 to the Company's Form 8-K, dated October 6, 1993, File No. 1-9232).
2.2	Agreement and Plan of Merger dated as of October 5, 1995, as amended on November 10, 1995 and December 7, 1995, among Information International, Incorporated, Autologic, Inc., a recently formed Delaware corporation, the name of which has since been change to Autologic Information International, Inc., and Volt Information Sciences, Inc., Incorporated by Reference to Appendix I to the Registration Statement on Form S-4 of Autologic Information International, Inc., (File No. 33-99278).
3.1*	Restated Certificate of Incorporation of the Company, as filed with the Department of State of New York on January 29, 1997.
3.2	By-Laws of the Company (Exhibit 4.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 29, 1988).
4.1	Composite Conformed Note Purchase Agreement drafted as of August 28, 1996 with respect to the issuance of the Company's $50,000,000, 7.92% Senior Notes due August 28, 2004 (excluding disclosure schedules). (Exhibit 4.01(a) to the Company's Quarterly Report on Form 10-Q for the quarter ended August 28, 1996).
10.1(a)*+	Non-Qualified Stock Option Incentive Plan, as amended effective August 26, 1996.
10.1(b)*+	1995 Non-Qualified Stock Option Plan, as amended effective August 26, 1996.
10.2(a)+	Employment Agreement dated as of May 1, 1987 between the Company and William Shaw (Exhibit 19.01 to Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).

Exhibit	Description
10.2(b)+	Amendment dated January 3, 1989 to Employment Agreement between the Company and William Shaw (Exhibit 19.01(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October 28, 1988, File No. 1-9232).
10.3(a)+	Agreement dated as of May 1, 1987 between the Company and Jerome Shaw (Exhibit 19.02 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).
10.3(b)+	Amendment dated January 3, 1989 to Agreement between the Company and Jerome Shaw (Exhibit 19.02(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October

28, 1988, File No. 1-9232).

10.4(a)+ Agreement dated as of May 1, 1987 between the Company and Irwin B. Robins (Exhibit 19.03 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 1, 1987, File No. 1-9232).

10.4(b)+ Amendment dated June 1, 1992 to Agreement between the Company and Irwin B. Robins. (Exhibit 10.04(b) to the Company's Annual Report on Form 10-K for the fiscal year ended October 30, 1992, File No. 1-9232).

10.4(c)+ Amendment dated April 28, 1994 to Agreement between the Company and Irwin B. Robins. (Exhibit 10.01 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 29, 1994, File No. 1-9232).

10.4(d)*+ Amendment dated November 28, 1996 to Agreement between the Company and Irwin B. Robins.

21.* Subsidiaries of the Registrant.

23.* Consent of Ernst & Young LLP.

27.* Financial Data Schedule (filed with electronic version only).

+ Management contract or compensation plan or arrangement.

* Filed herewith. All other exhibits are incorporated herein by reference to the exhibit indicated in the parenthetical references.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

<TABLE>
<CAPTION>

Column A	Column B	Column C		Column D	Column E
		Additions			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
<S>	<C>	<C>	<C>	<C>	<C>
Year ended November 1, 1996:					
Deducted from asset accounts:					
Allowance for uncollectible accounts	$3,943,000	$2,718,000(1)	$833,000 (2)	$2,303,000(4)	$5,191,000
Unrealized gain on marketable securities	(122,000)		115,000 (3)		(7,000)
Year ended November 3, 1995:					
Deducted from asset accounts:					
Allowance for uncollectible accounts	$4,027,000	$2,081,000(1)		$2,165,000 (4)	$3,943,000
Unrealized loss (gain) on marketable securities	77,000		(199,000)(3)		(122,000)
Year ended October 28, 1994:					
Deducted from asset accounts:					
Allowance for uncollectible accounts	$3,960,000	$1,903,000(1)		$1,836,000 (4)	$4,027,000
Unrealized loss on marketable securities			$77,000 (3)		77,000

</TABLE>

(1)--Includes a foreign currency translation gain of $49,000 in 1996, and a loss of $5,000 and $46,000 in 1995 and 1994, respectively.

(2)--Pertains to the opening balance of a company acquired on January 29, 1996.

(3)--Charge (credit) to stockholders' equity.

(4)--Write-off of uncollectible accounts.

EXHIBIT 3.1

RESTATED CERTIFICATE OF INCORPORATION
OF
VOLT INFORMATION SCIENCES, INC.

UNDER SECTION 807 OF THE BUSINESS CORPORATION LAW

We, the undersigned, William Shaw and Howard B. Weinreich, being respectively the President and Assistant Secretary of Volt Information Sciences, Inc., hereby certify:

1. The name of the Corporation is Volt Information Sciences, Inc. The name under which the Corporation was formed is Volt Technical Corp.

2. The Certification of Incorporation was filed in the Office of the Department of State of New York on March 6, 1957.

3. The Certificate of Incorporation as amended is hereby restated as authorized by Section 807 (b) (4) of the Business Corporation Law to restate the text of the Certificate of Incorporation without amendment or change, except that Article FOURTH (b) is amended in accordance with Section 502 of the Business Corporation Law to revoke the designation of the Class A Convertible Preferred Stock, $1.00 par value, and to restore all such shares to their status as authorized but unissued shares of Preferred Stock having a par value of $1.00 per share, and to restate the text of the Certificate of Incorporation to read as herein set forth in full:

FIRST: The name of the Corporation is VOLT INFORMATION SCIENCES, INC.

SECOND: The purposes of the Corporation are as follows:

(a) To provide technical assistance in drafting, design, installations, repair, development and production of mechanical, electrical, electronics, nuclear and chemical fields, and to render a general consultive service in the foregoing and allied fields; to devise, design, manufacture, deal in install, and maintain, service and repair electrical, electronic, mechanical and other machinery, equipment, tools, instruments and weapons; to prepare, edit and publish technical and other literature, plans and drawings.

(b) To provide to others personnel to perform any of the functions, services or activities which this corporation may perform or engage in pursuant to its Certificate of Incorporation as from time to time amended.

(c) To manufacture, construct, install, prepare, assemble, repair, alter, improve and otherwise work on and to purchase and otherwise acquire, hold, use, maintain, operate, rent, exchange, distribute, sell, and otherwise dispose of, and to handle, market, store, import, export, deal and trade in and with electrical, electronic and mechanical devices, machinery, apparatuses, equipment, products and supplies, control systems, heating machines, wiring circuits, fixtures, connectors, motors

and appliances of every kind and description, and the component parts thereof, and all other fixtures, apparatuses, appliances, engines, accessories, machinery, tools, equipment, products, and articles designed or intended to be used for the purposes of producing, creating, generating, accumulating, supplying, conducting, or transmitting electricity, electrical energy and impulses, heat, cold, air, light, power, sound, pictures and images; to make, enter into and perform either singly or jointly with others, and to subcontract, give and let out agreements to do or perform any of the foregoing and to do all other acts and things incidental or related to or connected with the foregoing.

(d) To render advisory, investigatory, supervisory and managerial services to any person, corporation, trust, firm, public authority or organization of any kind.

(e) To manufacture, purchase, or otherwise acquire, own, mortgage, pledge, sell, assign and transfer, or otherwise dispose of, to invest, trade, deal in and deal with, goods, wares and merchandise and real and personal property of every class and description, and the securities and obligations of any issuer, whether or not incorporated.

(f) To conduct studies and research and development, and to engage in any other activity relating to the development, application, and dissemination of information concerning science, technology, and other fields of endeavor.

(g) To acquire by purchase, subscription or otherwise all or part of any interest in the property, assets, business, or good will of any corporation, association, firm, or individual and to dispose of, or otherwise deal with such property, assets, business or good will.

(h) To engage in any similar activity which may promote the interests of the corporation, or enhance the value of its property, to the fullest extent permitted by law.

(i) For the accomplishment of the aforesaid purposes, and in furtherance thereof, the corporation shall have and may exercise all of the powers now or hereafter conferred by the Business Corporation Law upon corporations formed thereunder, subject to any limitations contained in Article 2 of said Law, or in accordance with the provisions of any other statute of the State of New York.

THIRD: The amount of the capital stock is $3,500,000.

FOURTH: (a) The aggregate number of shares which the corporation is authorized to issue is 30,500,000 shares consisting of:

(1) 30,000,000 shares of Common Stock having a par value of $.10 per share; and

(2) 500,000 shares of Preferred Stock having a par value of $1.00 per share.

(b) The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this subsection (b), to provide for the issuance of the preferred shares in series, and by filing a certificate pursuant to the Business Corporation Law, to establish the number of shares to be included in each such series, and to fix the designation, relative rights, preferences and limitations of the shares of each such series. The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

(1) The number of shares constituting that series and the distinctive designation of that series;

(2) The dividend rate on the shares of that series, whether dividends shall be cumulative, and if so, from which date or dates;

(3) Whether that series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;

(4) Whether that series shall have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of

Directors shall determine;

(5) Whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(6) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation;

(7) Any other relative rights, preferences and limitations of that series.

(c) Dividends on outstanding preferred shares shall be declared and paid, or set apart for payment, before any dividends shall be declared and paid,

or set apart for payment, on the common shares with respect to the same dividend period.

FIFTH: No shareholder of this corporation shall, because of his ownership or holding of stock of any class have a preemptive or other right to purchase, subscribe for, or take any part of any shares of any class of stock or any part of any notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase shares of any class of stock of this corporation issued, optioned, or sold by it after its incorporation, whether now or hereafter authorized and whether or not the issuance of any such shares or such notes, debentures, bonds, or other securities would adversely affect the dividend or voting rights of such shareholders. Any part of the capital stock and any part of the notes, debentures, bonds, or other securities convertible into or carrying options or warrants to purchase shares of stock of this corporation authorized by this Certificate of Incorporation or by an amended certificate duly filed, may at any time be issued, optioned for sale, and sold or disposed of by this corporation pursuant to resolution of its Board of Directors to such persons and upon such terms as may to such Board seem proper without first offering such stock or securities or any part thereof to existing shareholders.

SIXTH: The office of the corporation is located in the City of New York, County of New York, State of New York.

SEVENTH: The Secretary of State of the State of New York is designated as the agent of the corporation upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of such process served upon him is % CT Corporation System, 1633 Broadway, New York, NY 10019. The name and addresss of the registered agent which is to be the agent of the Corporation upon whom process against it may be served is CT Corporation System, 1633 Broadway, New York, NY 10019.

EIGHTH: The following provisions are inserted for the regulation and conduct of the affairs of the corporation, and it is expressly provided that they are intended to be in furtherance and not in limitation or exclusion of the powers conferred by law.

(a) No contract or other transaction between the corporation and any other firm or corporation shall be affected or invalidated by reason of the fact that any one or more of the directors or officers of this corporation is or are interested in, or is a member, shareholder, director, or officer, or are members, shareholders, directors, or officers of such other firm or corporation; and any director or officer or officers, individually or jointly, may be a party or parties to, or may be interested in, any contract or transaction of this corporation or in which this corporation is interested, and no contract, act, or transaction of this corporation with any person or persons, firm, association or corporation shall be affected or invalidated by reason of the fact that any director or directors or

officer or officers of this corporation is a party or are parties to, or interested in, such contract, act or transaction, or in any way connected with such person or persons, firm, association or corporation, and each and every person who may become a director or officer of this corporation is relieved from any liability that might otherwise exist from thus contracting with this corporation for the benefit of himself or any firm, association or corporation in which he may be in anywise interested.

(b) The board of directors shall have power, in its discretion, to provide for and to pay to directors rendering unusual or exceptional services to the corporation special compensation appropriate to the value of such services.

(c) By resolution duly adopted by the holders of not less than a majority of the shares of stock then issued and outstanding and entitled to vote at any regular or special meeting of the shareholders of the corporation duly called and held as provided in the By-Laws of the corporation, any director or directors of the corporation may be removed from office at any time or times, but only for cause.

(d) The corporation shall be permitted to indemnify, and advance expenses to, any officer, director or other person to the fullest extent from time to time permitted by law, and, to the extent consistent therewith, shall indemnify or advance expenses to any such officer, director or other person to the fullest extent required by or pursuant to any present or future by-law of the corporation, agreement approved by the Board of Directors, or resolution of shareholders or directors; and the adoption of any such resolution or entering into of any such agreement approved by the Board of Directors is hereby authorized.

(e) The corporation may use and apply its surplus earnings or accumulated profits, not otherwise by law to be reserved, to the purchase or acquisition of property and to the purchase or acquisition of its own capital stock from time to time and to such extent and in such manner and upon such terms as its board of directors shall determine; and neither the property nor the capital stock so purchased or acquired, nor any of its own capital stock taken in payment or satisfaction of any debt due to the corporation, shall be regarded as profits for the purpose of declaration or payment of dividends unless otherwise determined by a majority of the board of directors.

NINTH: The business of the corporation shall be managed by the Board, which shall consist of such number of directors, not less than three nor more than nine, to be fixed from time to time by the shareholders or a majority of the entire Board. The directors shall be classified with respect to the time during which they shall

severally hold office by dividing them into two classes, as nearly equal in number as possible, but in no event shall any class include less than three directors. At the meeting of the shareholders of the corporation held for the election of the first such classified Board, the directors of the first class shall be elected for a term of one year and the directors of the second class for a term of two years. At each annual meeting of shareholders held thereafter, the successors to the class whose term shall expire that year shall be elected to hold office for a term of two years, so that the term of office of one class of directors shall expire each year. Any newly created directorship or decrease in directorship as authorized by resolution of the Board of Directors shall be so apportioned as to make both classes as nearly equal in number as possible. When the number of directors is increased by the Board and any newly created directorship is filled by the Board, there shall be no classification of the additional directors until the next annual meeting of shareholders. No decrease in the number of directors shall shorten the term of any incumbent director. Each director shall be at least 21 years old. Directors shall hold office until the annual meeting at which their term expires and until the election of their respective successors.

TENTH: A director of the corporation shall not be personally liable to the corporation or its shareholders for damages for any breach of duty as a director; provided that, except as hereinafter provided, this Article TENTH shall neither eliminate nor limit liability: (a) if a judgment or final adjudication adverse to the director establishes that (i) the director's acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, (ii) the director personally gained in fact a financial profit or other advantage to which the director was not legally entitled, or (iii) the director's acts violated Section 719 of the New York Business Corporation Law; or (b) for any act or omission prior to the effectiveness of this Article TENTH. If the corporation hereafter may by law be permitted to further eliminate or limit the personal liability of directors, then pursuant hereto the liability of a director of the corporation shall, at such time, automatically be further eliminated or limited to the fullest extent permitted by law. Any repeal of or modification to the provisions of this Article TENTH shall operate prospectively only and shall not adversely affect any right or protection of a director of the Corporation existing pursuant to this Article TENTH at the time of such repeal or modification.

4. The foregoing amendment was authorized by the unanimous written consent of the members of the Board of Directors.

IN WITNESS WHEREOF, we have signed this certificate on the 28th day of January, 1997 and we affirm the statements contained therein as true under penalties of perjury.

/s/William Shaw	/s/Howard B. Weinreich
William Shaw, President	Howard B. Weinreich, Assistant Secretary

EXHIBIT 10.1(a)

NON-QUALIFIED STOCK OPTION INCENTIVE PLAN

OF

VOLT INFORMATION SCIENCES, INC.

(a New York Corporation)
(as amended effective August 26, 1996)

STATEMENT OF PURPOSES

The purposes of the Non-Qualified Stock Option Incentive Plan of Volt Information Sciences, Inc. (hereinafter called the "Plan"), are to secure to Volt Information Sciences, Inc., a New York corporation (hereinafter called the "Company") stockholders the advantages of the incentive inherent in stock ownership on the part of the officers and key employees of the Company and/or its parent or subsidiaries, who are responsible for the continued success of the Company, and to provide them with a proprietary interest in and a greater concern for the welfare of the Company and an incentive to continue service with the Company and/or its parent or subsidiaries. An eligible employee may be granted non-qualified options, subject to such limits as may be imposed on the aggregate number of shares which may be purchased under the Plan.

STATEMENT OF PLAN

1. Shares Subject to Plan. Subject to the provisions of paragraph 11, the total number of shares of common stock of the Company which may be subject to options under the Plan, shall not exceed 800,000* shares of the Company's $.10 par value per share, Common Stock, whether authorized but unissued shares, transferee shares, or shares to be purchased or acquired. Such shares are from time to time to be allocated by the Stock Option Committee for option and sale to the participants in accordance with the Plan. In the event any option granted under the Plan shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, the unpurchased shares subject thereto shall again be available for the purposes of the Plan.

2. Participants. The participants of the Plan shall consist of such officers or key employees of the Company and/or its parent or subsidiaries, as may from time to time be designated as participants by the Stock Option Committee. A director of the Company who is not also an officer or key employee of the Company shall not be eligible to receive an option. A participant who has been granted an option may be granted an additional option or options if the Stock Option Committee shall so determine.

- --------

*As amended September 29, 1980 to increase number of shares subject to the Plan to 400,000 and to give effect to the 2 for 1 stock split in the form of a 100% stock dividend distributed on October 6, 1995.

3. Number of Shares. The Option Agreement shall specify the number of shares to which it pertains.

4. Terms of Options. The Board of Directors or Stock Option Committee may fix with respect to an option, the exercise price thereof (which shall be 100%* of the average between the high bid and low asked prices on the date of grant, but shall in no event be less than the par value of the shares subject to the option) and such waiting period, exercise dates and other terms and conditions as it shall deem appropriate.

The Option Agreement and the right to exercise any options thereunder, shall terminate not more than ten (10) years from the dates any such options are granted. The Board of Directors or Stock Option Committee may provide in any Option Agreement that the option may not be exercised at any one time as to less than a specified number of shares (or the remaining shares purchasable under the option).

5. Method of Exercising Option. Any option granted hereunder may be exercised by the participant by delivering to the Company at its main office (attention of the Secretary) written notice of the number of shares with respect to which the option is being exercised, accompanied by payment in full, in cash or by certified check payable to the order of the Company, of the purchase price of the shares purchased. The Company shall not be required to deliver certificates for such shares until such payment has been made. Except as provided in Paragraph 7, no option may be exercised at any time unless the holder thereof is an employee of the Company. The holder of an option shall have none of the rights of a stockholder with respect to the shares covered by his option until such shares shall be issued or transferred to him upon the exercise of his option.

6. Non-transferability of Options. No option granted under the Plan shall be transferable other than by Will or by the Laws of Descent and Distribution, and all options

- --------

*Increased from 85% on September 29, 1980.

shall be exercisable during the lifetime of the participant by the participant only. Without limiting the generality of the foregoing, an option may not be transferred (except as aforesaid), assigned, pledged or hypothecated in any way (whether by operation of law or otherwise), and shall not be subject to execution, attachment or similar process. Any attempted transfer, assignment, pledge, hypothecation or other disposition of an option granted under the Plan, except as provided herein, shall be null and void and without effect and the Stock Option Committee may, in its discretion, upon the happening of such event, terminate such option forthwith.

7. Termination of Employment. In the event that the employment of a participant to whom an option has been granted under the Plan shall be terminated (otherwise than by reason of discharge for dishonesty or other conduct injurious to the Company and/or its parent or any of its subsidiaries) such option may be exercised (to the extent that the participant was entitled to do so at the date of termination of his employment) at any time within three (3) months after such termination, but not thereafter and in no event after the expiration of the term of the option. Options granted under the Plan shall not be affected by any change of employment so long as the participant continues to be an officer or employee of the Company, or of any parent or subsidiary of the Company. The Option Agreement may contain such provisions as the Stock Option Committee may approve with respect to approved leaves of absence. Nothing in the Plan or in any option granted under the Plan shall confer on any participant any right to continue in the employ of the Company or interfere in any way with any right of the Company to terminate his employment at any time.

8. Granting of Options. The granting of options pursuant to the Plan shall take place on the effective date of grant as determined by the Stock Option Committee, but no such options shall constitute a binding obligation of the Company until a written option agreement shall be duly executed on behalf of the Company by the participant to whom such option is to be granted.

9. Duties of the Company. The Company shall at all times during the term of each option reserve and keep available for issue and sale such number of shares of its Common Stock as shall be sufficient to satisfy the requirements of all options at the time outstanding, shall pay all original issue and/or transfer taxes with respect to the issue and/or transfer of shares pursuant to such option and all other fees and expenses necessarily incurred by the Company in connection therewith, and shall from time to time use its best efforts to comply with all agreements, laws and regulations which, in the opinion of counsel for the Company, shall be applicable to such options or the issue and sale of shares hereunder.

10. Conditions of Exercise. Each option shall be subject to the requirement that, if at any time the Board of Directors or the Stock Option Committee shall determine, in their discretion, that if (a) the listing, registration or qualification of the shares subject to such option upon any securities exchange or under any state or federal law, or (b) the consent or approval of any governmental body, or (c) any representation or agreement

by the participant (or other person or persons exercising the option) that shares purchased under any option are being purchased for investment and not with a view to the distribution thereof, or (d) any other representation or agreement by the participant (or other person or persons exercising the option); or (e) an opinion of counsel for the Company, is necessary or desirable as a condition of, or in connection with, the granting of such option or the issue or sale of shares thereunder, then no such option may be exercised in whole or in part unless such listing, registration, qualification, consent, approval, representation, agreement or opinion shall have been effected or obtained free of any conditions not acceptable to the Board of Directors or Stock Option Committee; provided, however, that in the event that the shares subject to each option granted hereunder are registered with the Securities and Exchange Commission any investment representations given with respect to such share shall automatically become inoperative upon the effective date of such registration.

11. Adjustment Upon Changes in Capitalization. Notwithstanding any other provision of the Plan, the Option Agreement may contain such provisions as the Stock Option Committee shall determine to be appropriate for the adjustment of the allocation of shares, the number and class of shares subject to each outstanding option and the option prices in the event of changes in the outstanding Common Stock of the Company by reason of any stock dividends, split-ups, recapitalization, combination or exchange of shares, merger, consolidation, acquisition, separation, reorganization or liquidation and the like.

12. Administration of Plan. The Plan shall be administered by the Board of Directors which, to the extent it shall determine, may delegate its powers with respect to the administration of the Plan to a committee of the Board of Directors (the "Stock Option Committee") consisting of not less than two directors (or such greater number as required by law), each of whom shall be a "non-employee director" within the meaning of Rule 16b-3 (or any successor rule or regulation) promulgated under the Securities Exchange Act of 1934, as amended. References in the Plan to determinations or actions by the Stock Option Committee shall be deemed to include determinations and actions by the Board of Directors. A majority of the members of the Stock Option Committee shall constitute a quorum. The Stock Option Committee shall determine, within the limits of the express provisions of the Plan, the individuals to whom and the time or times when options shall be granted, the number of shares to be subject to each option and the option price under each option. In making such determination, the Stock Option Committee may take into account the nature of the services rendered by such individuals or classes of individuals, their present and potential contributions to the Company's success, and such other factors as the Stock Option Committee, in its discretion, shall deem relevant. Subject to the express provisions of the Plan, the Stock Option Committee may interpret the Plan, prescribe, amend and rescind rules and regulations relating to it, determine the terms and provisions of the Option Agreements (which need not be identical), and make all other determinations and take all other action necessary or advisable for the administration of the Plan. The determinations of the Stock Option Committee on the matters referred to in this Paragraph 12 shall be conclusive.

13. Effective Date, Termination, Modification and Amendment. The Plan shall become effective retroactive to June 1, 1980 upon the approval, at a meeting of shareholders of the Company, of the holders of a majority of all outstanding shares of common stock of the Company, in which event, all options granted under the Plan prior to the date of such meeting which are contingent upon such approval shall be deemed to have been ratified. The Plan (but not options previously granted under the Plan) shall terminate on June 30, 1990 or sooner as hereinafter provided. No option shall be granted after termination. The Plan may at any time, or from time to time, be terminated, modified or amended by the affirmative vote of the holders of a majority of the outstanding shares of Capital Stock of the Company entitled to vote thereon. The Board of Directors of the Company may at any time prior to June 30, 1990, terminate the Plan or make such modification or amendment of the Plan as it shall deem advisable; provided, however, that the Board of Directors shall not without further stockholder approval increase the maximum number of shares as to which options may be granted, or reduce the percentage of fair market value which shall be used in determining the purchase price of the stock covered by an option or extend the period during which any option may be granted or exercised. No termination, modification or amendment of the Plan may, without the consent

of the participant to whom an option shall previously have been granted, adversely affect the rights of such participant under such option

14. Laws Governing. The validity and construction of the Plan and the Option Agreements thereunder shall be governed by the laws of the State of New York.

15. Termination of Right of Action. Every right of action arising out of or in connection with the Plan by or on behalf of the Company, or by any holder of Common Stock of the Company against any past, present or future member of the Board of Directors or of the Stock Option Committee or against an employee, or by an employee (past, present or future) against the Company will, irrespective of the place where an action may be brought and irrespective of the place of residence of any such holder of Common Stock, director, member of the Stock Option Committee or employee, cease and be barred by the expiration of eighteen (18) months from the date of the act or omission in respect of which such right of action is alleged to have arisen.

EXHIBIT 10.1(b)

1995 NON-QUALIFIED STOCK OPTION PLAN

OF

VOLT INFORMATION SCIENCES, INC.
(as amended effective August 26, 1996)

1. PURPOSES OF THE PLAN. This stock option plan (the "Plan") is designed to provide an incentive to key employees (including directors and officers who are key employees) of Volt Information Sciences, Inc., a New York corporation (the "Company"), and its present and future subsidiary corporations, as defined in Paragraph 19 ("Subsidiaries"), and to offer an additional inducement in obtaining the services of such individuals. The Plan provides for the grant of nonqualified stock options.

2. STOCK SUBJECT TO THE PLAN. Subject to the provisions of Paragraph 12, the aggregate number of shares of Common Stock, $.10 par value per share, of the Company ("Common Stock") for which options may be granted under the Plan shall not exceed 800,000*. Such shares of Common Stock may, in the discretion of the Board of Directors of the Company (the "Board of Directors"), consist either in whole or in part of authorized but unissued shares of Common Stock or shares of Common Stock held in the treasury of the Company. The Company shall at all times during the term of the Plan reserve and keep available such number of shares of Common Stock as will be sufficient to satisfy the requirements of the Plan. Subject to the provisions of Paragraph 13, any shares of Common Stock subject to an option which for any reason expires, is cancelled or is terminated unexercised or which ceases for any reason to be exercisable shall again become available for the granting of options under the Plan.

3. ADMINISTRATION OF THE PLAN. The Plan shall be administered by the Board of Directors which, to the extent it shall determine, may delegate its powers with respect to the administration of the Plan to a committee of the Board of Directors (the "Committee") consisting of not less than two directors (or such greater number as required by law), each of whom shall be a "non-employee director" within the meaning of Rule 16b-3 (or any successor rule or regulation) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). References in the Plan to determinations or actions by the Committee shall be deemed to include determinations and actions by the Board of Directors. A majority of the members of the Committee shall constitute a quorum, and the acts of a majority of the members present at any

- --------

* Gives effect to the 2 for 1 stock split in the form of a 100% stock dividend distributed on October 6, 1995.

meeting at which a quorum is present, and any acts approved in writing by all members without a meeting, shall be the acts of the Committee.

Subject to the express provisions of the Plan, the Committee shall have the authority, in its sole discretion, to determine the key employees who shall receive options; the times when they shall receive options; the number of shares of Common Stock to be subject to each option; the term of each option; the date each option shall become exercisable; whether an option shall be exercisable in whole, in part or in installments, and, if in installments, the number of shares of Common Stock to be subject to each installment; whether the installments shall be cumulative; the date each installment shall become exercisable and the term of each installment; whether to accelerate the date of exercise of any installment; whether shares of Common Stock may be issued on exercise of an option as partly paid, and, if so, the dates when future installments of the exercise price shall become due and the amounts of such installments; the exercise price of each option; the form of payment of the exercise price; whether to restrict the sale or other disposition of the shares of Common Stock acquired upon the exercise of an option and to waive any such restriction; whether to subject the exercise of all or any portion of an option to the fulfillment of contingencies as specified in the contract referred to in Paragraph 11 (the "Contract"), including without limitation, contingencies relating to entering into a covenant not to compete with the Company and its Parent (as defined in Paragraph 19) and Subsidiaries, to financial objectives for the Company, a Subsidiary, a division, a product line or other category, and/or the period of continued employment of the optionee with the Company or its Subsidiaries, and to determine whether such contingencies have been met; the amount, if any, necessary to satisfy the Company's obligation to withhold taxes or other amounts; the fair market value of a share of Common Stock; to construe the respective Contracts and the Plan; with the consent of the optionee, to cancel or modify an option, provided such option as modified would be permitted to be granted on such date under the terms of the Plan; to prescribe, amend and rescind rules and regulations relating to the Plan; and to make all other determinations necessary or advisable for administering the Plan. The determinations of the Committee on the matters referred to in this Paragraph 3 shall be conclusive.

No member or former member of the Committee shall be liable for any action, failure to act or determination made in good faith with respect to the Plan or any option hereunder. In addition, the Company shall indemnify and hold each member and former member of the Committee harmless from and against any liability, claim for damages and expenses in connection therewith by reason of any action, failure to act or determination made in good faith under or in connection with the Plan or any option hereunder to the fullest extent permitted with respect to directors under the Company's certificate of incorporation, by-laws or applicable law.

4. ELIGIBILITY. The Committee may from time to time, consistent with the purposes of the Plan, grant options to key employees (including officers and directors who are key employees) of the Company or any of its Subsidiaries. Such options granted shall cover such number of shares of Common Stock as the Committee may determine; provided, however, that the

maximum number of shares subject to options that may be granted to any individual during any calendar year under the Plan shall not exceed 100,000 shares (the "162(m) Maximum").

5. EXERCISE PRICE. The exercise price of the shares of Common Stock under each option shall be determined by the Committee; provided, however, that the exercise price of an option shall not be less than 100% of the fair market value of the shares of Common Stock subject thereto.

The fair market value of a share of Common Stock on any day shall be (a) if the principal market for the Common Stock is a national securities exchange, the average of the highest and lowest sales prices per share of Common Stock on such day as reported by such exchange or on a composite tape reflecting transactions on such exchange, (b) if the principal market for the Common Stock is not a national securities exchange and the Common Stock is quoted on the National Association of Securities Dealers Automated Quotations System ("NASDAQ"), and (i) if actual sales price information is available with respect to the Common Stock, the average of the highest and lowest sales prices per share of Common Stock on such day on NASDAQ, or (ii) if such information is not available, the average of the highest bid and lowest asked prices per share of Common Stock on such day on NASDAQ, or (c) if the principal market for the Common Stock is not a national securities exchange and the Common Stock is not quoted on NASDAQ, the average of the highest bid and lowest asked prices per share of Common Stock on such day as reported on the NASDAQ OTC Bulletin Board Service or by National Quotation Bureau, Incorporated or a comparable service; provided, however, that if clauses (a), (b) and (c) of this Paragraph are all inapplicable, or if no trades have been made or no quotes are available for such day, the fair market value of the Common Stock shall be determined by the Board by any method consistent with applicable regulations adopted by the Treasury Department relating to stock options.

6. TERM. The term of each option granted pursuant to the Plan shall be such term as is established by the Committee, in its sole discretion, at or before the time such option is granted; provided, however, that the term of each option granted pursuant to the Plan shall be for a period not exceeding 10 years from the date of grant thereof.

7. EXERCISE. An option (or any part or installment thereof), to the extent then exercisable, shall be exercised by giving written notice to the Company at its principal office stating which option is being exercised, specifying the number of shares of Common Stock as to which such option is being exercised and accompanied by payment in full of the aggregate exercise price

therefor (or the amount due on exercise if the Contract with respect to an option permits installment payments) (a) in cash or by certified check or (b) if the applicable Contract permits, with the authorization of the Committee, with previously acquired shares of Common Stock having an aggregate fair market value, on the date of exercise, equal to the aggregate exercise price of all options being exercised, or with any combination of cash, certified check or shares of Common

Stock. In such case, the fair market value of the Common Stock shall be determined in accordance with Paragraph 5.

A person entitled to receive Common Stock upon the exercise of an option shall not have the rights of a shareholder with respect to such shares of Common Stock until the date of issuance of a stock certificate to him for such shares; provided, however, that until such stock certificate is issued, any option holder using previously acquired shares of Common Stock in payment of an option exercise price shall continue to have the rights of a shareholder with respect to such previously acquired shares.

In no case may a fraction of a share of Common Stock be purchased or issued under the Plan.

8. TERMINATION OF EMPLOYMENT. Except as may otherwise be expressly provided in the applicable Contract, any holder of an option whose employment with the Company (and its Parent and Subsidiaries) has terminated for any reason other than his death or Disability (as defined in Paragraph 19) may exercise such option, to the extent exercisable on the date of such termination, at any time within three months after the date of termination, but not thereafter and in no event after the date the option would otherwise have expired; provided, however, that if his employment is terminated either (a) for cause, or (b) without the consent of the Company, such option shall terminate immediately. Except as may otherwise be expressly provided in the applicable Contract, options granted under the Plan shall not be affected by any change in the status of the holder so long as he continues to be an employee of the Company, its Parent or any of the Subsidiaries (regardless of having been transferred from one corporation to another).

For the purposes of the Plan, an employment relationship shall be deemed to exist between an individual and a corporation if, at the time of the determination, the individual was an employee of such corporation for purposes of Section 422(a) of the Internal Revenue Code of 1986, as amended (the "Code"). As a result, an individual on military, sick leave or other bona fide leave of absence shall continue to be considered an employee for purposes of the Plan during such leave if the period of the leave does not exceed 90 days, or, if longer, so long as the individual's right to reemployment with the Company (or a related corporation) is guaranteed either by statute or by contract. If the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

Nothing in the Plan or in any option granted under the Plan shall confer on any individual any right to continue in the employ of the Company, its Parent or any of its Subsidiaries, or interfere in any way with any right of the Company, its Parent or any of its Subsidiaries to terminate the holder's relationship at any time for any reason whatsoever without liability to the Company, its Parent or any of its Subsidiaries.

9. DEATH OR DISABILITY OF AN OPTIONEE. Except as may otherwise be expressly provided in the applicable Contract, if an optionee dies (a) while he is employed by the Company, its Parent or any of its Subsidiaries, (b) within three months after the termination of his employment (unless such termination was for cause or without the consent of the Company) or (c) within one year following the termination of his employment by reason of Disability, his option may be exercised, to the extent exercisable on the date of his death, by his executor, administrator or other person at the time entitled by law to his rights under such option, at any time within one year after death, but not thereafter and in no event after the date the option would otherwise have expired.

Except as may otherwise be expressly provided in the applicable Contract, any optionee whose employment has terminated by reason of Disability may exercise his option, to the extent exercisable upon the effective date of such termination, at any time within one year after such date, but not thereafter and in no event after the date the option would otherwise have expired.

10. COMPLIANCE WITH SECURITIES LAWS. It is a condition to the exercise of any option that either (a) a Registration Statement under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the shares of Common Stock to be issued upon such exercise shall be effective and current at the time of exercise, or (b) there is an exemption from registration under the Securities Act for the issuance of shares of Common Stock upon such exercise. Nothing herein shall be construed as requiring the Company to register under the Securities Act the shares subject to any option.

The Committee may require the optionee to execute and deliver to the Company his representations and warranties, in form and substance satisfactory to the Committee, that (a) the shares of Common Stock to be issued upon the exercise of the option are being acquired by the optionee for his own account, for investment only and not with a view to the resale or distribution thereof, and (b) any subsequent resale or distribution of shares of Common Stock by such optionee will be made only pursuant to (i) a Registration Statement under the Securities Act which is effective and current with respect to the shares of Common Stock being sold, or (ii) a specific exemption from the registration requirements of the Securities Act, but in claiming such exemption, the optionee shall, prior to any offer of sale or sale of such shares of Common Stock, provide the Company with a favorable written opinion of counsel, in form and substance satisfactory to the Company, as to the applicability of such exemption to the proposed sale or distribution.

In addition, if at any time the Committee shall determine in its discretion that the listing or qualification of the shares of Common Stock subject to such option on any securities exchange or under any applicable law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to, or in connection with, the granting of an option or the issue of shares of Common Stock thereunder, such option may not be exercised in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

11. STOCK OPTION CONTRACTS. Each option shall be evidenced by an appropriate Contract which shall be duly executed by the Company and the optionee, and shall contain such terms and conditions not inconsistent herewith as may be determined by the Committee.

12. ADJUSTMENTS UPON CHANGES IN COMMON STOCK. Not withstanding any other provision of the Plan, in the event of any change in the outstanding Common Stock by reason of a stock dividend, recapitalization, merger in which the Company is the surviving corporation, split-up, combination or exchange of shares or the like, the aggregate number and kind of shares subject to the Plan, the aggregate number and kind of shares subject to each outstanding option and the exercise price thereof, and the number and kind of shares subject to the 162(m) Maximum, shall be appropriately adjusted by the Board of Directors, whose determination shall be conclusive.

In the event of (a) the liquidation or dissolution of the Company, or (b) a merger in which the Company is not the surviving corporation or a consolidation, any outstanding options shall terminate, unless other provision is made therefor in the transaction.

13. AMENDMENTS AND TERMINATION OF THE PLAN. The Plan was adopted by the Board of Directors on May 17, 1995. No option may be granted under the Plan after May 16, 2005. The Board of Directors, without further approval of the Company's shareholders, may at any time suspend or terminate the Plan, in whole or in part, or amend it from time to time in such respects as it may deem advisable, including, without limitation, to comply with the provisions of Rule 16b-3 promulgated under the Exchange Act or Section 162(m) of the Code, and to conform to any change in applicable law or to regulations or rulings of administrative agencies; provided, however, that no amendment shall be effective without the requisite prior or subsequent shareholder approval which would (a)

except as contemplated in Paragraph 12, increase the maximum number of shares of Common Stock for which options may be granted under the Plan or change the 162(m) Maximum, (b) materially increase the benefits to participants under the Plan or (c) change the eligibility requirements to receive options hereunder. No termination, suspension or amendment of the Plan shall, without the consent of the holder of an existing option affected thereby, adversely affect his rights under such option. The power of the Committee to construe and administer any options granted under the Plan prior to the termination or suspension of the Plan nevertheless shall continue after such termination or during such suspension.

14. NON-TRANSFERABILITY OF OPTIONS. No option granted under the Plan shall be transferable otherwise than by will or the laws of descent and distribution, and options may be exercised, during the lifetime of the holder thereof, only by him or his legal representatives. Except to the extent provided above, options may not be assigned, transferred, pledged, hypothecated or disposed of in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process.

15. WITHHOLDING TAXES. The Company may withhold cash and/or, with the authorization of the Committee, shares of Common Stock to be issued with respect thereto having an aggregate fair market value equal to the amount which it determines is necessary to satisfy its obligation to withhold Federal, state and local income taxes or other amounts incurred by reason of the grant or exercise of an option, its disposition, or the disposition of the underlying shares of Common Stock. Alternatively, the Company may require the holder to pay to the Company such amount, in cash, promptly upon demand. The Company shall not be required to issue any shares of Common Stock pursuant to any such option until all required payments have been made. Fair market value of the shares of Common Stock shall be determined in accordance with Paragraph 5.

16. LEGENDS; PAYMENT OF EXPENSES. The Company may endorse such legend or legends upon the certificates for shares of Common Stock issued upon exercise of an option under the Plan and may issue such "stop transfer" instructions to its transfer agent in respect of such shares as it determines, in its discretion, to be necessary or appropriate to (a) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act or (b) implement the provisions of the Plan or any agreement between the Company and the optionee with respect to such shares of Common Stock.

The Company shall pay all issuance taxes with respect to the issuance of shares of Common Stock upon the exercise of an option granted under the Plan, as well as all fees and expenses incurred by the Company in connection with such issuance.

17. USE OF PROCEEDS. The cash proceeds from the sale of shares of Common Stock pursuant to the exercise of options under the Plan shall be added to the general funds of the Company and used for corporate purposes.

18. SUBSTITUTIONS AND ASSUMPTIONS OF OPTIONS OF CERTAIN CONSTITUENT CORPORATIONS. Anything in this Plan to the contrary notwithstanding, the Board of Directors may, without further approval by the shareholders, substitute new options for prior options of a Constituent Corporation (as defined in Paragraph 19) or assume the prior options of such Constituent Corporation.

19. DEFINITIONS.

(a) Subsidiary. The term "Subsidiary" shall have the same definition as "subsidiary corporation" in Section 424(f) of the Code.

(b) Parent. The term "Parent" shall have the same definition as "parent corporation" in Section 424(e) of the Code.

(c) Constituent Corporation. The term "Constituent Corporation" shall mean any corporation which engages with the Company, its Parent or any Subsidiary in a transaction to which Section 424(a) of the Code applies (or would apply if the option assumed or substituted were an ISO), or any Parent or any Subsidiary of such corporation.

(d) Disability. The term "Disability" shall mean a permanent and total disability within the meaning of Section 22(e)(3) of the Code.

20. GOVERNING LAW. The Plan, such options as may be granted hereunder and all related matters shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflict of law provisions.

21. PARTIAL INVALIDITY. The invalidity or illegality of any provision herein shall not affect the validity of any other provision.

22. SHAREHOLDER APPROVAL. The Plan shall be subject to approval by the affirmative vote, in person or by proxy, of a majority of all outstanding shares of the Company at the next duly held meeting of the Company's shareholders at which a quorum is present. No options granted hereunder may be exercised prior to such approval, provided that the date of grant of any options granted hereunder shall be determined as if the Plan had not been subject to such approval. Notwithstanding the foregoing, if the Plan is not approved by a vote of the shareholders of the Company on or before May 16, 1996, the Plan and any options granted hereunder shall terminate.

EXHIBIT 10.4.D

April 30, 1996

Irwin B. Robins, Esq.
Volt Information Sciences, Inc.
1221 Avenue of the Americas
New York, N.Y. 10020

RE: Employment Agreement Dated as of May 1, 1987 (the "Agreement")

Dear Mr. Robins:

This will confirm our understanding that, subject to the approval of the Board of Directors of Volt Information Sciences, Inc., the Agreement is hereby amended as follows:

1. Paragraph 1(a) is hereby amended so that the Employment Term shall end on April 30, 1998.

Please confirm your agreement to the foregoing by signing a copy of this letter and returning it to me.

Very truly yours,

William Shaw
Chairman of the Board and President

Agreed to and accepted:

/s/ Irwin B. Robins
- ----------------------
Irwin B. Robins

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES

EXHIBIT 21--SUBSIDIARIES OF THE REGISTRANT

The following is a list of the subsidiaries and joint ventures of Volt as of January 17, 1997 (exclusive of certain subsidiaries which, if considered in the aggregate, would not, as of November 1, 1996, constitute a significant subsidiary within the meaning of Rule 1-02(v) of Regulation S-X). All of such subsidiaries, to the extent they were active during fiscal 1996 are included as consolidated subsidiaries in the Registrant's consolidated financial statements as of November 1, 1996.

Name (1)	Jurisdiction of Incorporation
Volt Delta Resources, Inc.	Nevada
Volt Delta Resources, Inc.	Delaware
Jefferson-Adams Corporation	New Jersey
Volt Temporary Services, Inc.	Delaware
Volt Real Estate Corporation	Delaware
VIS, Inc.	Delaware
Volt-Autologic Directories S.A. Ltd.	Delaware
Volt Holding Corp.	Nevada
Volt Realty Two, Inc.	Nevada
Volt Orangeca Real Estate Corp.	Delaware
Volt Australia, Ltd.	Delaware
Shaw & Shaw, Inc.	Delaware
Volt Delta Europe, Limited	United Kingdom
Volt Human Resources, Inc.	Delaware
Volt ATRD Corp.	Delaware
Sierra Technology Corporation	California
Volt Opportunity Road Realty Corp.	Delaware
Nuco II, Ltd.	Delaware
Volt Management Corp.	Delaware
Volt Technical Corp.	Delaware
Fidelity National Credit Services Ltd.	California
Tainol, S.A.	Uruguay
Nuco I, Ltd.	Nevada
Keystone Temps, Inc.	Pennsylvania
Volt Information Sciences Funding, Inc.	Delaware
Volt Viewtech, Inc.	Delaware
Volt Participacoes, Ltda.	Brazil

EXHIBIT 21--SUBSIDIARIES OF THE REGISTRANT--Continued

Name (1)	Jurisdiction of Incorporation
Volt Cayman Investment Company, Ltd.	Cayman Is.
Telelistas Editora, Ltda.(2)	Brazil
Pacific Access Pty. Ltd.(3)	Australia
Volt Jantech, Inc.(4)	Delaware
Volt System I, J.V., Inc.(5)	California
Volt Directory Marketing, Ltd.(6)	Delaware
Autologic Information International, Inc.(7)	Delaware
Autologic Information International, Ltd.(8)	Nevada
Autologic Information International, Limited(8)	Sweden
Autologic Information International, Limited(8)	United Kingdom
Autologic Information International Pty. Limited(8)	Australia
Autologic Triple-I Inc.(8)	Canada
Autologic Information International, Limited(8)	Israel
Xitron Inc. (8)	Michigan

- ---------------------------------------

(1) - Except as noted, each named subsidiary is wholly owned, directly or indirectly, by Volt Information Sciences, Inc., except that in the case of

certain foreign subsidiaries, qualifying shares may be registered in the name of directors and/or other Volt subsidiaries.

(2) -50% owned joint venture.

(3) -12-1/2% owned joint venture.

(4) -60% owned subsidiary.

(5) -75% owned subsidiary.

(6) -80% owned subsidiary.

(7) -59% owned subsidiary. See discussion at page 15.

(8) -Wholly owned by Autologic Information International, Inc..

EXHIBIT 23 CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Post-Effective Amendment No. 2 to Registration Statement No. 2-75618 on Form S-8 dated September 12, 1988, Post-Effective Amendment No. 3 to Registration Statement No. 2-70180 on Form S-8 dated April 8, 1983, Registration Statement No. 33-18565 on Form S-8 dated December 14, 1987 and Registration Statement No. 333-13369 on Form S-8 dated October 3, 1996 of Volt Information Sciences, Inc. of our report dated January 8, 1997 with respect to the consolidated financial statements and schedule of Volt Information Sciences, Inc. and subsidiaries included in the Form 10-K for the year ended November 1, 1996.

Ernst & Young LLP

New York, New York
January 26, 1997

<TABLE> <S> <C>

<ARTICLE> 5
<MULTIPLIER> 1,000

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> NOV-01-1996
<PERIOD-END> NOV-01-1996
<CASH> 13,277
<SECURITIES> 4,458
<RECEIVABLES> 175,675
<ALLOWANCES> 5,191
<INVENTORY> 31,646
<CURRENT-ASSETS> 243,147
<PP&E> 103,630
<DEPRECIATION> 38,761
<TOTAL-ASSETS> 337,145
<CURRENT-LIABILITIES> 129,656
<BONDS> 57,395
<PREFERRED-MANDATORY> 0
<PREFERRED> 0
<COMMON> 969
<OTHER-SE> 129,268
<TOTAL-LIABILITY-AND-EQUITY> 337,145
<SALES> 88,476
<TOTAL-REVENUES> 1,053,496
<CGS> 60,026
<TOTAL-COSTS> 930,703
<OTHER-EXPENSES> 81,311
<LOSS-PROVISION> 2,718
<INTEREST-EXPENSE> 5,167
<INCOME-PRETAX> 33,597
<INCOME-TAX> 12,448
<INCOME-CONTINUING> 22,435
<DISCONTINUED> 0
<EXTRAORDINARY> (87)
<CHANGES> 0
<NET-INCOME> 22,348
<EPS-PRIMARY> 2.26
<EPS-DILUTED> 2.26

</TABLE>