ASTRO MED INC /NEW/

FORM 10-Q
(Quarterly Report)

Filed 8/28/2002 For Period Ending 8/3/2002

Address	600 E GREENWICH AVE
	WEST WARWICK, Rhode Island 02893
Telephone	401-828-4000
CIK	0000008146
Industry	Computer Peripherals
Sector	Technology
Fiscal Year	01/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES

EXCHANGE ACT OF 1934
For the quarterly period ended August 03, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES

EXCHANGE ACT OF 1934

For the transition period from ---------------------- to ----------------------

Commission file number 0-13200

Astro-Med, Inc.

(Exact name of registrant as specified in its charter)

Rhode Island	05-0318215
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

600 East Greenwich Avenue, West Warwick, Rhode Island 02893

(Address of principal executive offices) (Zip Code)

(401) 828-4000

(Registrant's telephone number, including area code)

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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $.05 Par Value - 4,268,577 shares (excluding treasury shares) as of August 23, 2002

ASTRO-MED, INC.

INDEX

	Page No.
Part I. Financial Information:	
Consolidated Balance Sheets - August 3, 2002 and January 31, 2002	3
Consolidated Statements of Operations - Three-Months Ended August 3, 2002 and August 4, 2001	4
Consolidated Statements of Operations - Six-Months Ended August 3, 2002 and August 4, 2001	5
Consolidated Statements of Cash Flows - Six-Months Ended August 3, 2002 and August 4, 2001	6
Notes to Consolidated Financial Statements - August 3, 2002	7-10
Management's Discussion and Analysis of Financial Condition and Results of Operations	11-14
Part II. Other Information	15

Part I. FINANCIAL INFORMATION

ASTRO-MED, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS	August 3, 2002 (Unaudited)	January 31, 2002
CURRENT ASSETS		
Cash and Cash Equivalents	$ 3,562,561	$ 2,569,721
Securities Available for Sale	3,133,664	3,340,874
Accounts Receivable, Net	8,349,502	9,173,568
Inventories, Net	9,130,704	10,243,182
Prepaid Expenses and Other Current Assets	2,450,873	2,229,660
Total Current Assets	26,627,304	27,557,005
PROPERTY, PLANT AND EQUIPMENT	23,965,465	23,458,303
Less Accumulated Depreciation	(16,258,667)	(15,478,613)
	7,706,798	7,979,690
OTHER ASSETS		
Goodwill	2,310,798	2,310,798
Amounts Due from Officers	480,314	480,314
Other	92,915	76,422
	$37,218,129	$38,404,229
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	$ 2,375,356	$ 3,325,133
Accrued Compensation	1,384,629	1,114,490
Accrued Expenses	1,697,218	1,637,826
Current Maturities of Long-Term Debt	2,096	24,755
Total Current Liabilities	5,459,299	6,102,204
DEFERRED INCOME TAXES	1,029,166	876,867
SHAREHOLDERS' EQUITY		
Preferred Stock, $10 Par Value, Authorized 100,000 Shares, None Issued	-	-
Common Stock, $.05 Par Value, Authorized 13,000,000 Shares, Issued, 5,166,472 5,165,027 Shares, respectively	258,324	258,251
Additional Paid-In Capital	5,641,519	5,636,570
Retained Earnings	30,935,742	31,753,694
Treasury Stock, at Cost (897,895 Shares)	(5,860,609)	(5,860,609)
Accumulated Other Comprehensive Loss	(245,312)	(362,748)
	$37,218,129	$38,404,229

ASTRO-MED, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three-Months Ended August 3, 2002	Three-Months Ended August 4, 2001
Net Sales	$12,922,466	$12,131,706
Cost of Sales	8,067,771	7,365,737
Gross Profit	4,854,695	4,765,969
Costs and Expenses:		
Selling, General and Administrative	3,863,849	4,156,183
Research and Development	950,009	928,920
	4,813,858	5,085,103
Operating Income(Loss)	40,837	(319,134)
Other Income (Expense):		
Investment Income	49,666	79,858
Interest Expense	(130)	(1,471)
Other, Net	108,336	(1,825)
	157,872	76,562
Income (Loss) before Income Taxes	198,709	(242,572)
(Provision) Benefit for Income Taxes	(42,567)	48,514
Net Income (Loss)	$ 156,142	$ (194,058)
Net Income (Loss) Per Common Share-basic and diluted	$ 0.04	$ (0.05)
Weighted Average Number of Common Shares Outstanding - basic	4,267,970	4,264,406
Weighted Average Number of Common and Common Equivalent Shares Outstanding - diluted	4,297,488	4,264,406
Dividends Declared Per Common Share	$ 0.04	$ 0.04

ASTRO-MED, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Six-Months Ended	
	August 3, 2002	August 4, 2001
Net Sales	$24,304,271	$24,567,716
Cost of Sales	15,640,155	14,749,650
Gross Profit	8,664,116	9,818,066
Costs and Expenses:		
Selling, General and Administrative	7,605,514	8,283,265
Research and Development	1,958,203	1,837,454
	9,563,717	10,120,719
Operating Loss	(899,601)	(302,653)
Other Income (Expense):		
Investment Income	98,265	164,986
Interest Expense	(591)	(2,760)
Other, Net	193,962	84,937
	291,636	247,163
Loss before Income Taxes	(607,965)	(55,490)
Benefit for Income Taxes	131,433	11,096
Net Loss	$ (476,532)	$ (44,394)
Net Loss Per Common Share-basic and diluted	$ (0.11)	$ (0.01)
Weighted Average Number of Common Shares Outstanding - basic	4,267,698	4,252,809
Weighted Average Number of Common and Common Equivalent Shares Outstanding - diluted	4,267,698	4,252,809
Dividends Declared Per Common Share	$ 0.08	$ 0.08

ASTRO-MED, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six-Months Ended	
	August 3, 2002	August 4, 2001
Cash Flows from Operating Activities:		
Net Loss	$ (476,532)	$ (44,394)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	646,753	749,040
Other	158,625	(160,524)
Changes in Assets and Liabilities:		
Accounts Receivable	824,066	2,335,119
Inventories	1,075,147	(930,069)
Other	(179,569)	(34,849)
Accounts Payable and Accrued Expenses	(620,246)	(995,422)
Total Adjustments	1,904,976	963,295
Net Cash Provided by Operating Activities	1,428,244	918,901
Cash Flows from Investing Activities:		
Proceeds from Sales/Maturities of Securities Available for Sale	459,850	2,200,044
Purchases of Securities Available for Sale	(250,600)	(896,101)
Additions to Property, Plant and Equipment	(285,597)	(563,990)
Net Cash Provided (Used) by Investing Activities	(76,347)	739,953
Cash Flows from Financing Activities:		
Principle Payments on Capital Leases	(22,659)	(26,775)
Proceeds from Common Shares Issued Under Employee Benefit Plans	5,022	8,282
Dividends Paid	(341,420)	(339,781)
Net Cash Used by Financing Activities	(359,057)	(358,274)
Net Increase in Cash and Cash Equivalents	992,840	1,300,580
Cash and Cash Equivalents, Beginning of Period.	2,569,721	806,069
Cash Equivalents, End of Period	$3,562,561	$ 2,106,649
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Period for:		
Interest	$ 591	$ 2,760
Income Taxes	$ -	$ 89,319

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 3, 2002

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) The accompanying financial statements have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, and reflect all adjustments which, in the opinion of management, are necessary for a fair statement of the results of the interim periods presented. These financial statements do not include all disclosures associated with annual financial statements and, accordingly, should be read in conjunction with footnotes contained in the Company's annual report on Form 10-K for the year ended January 31, 2002. Certain reclassifications have been made to conform to the current period reporting format.

(b) Net income (loss) per common share has been computed and presented pursuant to the provisions of Statement of Financial Accounting Standards No. 128, Earnings Per Share. Net income (loss) per share is based on the weighted average number of shares outstanding during the period. Net income (loss) per share assuming dilution is based on the weighted average number of shares and, if dilutive, common equivalent shares for stock options outstanding during the period.

	Three-Months Ended		Six-Months Ended	
	August 3, 2002	August 4, 2001	August 3, 2002	August 4, 2001
Weighted Average Common Shares Outstanding-basic	4,267,970	4,264,406	4,267,698	4,252,809
Diluted Effect of Options Outstanding	29,518	-	-	-
Weighted Average Common Shares Outstanding - diluted	4,297,488	4,264,406	4,267,698	4,252,809

For the three-months ended August 4, 2001, the diluted per share amount does not reflect options outstanding of 1,687,450 because their effect is anti-dilutive.

For the six-months ended August 3, 2002 and August 4, 2001, respectively, the diluted per share amounts do not reflect options outstanding of 2,077,575 and 1,687,450, respectively because their effect is anti-dilutive.

(c) Derivative Instruments and Hedging: On February 1, 2001, the Company adopted Statement of Financial Accounting Standard (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended by SFAS No. 137, Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of SFAS No. 133, and as amended in June 2000 by SFAS No. 138 Accounting for Certain Derivative Instruments and Certain Hedging Activities - an Amendment to SFAS No. 133 (combined SFAS No. 133). The statement requires companies to record derivatives on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of those derivatives would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. The adoption of this statement did not have a material impact on the Company's results of operations or financial position.

(d) Revenue Recognition: The majority of the Company's product sales are recorded at the time of shipment and when persuasive evidence of an arrangement exists, the seller's price to the buyer is fixed or determinable and collectibility is reasonably assured. Provisions are made at the time the related revenue is recognized for the cost of any installation obligations. When other significant obligations remain after products are delivered, revenue is recognized only after such obligations are fulfilled.

(e) Long-Lived Assets: The Company adopted SFAS No. 141, Business Combinations and SFAS No. 142, Goodwill and Other Intangible Assets, as of February 1, 2002. SFAS No. 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. SFAS No. 142 changes the accounting for goodwill from an amortization method to an impairment-only approach. Also, under SFAS No. 142, amortization of goodwill to earnings is discontinued and the carrying value of goodwill will be evaluated for impairment on at least an annual basis. The impact of discontinuing the amortization of goodwill for the three-months ending August 4, 2001 would have resulted in the net loss decreasing by $31,000 and a net loss per share of four cents. The impact of discontinuing the amortization of goodwill for the six-months ending August 4, 2001 would have resulted in the net loss and net loss per share amount of $44,394 and a one cent loss, respectively, becoming net income and a net income per share of $17,600 and zero cents, respectively. In accordance with the provisions of this statement, the Company has completed the goodwill impairment reviews and it has been determined that the goodwill is not impaired. As a result, the adoption of this statement by the Company did not have a material impact on the financial statements.

The Company adopted SFAS No. 143, Accounting for Asset Retirement Obligations as of February 1, 2002. SFAS No. 143 requires the fair value of a liability for an asset retirement obligation to be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. The adoption of this Statement by the Company did not have an impact on its financial statements.

The Company adopted SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, which supersedes SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of, and the accounting and reporting provisions of Accounting Principles Board (APB) No. 30 as of February 1, 2002. SFAS No. 144 addresses the financial accounting and reporting for the impairment or disposal of long-lived assets. The adoption of this Statement by the Company did not have an impact on its financial statements.

Note 2 - COMPREHENSIVE INCOME

The Company's total comprehensive income (loss) is as follows.

	Three-Months Ended		Six-Months Ended	
	August 3, 2002	August 4, 2001	August 3, 2002	August 4, 2001
Comprehensive Income (Loss):				
Net Income (Loss).................	$ 156,142	$(194,058)	$(476,532)	$ (44,394)
Other Comprehensive Income (Loss):				
Foreign currency translation adjustments, net of tax	70,332	(22,190)	147,187	(93,580)
Unrealized gain (loss) in securities:				
Unrealized holding gain (loss) arising during the period, net of tax	16,038	(17,823)	(23,934)	4,674
Reclassification adjustment for (gain) loss included in net income, net of tax........	(5,817)	-	(5,817)	625
Other Comprehensive Income (Loss)...	80,553	(40,013)	117,436	(88,281)
Comprehensive Income (Loss).........	$ 236,695	$(234,071)	$(359,096)	$(132,675)

Note 3 - INVENTORIES

Inventories, net of reserves are stated at the lower of cost (first-in, first-out) or market and include material, labor and manufacturing overhead. The components of inventories were as follows:

	August 3, 2002	January 31, 2002
Materials and Supplies	$4,803,136	$ 5,850,797
Work-In-Process	989,026	961,279
Finished Goods	3,338,542	3,431,106
	$9,130,704	$10,243,182

Note 4 - Segment Information

Summarized below are the sales and segment operating profit (loss) for each reporting segment for three-months ended August 3, 2002 and August 4,2001:

	Sales		Segment Operating Profit(Loss)	
	August 3, 2002	August 4, 2001	August 3, 2002	August 4, 2001
T&M	$ 3,327,000	$ 2,970,000	$ 308,000	$ 62,000
QLS	5,629,000	4,758,000	144,000	86,000
G-T	3,966,000	4,404,000	423,000	297,000
Total	$12,922,000	$12,132,000	875,000	445,000
Corporate Expenses			834,000	764,000
Operating Income (Loss)			41,000	(319,000)
Other Income (Expenses)			158,000	77,000
Income (Loss) Before Income Taxes			199,000	(242,000)
Income Taxes Provision (Benefit)			43,000	(48,000)
Net Income (Loss)			$ 156,000	$(194,000)

Summarized below are the sales and segment operating profit (loss) for each reporting segment for the six-months ended August 3, 2002 and August 4, 2001:

	Sales		Segment Operating (Loss)	
	August 3, 2002	August 4, 2001	August 3, 2002	August 4, 2001
T&M	$ 6,014,000	$ 5,988,000	$ 223,000	$ 187,000
QLS	10,889,000	9,653,000	79,000	315,000
G-T	7,401,000	8,927,000	323,000	744,000
Total	$24,304,000	$24,568,000	625,000	1,246,000
Corporate Expenses			1,525,000	1,549,000
Operating Loss			(900,000)	(303,000)
Other Income (Expenses)			292,000	247,000
Loss Before Income Taxes			(608,000)	(56,000)
Income Tax Benefit			(131,000)	(12,000)
Net Loss			$(477,000)	$ (44,000)

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

Results of Operations:

Three-Months Ending August 3, 2002 vs. Three-Months Ending August 4, 2001

Sales in the quarter were $12,922,000, a 7% increase from the prior year's sales of $12,132,000. Domestic sales were $9,331,000, up 6% from $8,796,000 for the second quarter of the prior fiscal year. Sales through the Company's international channels were $3,591,000, up 8% over previous year's second quarter sales of $3,336,000.

Gross profit dollars were $4,855,000, which generated a margin yield of 37.6% for the quarter as compared to a margin yield last year of 39.3%. The lower margin percentage in the second quarter can be attributed to the change in sales mix.

Operating expenses in the quarter were $4,814,000. Selling and general administrative spending declined 7% from last year to $3,864,000. Spending reductions in personnel, advertising, travel, commissions and the elimination of goodwill amortization account for the decrease.

Research and development funding rose 2% from the prior year to $950,000. This increase can be attributed to personnel costs.

Other income (expense) increased primarily as a result of higher foreign exchange gains and a $24,700 gain on the sale of certain securities, partially offset by lower investment income.

The Company's operations have historically been aggregated into a single reporting segment based on certain similarities in the nature and characteristics of the products and services and the lack of the availability of the financial information at the product group level. The Company has evolved to the point where it can now place additional emphasis on the financial information generated at the product group level. Consequently, the Company will report three reporting segments consistent with its sales product groups: Test & Measurement (T & M); QuickLabel Systems (QLS) and Grass-Telefactor (G-T). As a result, the Company has restated the prior years segment data to present all periods on a comparable basis. The Company evaluates segment performance based on the segment profit (loss) before corporate and financial administration expenses.

T&M's product sales were $3,327,000, up 12% from the $2,970,000 of the previous year. This increase in T&M's sales can be attributed to strong demand for the Dash 18 recorder and slightly higher Everest sales. T&M's segment profit margin improved to 9% in the quarter from 2% in the previous year. The improvement in T&M's margin is attributed to a higher sales volume with higher margins and lower operating expenses.

QLS's sales increased to $5,629,000, an 18% increase over the $4,758,000 of sales reported in the second quarter of the previous year. Printer and media sales increased 8% and 24%, respectively. The increase in printer sales can be attributed to the shipments of the newly introduced 4100X color printer. The increase in QLS's media sales can be attributed to higher demand driven, in part, by a larger installed base of QLS products. QLS's second quarter segment profit margin improved to 3% up from 2% in the previous year. The increase in margin is attributed to the higher sales volume, partially offset by lower margins resulting from the change in sales mix and the lower operating expenses.

Results of Operations (continued):

Three-Months Ending August 3, 2002 vs. Three-Months Ending August 4, 2001

G-T sales in the quarter were $3,966,000, down 10% from $4,404,000 reported in the second quarter of the previous year. The decline in sales can be attributed to lower sales in our long-term monitoring product line and lower spending by research customers on biomedical applications, partially offset by the increase in the G-T's Aurora product sales. The G-T segment operating profit margin increased to 11% in the second quarter from 7% in the previous year. The increase in margin is attributed to the lower operating expenses.

Six-Months Ending August 3, 2002 vs. Six-Months Ending August 4, 2001

Sales for the first six-months of the current year were $24,304,000, a 1% decrease from the prior year's sales of $24,568,000. Domestic sales were $17,752,000, down less than 1% from $17,837,000 for the six-months of the prior fiscal year. Sales through the Company's international channels were $6,552,000, down 3% over previous year's six-months sales of $6,731,000.

Gross profit dollars were $8,664,000, which generated a margin yield of 35.6% for the six-months of the current year as compared to a margin yield last year of 40.0%. The lower margin percentage for the first six-months of this year can be attributed to the change in sales mix.

Operating expenses in the quarter were $9,564,000. Selling and general administrative spending declined 8% from last year to $7,606,000. Spending reductions in personnel, advertising, travel, commissions and the elimination of goodwill amortization account for the decrease.

Research and development funding rose 7% from the prior year to $1,958,000. This increase can be attributed primarily to personnel costs.

Other income (expense) increased primarily as a result of higher foreign exchange gains, partially offset by lower investment income.

The Company's operations have historically been aggregated into a single reporting segment based on certain similarities in the nature and characteristics of the products and services and the lack of the availability of the financial information at the product group level. The Company has evolved to the point where it can now place additional emphasis on the financial information generated at the product group level. Consequently, the Company will report three reporting segments consistent with its sales product groups: Test & Measurement (T & M); QuickLabel Systems (QLS) and Grass-Telefactor (G-T). As a result, the Company has restated the prior years segment data to present all periods on a comparable basis. The Company evaluates segment performance based on the segment profit (loss) before corporate and financial administration expenses.

Results of Operations (continued):

Six-Months Ending August 3, 2002 vs. Six-Months Ending August 4, 2001

T&M's product sales were $6,014,000, up less than 1% from the $5,988,000 of the previous year. T&M sales were essentially flat with the prior year as a result of the strong demand for the Dash 18 experienced so far this year being offset by the soft first quarter Everest sales. The soft Everest sales in the first quarter resulted from the shift in defense spending (i.e., the shift from testing and research to the fight against terrorism). T&M's segment profit margin increased to 4% in the quarter from 3% in the previous year. The increase in T&M's margin is attributed to the lower operating expenses.

QLS's sales increased to $10,889,000, a 13% increase over the $9,653,000 of sales reported in the first six-months of the previous year. This increase is attributed to the 20% growth in media sales. QLS's segment profit margin declined to 1% in the first six-months, down from 3% in the previous year. The decline in margin is primarily attributed to the change in sales mix within the group.

G-T sales decreased to $7,401,000, down 17% from $8,927,000 reported in the first six-months of the previous year. The decline in sales can be attributed to lower sales in our long-term monitoring product line and lower spending by research customers on biomedical applications, partially offset by the increase in the G-T's Aurora product sales. The G-T segment operating profit margin declined to 4% for the first six-months of this year from 8% in the previous year. The decline in margin is attributed to the change in sales mix which were partially offset by lower operating expenses.

Financial Condition:

The Company's Statements of Cash Flows for the six-month ending August 3, 2002 and August 4, 2001 are included on page 6. Net cash flow provided by operating activities for the six-months ending August 3, 2002 and August 4, 2001 were $1,428,000 versus $919,000 of the previous year.

Cash and securities available for sale at the end of the second quarter totaled $6,696,000, up from $5,911,000 at year-end. This balance increased primarily as a result of the company lowering its accounts receivable and inventory balances significantly since year-end. The accounts receivable collection cycle improved by eight days decreasing to 52 net days sales outstanding at the end of the quarter as compared to the 60 days outstanding at year-end. Inventory declined to $9,131,000 from the year-end with the higher level of sales and better inventory control. As a result, inventory turns improved to 2.9 times from 2.3 times at year-end.

Capital expenditures were $286,000 for the six-months ended August 3, 2002 as the Company purchased machinery and equipment, information technology hardware and software and tools and dies.

The Company paid cash dividends for the six months ending August 3, 2002 $341,000 or $0.08 per common share.

Critical Accounting Policies, Commitments and Certain Other Matters:

In the Company's Form 10-K for the year ended January 31, 2002, the Company's most critical accounting policies and estimates upon which our financial status depends were identified as those relating to revenue recognition, warranty claims, bad debt, customer returns, inventories and long-lived assets. We considered the disclosure requirements of Financial Release ("FR") 60 ("FR-60") regarding critical accounting policies and FR-61 regarding liquidity and capital resources, certain trading activities and related party/certain other disclosures, and concluded that nothing materially changed during the quarter that would warrant further disclosure under these releases.

Safe Harbor Statement

This document contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Factors which could cause actual results to differ materially from those anticipated include, but are not limited to, general economic, financial and business conditions; declining demand in the test and measurement markets, especially defense and aerospace; competition in the specialty printer industry; ability to develop market acceptance of the QLS color printer products and effective design of customer required features; competition in the data acquisition industry; competition in the neurophysiology industry; the impact of changes in foreign currency exchange rates on the results of operations; the ability to successfully integrate acquisitions; the business abilities and judgment of personnel and changes in business strategy.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Astro-Med, Inc.'s exposure to market risk has not changed materially from its exposure at January 31, 2002 as set forth in Item 7A in Astro-Med, Inc.'s Form 10K for the fiscal year ended January 31, 2002.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

The following exhibits are filed as part of this report on Form 10-Q:

99.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K:

On June 28, 2002, the Company filed a Form 8-K indicating that the Audit Committee of the Board of Directors of Astro-Med, Inc. dismissed the Company's independent auditors, Arthur Andersen LLP.

On July 9, 2002, the Company filed a From 8-K indicating that the Audit Committee of the Board of Directors of Astro-Med, Inc. engaged the services of Ernst & Young as its new independent auditors.

SIGNATURES

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.

ASTRO-MED, INC.
(Registrant)

Date: August 28, 2002 *By /s/ A. W. Ondis*

A. W. Ondis, Chairman
(Principal Executive Officer)

Date: August 28, 2002 *By /s/ Joseph P. O'Connell*

Joseph P. O'Connell, Vice President and Treasurer
(Principal Financial Officer)

Exhibit 99.1

ASTRO-MED, INC.
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Astro-Med, Inc. (the "Company") on Form 10-Q for the period ending August 3, 2002 as filed with the Securities and Exchange Commission on the Date hereof (the "Report"), I, Albert W. Ondis, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 28, 2002 *By /s/ A. W. Ondis*

A. W. Ondis, Chairman
(Principal Executive Officer)

Exhibit 99.2

ASTRO-MED, INC.
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Astro-Med, Inc. (the "Company") on Form 10-Q for the period ending August 3, 2002 as filed with the Securities and Exchange Commission on the Date hereof (the "Report"), I, Joseph P. O'Connell, Vice President and Treasurer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

```
Date: August 28, 2002            By /s/ Joseph P. O'Connell
                                    --------------------------------
                                       Joseph P. O'Connell, Vice
                                       President and Treasurer
                                      (Principal Financial Officer)
```