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John Doe

EDMP, INC. Quarterly Review

PRESIDENT'S MESSAGE

Calender year 1993 ended on a positive note for EDMP, Inc. and our client's portfolios. Many of our companies are finally beginning to receive the respect they so rightfully deserve. The large institutions and the nations leading analyst have begun to recognize the incredible values of our core portfolio holdings. In our opinion this augurs very well for the future performance of our portfolios.

There are still many bears out there who insist that a correction is eminent. At EDMP, Inc., we share this view regarding many historically overvalued companies trading at all time highs and valuations. However, it is important to again note that our holdings are trading, still today, at prices and values which are historically low. Consequently, if the bearish prophecies prove true, we see two possible scenarios for our portfolios. First, our stocks may miss the bear move altogether 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 simultaneously offer the potential to recover the most. Of course there are other possible scenarios, however, we believe these to be the most likely.

In closing, I would like to share some insights from a remarkable book that is currently attracting a great deal of attention on "Wall Street." The book is titled *The Great Boom Ahead* , written by Harry S. Dent, Jr. I highly recommend it to anyone who is concerned with their financial future. In short, the book discusses the powerful impact and strong correlation between demographics and the value of stocks. History shows that people spend the most at 49 years of age. Currently, over 76,000,000 baby boomers are approaching this age group. The attached graph clearly illustrates the correlation of this group to the value of stocks. The potential for value growth investing is obvious and powerful. One final point, at EDMP, Inc., we are investors who take the sensible long view towards investments. The above study clearly illustrates the logic and validity of this approach.

I would like to close with a quote from the business section of the *Tampa Tribune* on January 10, 1994. This is a quote from another book, *Stocks for the Long Run,* by Wharton School of Business finance professor Jeremy Siegel. "You can mix and match any 30-year period in stocks to any in bonds and T-bills, and find it impossible not to find stocks coming out on top. Although stock are certainly riskier than bonds in the short run, over the long run, the returns on stocks are so stable that stocks are actually safer than either government bonds or Treasury bills." This general statement is absolutely correct. However, let us never forget that specifically, earnings determine market price, always have, always will.

Sincerely,

Charles C. Carnevale
President