

EDMP, INC. Quarterly Review

PRESIDENT'S MESSAGE

The first quarter of 1994 ended with a bang. Extreme nervousness by professional and individual investors alike clearly demonstrates the peculiar illogic of Wallstreet. The old adage "the market climbs a wall of worry" seems most appropriate. During the passing recession we worried that the economy was bad, now that it's getting better we worry about interest rates and inflation. The point is, there will always be something people can find to worry about. The successful investor maintains a rational perspective and avoids hysteria. Knowledge is the key to reason.

Here is how I see our world and more importantly our portfolio today. The companies we own are the highest quality and the most dominant in their perspective industries. Most have re-engineered and restructured themselves into leaner more efficient operators and have clean balance sheets with low or in many cases no debt. With the economy improving both here and abroad our well-managed multinational companies are better positioned to profit than perhaps they have ever been. I see a very bright earnings future for the companies we hold and therefore, I am totally confident of future investment performance. Not only do I believe our long term results will be extraordinary, I believe our long term risks are low as well.

Please know that I am not deluding myself or exercising an attitude of denial. I fully realize and I am well aware of the current realities of the market. There are many bears out there who insist that the correction will be long and deeper from here. That is a real possibility, especially regarding the many historically overvalued companies that are still trading at all time highs and valuations. However, it is important to point out that our companies are trading at prices and values which are historically low. Consequently, if the bearish prophecies prove true, we see two scenarios as most likely for our portfolios. First, our stocks may miss most of the bear move based on their already low values. Or, second, if they do participate, it is only

logical to expect them to be the first to recover and ultimately recover the most. At EDMP, Inc. we take the sensible long view towards investments. Remember, earnings determine market price, always have, always will.

Sincerely,



Charles C. Carnevale
President