UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

/X / Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For The Nine Months Ended August 1, 1997

Or

/ / Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from_______________ to_______________

Commission File No. 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
- --	-----
(Address of principal executive offices)	(Zip Code)

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

Not Applicable
- --
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

The number of shares of common stock, $.10 par value, outstanding as of September 5, 1997 was 14,837,718.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

</TABLE>

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS
VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
<TABLE>
<CAPTION>

	Nine Months Ended		Three Months Ended	
	August 1, 1997	August 2, 1996	August 1, 1997	August 2, 1996
	(Dollars in thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
REVENUES:				
Sales of services	$941,153	$672,483	$344,495	$237,533
Sales of products--Note I	59,980	63,352	22,135	21,287
Equity in net income of joint ventures--Note F	6,824	82	3,224	1,865
Interest income	1,055	1,729	466	547
Gain on sale of interest in subsidiaries--Note H		3,666		
Other income (expense) - net--Note B	532	(775)	344	(59)
	1,009,544	740,537	370,664	261,173
COSTS AND EXPENSES:				
Cost of sales				
Services--Note J	873,460	615,372	318,894	216,732
Products--Note I	35,650	41,750	12,910	13,614
Selling and administrative	37,965	36,932	13,093	12,845
Research, development and engineering	9,912	9,952	3,879	4,294
Depreciation and amortization	15,324	12,051	5,151	4,276
Foreign exchange (gain) loss - net	(155)	304	24	27
Interest expense	4,318	3,537	1,396	1,177
	976,474	719,898	355,347	252,965
Income from continuing operations before income				

taxes and items shown below	33,070	20,639	15,317	8,208
Minority interests in net loss (income) of consolidated subsidiaries--Note H	455	387	(86)	485
Income tax provision	12,076	8,944	5,957	3,909
	---------	-------	-------	-------
Income from continuing operations	21,449	12,082	9,274	4,784
Loss from discontinued operations--Note I	(119)	(191)		(91)
	---------	-------	-------	-------
NET INCOME	$21,330	$11,891	$9,274	$4,693
	=========	=======	=======	=======
(Per share data)				
Income from continuing operations	$1.42	$0.82	$0.61	$0.32
Loss from discontinued operations	(0.01)	(0.01)		(0.01)
	---------	-------	-------	-------
Net income	$1.41	$0.81	$0.61	$0.31
	=========	=======	=======	=======
Number of shares used in computations--Note G	15,119,112	14,698,416	15,303,754	15,053,229
	==========	==========	==========	==========

</TABLE>

See accompanying notes.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<TABLE>
<CAPTION>

	August 1, 1997	November 1, 1996 (a)
	------------	------------
	(Dollars in thousands)	
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$28,207	$13,277
Short-term investments	104	4,458
Trade accounts receivable less allowances of $4,820 (1997) and $5,191 (1996)--Note B	200,042	170,484
Inventories--Note C	30,697	31,646
Deferred income taxes	8,897	11,757
Prepaid expenses and other assets--Note F	22,432	11,524
	-------	-------
TOTAL CURRENT ASSETS	290,379	243,146
Investment in securities	3,750	
Investment in joint venture--Note F		11,179
Property, plant and equipment less allowances for depreciation and amortization of $46,067 (1997) and $38,761 (1996)--Note D	63,561	64,869
Deferred income taxes and other assets	4,035	2,493
Intangible assets-net of accumulated amortization of $8,653 (1997) and $6,459 (1996)--Note H	14,820	15,457
	--------	--------
	$376,545	$337,144
	========	========
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable to banks--Note B	$4,209	$5,414
Current portion of long-term debt--Note D	1,949	1,949
Accounts payable	40,665	43,345
Accrued wages and commissions	33,106	29,998
Other accruals	34,001	29,712

Customer advances and other liabilities	26,565	16,215
Income taxes	3,784	3,022
	--------	--------
TOTAL CURRENT LIABILITIES	144,279	129,655
Long-term debt--Note D	55,921	57,395
	--------	--------
	200,200	187,050
	--------	--------
Minority interests--Note H	19,274	19,857
	--------	--------
STOCKHOLDERS' EQUITY--Notes D, E, F, and G		
Preferred stock, par value $1.00; Authorized--500,000 shares; issued--none		
Common stock, par value $.10; Authorized--30,000,000 shares; issued 14,834,208 shares (1997) and 9,692,143 shares (1996)	1,483	969
Paid-in capital	33,311	27,763
Retained earnings	122,835	101,505
Other	(558)	
	--------	--------
	157,071	130,237
	--------	--------
	$376,545	$337,144
	========	========

</TABLE>

(a) The Balance Sheet at November 1, 1996 has been derived from the audited financial statements at that date. See accompanying notes.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
<TABLE>
<CAPTION>

	Nine Months Ended	
	August 1, 1997	August 2, 1996
	(Dollars in thousands)	
<S>	<C>	<C>
CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES		
Net income	$21,330	$11,891
Adjustments to reconcile to cash provided by (used in) operating activities:		
Loss from discontinued operations	119	191
Depreciation and amortization	15,324	12,051
Gain on sale of interest in subsidiaries	(3,666)	
Equity in net income of joint ventures	(6,824)	(82)
Distributions from joint venture	4,329	2,282
Minority interests in net loss of consolidated subsidiaries	(455)	(387)
Accounts receivable provisions	1,992	2,315
Gains on foreign currency translation	(710)	(364)
Loss on dispositions of property, plant and equipment		35
Deferred income tax provision	37	1,160
Other	76	(251)
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(32,907)	14,094
Decrease (increase) in inventories	674	(2,603)
Increase in prepaid expenses and other current assets	(3,081)	(2,571)
(Increase) decrease in other assets	(493)	1,781
Decrease in accounts payable	(2,539)	(741)
Increase (decrease) in accrued expenses	8,161	(9,369)

Increase in customer advances and other liabilities	5,807	2,247
Increase (decrease) in income taxes payable	2,767	(10,972)
	-----	-------
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,607	17,041
	------	------

</TABLE>

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)--Continued
<TABLE>
<CAPTION>

	Nine Months Ended	
	August 1, 1997	August 2, 1996
	(Dollars in thousands)	
<S>	<C>	<C>
CASH PROVIDED BY(APPLIED TO) INVESTING ACTIVITIES		
Maturities of investments	6,933	3,159
Purchases of investments	(6,323)	(3,182)
Investment in joint venture	(157)	(6,403)
Cash of acquired subsidiaries, less transaction costs		8,421
Acquisitions	(1,396)	(2,122)
Proceeds from disposals of property, plant and equipment	288	82
Purchases of property, plant and equipment	(11,915)	(13,192)
Proceeds from sale of joint venture	10,115	
	--------	-------
NET CASH APPLIED TO INVESTING ACTIVITIES	(2,455)	(13,237)
	--------	--------
CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES		
Payment of long-term debt	(1,474)	(1,500)
Exercise of stock options	5,564	71
Increase in minority interests		331
(Decrease) increase in notes payable to banks	(854)	148
Payment in lieu of fractional shares	(2)	
	--------	--------
NET CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES	3,234	(950)
	--------	--------
Effect of exchange rate changes on cash	544	517
	--------	--------
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,930	3,371
Cash and cash equivalents, beginning of period	13,277	25,350
	--------	--------
CASH AND CASH EQUIVALENTS, END OF PERIOD	$28,207	$28,721
	========	========
SUPPLEMENTAL INFORMATION		
Cash paid during the period:		
Interest expense	$3,300	$4,220
Income taxes, net of refunds	$7,002	$18,494

</TABLE>

See accompanying notes.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note A--Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions for Form 10-Q and Article 10 of Regulation S-X and, therefore, do not include all information and footnotes necessary for a fair presentation of financial position, results of operations and cash flows in conformity with generally accepted accounting principles. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's consolidated financial position at August 1, 1997 and consolidated results of operations for the nine and three months ended August 1, 1997 and August 2, 1996 and consolidated cash flows for the nine months ended August 1, 1997 and August 2, 1996. Operating results for the nine and three months ended August 1, 1997 are not necessarily indicative of the results that may be expected for the fiscal year ending October 31, 1997.

These statements should be read in conjunction with the financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended November 1, 1996. The accounting policies used in preparing these financial statements are the same as those described in that Report. The 1996 financial statements have been reclassified to conform with the current year's presentation. The Company's fiscal year ends on the Friday nearest October 31.

Note B--Financing Arrangements

On July 2, 1997, the Company entered into a $75,000,000, three-year, syndicated, unsecured, revolving Credit Agreement with a group of banks for which The Chase Manhattan Bank ("Chase") and Fleet Bank, N.A. are serving as co-agents. Borrowings under the facility will bear interest at various interest rates. The Company has the option to select the most favorable rate at the time of borrowing, currently LIBOR plus 40 basis points, which includes a facility fee rate of 15 basis points. The Agreement provides for the maintenance of various financial ratios and covenants, including a requirement that the Company maintain consolidated net worth (as defined) of $110,000,000 plus 50% of consolidated net income for each completed fiscal year, beginning with the fiscal year ending October 31, 1997, and certain limitations on the extent to which the Company and its subsidiaries may incur additional indebtedness, liens and sale of assets. Outstanding borrowings under the Agreement at August 1, 1997 were $2,111,000.

The Agreement replaced the Company's previous $10,000,000 revolving facility with Chase and its previous $45,000,000 accounts receivable securitization program. The accounts receivable securitization agreement was entered into in October 1993 and was amended in March 1995. It entitled the Company to sell, on a limited recourse basis, up to $45,000,000 of undivided interests in a designated pool of certain eligible accounts receivable. At November 1, 1996, $13,000,000 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 November 1, 1996 balance sheet. The Company paid fees based primarily on the purchaser's borrowing costs incurred on short-term commercial paper which financed the purchase of receivables. Other income (expense) in the accompanying 1997 and 1996 statements of income includes fees related to the agreement of $314,000 and $1,664,000 for the nine months ended, and $52,000 and $606,000 for the three months ended August 1, 1997 and August 2, 1996, respectively.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)--Continued

Note C--Inventories

Inventories consist of:
<TABLE>
<CAPTION>

	August 1, 1997	November 1, 1996
	(Dollars in thousands)	
<S>	<C>	<C>
Services:		
Accumulated unbilled costs on:		
Service contracts	$20,989	$17,651
Long-term contracts	877	1,694
	21,866	19,345
Products:		
Materials and work-in-process	5,483	7,911
Service parts	2,004	2,396
Finished goods	1,344	1,994
	8,831	12,301
Total	$30,697	$31,646

</TABLE>

The cumulative amounts billed, principally under long-term contracts, at August 1, 1997 and November 1, 1996, of $16,643,000 and $3,418,000, respectively, are credited against the related costs in inventory. Substantially all of the amounts billed have been collected. Inventories have been reduced by valuation allowances and accumulated amortization of rotable spare parts of $14,488,000 and $15,514,000 at August 1, 1997 and November 1, 1996, respectively.

Note D--Long-Term Debt

Long-term debt consists of the following:
<TABLE>
<CAPTION>

	August 1, 1997	November 1, 1996
	(Dollars in thousands)	
<S>	<C>	<C>
7.92% Senior Notes (a)	$50,000	$50,000
Term loan (b)	5,325	6,000
Notes payable (c) & (d)	2,545	3,344
	57,870	59,344
Less amounts due within one year	1,949	1,949
Total long-term debt	$55,921	$57,395

</TABLE>

(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. The notes were issued pursuant to Note Purchase Agreements, which contain various affirmative and negative covenants, including one which requires the Company to maintain a consolidated net worth of $93,225,000. However, the terms of the Company's revolving Credit Agreement require the Company to maintain a consolidated net worth of $110,000,000 plus 50% of consolidated net income for each completed fiscal year, beginning with the fiscal year ending October 31, 1997 (see Note B).

(b) In October 1994, the Company entered into a $10,000,000 loan agreement with Fleet Bank, which is secured by a deed of trust on land and buildings (book value at August 1, 1997 - $14,574,000). The loan, which bears interest at 7.86% per annum, requires principal payments of $225,000 per quarter and a final payment of $1,725,000 due October 2001.

(c) Includes a note payable (which bears interest at 90 day commercial paper rates) for $550,000 due on January 2, 1998. The balance at November 1, 1996 included two notes payable, each for $550,000.

(d) An unsecured loan of $2,493,000 from The 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 (5.75% at August 1, 1997) plus .25%, through September 15, 2001.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)--Continued

Note E--Stockholders' Equity

Changes in the major components of stockholders' equity for the nine months ended August 1, 1997 are as follows:
<TABLE>
<CAPTION>

	Common Stock	Paid-In Capital	Retained Earnings
	(Dollars in thousands)		
<S>	<C>	<C>	<C>
Balance at November 1, 1996	$969	$27,763	$101,505
Net income for the nine months			21,330
Issuance of 12,423 shares to ESOP	1	499	
Stock options exercised - 204,590 shares	21	5,514	
Stock award - 1,000 shares		29	
Issuance of 4,920,088 shares of common stock resulting from three-for-two stock split (including payment for fractional shares)	492	(494)	
Balance at August 1, 1997	$1,483	$33,311	$122,835

</TABLE>

On April 17, 1997, the Board of Directors declared a three-for-two stock split of the Company's common stock effected by a 50% stock dividend (including fractional shares) distributed on May 27, 1997 to shareholders of record as of the close of business on May 12, 1997.

The other components of stockholders' equity are an unrealized gain on marketable securities and a cumulative unrealized foreign currency translation adjustment due to a European subsidiary of the Company and its investment in its Australian joint venture, whose functional currencies are the local currencies.

Note F--Summarized Financial Information of Joint Ventures

On September 4, 1997, the Company and Telstra Corporation, Ltd., its principal partner in an Australian joint venture, agreed to accelerate the Company's right to exercise an option to sell its entire 12 1/2% interest in the joint venture to Telstra for $23,300,000 in cash. The transaction closed in the fourth quarter of 1997 and resulted in a pretax gain of approximately $13,000,000 to be reported in that quarter. 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.

In January 1997, the Company sold its interest in Telelistas Editora Ltda., a Brazilian joint venture, which is the official publisher of telephone directories in Rio de Janeiro for the government-owned telephone company. Due to the Company's guarantee of certain of the venture's obligations, the gain on the sale of approximately $2,550,000 has been deferred until the Company's obligations, if any, under such guarantees are determined. However, income earned by the venture in fiscal 1997 of $3,192,000, through the date of sale, is included in Equity in net income of joint ventures.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)--Continued

Note F--Summarized Financial Information of Joint Ventures (Continued)

Consolidated retained earnings at August 1, 1997 included $4,880,000, representing the undistributed earnings of the Australian joint venture. United States income taxes have been provided for the anticipated remittance of such earnings.

The following summarizes certain financial information of the joint ventures:
<TABLE>
<CAPTION>

	August 1, 1997		November 1, 1996	
	(Dollars in thousands)			
	Total	Company's Equity	Total	Company's Equity
<S>	<C>	<C>	<C>	<C>
Current assets	$321,928		$308,561	
Noncurrent assets	14,135		16,275	
Current liabilities	(283,324)		(257,310)	
Due to Volt			(754)	$754
Noncurrent liabilities	(149)		(209)	
Combined equity of joint ventures	$52,590		$66,563	
Equity of Australian joint venture	$52,590	$9,896	$62,227	11,179
Equity of Brazilian joint venture			4,336	4,153
	$52,590		$66,563	
Total investments in and advances to joint ventures		$9,896		$16,086
Balance sheet classification:				
Prepaid expenses and other assets (a)		$9,896		$4,907
Investment in joint venture				11,179
		$9,896		$16,086

</TABLE>

(a) The advances to and equity in the Brazilian joint venture at November 1, 1996 and the Australian joint venture at August 1, 1997 are included in the Prepaid expenses and other assets due to the sales of the Company's interests in

January 1997 and September 1997, respectively.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)--Continued

Note F--Summarized Financial Information of Joint Ventures--(Continued)

<TABLE>
<CAPTION>

	Nine Months Ended			
	August 1, 1997		August 2, 1996	
	(Dollars in thousands)			
	Total	Company's Equity	Total	Company's Equity
<S>	<C>	<C>	<C>	<C>
Revenues	$539,534		$488,425	
Costs and expenses	489,099		451,578	
Income tax provision	17,343		14,127	
Net income	$33,092		$22,720	
Net income of Australian joint venture	$29,900	$3,632	$26,508	$3,216
Net income (loss) of Brazilian joint venture	3,192	3,192	(3,788)	(3,134)
	$33,092		$22,720	
Company's equity in net income of joint ventures		$6,824		$82

	Three Months Ended			
	August 1, 1997		August 2, 1996	
	(Dollars in thousands)			
	Total	Company's Equity	Total	Company's Equity
<S>	<C>	<C>	<C>	<C>
Revenues	$284,027		$266,730	
Costs and expenses	242,605		230,714	
Income tax provision	15,019		12,818	
Net income	$26,403		$23,198	
Net income of Australian joint venture	$26,403	$3,224	$24,340	$2,971
Net loss of Brazilian joint venture			(1,142)	(1,106)
	$26,403		$23,198	
Company's equity in net income of joint ventures		$3,224		$1,865

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</TABLE>

Note G--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. Per share data have been adjusted for the nine and three months ended August 2, 1996 for the effect of a three-for-two stock split declared on April 17, 1997 and distributed on May 27, 1997 to shareholders of record as of the close of business on May 12, 1997.

In February 1997, the Financial Accounting Standards Board issued Statement No. 128, "Earnings per Share", which is required to be adopted by the Company in fiscal year 1998. At that time, the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating "basic" earnings per share, the dilutive effect of stock options will be excluded. Basic earnings per share are therefore expected to be slightly higher than per share data reported in the accompanying financial statements.

Note H--Acquisition and Sale of Subsidiaries

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, and AII is, 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 financial statements include the accounts of AII, with the former Triple-I shareholders' 41% interest in AII shown as a minority interest in the condensed consolidated balance sheets. The results of operations of Triple-I are included in the accompanying condensed consolidated statements 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. 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 Autologic's workforce as a result of the merger. Such charge is included in the results of operations for the nine months ended August 2, 1996.

Note H--Acquisition and Sale of Subsidiaries (Continued)

The following unaudited pro forma information presents a summary of consolidated results of operations as if the acquisition had occurred at the beginning of the fiscal 1996 first quarter, with pro forma adjustments to give effect to amortization of intangibles, minority interests 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 merger occurred on the date indicated or which may result in the future.

	Nine Months Ended August 2, 1996 (Dollars in thousands, except per share amounts)
Revenues	$752,723
Net income	$12,341
Net income per share	$0.84

In the nine months ended August 1, 1997, the Company's DataNational division acquired community-based directories in North Carolina and West Virginia for a total of $1,396,000 in cash and notes, which resulted in a $1,396,000 increase in intangible assets.

Note I--Discontinued Operations

During the first quarter of 1997, AII, the Company's 59% owned subsidiary, disposed of the assets and discontinued Digiflex, its advertisement delivery operation. Digiflex was acquired at the end of January 1996. The 1997 loss from discontinued operations represents the Company's portion (59%) of the operating loss and loss on disposal related to Digiflex. No income tax benefits have been allocated to the 1997 loss. The loss from discontinued operations for the nine months ended August 2, 1996 includes the Company's portion of Digiflex's operating loss of $325,000, net of a $199,000 tax benefit, on revenues of $181,000. The 1996 amounts have been reclassified to conform with the current year's presentation.

Note J--Significant Item in Operating Results

Net income for the nine months ended August 2, 1996 includes a cost reduction of $2,625,000 ($1,600,000, net of taxes), or $0.11 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. This adjustment had a favorable impact on the operating profit of the Technical Services and Temporary Personnel segment for the nine months ended August 2, 1996 of $2,100,000. In addition, due to a new arrangement with its insurance carrier, the Company's ongoing premiums have been at a significantly lower rate.

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

NINE MONTHS AND THREE MONTHS ENDED AUGUST 1, 1997 COMPARED TO THE NINE MONTHS AND THREE MONTHS ENDED AUGUST 2, 1996

The information which appears below relates to current and prior periods, the results of operations for which periods are not necessarily indicative of the results which may be expected for any subsequent periods.

The following summarizes the unaudited results of operations by segment:

<TABLE>
<CAPTION>

	For the Nine Months Ended		For the Three Months Ended	
	August 1, 1997	August 2, 1996	August 1, 1997	August 2, 1996
	(Dollars in thousands)			
<S>	<C>	<C>	<C>	<C>
Revenues:				
Technical Services and Temporary Personnel	$732,090	$506,599	$269,616	$180,677
Telephone Directory	57,302	48,955	20,390	18,659
Telecommunications Services	105,515	62,962	42,192	20,420
Computer Systems	52,845	56,815	15,070	18,931
Electronic Publication and Typesetting Systems	60,322	63,878	22,312	21,497
Equity in net income of joint ventures	6,824	82	3,224	1,865
Gain on sale of interest in subsidiaries		3,666		
Interest and other income - net	1,587	954	810	488
Elimination of intersegment revenues	(6,941)	(3,374)	(2,950)	(1,364)
	$1,009,544	$740,537	$370,664	$261,173
Income from Continuing Operations Before Minority Interests and Income Taxes:				
Operating Profit (Loss):				
Technical Services and Temporary Personnel	$19,318	$19,264	$7,788	$6,114
Telephone Directory	2,512	(1,171)	1,654	399
Telecommunications Services	13,664	5,587	5,338	1,859
Computer Systems	1,030	6,029	(151)	2,632
Electronic Publication and Typesetting Systems	24	(2,541)	640	(1,361)
Elimination	(12)	(69)		(71)
Total Operating Profit	36,536	27,099	15,269	9,572
Equity in net income of joint ventures	6,824	82	3,224	1,865
Gain on sale of interest in subsidiaries		3,666		
Interest and other income - net	1,587	954	810	488
General corporate expenses	(7,714)	(7,321)	(2,566)	(2,513)
Interest expense	(4,318)	(3,537)	(1,396)	(1,177)
Foreign exchange gain (loss) - net	155	(304)	(24)	(27)
Income from Continuing Operations Before Minority Interests and Income Taxes	$33,070	$20,639	$15,317	$8,208

</TABLE>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS--Continued

NINE MONTHS ENDED AUGUST 1, 1997 COMPARED TO THE NINE MONTHS ENDED AUGUST 2, 1996 --Continued

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 other known and unknown risks and uncertainties, including general economic, competitive and other business conditions in the United States, as well as outside the country, changes in laws, regulations and government policies, material changes in demand from larger customers, including those with which the Company has national contracts, availability of qualified labor, technological changes, the Company's performance on contracts and changes in customer's attitudes toward outsourcing that could cause actual results, performance and achievements to differ materially from those described or implied in the forward-looking statements. These and certain other factors are discussed in the Company's Annual Report on Form 10-K for the year ended November 1, 1996 and may be discussed in reports thereafter and hereafter filed with the Securities and Exchange Commission, including this Report.

Results of Operations - Summary
- ------------------------------

In the nine-month period of fiscal 1997, revenues increased by $269,007,000, or 36%, from fiscal 1996, as sales increased by $265,298,000, or 36%. The increase in 1997 sales resulted primarily from a $225,491,000 increase in sales of the Technical Services and Temporary Personnel segment, a $42,553,000 increase in sales of the Telecommunications Services segment and an $8,347,000 increase in sales of the Telephone Directory segment, partially offset by a $3,970,000 decrease in sales of the Computer Systems segment and a $3,556,000 decrease in sales of the Electronic Publication and Typesetting Systems segment, each of which are discussed below. Revenues in 1997 included the Company's portion of joint venture earnings of $6,824,000, compared with $82,000 in 1996. The 1996 period included a gain of $3,666,000 from the sale of an interest in the Company's Electronic Publication and Typesetting Systems segment.

The Company's 1997 nine-month pretax income from continuing operations before minority interests increased by $12,431,000, or 60%, to $33,070,000. The 1997 income included an increase of $6,742,000 in the Company's portion of joint venture earnings while the 1996 income included the $3,666,000 non-recurring pretax gain discussed above. The operating profit of the Company's segments increased by $9,437,000, or 35%, to $36,536,000 in 1997. The principal increases in the segments' operating profit were from the Telecommunications Services segment, with an increase of $8,077,000, or 145%, to $13,664,000, the Telephone Directory segment with an improvement of $3,683,000, to a profit of $2,512,000 and the Electronic Publication and Typesetting Systems segment with an improvement of $2,565,000 to a profit of $24,000. The improvement in operating profit was partially offset by a decrease in the Computer Systems segment of $4,999,000, or 83%, to $1,030,000.

The net income in the nine months of 1997 was $21,330,000, compared to net income of $11,891,000 in the nine months of 1996.

Results of Operations - By Segment
- ---------------------------------

The Technical Services and Temporary Personnel segment's sales increased by $225,491,000, or 45%, in 1997 to $732,090,000, while the segment's operating profit increased by $54,000, to $19,318,000, compared with $19,264,000 in 1996. Approximately $62,538,000, or 28%, of the segment's 1997 sales increase was due to pass-through costs primarily related to the use of subcontractors to service large national contracts billed without a mark-up and $34,324,000 was due to new customers. The remaining increase of $136,423,000 was with existing customers, partially offset by the loss of $7,794,000 of sales to a high margin customer which, since April 1996, has no longer required the segment's services. The increase in the segment's operating profit was due to the increase in sales volume, partially offset by a decrease in gross margin of approximately 1.0 percentage point, higher overhead costs and the absence, in 1997, of a non-recurring 1996 favorable $2,100,000 retrospective workers' compensation insurance adjustment (see Note J of Notes to Condensed Consolidated Financial Statements). The decrease in gross margin percentage was due to higher subcontractor usage billed without a mark-up, and the loss of the high margin customer discussed above, offset, in part, by lower workers' compensation insurance premiums. Overhead costs increased due to start-up costs related to new offices and staffing for recently won national accounts, which are in the initial stages of their contracts. As revenues from the new national accounts have begun to reach their anticipated levels, operating profits have begun to increase and, although there can be no assurances, are anticipated to continue to increase.

The Telephone Directory segment's sales increased by $8,347,000, or 17%, to $57,302,000 in fiscal 1997, and its operating profit was $2,512,000 in 1997, compared with an operating loss of $1,171,000 in 1996. The sales increase was principally due to a $2,736,000 increase in Uruguayan printing volume, a $2,633,000 increase in telephone directory production volume and a $1,203,000 increase in system sales. The profitability in 1997 was due to the higher sales volume and the absence, in 1997, of non-recurring costs incurred in 1996 by the Uruguayan operation (due to a move to a new facility and installation of new equipment). This segment's services are rendered under various short and long-term contracts. A contract with one customer, which accounted for 19% of the segment's revenues for the nine months of fiscal 1997, is scheduled to expire on June 30, 1998. However, the segment has obtained several significant new contracts which have begun in fiscal 1997. Other contracts are scheduled to expire in 1997 through 1999.

The Telecommunications Services segment's sales increased by $42,553,000, or 68%, to $105,515,000 in fiscal 1997 and its operating profit increased by $8,077,000, or 145%, to $13,664,000 in fiscal 1997. The sales increase was due to a 52% increase in the Construction division and a 72% increase in the Business Systems division. The sales increases resulted from several factors, including required upgrading of core telecommunications infrastructure by existing customers, the demand for the segment's services in the wireless area, and the continued emphasis of outsourcing by the major telecommunications providers. Operating results improved due to the increased sales volume and favorable gross margins on existing business resulting in a 4.0 percentage point increase in gross margins, compared to fiscal 1996.

NINE MONTHS ENDED AUGUST 1, 1997 COMPARED
TO THE NINE MONTHS ENDED AUGUST 2, 1996--Continued

Results of Operations - By Segment --Continued
- ---

The Computer Systems segment's sales decreased by $3,970,000, or 7%, to $52,845,000 in 1997 and its operating profit was $1,030,000, compared with an operating profit of $6,029,000 in 1996. The decrease in sales and operating profit was primarily due to decreased sales and profits on conservation services to utilities due to the phase-out under a large contract with a customer which no longer requires the segment's services and decreased profit on customer acceptance of Delta Operating Service Systems in 1997. 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. This segment's results on a quarter-to-quarter basis are highly dependent on the acceptance by customers under contract for the segment's directory assistance systems, which occurs periodically rather than evenly.

The Electronic Publication and Typesetting Systems segment's sales decreased by $3,556,000, or 6%, to $60,322,000 in 1997, while the segment reported an operating profit of $24,000, compared with a loss of $2,541,000 in 1996. Since January 29, 1996, the segment has been comprised of the Company's former Autologic, Incorporated subsidiary and related foreign subsidiaries ("Autologic"), which were merged on that date with Information International Incorporated ("Triple-I") to form Autologic Information International, Inc. ("AII"), a publicly held company (see Note I in the Notes to Condensed Consolidated Financial Statements). The results of operations for the nine months of 1996 reflect the three-month results of Autologic on a stand-alone basis and the six-month results of the merged operations, while results for fiscal 1997 reflect the results of merged operations for all nine months. The fiscal 1997 sales decrease resulted from a decrease in sales of systems and equipment, primarily in the European market, partially offset by an increase of customer service sales in the domestic market. The increased profitability in 1997 was due to a 7.3 percentage point improvement in gross margins, and the absence of a $700,000 restructuring charge related to the mergers which was recorded in the first quarter of fiscal 1996, partially offset by decreased sales volume, an increase in operating expenses and charges of $1,602,000 for amortization of intangibles resulting from the merger, compared to $1,068,000 in 1996. Systems and equipment gross margins increased by 8.9 percentage points due principally to the sale of a greater proportion of higher margin products and customer service gross margins improved by 6.4 percentage points due primarily to workforce reductions. The operating expenses increased due to the development of additional new products and expansion into new markets. The markets in which the segment competes are marked by rapidly changing technology, with sales in fiscal 1997 of equipment introduced within the last three years comprising approximately 88% of equipment sales.

Results of Operations - Other
- -------------------------------

Other items, discussed on a consolidated basis, affecting the results of operations for the nine-month periods were:

Interest income decreased by $674,000, or 39%, in 1997, primarily due to the use of excess funds to reduce sales of receivables under the Company's securitization program.

Other income (expense) changed favorably by $1,307,000 in 1997 primarily due to a $1,350,000 reduction in fees paid resulting from the elimination during the nine months of sales of receivables under the Company's securitization program.

Results of Operations - Other -- Continued
- --

The Company's portion of joint venture earnings was $6,824,000 in 1997, compared to $82,000 in 1996. The improvement was due to an increase in the Company's portion of earnings from its Brazilian and Australian joint ventures. On September 4, 1997, the Company and Telstra Corporation, Ltd., its principal partner in the Australian joint venture, agreed to accelerate the Company's right to exercise an option to sell its entire 12 1/2% interest in the joint venture to Telstra for $23,300,000 in cash. The transaction closed in the fourth quarter of 1997 and resulted in a pretax gain of approximately $13,000,000 to be reported in that quarter.

In January 1997, the Company sold its interest in its Brazilian joint venture. Due to the guarantee of certain of the venture's obligations, the gain on the sale of approximately $2,550,000 has been deferred until the Company's obligations, if any, under such guarantees are determined. However, income earned by the venture in fiscal 1997 of $3,192,000, due to the publication of the Yellow Pages directory in Rio de Janeiro, through the date of sale, is included in Equity in net income of joint ventures.

Research, development and engineering expenditures decreased by $40,000 to $9,912,000 in 1997. The decrease was due to a reduction of expenditures by the Telephone Directories segment, partially offset by additional product development by the Computer Systems and the Electronic Publication and Typesetting Systems segments.

Depreciation and amortization increased by $3,273,000, or 27%, to $15,324,000 in 1997. The increase was due to increased fixed asset acquisitions in fiscal 1996 and the first three quarters of 1997 and the amortization of intangibles which resulted from the 1996 Autologic transaction.

The foreign exchange gain was $155,000 in fiscal 1997 compared to a loss in 1996 of $304,000. The gain in 1997 was due to favorable, and the loss in 1996 was due to unfavorable, currency movements in the European currency markets. To reduce the potential adverse impact from foreign currency changes on the Company's foreign currency receivables, sales and firm commitments, foreign currency options and forward contracts are purchased.

Interest expense increased by $781,000, or 22%, to $4,318,000 in 1997. The increase was primarily due to an increase in long-term debt caused by the issuance in a private placement, in August 1996, of $50,000,000 of 7.92% Senior Notes, offset, in part, by the retirement of $22,855,000 of 12-3/8% Subordinated Debentures in September 1996 using proceeds from the private placement.

The Company's effective tax rate was reduced to 37% in 1997 from 43% in 1996 principally due to the Company's share of the net income of its Brazilian joint venture in fiscal 1997 which was offset against previous joint venture losses for which no tax benefit had been recognized.

THREE MONTHS ENDED AUGUST 1, 1997 COMPARED
TO THE THREE MONTHS ENDED AUGUST 2, 1996

Results of Operations - Summary
- -------------------------------

In the three-month period of fiscal 1997, revenues increased by $109,491,000, or 42%, from fiscal 1996, as sales increased by $107,810,000, or 42%. Revenues in 1997 included the Company's portion of joint venture earnings of $3,224,000, compared with $1,865,000 in 1996. The increase in 1997 sales resulted primarily from an $88,939,000 increase in sales of the Technical Services and Temporary Personnel segment, a $21,772,000 increase in sales of the Telecommunications Services segment and a $1,731,000 increase in sales of the Telephone Directory segment, partially offset by a $3,861,000 decrease in sales of the Computer Systems segment.

The Company's 1997 pretax income from continuing operations before minority interests increased by $7,109,000, or 87%, to $15,317,000. The 1997 income included an increase of $1,359,000 in the Company's portion of joint venture earnings. The operating profit of the Company's segments increased by $5,697,000, or 60%, to $15,269,000 in 1997. The principal increases in the segments' operating profit were from the Telecommunications Services segment, with an increase of $3,479,000, or 187%, to $5,338,000, the Electronic Publication and Typesetting Systems segment, with an improvement of $2,001,000 to a profit of $640,000, the Technical Services and Temporary Personnel segment, with an increase of $1,674,000, or 27%, to $7,788,000 and the Telephone Directory segment, with an increase of $1,255,000, or 315%, to $1,654,000. The improvements in operating profit were partially offset by a decrease in the Computer Systems segment of $2,783,000, to a loss of $151,000, compared with a profit of $2,632,000 in 1996.

The net income in the three months of 1997 was $9,274,000, compared with net income of $4,693,000 in the three months of 1996.

Results of Operations - By Segment
- ----------------------------------

The Technical Services and Temporary Personnel segment's sales increased by $88,939,000, or 49%, in 1997 to $269,616,000, while the segment's operating profit increased by $1,674,000, or 27%, to $7,788,000, compared with $6,114,000 in 1996. Approximately $25,534,000, or 29%, of the segment's 1997 sales increase was due to pass-through costs primarily related to the use of subcontractors to service large national contracts billed without a mark-up, and $14,093,000 was from business with new customers. The remaining increase of $49,312,000 was with existing customers. The increase in the segment's operating profit was due to the increase in sales volume, partially offset by a decrease in gross margin of approximately 1.2 percentage points and higher overhead costs. The decrease in gross margin percentage was due to higher subcontractor usage billed without a mark-up. Overhead costs have increased due to start-up costs related to new offices and staffing for recently won national accounts, which are in the initial stages of their contracts. As revenues from the new national accounts have begun to reach their anticipated levels, operating profits have begun to increase and, although there can be no assurances, are anticipated to continue to increase.

THREE MONTHS ENDED AUGUST 1, 1997 COMPARED TO THE THREE MONTHS ENDED AUGUST 2, 1996--Continued

Results of Operations - By Segment -- Continued
- --

The Telephone Directory segment's sales increased by $1,731,000, or 9%, to $20,390,000 in fiscal 1997, and its operating profit increased to $1,654,000 in 1997 from $399,000 in 1996. The sales increase was primarily due to a $1,424,000 increase in telephone directory production volume and a $212,000 increase in Uruguayan printing volume, partially offset by a decrease in independent directory sales of $460,000. The decrease in independent directory sales was due to two directories which were published in the third quarter of 1996, but which will be published in the fourth quarter of fiscal 1997, offset, in part, by three new directories published in the third quarter of 1997. The increase in the operating profit in 1997 was due to the higher volume discussed above and higher gross margins achieved by the Uruguayan printing operation. As discussed above, this segment's services are rendered under various short and long-term contracts.

The Telecommunications Services segment's sales increased by $21,772,000, or 107%, to $42,192,000 in fiscal 1997 and its operating profit increased by $3,479,000, or 187%, to $5,338,000 in fiscal 1997. The sales increase was due to a 99% increase in the Construction division and a 73% increase in the Business Systems division. The sales increases resulted from several factors, including required upgrading of core telecommunications infrastructure by existing customers, the demand for the segment's services in the wireless area, and the continued emphasis of outsourcing by the major telecommunications providers. Operating results improved due to the increased sales volume and favorable gross margins on existing business resulting in a 3.2 percentage point increase in gross margins, compared with fiscal 1996.

The Computer Systems segment's sales decreased by $3,861,000, or 20%, to $15,070,000 in 1997 and its operating loss was $151,000, compared with an operating profit of $2,632,000 in 1996. The decrease in sales and operating profit was primarily due to a decrease in sales and profits on conservation services to utilities due to the phase-out under a large contract with a customer which no longer requires the segment's services and a decrease in sales of Delta Operating Service Systems in 1997, compared to 1996. 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. This segment's results on a quarter-to-quarter basis are highly dependent on the acceptance by customers under contract for the segment's directory assistance systems, which occurs periodically rather than evenly.

The Electronic Publication and Typesetting Systems segment's sales increased by $815,000, or 4%, to $22,312,000 in 1997, and its operating profit was $640,000, compared with an operating loss of $1,361,000 in 1996. The fiscal 1997 sales increase resulted primarily from an increase in sales of systems and equipment and customer service sales in the domestic market. The increase in 1997 operating profit was due to a 6.6 percentage point increase in gross margins, a decrease in overhead expenses and an increase in sales volume. Systems and equipment gross margins increased by 8.5 percentage points due principally to the sale of a greater proportion of higher margin products and customer service gross margins improved by 2.5 percentage points due primarily to lower operating costs. The markets in which the segment competes are marked by rapidly changing technology, with sales in fiscal 1997 of equipment introduced within the last three years comprising approximately 87% of equipment sales.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS--Continued

THREE MONTHS ENDED AUGUST 1, 1997 COMPARED TO THE THREE MONTHS ENDED AUGUST 2, 1996--Continued

Results of Operations - Other
- -------------------------------

Other items, discussed on a consolidated basis, affecting the results of operations for the three-month periods were:

Interest income decreased by $81,000, or 15%, in 1997, primarily due to the reduction of funds available for investment as excess funds were used to eliminate sales of receivables under the Company's securitization program.

Other income (expense) changed favorably by $403,000 in 1997 primarily due to $554,000 of lower fees paid resulting from the elimination of sales of receivables under the Company's securitization program, partially offset by an increase in sundry expenses.

The Company's share of the net income of its joint ventures was $3,224,000 in 1997, compared to $1,865,000 in 1996. The improvement was due to the absence, in 1997, of the Company's share of net loss of its Brazilian joint venture, and an increase in the Company's share of the net income of its Australian joint venture.

Research, development and engineering expenditures decreased by $415,000, or 10%, to $3,879,000 in 1997. The decrease was due to a decrease in product development by the Telephone Directory and Electronic Publication and Typesetting Systems segments.

Depreciation and amortization increased by $875,000, or 20%, to $5,151,000 in 1997. The increase was due to increased fixed asset acquisitions in the fourth quarter of fiscal 1996 and the first three quarters of 1997.

Interest expense increased by $219,000, or 19%, to $1,396,000 in 1997. The increase was primarily due to an increase in long-term debt caused by the issuance in a private placement, in August 1996, of $50,000,000 of 7.92% Senior Notes, offset, in part, by the retirement of $22,855,000 of 12-3/8% Subordinated Debentures in September 1996 .

The Company's effective tax rate was reduced to 39% in 1997 from 48% in 1996. The 1996 tax provision was unfavorably impacted by the effect of Brazilian joint venture losses for which no tax benefit was provided.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS--Continued

Liquidity and Sources of Capital
- --------------------------------

Cash and cash equivalents increased by $14,930,000 in 1997 to $28,207,000, and working capital increased by $32,609,000 to $146,100,000. Operating activities provided $13,607,000 of cash flows in the nine months of fiscal 1997. Primary among the factors providing cash flows to operating activities in 1997 were the Company's net income of $21,330,000, augmented by $15,324,000 of depreciation and amortization. Among the principal uses of cash in operating activities for the nine months ended August 1, 1997 were an increase in the level of accounts receivable of $32,907,000, due to a $13,000,000 reduction in interests in accounts receivable sold at August 1, 1997, compared to November 1, 1996 under the Company's terminated securitization program (see Note B in the Notes to

Condensed Consolidated Financial Statements), increased sales volume and the timing of customer payments.

The principal factors in the cash applied to investing activities of $2,455,000 were expenditures for property, plant and equipment of $11,915,000 and acquisitions of community-based phone directories totaling $1,396,000 (see Note H in the Notes to Condensed Consolidated Financial Statements), partially offset by proceeds of $10,115,000 received on the sale of the Brazilian joint venture.

Financing activities provided $3,234,000 of cash from the exercise of employee stock options of $5,564,000 offset, in part, by a decrease in borrowings of $2,328,000.

In addition to its cash and cash equivalents, at August 1, 1997, the Company has a $75,000,000, three-year, syndicated, unsecured credit line with a group of banks under a revolving credit agreement which extends to July 2, 2000 (see Note B in the Notes to Condensed Consolidated Financial Statements). The Company had outstanding bank borrowings under that line of $2,111,000 at August 1, 1997.

The Company believes that its current financial position, working capital, future cash flows and credit lines 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 Statement 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. As permitted by SFAS 123, the Company has determined it will adopt the disclosure-only provision of SFAS 123 and will otherwise continue to report under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees."

PART II - OTHER INFORMATION

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

At the Company's 1997 Annual Meeting of Shareholders held on June 16, 1997, shareholders:

(a) elected the following to serve as directors of the Company until the 1997 Annual Meeting of the Shareholders by the following votes:

	For	Vote Withheld
William Shaw	7,136,415	43,173
Jerome Shaw	7,136,419	43,169
James J. Groberg	7,135,965	43,623

(b) ratified the action of the Board of Directors in appointing Ernst & Young LLP as the Corporation's independent public accountants for the fiscal year ending October 31, 1997 by the following vote:

For: 7,176,873 Against: 1,575 Abstain: 1,140

There were no broker non-votes on either matter voted upon.

ITEM 5-- OTHER INFORMATION

On September 4, 1997, the Company and Telstra Corporation, Ltd., its principal partner in the Australian joint venture, agreed to accelerate the Company's right to exercise an option to sell its entire 12 1/2% interest in the joint venture to Telstra for $23,300,000 in cash. The transaction closed in the fourth quarter of 1997 and resulted in a pretax gain of approximately $13,000,000 that will be reported in that quarter.

ITEM 6-- EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

15.01 Acknowledgment letter from Ernst & Young LLP

15.02 Independent Accountants' Report on Review of Interim Financial Information from Ernst & Young LLP

27.01 Financial Data Schedule

(b) Reports on Form 8-K:

The only Report on Form 8-K filed during the quarter ended August 1, 1997 was a report dated July 2, 1997 (date of earliest event reported) reporting Item 5: Other Events and Item 7: Financial Statement, Pro Forma Financial Information and Exhibits. No financial statements or pro forma financial information were filed with that Report.

SIGNATURE

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

VOLT INFORMATION SCIENCES, INC.
(Registrant)

BY: /s/ JACK EGAN

Date: September 11, 1997 JACK EGAN
Vice President - Corporate Accounting
(Principal Accounting Officer)

Exhibit Index

15.01 Acknowledgment letter from Ernst & Young LLP

15.02 Independent Accountants' Report on Review of Interim Financial Information from Ernst & Young LLP

27.01 Financial Data Schedule

September 10, 1997

Securities and Exchange Commission
Washington, DC 20549

We are aware of 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 September 2, 1997 relating to the unaudited condensed consolidated interim financial statements of Volt Information Sciences, Inc. which are included in its Form 10-Q for the quarter ended August 1, 1997.

Pursuant to Rule 436(c) of the Securities Act of 1933 our report is not a part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933.

Ernst & Young LLP

New York, New York

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

INDEPENDENT ACCOUNTANTS' REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Stockholders
Volt Information Sciences, Inc.

We have reviewed the accompanying unaudited condensed consolidated balance sheet of Volt Information Sciences, Inc. and subsidiaries as of August 1, 1997, and the related condensed consolidated statements of income for the nine and three month periods ended August 1, 1997 and August 2, 1996, and the related condensed consolidated statements of cash flows for the nine month periods ended August 1, 1997 and August 2, 1996. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, which will be performed for the full year with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Volt Information Sciences, Inc. as of November 1, 1996, and the related consolidated statements of income and cash flows for the year then ended, not presented herein; and in our report dated January 8, 1997, we expressed an unqualified opinion on these consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of November 1, 1996, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Ernst & Young LLP

September 2, 1997

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