

DGT HOLDINGS CORP.

FORM S-2

(Securities Registration Statement (alternate form))

Filed 04/30/96

Address	100 PINE AIRE DRIVE BAY SHORE, NY 11706
Telephone	631 231-6400
CIK	0000027748
Symbol	DGTC
SIC Code	3679 - Electronic Components, Not Elsewhere Classified
Industry	Medical Equipment & Supplies
Sector	Healthcare
Fiscal Year	07/31

REGISTRATION NO. 33-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-2

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

DEL GLOBAL TECHNOLOGIES CORP.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

NEW YORK
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

13-1784308
(I.R.S. EMPLOYER
IDENTIFICATION NO.)

**ONE COMMERCE PARK
VALHALLA, NY 10595**

(914) 686-3600

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

**LEONARD A. TRUGMAN
CHAIRMAN, CHIEF EXECUTIVE OFFICER AND PRESIDENT
DEL GLOBAL TECHNOLOGIES CORP.
ONE COMMERCE PARK
VALHALLA, NY 10595**

(914) 686-3600

(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE,
OF AGENT FOR SERVICE)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as

practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. //

If the registrant elects to deliver its latest annual report to security holders, or a complete and legible facsimile thereof, pursuant to Item 11(a) (1) of this Form, check the following box. //

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. //

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. //

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. //

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SHARE (1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (1)	AMOUNT OF REGISTRATION FEE
Common Stock (\$.10 par value).....	2,300,000 Shares	\$8.44	\$19,412,000	\$6,694

(1) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(c) under the Securities Act of 1933 based upon the average of the high and low prices on April 26, 1996.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(A), MAY DETERMINE.

**DEL GLOBAL TECHNOLOGIES CORP.
CROSS REFERENCE SHEET**

ITEM OF FORM S-2	HEADING IN PROSPECTUS
1. Forepart of the Registration Statement and Outside Front Cover Page of Prospectus.....	Facing Page; This Page; Outside Front Cover Page
2. Inside Front and Outside Back Cover Pages of Prospectus.....	Inside Front and Outside Back Cover Pages
3. Summary Information and Risk Factors and Ratio of Earnings to Fixed Charges.....	Prospectus Summary; Risk Factors
4. Use of Proceeds.....	Use of Proceeds
5. Determination of Offering Price.....	Not Applicable
6. Dilution.....	Not Applicable
7. Selling Security Holders.....	Not Applicable
8. Plan of Distribution.....	Outside Front Cover Page; Underwriting
9. Description of Securities to be Registered.....	Description of Capital Stock
10. Interests of Named Experts and Counsel.....	Legal Matters; Experts
11. Information with Respect to the Registrant.....	Front Cover Page; Prospectus Summary; Use of Proceeds; Price Range of Common Stock; Dividend Policy; Capitalization; Selected Consolidated Financial Data; Management's Discussion and Analysis of Financial Condition and Results of Operations; Business; Management; Description of Capital Stock; Available Information; Consolidated Financial Statements; Consolidated Pro Forma Financial Information
12. Incorporation of Certain Information by Reference.....	Incorporation of Certain Documents by Reference
13. Disclosure of Commission Position on Indemnification for Securities Act Liabilities.....	Not Applicable

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

SUBJECT TO COMPLETION, DATED APRIL 30, 1996

PROSPECTUS

2,000,000 Shares

Common Stock

All of the 2,000,000 shares of Common Stock offered hereby are being sold by Del Global Technologies Corp. (the 'Company'). The Company's Common Stock is quoted on the American Stock Exchange under the symbol 'DEL.' On April 26, 1996, the last reported sale price for the Company's Common Stock on the American Stock Exchange was \$8.44 per share. The Common Stock has been approved for quotation on the Nasdaq National Market under the symbol 'DGTC'. After the completion of this offering, the Common Stock will be traded on the Nasdaq National Market under the symbol 'DGTC' rather than on the American Stock Exchange. See 'Price Range of Common Stock.'

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK. SEE 'RISK FACTORS' BEGINNING ON PAGE 6 FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED BY PROSPECTIVE PURCHASERS OF THE COMMON STOCK OFFERED HEREBY.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION

TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS (1)	PROCEEDS TO COMPANY (2)
Per Share.....	\$	\$	\$
Total (3).....	\$	\$	\$

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933. See 'Underwriting.'

(2) Before deducting expenses payable by the Company, estimated at \$450,000.

(3) The Company has granted to the Underwriters a 30-day option to purchase up to an additional 300,000 shares of Common Stock solely to cover over-allotments, if any. If the Underwriters exercise this option in full, the total Price to Public, Underwriting Discounts and Commissions and Proceeds to Company will be \$, \$ and \$, respectively. See 'Underwriting.'

The shares of Common Stock offered by this Prospectus are offered by the several Underwriters, subject to prior sale, when, as and if delivered to and accepted by them, and subject to the right of the Underwriters to reject orders in whole or in part. It is expected that delivery of the shares of Common Stock will be made in New York, New York, on or about , 1996.

The date of this Prospectus is _____, 1996

SELECTED MEDICAL IMAGING SYSTEMS

[PHOTO]

DynaRad HF-110A Portable System

[PHOTO]

DynaRad NOVA-SC Mammography System

[PHOTO]

Gendex Mamex Mammography System

[PHOTO]

Gendex High Frequency Generator

[PHOTO]

Gendex Elevating Table System

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH MAY STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE AMERICAN STOCK EXCHANGE, THE NASDAQ NATIONAL MARKET OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by reference to the more detailed information and the Consolidated Financial Statements and Notes thereto included or incorporated by reference in this Prospectus. Except as otherwise indicated, all information contained in this Prospectus assumes that the Underwriters' over-allotment option is not exercised.

THE COMPANY

Del Global Technologies Corp. is primarily engaged in the design, manufacture and marketing of medical imaging systems and critical electronic subsystems for medical imaging and diagnostic products. The Company's products are designed to provide cost-effective, high-quality solutions to the needs of its customers. The Company's medical imaging systems include mammography systems, high frequency x-ray generators and x-ray systems (both stationary and portable) sold under both its tradenames and private labels. The Company's critical electronic subsystems are custom engineered to complex customer performance specifications and include high voltage power components, such as power supplies, capacitors, transformers and pulse forming networks. These products are utilized by original equipment manufacturers ('OEMs') for medical imaging and diagnostic products having a broad range of applications such as computerized tomography (CT), magnetic resonance imaging (MRI), bone densitometry, radiography, blood analysis, medical laser surgery and nuclear medicine. As a result of its record for quality and reliability, the Company has developed close working relationships with its OEM customers. These relationships often result in the Company's selection as the sole source provider of these critical electronic subsystems to OEMs. The Company also designs, manufactures and markets precision power conversion products for non-medical applications and electronic noise suppression systems for telecommunications equipment.

The Company believes that recent cost containment trends in the healthcare industry have created opportunities for its cost-effective medical imaging products in domestic and international markets. Such trends include:

- o **INCREASED DEMAND FOR LOWER COST MEDICAL EQUIPMENT.** The Company's medical systems and critical electronic subsystems are designed to meet the needs of the healthcare industry to reduce medical imaging and diagnostic costs. The Company focuses its sales, marketing and development efforts primarily on medical imaging systems and critical electronic subsystems priced at under \$100,000 per unit. The Company's medical imaging systems have a list price of approximately \$9,000 to \$70,000 per unit; however, the Company believes that its products offer comparable performance to competing products typically priced higher.
- o **OUTSOURCING OF CRITICAL ELECTRONIC SUBSYSTEMS.** OEMs are responding to an increasingly competitive environment by concentrating on their core strengths such as marketing and distribution. As a result, OEMs are attempting to lower their cost structures by outsourcing their requirements for certain critical electronic subsystems to lower cost manufacturers such as the Company. The Company has successfully utilized its engineering and manufacturing skills to provide such subsystems on a cost-effective basis. In addition, the Company's longstanding customer relationships have provided the Company with substantial opportunities to demonstrate its expertise and expand its sales to OEMs.
- o **INCREASED DEMAND FOR CERTAIN DIAGNOSTIC PROCEDURES.** The proliferation of managed care and the recent introduction of new therapies for diseases such as osteoporosis have resulted in increased demand for certain diagnostic procedures. Diagnostic imaging is an integral component of the early detection, diagnosis, treatment and monitoring of certain diseases. In addition, many managed care providers have encouraged the use of such early diagnostic imaging procedures as a method of reducing overall healthcare costs.
- o **LOWER COST MEDICAL SERVICES IN CERTAIN INTERNATIONAL MARKETS.** International demand for cost-effective medical devices is increasing as many countries with limited healthcare budgets are attempting to improve the quality of care offered to their citizens.

During the past four years the Company has grown internally and through acquisitions into a company whose predominant business is serving the medical imaging and diagnostic markets. Most significantly, in March 1996 the Company completed the acquisition of certain assets of the Gendex Medical Division ('Gendex') of

Dentsply International Inc. Gendex, which designs, manufactures and markets medical imaging systems and related products, had recorded net sales of approximately \$18.9 million during the calendar year ended December 31, 1995. The Company's sales of medical imaging products increased from approximately \$3.4 million or 17.7% of total net sales in fiscal 1992 to approximately \$35.4 million or 66.1% of total net sales in fiscal 1995 on a pro forma basis. Reflecting worldwide demand for its products and increased international sales efforts, the Company has increased export sales from approximately \$5.3 million in fiscal 1992 to approximately \$11.7 million in fiscal 1995. Export sales consist of direct sales of the Company's products and sales of subsystems that are incorporated into OEMs' products for export.

The Company's goal is to become a leading provider of cost-effective, high-quality medical imaging systems and critical electronic subsystems at a per unit price of less than \$100,000. The Company's strategy to achieve this goal is to continue to expand its business by focusing on selling cost-effective products; by developing additional innovative medical imaging products; by leveraging its marketing expertise to expand domestic and international sales; by expanding existing OEM customer relationships; and by continuing its strategic acquisition program.

The Company was incorporated under the laws of the State of New York in 1954. The Company's principal offices are located at One Commerce Park, Valhalla, New York 10595. The Company's telephone number is (914) 686-3600. As used in this Prospectus, the term 'Company' includes the Company's subsidiaries.

THE OFFERING

Common Stock offered by the Company.....	2,000,000 shares
Common Stock to be outstanding after this offering.....	6,378,167 shares(1)
Use of proceeds.....	For repayment of certain outstanding indebtedness and for general corporate purposes, including working capital and potential acquisitions. See 'Use of Proceeds.'
American Stock Exchange Symbol(2).....	DEL
Approved Nasdaq National Market Symbol(2).....	DGTC

(1) Based on the number of shares outstanding as of April 19, 1996. Does not include an aggregate of (i) 1,636,651 shares of Common Stock issuable upon exercise of options outstanding under the Company's employee stock option plan, of which 1,338,373 shares are currently exercisable at a weighted average exercise price of \$3.53 per share; (ii) 300,000 shares of Common Stock issuable upon exercise of the Underwriters' over-allotment option; and (iii) 202,256 shares of Common Stock reserved for issuance upon exercise of outstanding warrants exercisable at a weighted average exercise price of \$5.76. See 'Underwriting.'

(2) After the completion of this offering, the Common Stock will be traded on the Nasdaq National Market rather than on the American Stock Exchange.

SUMMARY CONSOLIDATED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE AND SUPPLEMENTAL DATA)

	FISCAL YEAR ENDED					SIX MONTHS ENDED(2)	
	AUGUST 3, 1991	AUGUST 1, 1992	JULY 31, 1993(2)	JULY 30, 1994(2)	JULY 29, 1995(2)	JANUARY 28, 1995(2)	FEBRUARY 3, 1996
							ACTUAL
CONSOLIDATED STATEMENT OF INCOME DATA:							
Net sales.....	\$17,323	\$18,949	\$ 22,287	\$ 24,327	\$ 32,596	\$13,715	\$16,801
Gross profit.....	6,651	7,195	8,832	9,148	13,418	6,215	7,056
Income before provision for income taxes.....	1,478	2,150	2,369	1,455	2,742	1,375	1,673
Net income.....	1,082	1,492	1,661	1,190(3)	1,905	956	1,163
Net income per common share and common share equivalent, primary and fully diluted(1).....	\$ 0.35	\$ 0.34	\$ 0.36	\$ 0.25(3)	\$ 0.39	\$ 0.19	\$ 0.23
Number of shares used in computation of primary earnings per share(1).....	3,137	4,426	4,573	4,897	5,044	5,012	5,247
Number of shares used in computation of fully diluted earnings per share(1).....	3,137	4,439	4,575	4,897	5,066	5,012	5,252
SUPPLEMENTAL OPERATING DATA:							
Percentage of Sales:							
Medical Imaging Products.....	14.8%	17.7%	35.9%	38.7%	44.2%	47.0%	46.4%
Non-Medical Products.....	85.2%	82.3%	64.1%	61.3%	55.8%	53.0%	53.6%
SIX MONTHS ENDED(2)							
FEBRUARY 3, 1996							
	PRO FORMA(4)	PRO FORMA AS ADJUSTED(4)(5)					
CONSOLIDATED STATEMENT OF INCOME DATA:							
Net sales.....	\$25,438	\$25,438					
Gross profit.....	8,214	8,214					
Income before provision for income taxes.....	1,213	1,806					
Net income.....	843	1,255					
Net income per common share and common share equivalent, primary and fully diluted(1).....	\$ 0.16	\$ 0.18					
Number of shares used in computation of primary earnings per share(1).....	5,247	7,247					
Number of shares used in computation of fully diluted earnings per share(1).....	5,252	7,252					
SUPPLEMENTAL OPERATING DATA:							
Percentage of Sales:							
Medical Imaging Products.....	64.6%	64.6%					
Non-Medical Products.....	35.4%	35.4%					
FEBRUARY 3, 1996							
	ACTUAL	PRO FORMA(4)	PRO FORMA AS ADJUSTED(4)(5)				
CONSOLIDATED BALANCE SHEET DATA:							
Working capital.....		\$21,917	\$27,797	\$28,929			
Total assets.....		40,670	48,420	49,552			
Long-term debt.....		11,755	17,455	5,055			
Shareholders' equity.....		21,152	21,152	36,485			

(1) Net income per common share and common share equivalent has been restated to give effect to stock dividends in fiscal years 1992, 1993, 1994, 1995 and 1996. See Note 1 of Notes to the Company's Consolidated Financial Statements for computation of earnings per share.

(2) The fiscal years ended July 31, 1993, July 30, 1994, July 29, 1995 and the six month periods ended January 28, 1995 and February 3, 1996 include the operations of Dynarad Corp. ('Dynarad'); the fiscal years ended July 30, 1994, July 29, 1995 and the six month periods ended January 28, 1995 and February 3, 1996 include the operations of Bertan High Voltage Corp. ('Bertan') from their respective dates of acquisition.

(3) Includes cumulative effect of adoption of SFAS-109 'Accounting for Income Taxes' in fiscal 1994 of \$76,363 or \$0.02 per common share.

(4) Gives effect to the Gendex acquisition, which was funded through bank borrowings of \$5.7 million and the issuance of a subordinated note for \$1.8 million, as if the transactions occurred at the beginning of the six month period for statement of income data and at February 3, 1996 for balance

sheet data. The pro forma financial information is not necessarily indicative of the operating results which would have been achieved had the Company acquired Gendex at the beginning of the period presented or the results to be achieved in the future.

(5) As adjusted to give effect to estimated net proceeds of approximately \$15.3 million from the offering, assuming an offering price of \$8.44 per share of Common Stock, and issuance of 2,000,000 additional shares of Common Stock, as if the offering had occurred at the beginning of the six month period for statement of income data and at February 3, 1996 for balance sheet data.

RISK FACTORS

Prospective investors should carefully consider the following risk factors, in addition to the other information in this Prospectus or incorporated herein by reference, in evaluating the Company and its business before purchasing the shares of Common Stock offered hereby.

ACQUISITION PROGRAM

As part of its growth strategy, the Company has been engaged in a strategic acquisition program to expand its product lines, particularly its medical imaging systems. Since December 1989, the Company has completed five acquisitions. The success of the Company's acquisition program and of its underlying growth strategy will depend, among other things, on the continued availability of suitable acquisition candidates. Many of the Company's competitors have greater financial, marketing and other resources than the Company and may be willing to pay higher prices for acquisitions. There can be no assurance as to the Company's ability to compete for or finance acquisitions, or that the Company will be able to complete any acquisitions on satisfactory terms, or at all, in the future. In order to finance acquisitions, it may be necessary for the Company to raise additional funds through public or private financing. Any equity or debt financing, if available at all, may be on terms which are not favorable to the Company and, in the case of equity financing, may result in dilution to the Company's stockholders. The Company's ability to integrate the operations of acquired companies is essential to any successful acquisition. There can be no assurance that the Company will be successful at integrating or managing new businesses. See 'Business--The Company's Strategy.'

GENDEX ACQUISITION

In March 1996 the Company completed the acquisition of certain assets of Gendex for approximately \$7.5 million. The acquired business generated approximately \$18.9 million in net sales for the calendar year ended December 31, 1995. As a consequence of the Gendex acquisition, the Company has grown significantly in size and has broadened its medical imaging product line. The Gendex business has not yet been fully integrated with the Company's other operations, and there can be no assurance that the Company will be able to accomplish such integration successfully. In view of the size of the Gendex business, any failure to integrate it successfully into the Company's other operations would have a material adverse effect on the Company's business, results of operations and financial condition. See 'Business.'

GOVERNMENT REGULATION

The Company's medical imaging systems are subject to regulation under both the Federal Food, Drug, and Cosmetics Act and the Radiation Control for Health and Safety Act. These statutes, in combination and individually, impose strict requirements dealing with the safety, effectiveness and other properties of the products to which they apply and address elements relating to the testing,

manufacturing standards and procedures, distribution, record keeping, report making, labeling, promotion and radiation emitting qualities of these products. Failure to comply can result in, among other things, the imposition of fines, criminal prosecution, recall and seizure of products, injunctions restricting or precluding production or distribution, the denial of new product approvals and the withdrawal of existing product approvals.

Prior to commercial distribution in the United States, most medical products, including the Company's, must be listed with the Food and Drug Administration ('FDA') and the facilities in which they are manufactured must be registered with the FDA. Additionally, prior to distribution, the products are required to be subjected to a review process by the FDA to assess whether they qualify for marketing under a '510(k)' Premarket Notification Process as substantially equivalent to a product marketed before May 28, 1976 or whether an application for Premarket Approval must be favorably acted upon before they may be distributed. All of the Company's products to date have met the appropriate FDA requirement for marketing but no assurance can be given that the Company will receive marketing authority with respect to additional products or applications of the Company's technology.

The Company must also comply with current Good Manufacturing Practice ('GMP') regulations promulgated by the FDA. These regulations require, among other things, that (i) the manufacturing process be regulated and controlled by the use of written procedures and (ii) the production of medical products, which meet

the manufacturer's specifications, be validated by extensive and detailed testing of every aspect of the process. They also require investigation of any deficiencies in the manufacturing process or in the products produced and detailed record keeping. Manufacturing facilities are subject to FDA inspection on an unscheduled basis to monitor compliance with GMP requirements. If violations of the applicable regulations are noted during FDA inspections of the Company's manufacturing facilities, there may be a material adverse effect on the continued marketing of the Company's products through the imposition of penalties, withdrawal of approvals or damage to reputation or goodwill. The Company is in compliance with current GMP requirements in all material respects.

The Company's marketing of its products in several foreign markets is subject to foreign country qualification and regulation. In certain foreign markets it may be necessary or advantageous to obtain ISO 9000 certification, which is analogous to compliance with the FDA's GMP requirements. The Company is in the process of obtaining ISO 9000 certification for certain of its operating facilities; however, there can be no assurance that such facilities will receive

ISO 9000 certification or that the Company will be able to continue to meet the requirements for ISO 9000 certification.

There can be no assurance that the Company's products will continue to comply with all applicable FDA regulations or that the Company will receive the requisite approvals to market any of its future products. Any failure to receive approvals, withdrawal of existing approvals or non-compliance with performance standards could have a material adverse effect on the Company's business, results of operations and financial condition. In addition, any change in existing Federal, state or foreign laws or regulations, or in the interpretation or enforcement thereof, or the promulgation of any additional laws or regulations could have a material adverse effect on the Company's business, results of operations and financial condition. See 'Business--Government Regulation.'

COMPETITION

The markets for the Company's products are highly competitive and subject to technological change and evolving industry requirements and standards. The Company believes that these trends will continue into the foreseeable future. Many of the Company's current and potential competitors have substantially greater financial, marketing and other resources than the Company. As a result, they may be able to adapt more quickly to new or emerging technologies and changes in customer requirements, or to devote greater resources to the promotion and sale of their products than the Company. Competition could increase if new companies enter the market or if existing competitors expand their product lines or intensify efforts within existing product lines. Although the Company believes that its products are more cost-effective than those of its primary competitors, certain competing products may have other advantages which may limit the Company's market. There can be no assurance that continuing improvements in current or new products by competitors will not make their products technically equivalent or superior to the Company's products in addition to providing cost or other advantages. There can be no assurance that the Company's current products, products under development or ability to introduce new products will enable it to compete effectively. See 'Business--Competition.'

UNCERTAINTY OF HEALTHCARE REFORM

In recent years, healthcare reform and medical cost containment have received significant attention in the United States and many foreign countries, including proposals to reduce Medicare and Medicaid payments and to move toward managed care. Although the Company believes that its products are cost-effective, certain reform proposals and cost containment measures being considered by Congress, as well as certain states, could limit price increases on, and future sales of, the Company's medical imaging systems and its critical electronic subsystems for medical applications due, among other things, to decisions by hospitals and other healthcare providers to defer or reduce acquisitions of capital equipment. As a result, such reforms or cost containment measures could materially and adversely affect revenues derived by the Company

from sales of these products. Uncertainty in the medical community regarding the nature and effect of proposed healthcare reforms and cost containment measures may also have a material adverse effect on sales of these products. See 'Business--Government Regulation.'

DEPENDENCE ON THE COMPANY'S KEY PERSONNEL

The Company is highly dependent on the key members of its management, the loss of whose services could significantly impede the achievement of the Company's business objectives. Although the Company has been able to attract and retain highly qualified and well-trained managerial and technical personnel, there can be no assurance that the Company will be able to continue to attract individuals with the requisite credentials, or will be able to attract and retain personnel on acceptable terms. See 'Management.'

PRODUCT LIABILITY

The Company's business involves the risk of product liability claims inherent to its business. The Company currently maintains product liability insurance with an aggregate coverage limit of \$25 million per year, subject to certain deductibles and exclusions. There can be no assurance that the product liability insurance maintained by the Company will be sufficient to protect the Company from product liability claims, or that product liability insurance will be available to the Company at a reasonable cost, if at all, in the future. A product liability claim which is not covered by the Company's insurance, could have a material adverse effect on the Company's business, results of operations and financial condition.

INTERNATIONAL OPERATIONS

Export sales accounted for approximately 36% of the Company's net sales in fiscal 1995 and the Company intends to continue to expand its presence in international markets. However, export sales are subject to a number of risks, including the following: agreements may be difficult to enforce and receivables difficult to collect through a foreign country's legal system; foreign customers may have longer payment cycles; foreign countries may impose additional withholding taxes or otherwise tax the Company's foreign income, impose tariffs or adopt other restrictions on foreign trade; U.S. export licenses may be difficult to obtain; and the protection of intellectual property in foreign countries may be more difficult to enforce. There can be no assurance that any of these factors will not have a material adverse effect on the Company's business, results of operations and financial condition.

POSSIBLE VOLATILITY OF STOCK PRICE

The market price of the Common Stock may be highly volatile. Such factors as quarterly fluctuations in the Company's results of operations, the announcement of technological innovations or new products by the Company or its competitors, investor perception of the Company, and general market conditions

in the industry in which the Company competes may have a significant impact on the market price of the Common Stock.

SHARES ELIGIBLE FOR FUTURE SALE

The sale, or availability for sale, of substantial amounts of Common Stock in the public market subsequent to this offering pursuant to Rule 144 or otherwise could adversely affect the market price of the Common Stock and could impair the Company's ability to raise additional capital at a time and on terms favorable to the Company. The Company's executive officers and directors, who in the aggregate currently hold approximately 382,000 shares of Common Stock and options to purchase 1,043,460 shares of Common Stock, have agreed pursuant to lock-up agreements that they will not, without the prior written consent of Needham & Company, Inc., sell or otherwise dispose of any shares of Common Stock beneficially owned by them for a period of 12 months from the date of this Prospectus (the 'Lock-Up Period'); provided that such persons may sell up to an aggregate of 75,000 shares of Common Stock during the last six months of the Lock-Up Period. Upon the expiration of the Lock-Up Period certain of these shares will be eligible for sale in the public market or will become eligible for sale in the public market from time to time, subject to Rule 144 under the Securities Act of 1933, as amended. The availability of Rule 144 to the holders of restricted securities of the Company would be conditioned on, among other things, the availability of current public information concerning the Company. 398,683 shares of Common Stock currently outstanding are 'restricted securities' as that term is defined in Rule 144 promulgated under the Securities Act and may, under certain circumstances, be sold without registration pursuant to Rule 144.

USE OF PROCEEDS

The net proceeds to the Company from the sale of the 2,000,000 shares of Common Stock offered hereby will be approximately \$15.3 million (\$17.7 million if the Underwriters' over-allotment option is exercised in full), after deduction of the estimated underwriting discounts and commissions and expenses of the offering payable by the Company.

The Company intends to use the net proceeds of this offering (i) to repay approximately \$7.4 million of its revolving credit facility; (ii) to repay approximately \$5.0 million of the outstanding principal balance of the term loan under its loan agreement; (iii) to repay the \$1.8 million principal balance of the subordinated note which it issued in connection with the acquisition of

Gendex; and (iv) to add the balance to working capital to be used for general corporate purposes, including new product development; expansion of the Company's sales and marketing program; and for strategic acquisitions of businesses, products or technologies complementary to the Company's business. Approximately \$5.7 million of such bank borrowings were used to fund the cash portion of the purchase price for Gendex. The Company expects to fund additional working capital needs, including Gendex working capital, through cash generated from operations and through cash generated from operations and by utilizing its fully available revolving credit facility. Pending such uses, the Company plans to invest the net proceeds of this offering in short term, interest-bearing investment grade securities. No portion of the proceeds of this offering has been allocated to any specific acquisition nor has the Company entered into any agreements or letters of intent with respect to any future acquisitions. See 'Business.'

The Company's term loan and revolving credit facility bear interest initially at the bank's prime rate with incentive pricing if the Company achieves certain financial ratios which are measured on a quarterly basis. In addition, the Company, at its option, may elect a LIBOR (London Interbank Borrowing Rate) based rate. The Company's term loan and revolving credit facility mature on April 30, 2001 and March 31, 2000, respectively, and currently bear interest at the rate of 8.19% per annum. The Company's subordinated note in the amount of \$1.8 million (the 'Gendex Note') was issued in payment of a portion of the purchase price of certain assets of Gendex. The Gendex Note bears interest at the rate of 7.75% per annum and matures on March 6, 2003.

PRICE RANGE OF COMMON STOCK

The Company's Common Stock is traded on the American Stock Exchange ('AMEX') under the symbol DEL. The following table sets forth, for the periods indicated, the high and low sales prices per share of Common Stock, on the AMEX, as reported on the AMEX Composite Tape through April 26, 1996, and as adjusted to reflect 3% semi-annual stock dividends paid in each of fiscal 1994, 1995 and 1996.

	HIGH	LOW
	----	---
FISCAL YEAR ENDED JULY 30, 1994		
First Quarter.....	\$5 3/4	\$4 3/4
Second Quarter.....	7 1/8	5 1/4
Third Quarter.....	8 1/4	6
Fourth Quarter.....	7 5/8	5 3/8
FISCAL YEAR ENDED JULY 29, 1995		
First Quarter.....	6 1/2	5 3/8
Second Quarter.....	6	4 5/8
Third Quarter.....	5 3/4	5
Fourth Quarter.....	6 3/4	5 3/8
FISCAL YEAR ENDING AUGUST 3, 1996		
First Quarter.....	6 3/4	5 5/8
Second Quarter.....	8 1/8	6
Third Quarter.....	8 3/4	7 5/8

The last reported sale price of the Common Stock on the AMEX on April 26, 1996 was \$8.44 per share. As of March 31, 1996, there were approximately 1,059 holders of record of the Company's Common Stock.

The Common Stock has been approved for quotation on the Nasdaq National Market under the symbol 'DGTC'. After the completion of this offering, the Common Stock will be traded on the Nasdaq National Market rather than on the AMEX.

DIVIDEND POLICY

The Company has paid dividends in the form of shares of Common Stock of 5% in each of fiscal 1986, 1987 and 1988, 6% in each of fiscal 1990 and 1992, 6% and 3% in fiscal 1993, and 3% semi-annually in each of fiscal 1994, 1995 and 1996. The Company intends to continue the payment of 3% semi-annual dividends in the form of shares of Common Stock. The Company has not paid any cash dividends since 1983 and does not anticipate paying any cash dividends on the Common Stock in the foreseeable future. The Company intends to retain any earnings to provide funds for utilization in its business. The Company's loan agreement currently contains provisions which effectively prohibit the payment of cash dividends by the Company. See 'Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources' and Note 6 of Notes to the Company's Consolidated Financial Statements.

CAPITALIZATION

The following table sets forth at February 3, 1996: (i) the historical capitalization of the Company, (ii) the pro forma capitalization after giving effect to the Gendex acquisition, and (iii) the pro forma as adjusted capitalization to reflect the issuance and sale by the Company of the 2,000,000 shares of Common Stock offered hereby, assuming an offering price of \$8.44 per share of Common Stock, and the application of the estimated net proceeds therefrom, after deducting the estimated underwriting discounts and commissions and offering expenses payable by the Company. This table should be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto appearing elsewhere in this Prospectus.

	FEBRUARY 3, 1996(1)		
	ACTUAL	PRO FORMA(2)	PRO FORMA AS ADJUSTED(3)
Current portion of long-term debt.....	\$ 943,383	\$ 943,383	\$ 943,383
Long-term debt.....	\$11,755,397	\$ 17,455,397	\$ 5,055,397
Subordinated debt.....		1,800,000	
Shareholders' equity:			
Common Stock, \$.10 par value, 10,000,000 shares authorized; 4,346,983 shares issued and outstanding; 6,346,983 shares issued and outstanding, as adjusted.....	434,698	434,698	634,698
Additional paid-in capital.....	17,490,139	17,490,139	32,622,939
Retained earnings.....	3,563,896	3,563,896	3,563,896
	21,488,733	21,488,733	36,821,533
Less Common Stock in treasury.....	336,685	336,685	336,685
Total shareholders' equity.....	21,152,048	21,152,048	36,484,848
Total capitalization.....	\$32,907,445	\$ 40,407,445	\$ 41,540,245

(1) Shares outstanding are as of February 3, 1996. Subsequent to this date, the Company issued 23,497 shares of Common Stock as the result of the exercise of stock options and warrants. Does not include, as of April 19, 1996, an aggregate of (i) 1,636,651 shares of Common Stock

issuable upon exercise of options outstanding under the Company's employee stock option plan, of which 1,338,373 shares are currently exercisable at a weighted average exercise price of \$3.53 per share of Common Stock; (ii) 300,000 shares of Common Stock issuable upon exercise of the Underwriters' over-allotment option; and (iii) 202,256 shares of Common Stock reserved for issuance upon exercise of outstanding warrants at a weighted average exercise price of \$5.76. See 'Underwriting.'

(2) Gives effect to the Gendex acquisition, which was funded through bank borrowings of \$5.7 million and the issuance of a subordinated note for \$1.8 million, as if the transaction occurred at February 3, 1996.

(3) Assumes repayment of approximately \$7.4 million of the Company's revolving credit facility, approximately \$5.0 million of the outstanding principal balance of the term loan under its loan agreement; and the \$1.8 million principal balance of the subordinated note which it issued in connection with the Gendex acquisition, all of which were incurred subsequent to February 3, 1996. See 'Use of Proceeds.'

SELECTED CONSOLIDATED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE DATA)

The selected statement of income data presented for the fiscal years ended July 31, 1993, July 30, 1994 and July 29, 1995 and balance sheet data as of July 30, 1994 and July 29, 1995 have been derived from the financial statements included elsewhere in this Prospectus, which have been audited by Deloitte & Touche LLP. The selected statement of income data for the fiscal years ended August 3, 1991 and August 1, 1992 and balance sheet data as of August 3, 1991, August 1, 1992 and July 31, 1993 have been derived from audited financial statements not included herein. The information as of and for the six month periods ended January 28, 1995 and February 3, 1996 has been derived from unaudited financial statements and, in the opinion of management, includes all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the information shown herein. The operating results for the six months ended February 3, 1996 are not necessarily indicative of the results to be expected for the entire fiscal year. The pro forma results and balance sheet data reflect the completion of the bank borrowing and Gendex acquisition in March 1996. The pro forma as adjusted balance sheet data as of February 3, 1996 reflect the completion of the offering made hereby as well as the transactions in the pro forma column. This selected consolidated financial data should be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto and 'Management's Discussion and Analysis of Financial Condition

and Results of Operations' appearing elsewhere herein.

	FISCAL YEAR ENDED					SIX MONTHS ENDED(2)	
	AUGUST 3, 1991	AUGUST 1, 1992	JULY 31, 1993(2)	JULY 30, 1994(2)	JULY 29, 1995(2)	JANUARY 28, 1995	FEBRUARY 3, 1996
							ACTUAL
CONSOLIDATED STATEMENT OF INCOME DATA:							
Net sales.....	\$ 17,323	\$ 18,949	\$ 22,287	\$ 24,327	\$ 32,596	\$13,715	\$16,801
Costs and expenses:							
Cost of sales.....	10,672	11,754	13,455	15,179	19,178	7,500	9,745
Research and development.....	846	1,262	1,713	2,253	2,862	1,209	1,432
Selling, general and administrative.....	3,453	3,474	4,390	4,863	6,623	3,055	3,356
Interest expense--net.....	874	309	360	577	1,191	576	595
	15,845	16,799	19,918	22,872	29,854	12,340	15,128
Income before provision for income taxes.....	1,478	2,150	2,369	1,455	2,742	1,375	1,673
Provision for income taxes.....	396	658	708	341	837	419	510
Income before cumulative effect of change in accounting principle.....	1,082	1,492	1,661	1,114	1,905	956	1,163
Cumulative effect of adoption of SFAS-109.....				76			
Net income.....	\$ 1,082	\$ 1,492	\$ 1,661	\$ 1,190	\$ 1,905	\$ 956	\$ 1,163
Net income per common share and common share equivalent, primary and fully diluted before cumulative effect of adoption of SFAS-109(1)...	\$ 0.35	\$ 0.34	\$ 0.36	\$ 0.23	\$ 0.39	\$ 0.19	\$ 0.23
Cumulative effect of adoption of SFAS-109.....				0.02			
Net income per common share and common share equivalent primary and fully diluted(1).....	\$ 0.35	\$ 0.34	\$ 0.36	\$ 0.25	\$ 0.39	\$ 0.19	\$ 0.23
Number of shares used in computation of primary earnings per share(1).....	3,137	4,426	4,573	4,897	5,044	5,012	5,247
Number of shares used in computation of fully diluted earnings per share(1).....	3,137	4,439	4,575	4,897	5,066	5,012	5,252

SIX MONTHS ENDED(2)

FEBRUARY 3, 1996

PRO PRO FORMA AS
FORMA (3) ADJUSTED(3)(4)

SIX MONTHS ENDED(2)	
FEBRUARY 3, 1996	
PRO FORMA (3)	PRO FORMA AS ADJUSTED(3)(4)
CONSOLIDATED STATEMENT OF INCOME DATA:	
Net sales.....	\$25,438
Costs and expenses:	
Cost of sales.....	17,224
Research and development.....	1,434
Selling, general and administrative.....	4,662
Interest expense--net.....	905
	24,225
Income before provision for income taxes.....	1,213
Provision for income taxes.....	370
Income before cumulative effect of change in	1,806

accounting principle.....	843	
Cumulative effect of adoption of SFAS-109.....		
Net income.....	\$ 843	\$ 1,255
Net income per common share and common share equivalent, primary and fully diluted before cumulative effect of adoption of SFAS-109(1)...	\$ 0.16	\$ 0.18
Cumulative effect of adoption of SFAS-109.....		
Net income per common share and common share equivalent primary and fully diluted(1).....	\$ 0.16	\$ 0.18
Number of shares used in computation of primary earnings per share(1).....	5,247	7,247
Number of shares used in computation of fully diluted earnings per share(1).....	5,252	7,252

	AUGUST 3, 1991	AUGUST 1, 1992	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996 ACTUAL
CONSOLIDATED BALANCE SHEET DATA:						
Working capital.....	\$ 10,210	\$ 11,308	\$ 13,857	\$ 18,530	\$ 20,648	\$ 21,917
Total assets.....	18,299	19,413	24,969	36,198	39,055	40,670
Long-term debt.....	3,965	3,902	5,639	11,486	11,903	11,755
Shareholders' equity.....	10,815	12,773	15,634	17,699	19,525	21,152

	FEBRUARY 3, 1996	
	PRO FORMA (3)	PRO FORMA AS ADJUSTED (3) (4)
CONSOLIDATED BALANCE SHEET DATA:		
Working capital.....	\$27,797	\$28,929
Total assets.....	48,420	49,552
Long-term debt.....	17,455	5,055
Shareholders' equity.....	21,152	36,485

(1) Net income per common share and common share equivalent has been restated to give effect to stock dividends in fiscal years 1992, 1993, 1994, 1995 and 1996. See Note 1 of Notes to the Company's Consolidated Financial Statements for computation of earnings per share.

(2) The fiscal years ended July 31, 1993, July 30, 1994, July 29, 1995 and the six month periods ended January 28, 1995 and February 3, 1996 include the operations of Dynarad; the fiscal years ended July 30, 1994, July 29, 1995 and the six month periods ended January 28, 1995 and February 3, 1996 include the operations of Bertan from their respective dates of acquisition.

(3) Gives effect to the Gendex acquisition, which was funded through bank borrowings of \$5.7 million and the issuance of a subordinated note for \$1.8 million, as if the transactions occurred at the beginning of the six month period for statement of income data and at February 3, 1996 for balance sheet data. The pro forma financial information is not necessarily indicative of the operating results which would have been achieved had the Company acquired Gendex at the beginning of the period presented or the results to be achieved in the future.

(4) As adjusted to give effect to estimated net proceeds of approximately \$15.3 million from the offering, assuming an offering price of \$8.44 per share of Common Stock, and issuance of 2,000,000 additional shares of Common Stock, as if the offering had occurred at the beginning of the six month period for statement of income data and at February 3, 1996 for balance sheet data.

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

OVERVIEW

The Company's net sales have increased as a result of both internal growth and acquisitions. The Company has completed three acquisitions in the past four years: Dynarad (a designer and manufacturer of medical imaging systems and, to a lesser extent, critical electronic subsystems) in fiscal 1993; Bertan (a designer and manufacturer of precision high voltage power supplies and instrumentation for medical and industrial applications) in fiscal 1994; and Gendex in fiscal 1996. The Company's net sales have increased from \$18.9 million in fiscal 1992 to \$32.6 million in fiscal 1995, at a compounded annual growth rate of approximately 20%. With the acquisition of Gendex, the Company's net sales would have been approximately \$53.6 million for fiscal 1995 on a pro forma basis. The Company has recently experienced significant internal growth. Net sales have increased, solely from existing operations, approximately 22.5% to \$16.8 million for the first six months of fiscal 1996 versus the comparable period of the previous year.

During the past four years the Company has grown internally and through acquisitions into a company whose predominant business is serving the medical imaging and diagnostic markets. The Company's net sales attributable to medical imaging products have increased from approximately \$3.4 million or 17.7% of total net sales in fiscal 1992 to \$14.4 million or 44.2% of total net sales in fiscal 1995. On a pro forma basis, the Company's net sales attributable to medical imaging products were approximately \$35.4 million or 66.1% of total sales in fiscal 1995.

The Company believes that recent cost containment trends in the healthcare industry have created opportunities for its cost-effective medical imaging products in domestic and international markets. Such trends include increased demand for lower cost medical equipment, outsourcing of critical electronic subsystems by OEMs, increased demand for certain diagnostic procedures and lower cost medical services in certain international markets.

GENERAL

The following discussion and analysis examines the major factors contributing to the Company's financial condition and results of operations for the six months ended February 3, 1996 and January 28, 1995, and for the three years ended July 29, 1995, July 30, 1994 and July 31, 1993. The following discussion and analysis should be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto appearing elsewhere in this

Prospectus.

As described more fully under 'Business,' the Company's products are comprised of two major product groups: Medical Imaging Products, which include medical imaging systems and critical electronic subsystems for medical applications, and Non-Medical Products, which include critical electronic subsystems for precision high voltage products and noise suppression products. Estimated percentages of net sales for these product groups for the past two fiscal years and pro forma for the six months ended February 3, 1996 are set forth in the table on page 21.

For segment reporting purposes, the Company has organized its operations based upon its manufacturing capabilities into two segments: Medical Manufacturing and Specialty Electronics Manufacturing. The Specialty Electronics Manufacturing segment includes sales of critical electronic subsystems for medical applications which are classified as Medical Imaging Products but which are manufactured within this segment, of approximately \$4.5 million and \$4.2 million, respectively, for the six months ended February 3, 1996 and January 28, 1995, and approximately \$8.8 million, \$4.6 million and \$3.8 million, respectively, for the fiscal years ended July 29, 1995, July 30, 1994 and July 31, 1993. These sales have been included in the Medical Imaging Products product group in the table on page 21.

RESULTS OF OPERATIONS

The following table sets forth, for the periods indicated, the percentage of net sales represented by items as shown in the Company's consolidated statements of income.

	FISCAL YEARS ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
Net sales.....	100.0%	100.0%	100.0%	100.0%	100.0%
Costs and expenses:					
Cost of sales.....	60.4	62.4	58.8	54.7	58.0
Research and development.....	7.7	9.3	8.8	8.8	8.5
Selling, general and administrative.....	19.7	19.9	20.3	22.3	20.0
Interest expense--net.....	1.6	2.4	3.7	4.2	3.5
	-----	-----	-----	-----	-----
	89.4	94.0	91.6	90.0	90.0
	-----	-----	-----	-----	-----
Income before provision for income taxes.....	10.6	6.0	8.4	10.0	10.0
Provision for income taxes.....	3.2	1.4	2.6	3.1	3.1
	-----	-----	-----	-----	-----
Income before cumulative effect of change in method for accounting for income taxes.....	7.4	4.6	5.8	6.9	6.9
Cumulative effect of change in method for accounting for income taxes.....		0.3			
	-----	-----	-----	-----	-----
Net income.....	7.4%	4.9%	5.8%	6.9%	6.9%
	-----	-----	-----	-----	-----

FOR THE SIX MONTHS ENDED FEBRUARY 3, 1996 COMPARED TO THE SIX MONTHS ENDED JANUARY 28, 1995

Net sales for the Specialty Electronics Manufacturing segment for the 1996 six month period were approximately \$13.5 million compared to approximately \$11.5 million for the 1995 six month period, an increase of approximately \$2.0 million or 17.4%. The increase was primarily due to higher sales levels of products supplied by the Company to its OEM customers. Net sales for the Medical Manufacturing segment for the 1996 six month period were approximately \$3.3 million compared to approximately \$2.2 million for the 1995 six month period, an increase of approximately \$1.1 million or 50.0%. The increase was primarily due to increased sales of portable x-ray systems.

Cost of sales for the Specialty Electronics Manufacturing segment for the 1996 six month period was approximately \$7.5 million or 55.6% of net sales compared to approximately \$6.3 million or 54.9% of net sales for the 1995 six month period. The increase in cost of sales as a percentage of net sales was primarily due to a change in product mix. Cost of sales for the Medical Manufacturing segment for the 1996 six month period was approximately \$2.3 million or 67.6% of net sales compared to approximately \$1.2 million or 53.8% of net sales for the 1995 six month period. The increase in cost of sales as a percentage of net sales was primarily due to a change in product mix and special introductory pricing.

Research and development costs for the Specialty Electronics Manufacturing segment for both the 1996 six month period and the 1995 six month period were approximately \$1.1 million. Research and development costs for the Medical Manufacturing segment for the 1996 six month period were approximately \$300,000 compared to approximately \$100,000 for the 1995 six month period. The increase in research and development costs was primarily due to costs incurred in connection with new product development.

Selling, general and administrative expenses for the Specialty Electronics Manufacturing segment were approximately \$2.8 million or 20.7% of net sales for the 1996 six month period compared to approximately \$2.6 million or 22.6% of net sales for the 1995 six month period. The increase in selling, general and administrative expenses was due to increased selling expenses, advertising costs and commissions reflecting increased sales levels. Selling, general and administrative expenses for the Medical Manufacturing segment were approximately \$600,000 or 18.2% of net sales for the 1996 six month period compared to approximately

\$500,000 or 21.6% of net sales for the 1995 six month period. For both segments, the decreases as a percentage of net sales were due to higher sales volumes without a proportionate increase in expenses.

Net interest expense was approximately \$600,000 for both the 1996 six month period and the 1995 six month period.

Income tax expense was 30.5% of pre-tax income for both the 1996 six month period and the 1995 six month period. The effective rate was less than the Federal statutory rate primarily due to sales made through the Company's Foreign Sales Corporation and research and development and other tax credits.

As a result of the foregoing, net income increased to approximately \$1.2 million for the 1996 six month period, an increase of 21.6% from approximately \$950,000 for the 1995 six month period. For the 1996 six month period primary and fully diluted earnings per share were \$0.23 compared to \$0.19 for the 1995 six month period, an increase of 21.1%. The number of outstanding shares and common share equivalents as of February 3, 1996 increased by 4.8% from January 28, 1995.

PRO FORMA. On a pro forma basis to include Gendex, net sales increased 51.4% to approximately \$25.4 million for the 1996 six month period from approximately \$16.8 million for the 1995 six month period. Pro forma net income declined to approximately \$900,000 (\$0.16 per share) from approximately \$1.2 million (\$0.23 per share) as a result of the losses incurred at Gendex prior to its acquisition by the Company, and the effect of interest expense on debt incurred to effect the acquisition, net of applicable income taxes. On a pro forma as adjusted basis, net income increased to \$1.3 million (\$0.18 per share) resulting from the aforementioned factors and the assumed use of a portion of the net proceeds of this offering to reduce Gendex acquisition debt and certain

other debt of the Company. See 'Use of Proceeds.'

FISCAL YEARS 1995, 1994 AND 1993

Net sales for the Specialty Electronics Manufacturing segment for fiscal 1995 were approximately \$27.0 million compared to approximately \$19.4 million for fiscal 1994, an increase of 39.1%. The increase in net sales was due to internal growth (approximately \$1.3 million) and the inclusion of Bertan for all of fiscal 1995 (approximately \$6.3 million). Net sales for the Specialty Electronics Manufacturing segment for fiscal 1994 increased by 7.2% from approximately \$18.1 million for fiscal 1993. The increase in net sales was primarily due to the acquisition of Bertan, which occurred in April 1994. Net sales for the Medical Manufacturing segment were approximately \$5.6 million in fiscal 1995 compared to approximately \$4.9 million in fiscal 1994, an increase of 13.9%. Net sales for the Medical Manufacturing segment in fiscal 1994 increased by 17.8% from approximately \$4.2 million in fiscal 1993. In all three years, the increases in net sales for the Medical Manufacturing segment were principally due to the internal growth of Dynarad as a result of new product introductions.

Cost of sales for the Specialty Electronics Manufacturing segment increased to approximately \$15.0 million or 55.5% of net sales in fiscal 1995 from approximately \$12.1 million or 62.3% of net sales in fiscal 1994. The decrease in cost of sales as a percentage of net sales in fiscal 1995 was primarily due to the improved operating efficiencies of Bertan and the inclusion of this subsidiary's operations for all of fiscal 1995. Cost of sales was approximately \$10.8 million or 59.3% of net sales in fiscal 1993. Cost of sales, as a percentage of net sales, for the Specialty Electronics Manufacturing segment, increased from fiscal 1993 primarily due to the mix of goods sold and increased competitive pricing pressure in certain markets which this segment serves. The cost of sales for the Medical Manufacturing segment was approximately \$4.2 million or 75.0% of net sales in fiscal 1995 compared to approximately \$3.1 million or 62.9% of net sales in fiscal 1994. The increase in cost of sales as a percentage of net sales was due to a change in the mix of products sold in this segment in fiscal 1995 as compared to fiscal 1994. The cost of sales for the Medical Electronics Manufacturing segment was approximately \$2.7 million or 65.0% of net sales in fiscal 1993.

Research and development costs for the Specialty Electronics Manufacturing segment increased by 47.6% to approximately \$2.7 million in fiscal 1995 from approximately \$1.8 million in fiscal 1994. The inclusion of Bertan for all of fiscal 1995 was the primary reason for this increase. Research and development costs for the Specialty Electronics Manufacturing segment increased by 19.2% in fiscal 1994 from approximately \$1.5 million in fiscal 1993. Research and development costs for the Medical Manufacturing segment decreased by 63.3% to approximately \$153,000 in fiscal 1995 as compared to approximately \$418,000 in fiscal 1994. Research and development costs for the Medical Manufacturing segment increased by 140.2% in fiscal 1994 from

approximately \$174,000 in fiscal 1993. This increase in research and development costs was primarily attributable to the development of new medical imaging systems.

Selling, general and administrative expenses, for the Specialty Electronics Manufacturing segment, were approximately \$5.4 million or 19.9% of net sales in fiscal 1995, approximately \$3.7 million or 19.1% of net sales in fiscal 1994 and approximately \$3.5 million or 19.3% of net sales in fiscal 1993. Selling, general and administrative expenses, for the Medical Manufacturing segment, were approximately \$1.2 million or 22.2% of net sales in fiscal 1995 compared to approximately \$1.1 million or 23.5% of net sales in fiscal 1994 and approximately \$889,000 or 21.4% of net sales in fiscal 1993. These increases in selling, general and administrative expenses were principally attributable to increased commissions at RFI Corporation ('RFI') and the addition of a chief financial officer in fiscal 1993.

Interest expense, net of interest income, for fiscal 1995, 1994 and 1993 was approximately \$1.2 million, \$577,000 and \$360,000, respectively. Interest expense increased in fiscal 1995 compared to fiscal 1994 and fiscal 1993 due to higher levels of borrowing resulting from the Bertan acquisition, working capital requirements and higher interest rates. In addition, interest expense increased in fiscal 1994 due to higher levels of borrowing to fund increased research and development expenses at Dynarad.

Income tax expense increased to 30.5% of pre-tax income in fiscal 1995 from 23.5% in fiscal 1994 due to an increase in pre-tax earnings in fiscal 1995 over fiscal 1994. Income tax expense for fiscal 1994 would have been 28.8% if not for a reduction of approximately \$108,000 due to tax benefits in fiscal 1994 resulting from the RFI acquisition which were realized on the Company's tax return in fiscal 1994. A corresponding charge of approximately \$108,000 was included in selling, general and administrative expenses. Income tax expense for fiscal 1993 would have been 33.2% if not for a reduction of approximately \$117,000 due to the benefits resulting from the RFI acquisition. Income tax expense was 30.6% in fiscal 1993 due to increased tax credits available in 1993. There was a cumulative effect of change in method for accounting for income taxes of approximately \$76,000 in fiscal 1994 due to the adoption of SFAS 109.

Net income for fiscal 1995 was approximately \$1.9 million, an increase of 60.1% from approximately \$1.2 million in fiscal 1994. Net income in fiscal 1994

decreased by 28.4% from approximately \$1.7 million in fiscal 1993. The primary and fully diluted earnings per share were \$0.39, an increase of \$0.14 per share which represents a 56.0% increase from primary and fully diluted earnings per share of \$0.25 in fiscal 1994 while the number of outstanding shares and common share equivalents increased by 9.3%. Fiscal 1994 primary and fully diluted earnings per share decreased by 30.5% from \$0.36 primary and fully diluted earnings in fiscal 1993, while the number of outstanding shares and common share equivalents increased by 7.0%. The primary and fully diluted earnings per share before cumulative effect of change in method for accounting for income taxes for fiscal 1994 was \$0.23 per share, a decrease of 36.1% from fiscal 1993.

PRO FORMA. On a pro forma basis to include Gendex, net sales increased to approximately \$53.6 million from approximately \$32.6 million in fiscal 1995. Pro forma net income declined to approximately \$1.5 million (\$0.31 per share) from approximately \$1.9 million (\$0.39 per share) on an historical basis as a result of interest on the acquisition related debt, net of applicable income taxes, offset in part by the small historical net income of Gendex prior to its acquisition by the Company. On a pro forma as adjusted basis, net income increased to approximately \$2.4 million (\$0.34 per share) resulting from the aforementioned factors and the assumed use of a portion of the net proceeds of this offering to reduce Gendex acquisition debt and certain other debt of the Company. See 'Use of Proceeds.'

LIQUIDITY AND CAPITAL RESOURCES

The Company has funded its operations and acquisitions through a combination of cash flow from operations, bank borrowing and the issuance of Common Stock.

WORKING CAPITAL. At February 3, 1996 and July 29, 1995, the Company's working capital was approximately \$21.9 million and \$20.6 million, respectively. At such dates the Company had approximately \$162,000 and \$506,000, respectively, in cash and cash equivalents.

Trade receivables at February 3, 1996 decreased approximately \$732,000 as compared to July 29, 1995 as the result of collections and lower sales levels in the quarter ended February 3, 1996 as compared to the quarter ended July 29, 1995. These lower sales levels were primarily attributable to more workdays in the last quarter of the Company's fiscal year as compared to the second quarter of its fiscal year due to plant shutdowns for the calendar year end holidays.

Inventory at February 3, 1996 increased approximately \$1.9 million as compared to July 29, 1995. Major new orders received in the six months ended February 3, 1996 resulted in the increased inventory levels.

Prepaid expenses and other current assets increased approximately \$449,000 at February 3, 1996 as compared to July 29, 1995. This increase in prepaid expenses and other current assets was primarily attributable to advanced payments for inventory for Del Medical Systems under its exclusive distribution agreement for diagnostic medical image enhancers, worker's compensation insurance policy premiums and costs incurred relating to the Gendex acquisition.

CREDIT FACILITY AND BORROWING. On March 5, 1996, in conjunction with the acquisition of Gendex, the Company and its lending bank entered into an Amended and Restated Credit Agreement wherein the bank increased the Company's line of credit to \$24.0 million, consisting of a five year \$10.0 million term loan and a four year revolving line of credit of \$14.0 million. In connection with the Gendex acquisition, on March 6, 1996 the Company delivered a seven year \$1.8 million subordinated note to Dentsply International Inc. The Company had unused and available revolving credit of \$3.2 million and \$1.6 million, after deducting outstanding letters of credit of \$562,000 and \$504,000, at March 5, 1996 and July 29, 1995, respectively. See Note 6 of Notes to the Company's Consolidated Financial Statements. Borrowings under such facilities are secured by all of the assets of the Company.

CAPITAL EXPENDITURES. The Company continues to invest in capital equipment, principally for its manufacturing operations, in order to improve its manufacturing capability and capacity. The Company has expended approximately \$1.3 million, \$1.7 million, \$1.3 million and \$761,000 for capital equipment in fiscal years 1993, 1994, 1995 and for the 1996 six month period, respectively. At February 3, 1996, the Company had commitments totaling \$150,000 to improve the manufacturing control systems and computer systems at certain of its manufacturing operations.

The Company may expand its technical and marketing capabilities and product lines through the acquisition of other companies, businesses or technologies that are complementary to the Company's current business. The Company is not currently engaged in active discussions with respect to any acquisitions.

The Company currently anticipates that cash generated from operations and amounts available under its bank lending facilities will be sufficient to satisfy its operating cash needs for at least the next two years.

EFFECTS OF NEW ACCOUNTING PRONOUNCEMENTS

LONG-LIVED ASSETS. In March 1995, the Financial Accounting Standards Board ('FASB') issued Statement of Financial Accounting Standards ('SFAS') No. 121, 'Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of.' This statement is effective for fiscal years beginning after December 15, 1995. The Company does not expect the effect on its consolidated financial condition from the adoption of this statement to be material.

STOCK-BASED COMPENSATION. In October 1995, the FASB issued SFAS No. 123,

'Accounting for Stock-Based Compensation,' which requires adoption of the disclosure provisions no later than fiscal years beginning after December 15, 1995 and adoption of the measurement and recognition provisions for non-employee transactions no later than after December 15, 1995. The new standard defines a fair value method of accounting for the issuance of stock options and other equity instruments. Under the fair value method, compensation cost is measured at the grant date based on the fair value of the award and is recognized over the service period, which is usually the vesting period. Pursuant to SFAS No. 123, companies are encouraged, but not required, to adopt the fair value method of accounting for employee stock-based transactions. Companies are also permitted to continue to account for such transactions under Accounting Principles Board Opinion ('APB') No. 25, 'Accounting for Stock Issued to Employees,' but would be required to disclose in a note to the financial statements pro forma net income and per share amounts as if the company had applied the new method of accounting. SFAS No. 123 also requires increased disclosures for stock-based compensation arrangements regardless of the method chosen to measure and recognize compensation for employee stock-based arrangements. The Company has elected to continue to account for such transactions under APB No. 25 and will disclose the required pro forma effect on net income and earnings per share.

BUSINESS

Del Global Technologies Corp. is primarily engaged in the design, manufacture and marketing of medical imaging systems and critical electronic subsystems for medical imaging and diagnostic products. The Company's products are designed to provide cost-effective, high-quality solutions to the needs of its customers. The Company's medical imaging systems include mammography systems, high frequency x-ray generators and x-ray systems (both stationary and portable) sold under both its tradenames and private labels. The Company's critical electronic subsystems are custom engineered to complex customer performance specifications and include high voltage power components, such as power supplies, capacitors, transformers and pulse forming networks. These products are utilized by OEMs for medical imaging and diagnostic products having a broad range of applications such as computerized tomography (CT), magnetic resonance imaging (MRI), bone densitometry, radiography, blood analysis, medical laser surgery and nuclear medicine. As a result of its record for quality and reliability, the Company has developed close working relationships with its OEM customers. These relationships often result in the Company's selection as the sole source provider of these critical electronic subsystems to OEMs. The Company also designs, manufactures and markets precision power conversion products for non-medical applications and electronic noise suppression systems for telecommunications equipment.

The Company's medical systems and critical electronic subsystems are designed to meet the needs of the healthcare industry to reduce medical imaging and diagnostic costs. The Company focuses its sales, marketing and development

efforts primarily on medical imaging systems and critical electronic subsystems priced at under \$100,000 per unit. The Company's medical imaging systems have a list price of approximately \$9,000 to \$70,000 per unit; however, the Company believes that its products offer comparable performance to competing products typically priced higher. The Company's cost-effective medical imaging systems and subsystems also meet the increasing international demand for such products.

OEMs are also attempting to lower their cost structures by outsourcing their requirements for certain critical electronic subsystems to lower cost manufacturers such as the Company. The Company has successfully utilized its engineering and manufacturing skills to provide such subsystems on a cost-effective basis. In addition, the Company's longstanding customer relationships have provided the Company with substantial opportunities to demonstrate its expertise and expand its sales to OEMs.

During the past four years the Company has grown internally and through acquisitions into a company whose predominant business is serving the medical imaging and diagnostic markets. Most significantly, in March 1996 the Company completed the acquisition of certain assets of Gendex. Gendex, which designs, manufactures and markets medical imaging systems and related products, had revenues of approximately \$18.9 million during the calendar year ended December 31, 1995. The Company's sales of medical imaging products increased from approximately \$3.4 million or 17.7% of total net sales in fiscal 1992 to approximately \$35.4 million or 66.1% of total net sales in fiscal 1995 on a pro forma basis. Reflecting worldwide demand for its products and increased international sales efforts, the Company has increased export sales from approximately \$5.3 million in fiscal 1992 to approximately \$11.7 million in fiscal 1995. Export sales consist of direct sales of the Company's products and sales of subsystems that are incorporated into OEMs' products for export.

MARKET TRENDS

Cost containment trends within the healthcare industry have forced both healthcare providers and equipment suppliers to become increasingly focused on reducing costs. The Company believes that such trends have increased the demand for its cost-effective medical imaging products in domestic and international markets. Healthcare providers have traditionally provided healthcare services on a fee-for-service basis. As this model has given way to methods of compensation which place financial risk upon the provider, providers have been forced to seek innovative methods of reducing the cost of delivering effective health care, including efforts to lower the amounts spent upon capital equipment; to increase the percentage of medical procedures performed by capital constrained alternative site providers; and to increase the use of diagnostic systems as part of an effort to reduce total health expenditures. As a result, equipment suppliers are faced with a market that is particularly cost sensitive. In addition, the international demand for cost-effective medical systems is increasing as many countries with limited healthcare budgets are attempting to improve the quality of care offered to their citizens. These trends have forced

OEMs to attempt to lower their cost structures in order to maintain profitability in the face of

cost sensitive customers. One method utilized by OEMs to accomplish this is to outsource various components for their equipment, including critical electronic subsystems.

In addition, managed care providers have encouraged the use of early detection diagnostic imaging procedures as a method of reducing overall costs. Examples include the increased utilization of mammography, bone densitometry and portable CT scanning products to identify potential health risks. Mammography has made significant contributions to the diagnosis of breast disease and the detection of breast cancer. Bone densitometry assists physicians in the diagnosis and monitoring of metabolic bone diseases such as osteoporosis. Portable CT scanners permit practitioners to obtain high quality images in non-traditional environments.

INDUSTRY BACKGROUND

MEDICAL IMAGING SYSTEMS. Medical imaging systems of the types manufactured by the Company use x-ray technology to produce images of matter beneath an opaque surface. An imaging system principally consists of a high-voltage power supply, an x-ray tube and an image recording system, which is usually film. X-rays are generated as a result of high voltage being applied to the x-ray tube. The performance of the x-ray system, including image resolution, is directly linked to the precision performance of the high voltage power supply. The object to be imaged is placed between the x-ray tube and the film. X-rays, which are not reflected by opaque surfaces, pass through the object and expose the film. However, if the object is comprised of areas of varying densities or chemical compositions, x-rays will be absorbed by the denser areas or areas of certain chemical compositions in proportion to the density or chemical composition of the matter. As a result, the film will be exposed to a varying degree, thereby producing an image of the density or chemical variation within the object. For example, since bone has a greater density than the surrounding tissue in the body, x-rays can be used to produce an image of a skeleton.

X-ray systems are differentiated by a number of key characteristics such as image resolution, accuracy, portability, size and cost. The design of an x-ray system requires complex engineering which determines the performance factors required of the various components of the system.

CRITICAL ELECTRONIC SUBSYSTEMS. Critical electronic subsystems for medical imaging and non-medical applications of the types manufactured by the Company consist of high voltage power conversion components such as power supplies, capacitors and transformers. High voltage power supplies are used to transform commercially generated electric power from low voltage to high voltage. High voltage power supplies raise the input voltage from the available level to the significantly higher level required to operate the customer's electronic equipment. They must be designed to meet specific requirements and involve complex engineering including specialty high voltage magnetics, specialty engineering materials and unique manufacturing processes, as well as special testing and evaluation techniques.

NOISE SUPPRESSION PRODUCTS. Noise suppression products are used to reduce or eliminate interfering signals generated by internal or external electronic components and equipment which otherwise could interfere with the normal operation of electronic equipment and systems. A noise suppression product may range in size from the miniature type, which utilizes discoidal ceramic monolithic capacitors (miniature capacitors made of ceramic material), to multi-circuit subsystems handling high power requirements and weighing thousands of pounds. Poor transmission reception in electronic devices can result from the proximate operation of other electronic devices which generate unwanted electrical signals. This problem is severely compounded in many communications environments where there are a large number of electronic devices in a confined area, such as in voice or data communications systems in an airplane or ship. Noise suppression products are required by various types of equipment manufacturers in order to comply with government regulations and specifications and commercial standards. These products may be integrated within the electronic equipment for which they have been designed or, in the case of large noise suppression products, connected externally to such equipment, or to an external power source which may power an entire facility.

THE COMPANY'S STRATEGY

The Company's goal is to become a leading provider of cost-effective, high-quality medical imaging systems and subsystems at a per unit price of less than \$100,000. The Company's strategy is to continue the expansion of its business through internal growth and through acquisitions. Key elements of this strategy include:

o **FOCUS ON COST-EFFECTIVE PRODUCTS.** The Company believes that cost and quality are the two major determining factors in its success in the markets within which it competes. The Company focuses its sales, marketing and development efforts primarily on the market for medical

imaging systems and critical electronic subsystems priced at under \$100,000 per unit. The Company's medical imaging systems have a list price of approximately \$9,000 to \$70,000 per unit yet the Company believes that its products offer comparable performance to those of its competitors whose prices per unit are typically greater.

o **DEVELOP ADDITIONAL INNOVATIVE MEDICAL IMAGING PRODUCTS.** The Company believes that a significant opportunity exists to develop other cost-effective medical systems and products. Examples of these products currently under development include fluoroscopy, tomography and neonatal imaging systems.

o **LEVERAGE MARKETING EXPERTISE TO EXPAND DOMESTIC AND EXPORT SALES OF MEDICAL SYSTEMS.** The Company is seeking to leverage its marketing expertise by expanding the sale of its products into complementary domestic and international markets, by selling newly developed and acquired products to existing customers and by expanding its customer base for existing products. The Company intends to continue to focus on international opportunities. The Company's export sales increased from approximately \$6.8 million in fiscal 1994 to approximately \$11.7 million in fiscal 1995.

o **EXPAND EXISTING OEM CUSTOMER RELATIONSHIPS.** The Company's research and development program is often conducted in conjunction with its customers in order to obtain solutions for end use requirements. The Company believes that the relationship established during this process often allows it to be the sole source provider to its OEM customers and gives it the ability to market its products to its existing OEM customers for use in additional applications.

o **CONSUMMATE STRATEGIC ACQUISITIONS.** Strategic acquisitions have been a major contributor to the Company's historical growth. The Company has completed five acquisitions over the past seven years and intends to continue to pursue acquisition opportunities to expand its product lines into complementary markets. The Company's acquisitions include the following entities and products:

TABLE OF ACQUISITIONS

ACQUISITION	DATE	PRODUCT LINE
Gendex Medical Division of Dentsply International Inc.	March 1996	Radiographic x-ray systems, high frequency x-ray generators, x-ray tables and mammography systems under the GENDEX(Trademark) and UNIVERSAL tradenames, serving the medical, chiropractic and veterinary markets.
Bertan High Voltage Corp.	April 1994	Precision high voltage power supplies and instrumentation for medical and industrial applications.
Dynarad Corp.	September 1992	Mammography and portable x-ray systems and precision high voltage power supplies for medical applications.
Filtron Co., Inc. RFI Corporation	October 1991 December 1989	Electronic noise suppression products. Electronic noise suppression products, critical electronic subsystems and advanced magnetic products.

PRODUCTS

The following table sets forth the Company's estimate of the percentages of the Company's net sales accounted for by its Medical Imaging and Non-Medical Products for the past two fiscal years and pro forma for the six months ended February 3, 1996.

MEDICAL IMAGING PRODUCTS

	FISCAL YEAR ENDED		PRO FORMA FOR
	JULY 30, 1994	JULY 29, 1995	THE SIX MONTH PERIOD ENDED FEBRUARY 3, 1996
Medical Imaging Systems.....	19.7%	17.1%	47.0%
Critical Electronic Subsystems for Medical Applications....	19.0	27.1	17.6
Total.....	38.7%	44.2%	64.6%

NON-MEDICAL PRODUCTS

	FISCAL YEAR ENDED		PRO FORMA FOR
	JULY 30, 1994	JULY 29, 1995	THE SIX MONTH PERIOD ENDED FEBRUARY 3, 1996
Critical Electronic Subsystems for Precision High Voltage Products.....	22.1%	32.8%	19.4%
Noise Suppression Products....	39.2	23.0	16.0
Total.....	61.3%	55.8%	35.4%

Medical Imaging Products

MEDICAL IMAGING SYSTEMS, The Company's medical imaging systems are sold under the GENDEX(Trademark), UNIVERSAL and Dynarad brand names. The following table sets forth certain information regarding the range of the Company's medical imaging systems, including certain products under development. The list prices of the Company's medical x-ray systems range from approximately \$9,000 to \$70,000 per unit.

PRODUCT	FEATURES
MAMMOGRAPHY SYSTEMS	
MAMEX (TRADEMARK) HIGH FREQUENCY MAMMOGRAPHY SYSTEM	<ul style="list-style-type: none"> o Digital displays of compression force, compressed thickness and degree of angulation o Cassette sensor switch with exposure inhibitor o Automatic selection of collimating aperture, focal spot and filtration o Motorized vertical travel o High frequency x-ray generator
NOVA SC MAMMOGRAPHY SYSTEM	<ul style="list-style-type: none"> o Optional Cytoguide Stereotactic needle biopsy system o Patient controlled breast compression to reduce procedural discomfort, increase x-ray penetration and produce superior image resolution o Micro-computer driven data management system assisting practitioner in compliance with governmental and regulatory requirements o Molybdenum and rhodium filters for improved contrast resolution and features o High frequency x-ray generator o Optional Cytoguide Stereotactic needle biopsy system

PRODUCT	FEATURES
STATIONARY MEDICAL X-RAY SYSTEMS ATC-725/525 ANATOMICALLY PROGRAMMED HIGH FREQUENCY GENERATORS	<ul style="list-style-type: none"> o Individual control of kilovolt ('kV'), milliamp seconds ('mAs') and time o Vacuum fluorescent display o Anatomically programmed radiology o Preprogrammed for 2,400 combinations of exposure o Control console provides large, easy to read meters for simplified usage o Major and minor kV selection for precise technique set-up o Digital display of 138 mAs stations for precision technique selection o Precise digital timer counts electrical pulses for accurate exposure time o Full wave solid state (silicon) rectification increases reliability by making the most efficient use of electrical power
PULSAR 625/325 GENERATOR	<ul style="list-style-type: none"> o Extensive vertical table travel from 21' to 34' for easy patient access o Easy to use foot treadles for quick patient positioning o Smooth, stain resistant top designed to support up to 500 lbs. o Low absorption table top material assures high contrast, scatter free radiographs and reduced patient exposure
EV SERIES OF ELEVATING X-RAY EXAMINATION TABLES	<ul style="list-style-type: none"> o 500 mAs output; 300 mAs at 125 kV o 40-125 kV in 32 steps; 1.0-300 mAs in 29 steps o Digital kv and mAs displays o Two bucky capability o Closed loop kV and mAs stabilization o Automatic line voltage compensation
GX-30 HIGH FREQUENCY GENERATOR	
PORTABLE X-RAY SYSTEMS HF-110A PORTABLE X-RAY SYSTEM AND PHANTOM PORTABLE X-RAY SYSTEM	<ul style="list-style-type: none"> o Superior image quality o High frequency power supply o Microprocessor control and digital display o Electronic regulation of kV and mAs o Extremely lightweight o Ideal for use in the home or in the field
MODEL 1200 PORTABLE X-RAY SYSTEM	<ul style="list-style-type: none"> o Lightweight, self contained travel container o 1.0mm focal spot provides superior resolution o Full-wave rectified o Frequency selection switch to match line frequency
ALPHA-MPDX PORTABLE INTRA-ORAL DENTAL X-RAY SYSTEM	<ul style="list-style-type: none"> o Durable, lightweight o Short exposure time o Capable of operating from fluctuating motor generator power or from domestic power source o Shipping container for shipping and storage of system
9000 SERIES PORTABLE X-RAY SYSTEMS	<ul style="list-style-type: none"> o Lightweight, portable full wave rectified generators o LCD kV digital displays of pre-indicated kV o Available on three mobile stands

MISCELLANEOUS	PRODUCT	FEATURES
	NEO NATAL X-RAY SYSTEM*	<ul style="list-style-type: none"> o Reduced exposure time for premature infants o Higher contrast o Superior resolution
	MSV-2000 MINIATURE ENDOCAMERA	<ul style="list-style-type: none"> o High performance camera o Vivid, crystal clear color images o Adaptable to existing equipment and outputs including B/W, R/G/B, Super VHS and Composite Video o High resolution image sensor o SAS(Trademark) automatic electronic shutter o Rigid and flexible scope interfaces
	MULTI-FUNCTIONAL ADAPTIVE IMAGE PROCESSOR (MAIP)	<ul style="list-style-type: none"> o Sharpens and enhances video image presented allowing diagnostician or surgeon to obtain clarity and a virtual 'depth' of field o Permits more precise manipulation of endoscopic tools o Direct applications to most imaging modalities, including Laparoscopy, Endoscopy, CT Scan, MRI, Mammography, X-ray, Ultrasound and Fluoroscopy

* under development

Mammography Systems. The Company's mammography systems permit imaging of the breast for both screening and diagnostic procedures. The MAMEX(Trademark) high frequency mammography system uses a microprocessor controlled, constant potential, high frequency generator for greater energy efficiency at lower kV outputs, resulting in images with higher contrast. The system's sophisticated Autocomp automatic kV program ensures proper selection of kV within the first 50 milliseconds of exposure, regardless of breast tissue type. The NOVA SC Mammography system features 'PNEUFLO' pneumatic, patient controlled breast compression to reduce procedural discomfort, increase x-ray penetration and produce superior image resolution. The NOVA SC Mammography System also features a fully integrated micro-processor driven data management system.

Stationary Medical X-Ray Systems. Under the GENDEX(Trademark) brand name, the Company produces a full product line of high frequency medical x-ray generators, such as the GENDEX(Trademark) GX-30, which economically provide superior quality x-ray generation associated with high frequency technology, resulting in lower patient dosage, extended tube life and less blurring due to patient motion when compared to single phase generators. The GX-30 generator was developed for both the replacement and new installation markets.

The Company also produces a broad line of single phase radiographic generators, floor and wall tube mounts, tables and film holders. The EV-200 elevating x-ray table has a four-way float top and adjustable height features to ease the positioning of non-ambulatory and casted patients. The Company also markets a floor rotating tubestand.

The Company's premium x-ray products, the ATC 725/525 line of products, are anatomically programmed high frequency generators. The technician needs only to input the body region to be imaged, the desired view of that region and patient thickness. The generators, through microprocessor controllers, will then automatically select the proper exposure parameters from the database of 2,400 possible combinations. A total of 120 different examinations covering eight body regions and up to 15 views per region can be preprogrammed into the unit's Anatomically Programmed Radiology ('APR') memory. These controls assure the production of consistent films for a given examination regardless of the technician performing the examination.

Portable Medical X-Ray Systems. The Company is also a leader in the portable x-ray market with its HF-110A and PHANTOM systems. Both of these portable systems utilize high frequency, microprocessor controlled technology to produce consistent quality x-rays with the added advantages of being smaller, lighter in weight and more cost-effective than stationary x-ray systems. Both systems are FDA certified, UL recognized and meet international safety and quality standards. The Dynarad 9000 Series of portable x-ray systems consist of lightweight portable full-wave rectified generators, equipped with LCD kV digital displays of pre-indicated kV.

The 9000 Series is available on three mobile stands. The Dynarad 1200 Series is a compact, reliable portable system, designed for international use. It can be operated within a wide range of environmental and electrical conditions. The 1200 Series is ideal for hospital clinics, mobile medical and military field operations because it is extremely lightweight and versatile.

The portable Alpha-MPDX intra-oral dental system is built into a shippable container which houses all the parts for shipment as well as becoming the system base in the operational mode. The system's design provides a durable, lightweight field dental x-ray system capable of operating from fluctuating motor generator power or from domestic power sources around the world by utilizing modern, high frequency power conversion techniques.

CRITICAL ELECTRONIC SUBSYSTEMS FOR MEDICAL APPLICATIONS. The Company's research and development program is often conducted in conjunction with its customers in order to obtain custom solutions for end use requirements. As a result, the Company is often the sole source provider to its OEM customers. The Company's high voltage power supplies deliver precisely regulated output power while operating over a very wide range of temperatures, altitudes, humidity, shock and vibration conditions. The Company has designed power supplies that deliver power over a range from several watts up to 60 kilowatts with output voltage ranging from hundreds of volts up to several hundred thousand volts. Operating frequencies range from 60 hertz up to 100 kilohertz.

The table below sets forth selected OEM customers which utilize the Company's critical electronic subsystems for medical imaging and diagnostic applications in systems which they manufacture. The Company is the sole source provider for several of these customers.

SYSTEMS	SELECTED CUSTOMERS
CT Scanners	Elscint Ltd.; Analogic Corp.
MRI	GE Medical Systems
Bone Densitometry	Lunar Corporation
Medical Laser Surgery	Hereaus Laser
Nuclear Medicine	ADAC Laboratories; Elscint Ltd.
	Becton Dickinson & Co.; Coulter
Blood Analysis	Electronics Inc.
Cancer Therapy	Varian Associates, Inc.

Non-Medical Products

CRITICAL ELECTRONIC SUBSYSTEMS FOR HIGH VOLTAGE POWER CONVERSION APPLICATIONS. The Company's critical electronic subsystems for high voltage power conversion applications consist of high voltage DC power supplies, high and low voltage power supplies and high voltage transformers. Such products are used in many leading-edge high technology scientific and industrial applications by OEM manufacturers, universities and private research laboratories. The Company has also been a supplier of miniature HV power supplies used in detection systems for hazardous materials, serving this market for approximately 20 years.

NOISE SUPPRESSION PRODUCTS. Certain of the Company's noise suppression products are designed to assure that equipment manufactured for government applications meets rigid standards for interference generation and susceptibility. In addition, these products are designed to prevent classified

cryptographic and data signals used in government and industrial applications from accidentally emanating and compromising government or industrial intelligence. The Company's noise suppression product designs are listed on the United States Government's Qualified Products Lists. Such products are used on satellites, space applications and other critical applications that require approved high reliability products.

The Company offers custom designed and standard noise suppression products to meet customer specifications. The Company's catalog contains approximately 1,200 standard noise suppression products. During fiscal 1995 approximately 65% of the Company's noise suppression product sales were attributable to custom designed products and approximately 35% were attributable to catalog products.

APPLICATIONS. The Company has developed state-of-the-art, multi-channel critical electronic subsystems for industrial laser machining, ion implantation, energy exploration, electrostatic deposition, photomultiplier tube, x-ray tube, travelling wave tube, cathode ray tube and ion pump applications, food processing and steel rolling. In addition, critical subsystems of the Company's high voltage DC power supplies are included in analytical and material research equipment, nuclear instrumentation, process control equipment, automatic test equipment, scanning electron microscopes and semi-conductor manufacturing equipment. The Company is a key supplier of critical electronic subsystems for high voltage power conversion applications to such customers as Schlumberger Ltd., Micrion Corp., Litton Industries, Inc., Varian Associates, Inc., Eaton Corporation and various United States and foreign governmental agencies.

The Company's noise suppression products are used in voice and data communications equipment, computer equipment and government communications systems, cellular telephone relay sites (cells) and other state-of-the-art voice and data transmission modalities. The Company's filtering equipment allows the major suppliers of telephone and cellular services to isolate subscribers' calls and markedly improve overall system performance. The Company is a key supplier of noise suppression products for use in telephone switching equipment for AT&T Corp., Northern Telecom Limited, ITT Gilfillan and Westinghouse Electric Corp.

MARKETING, SALES AND DISTRIBUTION

The Company's medical imaging systems are distributed in the United States and certain foreign countries by a network of approximately 400 dealers. Medical imaging systems dealers are supported by the Company's regional managers, product line managers and technical support groups, who train dealer sales personnel and participate in customer calls. Technical support in the selection, use and maintenance of the Company's products is provided to dealers and professionals by customer service representatives. The Company also maintains telephone hotlines to provide technical assistance to dealers and professionals. Additional product and dealer support is provided through participation in medical equipment exhibitions and trade advertising. The Company exhibits its products at the American College of Surgeons Annual Meetings, at the

Radiological Society of North America Conferences in Chicago and at the MEDICA Medical Conference in Dusseldorf, Germany.

The Company markets its critical electronic subsystems for both medical and non-medical products through 17 in-house sales personnel, approximately 48 exclusive independent sales representatives in the United States and approximately 90 exclusive international agents principally in the Middle East, Canada, Europe, Asia, Australia and India. Sales representatives are compensated primarily on a commission basis; the international agents are compensated either on a commission basis or act as independent distributors. The Company's

marketing efforts emphasize its ability to custom engineer products to optimal performance specifications and the Company's record for quality and reliability. The Company emphasizes team selling where a sales representative, a Company engineer and management personnel work together to market the Company's products. The Company also markets its products through its catalogs and through trade journals and participation in industry shows.

PRODUCT DEVELOPMENT AND MANUFACTURING

The Company has an extensive ongoing research and development program. As of February 3, 1996, the Company employed 44 persons in research and development, who are engaged both in the design of customized products and in the Company's ongoing research and development activities. The Company's expenditures for research and development were approximately \$2.9 million in fiscal 1995, \$2.3 million in fiscal 1994 and \$1.7 million in fiscal 1993. Approximately 80% of all new critical electronic subsystems produced by the Company are designed and developed to customer specifications for use as components of the customer's equipment. For example, the Company has developed cost-effective anode modules for CT scanners and a 'ruggedized' miniature HV oil exploration probe for a Fortune 50 multi-national corporation. The Company generally retains all custom technology developed to meet customer specifications in connection with new electronic subsystems.

Certain new products are developed by the Company as standard products for industry at large after the Company has evaluated their potential. Such products include standardized HV, high frequency rack mounted power supplies and associated modules for use as precision test equipment by industrial laboratories, universities and research facilities. In addition, many new custom designed noise suppression products are eventually made available as standard products in the Company's catalog.

The Company has computer-assisted design (CAD) systems to facilitate the design of printed circuit boards for its power conversion products and assist in the mechanical design of its products, thereby enhancing product development and customized design services. The Company utilizes the CAD systems in the

mechanical design of its noise suppression products in order to optimize the miniaturization and packaging of such products.

As part of its ongoing quality assurance program, the Company has installed an expanded computerized quality control center for the testing of its noise suppression products under a wide range of environmental conditions. The Company maintains complete engineering laboratories for quality control and environmental testing. In particular, the Company has extensive environmental testing departments for the testing of its products against temperature fluctuations, vibration, shock, humidity, electro-magnetic pulse and other adverse environmental conditions.

The Company's long term customer relationships have facilitated and enhanced product development. Many customers have consulted with the Company concerning their product development programs, enabling the Company to custom design critical electronic subsystems and noise suppression products for new generations of customer products.

EXPORT SALES

During the three fiscal years ended July 31, 1995, July 30, 1994 and July 29, 1993, export sales accounted for approximately 36%, 28% and 21%, respectively, of the Company's net sales. Export sales are made principally in Europe, the Far East, the Middle East and Canada.

BACKLOG

The Company's backlog of unshipped orders as of March 31, 1996 was approximately \$25.0 million, of which approximately \$2.5 million was attributable to Gendex, as compared to \$18.9 million at July 29, 1995. Substantially all of the backlog will result in shipments within the next 12 months.

GOVERNMENT REGULATION

The Company's medical imaging systems are subject to regulation under both the Federal Food, Drug, and Cosmetics Act and the Radiation Control for Health and Safety Act. These statutes, in combination and individually, impose strict requirements dealing with the safety, effectiveness and other properties of the products

to which they apply and address elements relating to the testing, manufacturing standards and procedures, distribution, record keeping, report making, labeling, promotion and radiation emitting qualities of these products. Failure to comply can result in, among other things, the imposition of fines, criminal

prosecution, recall and seizure of products, injunctions restricting or precluding production or distribution, the denial of new product approvals and the withdrawal of existing product approvals.

Prior to commercial distribution in the United States, most medical products, including the Company's, must be listed with the FDA and the facilities in which they are manufactured must be registered with the FDA. Additionally, prior to distribution, the products are required to be subjected to a review process by the FDA to assess whether they qualify for marketing under a '510(k)' Premarket Notification Process as substantially equivalent to a product marketed before May 28, 1976 or whether an application for Premarket Approval must be favorably acted upon before they may be distributed. All of the Company's products to date have met the appropriate FDA requirement for marketing but no assurance can be given that the Company will receive marketing authority with respect to additional products or applications of the Company's technology.

As a manufacturer of medical imaging systems, the Company is subject to certain other FDA regulations and the Company's manufacturing processes and facilities are subject to continuing review by the FDA. The Company must also comply with current GMP regulations promulgated by the FDA. These regulations require, among other things, that (i) the manufacturing process be regulated and controlled by the use of written procedures and (ii) the production of medical products, which meet the manufacturer's specifications, be validated by extensive and detailed testing of every aspect of the process. They also require investigation of any deficiencies in the manufacturing process or in the products produced and detailed record keeping. Manufacturing facilities are therefore subject to FDA inspection on an unscheduled basis to monitor compliance with GMP requirements. If violations of the applicable regulations are noted during FDA inspections of the Company's manufacturing facilities, there may be a material adverse effect on the continued marketing of the Company's products through the imposition of penalties or withdrawal of approvals. The Company is required to expend time, resources and effort in product manufacturing and quality control to ensure compliance. The Company is in substantial compliance with current GMP requirements, as well as other applicable FDA regulations.

The Company's marketing of its products in several foreign markets is subject to qualification and regulation by applicable foreign governments. In certain foreign markets, it may be necessary or advantageous to obtain ISO 9000 certification, which is analogous to compliance with the FDA's GMP requirements. The Company is in the process of obtaining ISO 9000 certification for certain of its operating facilities; however, there can be no assurance that such facilities will receive ISO 9000 certification or that the Company will be able to continue to meet the requirements for ISO 9000 certification. The Federal government, most states and certain foreign countries monitor and require licensing of x-ray devices and the handling of radioactive material. Failure to comply with such laws could subject the Company to fines and penalties. The

Company has obtained the requisite regulatory approval for its systems where it markets its products. Federal, state and foreign regulations regarding the manufacture and sale of medical devices are subject to future change. The Company cannot predict what impact, if any, such changes might have on its business.

No assurance can be given that the FDA or foreign regulatory agencies will give the requisite approvals or clearances for any of the Company's medical imaging systems and other products under development on a timely basis, if at all. Moreover, after clearance is given, both in the case of the Company's existing products and any future products, these agencies can later withdraw the clearance or require the Company to change the system or its manufacturing process or labeling, to supply additional proof of its safety and effectiveness, or to withdraw, recall, repair, replace or refund the cost of the medical system, if it is shown to be hazardous or defective. The process of obtaining clearance to market products is costly and time-consuming and can delay the marketing and sale of the Company's products.

The Company is also subject to various United States government guidelines and regulations relating to the qualification of its non-medical products for inclusion in Government Qualified Product Lists in order to be eligible to receive purchase orders from a government agency or for inclusion of a product in a system which will ultimately be used by a governmental agency. The Company has had many years of experience in designing, testing and qualifying its non-medical products for sale to governmental agencies. Certain government contracts

are subject to cancellation rights. The Company has experienced no material termination of a government contract and is not aware of any pending terminations of government contracts.

The Social Security Act imposes criminal penalties and exclusion from the Medicare and Medicaid programs upon persons who make or receive kickbacks, bribes or rebates in connection with such programs. The anti-kickback rules prohibit providers and others from soliciting, offering, receiving or paying, directly or indirectly, any remuneration in return for either making a referral for a covered service or item or ordering any such covered service or item. In order to provide guidance with respect to the anti-kickback rules, the Office of the Inspector General issued final regulations outlining certain 'safe harbor' practices, which although potentially capable of inducing prohibited referrals, would not be prohibited if all applicable requirements are met. A relationship which fails to satisfy a safe harbor is not necessarily illegal, but could be scrutinized on a case-by-case basis. The Company believes that it currently complies with the anti-kickback rules in planning its activities, and believes that its activities, even if not within a safe harbor, do not violate the anti-kickback statute. In the event the Company was excluded from marketing and selling its products to Medicare and Medicaid providers, such exclusion could have a significant adverse effect on the Company.

Pursuant to the Occupational Safety and Health Act, facility operators have a general duty to provide a workplace to their employees that is safe from hazard. Over the past few years, the Occupational Safety and Health Administration ('OSHA') has issued rules relevant to certain hazards that are found in facilities such as the Company's. Failure to comply with these regulations, other applicable OSHA rules or with the general duty to provide a safe workplace could subject an employer, including a facility employer such as the Company, to substantial fines and penalties.

The Company has not experienced, and does not anticipate, any material expenditures in connection with its compliance with Federal, state or local environmental laws or regulations.

There can be no assurance that the Company's products will continue to comply with all applicable FDA regulations or that the Company will receive the requisite approvals to market any of its future products. Any failure to receive approvals, withdrawal of existing approvals or non-compliance with performance standards could have a material adverse effect on the Company's business, results of operations and financial condition. In addition, any change in existing Federal, state or foreign laws or regulations, or in the interpretation or enforcement thereof, or the promulgation of any additional laws or regulations could have a material adverse effect on the Company's business, results of operations and financial condition.

COMPETITION

The markets for the Company's products are highly competitive and subject to technological change and evolving industry requirements and standards. The Company believes that these trends will continue into the foreseeable future. Many of the Company's current and potential competitors have substantially greater financial, marketing and other resources than the Company. As a result, they may be able to adapt more quickly to new or emerging technologies and changes in customer requirements, or to devote greater resources to the promotion and sale of their products than the Company. Competition could increase if new companies enter the market or if existing competitors expand their product lines or intensify efforts within existing product lines. Although the Company believes that its products are more cost-effective than those of its primary competitors, certain competing products may have other advantages which may limit the Company's market. There can be no assurance that continuing improvements in current or new products will not make them technically equivalent or superior to the Company's products in addition to providing cost or other advantages. There can be no assurance that the Company's current products, products under development or ability to introduce new products will enable it to compete effectively.

SOURCES AND SUPPLY OF RAW MATERIALS

All of the raw materials used by the Company in the manufacture of its products are purchased from various suppliers and are available from numerous sources. No single supplier accounts for a significant percentage of the Company's raw material requirements. The Company has not encountered any difficulty in obtaining such supplies and believes that if any current source of

supply for a particular material or component became unavailable, alternate sources of supply would be available at comparable prices and delivery schedules.

TRADEMARKS AND PATENTS

The Company's trademark properties are important and contribute to the Company's marketing position. To safeguard these properties, the Company maintains trademark registrations in the United States and in significant international markets for its products. As part of its acquisition of certain assets of Gendex, the Company acquired the UNIVERSAL tradename and has been granted a license to use, in conjunction with the word 'medical', the GENDEX(Trademark) trademark for medical imaging systems for five years from March 1996. The Company owns the FILTRON(Registered) trademark for noise suppression products. The Company does not consider that its business is materially dependent on patent protection.

EMPLOYEES

As of March 31, 1996, the Company had approximately 425 employees, including eight executive officers, 27 persons in general administration, 26 persons in sales and marketing, 314 persons in manufacturing and 50 persons in research and development. Management believes that its employee relations are good. None of the Company's employees are represented by a labor union.

LEGAL PROCEEDINGS

From time to time, the Company is a party to various legal proceedings incidental to its business. Management does not believe that any of these legal proceedings will have a material adverse effect on the Company's business, results of operations or financial condition.

MANAGEMENT

EXECUTIVE OFFICERS AND DIRECTORS

The executive officers and directors of the Company are as follows:

NAME	AGE	POSITION
Leonard A. Trugman(1).....	58	Chairman of the Board, President and Chief Executive Officer
David Engel.....	47	Executive Vice President and Chief Financial Officer
Howard Bertan.....	61	Vice President and President of Bertan High Voltage Corp.
Louis J. Farin, Sr.....	52	Vice President and General Manager of Del Power Conversion Division
John D. MacLennan.....	44	Vice President and Vice President and General Manager of Gendex-Del Medical Imaging Corp.
Seymour Rubin.....	65	Vice President and President of RFI Corporation, Director
George Solomon.....	50	Vice President--International Sales and Marketing and President of Del Medical Systems Corp.
Michael H. Taber.....	51	Vice President--Finance, Secretary and Chief Accounting Officer
Natan V. Bertman(1)(2).....	67	Director
David Michael(1)(2)(3).....	58	Director
James Tiernan(3).....	72	Director

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

(3) Member of the Stock Option Committee

The officers of the Company, with the exception of Mr. Trugman, are elected or appointed by the Board of Directors to hold office until the meeting of the Board of Directors following the next annual meeting of shareholders. Subject to the right of the Company to remove officers pursuant to its By-Laws, officers serve until their successors are chosen and have qualified. Mr. Trugman holds his position pursuant to an employment agreement which expires on July 31, 2000.

Leonard A. Trugman has been Chairman of the Board, Chief Executive Officer and President from September 1985 to the present. Mr. Trugman was Vice President of Operations at General Microwave Corporation, an AMEX traded microwave components company from 1981 to 1985. Mr. Trugman holds a Masters of Science Degree in Mechanical Engineering and a Masters Degree in Business Administration.

David Engel has been Executive Vice President and Chief Financial Officer since January 1996. Mr. Engel was Executive Vice President of Bertan High Voltage Corp. from November 1994 to January 1996. Mr. Engel was Vice President--Finance and Administration at Bertan High Voltage Corp. from March 1981 to November 1994.

Howard Bertan has been Vice President since April 1996 and President of Bertan High Voltage Corp. since April 1994. From January 1989 to April 1994, Mr. Bertan was President and part owner of Bertan Associates Inc. Mr. Bertan holds a Masters of Science Degree in Electrical Engineering.

Louis J. Farin, Sr. has been Vice President and General Manager of Del Power Conversion Division from August 1994 to the present. Mr. Farin had been Senior Vice President--Operations of the Company since December 1986.

John D. MacLennan has been Vice President since April 1996 and the Vice President and General Manager of Gendex-Del Medical Imaging Corp. since April 1996. Mr. MacLennan was Vice President and General Manager of the Gendex Medical Division of Dentsply International Inc. from January 1995 to March 1996. From March 1990 to December 1994, he was Vice President--Medical Marketing of the Gendex Medical Division of Dentsply International Inc. Mr. MacLennan holds a Masters Degree in Business Administration.

Seymour Rubin has been Vice President of the Company since December 1989 and was elected a director of the Company in February 1990. Mr. Rubin was a co-founder of RFI Corporation. Mr. Rubin was the Executive Vice President of RFI Corporation from 1968 to February 1990 and has been the President of RFI Corporation since February 1990. Mr. Rubin holds a Masters of Science Degree in Engineering.

George Solomon has been Vice President--International Sales and Marketing since April 1, 1996. From October 1993 to March 31, 1996, Mr. Solomon was Vice President and General Manager of Dynarad Corp. Mr. Solomon has been President of Del Medical Systems Corp. since June 1994. From March 1993 to October 1993, Mr. Solomon was a consultant to the Company. From February 1989 to February 1993, Mr. Solomon was General Manager of Fujinon.

Michael H. Taber has been the Vice President--Finance and Chief Accounting Officer of the Company since January 1996. Mr. Taber was appointed Secretary in October 1994. Mr. Taber was Chief Financial Officer of the Company from January 1993 to December 31, 1995. Mr. Taber was the Assistant General Manager of RFI Corporation from October 1991 to April 1992. Mr. Taber was President of Filtron Co. Inc. from August 1990 to October 1992. Mr. Taber holds a Masters Degree in Accounting and is a Certified Public Accountant.

Natan V. Bertman has served as a director of the Company since 1985. He is a partner in the law firm of Bertman & Levine.

David Michael has served as a director of the Company since 1985. He is President of David Michael & Co., P.C. and is a Certified Public Accountant.

James Tiernan has served as a director of the Company since 1985. He is a former senior vice president of Chase Manhattan Bank, New York, NY.

Dr. Raymond Kaufman, the former Chairman and Co-Founder of the Company, resigned from the Company's Board in April 1996. At such time Dr. Kaufman was named Director Emeritus of the Company. He holds a Doctorate in Physics.

PRINCIPAL STOCKHOLDERS

The following table identifies each person known to the Company to be the beneficial owner of more than five percent of the Common Stock, each director of the Company, and all directors and officers of the Company as a group, and sets forth the number of shares of Common Stock beneficially owned as of April 19, 1996 by each such person and such group and the percentage of the outstanding Common Stock owned by each such person and such group.

NAME OF BENEFICIAL OWNER	SHARES BENEFICIALLY OWNED PRIOR TO OFFERING(1)		SHARES BENEFICIALLY OWNED AFTER OFFERING(1)	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
Leonard A. Trugman	852,594 (2)	16.9%	852,594 (2)	12.1%
Natan V. Bertman	101,668 (3)	2.3%	101,668 (3)	1.6%
David Michael	151,241 (4)	3.3%	151,241 (4)	2.3%
Seymour Rubin	114,647 (5)	2.6%	114,647 (5)	1.8%
James Tiernan	8,231 (6)	*	8,231 (6)	*
George Solomon	6,222 (7)	*	6,222 (7)	*
Howard Bertan	141,984 (8)	3.2%	141,984 (8)	2.2%
David Engel	2,836 (9)	*	2,836 (9)	*
Michael H. Taber	9,442 (10)	*	9,442 (10)	*
Louis J. Farin, Sr.	31,589 (11)	*	31,589 (11)	*
John D. MacLennan	5,000	*	5,000	*
All officers and directors (11) as a group	1,431,467 (12)	26.4%	1,431,467 (12)	19.3%

* Represents less than 1% of the outstanding shares of Common Stock including shares issuable to such beneficial owner under options which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(1) Unless otherwise indicated, each person has sole voting and investment power with respect to the shares shown as beneficially owned by such person.

(2) Mr. Trugman's address is c/o Del Global Technologies Corp., One Commerce Park, Valhalla, NY 10595. Includes 667,444 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(3) Includes 70,171 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996. Does not include 943 shares owned by Mr. Bertman's spouse.

(4) Includes 115,214 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(5) Includes 102,831 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(6) Includes 8,231 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(7) Includes 5,797 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(8) Includes 39,393 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(9) Includes 2,692 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(10) Includes 8,702 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(11) Includes 22,985 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

(12) Includes 1,043,460 shares, options for which are presently exercisable or will become exercisable within 60 days of April 19, 1996.

DESCRIPTION OF CAPITAL STOCK

As of April 19, 1996 the Company's authorized capital stock consists of 10,000,000 shares of Common Stock, par value \$.10 per share, of which 4,378,167 shares are issued and outstanding. The holders of Common Stock are entitled to one vote per share on all matters submitted to a vote of shareholders. All shares of Common Stock have equal rights and are entitled to such dividends as may be declared by the Board of Directors out of funds legally available therefor and to share ratably upon liquidation in the assets available for distribution to shareholders. The Common Stock is not subject to call or assessment, has no preemptive, conversion or cumulative voting rights and is not subject to redemption. All outstanding shares of Common Stock are, and the shares of Common Stock offered hereby will, upon issuance and sale, be, fully paid and non-assessable with no personal liability attached to the ownership thereof.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Stock is Chemical Mellon Shareholder Services, 450 West 33rd Street, New York, New York 10001.

UNDERWRITING

Under the terms and subject to the conditions of the Underwriting Agreement, the Underwriters named below, for whom Needham & Company, Inc. and Tucker Anthony Incorporated are acting as representatives (the 'Representatives'), have severally agreed to purchase from the Company, and the Company has agreed to sell to each Underwriter, the aggregate number of shares of Common Stock set forth opposite their respective names in the table below. The Underwriting Agreement provides that the obligations of the Underwriters to pay for and accept delivery of the shares of Common Stock are subject to certain conditions precedent, and that the Underwriters are committed to purchase and pay for all shares if any are purchased.

UNDERWRITER	NUMBER OF SHARES
Needham & Company, Inc.....	
Tucker Anthony Incorporated.....	
Total.....	2,000,000

The Company has been advised by the Representatives that the Underwriters propose to offer the shares of Common Stock to the public at the public offering price set forth on the cover page of this Prospectus and to certain dealers (who may include the Underwriters) at such price less a concession not in excess of \$ per share. The Underwriters may allow, and such dealers may reallow, a concession not in excess of \$ per share to certain other dealers (who may include the Underwriters). After the offering to the public, the public offering price and other selling terms may be changed by the Representatives.

The Company has granted the Underwriters an option, exercisable during the 30-day period after the date of this Prospectus, to purchase up to 300,000 additional shares of Common Stock at the public offering price, less the underwriting discounts and commissions, set forth on the cover page of this Prospectus. The Underwriters may exercise such option only to cover over-allotments made in connection with the sale of the Common Stock offered hereby. To the extent the Underwriters exercise such option, each of the Underwriters will have a firm commitment, subject to certain exceptions, to purchase approximately the same percentage of such additional shares that the number of shares of Common Stock to be purchased by it shown in the above table bears to the total shown.

The Underwriting Agreement contains covenants of indemnity and contribution between the Underwriters and the Company against certain civil liabilities, including liabilities under the Securities Act of 1933, as amended (the 'Securities Act').

The Company and its directors and officers have agreed not to offer, sell or otherwise dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock for a period of six months, in the case of the Company, and 12 months, in the case of its directors and officers, after the date of this Prospectus without the prior written consent of Needham & Company, Inc., except for, in the case of the Company, the shares of Common Stock offered hereby and issuable pursuant to currently outstanding warrants and securities issued pursuant to the Company's stock option plan and, in the case of its officers and directors, except for an aggregate of 75,000 shares of Common Stock which may be sold during the last six

months of such 12-month period.

The offering of the shares is made for delivery when, as and if accepted by the Underwriters and subject to prior sale and to withdrawal, cancellation or modification of the offering without notice. The Underwriters reserve the right to reject any order for the purchase of shares in whole or in part.

LEGAL MATTERS

Certain legal matters with respect to the legality of the securities offered hereby will be passed upon for the Company by Tashlik, Kreutzer & Goldwyn P.C., Great Neck, New York. Certain members of Tashlik, Kreutzer & Goldwyn P.C. beneficially own approximately 25,800 shares of the Company's Common Stock and stock options to purchase an aggregate of approximately 29,095 additional shares of Common Stock. Certain legal matters will be passed upon for the Underwriters by Haythe & Curley, New York, New York.

EXPERTS

The consolidated financial statements of the Company included in this Prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and are included in reliance upon the report of such firm upon their authority as experts in accounting and auditing.

The financial statements of the Gendex Medical Division of Dentsply International Inc., as of December 31, 1995 and for the years ended December 31, 1994 and 1995 have been included herein and elsewhere in the Registration Statement in reliance upon the report of KPMG Peat Marwick LLP, independent certified public accountants, appearing herein, and upon the authority of said firm as experts in auditing and accounting.

AVAILABLE INFORMATION

The Company has filed with the Securities and Exchange Commission (the 'Commission') in Washington, D.C., a Registration Statement on Form S-2 under the Securities Act, relating to the Common Stock offered hereby. This Prospectus, which constitutes a part of the Registration Statement, does not contain all of the information set forth in the Registration Statement, certain items of which are contained in exhibits and schedules to the Registration Statement as permitted by the rules and regulations of the Commission. Statements contained in this Prospectus as to the contents of any contract, agreement or any other document referred to herein are not necessarily complete. Where such contract, agreement or other document is an exhibit to the Registration Statement, reference is made to such exhibit for a more complete description of the matter involved, each such statement being qualified in all respects by such reference. For further information regarding the Company and the securities offered hereby, reference is made to the Registration Statement and to the exhibits filed as a part thereof, which may be inspected at the office of the Commission without charge or copies of which may be obtained therefrom upon request to the Commission and payment of the prescribed fee.

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith, files reports, proxy statements and other information with the Commission. Such reports, proxy statements and other information filed by the Company can be inspected and copied at prescribed rates at the public reference facilities maintained by the Commission's Headquarters at 450 Fifth Street, Room 1024, N.W., Judiciary Plaza, Washington, D.C. 20549, and at the Commission's Regional Offices at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and 7 World Trade Center, 13th Floor, New York, New York 10048. The Common Stock is listed on the AMEX. Reports, proxy statements and other information concerning the Company may be inspected at the American Stock Exchange, 86 Trinity Place, New York, New York 10006.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference in this Prospectus its Annual Report on Form 10-K, as amended, for the fiscal year ended July 29, 1995, its Quarterly Reports on Form 10-Q for the quarterly periods ended October 28, 1995 and February 3, 1996, and its Current Report on Form 8-K, dated March 21, 1996, which have been filed with the Commission. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to

the extent that a statement contained herein or in any other subsequently filed document that is also (or is deemed to be) incorporated by reference herein, modifies or replaces such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Registration Statement or this Prospectus.

The Company will furnish without charge to each person, including any beneficial owner, to whom this Prospectus is delivered, upon written or oral request of such person, a copy of any and all documents referred to above (excluding exhibits thereto, unless such exhibits are specifically incorporated by reference into such documents). Requests should be directed to: Michael H. Taber, Secretary, Del Global Technologies Corp., One Commerce Park, Valhalla, New York 10595 (telephone number: (914) 686-3600).

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Del Global Technologies Corp.
Valhalla, New York

We have audited the accompanying consolidated balance sheets of Del Global Technologies Corp. and subsidiaries (formerly Del Electronics Corp.) as of July 30, 1994 and July 29, 1995 and the related consolidated statements of income, shareholders' equity and cash flows for each of the three fiscal years in the period ended July 29, 1995. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Del Global Technologies Corp. and subsidiaries at July 30, 1994 and July 29, 1995, and the results of their operations and their cash flows for each of the three fiscal years in the period ended July 29, 1995, in conformity with generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for income taxes effective August 1, 1993 to conform with Statement of Financial Accounting Standards No. 109.

DELOITTE & TOUCHE LLP

New York, New York
October 23, 1995

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
	-----	-----	-----
			(UNAUDITED)
ASSETS (NOTE 6)			
CURRENT ASSETS:			
Cash and cash equivalents (Note 1).....	\$ 445,597	\$ 505,989	\$ 162,052
Investments available-for-sale (Notes 1, 2 and 10).....	346,270	378,534	497,790
Trade receivables (net of allowance for doubtful accounts of \$164,675 at July 30, 1994, \$144,431 at July 29, 1995 and \$159,431 at February 3, 1996).....	6,120,457	6,456,853	5,725,121
Cost and estimated earnings in excess of billings on uncompleted contracts (Note 3).....	551,301	395,847	404,030
Inventory (Notes 1 and 4).....	16,072,933	18,038,358	19,908,557
Prepaid expenses and other current assets (Note 11).....	856,969	1,117,963	1,567,122
	-----	-----	-----
Total current assets.....	24,393,527	26,893,544	28,264,672
	-----	-----	-----
Fixed assets--at cost (Notes 1 and 5).....	9,777,788	11,115,297	11,825,543
Less accumulated depreciation and amortization.....	2,612,930	3,362,516	3,650,451
	-----	-----	-----
	7,164,858	7,752,781	8,175,092
	-----	-----	-----
Goodwill (net of accumulated amortization of \$90,169 at July 30, 1994, \$216,951 at July 29, 1995 and \$280,342 at February 3, 1996)(Notes 1 and 11).....	2,992,191	2,865,408	2,802,018
Deferred charges (Note 11).....	1,036,785	876,638	801,665
Other assets (Notes 7, 9 and 11).....	611,012	666,263	626,212
	-----	-----	-----
Total.....	\$36,198,373	\$39,054,634	\$40,669,659
	-----	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Current portion of long-term debt (Note 6).....	\$ 928,568	\$ 943,383	\$ 943,383
Accounts payable--trade.....	2,477,101	2,539,615	2,748,117
Accrued liabilities (Note 11).....	2,457,682	2,484,435	2,137,886
Income taxes (Notes 1 and 9).....		277,830	518,277
	-----	-----	-----
Total current liabilities.....	5,863,351	6,245,263	6,347,663
	-----	-----	-----
LONG-TERM LIABILITIES:			
Long-term debt (less current portion included above) (Note 6).....	11,485,722	11,902,951	11,755,397
Other (Note 11).....	757,410	775,541	782,424
Deferred income taxes (Notes 1 and 9).....	393,383	605,806	632,127
	-----	-----	-----
Total liabilities.....	18,499,866	19,529,561	19,517,611
	-----	-----	-----
COMMITMENTS AND CONTINGENCIES (Notes 6, 7, 8, 10 and 11)			
SHAREHOLDERS' EQUITY (Notes 1, 6 and 8):			
Common stock--\$.10 par value; Authorized--10,000,000 shares; Issued and outstanding--4,213,731 at July 30, 1994, 4,253,486 at July 29, 1995 and 4,346,983 at February 3, 1996.....	385,616	412,960	434,698
Additional paid-in capital.....	14,828,924	16,239,784	17,490,139
Retained earnings.....	2,583,817	3,189,244	3,563,896
	-----	-----	-----
	17,798,357	19,841,988	21,488,733
	-----	-----	-----
Less common stock in treasury--16,656 at July 30, 1994, 55,165 at July 29, 1995 and 58,225 at February 3, 1996.....	99,850	316,915	336,685
	-----	-----	-----
Total shareholders' equity.....	17,698,507	19,525,073	21,152,048
	-----	-----	-----
Total.....	\$36,198,373	\$39,054,634	\$40,669,659
	-----	-----	-----

See notes to consolidated financial statements.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	FISCAL YEAR ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
Net sales (Notes 1, 3 and 12).....	\$22,287,315	\$24,327,015	\$32,596,312	(UNAUDITED) \$13,715,422	(UNAUDITED) \$ 16,800,619
Costs and expenses:					
Cost of sales.....	13,455,261	15,179,081	19,177,999	7,499,943	9,744,552
Research and development (Note 1)....	1,712,881	2,253,412	2,861,844	1,209,050	1,431,894
Selling, general and administrative..	4,390,267	4,862,519	6,622,690	3,054,806	3,356,117
Interest expense--net of interest income of \$17,350 in 1993, \$1,813 in 1994, \$3,419 in 1995, \$1,753 for the six months ended Jan. 28, 1995 and \$3,380 for the six months ended Feb. 3, 1996.....	360,149	576,832	1,191,142	576,293	595,211
	19,918,558	22,871,844	29,853,675	12,340,092	15,127,774
Income before provision for income taxes.....	2,368,757	1,455,171	2,742,637	1,375,330	1,672,845
Provision for income taxes (Notes 1 and 9).....	708,000	341,525	837,428	419,500	510,218
Income before cumulative effect of change in method for accounting for income taxes.....	1,660,757	1,113,646	1,905,209	955,830	1,162,627
Cumulative effect of change in method for accounting for income taxes (Note 1).....		76,363			
Net income.....	\$ 1,660,757	\$ 1,190,009	\$ 1,905,209	\$ 955,830	\$ 1,162,627
Per share amounts (Note 1):					
Income before cumulative effect of change in method for accounting for income taxes.....	\$ 0.36	\$ 0.23	\$ 0.39	\$ 0.19	\$ 0.23
Cumulative effect of change in method for accounting for income taxes....		0.02			
Net income per common share and common share equivalents primary and fully diluted.....	\$ 0.36	\$ 0.25	\$ 0.39	\$ 0.19	\$ 0.23

See notes to consolidated financial statements.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY

	COMMON STOCK ISSUED		TREASURY STOCK		ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL
	SHARES	AMOUNT	SHARES	AMOUNT			
BALANCE--AUGUST 1, 1992.....	2,819,713	\$281,971			\$ 9,514,367	\$2,976,888	\$12,773,226
Shares issued related to acquisition...	168,422	16,842			983,158		1,000,000
Stock dividends--6% December 1992 and 3% May 1993 (Note 8).....	276,367	27,637			1,708,282	(1,741,583)	(5,664)
Exercise of stock options and warrants (Note 8).....	106,450	10,645			45,509		56,154
Shares repurchased (Note 8).....			4,000	\$ (23,567)			(23,567)
Costs of registering stock and options (Note 8).....					(14,666)		(14,666)
Tax benefit related to exercise of stock options (Note 8).....					188,000		188,000
Net income.....						1,660,757	1,660,757
BALANCE--JULY 31, 1993.....	3,370,952	337,095	4,000	(23,567)	12,424,650	2,896,062	15,634,240
Shares issued related to acquisition (Note 11).....	200,000	20,000			851,429		871,429
Stock dividends--3% December 1993 and June 1994 (Note 8).....	212,407	21,240			1,473,677	(1,502,254)	(7,337)
Exercise of stock options and warrants (Note 8).....	70,658	7,066			43,000		50,066
Shares repurchased (Note 8).....			12,656	(76,283)			(76,283)
Tax benefit related to exercise of stock options (Note 8).....					39,857		39,857
Other.....	2,145	215			(3,689)		(3,474)
Net income.....						1,190,009	1,190,009
BALANCE--JULY 30, 1994.....	3,856,162	385,616	16,656	(99,850)	14,828,924	2,583,817	17,698,507
Stock dividend--3% December 1994 and June 1995 (Note 8).....	233,446	23,345			1,270,112	(1,299,782)	(6,325)
Exercise of stock options and warrants (Note 8).....	39,991	3,999			108,710		112,709
Shares repurchased (Note 8).....			38,509	(217,065)			(217,065)
Tax benefit related to exercise of stock options (Note 8).....					32,038		32,038
Net income.....						1,905,209	1,905,209
BALANCE--JULY 29, 1995.....	4,129,599	412,960	55,165	(316,915)	16,239,784	3,189,244	19,525,073
Stock dividend--3% December 1995 (Note 8) (unaudited).....	123,604	12,360			771,524	(787,975)	(4,091)
Exercise of stock options and warrants (Note 8) (unaudited).....	93,780	9,378			482,489		491,867
Shares repurchased (Note 8) (unaudited).....			3,060	(19,770)			(19,770)
Costs of registering stock and options (Note 8) (unaudited).....					(3,658)		(3,658)
Net income (unaudited).....						1,162,627	1,162,627
BALANCE--FEBRUARY 3, 1996 (UNAUDITED)..	4,346,983	\$434,698	58,225	\$(336,685)	\$17,490,139	\$3,563,896	\$21,152,048

See notes to consolidated financial statements.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	FISCAL YEAR ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
				(UNAUDITED)	(UNAUDITED)
Cash flows from operating activities:					
Net income.....	\$ 1,660,757	\$ 1,190,009	\$ 1,905,209	\$ 955,830	\$ 1,162,627
Adjustments to reconcile net income to net cash provided by (used in) operating activities net of effects from purchase of Bertan and Dynarad.....					
Imputed interest.....			68,963	18,991	33,133
Depreciation.....	606,389	684,786	749,586	388,492	338,919
Amortization.....	298,999	331,746	493,257	202,500	194,617
Deferred income tax provision (benefit).....	138,600	(135,265)	36,452	65,491	26,321
Changes in assets and liabilities:					
(Increase) decrease in trade receivables.....	(56,784)	(73,085)	(336,396)	946,817	731,732
(Increase) decrease in cost and estimated earnings in excess of billings on uncompleted contracts.....	(597,647)	46,346	155,454	168,445	(8,183)
Increase in inventory.....	(2,430,090)	(1,782,521)	(1,965,425)	(2,047,079)	(1,870,199)
Increase in prepaid and other current assets.....	(123,474)	(153,368)	(219,232)	(196,453)	(503,223)
Increase in deferred charges.....	(1,181,944)				
Decrease (increase) in other assets.....	54,546	(200,862)	(37,097)	(16,692)	37,861
Increase (decrease) in accounts payable--trade.....	466,943	(70,113)	62,514	(686,763)	208,502
(Decrease) increase in accrued liabilities.....	(520,348)	(66,833)	197,128	12,804	(346,549)
Increase in income taxes payable.....	163,517	30,746	245,792	30,671	240,447
Net cash (used in) provided by operating activities.....	(1,520,536)	(198,414)	1,356,205	(156,946)	246,005
Cash flows from investing activities:					
Net cash paid on acquisition of subsidiaries.....	(196,929)	(2,784,282)			
Payments to former shareholders of subsidiary acquired.....			(221,208)	(195,375)	(26,250)
Expenditures for fixed assets.....	(1,252,006)	(1,694,344)	(1,337,509)	(429,508)	(761,231)
(Investment in) sale of marketable securities--net.....		(370,181)	(32,264)	52,731	(119,256)
Other current assets.....		(16,024)			
Net cash used in investing activities.....	(1,448,935)	(4,864,831)	(1,590,981)	(572,152)	(906,737)
Cash flows from financing activities:					
Net proceeds from (repayment of) bank borrowing....	1,049,117	5,175,928	432,044	578,105	(147,554)
Payment for repurchase of shares.....	(23,567)	(76,283)	(217,065)	(122,554)	(19,770)
Proceeds from exercise of stock options and warrants.....	56,154	50,066	112,709	62,446	491,867
Other.....	(20,330)	(25,827)	(32,520)	(18,935)	(7,748)
Net cash provided by financing activities.....	1,061,374	5,123,884	295,168	499,062	316,795

(continued)

See notes to consolidated financial statements.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	FISCAL YEAR ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
				(UNAUDITED)	(UNAUDITED)
Net (decrease) increase in cash and cash equivalents.....	\$(1,908,097)	\$ 60,639	\$ 60,392	\$ (230,036)	\$ (343,937)
Cash and cash equivalents, beginning of year.....	2,293,055	384,958	445,597	445,597	505,989
Cash and cash equivalents, end of year.....	\$ 384,958	\$ 445,597	\$ 505,989	\$ 215,561	\$ 162,052
Supplemental disclosures of cash flow information:					
Interest paid.....	\$ 374,727	\$ 474,010	\$ 1,084,332	\$ 432,586	\$ 569,505
Income taxes paid.....	\$ 404,838	\$ 595,570	\$ 355,006	\$ 98,930	\$ 269,405
Supplemental schedule of noncash investing and financing activities:					
Acquisition of subsidiaries.....	\$ 1,235,329	\$ 4,816,153			
Deferred tax liability acquired in acquisition.....		146,902			
Cash acquired in acquisition.....	5,400	6,130			
Common stock issued.....	1,000,000	871,429			
Payment due under non-compete agreement.....		807,410			
Acquisition costs in accrued liabilities.....	33,000	200,000			
	1,038,400	2,031,871			
Cash paid to acquire subsidiaries.....	\$ 196,929	\$ 2,784,282			
Tax benefit related to exercise of stock options.....	\$ 188,000	\$ 39,857	\$ 32,038		

(concluded)

See notes to consolidated financial statements.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Description of Business Activities--Del Global Technologies Corp. (formerly Del Electronics Corp.) ('Del') together with its wholly owned subsidiaries, RFI Corporation ('RFI'), Dynarad Corp. ('Dynarad'), Bertan High Voltage Corp. ('Bertan') and Del Medical Systems Corp. ('Del Medical') (collectively the 'Company'), are engaged in two major lines of business. Del, RFI, Bertan and to a lesser extent Dynarad are engaged in the design and manufacture of specialty electronic components for medical, industrial and military applications. Dynarad is also engaged in the design and manufacture of cost-effective medical imaging systems including high frequency portable X-ray systems and mammography units which are used in the medical diagnostic industry. Del Medical is also engaged in the distribution of cost-effective, medical diagnostic products.

b. Principles of Consolidation--The consolidated financial statements include the accounts of Del, RFI, Dynarad, Bertan and Del Medical. All material intercompany accounts and transactions have been eliminated. Del purchased all of the common stock of Dynarad on September 1, 1992 and the assets of Bertan on April 1, 1994. Del Medical was formed on June 1, 1994 (Note 11).

c. Interim Financial Statements--The financial statements for the six months ended January 28, 1995 and February 3, 1996 are unaudited, but in the opinion of the Company's management reflect all adjustments (consisting of only normal recurring adjustments) necessary for a fair presentation of the financial position, results of operations and cash flows for such interim periods. The results of operations for the six month periods ended January 28, 1995 and February 3, 1996 do not necessarily represent the results to be expected for the full year.

d. Use of Estimates--The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

e. Accounting Period--The Company's fiscal year-end is based on a 52/53-week cycle ending on the Saturday nearest to July 31.

f. Revenue Recognition--The Company recognizes revenues upon shipment of its products except for certain products which have long-term production cycles and high dollar value. Revenues for these products are recognized using the percentage of completion method of accounting in proportion to costs incurred.

g. Inventory Valuation--Inventory is stated at the lower of cost (first-in, first-out) or market.

h. Depreciation and Amortization--Depreciation and amortization are computed by the straight-line method at rates adequate to allocate the cost of applicable assets over their expected useful lives, which range from 3 to 40 years.

i. Research and Development Costs--Research and development costs are charged to expense in the year incurred.

j. Net Income per Common Share and Common Share Equivalent--The Company utilizes the Modified Treasury Stock method for computing net income per common share. Under this method, the funds obtained by the assumed exercise of all options and warrants were applied to repurchase common stock at the average market price but limited to an amount of repurchased shares to no greater than 20 percent of the then outstanding actual common shares. Any assumed funds still available after the repurchase of 20 percent of outstanding actual common shares were assumed to be utilized to reduce the existing short-term debt. The adjustment to net income has been shown net of the related tax effect. For purposes of the calculation, this method increases net income by \$0, \$17,256 and \$53,997, in fiscal years ended 1993, 1994, and 1995, respectively, and \$19,091 and \$39,466 for

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--(CONTINUED) the six month periods ended January 28, 1995 and February 3, 1996, respectively, for primary earnings per share. Net income was increased by \$0, \$10,336, and \$47,954 in fiscal years ended 1993, 1994, and 1995, respectively, and \$17,525 and \$22,626 for the six month periods ended January 28, 1995 and February 3, 1996, respectively, for purposes of computing fully diluted earnings per share. The number of shares of common stock and common share equivalents used in the calculation were 4,572,698, 4,896,888, and 5,044,295 in fiscal years ended 1993, 1994, and 1995, respectively, and 5,012,086 and 5,247,280 for the six month periods ended January 28, 1995 and February 3, 1996, respectively (Note 8).

k. Income Taxes--Income taxes provided include deferred taxes due to timing differences between financial and tax reporting (Note 9).

In February 1993 the Company formed a Foreign Sales Corporation to act as an agent for its export sales.

The Company adopted Statement of Financial Accounting Standards ('SFAS') No. 109 'Accounting for Income Taxes' ('SFAS No. 109') effective August 1, 1993. The cumulative effect of adopting SFAS No. 109 was to increase net income by \$76,363 in the year ended July 30, 1994.

SFAS No. 109 provides for the recognition of deferred tax assets and liabilities for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and for tax credit carryovers.

l. Cash and Cash Equivalents--The Company generally considers short-term instruments with original maturities of three months or less measured from their acquisition date and highly liquid instruments readily convertible to known amounts of cash to be cash equivalents.

m. Investments--During the year ended July 30, 1994, the Company adopted SFAS No. 115, 'Accounting for Certain Investments in Debt and Equity Securities' ('SFAS No. 115'). SFAS No. 115 requires an enterprise to classify debt and equity securities into one of three categories: held-to-maturity, available-for-sale, or trading. Investments classified as available for sale are measured at fair value. The investments classified as available-for-sale are used to fund a deferred compensation plan established for one of the Company's key employees. Gains and losses, either recognized or unrealized, inure to the benefit or detriment of this employee's deferred compensation, based upon a contractual arrangement between the employee and the Company.

n. Goodwill--Cost in excess of the net assets of companies acquired is being amortized on a straight-line basis over twenty-five years. The carrying value of intangible assets is periodically reviewed by the Company and impairments are recognized when the expected future cash flows derived from such intangible assets is less than their carrying value.

o. Long-Lived Assets--In March 1995, the Financial Accounting Standards Board ('FASB') issued SFAS No. 121, 'Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of.' This statement is effective for fiscal years beginning after December 15, 1995. The Company does not expect the effect on its consolidated financial condition from the adoption of this statement to be material.

p. Stock-Based Compensation--In October 1995, the FASB issued SFAS No. 123, 'Accounting for Stock-Based Compensation,' which requires adoption of the disclosure provisions no later than fiscal years beginning after December 15, 1995 and adoption of the measurement and recognition provisions for non-employee transactions no later than after December 15, 1995. The new standard defines a

fair value method of accounting for the issuance of stock options and other equity instruments. Under the fair value method, compensation cost is measured at the grant date based on the fair value of the award and is recognized over the service period, which is usually the vesting period. Pursuant to SFAS No. 123, companies are encouraged, but not required, to adopt the fair value method of accounting for employee stock-based transactions. Companies are also permitted to continue

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--(CONTINUED)

to account for such transactions under Accounting Principles Board Opinion ('APB') No. 25, 'Accounting for Stock Issued to Employees,' but would be required to disclose in a note to the financial statements pro forma net income, and per share amounts as if the company had applied the new method of accounting. SFAS No. 123 also requires increased disclosures for stock-based arrangements regardless of the method chosen to measure and recognize compensation for employee stock-based arrangements. The Company has elected to continue to account for such transactions under APB No. 25 and will disclose the required pro forma effect on net income and earnings per share.

2. INVESTMENTS

At July 29, 1995 and February 3, 1996 investments consist principally of corporate debt securities and equities classified as available-for-sale.

At July 29, 1995 and February 3, 1996 the fair value of investments classified as available-for-sale based on maturity dates, are as follows:

FISCAL YEAR	JULY 29, 1995	FEBRUARY 3, 1996
-----	-----	-----
1996.....	\$ 43,892	\$ 73,307
1997-2002.....	310,512	388,172
2003-2006.....	24,130	36,311
	-----	-----
	\$ 378,534	\$ 497,790
	-----	-----
	-----	-----

3. PERCENTAGE OF COMPLETION ACCOUNTING

	YEAR ENDED JULY 30, 1994	YEAR ENDED JULY 29, 1995	SIX MONTHS ENDED FEBRUARY 3, 1996
Costs incurred on uncompleted contracts.....	\$ 427,392	\$ 337,863	\$344,309
Estimated earnings.....	163,109	93,184	94,921
	-----	-----	-----
	590,501	431,047	439,230
Less: Billings to date.....	39,200	35,200	35,200
	-----	-----	-----
Costs and estimated earnings in excess of billings on uncompleted contracts.....	\$ 551,301	\$ 395,847	\$404,030
	-----	-----	-----
	-----	-----	-----

The backlog of unshipped contracts being accounted for under the percentage of completion method of accounting was \$762,524 at July 30, 1994, \$633,753 at July 29, 1995, and \$625,570 at February 3, 1996.

4. INVENTORY

Inventories and their effect on cost of sales are determined by physical count for annual reporting purposes and are estimated by management for interim reporting purposes based on estimated gross margins.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

4. INVENTORY--(CONTINUED) Inventory consists of the following:

	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
	-----	-----	-----
Finished goods.....	\$ 2,825,816	\$ 4,398,096	\$ 4,853,706
Work-in-process.....	7,201,564	7,642,588	8,434,964
Raw materials and purchased parts.....	6,142,965	5,997,674	6,619,887
	-----	-----	-----
	16,170,345	18,038,358	19,908,557
Less progress payments.....	97,412		
	-----	-----	-----
	\$ 16,072,933	\$ 18,038,358	\$ 19,908,557
	-----	-----	-----

5. FIXED ASSETS

Fixed assets consist of the following:

	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
	-----	-----	-----
Land.....	\$ 694,046	\$ 694,046	\$ 694,046
Buildings.....	2,146,025	2,146,025	2,146,025
Machinery and equipment.....	5,475,652	6,624,296	7,164,933
Furniture and fixtures.....	707,846	773,694	802,924
Leasehold improvements.....	749,219	790,226	795,755
Construction in progress.....		76,023	210,435
Transportation equipment.....	5,000	10,987	11,425
	-----	-----	-----
	9,777,788	11,115,297	11,825,543
Less accumulated depreciation and amortization.....	2,612,930	3,362,516	3,650,451
	-----	-----	-----
Net fixed assets.....	\$ 7,164,858	\$ 7,752,781	\$ 8,175,092
	-----	-----	-----

Construction in progress relates to computer equipment and the computerization of certain of the Company's manufacturing and accounting systems.

6. DEBT

Long-term debt is summarized below:

	JULY 30, 1994		JULY 29, 1995		FEBRUARY 3, 1996	
	DUE WITHIN ONE YEAR	DUE AFTER ONE YEAR	DUE WITHIN ONE YEAR	DUE AFTER ONE YEAR	DUE WITHIN ONE YEAR	DUE AFTER ONE YEAR
	-----	-----	-----	-----	-----	-----
Term note payable-- bank.....	\$428,568	\$ 2,035,722	\$428,568	\$ 1,607,154	\$428,568	\$ 1,392,870
Additional term note payable--bank.....	500,000	2,875,000	500,000	2,375,000	500,000	2,125,000
Credit line loan payable-- bank.....		6,575,000		7,900,000		8,225,000
Other loan.....			14,815	20,797	14,815	12,527
	-----	-----	-----	-----	-----	-----
	\$928,568	\$11,485,722	\$943,383	\$11,902,951	\$943,383	\$11,755,397
	-----	-----	-----	-----	-----	-----

The Company's credit facility with its lending bank was composed of two term notes and a revolving credit line as of July 30, 1994, July 29, 1995 and February 3, 1996. The total facility aggregated \$14,910,722 at July 29,

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

6. DEBT--(CONTINUED)

1995 and \$14,446,438 at February 3, 1996. The facilities include the balance of a seven year term note of \$2,035,722 with interest at prime plus 1/2 percent which was eight and three quarters percent at July 29 1995; an additional five year term note of \$3,500,000, with a balance outstanding of \$2,875,000 at July 29, 1995, with interest at a prime plus 3/4 percent, which was used to purchase Bertan; and a revolving credit line of \$10,000,000 with interest at prime, with a letter of credit sub-limit of \$1,000,000. The Company paid off the outstanding borrowings of the Bertan subsidiary on May 26, 1994. The Company paid off the outstanding borrowings of the Dynarad subsidiary on June 3, 1993. The revolving credit facility is subject to commitment fees of 1/4 percent on the average daily unused portion of the facility, payable quarterly. Borrowings are collateralized by all of the assets of the Company and a \$1,000,000 life insurance policy on the life of the Company's president, up to the limit of the indebtedness. The Credit Agreement also requires the Company to maintain minimum annual net worth and working capital ratios, limits additional indebtedness and the payment of cash dividends and contains other restrictive covenants. Under the most restrictive terms, as of July 29, 1995, \$10,000 is available for cash dividends.

The Company and its lending bank further amended its credit agreement in January 1995, whereby the Company, if it meets certain ratios in six month

increments, is able to borrow at rates which are lower than the stated rate in its loan agreement. Based on financial ratios achieved during the six month period ended January 28, 1995, the interest rate on all of the Company's loans was reduced by 1/2 percent. Based on the Company's financial ratios at July 29, 1995 and for the six months then ended, the interest rate for the next six months was again reduced 1/2 percent.

The weighted average interest rate on the Company's borrowings under its credit facility was 6.21 percent, 8.84 percent, and 8.44 percent for the years ended July 30, 1994 and July 29, 1995, and the six months ended February 3, 1996, respectively.

In order to protect against adverse interest rate fluctuations, the Company entered into two three-year interest rate protection agreements with its bank with a combined cost of approximately \$145,000. The interest protection agreements protect the Company against any fluctuation in interest expense above nine percent at \$5,500,000 of borrowings, and on any fluctuation in interest expense above ten percent on the next \$3,000,000 of borrowings. The second level of protection is reduced on a pro-rata basis as the additional term note is repaid. Both agreements terminate in July 1997.

As of July 29, 1995 the revolving credit line had an outstanding balance of \$7,900,000 and an unused portion of \$1,596,000. Under the letter of credit facility, letters of credit of \$504,000 were outstanding at July 29, 1995.

On March 6, 1996, in connection with an acquisition, (see note 14), the Company and its lending bank entered into an Amended and Restated Credit Agreement wherein the bank increased the Company's line of credit to \$24,000,000, consisting of a \$10,000,000 five-year term loan and a four-year revolving credit line of \$14,000,000. Initial borrowing made under this credit line on March 6, 1996 was used to pay off existing term loans, the existing revolving credit loan balance and to fund the acquisition of certain assets of the Gendex Medical Division ('Gendex') of Dentsply International Inc. Borrowing under the revolving credit loan is based upon a formula based on 80 percent of eligible accounts receivable and 50 percent of inventory, with a \$2,000,000 maximum sub-limit for letters of credit. Interest will be computed at prime, or at the Company's option, at a rate tied to the London Interbank Borrowing Rate ('LIBOR'). The unused and available portion of the line of credit was approximately \$3,243,000 after deducting outstanding letters of credit in the amount of \$652,000.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

6. DEBT--(CONTINUED) Long-term debt matures as follows:

FISCAL YEAR ENDING	
1996 (included in current portion).....	\$ 943,383
1997.....	8,843,499
1998.....	934,434
1999.....	1,803,568
2000 and after.....	321,450
	\$ 12,846,334

7. EMPLOYEE BENEFITS

Employee Benefit Plans--The Company has an employee benefit plan for eligible employees. Included in the plan is a profit sharing plan which provides for contributions as determined by the Board of Directors. The contributions can be paid to the plan in cash or common stock of the Company. Expense for the fiscal years ended in 1993, 1994, and 1995 was \$15,000, \$0, and \$32,500, respectively. The plan also incorporates a 401(k) Retirement Plan that is available to substantially all employees, allowing them to defer a portion of their salary.

8. SHAREHOLDERS' EQUITY

a. Stock Dividends--On December 17, 1991, the Company declared a six percent stock dividend to holders of record on December 3, 1991. On November 17, 1992, the Company declared a six percent stock dividend to holders of record on December 3, 1992. On April 19, 1993, the Company declared a three percent stock dividend to holders of record on May 3, 1993. On November 22, 1993, the Company declared a three percent stock dividend to holders of record on December 9, 1993, payable December 23, 1993. On May 4, 1994, the Company declared a three percent stock dividend to holders of record on May 18, 1994, payable June 20, 1994. On November 23, 1994, the Company declared a three percent stock dividend to holders of record on December 8, 1994, payable on December 27, 1994. On May 16, 1995, the Company declared a three percent stock dividend to holders of record on June 7, 1995, payable on June 23, 1995. On November 20, 1995 the Company declared a three percent stock dividend to holders of record on December 5, 1995 payable on December 21, 1995. The effects of these stock dividends have been reflected in the financial statements and notes for all periods presented.

b. Nonqualified Stock Option Plan--The Company has a nonqualified stock option plan. At the annual meeting of shareholders held on February 14, 1996, the shareholders approved the proposal to amend the Company's nonqualified stock

option plan to increase the number of shares of common stock with respect to which options can be granted by 250,000 to a total of 2,473,648 shares. The President exercised options to purchase 119,405 shares, former officers exercised options to purchase 23,239 shares, a current officer exercised options to purchase 3,522 shares, and various employees exercised options to purchase 9,550 shares in the fiscal year ended July 31, 1993. Various employees exercised options to purchase 18,671 shares in the fiscal year ended July 30, 1994. A former officer exercised options to purchase 16,526 shares, and various employees exercised options to purchase 2,575 shares, during the fiscal year ended July 29, 1995. As of July 29, 1995, the Company has granted options to purchase 826,639 shares to the current President, 276,490 shares to former officers, 262,961 shares to current officers and 692,740 shares to various employees and directors. As of December 29, 1995 the stock option committee of the Board of Directors granted additional options of 130,000 shares, 62,500 to officers and 67,500 to various employees. During the six months ended February 3, 1996 various employees and former employees exercised options to purchase 6,963 shares.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

8. SHAREHOLDERS' EQUITY--(CONTINUED)

The option price per share is determined by the Board of Directors, but cannot be less than 85 percent of fair market value of a share at the date of grant. All options to date have been granted at the fair market value of the Company's stock at the date of grant. No options can be granted under this plan subsequent to December 31, 2009.

The following stock option information is as of:

OPTIONS	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
Granted and outstanding at beginning of year.....	1,331,766	1,260,026	1,559,322	1,546,648
Granted.....	86,723	347,319	105,820	130,000
Expired.....	(2,531)	(29,353)	(88,817)	(9,537)
Exercised.....	(155,932)	(18,670)	(29,677)	(6,963)
Outstanding at end of period.....	1,260,026	1,559,322	1,546,648	1,660,148
Exercisable at end of period.....	908,300	1,063,557	1,173,059	1,361,870
Exercise prices.....	\$ 0.99-\$6.32	\$ 0.99-\$6.32	\$ 0.99-\$6.32	\$ 0.99-\$6.56

Under the Company's stock option plan, options are exercisable 25 percent a year, commencing at the end of the first year they are outstanding and expiring fifteen years from the date they are granted.

c. There were warrants outstanding aggregating 261,779 shares at February 3, 1996. They are as follows:

1. In connection with an underwriting in June 1991, the underwriter was granted warrants to purchase 134,163 shares of common stock at an exercise price of \$5.36. At February 3, 1996 there were 67,081 warrants still unexercised.
2. The Company has granted warrants to the seller of selected Filtron assets to purchase 100,621 shares of common stock at an exercise price of \$5.88. At February 3, 1996 there were 100,621 warrants still unexercised.
3. In connection with an amendment to a bank financing completed in May 1994, the Company issued warrants to purchase 30,900 shares of common stock at an exercise price of \$6.95. In connection with its incentive pricing amendment with the same bank, the Company reduced the exercise price to \$5.34. At July 29, 1995, the bank held warrants for 32,782 shares at an exercise price of \$5.18. At February 3, 1996 there were 32,782 warrants still unexercised. On March 6, 1996, the Company issued an additional warrant to purchase 17,000 shares of common stock at an exercise price of \$7.00 to its lending bank.
4. The Company has granted 26,522 warrants to its Corporate Development Consultant. At July 29, 1995, the consultant held warrants for 26,522 shares at an exercise price of \$5.18. In connection with an extension of a consulting agreement the Company issued 30,000 additional warrants to purchase shares of common stock at \$6.56 to this Corporate Development Consultant. At February 3, 1996 there were 56,522 warrants still unexercised.
5. The Company has granted 37,132 warrants to an Investment Advisory firm and its key personnel. At July 29, 1995, they held warrants for 37,132 shares at an exercise price of \$5.18. At February 3, 1996 there were 4,773 warrants still unexercised.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

9. INCOME TAXES

Provision for income taxes consists of the following:

	FISCAL YEAR ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
Current:					
Federal.....	\$ 509,400	\$ 316,812	\$ 692,064	\$313,692	\$430,084
State.....	60,000	83,000	108,912	40,317	53,813
	-----	-----	-----	-----	-----
	569,400	399,812	800,976	354,009	483,897
Deferred:					
Federal and state.....	138,600	(58,287)	36,452	65,491	26,321
	-----	-----	-----	-----	-----
	\$ 708,000	\$ 341,525	\$ 837,428	\$419,500	\$510,218
	-----	-----	-----	-----	-----

Deferred tax liabilities (assets) are comprised of the following:

	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
Depreciation.....	\$ 213,664	\$ 401,880	\$464,242
Pension.....	77,712	83,914	83,914
Federal effect of New York State tax credit.....	55,145	77,570	82,836
Difference in basis of fixed assets.....	120,595	110,200	105,931
Revenue recognition.....	52,534	35,289	
	-----	-----	-----
Gross deferred tax liabilities.....	519,650	708,853	736,923
Amortization.....	(6,704)	72,382	72,382
Inventory.....	(122,073)	(153,119)	(153,119)
Bad debt reserve.....	(50,809)	(45,434)	(45,434)
Deferred compensation.....	(124,621)	(264,831)	(251,092)
New York State tax credits....	(162,190)	(228,146)	(243,634)
	-----	-----	-----
Gross deferred tax assets.....	(466,397)	(619,148)	(620,897)
	-----	-----	-----
	\$ 53,253	\$ 89,705	\$116,026
	-----	-----	-----

Deferred tax liabilities and assets are recorded in the consolidated balance sheets as follows:

	JULY 30, 1994	JULY 29, 1995	FEBRUARY 3, 1996
Liabilities:			
Deferred income taxes.....	\$ 393,383	\$ 605,806	\$632,127
Assets:			
Prepaid expenses and other current assets.....	(177,940)	(287,956)	(286,784)
Other assets.....	(162,190)	(228,145)	(229,317)
	-----	-----	-----
	\$ 53,253	\$ 89,705	\$116,026
	-----	-----	-----

The New York State tax credits expire at various dates through 2002.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

9. INCOME TAXES--(CONTINUED)

The following is a reconciliation of the statutory Federal and effective income tax rates:

	FISCAL YEAR ENDED			SIX MONTHS ENDED	
	JULY 31, 1993	JULY 30, 1994	JULY 29, 1995	JANUARY 28, 1995	FEBRUARY 3, 1996
	% OF PRETAX INCOME	% OF PRETAX INCOME	% OF PRETAX INCOME	% OF PRETAX INCOME	% OF PRETAX INCOME
Statutory Federal income tax expense rate.....	34.0%	34.0%	34.0%	34.0%	34.0%
State taxes, less Federal tax effect.....	2.9	(.4)	1.5	1.9	2.1
Tax benefit from write-off of inventory for tax purposes.....	(3.4)	(4.3)			
Permanent differences.....	2.4	3.9	2.8	2.2	.8
Tax benefits on foreign sales corp.....		(3.3)	(3.3)	(4.1)	(3.2)
Federal tax credits and other.....	(6.2)	(6.7)	(4.5)	(3.5)	(3.2)
	29.7%	23.2%	30.5%	30.5%	30.5%

10. COMMITMENTS AND CONTINGENCIES

a. The Company entered into an operating lease commencing August 1, 1992 and expiring July 31, 2002 for Del's offices and operating facility in Valhalla, New York. This lease includes an escalation for real estate taxes and operating expenses. In September 1992 the Company entered into an operating lease for Dynarad's facility in Deer Park, N.Y. This lease provides an escalation for real estate taxes. In May 1994 the Company entered into an operating lease for Bertan's facility in Hicksville, New York. This lease provides for escalation for real estate taxes. In addition, the Company has various auto leases accounted for as operating leases. The future minimum annual lease commitments as of July 29, 1995 are as follows:

FISCAL YEAR ENDED	AMOUNT
1996.....	\$1,026,953
1997.....	982,341
1998.....	942,923
1999.....	935,779
2000.....	935,779
Thereafter.....	2,590,738
	\$7,414,513

Rent expense, including real estate taxes of \$180,504 in 1993, \$225,025 in 1994, and \$296,142 in 1995, was \$614,318 in 1993, \$604,665 in 1994, and \$1,111,300 in 1995.

b. Employment Agreements--The Company has an employment agreement with its President through July 2000. The agreement provides for minimum base salary, deferred compensation and bonuses as defined. Under the terms of the agreement with the President, the Company will accrue deferred compensation at a rate of five percent of pretax income with a minimum of \$100,000 and a maximum of \$125,000. Bonus will accrue at five percent of pretax income. Also included in the President's agreement are certain benefits in the event of death or disability, as well as certain benefits in the event of a change of control. Upon completion of the term of the agreement, the President may opt for a five year extension in the form of a consulting contract at a rate specified within the agreement.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

10. COMMITMENTS AND CONTINGENCIES--(CONTINUED)

In connection with the acquisition of Dynarad, the Company has an employment agreement with one Vice President through 1997. The agreement provides for a minimum base salary of \$157,500 per annum (subject to upward adjustment on an annual basis) and certain bonuses if certain income goals of Dynarad specified in the agreement are achieved. As of April 1, 1996, the Vice President elected to enter the consulting phase of the agreement.

In connection with the acquisition of Dynarad, the Company entered into an employment agreement with a key employee which provides for bonuses based on growth of revenues. As of July 30, 1994, the employee has been engaged as a consultant at a rate specified within the agreement.

The Company entered into ten year consulting agreements through 2002 with two of the former shareholders of Dynarad. The agreements call for annual payments of \$28,000 and \$21,000, respectively.

In connection with the acquisition of Bertan, the Company entered into a

three year employment agreement with a key employee who is President of Bertan which provides for a minimum base salary of \$140,000 per annum (subject to upward adjustment on an annual basis) and a bonus equal to five percent of pretax income. Upon completion of the three year term of the agreement, the Company may opt for a two year extension of this agreement. Upon completion of the employment phase of the agreement, the Company and the employee have agreed to a ten year non-compete agreement at a minimum annual rate of \$50,000 as adjusted for the greater of five percent per annum or increases in the cost of living. Additionally, the Company has entered into a ten year non-compete agreement with the former Chairman of Bertan at a minimum annual rate of \$50,000 as adjusted for the greater of five percent per annum or increases in the cost of living.

c. The Company is a defendant in several legal actions arising from the normal course of business. Management believes the Company has meritorious defenses to such actions and that the outcomes will not be material to the consolidated financial statements.

11. ACQUISITIONS

Bertan

As of April 1, 1994, the Company acquired the net assets and business of Bertan Associates, Inc., which has been consolidated as of that date. The Company paid the selling shareholders \$2,600,000 in cash and 200,000 shares of common stock valued at \$871,429. The Company also entered into an employment and non-compete agreements with one of the former shareholders of Bertan Associates, Inc. and non-compete agreement with another of the former shareholders. The Company entered into a ten year lease agreement for its operating facility in Hicksville, New York. One of Bertan's officers is a partner in the real estate company that owns this building. The Company believes that the lease between the Company and the partnership was entered into on terms no less favorable than could be obtained from unaffiliated third parties. The lease provides for minimum annual payments of \$383,380, inclusive of real estate taxes.

The acquisition has been accounted for as a purchase and, accordingly, the original purchase price was allocated to assets and liabilities acquired based upon the estimated fair value at the date of acquisition. The transaction resulted in an excess of cost over fair value of net assets acquired of \$2,809,095 which is included in goodwill. Such excess is being amortized over a 25 year period. The charge to income for the four months ended July 30, 1994 was \$37,455, and was \$111,666 for the year ended July 29, 1995.

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

11. ACQUISITIONS--(CONTINUED)

Unaudited pro forma financial information for the 12 month periods ended July 31, 1993 and July 30, 1994, as if the Bertan acquisition occurred at the beginning of the respective periods, is as follows:

	YEAR ENDED JULY 31, 1993	YEAR ENDED JULY 30, 1994
Net sales.....	\$ 30,919,753	\$ 29,834,149
Income before provision for income taxes.....	\$ 1,587,022	\$ 1,015,417
Net income.....	\$ 1,127,022	\$ 779,525
Net income per common share and common share equivalents, primary and fully diluted.....	\$ 0.23	\$ 0.15

The pro forma financial information presented above is not necessarily indicative of the operating results which would have been achieved had the Company acquired Bertan at the beginning of the respective periods or results to be achieved in the future.

12. MAJOR CUSTOMERS AND EXPORT SALES

No one customer accounts for more than ten percent of the Company's sales in any of the periods presented.

Export sales were 21 percent, 28 percent, 36 percent, 35 percent and 37 percent of total net sales in 1993, 1994 and 1995, and for the six months ended January 28, 1995 and February 3, 1996, respectively.

Export sales by geographic areas were:

	FISCAL YEAR ENDED						SIX MONTHS ENDED			
	JULY 31, 1993	18%	JULY 30, 1994	34%	JULY 29, 1995	33%	JANUARY 28, 1995	34%	FEBRUARY 3, 1996	32%
Europe.....	\$ 831,466		\$ 2,321,259		\$ 3,892,719		\$1,640,222		\$ 2,003,936	
Far East.....	220,490	5%	741,142	11%	3,336,147	28%	1,391,014	29%	1,983,265	32%
Middle East....	2,472,027	54%	2,356,638	35%	3,256,903	28%	1,280,650	27%	1,329,819	21%
North America.....	1,005,529	22%	1,143,215	17%	627,777	6%	255,600	5%	921,262	14%
Other.....	47,765	1%	191,295	3%	614,149	5%	250,705	5%	40,407	1%
Total export sales.....	\$ 4,577,277	100%	\$ 6,753,549	100%	\$11,727,695	100%	\$4,818,191	100%	\$ 6,278,689	100%

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

13. SEGMENT REPORTING

The following analysis provides segment information for the two industries in which the Company operates (see Note 1):

1993	SPECIALTY ELECTRONICS MANUFACTURING	MEDICAL MANUFACTURING	TOTAL
Net sales.....	\$18,134,429	\$ 4,152,886	\$22,287,315
Operating expenses.....	15,732,200	3,826,209	19,558,409
Operating profit.....	\$ 2,402,229	\$ 326,677	2,728,906
Interest expense.....			360,149
Provision for income taxes.....			708,000
Net income.....			\$ 1,660,757
Identifiable assets.....	\$23,745,219	\$ 1,223,917	\$24,969,136
Capital expenditures.....	\$ 1,102,229	\$ 142,167	\$ 1,244,396
Depreciation and amortization.....	\$ 747,341	\$ 158,047	\$ 905,388

1994	SPECIALTY ELECTRONICS MANUFACTURING	MEDICAL MANUFACTURING	TOTAL
Net sales.....	\$19,436,334	\$ 4,890,681	\$24,327,015
Operating expenses.....	17,654,075	4,640,937	22,295,012
Operating profit.....	\$ 1,782,259	\$ 249,744	2,032,003
Interest expense.....			576,832
Provision for income taxes.....			341,525
FASB-109 tax adjustment.....			76,363
Net income.....			\$ 1,190,009
Identifiable assets.....	\$28,833,760	\$ 7,364,613	\$36,198,373
Capital expenditures.....	\$ 1,626,358	\$ 406,590	\$ 2,032,948
Depreciation and amortization.....	\$ 813,226	\$ 203,306	\$ 1,016,532

1995	SPECIALTY ELECTRONICS MANUFACTURING	MEDICAL MANUFACTURING	TOTAL
Net sales.....	\$27,026,761	\$ 5,569,551	\$32,596,312
Operating expenses.....	23,097,275	5,565,258	28,662,533
Operating profit.....	\$ 3,929,486	\$ 4,293	3,933,779
Interest expense.....			1,191,142

Provision for income taxes.....			837,428
Net income.....			\$ 1,905,209
Identifiable assets.....	\$33,062,066	\$ 5,992,568	\$39,054,634
Capital expenditures.....	\$ 1,140,242	\$ 197,267	\$ 1,337,509
Depreciation and amortization.....	\$ 965,478	\$ 277,365	\$ 1,242,843

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

FISCAL YEARS ENDED JULY 31, 1993, JULY 30, 1994, JULY 29, 1995

AND THE UNAUDITED SIX MONTH PERIODS ENDED JANUARY 28, 1995 AND FEBRUARY 3, 1996

13. SEGMENT REPORTING--(CONTINUED)

(a) For the fiscal year ended July 31, 1993, July 30, 1994 and July 29, 1995, sales of the Specialty Electronics Manufacturing segment included net sales of approximately \$3,838,000, \$4,621,000 and \$8,834,000 to customers for medical imaging and diagnostic systems applications. Aggregate medical sales for 1993, 1994, and 1995 were approximately \$7,991,000, \$9,412,000 and \$14,403,000 or 36%, 39% and 44% of total net sales, respectively.

14. SUBSEQUENT EVENT--UNAUDITED

On March 6, 1996, the Company and its newly formed wholly owned subsidiary, Gendex-Del Medical Imaging Corp., acquired certain assets, including inventories, fixed assets, intangibles and the use of the Gendex trademark, of the Gendex Medical Division of Dentsply International Inc. for \$5,700,000 in cash and a subordinated note of \$1,800,000. The subordinated note bears interest at 7.75 percent, which is payable quarterly, with principal payments beginning three years after closing. The Company assumed the lease for the Gendex facility in Franklin Park, Illinois and will operate the business under the Gendex-Del name. The Company entered into a supply agreement with Dentsply International

Inc. for certain components and parts used in the manufacture of medical x-ray equipment and systems of Gendex.

See Consolidated Pro Forma Financial Information.

**DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
SUPPLEMENTAL FINANCIAL INFORMATION**

UNAUDITED SELECTED QUARTERLY FINANCIAL DATA

	QUARTER			
	FIRST(1)	SECOND	THIRD	FOURTH (2)
Year ended July 30, 1994:				
Net sales.....	\$5,336,091	\$5,380,435	\$5,592,496	\$8,017,993
Gross profit.....	\$2,179,485	\$2,913,193	\$2,540,120	\$2,235,136
Net income.....	\$ 484,287	\$ 445,612	\$ 503,543	\$ (243,433)
Primary earnings and fully diluted earnings per share.....	\$ 0.11	\$ 0.09	\$ 0.10	\$ (0.05)
Year ended July 29, 1995:				
Net sales.....	\$6,136,056	\$7,579,366	\$8,945,910	\$9,934,980
Gross profit.....	\$2,916,851	\$3,298,628	\$3,589,889	\$3,612,945
Net income.....	\$ 450,615	\$ 505,215	\$ 521,916	\$ 427,463
Primary earnings and fully diluted earnings per share.....	\$ 0.09	\$ 0.11	\$ 0.11	\$ 0.09
Six months ended February 3, 1996:				
Net sales.....	\$7,471,181	\$9,329,438		
Gross profit.....	\$3,280,547	\$3,775,520		
Net income.....	\$ 529,566	\$ 633,061		
Primary earnings and fully diluted earnings per share.....	\$ 0.11	\$ 0.12		

(1) Includes the cumulative effect of change in the method for accounting for income taxes of \$76,363.

(2) The Company estimates gross profit for interim reporting purposes. The fourth quarter results for the period ended July 30, 1994 were adversely impacted by a decline in gross profit determined as a result of physical inventories taken at year end.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
DENTSPLY International Inc.

We have audited the accompanying statement of net assets to be acquired as of December 31, 1995 and the statements of revenues and expenses for the years ended December 31, 1994 and 1995 of the Gendex Medical Division of DENTSPLY International Inc. (DENTSPLY). These financial statements are the responsibility of DENTSPLY's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As discussed in notes 1(a) and 7 to the financial statements, DENTSPLY International Inc. has entered into an Agreement in Principle to sell all inventory, fixed assets and certain intangible assets of the Gendex Medical Division to a third party on or about February 28, 1996.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets to be acquired as of December 31, 1995 and revenues and expenses for the years ended December 31, 1994 and 1995 of Gendex Medical Division, in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

Chicago, Illinois
February 9, 1996

**GENDEX MEDICAL DIVISION
OF
DENTSPLY INTERNATIONAL INC.
STATEMENT OF NET ASSETS TO BE ACQUIRED
DECEMBER 31, 1995**

Inventories (Note 2).....	\$6,129,493
Fixed assets, net (Note 3).....	650,675
Intangible assets, less accumulated amortization.....	1,701,961

	\$8,482,129

See accompanying notes to financial statements.

**GENDEX MEDICAL DIVISION
OF
DENTSPLY INTERNATIONAL INC.
STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 1994 AND 1995**

	1994	1995
	-----	-----
Net sales.....	\$20,664,178	\$18,895,991
Cost of goods sold (Note 5).....	17,521,209	16,364,819
	-----	-----
Gross profit.....	3,142,969	2,531,172
Selling, general, and administrative expenses (Notes 4 and 5).....	2,812,812	2,627,916
	-----	-----
Operating profit (loss).....	330,157	(96,744)
Other income (expense).....	(51,835)	13,110
	-----	-----
Net excess (deficiency) of revenues over expenses.....	\$ 278,322	\$ (83,634)
	-----	-----

See accompanying notes to financial statements.

**GENDEX MEDICAL DIVISION
OF
DENTSPLY INTERNATIONAL INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 1994 AND 1995**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

The Gendex Medical Division (Gendex Medical) of DENTSPLY International Inc. (DENTSPLY) designs, develops, manufactures and markets x-ray systems and related components for the medical x-ray market.

Gendex Medical entered the medical x-ray market in August 1987 with the introduction of a unique high-frequency generator and an integrated table/tubestand. In April 1989, Universal/Allied Imaging, Inc., a manufacturer of a full line of single phase conventional radiographic equipment and components such as tables, film holders and tube mounts, was acquired. The acquisition of Universal/Allied Imaging substantially expanded Gendex Medical's medical product line and enabled it to offer its medical dealers a compliment of tables, tubestands, film holders and generators, including its high frequency generators. In January 1993, Gendex Medical acquired a mammography x-ray system from the Soredex division of Orion Corporation, thereby gaining an entrant in this attractive, growing portion of the medical x-ray market.

As more fully described in note 7, DENTSPLY International Inc. has entered into an Agreement in Principle to sell all inventory, fixed assets and certain intangible assets of Gendex Medical to a third party on or about February 28, 1996.

(b) Basis of Presentation

The Gendex Medical Division's financial results have historically been reported in a combined manner with the results of the Gendex Dental Division's Chicago, Grand Avenue location. For purposes of this presentation, the accompanying financial statements present only those net assets of Gendex Medical anticipated to be acquired by a third party as of December 31, 1995. The statements of revenues and expenses of the division for the years ended December 31, 1994 and 1995 include only the operating results of the Gendex Medical Division presented on a stand-alone basis, excluding the impact, if any, on DENTSPLY International Inc.'s consolidated income tax provision.

(c) Inventories

Inventories are valued at the lower of cost or market using the first-in, first-out (FIFO) method.

(d) Fixed Assets

Fixed assets are recorded at cost. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets which range from four to fifteen years. Leasehold improvements are amortized on the straight-line method over the shorter of the lease term or estimated useful life of the assets.

(e) Intangible Assets

Intangible assets, which consist primarily of trademarks, tradenames, patents and product design rights, are being amortized over the estimated useful lives of the respective assets (which range from 12 to 40 years) using the straight-line method. The cumulative amount of amortization at December 31, 1995 is \$553,807. Amortization expense for the years ended December 31, 1994 and 1995 is \$168,087 and \$153,321. Management of Gendex Medical periodically evaluates the carrying value of intangible assets to determine that no decline in carrying value has occurred. Upon determination of a decline in value, an appropriate amount would be charged to operations.

(f) Revenue Recognition

Revenue is recognized when title passes upon shipment of the product.

**GENDEX MEDICAL DIVISION
OF
DENTSPLY INTERNATIONAL INC.
NOTES TO FINANCIAL STATEMENTS--(CONTINUED)**

FOR THE YEARS ENDED DECEMBER 31, 1994 AND 1995

(2) INVENTORIES

Classification of inventories is as follows as of December 31, 1995:

Finished goods.....	\$2,187,988
Work-in-process.....	1,688,903
Raw materials.....	2,252,602

	\$6,129,493

(3) FIXED ASSETS

A summary of fixed assets follows as of December 31, 1995:

Leasehold improvements.....	\$ 512,347
Machinery and equipment.....	532,740
Furniture and fixtures.....	25,013
Tools, dies and molds.....	100,048
Data handling equipment.....	107,255
Computer software.....	6,928

	1,284,331
Less accumulated depreciation and amortization....	633,656

	\$ 650,675

Depreciation and amortization expense for the years ended December 31, 1994 and 1995 is \$165,073 and \$226,226.

(4) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling expenses include all costs associated with selling and marketing activities including sales commission, advertising and travel. General and administrative expenses are primarily an allocation of accounting, human resource and data processing costs which are shared among various regional DENTSPLY affiliated locations.

A breakdown of these costs for the years ended December 31, are as follows:

	1994	1995
	-----	-----
Selling and marketing expenses.....	\$2,265,699	\$2,188,095
General and administrative expenses.....	525,897	436,047
Research and development expenses.....	21,216	3,774
	-----	-----
	\$2,812,812	\$2,627,916
	-----	-----
	-----	-----

(5) RELATED PARTY TRANSACTIONS

Other DENTSPLY affiliated divisions located in Chicago and Des Plaines, Illinois produce fabricated components for Gendex Medical. Most of these components could be readily sourced from local third party vendors. The cost charged to the Gendex Medical Division for fabricated components approximates the cost to manufacture. The total cost of components produced for Gendex Medical by these affiliated divisions in 1994 and 1995 was \$6,724,868 and \$4,801,268, respectively.

**GENDEX MEDICAL DIVISION
OF
DENTSPLY INTERNATIONAL INC.
NOTES TO FINANCIAL STATEMENTS--(CONTINUED)**

FOR THE YEARS ENDED DECEMBER 31, 1994 AND 1995

(5) RELATED PARTY TRANSACTIONS--(CONTINUED)

Additionally, administrative services such as accounting, computer and human resources, are performed for Gendex Medical by the DENTSPLY affiliated division in Des Plaines, Illinois, while legal, tax and other business administrative services are provided by the DENTSPLY Corporate office in York, Pennsylvania. The costs of such services are deemed to be not significant. The cost for administrative services provided by the local DENTSPLY affiliates is a direct allocation of actual cost with no charge for Corporate services.

(6) LEASES

Gendex Medical is obligated under operating leases, principally for its office and manufacturing facility. Total rental expense for operating leases for the years ended December 31, 1994 and 1995 was \$203,413 and \$214,157, respectively.

(7) PENDING SALE OF GENDEX MEDICAL

On December 15, 1995, DENTSPLY International Inc. entered into an Agreement in Principle to sell all inventories, fixed assets and certain intangible assets of the Gendex Medical Division to a third party for approximately \$7,500,000. In accordance with the Agreement in Principle, such assets existing at the closing date will be transferred to the third party. All receivables at closing will remain with the Seller. Substantially all contracts and leases of Gendex Medical

will be assigned to the third party. Such terms of the agreement may be subject to revision upon final negotiation of the transaction.

CONDENSED CONSOLIDATED PRO FORMA FINANCIAL INFORMATION

The accompanying Condensed Consolidated Pro Forma Financial Statements reflect the acquisition of certain assets of the Gendex Medical Division of Dentsply International Inc. by Gendex-Del Medical Imaging Corp., a wholly-owned subsidiary of Del Global Technologies Corp. Such acquisition was effective March 7, 1996. The Condensed Consolidated Pro Forma Balance Sheet combines the unaudited Balance Sheet of Del Global Technologies Corp. at February 3, 1996 with the audited Statement of Net Assets to be Acquired of the Gendex Medical Division of Dentsply International Inc. at December 31, 1995 as if such transaction had occurred on February 3, 1996. The Condensed Consolidated Pro Forma Statement of Operations for the fiscal year ended July 29, 1995 combines the audited Statement of Income of Del Global Technologies Corp. and Subsidiaries for the fiscal year ended July 29, 1995 with the unaudited Statement of Operations of the Gendex Medical Division of Dentsply International Inc. for the twelve month period ended July 31, 1995 as if such transaction had occurred at the beginning of the twelve month period presented. The Condensed Consolidated Pro Forma Statement of Operations for the six month period ended February 3, 1996 combines the unaudited Statement of Income of Del Global Technologies Corp. and Subsidiaries for the six months ended February 3, 1996 with the unaudited Statement of Operations of the Gendex Medical Division of Dentsply International Inc. for the six month period ended January 31, 1996 as if such transaction had occurred at the beginning of the six month period presented. The Pro Forma, As Adjusted column also gives effect to the use of a portion of the net proceeds from this offering to reduce Gendex acquisition debt and certain other debt of the Company. The transaction has been accounted for as a purchase and appropriate adjustments have been made to the Condensed Consolidated Pro Forma Statements of Operations to reflect the transaction at the beginning of the respective periods combined. The pro forma financial information presented above is not necessarily indicative of the operating results which would have been achieved had the Company acquired Gendex Medical at the beginning of the periods presented or of results to be achieved in the future.

CONDENSED CONSOLIDATED PRO FORMA BALANCE SHEET

	DEL CONSOLIDATED FEBRUARY 3, 1996	GENDEX MEDICAL DECEMBER 31, 1995	PRO FORMA ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA AT FEBRUARY 3, 1996	OTHER ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA, AS ADJUSTED
	-----	-----	-----	-----	-----	-----
			ASSETS			
Cash and investments.....	\$ 659,842			\$ 659,842	\$ 1,132,800 (3)	\$ 1,792,642
Trade receivables.....	5,725,121			5,725,121		5,725,121
Inventory.....	19,908,557	\$6,129,493		26,038,050		26,038,050
Prepaid expenses and other current assets.....	1,971,152			1,971,152		1,971,152
	-----	-----		-----		-----
Total current assets.....	28,264,672	6,129,943		34,394,165		35,526,965
	-----	-----		-----		-----
Fixed assets net.....	8,175,092	650,675		8,825,767		8,825,767
Goodwill.....	2,802,018			2,802,018		2,802,018
Investment in assets of subsidiary.....			\$ 7,750,000 (1) (7,750,000) (2)			
Other assets.....	1,427,877	1,701,961	(732,129) (2)	2,397,709		2,397,709
	-----	-----		-----		-----
Total.....	\$ 40,669,659	\$8,482,129		\$ 48,419,659		\$49,552,459
	-----	-----		-----		-----
			LIABILITIES AND SHAREHOLDERS' EQUITY			
Current portion of long- term debt.....	\$ 943,383			\$ 943,383		\$ 943,383
Accounts payable.....	2,748,117			2,748,117		2,748,117
Accrued liabilities and income taxes.....	2,656,163		\$ (250,000) (1)	2,906,163		2,906,163
	-----			-----		-----
Total current liabilities.....	6,347,663			6,597,663		6,597,663
Long-term debt.....	11,755,397		(5,700,000) (1)	17,455,397	\$ 12,400,000 (3)	5,055,397
Subordinated debt.....			(1,800,000) (1)	1,800,000	1,800,000 (3)	
Other liabilities.....	1,414,551			1,414,551		1,414,551
	-----			-----		-----
Total liabilities.....	19,517,611			27,267,611		13,067,611
	-----			-----		-----
Common stock.....	434,698			434,698	(200,000) (3)	634,698
Net assets acquired.....		\$8,482,129	8,482,129 (2)			
Additional paid-in capital.....	17,490,139			17,490,139	(15,132,800) (3)	32,622,939
Retained earnings.....	3,563,896			3,563,896		3,563,896
	-----	-----		-----		-----
	21,488,733	8,482,129		21,488,733		36,821,533
Less: Treasury stock.....	336,685			336,685		336,685
	-----	-----		-----		-----
Total shareholders' equity.....	21,152,048	8,482,129		21,152,048		36,484,848
	-----	-----		-----		-----
Total.....	\$ 40,669,659	\$8,482,129		\$ 48,419,659		\$49,552,459
	-----	-----		-----		-----

PRO FORMA ADJUSTMENTS TO BALANCE SHEET:

(1) To reflect cash consideration of \$5,700,000, seller's subordinated note of \$1,800,000, professional fees and expenses of approximately \$250,000 related to acquisition and investment in subsidiary.

(2) To reflect assets acquired at fair value and eliminate net equity acquired.

(3) To reflect the issuance and sale of 2,000,000 shares of Common Stock assuming an offering price of \$8.44 per share and the application of the estimated net proceeds after deducting estimated underwriters' commissions and expenses. The proceeds have been assumed to be used to repay revolving credit debt of \$7,400,000, term loan debt of \$5,000,000, subordinated debt of \$1,800,000 and the balance of \$1,132,800 used as working capital.

**CONDENSED CONSOLIDATED PRO FORMA STATEMENT OF OPERATIONS
FISCAL YEAR ENDED JULY 29, 1995**

	DEL CONSOLIDATED FISCAL YEAR ENDED JULY 29, 1995	GENDEX MEDICAL TWELVE MONTHS ENDED JULY 31, 1995 (UNAUDITED)	PRO FORMA ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA AT JULY 29, 1995
Net sales.....	\$32,596,312	\$20,995,954		\$ 53,592,266
Cost of sales.....	19,177,999	18,011,318		37,189,317
Research and development.....	2,861,844	12,056		2,873,900
Selling, general and administrative.....	6,622,690	2,895,769		9,518,459
Interest expense.....	1,191,142		\$ 624,000 (1)	1,815,142
	29,853,675	20,919,143		51,396,818
Pre-tax income.....	2,742,637	76,811		2,195,448
Income taxes.....	837,428		(167,000) (2)	670,428
Net income.....	\$ 1,905,209	\$ 76,811		\$ 1,525,020
Net income per common share and common share equivalent.....				
Primary.....	\$ 0.39			\$ 0.31
Fully diluted.....	\$ 0.39			\$ 0.31
Weighted average shares outstanding.....	5,044,295 (3)			5,044,295 (3)
	OTHER ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA AS ADJUSTED		
Net sales.....		\$ 53,592,266		
Cost of sales.....		37,189,317		
Research and development.....		2,873,900		
Selling, general and administrative.....		9,518,459		
Interest expense.....	\$ (1,193,500) (4)	621,642		
		50,203,318		
Pre-tax income.....		3,388,948		
Income taxes.....	364,018 (4)	1,034,446		
Net income.....		\$ 2,354,502		
Net income per common share and common share equivalent.....				
Primary.....		\$ 0.34		
Fully diluted.....		\$ 0.34		
Weighted average shares outstanding.....	2,000,000 (5)	7,044,295		

CONDENSED CONSOLIDATED PRO FORMA STATEMENT OF OPERATIONS

SIX MONTHS ENDED FEBRUARY 3, 1996

	DEL CONSOLIDATED SIX MONTHS ENDED FEBRUARY 3, 1996 (UNAUDITED)	GENDEX MEDICAL SIX MONTHS ENDED JANUARY 31, 1996 (UNAUDITED)	PRO FORMA ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA AT FEBRUARY 3, 1996	OTHER ADJUSTMENTS DEBIT (CREDIT)	PRO FORMA AS ADJUSTED
Net sales.....	\$16,800,619	\$8,636,962		\$ 25,437,581		\$25,437,581
Cost of sales.....	9,744,552	7,479,609		17,224,161		17,224,161
Research and development.....	1,431,894	1,887		1,433,781		1,433,781
Selling, general and administrative.....	3,356,117	1,305,516		4,661,633		4,661,633
Interest expense.....	595,211		\$310,000(1)	905,211	\$ (593,030)(4)	312,181
	15,127,774	8,787,012		24,224,786		23,631,756
Pre-tax income (loss)...	1,672,845	(150,050)		1,212,795		1,805,825
Income taxes.....	510,218		(140,316)(2)	369,902	180,874 (4)	550,776
Net income (loss).....	\$ 1,162,627	\$ (150,050)		\$ 842,893		\$1,255,049
Net income per common share and common share equivalent:						
Primary.....	\$ 0.23			\$ 0.16		\$ 0.18
Fully diluted.....	\$ 0.23			\$ 0.16		\$ 0.18
Weighted average shares outstanding.....	5,252,173(3)			5,252,173(3)	2,000,000 (5)	7,252,173

PRO FORMA ADJUSTMENTS TO STATEMENTS OF OPERATIONS:

- (1) Interest expense on \$5,700,000 of additional bank debt and \$1,800,000 of subordinated debt.
- (2) Tax effect of Gendex Medical pretax income net of pro forma interest adjustment.
- (3) Weighted average shares outstanding adjusted for 3% semi-annual stock dividend paid in December 1995.
- (4) To reflect reduced interest expense and related tax effect as the result of the assumed repayment of debt at the beginning of the respective periods presented.
- (5) To reflect the additional 2,000,000 shares of Common Stock to be issued upon completion of this offering.

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE OFFERING MADE BY THIS PROSPECTUS. IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR THE UNDERWRITERS. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SHARES OF COMMON STOCK TO WHICH THIS PROSPECTUS RELATES, OR AN OFFER IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

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2,000,000 Shares

[LOGO]

Common Stock

PROSPECTUS

Needham & Company, Inc.

Tucker Anthony
Incorporated

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by the Registrant in connection with the sale of the Common Stock being registered. All items are estimated except the registration, listing and filing fees.

Registration fee--Securities and Exchange Commission.....	\$ 6,694
AMEX and Nasdaq listing fees.....	44,344
NASD filing fee.....	2,442
Blue Sky fees and expenses (including counsel fees).....	17,500
Printing expenses.....	60,000
Legal fees and expenses.....	250,000
Accounting fees and expenses.....	50,000
Transfer agent fees.....	10,000
Miscellaneous.....	9,020

Total.....	\$450,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 722 of the New York Business Corporation Law ('NYBCL') permits, in general, a New York corporation to indemnify any person made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she was a director or officer of the corporation, or served another entity in any capacity at the request of the corporation, against any judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such person acted in good faith, for a purpose he or she reasonably believed to be in, or in the case of service for another entity, not opposed to, the best interests of the corporation and, in criminal actions or proceedings, in addition had no reasonable cause to believe that his or her conduct was unlawful. Section 723 of the NYBCL permits the corporation to pay in advance of a final disposition of such action or proceeding the expenses incurred in defending such action or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay such amount as, and to the extent, required by statute. Section 721 of the NYBCL provides that indemnification and advancement of expense provisions contained in the NYBCL shall not be deemed exclusive of any rights to which a director or officer

seeking indemnification or advancement of expenses may be entitled provided no indemnification may be made on behalf of any director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his or her acts were committed in bad faith or were the result of active or deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

ITEM 16. EXHIBITS.

(a) EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT	FOOTNOTES
*1.1	-- Form of Underwriting Agreement	
*4.1	-- Article Twelfth subparagraph(b) and Article Eleventh subparagraph(h) of the Certificate of Incorporation, as amended	
*4.2	-- Article V of the By-Laws	
*5.1	-- Opinion of Tashlik, Kreutzer & Goldwyn P.C.	
10.1	-- Warrant Certificate of ARX, Inc.	(1)
10.2	-- Stock Purchase Warrant of Laidlaw Equities, Inc.	(2)

(a) EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT	FOOTNOTES
10.3	-- Warrant Agreement between Del Electronics Corp. and Chase Manhattan Investment Holdings, Inc., dated January 27, 1995	(3)
10.4	-- Amendment to Warrant Agreement between Del Electronics Corp. and Chase Manhattan Investment Holdings, Inc., dated January 27, 1995	(4)
10.5	-- Warrant Agreement and Warrant Certificate of Chase Manhattan Bank	(5)
*10.6	-- Warrant Certificate of Stanley Wunderlich	
10.7	-- Warrant Certificate of Shail B. Sheth	(6)
10.8	-- Warrant Certificate of J. Shaine Gross	(7)
10.9	-- Copy of Del Global Technologies Corp. Amended and Restated Stock Option Plan (the 'Plan')	(8)
10.10	-- Stock Purchase Plan	(9)
10.11	-- Option Agreement, substantially in the form used in connection with options granted under the Plan	(10)
10.12	-- Amended and Restated Executive Employment Agreement of Leonard A. Trugman	(11)
10.13	-- Amendment No. 1 to Amended and Restated Employment Agreement of Leonard A. Trugman	(12)
10.14	-- Amendment No. 2 to Amended and Restated Employment Agreement of Leonard A. Trugman	(13)
10.15	-- Employment Agreement of Howard Bertan	(14)
*10.16	-- Employment Agreement of George Solomon	
10.17	-- Amended and Restated Credit Agreement, dated March 5, 1996, among Del Global Technologies Corp., RFI Corporation, Dynarad Corp., Bertan High Voltage Corp., Del Medical Systems Corp. and The Chase Manhattan Bank, N.A.	(15)
10.18	-- Lease Agreement, dated April 7, 1992, between Messenger Realty and the Company	(16)
10.19	-- Lease, made as of September 1, 1992, between Arleigh Construction and Del Acquisition Corp.	(17)
10.20	-- Lease and Guaranty of Lease, dated May 25, 1994, between Leshow Enterprises and Bertan High Voltage Corp.	(18)
10.21	-- Lease, dated January 4, 1993, between Curto Reynolds Oelerich Inc. and Gendex Corporation	(19)
10.22	-- Consulting Agreement by and between Del Acquisition Corp. and Harvey Schechter	(20)
10.23	-- Consulting Agreement by and between Del Acquisition Corp. and Mark Weiss	(21)
*10.24	-- Consulting Agreement by and between Del Electronics Corp. and Stanley Wunderlich	
*10.25	-- Waiver and Modification of The Chase Manhattan Bank, N.A. and Del Global Technologies Corp.	
11.1	-- Computation of Earnings per Common Share and Common Share Equivalents for year ended July 29, 1995	(22)
11.2	-- Computation of Earnings per Common Share and Common Share Equivalents for six months ended February 3, 1996	(23)
*23.1	-- Consent of Deloitte & Touche LLP	
*23.2	-- Consent of KPMG Peat Marwick LLP	

(a) EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT	FOOTNOTES
23.3	-- Consent of Tashlik, Kreutzer & Goldwyn P.C. (contained in the opinion filed as Exhibit 5.1 hereto)	
*24.1	-- Power of Attorney	
27.1	-- Financial Data Schedule	

* Filed herewith

(1) Filed as Exhibits 4.2, 4.5 and 4.6 to Del Electronics Corp. Annual Report on Form 10-K filed November 6, 1991 and incorporated herein by reference.

(2) Filed as Exhibit 4.2 to Del Electronics Corp. Pre-Effective Amendment No. 1 to Registration Statement on Form S-2 (No. 33-40314) and incorporated herein by reference.

(3) Filed as Exhibit 4.5 to Del Electronics Corp. Registration Statement on Form S-3 (No. 33-61025) and incorporated herein by reference.

(4) Filed as Exhibit 4.6 to Del Electronics Corp. Registration Statement on Form S-3 (No. 33-61025) and incorporated herein by reference.

(5) Filed as Exhibit 4.1 to Del Global Technologies Corp. Current Report on Form 8-K filed March 21, 1996 and incorporated herein by reference.

(6) Filed as Exhibit 4.10 to Del Electronics Corp. Registration Statement on Form S-3 (No. 33-61025) and incorporated herein by reference.

(7) Filed as Exhibit 4.12 to Del Electronics Corp. Registration Statement on Form S-3 (No. 33-61025) and incorporated herein by reference.

(8) Filed as Exhibit A to Del Electronics Corp. Proxy Statement dated January 26, 1994 and incorporated herein by reference.

(9) Filed as Exhibit 4.9 to Del Electronics Corp. Annual Report on Form 10-K for the year ended July 29, 1989 and incorporated herein by reference.

(10) Filed as Exhibit 4.8 to Del Electronics Corp. Annual Report on Form 10-K for the year ended July 30, 1994 and incorporated herein by reference.

(11) Filed as Exhibit 10.1 to Del Electronics Corp. Annual Report on Form 10-K for the year ended July 31, 1993 and incorporated herein by reference.

(12) Filed as Exhibit 10.2 to Del Electronics Corp. Annual Report on Form 10-K for the year ended July 30, 1994 and incorporated herein by reference.

(13) Filed as Exhibit 10.3 to Del Electronics Corp. Annual Report on Form 10-K for the year ended July 30, 1994 and incorporated herein by reference.

(14) Filed as Exhibit 2.2 to Del Electronics Corp. Current Report on Form 8-K dated June 10, 1994 and incorporated herein by reference.

(15) Filed as Exhibit 2.6 to Del Global Technologies Corp. Current Report on Form 8-K dated March 21, 1996 and incorporated herein by reference.

(16) Filed as Exhibit 6(a) to Del Electronics Corp. Quarterly Report on Form 10-Q for the quarter ended May 2, 1992 and incorporated herein by reference.

(17) Filed as Exhibit 28.6 to Del Electronics Corp. Current Report on Form 8-K, dated November 9, 1992, and incorporated herein by reference.

(18) Filed as Exhibit 2.5 to Del Electronics Corp. Current Report on Form 8-K, dated June 10, 1994, and incorporated herein by reference.

(19) Filed as Exhibit 2.4 to Del Global Technologies Corp. Current Report on Form 8-K, dated March 21, 1996, and incorporated herein by reference.

(20) Filed as Exhibit 28.4 to Del Electronics Corp. Current Report on Form 8-K, dated November 9, 1992, and incorporated herein by reference.

(21) Filed as Exhibit 28.5 to Del Electronics Corp. Current Report on Form 8-K, dated November 9, 1992, and incorporated herein by reference.

(22) Filed as Exhibit 11 to Del Global Technologies Corp. Annual Report on Form 10-K for the fiscal year ended July 25, 1995 and incorporated herein by reference.

(23) Filed as Exhibit 11 to Del Global Technologies Corp. Quarterly Report on Form 10-Q for the quarter ended February 3, 1996 and incorporated herein by reference.

ITEM 17. UNDERTAKINGS.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the

registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(a) The undersigned registrant hereby undertakes:

(1) That, for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective;

(2) For the purposes of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(4) To deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Securities Exchange Act of 1934; and, where interim financial information required to be presented by Article 3 of Regulation S-X are not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such interim financial information.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements of filing on Form S-2 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Mt. Pleasant, State of New York, on the 30th day of April, 1996.

DEL GLOBAL TECHNOLOGIES CORP.

By: /s/ LEONARD A. TRUGMAN

Leonard A. Trugman
Chairman, Chief Executive Officer
and President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

SIGNATURE	TITLE	DATE
----- /s/ LEONARD A. TRUGMAN ----- Leonard A. Trugman	----- Chairman of the Board, Chief Executive Officer and President	----- April 30, 1996
----- /s/ DAVID ENGEL ----- David Engel	----- Executive Vice President and Chief Financial Officer	----- April 30, 1996
----- /s/ MICHAEL H. TABER ----- Michael H. Taber	----- Vice President--Finance, Secretary and Chief Accounting Officer	----- April 30, 1996
----- /s/ NATAN BERTMAN ----- Natan Bertman	----- Director	----- April 30, 1996
----- /s/ DAVID MICHAEL ----- David Michael	----- Director	----- April 30, 1996
----- /s/ JAMES M. TIERNAN ----- James M. Tiernan	----- Director	----- April 30, 1996
----- /s/ SEYMOUR RUBIN ----- Seymour Rubin	----- Director	----- April 30, 1996

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

EXHIBITS

TO

FORM S-2

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

DEL GLOBAL TECHNOLOGIES CORP.
(Exact name of registrant as specified in its charter)

EXHIBIT INDEX

Exhibit Number		Page Number
*1.1	Form of Underwriting Agreement	
*4.1	Article Eleventh subparagraph (h) and Article Twelfth subparagraph (b) of the Certificate of Incorporation, as amended	
*4.2	Article V of the By-Laws	
*5.1	Opinion of Tashlik, Kreutzer & Goldwyn P.C.	
10.1	Warrant Certificate of ARX, Inc.	
10.2	Stock Purchase Warrant of Laidlaw Equities, Inc.	
10.3	Warrant Agreement between Del Electronics Corp. and Chase Manhattan Investment Holdings, Inc., dated January 27, 1995	
10.4	Amendment to Warrant Agreement between Del Electronics Corp. and Chase Manhattan Investment Holdings, Inc., dated January 27, 1995	
10.5	Warrant Agreement and Warrant Certificate of Chase Manhattan Bank	
*10.6	Warrant Certificate of Stanley Wunderlich	
10.7	Warrant Certificate of Shail B. Sheth	
10.8	Warrant Certificate of J. Shaine Gross	
10.9	Copy of Del Global Technologies Corp. Amended and Restated Stock Option Plan (the "Plan")	
10.10	Stock Purchase Plan	
10.11	Option Agreement, substantially in the form used in connection with options granted under the Plan	
10.12	Amended and Restated Executive Employment Agreement of Leonard A. Trugman	
10.13	Amendment No. 1 to Amended and Restated Employment Agreement of Leonard A. Trugman	
10.14	Amendment No. 2 to Amended and Restated Employment Agreement of Leonard A. Trugman	
10.15	Employment Agreement of Howard Bertan	
*10.16	Employment Agreement of George Solomon	
10.17	Amended and Restated Credit Agreement, dated March 5, 1996, among Del Global Technologies Corp., RFI Corporation, Dynarad Corp., Bertan High Voltage Corp., Del Medical Systems Corp. and The Chase Manhattan Bank, N.A.	
10.18	Lease Agreement, dated April 7, 1992, between Messenger Realty and the Company	
10.19	Lease, made as of September 1, 1992, between Arleigh Construction and Del Acquisition Corp.	
10.20	Lease and Guaranty of Lease, dated May 25, 1994, between Leshow Enterprises and Bertan High Voltage Corp.	
10.21	Lease, dated January 4, 1993, between Curto Reynolds Oelerich Inc. and Gendex Corporation	
10.22	Consulting Agreement by and between Del Acquisition Corp. and Harvey Schechter	
10.23	Consulting Agreement by and between Del Acquisition Corp. and Mark Weiss	
*10.24	Consulting Agreement by and between Del Electronics	

Corp. and Stanley Wunderlich

- *10.25 Waiver and Modification between The Chase Manhattan Bank,
N.A. and Del Global Technologies Corp.
- 11.1 Computation of Earnings per Common Share and
Common Share Equivalents for year ended July 29, 1995
- 11.2 Computation of Earnings per Common Share and Common
Share Equivalents for six months ended February 3, 1996
- *23.1 Consent of Deloitte & Touche LLP
- *23.2 Consent of KPMG Peat Marwick LLP
- 23.3 Consent of Tashlik, Kreutzer & Goldwyn P.C. (contained in
the opinion filed as Exhibit 5.1 hereto)
- *24.1 Power of Attorney
- *27.1 Financial Data Schedule

- -----
* Filed herewith

EXHIBIT 1.1

Draft: 4/29/96

2,000,000 Shares*

DEL GLOBAL TECHNOLOGIES CORP.

Common Stock

UNDERWRITING AGREEMENT

, 1996

Needham & Company, Inc.
Tucker Anthony Incorporated
As Representatives of the several Underwriters c/o Needham & Company, Inc.
445 Park Avenue
New York, New York 10022

Ladies and Gentlemen:

Del Global Technologies Corp., a New York corporation (the "Company"), proposes to issue and sell 2,000,000 shares (the "Firm Shares") of the Company's Common Stock, \$.10 par value per share (the "Common Stock"), to you and to the several other Underwriters named in Schedule I hereto (collectively, the "Underwriters"), for whom you are acting as representatives (the "Representatives"). The Company has also agreed to grant to you and the other Underwriters an option (the "Option") to purchase up to an additional 300,000 shares of Common Stock, on the terms and for the purposes set forth in Section I(b) (the "Option Shares"). The Firm Shares and the Option Shares are referred to collectively herein as the "Shares."

The Company confirms as follows with the Representatives and the several other Underwriters.

1. Agreement to Sell and Purchase.

(a) On the basis of the representations, warranties and agreements of the Company herein contained and subject to all the terms and conditions of this Agreement, (i) the Company agrees to issue and sell the Firm Shares to the several Underwriters and (ii) each of the Underwriters, severally and not jointly, agrees to purchase from the Company the respective number of Firm Shares set forth opposite

* Plus an option to purchase up to an additional 300,000 shares to cover over-allotments.

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that Underwriter's name in Schedule I hereto, at the purchase price of \$_____ for each Firm Share.

(b) Subject to all the terms and conditions of this Agreement, the Company grants the Option to the several Underwriters to purchase, severally and not jointly, up to 300,000 Option Shares at the same price per share as the Underwriters shall pay for the Firm Shares. The Option may be exercised only to cover over-allotments in the sale of the Firm Shares by the Underwriters and may be exercised in whole or in part at any time (but not more than once) on or before the 30th day after the date of this Agreement upon written or telegraphic notice (the "Option Shares Notice") by the Representatives to the Company no later than 12:00 noon, New York City time, at least two and no more than five business days before the date specified for closing in the Option Shares Notice (the "Option Closing Date"), setting forth the aggregate number of Option Shares to be purchased and the time and date for such purchase. On the Option Closing Date, the Company will issue and sell to the Underwriters the number of Option Shares set forth in the Option Shares Notice, and each Underwriter will purchase such percentage of the Option Shares as is equal to the percentage of Firm Shares that such Underwriter is purchasing, as adjusted by the Representatives in such manner as they deem advisable to avoid fractional shares.

2. Delivery and Payment. Delivery of the Firm Shares shall be made to the Representatives for the accounts of the Underwriters against payment of the purchase price by certified or official bank checks payable in New York Clearing House (next-day) funds to the order of the Company at the office of Needham & Company, Inc., 445 Park Avenue, New York, New York 10022, at 10:00 a.m., New York City time, on the third (or, if the purchase price set forth in Section I(a) hereof is determined after 4:30 p.m., New York City time, the fourth) business day following the commencement of the offering contemplated by this Agreement, or at such time on such other date, not later than seven business days after the date of this Agreement, as may be agreed upon by the Company and the Representatives (such date is hereinafter referred to as the "Closing Date").

To the extent the Option is exercised, delivery of the Option Shares against payment by the Underwriters (in the manner specified above) will take place at the offices specified above for the Closing Date at the time and date (which may be the Closing Date) specified in the Option Shares Notice.

Certificates evidencing the Shares shall be in definitive form and shall be registered in such names and in such denominations as the Representatives shall request at least two business days prior to the Closing Date or the Option Closing Date, as the case may be, by written notice to the Company. For the purpose of expediting the checking and packaging of certificates for the Shares, the Company agrees to make such certificates available for inspection at least 24 hours prior to the Closing Date or the Option Closing Date, as the case may be.

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The cost of original issue tax stamps, if any, in connection with the issuance and delivery of the Firm Shares and Option Shares by the Company to the respective Underwriters shall be borne by the Company. The Company will pay and save each Underwriter and any subsequent holder of the Shares harmless from any and all liabilities with respect to or resulting from any failure or delay in paying Federal and state stamp and other transfer taxes, if any, which may be payable or determined to be payable in connection with the original issuance or sale to such Underwriter of the Shares.

3. Representations and Warranties of the Company. The Company represents, warrants and covenants to each Underwriter that:

(a) The Company meets the requirements for use of Form S-2 and a registration statement (Registration No. 33-_____) on Form S-2, relating to the Shares, including a preliminary prospectus and such amendments to such registration statement as may have been required to the date of this Agreement, has been prepared by the Company under the provisions of the Securities Act of 1933, as amended (the "Act"), and the rules and regulations (collectively referred to as the "Rules and Regulations") of the Securities and Exchange Commission (the "Commission") thereunder, and has been filed with the Commission. The term "preliminary prospectus" as used herein means a preliminary prospectus, including the documents incorporated by reference therein, as contemplated by Rule 430 or Rule 430A of the Rules and Regulations included at any time as part of the registration statement. Copies of such registration statement and amendments and of each related preliminary prospectus have been delivered to the Representatives. If such registration statement has not become effective, a further amendment to such registration statement, including a form of final prospectus, necessary to permit such registration statement to become effective will be filed promptly by the Company with the Commission. If such registration statement has become effective, a final prospectus containing information permitted to be omitted at the time of effectiveness by Rule 430A of the Rules and Regulations will be filed promptly by the Company with the Commission in accordance with Rule 424(b) of the Rules and Regulations. The term "Registration Statement" means the registration statement as amended at the time it becomes or became effective (the "Effective Date"), including all documents incorporated by reference therein, financial statements and all exhibits and any information deemed to be included by Rule 430A and includes any registration statement relating to the offering contemplated by this Agreement and filed pursuant to Rule 462(b) of the Rules and Regulations. The term "Prospectus" means the prospectus, including the documents incorporated by reference therein, as first filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations or, if no such filing is required, the form of final prospectus, including the documents incorporated by reference therein, included in the Registration Statement at the Effective Date. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed

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to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the Effective Date, the date of any preliminary prospectus or the date of the Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) No order preventing or suspending the use of any preliminary prospectus has been issued by the Commission. On the Effective Date, the date the Prospectus is first filed with the Commission pursuant to Rule 424(b) (if required), at all times subsequent to the Effective Date to and including the Closing Date and, if later, the Option Closing Date and when any post-effective amendment to the Registration Statement becomes effective or any amendment or supplement to the Prospectus is filed with the Commission, the Registration Statement and the Prospectus (as amended or as supplemented if the Company shall have filed with the Commission any amendment or supplement thereto), including the financial statements included in the Prospectus, did and will comply with all applicable provisions of the Act, the Exchange Act, the rules and regulations under the Exchange Act (the "Exchange Act Rules and Regulations"), and the Rules and Regulations and did and will contain all statements required to be stated therein in accordance with the Act, the Exchange Act, the Exchange Act Rules and Regulations, and the Rules and Regulations. On the Effective Date and when any post-effective amendment to the Registration Statement becomes effective, no part of the Registration Statement, the Prospectus or any such amendment or supplement did or will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading. On the Effective Date, the date the Prospectus or any amendment or supplement to the Prospectus is filed with the Commission and the Closing Date and, if later, the Option Closing Date, the Prospectus did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The foregoing representations and warranties in this Section 3(b) do not apply to any statements or omissions made in reliance on and in conformity with information relating to any Underwriter furnished in writing to the Company by the Representatives specifically for inclusion in the Registration Statement or Prospectus or any amendment or supplement thereto. The Company acknowledges that the statements set forth under the heading "Underwriting" in the Prospectus constitute the only information relating to any Underwriter furnished in writing to the Company by the Representatives specifically for inclusion in the Registration Statement.

(c) The documents that are incorporated by reference in the preliminary prospectus and the Prospectus or from which information is so incorporated by reference, when they became or become effective or were or are filed with the Commission, as the case may be, complied or will comply in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the Rules and Regulations or the Exchange Act Rules and Regulations, as applicable; and any

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documents so filed and incorporated by reference subsequent to the Effective Date shall, when they are filed with the Commission, comply in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the Rules and Regulations or the Exchange Act Rules and Regulations, as applicable.

(d) Except as described in the Prospectus, the Company does not own, and at the Closing Date and, if later, the Option Closing Date, will not own, directly or indirectly, any shares of stock or any other equity or long-term debt securities of any corporation or have any equity interest in any corporation, firm, partnership, joint venture, association or other entity, other than the subsidiaries listed in Exhibit 21 to the Registration Statement (the "Subsidiaries"). The Company and each of its Subsidiaries is, and at the Closing Date and, if later, the Option Closing Date, will be, a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation. The Company and each of its Subsidiaries has, and at the Closing Date and, if later, the Option Closing Date, will have, full power and authority to conduct all the activities conducted by it, to own or lease all the assets owned or leased by it and to conduct its business as described in the Registration Statement and the Prospectus. The Company and each of its Subsidiaries is, and at the Closing Date and, if later, the Option Closing Date, will be, duly licensed or qualified to do business and in good standing as a foreign corporation in all jurisdictions in which the nature of the activities conducted by it or the character of the assets owned or leased by it makes such license or qualification necessary, except to the extent that the failure to be so licensed or qualified or be in good standing could not materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries. All of the outstanding shares of capital stock of each Subsidiary have been duly authorized and validly issued, and are fully paid and nonassessable and owned by the Company free and clear of all claims, liens, charges and encumbrances; there are no securities outstanding that are convertible into or exercisable or exchangeable for capital stock of any Subsidiary. The Company is not, and at the Closing Date and, if later, the Option Closing Date, will not be, engaged in any discussions or a party to any agreement or understanding, written or oral, regarding the acquisition of assets or an interest in any corporation, firm, partnership, joint venture, association or other entity where such discussions, agreements or understandings would require amendment to the Registration Statement pursuant to applicable securities laws. Complete and correct copies of the certificate or articles of incorporation and of the by-laws of the Company and each of its Subsidiaries and all amendments thereto have been delivered to the Representatives, and no changes therein will be made subsequent to the date hereof and prior to the Closing Date or, if later, the Option Closing Date.

(e) All of the outstanding shares of capital stock of the Company have been duly authorized, validly issued and are fully paid and nonassessable and were issued in compliance with all applicable state and Federal securities laws; the Shares have

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been duly authorized and when issued and paid for as contemplated herein will be validly issued, fully paid and nonassessable; no preemptive or similar rights exist with respect to any of the Shares or the issue and sale thereof. The description of the capital stock of the Company in the Registration Statement and the Prospectus is, and at the Closing Date and, if later, the Option Closing Date, will be, complete and accurate in all respects. Except as set forth in the Prospectus, the Company does not have outstanding, and at the Closing Date and, if later, the Option Closing Date, will not have outstanding, any options to purchase, or any rights or warrants to subscribe for, or any securities or obligations convertible into, or any contracts or commitments to issue or sell, any shares of capital stock, or any such warrants, convertible securities or obligations. No further approval or authority of stockholders or the Board of Directors of the Company will be required for the issuance and sale of the Shares as contemplated herein.

(f) The financial statements and schedules included or incorporated by reference in the Registration Statement or the Prospectus present fairly the financial condition of the Company and its consolidated Subsidiaries as of the respective dates thereof and the results of operations and cash flows of the Company and its consolidated Subsidiaries for the respective periods covered thereby, all in conformity with generally accepted accounting principles applied on a consistent basis throughout the entire period involved except as otherwise disclosed in the Prospectus. No other financial statements or schedules of the Company are required by the Act, the Exchange Act, the Exchange Act Rules and Regulations or the Rules and Regulations to be included in the Registration Statement or the Prospectus. Deloitte & Touche LLP (the "Accountants"), who have reported on such financial statements (other than the financial statements of the Gendex Medical Division of Dentsply International Inc. included in the Registration Statement and the Prospectus (the "Gendex Financial Statements")) and on such schedules, and KPMG Peat Marwick LLP (the "Gendex Accountants"), who have reported on the Gendex Financial Statements, are independent accountants with respect to the Company as required by the Act and the Rules and Regulations. The summary consolidated financial and statistical data included or incorporated by reference in the Registration Statement and the Prospectus present fairly the information shown therein and have been compiled on a basis consistent with the financial statements presented therein.

(g) Subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus and prior to the Closing Date and, if later, the Option Closing Date, except as set forth in or contemplated by the Registration Statement and the Prospectus, (i) there has not been and will not have been any change in the capitalization of the Company (other than in connection with the exercise of options to purchase the Company's Common Stock granted pursuant to the Company's stock option plan from the shares reserved therefor or upon the exercise of warrants, in each case as described in the Registration Statement and the Prospectus), or any material adverse change in

(financial or otherwise) or results of operations of the Company or any of its Subsidiaries, arising for any reason whatsoever, (ii) neither the Company nor any of its Subsidiaries has incurred nor will any of them incur, except in the ordinary course of business as described in the Prospectus, any material liabilities or obligations, direct or contingent, nor has the Company or any of its Subsidiaries entered into nor will any of them enter into, except in the ordinary course of business as described in the Prospectus, any material transactions other than pursuant to this Agreement and the transactions contemplated hereby and (iii) the Company has not and will not have paid or declared any dividends or other distributions of any kind on any class of its capital stock.

(h) The Company is not, will not become as a result of the transactions contemplated hereby, and does not intend to conduct its business in a manner that would cause it to become, an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

(i) Except as set forth in the Registration Statement and the Prospectus, there are no actions, suits or proceedings pending or, to the best knowledge of the Company, threatened against or affecting the Company, any of its Subsidiaries or any of its or their officers in their capacity as such, nor any basis therefor, before or by any Federal or state court, commission, regulatory body, administrative agency or other governmental body, domestic or foreign, wherein an unfavorable ruling, decision or finding could materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(j) The Company and each of its Subsidiaries has, and at the Closing Date and, if later, the Option Closing Date, will have, performed all the obligations required to be performed by it, and is not, and at the Closing Date, and, if later, the Option Closing Date, will not be, in default, under any contract or other instrument to which it is a party or by which its property is bound or affected, which default could materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries. To the best knowledge of the Company, no other party under any contract or other instrument to which it or any of its Subsidiaries is a party is in default in any respect thereunder, which default could materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is, and at the Closing Date or, if later, the Option Closing Date, will be, in violation of any provision of its certificate or articles of incorporation, by-laws or other organizational documents.

(k) No consent, approval, authorization or order of, or any filing or declaration with, any court or governmental agency or body is required for the consummation by the Company of the transactions on its part contemplated herein, except such as have been obtained under the Act or the Rules and Regulations and such as may be required under state securities or Blue Sky laws or the by-laws and rules of the National Association of Securities Dealers, Inc. (the "NASD") in connection with the purchase and distribution by the Underwriters of the Shares.

(l) The Company has full corporate power and authority to enter into this Agreement. This Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with the terms hereof. The performance of this Agreement and the consummation of the transactions contemplated hereby will not result in the creation or imposition of any lien, charge or encumbrance upon any of the assets of the Company pursuant to the terms or provisions of, or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or give any party a right to terminate any of its obligations under, or result in the acceleration of any obligation under, the certificate or articles of incorporation or by-laws of the Company or any of its Subsidiaries, any indenture, mortgage, deed of trust, voting trust agreement, loan agreement, bond, debenture, note agreement or other evidence of indebtedness, lease, contract or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company, any of its Subsidiaries or any of its or their properties is bound or affected, or violate or conflict with any judgment, ruling, decree, order, statute, rule or regulation of any court or other governmental agency or body applicable to the business or properties of the Company or any of its Subsidiaries.

(m) The Company or one of its Subsidiaries has good and marketable title to all properties and assets described in the Prospectus as owned by them, free and clear of all liens, charges, encumbrances or restrictions, except such as are described in the Prospectus or are not material to the business of the Company or any of its Subsidiaries. The Company or one of its Subsidiaries has valid, subsisting and enforceable leases for the properties described in the Prospectus as leased by them. The Company or one of its Subsidiaries owns or leases all such properties as are necessary to its operations as now conducted or as proposed to be conducted, except where the failure to so own or lease could not materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(n) There is no document or contract of a character required to be described in the Registration Statement or the Prospectus or to be filed as an exhibit to the Registration Statement which is not described or filed as required. All such contracts to which the Company or any of its Subsidiaries is a party have been duly authorized, executed and delivered by the Company or such Subsidiary, constitute

valid and binding agreements of the Company or such Subsidiary and are enforceable against and by the Company or such Subsidiary in accordance with the terms thereof.

(o) No statement, representation, warranty or covenant made by the Company in this Agreement or made in any certificate or document required by Sections 4 or 5 of this Agreement to be delivered to the Representatives was or will be, when made, inaccurate, untrue or incorrect.

(p) Neither the Company nor any of its directors, officers or controlling persons has taken, directly or indirectly, any action designed, or which might reasonably be expected, to cause or result, under the Exchange Act or otherwise, in, or which has constituted, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Shares.

(q) No holder of securities of the Company has rights to the registration of any securities of the Company in connection with the filing of the Registration Statement, except for rights which have been effectively waived by the holder thereof as of the date hereof.

(r) The Company has filed a registration statement pursuant to Section 12(g) of the Exchange Act to register the Common Stock, has filed an application to list the Shares and all of its currently outstanding shares of Common Stock on the Nasdaq National Market (the "NNM"), and has received notification that the listing has been approved, subject to notice of completion of the offering of the Shares by the Underwriters. The Company has filed an application to withdraw its Common Stock from listing on the American Stock Exchange, Inc. (the "Amex"), has complied with the Exchange Act and the Exchange Act Rules and Regulations for such withdrawal and has received notification that such withdrawal has been approved, subject to notice of completion of the offering of the Shares by the Underwriters.

(s) Except as disclosed in or specifically contemplated by the Prospectus (i) the Company and its Subsidiaries have sufficient trademarks, trade names, patent rights, copyrights, licenses, approvals and governmental authorizations to conduct their businesses as now conducted, (ii) the Company has no knowledge of any infringement by it or any of its Subsidiaries of trademarks, trade name rights, patent rights, copyrights, licenses, trade secrets or other similar rights of others, where such infringement could have a material and adverse effect on the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries, and (iii) there is no claim being made against the Company or any of its Subsidiaries or, to the best knowledge of the Company, any employee of the Company or any of its Subsidiaries, regarding trademark, trade name, patent, copyright, license, trade secret or other infringement which could have a material and adverse effect on the Company, any of its

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Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(t) The Company and each of its Subsidiaries has filed all Federal, state, local and foreign income tax returns which have been required to be filed and has paid all taxes and assessments received by it to the extent that such taxes or assessments have become due. Neither the Company nor any of its Subsidiaries has any tax deficiency which has been or, to the best knowledge of the Company, might be asserted or threatened against it which could have a material and adverse effect on the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(u) The pro forma financial information set forth in the Registration Statement reflects, subject to the limitations set forth in the Registration Statement as to such pro forma financial information, the results of operations of the Company and its consolidated Subsidiaries purported to be shown thereby for the periods indicated and conforms to the requirements of Regulation S-X of the Rules and Regulations, and management of the Company believes that (i) the assumptions underlying the pro forma adjustments are reasonable, (ii) such adjustments have been properly applied to the historical amounts in the compilation of such information, and (iii) such information presents fairly, with respect to the Company and its consolidated Subsidiaries, the pro forma financial position and results of operations and the other information purported to be shown therein at the respective dates or for the respective periods therein specified.

(v) The Company and each of its Subsidiaries owns or possesses all authorizations, approvals, orders, licenses, registrations, other certificates and permits of and from all governmental regulatory officials and bodies, necessary to conduct their respective businesses as contemplated in the Prospectus, except where the failure to own or possess all such authorizations, approvals, orders, licenses, registrations, other certificates and permits could not materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries. There is no proceeding pending or threatened (or any basis therefor known to the Company) which may cause any such authorization, approval, order, license, registration, certificate or permit to be revoked, withdrawn, cancelled, suspended or not renewed; and the Company and each of its Subsidiaries is conducting its business in compliance with all laws, rules and regulations applicable thereto (including, without limitation, all applicable Federal, state and local environmental laws and regulations) except where such noncompliance could not materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

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(w) The Company and each of its Subsidiaries maintains insurance of the types and in the amounts generally deemed adequate for its business, including, but not limited to, insurance covering real and personal property owned or leased by the Company and each of its Subsidiaries against theft, damage, destruction, acts of vandalism and all other risks customarily insured against, all of which insurance is in full force and

effect.

(x) Neither the Company nor any of its Subsidiaries nor, to the best knowledge of the Company, any of its or their respective employees or agents at any time during the last five years has (i) made any unlawful contribution to any candidate for foreign office, or failed to disclose fully any contribution in violation of law, or (ii) made any payment to any Federal, state, local or foreign governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by the laws of the United States or any jurisdiction thereof.

4. Agreements of the Company. The Company covenants and agrees with the several Underwriters as follows:

(a) The Company will not, either prior to the Effective Date or thereafter during such period as the Prospectus is required by law to be delivered in connection with sales of the Shares by an Underwriter or dealer, file any amendment or supplement to the Registration Statement or the Prospectus, unless a copy thereof shall first have been submitted to the Representatives within a reasonable period of time prior to the filing thereof and the Representatives shall not have objected thereto in good faith.

(b) The Company will use its best efforts to cause the Registration Statement to become effective, and will notify the Representatives promptly, and will confirm such advice in writing, (i) when the Registration Statement has become effective and when any post-effective amendment thereto becomes effective, (ii) of any request by the Commission for amendments or supplements to the Registration Statement or the Prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose or the threat thereof, (iv) of the happening of any event during the period mentioned in the second sentence of Section 4(e) that in the judgment of the Company makes any statement made in the Registration Statement or the Prospectus untrue or that requires the making of any changes in the Registration Statement or the Prospectus in order to make the statements therein, in the light of the circumstances in which they are made, not misleading and (v) of receipt by the Company or any representative or attorney of the Company of any other communication from the Commission relating to the Company, the Registration Statement, any preliminary prospectus or the Prospectus. If at any time the Commission shall issue any order suspending the effectiveness of the

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Registration Statement, the Company will make every reasonable effort to obtain the withdrawal of such order at the earliest possible moment. If the Company has omitted any information from the Registration Statement pursuant to Rule 430A of the Rules and Regulations, the Company will comply with the provisions of and make all requisite filings with the Commission pursuant to said Rule 430A and notify the Representatives promptly of all such filings.

(c) The Company will furnish to each Representative, without charge, one signed copy of each of the Registration Statement and of any post-effective amendment thereto, including financial statements and schedules, and all exhibits thereto and will furnish to the Representatives, without charge, for transmittal to each of the other Underwriters, a copy of the Registration Statement and any post-effective amendment thereto, including financial statements and schedules but without exhibits.

(d) The Company will comply with all the provisions of any undertakings contained in the Registration Statement.

(e) On the Effective Date, and thereafter from time to time, the Company will deliver to each of the Underwriters, without charge, as many copies of the Prospectus or any amendment or supplement thereto as the Representatives may reasonably request. The Company consents to the use of the Prospectus or any amendment or supplement thereto by the several Underwriters and by all dealers to whom the Shares may be sold, both in connection with the offering or sale of the Shares and for any period of time thereafter during which the Prospectus is required by law to be delivered in connection therewith. If during such period of time any event shall occur which in the judgment of the Company or counsel to the Underwriters should be set forth in the Prospectus in order to make any statement therein, in the light of the circumstances under which it was made, not misleading, or if it is necessary to supplement or amend the Prospectus to comply with law, the Company will forthwith prepare and duly file with the Commission an appropriate supplement or amendment thereto, and will deliver to each of the Underwriters, without charge, such number of copies of such supplement or amendment to the Prospectus as the Representatives may reasonably request. The Company will not file any document under the Exchange Act or the Exchange Act Rules and Regulations before the termination of the offering of the Shares by the Underwriters, if such document would be deemed to be incorporated by reference into the Prospectus, that is not approved by the Representatives after reasonable notice thereof.

(f) Prior to any public offering of the Shares, the Company will cooperate with the Representatives and counsel to the Underwriters in connection with the registration or qualification of the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives may request; provided, that in no event shall the Company be obligated to qualify to do business in any

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jurisdiction where it is not now so qualified or to take any action which would subject it to general service of process in any jurisdiction where it is not now so subject.

(g) The Company will, so long as required under the Rules and Regulations, furnish to its stockholders as soon as practicable after the end of

each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and its consolidated Subsidiaries, if any, certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the Effective Date), consolidated summary financial information of the Company and its Subsidiaries, if any, for such quarter in reasonable detail.

(h) During the period of five years commencing on the Effective Date, the Company will furnish to the Representatives and each other Underwriter who may so request copies of such financial statements and other periodic and special reports as the Company may from time to time distribute generally to the holders of any class of its capital stock, and will furnish to the Representatives and each other Underwriter who may so request a copy of each annual or other report it shall be required to file with the Commission.

(i) The Company will make generally available to holders of its securities as soon as may be practicable but in no event later than the last day of the fifteenth full calendar month following the calendar quarter in which the Effective Date falls, an earnings statement (which need not be audited but shall be in reasonable detail) covering a period of 12 months commencing after the Effective Date, and satisfying the provisions of Section 11(a) of the Act and Rule 158 of the Rules and Regulations.

(j) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or reimburse if paid by the Representatives all costs and expenses incident to the performance of the obligations of the Company under this Agreement and in connection with the transactions contemplated hereby, including, but not limited to, costs and expenses of or relating to (i) the preparation, printing and filing of the Registration Statement and exhibits and schedules thereto, each preliminary prospectus, the Prospectus and any amendment or supplement to the Registration Statement or the Prospectus, (ii) the preparation and delivery of certificates representing the Shares, (iii) the printing of this Agreement, the Agreement Among Underwriters, any Selected Dealer Agreements, any Underwriters' Questionnaires, any Underwriters' Powers of Attorney, and any invitation letters to prospective Underwriters, (iv) furnishing (including costs of shipping and mailing) such copies of the Registration Statement, the Prospectus and any preliminary prospectus, and all amendments and supplements thereto, as may be requested for use in connection with the offering and sale of the Shares by the Underwriters or by dealers to whom Shares may be sold, (v) the listing of the Shares and the currently outstanding shares of Common Stock on the NNM,

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(vi) the withdrawal of the Shares and the currently outstanding shares of Common Stock from listing on the Amex, (vi) any filings required to be made by the Underwriters with the NASD, and the fees, disbursements and other charges of counsel for the Underwriters in connection therewith, (vii) the registration or qualification of the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions designated pursuant to Section 4(f), including the fees, disbursements and other charges of counsel to the Underwriters in connection therewith, and the preparation and printing of preliminary, supplemental and final Blue Sky memoranda, (viii) fees, disbursements and other charges of counsel to the Company (but not those of counsel for the Underwriters, except as otherwise provided herein) and (ix) the transfer agent for the Shares.

(k) If this Agreement shall be terminated by the Company pursuant to any of the provisions hereof (otherwise than pursuant to Section 8 hereof) or if for any reason the Company shall be unable to perform its obligations hereunder, the Company will reimburse the several Underwriters for all out-of-pocket expenses (including the fees, disbursements and other charges of counsel to the Underwriters) reasonably incurred by them in connection herewith.

(l) The Company will not at any time, directly or indirectly, take any action designed, or which might reasonably be expected, to cause or result, under the Exchange Act or otherwise, in, or which will constitute, stabilization or manipulation of the price of the shares of Common Stock to facilitate the sale or resale of any of the Shares.

(m) The Company will apply the net proceeds from the offering and sale of the Shares to be sold by the Company in the manner set forth in the Prospectus under "Use of Proceeds."

(n) During the period beginning from the date hereof and continuing to and including the date six months after the date of the Prospectus, without the prior written consent of Needham & Company, Inc., the Company will not offer, sell, contract to sell, grant options to purchase or otherwise dispose of any of the Common Stock or other equity securities of the Company or any other securities convertible into or exchangeable with its Common Stock or other equity security (other than pursuant to employee stock option plans or the conversion of convertible securities or the exercise of warrants outstanding on the date of this Agreement and set forth in the Registration Statement and the Prospectus).

(o) During the period beginning from the date hereof and continuing to and including the date six months after the date of the Prospectus, the Company will not, without the prior written consent of Needham & Company, Inc., grant options to purchase shares of Common Stock at a price less than the purchase price for the Firm Shares set forth in Section 1(a) hereof.

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(p) The Company will cause each of its officers and directors designated by the Representatives to enter into lock-up agreements with the Representatives to the effect that such officers and directors will not, without the prior written consent of Needham & Company, Inc., sell, contract to sell or otherwise dispose of any shares of Common Stock or rights to acquire such shares, as more specifically set forth in Schedule

II hereto.

5. Conditions of the Obligations of the Underwriters. The obligations of each Underwriter hereunder are subject to the following conditions:

(a) Notification that the Registration Statement has become effective shall be received by the Representatives not later than 5:00 p.m., New York City time, on the date of this Agreement or at such later date and time as shall be consented to in writing by the Representatives and all filings required by Rule 424 and Rule 430A of the Rules and Regulations shall have been made.

(b) (i) No stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall be pending or threatened by the Commission, (ii) no order suspending the effectiveness of the Registration Statement or the qualification or registration of the Shares under the securities or Blue Sky laws of any jurisdiction shall be in effect and no proceeding for such purpose shall be pending before or threatened or contemplated by the Commission or the authorities of any such jurisdiction, (iii) any request for additional information on the part of the staff of the Commission or any such authorities shall have been complied with to the satisfaction of the staff of the Commission or such authorities and (iv) after the date hereof no amendment or supplement to the Registration Statement or the Prospectus shall have been filed unless a copy thereof was first submitted to the Representatives and the Representatives do not object thereto in good faith, and the Representatives shall have received certificates, dated the Closing Date and, if later, the Option Closing Date and signed by the Chief Executive Officer and the Chief Financial Officer of the Company (who may, as to proceedings threatened, rely upon the best of their information and belief), to the effect of clauses (i), (ii) and (iii) of this paragraph.

(c) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, (i) there shall not have been a material adverse change in the general affairs, business, properties, management, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries, whether or not arising from transactions in the ordinary course of business, in each case other than as set forth in or contemplated by the Registration Statement and the Prospectus, and (ii) the Company shall not have sustained any material loss or interference with its business or properties from fire, explosion, flood or other casualty, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree, which is not

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set forth in the Registration Statement and the Prospectus, if in the judgment of the Representatives any such development makes it impracticable or inadvisable to consummate the sale and delivery of the Shares by the Underwriters at the initial public offering price.

(d) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, there shall have been no litigation or other proceeding instituted against the Company, any of its Subsidiaries, or any of its or their officers or directors in their capacities as such, before or by any Federal, state, local or foreign court, commission, regulatory body, administrative agency or other governmental body, domestic or foreign, in which litigation or proceeding an unfavorable ruling, decision or finding would, in the judgment of the Representatives, materially and adversely affect the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(e) Each of the representations and warranties of the Company contained herein shall be true and correct in all material respects at the Closing Date and, with respect to the Option Shares, at the Option Closing Date, and all covenants and agreements contained herein to be performed on the part of the Company and all conditions contained herein to be fulfilled or complied with by the Company at or prior to the Closing Date and, with respect to the Option Shares, at or prior to the Option Closing Date, shall have been duly performed, fulfilled or complied with.

(f) The Representatives shall have received an opinion, dated the Closing Date and, with respect to the Option Shares, the Option Closing Date, satisfactory in form and substance to the Representatives and counsel for the Underwriters, from counsel to the Company, with respect to the following matters:

(i) The Company and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation; has full corporate power and authority to conduct all the activities conducted by it, to own or lease all the assets owned or leased by it and to conduct its business as described in the Registration Statement and the Prospectus; and is duly licensed or qualified to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of the activities conducted by it or the character of the assets owned or leased by it makes such license or qualification necessary and where the failure to be licensed or qualified could have a material and adverse effect on the Company, any of its Subsidiaries or the business, properties, condition (financial or otherwise) or results of operations of the Company or any of its Subsidiaries.

(ii) All of the outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable

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and, to the best knowledge of such counsel, were issued in compliance with, or pursuant to exemptions from, the registration and qualification requirements of Federal and applicable state securities laws, and were not issued in violation of or subject to any preemptive or, to the best knowledge of such counsel, similar rights.

(iii) The certificates evidencing the Common Stock are in due and proper form under New York law, the Shares have been duly authorized and, when issued and paid for as contemplated by this Agreement, will be validly issued, fully paid and nonassessable; and no preemptive or similar rights exist with respect to any of the Shares or the issue and sale thereof.

(iv) All of the outstanding shares of capital stock of each Subsidiary have been duly authorized and validly issued and are fully paid and nonassessable, and are owned by the Company free and clear of all claims, liens, charges and encumbrances; to the best knowledge of such counsel, except as described in the Prospectus, there are no securities outstanding that are convertible into or exercisable or exchangeable for capital stock of any Subsidiary.

(v) The authorized and outstanding capital stock of the Company is as set forth in the Registration Statement and the Prospectus in the column entitled "Actual" under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to this Agreement or pursuant to reservations, agreements, employee benefit plans or the exercise of convertible securities, options or warrants referred to in the Prospectus). To the best knowledge of such counsel, except as disclosed in or specifically contemplated by the Prospectus, there are no outstanding options, warrants or other rights calling for the issuance of, and no commitments, plans or arrangements to issue, any shares of capital stock of the Company or any security convertible into or exchangeable or exercisable for capital stock of the Company. The description of the capital stock of the Company in the Registration Statement and the Prospectus conforms in all material respects to the terms thereof.

(vi) To the best knowledge of such counsel, there are no legal or governmental proceedings pending or threatened to which the Company or any of its Subsidiaries is a party or to which any of their respective properties is subject that are required to be described in the Registration Statement or the Prospectus but are not so described.

(vii) No consent, approval, authorization or order of, or any filing or declaration with, any court or governmental agency or body is required for the consummation by the Company of the transactions on its part contemplated under this Agreement, except such as have been obtained or made under the

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Act or the Rules and Regulations and such as may be required under state securities or Blue Sky laws or the by-laws and rules of the NASD in connection with the purchase and distribution by the Underwriters of the Shares.

(viii) The Company has full corporate power and authority to enter into this Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(ix) The execution and delivery of this Agreement, the compliance by the Company with all of the terms hereof and the consummation of the transactions contemplated hereby do not contravene any provision of applicable law or the certificate or articles of incorporation or by-laws of the Company or any of its Subsidiaries or violate or conflict with (i) any judgment, ruling, decree or order known to such counsel or (ii) any statute, rule or regulation of any court or other governmental agency or body, applicable to the Company, any of its Subsidiaries or the business or properties of the Company or any of its Subsidiaries, and to the best knowledge of such counsel will not result in the creation or imposition of any lien, charge or encumbrance upon any of the assets of the Company pursuant to the terms and provisions of, result in a breach or violation of any of the terms or provisions of, or constitute a default under, or give any party a right to terminate any of its obligations under, or result in the acceleration of any obligation under, any indenture, mortgage, deed of trust, voting trust agreement, loan agreement, bond, debenture, note agreement or other evidence of indebtedness, lease, contract or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company, any of its Subsidiaries, or any of their respective properties is bound or affected.

(x) To the best knowledge of such counsel, there is no document or contract of a character required to be described in the Registration Statement or the Prospectus or to be filed as an exhibit to the Registration Statement which is not so described or filed or incorporated by reference as required, and each description of such contracts and documents that is contained or incorporated by reference in the Registration Statement and the Prospectus fairly presents in all material respects the information required under the Act, the Exchange Act, the Exchange Act Rules and Regulations and the Rules and Regulations.

(xi) The statements under the captions "Risk Factors--Shares Eligible for Future Sales," "Risk Factors--Government Regulation," "Business--Government Regulation" and "Description of Capital Stock" in the Prospectus, insofar as the statements constitute a summary of documents referred to therein or matters of law, are accurate summaries and fairly and

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correctly present, in all material respects, the information called for with respect to such documents and matters (provided, however, that such counsel may rely on representations of the Company with respect to the factual matters contained in such statements, and provided further that such counsel shall state that nothing has come to the attention of such counsel which leads them to believe that such representations are not true and correct in all material respects).

(xii) The Company is not an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

(xiii) The Shares and the currently outstanding shares of Common Stock have been duly authorized for listing on the NNM, subject to notice of completion of the offering of the Shares by the Underwriters. The Shares and the currently outstanding shares of Common Stock have been duly withdrawn from listing on the Amex, subject to notice of completion of the offering of the Shares by the Underwriters.

(xiv) To the best knowledge of such counsel, no holder of securities of the Company has rights which have not been waived to require the registration with the Commission of shares of Common Stock or other securities, as part of the offering contemplated hereby.

(xv) The Registration Statement has become effective under the Act, and to the best knowledge of such counsel, no stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been instituted or is pending, threatened or contemplated.

(xvi) The Registration Statement and the Prospectus comply as to form in all material respects with the requirement of the Act and the Rules and Regulations (other than the financial statements, schedules and other financial data contained or incorporated by reference in the Registration Statement or the Prospectus, as to which such counsel need express no opinion).

(xvii) Such counsel has participated in the preparation of the Registration Statement and the Prospectus and has no reason to believe that, as of the Effective Date, the Registration Statement, or any amendment or supplement thereto, (other than the financial statements, schedules and other financial data contained or incorporated by reference therein, as to which such counsel need express no opinion) contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus,

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or any amendment or supplement thereto, as of its date and the Closing Date and, if later, the Option Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (other than the financial statements, schedules and other financial data contained or incorporated by reference therein, as to which such counsel need express no opinion).

(xviii) The documents incorporated by reference in the Prospectus (other than the financial statements, schedules and other financial data contained therein, as to which such counsel need express no opinion), when they were filed with the Commission, complied as to form in all material respects with the requirements of the Exchange Act and the Exchange Act Rules and Regulations.

In rendering such opinion, such counsel may rely as to matters of local law upon opinions of counsel satisfactory in form and substance to the Representatives and counsel for the Underwriters, provided that the opinion of counsel to the Company shall state that they are doing so, and that they have no reason to believe that they and the Underwriters are not entitled to rely on such opinions, and that copies of such opinions are to be attached to the foregoing opinion.

(g) The Representatives shall have received an opinion, dated the Closing Date and, as to the Option Shares, the Option Closing Date, from Haythe & Curley, counsel to the Underwriters, with respect to the Registration Statement, the Prospectus and this Agreement, which opinion shall be satisfactory in all respects to the Representatives.

(h) Concurrently with the execution and delivery of this Agreement, the Accountants shall have furnished to the Representatives a letter, dated the date of its delivery, addressed to the Representatives and in form and substance satisfactory to the Representatives, confirming that they are independent accountants with respect to the Company and its Subsidiaries as required by the Act and the Exchange Act and the Rules and Regulations and with respect to certain financial and other statistical and numerical information contained or incorporated by reference in the Registration Statement. At the Closing Date and, as to the Option Shares, the Option Closing Date, the Accountants shall have furnished to the Representatives a letter, dated the date of its delivery, which shall confirm, on the basis of a review in accordance with the procedures set forth in the letter from the Accountants, that nothing has come to their attention during the period from the date of the letter referred to in the prior sentence to a date (specified in the letter) not more than five days prior to the Closing Date and the Option Closing Date, as the case may be, which would require any change in their letter referred to in the prior sentence if it were required to be dated and delivered at the Closing Date and the Option Closing Date.

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(i) Concurrently with the execution and delivery of this Agreement, the Gendex Accountants shall have furnished to the Representatives a letter, dated the date of its delivery, addressed to the Representatives and in form and substance satisfactory to the Representatives, confirming that they are independent accountants with respect to the Company and its Subsidiaries as required by the Act and the Exchange Act and the Rules and Regulations and with respect to certain financial and other statistical and numerical information contained or incorporated by reference in the Registration Statement. At the Closing Date and, as to the Option Shares, the Option Closing Date, the Gendex Accountants shall have furnished to the Representatives a letter, dated the date of its delivery, which shall confirm, on the basis of a review in accordance with the procedures set forth in the letter from the Gendex Accountants, that nothing has come to their attention during the period from the date of the letter referred to in the prior sentence to a date (specified in the letter) not more than five days prior to the Closing Date and the Option Closing Date, as the case may be, which would require any change in their letter referred to in the prior sentence if it were required to be dated and delivered at the Closing Date and the Option Closing Date.

(j) Concurrently with the execution and delivery of this Agreement and at the Closing Date and, as to the Option Shares, the Option Closing Date, there shall be furnished to the Representatives a certificate, dated the date of its delivery, signed by each of the Chief Executive Officer and the Chief Financial Officer of the Company, in form and substance satisfactory to the Representatives, to the effect that:

(i) Each signer of such certificate has carefully examined the Registration Statement and the Prospectus (including any documents filed under the Exchange Act and deemed to be incorporated by reference into the Prospectus) and (A) as of the date of such certificate, such documents are true and correct in all material respects and do not omit to state a material fact required to be stated therein or necessary in order to make the statements therein not untrue or misleading and (B) in the case of the certificates delivered at the Closing Date and the Option Closing Date, since the Effective Date no event has occurred as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein not untrue or misleading.

(ii) Each of the representations and warranties of the Company contained in this Agreement was, when originally made, and is, at the time such certificate is delivered, true and correct.

(iii) Each of the covenants required to be performed by the Company herein on or prior to the date of such certificate has been duly, timely and fully performed and each condition herein required to be satisfied or fulfilled

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on or prior to the date of such certificate has been duly, timely and fully satisfied or fulfilled.

(k) On or prior to the Closing Date, the Representatives shall have received the executed agreements referred to in Section 4(p).

(l) The Shares shall be qualified for sale in such jurisdictions as the Representatives may reasonably request and each such qualification shall be in effect and not subject to any stop order or other proceeding on the Closing Date or the Option Closing Date.

(m) Prior to the Closing Date, the Shares and the currently outstanding shares of Common Stock shall have been duly authorized for listing on the NNM and duly withdrawn from listing on the Amex upon official notice of issuance of the Shares and of completion of the offering to the Shares by the Underwriters.

(n) The Company shall have furnished to the Representatives such certificates, in addition to those specifically mentioned herein, as the Representatives may have reasonably requested as to the accuracy and completeness at the Closing Date and the Option Closing Date of any statement in the Registration Statement or the Prospectus, as to the accuracy at the Closing Date and the Option Closing Date of the representations and warranties of the Company herein, as to the performance by the Company of its obligations hereunder, or as to the fulfillment of the conditions concurrent and precedent to the obligations hereunder of the Representatives.

6. Indemnification.

(a) The Company will indemnify and hold harmless each Underwriter, the directors, officers, employees and agents of each Underwriter and each person, if any, who controls each Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, from and against any and all losses, claims liabilities, expenses and damages (including any and all investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding of any claim asserted), to which they, or any of them, may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, the Registration Statement or the Prospectus or any amendment or supplement to the Registration Statement or the Prospectus, or the omission or alleged omission to state in such document a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances in which they were made, or arise out of or are based in whole or in part on any inaccuracy in the representations and warranties of the Company

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contained herein or any failure of the Company to perform its obligations hereunder or under law in connection with the transactions contemplated hereby; provided, however, that (i) the Company will not be liable to the extent that such loss, claim, liability, expense or damage arises from the sale of the Shares in the public offering to any person by an Underwriter and is based on an untrue statement or omission or alleged untrue statement or omission made in reliance on and in conformity with information relating to any Underwriter furnished in writing to the Company by the Representatives, on behalf of any Underwriter, expressly for inclusion in the Registration Statement, the preliminary prospectus or the Prospectus and (ii) the Company will not be liable to any Underwriter, the directors, officers, employees or agents of such Underwriter or any person controlling such Underwriter with respect to any loss, claim, liability, expense or damage arising out of or based on any untrue statement or omission or alleged untrue statement or omission or alleged omission to state a material fact in the preliminary prospectus which is corrected in the Prospectus if the person asserting any such loss, claim, liability, charge or damage purchased Shares from such Underwriter but was not sent or given a copy of the Prospectus at or prior to the written confirmation of the sale of such Shares to such person. The Company acknowledges that the statements set forth under the heading "Underwriting" in the preliminary prospectus and the Prospectus constitute the only information relating to any Underwriter furnished in writing to the Company by the Representatives on behalf of

the Underwriters expressly for inclusion in the Registration Statement, the preliminary prospectus or the Prospectus. This indemnity agreement will be in addition to any liability that the Company might otherwise have.

(b) Each Underwriter will indemnify and hold harmless the Company, each director of the Company, each officer of the Company who signs the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Company to each Underwriter, as set forth in Section 6(a), but only insofar as losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or omission or alleged untrue statement or omission made in reliance on and in conformity with information relating to any Underwriter furnished in writing to the Company by the Representatives, on behalf of such Underwriter, expressly for use in the Registration Statement, the preliminary prospectus or the Prospectus. The Company acknowledges that the statements set forth under the heading "Underwriting" in the preliminary prospectus and the Prospectus constitute the only information relating to any Underwriter furnished in writing to the Company by the Representatives on behalf of the Underwriters expressly for inclusion in the Registration Statement, the preliminary prospectus or the Prospectus. This indemnity will be in addition to any liability that each Underwriter might otherwise have.

(c) Any party that proposes to assert the right to be indemnified under this Section 6 shall, promptly after receipt of notice of commencement of any action

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against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section 6, notify each such indemnifying party in writing of the commencement of such action, enclosing with such notice a copy of all papers served, but the omission so to notify an indemnifying party will not relieve it from any liability that it may have to any indemnified party under the foregoing provisions of this Section 6 unless, and only to the extent that, such omission results in the loss of substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies an indemnifying party of its commencement, the indemnifying party will be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified party promptly after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party or parties similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified party. An indemnifying party will not be liable to the indemnified party for any legal or other expenses incurred after notice from the indemnifying party to the indemnified party of its election to assume the defense except as provided below and except for the reasonable costs of investigation subsequently incurred by the indemnified party in connection with the defense. An indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless

(i) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (ii) the indemnified party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (iii) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (iv) the indemnifying party has not in fact employed counsel to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm admitted to practice in such jurisdiction at any one time for all such indemnified party or parties. All such fees, disbursements and other charges will be reimbursed by the indemnifying party promptly as they are incurred. No indemnifying party will be liable for any settlement of any action or claim effected without its written consent (which consent will not be unreasonably withheld).

(d) If the indemnification provided for in this Section 6 is applicable in accordance with its terms but for any reason is held to be unavailable to or insufficient to hold harmless an indemnified party under paragraphs (a), (b) and (c) of this Section 6 in respect of any losses, claims, liabilities, expenses and damages

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referred to therein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted, but after deducting any contribution received by the Company from persons other than the Underwriters, such as persons who control the Company within the meaning of the Act, officers of the Company who signed the Registration Statement and directors of the Company, who also may be liable for contribution) by such indemnified party as a result of such losses, claims, liabilities, expenses and damages in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, with respect to the statements or omissions which resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to such offering. Such relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company to the Representatives on behalf of the Underwriters, the intent of the parties and their relative knowledge, access to information and opportunity to

correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 6(d) were to be determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, liability, expense or damage, or action in respect thereof, referred to above in this Section 6(d) shall be deemed to include, for purposes of this Section 6(d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(d), no Underwriter shall be required to contribute any amount in excess of the underwriting discounts received by it and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute as provided in this Section 6(d) are several in proportion to their respective underwriting obligations and not joint. For purposes of this Section 6(d), any person

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who controls a party to this Agreement within the meaning of the Act will have the same rights to contribution as that party, and each officer of the Company who signed the Registration Statement will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against any such party in respect of which a claim for contribution may be made under this Section 6(d), will notify any such party or parties from whom contribution may be sought, but the omission so to notify will not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 6(d). No party will be liable for contribution with respect to any action or claim settled without its written consent (which consent will not be unreasonably withheld).

(e) The indemnity and contribution agreements contained in this Section 6 and the representations and warranties of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriters, (ii) acceptance of any of the Shares and payment therefor or (iii) any termination of this Agreement.

7. Reimbursement of Certain Expenses. In addition to its other obligations under Section 6(a) of this Agreement, the Company hereby agrees to reimburse on a quarterly basis the Underwriters for all reasonable legal and other expenses incurred in connection with investigating or defending any claim, action, investigation, inquiry or other proceeding arising out of or based upon, in whole or in part, any statement or omission or alleged statement or omission, or any inaccuracy in the representations and warranties of the Company contained herein or failure of the Company to perform its obligations hereunder or under law, all as described in Section 6(a), notwithstanding the absence of a judicial determination as to the propriety and enforceability of the obligations under this Section 7 and the possibility that such payment might later be held to be improper; provided, however, that, to the extent any such payment is ultimately held to be improper, the persons receiving such payments shall promptly refund them.

8. Termination. The obligations of the several Underwriters under this Agreement may be terminated at any time on or prior to the Closing Date (or, with respect to the Option Shares, on or prior to the Option Closing Date), by notice to the Company from the Representatives, without liability on the part of any Underwriter to the Company if, prior to delivery and payment for the Firm Shares or Option Shares, as the case may be, in the sole judgment of the Representatives, (i) trading in any of the equity securities of the Company shall have been suspended by the Commission, by an exchange that lists the Shares or by the NNM, (ii) trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum or maximum prices shall have been generally established on such exchange, or additional material governmental restrictions, not in force on the date of this Agreement, shall have been imposed upon trading in securities generally by such

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exchange or by order of the Commission or any court or other governmental authority, (iii) a general banking moratorium shall have been declared by either Federal or New York State authorities or (iv) any material adverse change in the financial or securities markets in the United States or in political, financial or economic conditions in the United States or any outbreak or material escalation of hostilities or other calamity or crisis shall have occurred, the effect of which is such as to make it, in the sole judgment of the Representatives, impracticable to market the Shares.

9. Substitution of Underwriters. If any one or more of the Underwriters shall fail or refuse to purchase any of the Firm Shares which it or they have agreed to purchase hereunder, and the aggregate number of Firm Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate number of Firm Shares, the other Underwriters shall be obligated, severally, to purchase the Firm Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase, in the proportions which the number of Firm Shares which they have respectively agreed to purchase pursuant to Section 1 bears to the aggregate number of Firm Shares which all such non-defaulting Underwriters have so agreed to purchase, or in such other proportions as the Representatives may specify; provided that in no event shall the maximum number of Firm Shares which any Underwriter has become obligated to purchase pursuant to Section 1 be increased pursuant to this Section 9 by more than one-ninth of such number of Firm Shares without the prior written consent of such Underwriter. If any Underwriter or Underwriters shall fail or refuse to purchase any Firm Shares and the aggregate number of Firm Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase exceeds one-tenth of the aggregate number of the Firm Shares and arrangements satisfactory to the Representatives and the Company for the purchase of such Firm Shares are not made within 48 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company for the purchase or sale of any Shares under this Agreement. In any such case either the

Representatives or the Company shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement and the Prospectus or in any other documents or arrangements may be effected. Any action taken pursuant to this Section 9 shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

10. Miscellaneous. Notice given pursuant to any of the provisions of this Agreement shall be in writing and, unless otherwise specified, shall be mailed or delivered (a) if to the Company, at the office of the Company, One Commerce Park, Valhalla, New York 10595, Attention: Chief Executive Officer, with a copy to Tashlik, Kreutzer & Goldwyn P.C., 833 Northern Boulevard, Great Neck, New York 11021, Attention: Theodore Wm. Tashlik, Esq., or (b) if to the Underwriters, to the Representatives at the offices of Needham & Company, Inc., 445 Park Avenue, New

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York, New York 10022, Attention: Corporate Finance Department, with a copy to Haythe & Curley, 237 Park Avenue, New York, New York 10017, Attention: Thomas M. Haythe, Esq. Any such notice shall be effective only upon receipt. Any notice under Sections 8 or 9 may be made by telex or telephone, but if so made shall be subsequently confirmed in writing.

This Agreement has been and is made solely for the benefit of the several Underwriters, the Company, and the controlling persons, directors and officers referred to in Section 6, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" as used in this Agreement shall not include a purchaser, as such purchaser, of Shares from any of the several Underwriters.

Any action required or permitted to be made by the Representatives under this Agreement may be taken by them jointly or by Needham & Company, Inc.

Needham & Company, Inc. is duly organized, validly existing and in good standing in its jurisdiction of incorporation, and has full corporate power and authority to enter into this Agreement. This Agreement has been duly authorized, executed and delivered by Needham & Company, Inc. on behalf of itself and the other several Underwriters named in Schedule I hereto.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

This Agreement may be signed in two counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

The Company and the Underwriters each hereby waive any right they may have to a trial by jury in respect of any claim based upon or arising out of this Agreement or the transactions contemplated hereby.

Please confirm that the foregoing correctly sets forth the agreement among the Company and the several Underwriters.

Very truly yours.

Del Global Technologies Corp.

By: _____
Title:

Confirmed as of the date first

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above mentioned:

Needham & Company, Inc.
Tucker Anthony Incorporated
Acting on behalf of themselves
and as the Representatives of
the other several Underwriters
named in Schedule I hereto

By: Needham & Company, Inc.

By: _____
Title:

SCHEDULE I

UNDERWRITERS

Number of
Firm
Shares
to be

Underwriters Purchased

Needham & Company, Inc.....

Tucker Anthony Incorporated.....

Total..... 2,000,000

SCHEDULE II

FORM OF LOCK-UP AGREEMENT

(To be executed and delivered by Leonard A. Trugman, Natan V. Bertman, David Michael, Leonard Michaels, Seymour Rubin, James Tiernan, George Solomon, Howard Bertan, David Engel, Louis J. Farin, Sr., John D. MacLennan and Michael H. Taber)

The undersigned is a holder of securities of Del Global Technologies Corp., a New York corporation (the "Company"), and wishes to facilitate the public offering of shares of the Common Stock (the "Common Stock") of the Company (the "Offering"). The undersigned recognizes that such Offering will be of benefit to the undersigned.

In consideration of the foregoing and in order to induce you to act as underwriters in connection with the Offering the undersigned hereby agrees that he will not, without the prior written approval of Needham & Company, Inc., acting on its own behalf and/or on behalf of the other underwriters, directly or indirectly, sell, contract to sell, make any short sale, pledge, or otherwise dispose of, or enter into any hedging transaction that is likely to result in a transfer of, any shares of Common Stock, options to acquire shares of Common Stock or securities exchangeable for or convertible into shares of Common Stock of the Company which he may own, exclusive of any transfer of shares of Common Stock to the Company in payment of the exercise price for options granted to the undersigned under the Company's stock option plan, for a period commencing as of the date hereof and ending on the date which is twelve months after the date of the final Prospectus relating to the Offering; provided that the officers and directors executing lock-up agreements in connection with the offering may, without such written approval, sell or contract to sell up to 75,000 shares in the aggregate during the period beginning on the date which is six months after the date of such final Prospectus and ending on the last day of such 12-month period. The undersigned confirms that he understands that the underwriters and the Company will rely upon the representations set forth in this Agreement in proceeding with the Offering. The undersigned further confirms that the agreements of the undersigned are irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns. The undersigned agrees and consents to the entry of stop transfer instructions with the Company's transfer agent against the transfer of securities held by the undersigned except in compliance with this Agreement.

EXHIBIT 4.1

ARTICLE TWELFTH:

(b) Any person made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a director, officer, or employee the Corporation or of any corporation which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, director or employee or was liable for negligence or misconduct in the performance of his duties. Such right of indemnification shall not be deemed exclusive or any other rights to which such director, officer or employee may be entitled apart from this provision.

ARTICLE ELEVENTH:

(h) No stockholder of this Corporation shall have any preemptive or preferential right of purchase or subscription to any shares of stock or other securities of this Corporation, or to options, warrants or other interests therein or therefor, or to any obligations convertible into stock of this Corporation, issued or sold nor any other right of subscription to any thereof other than such, if any, as the Board of Directors of this Corporation in its discretion, from time to time, may determine, and then only at such price, or prices, as the Board of Directors from time to time may fix, and the Board of Directors may issue stock of this Corporation, or options, warrants or other interests therein or therefor, or obligations convertible into stock, without offering any such stock, options, warrants or other interests therein or therefor, or obligations

convertible into stock of this Corporation, either in whole or in part, to any of the stockholders of this Corporation, whether authorized under this certificate or any certificate of amendment hereafter filed.

EXHIBIT 4.2

ARTICLE V.

INDEMNIFICATION

Section 1. Right to Indemnification. The Corporation shall indemnify any person made or threatened to be made a party to a threatened, pending or completed proceeding, whether civil, criminal, investigative or administrative because he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement to the fullest extent possible under Sections 721-726 of the Business Corporation Law of New York or any applicable law.

EXHIBIT 5.1

April 30, 1996

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Del Global Technologies Corp.

Gentlemen:

As counsel for Del Global Technologies Corp., a New York corporation (the "Corporation"), we are familiar with the Certificate of Incorporation, as amended and By-Laws of the Corporation and the corporate proceedings taken by the Corporation in connection with the preparation and filing of a Registration Statement on Form S-2 (the "Registration Statement") covering a public offering by the Corporation of 2,300,000 shares of Common Stock, ten cents (\$.10) par value ("Common Stock"). The 2,000,000 shares of Common Stock include 300,000 shares of Common Stock issuable upon the exercise by Needham & Company, Inc. and Tucker Anthony Incorporated of the over-allotment option.

Based upon the foregoing, we are of the opinion that:

1. The Corporation is a duly organized and validly existing corporation under the laws of the State of New York; and
2. The 2,300,000 shares of Common Stock have been duly authorized, and when issued and sold as described in the Registration Statement will be legally issued, fully paid and non-assessable.

We hereby consent to the use of our name under the caption "Legal Matters" in the prospectus forming part of the Registration Statement and to the filing of this opinion as Exhibit 5.1 thereto.

Very truly yours,

s/Tashlik, Kreutzer & Goldwyn P.C.

TK&G: rmb

EXHIBIT 10.6

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THEY MAY NOT BE SOLD OR OTHERWISE TRANSFERRED UNLESS THEY ARE REGISTERED UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

30,000 WARRANTS

VOID AFTER 5:00 P.M. NEW YORK TIME ON DECEMBER 31, 2000

WARRANT TO PURCHASE COMMON STOCK

OF

DEL ELECTRONICS CORP.

This warrant certificate ("Warrant Certificate") certifies that for value received, Stanley Wunderlich ("SW"), an individual having an office at 8 The Hemlocks, Roslyn Estates, New York 11576 or registered assigns (collectively with SW, the "Warrant Holder") is the owner of the number of warrants ("Warrants") specified above, each of which entitles the holder thereof to purchase, at any time on or before the Expiration Date, as hereinafter defined, one fully paid and non-assessable share ("Share") of Common Stock, par value \$.10 per share ("Common Stock"), of Del Electronics Corp. (the "Company"), a New York corporation, at a purchase price of SIX DOLLARS AND FIFTY-SIX CENTS (\$6.56) per share in lawful money of the United States of America in cash or by check or a combination of cash and check, subject to adjustment as hereinafter provided.

1. Warrant; Exercise Price; Payout Amount.

1.1. Each Warrant shall entitle the Warrant Holder the right to purchase one Share of Common Stock of the Company (individually, a "Warrant Share"; severally, the "Warrant Shares").

1.2. The purchase price payable upon exercise of each Warrant ("Exercise Price") shall be SIX DOLLARS AND FIFTY-SIX CENTS (\$6.56), subject to adjustment as hereinafter provided. The Exercise Price and number of Warrants evidenced by each Warrant Certificate are subject to adjustment as provided in Section 7 hereof.

2. Exercise of Warrant; Expiration Date.

2.1. This Warrant Certificate is exercisable, in whole or from time to time in part, at the option of the Warrant Holder, at any time after the date of

issuance and on or before the Expiration Date, upon surrender of this Warrant Certificate to the Company together with a duly completed exercise form and payment of the Exercise Price. In the case of exercise of less than all the Warrants represented by this Warrant Certificate, the Company shall cancel the Warrant Certificate upon the surrender thereof and shall execute and deliver a new Warrant Certificate for the balance of such Warrants.

2.2. The term "Expiration Date" shall mean 5:00

p.m. New York time on December 31, 2000, or if such date shall in the State of New York be a holiday or a day on which banks are authorized to close, then 5:00 p.m. New York time the next following day which in the State of New York is not a holiday or a day on which banks are authorized to close, or in the event of any merger, consolidation, or sale of all or substantially all the assets of the Company as an entirety resulting in any distribution to the Company's stockholders prior to the Expiration Date, the Warrant Holder shall have the right to exercise this Warrant commencing at such time through the Expiration Date into the kind and amount of shares of stock and other securities and property (including cash) receivable by a holder of the number of shares of Common Stock into which this Warrant might have been exercisable immediately prior thereto.

3. Registration and Transfer on Company Books.

3.1. The Company shall maintain books and records for the registration and transfer of Warrant Certificates.

3.2. Prior to due presentment for registration of transfer of this Warrant Certificate, the Company may deem and treat the registered holder as the absolute owner thereof.

3.3. The Company shall register upon its books any transfer of a Warrant Certificate upon surrender of same to the Company accompanied by a written instrument of transfer duly executed by the registered holder. Upon any such registration of transfer, new Warrant Certificate(s) shall be issued to the transferee(s) and the surrendered Warrant Certificate shall be cancelled by the Company. A Warrant Certificate may also be exchanged, at the option of the holder, for new Warrant Certificates representing in the aggregate the number of Warrants evidenced by the

Warrant Certificate surrendered.

4. Reservation of Shares. The Company covenants that it will at all times reserve and keep available out of its authorized Common Stock, solely for the purpose of issuance upon exercise of the Warrants, such number of shares of Common Stock as shall then be issuable upon the exercise of all outstanding Warrants. The Company covenants that all shares of Common Stock which shall be issuable upon exercise of the Warrants shall be duly and validly issued and fully paid and non-assessable and free from all taxes, liens and charges with respect to the issuance thereof, and that upon issuance such shares shall be listed on each national

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securities exchange, if any, on which the other shares of outstanding Common

Stock of the Company are then listed.

5. Exchange, Transfer, Assignment, Loss or Mutilation of Warrant Certificate. This Warrant Certificate is exchangeable, without expense, at the option of the Warrant Holder, upon presentation and surrender hereof to the Company or at the office of its stock transfer agent, if any, for other Warrants of different denominations entitling the holder thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. This Warrant Certificate may be transferred or assigned by the Warrant Holder upon surrender of this Warrant Certificate to the Company at its principal office or at the office of its transfer agent, if any, with the Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax. Upon such surrender the Company shall, without charge, execute and deliver a new Warrant Certificate in the name of the assignee named in such instrument of assignment and this Warrant Certificate shall be promptly cancelled. This Warrant may be divided or combined with other warrants which carry the same rights upon presentation hereof at the principal office of the Company or at the office of its stock transfer agent, if any, together with a written notice specifying the names and denominations in which new Warrants are to be issued and signed by the Warrant Holder hereof. The term "Warrant Certificate" as used herein includes any Warrant Certificates into which this Warrant Certificate may be divided or exchanged. Upon receipt by the Company of reasonable evidence of the ownership of and the loss, theft, destruction or mutilation of this Warrant Certificate and, in the case of loss, theft or destruction, of indemnity reasonably satisfactory to the Company, or, in the case of mutilation, upon surrender and cancellation of the mutilated Warrant Certificate, the Company shall execute and deliver in lieu thereof a new Warrant Certificate of like tenor and date representing an equal number of Warrants.

6. Rights of the Holder. The Warrant Holder shall not, by virtue hereof, be entitled to any voting or other rights of a stockholder in the Company, either at law or equity, and the rights of the Warrant Holder are limited to those expressed in the Warrant Certificate and are not enforceable against the Company except to the extent set forth herein.

7. Adjustment of Exercise Price and Number of Shares Deliverable. The Exercise Price and the number of shares of Common Stock purchasable pursuant to each Warrant shall be subject to adjustment from time to time as hereinafter set forth in this Section 7:

(a) In case the Company shall (i) declare a dividend or make a distribution on its outstanding shares of Common Stock in shares of Common Stock, (ii) subdivide or reclassify its outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify its outstanding shares of Common Stock into a smaller number of shares, the Exercise

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Price in effect at the time of the record date for

such dividend or distribution or of the effective
date of such subdivision, combination or
reclassification shall be adjusted so that it shall
equal the price determined by multiplying the
Exercise Price by a fraction, the denominator of
which shall be the number of shares of Common Stock
outstanding after giving effect to such action, and
the numerator of which shall be the number of shares
of Common Stock outstanding immediately prior to
such action. Such adjustment shall be made
successively whenever any event listed above shall
occur.

(b) Whenever the Exercise Price payable upon exercise of each Warrant is adjusted pursuant to Subsection (a) above, the number of Shares purchasable upon exercise of this Warrant shall simultaneously be adjusted by multiplying the number of Shares initially issuable upon exercise of this Warrant by the Exercise Price in effect on the date hereof and dividing the product so obtained by the Exercise Price, as adjusted.

(c) Notwithstanding the provisions of Subsections (a) and (b) of this Section 7, no adjustment in the Exercise Price shall be required unless

such adjustment would require an increase or decrease of at least five cents (\$0.05) in such price; provided, however, that any adjustments which by reason of this Subsection (c) are not required to be made shall be carried forward and taken into account in any subsequent adjustment required to be made hereunder. All calculations under this Section 7 shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be. Anything in this Section 7 to the contrary notwithstanding, the Company shall be entitled, but shall not be required, to make such changes in the Exercise Price, in addition to those required by this Section 7, as it shall determine, in its sole discretion, to be advisable in order that any dividend or distribution in shares of Common Stock, or any subdivision, reclassification or combination of Common Stock hereafter made by the Company, shall not result in any Federal income tax liability to the holders of Common Stock or securities convertible into Common Stock (including Warrants).

(d) Whenever the Exercise Price is adjusted as herein provided, the Company shall promptly cause a notice setting forth the adjusted Exercise Price and adjusted number of Shares issuable upon exercise of each Warrant, and if requested by the Warrant Holder, information

describing the transactions giving rise to such adjustments, to be mailed to the Warrant Holders at their last addresses appearing in the books and records of the

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Company, and shall cause a certified copy thereof to be mailed to its transfer agent, if any. The Company may retain a firm of independent certified public accountants selected by the Board of Directors (who may be the regular accountants employed by the Company) to make any computation required by this Section 7, and a certificate signed by such firm shall be conclusive evidence of the correctness of such adjustment.

(e) In the event that at any time, as a result of an adjustment made pursuant to Subsection (a) above, the Warrant Holder of this Warrant thereafter shall become entitled to receive any shares of the Company, other than Common Stock, thereafter the number of such other shares so receivable upon exercise of this Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subsections (a) to (c), inclusive above.

(f) Irrespective of any adjustments in the Exercise Price or the number or kind of shares purchasable upon exercise of this Warrant, Warrants theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in the similar Warrants initially issuable pursuant to this Warrant Certificate.

8. Fractional Shares. No certificate for fractional Shares shall be issued upon the exercise of the Warrants. With respect to any fraction of a Share called for upon any exercise hereof, the Company shall pay to the Warrant Holder an amount in cash equal to such fraction calculated to the nearest cent multiplied by the current market value of a Share, determined as follows:

(a) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the NASDAQ system, the current market value of a Share shall be the last reported sale price per Share of the Common Stock on such exchange or system on the last business day prior to the date of exercise of this Warrant or if no such sale is

made on such day, the average of the closing bid and asked prices per Share for such day on such exchange or system; or

(b) If the Common Stock is not so listed or admitted to unlisted trading privileges, the current market value of a Share shall be the mean of the last reported bid and asked prices per Share reported by the National Quotation Bureau, Inc. on the last business day prior to the date of the exercise of this Warrant; or

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(c) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current market value of a Share shall be an amount, not less than book value thereof, as at the end of the most recent fiscal year of the Company ending prior to the date of the exercise of the Warrant, determined in such reasonable manner as may be prescribed by the Board of Directors of the Company.

9. Officer's Certificate. Whenever the Exercise Price shall be adjusted as required by the provisions of Section 7 hereof, the Company shall forthwith file in the custody of its Secretary or Assistant Secretary at its principal office and with its stock transfer agent, if any, an officer's certificate showing the adjusted Exercise Price as herein provided setting forth in reasonable detail the facts requiring such adjustment, including a statement of the number of additional shares of Common Stock, if any, and such other facts as shall be necessary to show the reason for and the manner of computing such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the holder or any holder of a Warrant executed and delivered pursuant to Section 2, and the Company shall, forthwith after each such adjustment, mail a copy by certified mail of such certificate to the Warrant Holder or any such holder.

10. Notices to Warrant Holders. So long as this Warrant shall be outstanding, (i) if the Company shall pay any dividend or make any distribution upon the Common Stock; or (ii) if the Company shall offer to the holders of Common Stock for subscription or purchase by them any shares of any class or any other rights; or (iii) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease or transfer of all or substantially all of the

property and assets of the Company to another corporation, or voluntary or involuntary dissolution, liquidation or winding up of the Company shall be effected, then in any such case, the Company shall cause to be mailed by certified mail to the Warrant Holder, at least fifteen days prior to the date specified in (x) or (y) below, as the case may be, a notice containing a brief description of the proposed action and stating the date on which (x) a record is to be taken for the purpose of such dividend,

distribution or rights, or (y) such reclassification, reorganization, consolidation, merger, conveyance, lease, dissolution, liquidation or winding up is to take place and the date, if any, which is to be fixed, as of which the holders of Common Stock or other securities shall receive cash or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up.

11. Reclassification, Reorganization or Merger. In case of any reclassification, capital reorganization or other change of outstanding shares of Common Stock of the Company, or in case of any consolidation or merger of the Company with or into another corporation (other than a merger with a subsidiary in which merger the Company is the continuing corporation and which does not result in any reclassification, capital reorganization or other change of outstanding shares of

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Common Stock of the class issuable upon exercise of this Warrant) or in case of any sale, lease or conveyance to another corporation of the property of the Company as an entirety, the Company shall, as a condition precedent to such transaction, cause effective provisions to be made so that the Warrant Holder shall have the right thereafter by exercising this Warrant at any time prior to the expiration of the Warrant, to purchase the kind and amount of shares of stock and other securities and property receivable upon such reclassification, capital reorganization and other change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock which might have been purchased upon exercise of this Warrant immediately prior to such reclassification, change, consolidation, merger, sale or conveyance. Any such provision shall include provision for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Warrant. The foregoing provisions of this Section 11 shall similarly apply to successive reclassifications, capital reorganizations and changes of shares of Common Stock and to successive consolidations, mergers, sales or conveyances. In the event that in connection with any such capital reorganization or reclassification, consolidation, merger, sale or conveyance, additional shares of Common Stock shall be issued in exchange, conversion, substitution or payment, in whole or in part, for a security of the Company other than Common Stock, any such issue shall be treated as an issue of Common Stock covered by the provisions of Subsection (a) of Section 7 hereof.

12. Voluntary Adjustment by the Company. The Company may, at its option, at any time during the term of the Warrants, reduce the then current Exercise Price to any amount deemed appropriate by the Board of Directors of the Company and/or extend the date of the expiration of the Warrants.

13. Registration Under the Securities Act of 1933.

(a) If at any time after the date hereof, the Company shall propose to file a registration statement ("Registration Statement") under the Securities Act of 1933, as amended (the "Act") (other than a reorganization or an offering pursuant to a stock option or other employee benefit plan or an offering on Form S-4 or S-5 (or any

successor forms thereto) relating to an acquisition of another corporation), then, during the period commencing on the date hereof and terminating on the Expiration Date, and subject to Subsection (d) of this Section 13, the Company shall in each case deliver written notice thereof to the Holder of this Warrant or of the Warrant Shares and/or any then holder of Warrants or Warrant Shares (such persons being collectively referred to herein as "holders") at least 15 days before the anticipated filing date. Such notice shall offer to each holder the option to include Warrant Shares in such Registration Statement, subject to the conditions set forth in this Section 13; provided, however, that the Company shall be under no obligation

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to register Warrant Shares of any holder if in the opinion of counsel to such holder no registration under the Act is required with respect to a public disposition of such Warrant Shares.

(b) Should a holder desire to have any Warrant Shares registered under this Section 13, such holder shall so advise in writing no later than 15 days after the date of receipt by the holder of the Company's written notice, setting forth the number of such Warrant Shares for which registration is requested. Subject to Subsection (d) of this Section 13, the Company shall thereupon include in such Registration Statement such Warrant Shares.

(c) Neither the giving of notice by the Company nor any request by any holders to register Warrant Shares pursuant to this Section 13 shall in any way obligate the Company to file any such Registration Statement, and notwithstanding the filing of such Registration Statement, the Company may, at any time prior to the effective date thereof, determine not to offer the securities to which such registration relates and/or withdraw the Registration Statement from the Securities and Exchange Commission (the "Commission"), without liability of the Company to any holders.

(d) If the securities covered by such Registration Statement are to be sold by underwriters in an underwritten public offering (including, without limitation, a so-called "best efforts" undertaking by an underwriter), the Company shall use its best efforts to cause the managing

underwriter, if any, of a proposed offering to grant a request by a holder that Warrant Shares be

included in the proposed offering on terms and conditions which are customary industry practice for such underwriter under the existing circumstance, provided that any Warrant Shares to be sold by holders pursuant to this Section 13 shall be sold or distributed in a manner identical to the manner in which the securities which are the subject of such Registration Statement are to be sold or distributed.

Notwithstanding the foregoing, if any such managing underwriter shall advise the Company in writing that, in good faith and in its reasonable opinion, the distribution of Warrant Shares requested to be included in the Registration Statement concurrently with the securities being registered by the Company would adversely affect the distribution of such securities by such underwriters, the Company shall give notice of such determination to the holders requesting registration, and the number of Warrant Shares proposed to be offered by the holders and any other persons other than the Company shall be reduced pro rata (as specified by the Company in such notice) to

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aggregate a quantity of Warrant Shares (so specified) which said managing underwriter shall not consider excessive.

(e) The rights of holders to have their Warrant Shares be included in any Registration Statement pursuant to the provisions of Section 13 of this Warrant Certificate, shall be subject to the condition that the holders requesting registration shall furnish to the Company in writing such information and documents as may be reasonably required to properly prepare and file such Registration Statement in accordance with applicable provisions of the Act.

(f) The Company shall bear the entire cost and expense of any registration of securities initiated by it notwithstanding that Warrant Shares may be included in any such registration. Any holder whose Warrant Shares are included in any such registration statement pursuant to this Section 13 shall, however, bear the fees of his own counsel and any registration fees, transfer taxes or underwriting discounts or commissions applicable to the Warrant Shares sold by him pursuant thereto.

(g) (i) The Company shall indemnify and hold harmless each such holder and each underwriter, within the meaning of the Act, who

may purchase from or sell for any such holder any Warrant Shares (collectively, "Indemnified Persons") from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any post-effective amendment thereto or any registration statement under the Act or any prospectus included therein required to be filed or furnished by reason of this Section 13 or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or alleged untrue statement or omission or alleged omission based upon information furnished or required to be furnished in writing to the Company by such holder or underwriter expressly for use therein, which indemnification shall include each person, if any, who controls any such underwriter within the meaning of such Act; provided, however, that the Company shall not be obliged so to indemnify any such holder, underwriter or controlling person unless such holder, underwriter or controlling person shall at the same time indemnify the Company, its directors, each officer signing the related registration statement and each person, if any, who controls the Company

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within the meaning of such Act, from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in any registration statement or any prospectus required to be filed or furnished by reason of this Section 13 or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, insofar as such losses, claims, damages or liabilities are caused by any untrue statement or alleged untrue statement or omission or alleged omission based upon information furnished or required to be furnished in writing to the Company by any such holder, underwriter or controlling person expressly for use therein.

(ii) The holders registering Warrant Shares pursuant to this Warrant Certificate shall indemnify and hold harmless the Company, its directors and officers, and each person, if any who controls the Company within the meaning of either

Section 15 of the Act or Section 20 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), to the same extent as the indemnity from the Company to each Indemnified Person set forth in paragraph (i) of this Subsection (g), but only with respect to information relating to such Indemnified Person furnished in writing by such Indemnified Person to the Company expressly for use in the Registration Statement or related Prospectus (preliminary or final), or any amendment or supplement thereto. In case any action or proceeding shall be brought against the Company or its directors or officers or any such controlling person, in respect of which indemnity may be sought against a holder, each shall have the rights and duties given to the Company and the Company or its directors or its officers or its controlling persons each shall have the rights and duties given to a holder by Subsection (g).

(iii) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Section 13(g) is due in accordance with its terms but is, for any reason, held by a court to be unavailable, the Company and the holders shall contribute to the aggregate losses, claims, damages and liabilities (including reasonable legal or other expenses incurred in connection with investigation or defending of same) to which the Company and the holders may be subject based on their comparative fault; provided, however, that no holder shall have any liability hereunder in excess of the gross proceeds realized by such holder from the sale by it of the Warrant Shares to which the third party claim relates; provided,

further, however, that no person who has committed an intentional misrepresentation shall be entitled to contribution from any person who has not committed an intentional misrepresentation. For the purposes of this paragraph (iii) any person controlling, controlled by or under common control with the holders, or any partner, director, officer, employee, representative or agent of any thereof, shall have the same rights to contribution as the holders, and each person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, each officer and each director of the Company shall have the same rights to contribution as the Company. Any party entitled to contribution shall, promptly after

receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against the other party under this paragraph (iii), notify such party from whom contribution may be sought, but the omission to so notify such party shall not relieve the party from which contribution may be sought from any obligation it or they may have hereunder or otherwise.

The Company's agreements with respect to Warrant Shares in this Section 13 shall continue in effect regardless of the exercise and surrender of this Warrant.

14. Governing Law. This Warrant Certificate shall be governed by and construed in accordance with the laws of the State of New York without regard to the principles of conflicts of law thereof.

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be duly executed by its officers thereunto duly authorized and its corporate seal to be affixed herein.

DEL ELECTRONICS CORP.

By: /s/ Leonard A. Trugman
Name: Leonard A. Trugman
Title: Chairman, CEO and President

[SEAL]

Dated: January 1, 1996

Attest:

/s/ Michael Taber
Michael Taber, Secretary

EXERCISE FORM

Dated: _____, _____

The undersigned hereby irrevocably elects to exercise the right to purchase _____ shares of Common Stock covered by this Warrant according to the conditions hereof and herewith makes payment of the Purchase Price for such shares in full.

Signature [Print Name]

(STREET ADDRESS)

(CITY) (STATE) (ZIP CODE)

ASSIGNMENT FORM

FOR VALUE RECEIVED, _____

hereby sells, assigns and transfer unto

Name _____

Address _____

the right to purchase Common Stock represented by this Warrant to the extent of _____ shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____ Attorney, to transfer the same on the books of the Company with full power of substitution in the premises.

Date _____, _____

Signature _____

[PRINT NAME]

EXHIBIT 10.16

EMPLOYMENT AGREEMENT, dated as of October 11, 1993, by and between DYNARAD CORP., a New York corporation with offices at 19 Jefryn Boulevard, Deer Park, New York 11729 (the "Corporation"), and GEORGE SOLOMON, an individual residing at 132 Sheridan Avenue, Ho-Ho-Kus, New Jersey 07423 (the "Executive").

WITNESSETH :

WHEREAS, the Corporation desires to secure the services of the Executive upon the terms and conditions hereinafter set forth; and

WHEREAS, the Executive desires to render services to the Corporation upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties mutually agree as follows:

Section 1. Employment. The Corporation hereby employs the Executive and the Executive hereby accepts such employment, as an executive of the Corporation, subject to the terms and conditions set forth in this Agreement.

Section 2. Duties. Executive shall serve as Vice President and General Manager of the Corporation or, in the discretion of the Board of Directors of the Corporation, in another capacity of increasing responsibility and shall properly

perform such duties as may be assigned to him from time to time by the Board of Directors of the Corporation. If requested by the Corporation, the Executive shall serve on the Board of Directors of the Corporation or any affiliates thereof, or on any committee of such Boards of Directors, without additional compensation. During the Term (as hereinafter defined) of this Agreement, the Executive shall devote all of his business time to the performance of his duties hereunder unless otherwise authorized by the Board of Directors. The Executive shall report directly to Leonard Michaels.

Section 3. Term of Employment. The term (the "Term") of the Executive's employment shall commence as of the date hereof and shall continue until July 31, 1997, or until terminated pursuant to Section 5 hereof. The Term shall automatically be renewed for a period of three (3) years unless either party provides the other with notice of non-renewal at least one hundred twenty (120) days prior to termination of the Term.

Section 4. Compensation of Executive.

4.1. Compensation. The Corporation shall pay to the Executive as compensation for his services hereunder a base annual salary ("Base Salary") through July 31, 1994 an amount equal to One Hundred Forty-Eight Thousand (\$148,000) Dollars, on an annualized basis. For the fiscal year August 1, 1994 through July 31, 1995, the Executive shall be paid a Base Salary determined by multiplying \$148,000 by the greater of (x) the increase (expressed as a decimal), if any, in the Consumer Price Index, as defined herein, as of August 1, 1994 over the amount of such index as of August 1, 1993, or (y) five (5%) percent; and for fiscal year August 1, 1995 through July 31, 1996, the Executive shall be paid a Base Salary

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determined by multiplying the Base Salary in effect for the immediately preceding fiscal year by the greater of (x) the increase (expressed as a decimal), if any, in the Consumer Price Index as of August 1, 1995 over the amount of such index as of August 1, 1994, or (y) five (5%) percent. For all purposes of this Agreement, the Consumer Price Index is hereby defined as the index for the New York City Metropolitan Area, now known as the United States Bureau of Labor Statistics, Consumer Price Index, for Urban Wage Earners and Clerical Workers (revised) -- U.S. City average, and selected areas (1982 - 84 = 100), all items. If the Consumer Price Index shall be discontinued or altered, then any successor Consumer Price Index of the United States Bureau of Labor Statistics, or successor agency thereof, for the New York City Metropolitan Area, shall be used, and if there is no such successor Consumer Price Index, the Corporation and Executive shall agree upon a substitute index or formula.

The Base Salary shall be payable bi-weekly less such deductions as shall be required to be withheld by applicable law and regulations.

4.2. Guaranteed Bonus. In addition to his annual Base Salary the Executive shall receive a guaranteed bonus ("Guaranteed Bonus") in an amount equal to Five Thousand (\$5,000) Dollars plus two (2%)

percent of the Corporation's Pre-Tax Net Profits (as hereinafter defined) for the Corporation's fiscal year ending July 30, 1994. The Guaranteed Bonus shall be payable within thirty (30) days after the Corporation's regularly employed independent certified public accountants ("Accountants") determine the Pre-Tax Net Profits for such year. The

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Guaranteed Bonus for fiscal years after fiscal 1994 shall be determined, and performance targets shall be set, by mutual agreement of the parties hereto. In no event shall the Guaranteed Bonus for fiscal years after fiscal 1994 be less than an amount equal to Five Thousand (\$5,000)

Dollars plus two (2%) percent of the Corporation's Pre-Tax Net Profits for the applicable fiscal year.

4.3. Pre-Tax Net Profits Defined. The term "Pre-Tax Net Profits" as used in this Agreement shall mean the net profits of the Corporation for a fiscal year in excess of \$500,000 prior to (i) the payment or provision for any Federal, state or local income or other taxes; (ii) the payment of the Guaranteed Bonus; and (iii) any bonus payments made to Leonard Michaels by the Corporation or which are made by Del Electronics Corp. ("Del") to Leonard Michaels on behalf of the Corporation, but after (i) any non-compete payments or payments made pursuant to consulting agreements by the Corporation or which are made by Del on behalf of the Corporation; and (ii) payment of the Executive's Base Salary for such fiscal year, all as computed by the Corporation's Accountants.

4.4. Expenses. The Corporation shall pay or reimburse the Executive for all reasonable and necessary business, travel or other expenses, upon proper documentation thereof, which may be incurred by him in connection with the rendition of the services contemplated hereunder.

4.5. Benefits. Executive shall be entitled to participate in such profit sharing, group insurance, option plans, hospitalization, and group health benefit plans and all other benefits and plans as the Corporation provides to its

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employees to the extent that the Executive is eligible under the terms of such plans. During the Term of his employment hereunder the Corporation shall (i) lease an automobile for the use by Executive in connection with his duties hereunder; and (ii) pay for the installation and monthly service charge for a car telephone and business telephone calls therefrom, upon proper documentation therefor.

4.6. Discretionary Payments. Nothing herein shall preclude the Corporation for paying Executive such bonus or bonuses or other compensation, as the Board of Directors, in their discretion, may authorize from time to time.

Section 5. Termination.

5.1. Termination of Employment. This Agreement shall terminate upon the death, Disability, as hereinafter defined, or termination of employment of the Executive For Cause, as hereinafter defined, or because Executive wrongfully leaves his employment hereunder. The Corporation shall pay to the Executive, any person designated by the Executive in writing or if no such person is designated, to his estate, as the case may be, the aggregate amount of the Base Salary accrued as of such termination but not yet paid.

5.2. Disability Defined. As used herein, "Disability" shall mean the Executive is mentally or physically incapable or unable to perform his regular and customary duties of employment with the Corporation for a period of ninety (90) consecutive days or for a period of ninety (90) days in any three hundred sixty (360) day period.

5.3. "For Cause" Defined. As used herein, the term "For Cause" shall mean (i) Executive's conviction in a court of law of any crime or offense,

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or (ii) willful misconduct, or (iii) the material breach by Executive of any provision of this Agreement, or (iv) reckless disregard of his responsibilities under this Agreement.

5.4. Termination For Cause. In the event Executive is discharged For Cause, Total Disability or because Executive wrongfully leaves his employment hereunder, then, upon such occurrence, this Agreement shall be deemed terminated and the Corporation shall be released from all obligations to Executive with respect to this Agreement.

5.5. Termination Without Cause.

In the event the Executive's employment hereunder is terminated by the Corporation other than pursuant to Section 5.4 (hereinafter referred to as a "Termination Without Cause"), the Executive's right to receive his health benefits hereunder shall continue during the next twelve (12) month period immediately following notice of Termination Without Cause and Executive shall be entitled to receive an amount equal to One Hundred Forty-Eight Thousand (\$148,000) Dollars, or an amount equal to the Executive's salary at the time of the notice of Termination Without Cause, as the case may be, and a proportionate share of the Guaranteed Bonus. Such amount shall be payable in 26 equal bi-weekly payments.

5.6. Withholding. All payments to Executive pursuant to Sections 5 and 8 hereof shall be less such deductions as shall be required to be withheld by applicable law and regulations.

Section 6. Stock Options. The Stock Option Committee of Del has granted to Executive the option to purchase 10,000 shares of Del's common stock,

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\$.10 par value ("Common Stock"), for an exercise price of \$5.75 per share. Such exercise price equals the closing price of Del's Common Stock on The American Stock Exchange on August 11, 1993. Such stock options are subject to the provisions of Del's Non-Qualified Stock Option Plan, as amended, and that certain stock option agreement, dated as of August 11, 1993, between Del and the Executive. The Executive shall receive consideration, in the sole discretion of Del's Stock Option Committee, for additional stock options no later than July 31, 1994 and annually during the Term.

Section 7. Vacations. The Executive shall be entitled to a vacation of three (3) weeks per year, during which period his Base Salary shall be paid in full. The Executive shall take his vacation at such time or times as the Executive and the Corporation shall determine is mutually convenient.

Section 8. Change in Control.

8.1. Payments on Change in Control. In the event of a Change in Control, as hereinafter defined, of Del, and Executive is not offered a position with Del or the Corporation on substantially the same terms and conditions as this Agreement, then the Corporation and/or its successor shall be obligated to pay to the Executive an amount equal to One Hundred Forty-Eight Thousand (\$148,00.00) Dollars, or an amount equal to the Executive's salary at the time of the notice of Termination Without Cause, as the case may be, and a proportionate share of the Guaranteed Bonus. Such amount shall be payable in 26 bi-weekly payments. In such event, the Corporation shall pay the health insurance premiums of Executive for a

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period of twelve (12) months from the date of such Change in Control. Notwithstanding anything herein to the contrary, the Corporation shall not be obligated to pay such premiums in the event Executive receives health benefits from another employer following a Change in Control.

8.2. Change in Control Defined. The term "Change in Control" as used herein shall mean the sale by Del of all or substantially all of the assets of Del and its subsidiaries, the statutory merger or consolidation, or the purchase, sale, tender or exchange of equity securities or rights to acquire equity securities of the Corporation, with the result that Leonard A. Trugman is no longer either an employee or a consultant of Del in any capacity whatsoever.

Section 9. Disclosure of Confidential Information.

9.1. Disclosure. Executive recognizes that he will have access to secret and confidential information regarding the Corporation and its affiliates, their products, know-how, customers and plans.

Executive acknowledges that such information is of great value to the Corporation, is the sole property of the Corporation, and has been and will be acquired by him in confidence. In consideration of the obligations undertaken by the Corporation and its affiliates herein, Executive will not, at any time, during or after his employment hereunder, reveal, divulge or make known to any person, any information acquired by Executive during the course of his employment, which is treated as confidential by the Corporation or its affiliates and not otherwise in the public domain.

9.2. Survival. The provisions of this Section 9 shall survive Executive's employment hereunder.

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Section 10. Covenant Not To Compete.

10.1. Covenant. Executive recognizes that the services to be performed by him hereunder are special, unique and extraordinary. The parties confirm that it is reasonably necessary for the protection of the Corporation and its affiliates that Executive agree, and, accordingly, Executive does hereby agree, that he will not, directly or indirectly, in the Territory at any time during the "Restricted Period":

(a) except as provided in Section 10.3 hereof, engage in any business directly competitive with the business conducted by the Corporation or by an affiliate of the Corporation either on his own behalf or as an officer, director, stockholder, partner, consultant, associate, employee, owner, agent, creditor, independent contractor, or co-venturer of any third party; or

(b) knowingly employ or engage, or cause or authorize, directly or indirectly, to be employed or engaged, for or on behalf of himself or any third party, any employee or agent of the Corporation or an affiliate of the Corporation.

10.2. Enforceability. If any of the restrictions contained in this Section 10 shall be deemed to be unenforceable by reason of the extent, duration or geographical scope thereof, or otherwise, then the court making such determination shall have the right to reduce such extent, duration, geographical scope, or other provisions hereof, and in its reduced form this Section shall then be enforceable in the manner contemplated hereby.

10.3. Exception. This Section 10 shall not be construed to prevent Executive from owning, directly or indirectly, in the aggregate, an amount not

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exceeding five (5%) percent of the issued and outstanding voting securities of any class of any corporation whose voting capital stock is traded on a national securities exchange or in the over-the-counter market.

10.4. Restricted Period Defined. The term "Restricted Period" as used in this Section 10 shall mean the period of Executive's employment hereunder plus two (2) years after the date Executive leaves the employ of the Corporation, except that the term "Restricted Period" in the case of a Termination Without Cause or a termination due to a Change in Control shall mean the period of Executive's employment hereunder plus one (1) year after the date Executive leaves the employ of the Corporation.

10.5. Territory. The term "Territory" as used herein shall mean the United States of America, its territories and possessions.

10.6. Survival. The provisions of this Section 10 shall survive the termination of Executive's employment hereunder and until the end of the Restricted Period as provided in Section 10.4 hereof.

Section 11. Miscellaneous.

11.1. Injunctive Relief. Executive acknowledges that the services to be rendered under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, Executive agrees that any breach or threatened breach by him of Sections 9 and 10 of this Agreement shall entitle the Corporation, in addition to all other legal remedies available to it, to apply to any court of competent jurisdiction to enjoin such breach or threatened breach. The parties understand and

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intend that each restriction agreed to by Executive hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Corporation seeks enforcement thereof, such restriction shall be limited to the extent permitted by law.

11.2. Assignment. The Executive may not assign or delegate any of his rights or duties under this Agreement.

11.3. Entire Agreement. This Agreement constitutes and embodies the full and complete understanding and agreement of the parties with respect to the Executive's employment by the Corporation, supersedes all prior understandings and agreements, if any, whether oral or written, between the Executive and the Corporation and shall not be amended, modified or changed except by an instrument in writing executed by the party to be charged. The invalidity or partial invalidity of one or more provisions of

this Agreement shall not invalidate any other provision of this Agreement. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or any prior or subsequent time.

11.4. Binding Effect. This Agreement shall inure to the benefit of, be binding upon and enforceable against, the parties hereto and their respective successors and permitted assigns.

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11.5. Captions. The captions contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

11.6. Notices. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, postage prepaid, or overnight delivery to the party at the address set forth above or to such other address as either party may hereafter give notice of in accordance with the provisions hereof.

11.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State. This Agreement shall be construed according to and governed by the laws of the State of New York without giving effect to the principles of conflict of laws thereof. The parties hereto agree to accept the jurisdiction of the U.S. Federal Court or Nassau County Supreme Court, in the State of New York, for the purpose of any action or proceeding against them arising out of or relating to this Agreement, and agree that venue for any judicial action or proceeding brought in such State shall be in the Eastern District of New York or Supreme Court of Nassau County, as the case may be. Each of the parties hereto irrevocably consents to the services of process in any action or proceeding in such courts by the mailing thereof by United States registered or certified mail postage paid

at its address set forth herein.

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11.8. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

DYNARAD CORP.

By: /s/ LEONARD A. TRUGMAN
LEONARD A. TRUGMAN

/s/ GEORGE SOLOMON
GEORGE SOLOMON

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EXHIBIT 10.24

CONSULTING AGREEMENT

CONSULTING AGREEMENT, dated as of January 1, 1996, by and between DEL ELECTRONICS CORP., a New York corporation with offices at 1 Commerce Park, Valhalla, New York 10595 (hereinafter referred to as the "Company") and STANLEY WUNDERLICH, an individual with offices located at 8 The Hemlocks, Roslyn Estates, New York 11576 (hereinafter referred to as the "Consultant").

In consideration of the mutual premises, covenants and agreements hereunder and for such additional valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Term. The Company hereby engages the Consultant and the Consultant hereby accepts such engagement, for a term commencing as of the date hereof and ending on December 31, 1997 (the "Term"). At any time during the first sixty (60) days of the Term, either party may elect to terminate this Agreement without cause by delivery of a written notice to the other party. Such termination shall be effective ten (10) days following the date of such written notice.

2. Duties. The Company hereby retains the services of the Consultant to provide and furnish consulting services to the Company with respect to certain financial and public relations matters. Consultant's services hereunder shall

be such as shall be reasonably requested by the Company from time to time, and shall include, but shall not be limited to, the following services:

- (a) Assisting the Company's public relations efforts;
- (b) Arranging, on behalf of the Company, meetings with securities analysts of investment banking firms;
- (c) Arranging, on behalf of the Company, meetings with money managers on a global basis;
- (d) Furnishing advice to the Company with regard to corporate finance matters;
- (e) Assisting in the drafting and release of press releases and other public relations material; and
- (f) Furnishing advice to the Company in connection with the acquisition of other companies.

The Consultant shall devote a portion of his business time and effort to the performance of his duties hereunder consistent with the needs of the Company. At the request of the Company, Consultant shall from time to time attend meetings at the Company's or its subsidiaries' headquarters.

3. Compensation.

3.1. Consulting Fee. In consideration for the consulting services to be provided by Consultant, the Company shall pay to the Consultant a consulting fee (the "Consulting Fee") in the amount of Two Thousand Six Hundred Twenty-Five (\$2,625) Dollars per month during the Term, unless this Agreement is earlier terminated pursuant to the terms hereof.

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3.2. Independent Contractor. Consultant and the Company agree that Consultant is an independent contractor and that he shall be responsible for, and indemnify and hold harmless the Company against, all Federal, state and local taxes required to be paid by him with respect to the Consulting Fee under all applicable laws and regulations.

3.3. Authority of Consultant.

(a) The Consultant shall have no authority to bind or commit the Company to agreements of any kind (except as expressly agreed in writing), nor shall the Consultant have any authority or power to incur any debt, obligation or liability or to enter into any contract or commitment on the Company's behalf. The Consultant shall be considered an independent contractor and not a servant, employee or agent of the Company.

(b) It is expressly understood that any person or

entity engaged by the Consultant to assist him in providing services hereunder is at the Consultant's own risk, expense and supervision and that any such person or entity has no claim against the Company for salaries, commissions or other items of cost, and the Consultant warrants that any such person or entity shall be subordinate to the Consultant and by and under him.

3.4. Expenses. The Company shall pay or reimburse the Consultant for all reasonable, properly documented out-of-pocket expenses actually incurred or paid by the Consultant during the Term in the performance of the Consultant's duties under this Agreement. Consultant and the Company acknowledge that such out-of-pocket expenses should not exceed a maximum of Three Hundred

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(\$300) Dollars per month, unless the Company approves such additional expenses in advance.

3.5. Benefits. Consultant shall not be permitted to participate in any group life, hospitalization or disability insurance plans, health programs or similar benefit plans of the Company.

3.6. Disclosure of Confidential Information.

(a) Disclosure. Consultant recognizes that he will have access to secret and confidential information regarding the Company and its affiliates, and their products, know-how, customers and plans. Consultant acknowledges that such information is of great value to the Company and its affiliates, is the sole property of the Company and its affiliates, and has been and will be acquired by him in confidence. In consideration of the obligations undertaken by the Company herein, Consultant will not, at any time during or after the Term, reveal, divulge or make known to any person, any information acquired by Consultant during the Term, which is treated as confidential by the Company or its affiliates and not otherwise in the public domain.

(b) Survival. The provisions of this Section 3.6 shall survive the expiration or termination of the Term.

4. Miscellaneous.

4.1. Injunctive Relief. Consultant acknowledges that the services to be rendered under the provisions of this Agreement are of a special, unique and extraordinary character and that it would be difficult or impossible to replace such services. Accordingly, Consultant agrees that any breach or threatened breach by him of Section 3.6 of this Agreement shall entitle the Company, in addition

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to all other legal remedies available to it, to apply to any court of competent jurisdiction to enjoin such breach or threatened breach. The parties understand and intend that each restriction agreed to by Consultant hereinabove shall be construed as separable and divisible from every other restriction, that the unenforceability of any restriction shall not limit the enforceability, in whole or in part, of any other restriction, and that one or more or all of such restrictions may be enforced in whole or in part as the circumstances warrant. In the event that any restriction in this Agreement is more restrictive than permitted by law in the jurisdiction in which the Company seeks enforcement thereof, such restriction shall be limited to the extent permitted by law.

4.2. Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally, sent by facsimile transmission, special overnight delivery or sent by certified, registered or express mail, postage prepaid.

4.3. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, written or oral, with respect thereto.

4.4. Waivers and Amendments. This Agreement may be amended, superseded, cancelled, renewed or extended, and the terms hereof may be waived, only by a written instrument signed by the parties or, in the case of a waiver, by the party waiving compliance. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any such right, power or privilege nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege.

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4.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State.

4.6. Assignment. This Agreement, and the Consultant's rights and obligations hereunder, may not be assigned by the Consultant other than as expressly provided herein; any purported assignment by the Consultant in violation hereof shall be null and void.

4.7. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, heirs, executors and legal representatives.

4.8. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original but all such counterparts together shall constitute one and the same instrument. Each counterpart may consist of two copies hereof each signed by one of the parties hereto.

4.9. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEL ELECTRONICS CORP.

By: /s/ Leonard A. Trugman

Leonard A. Trugman

/s/ Stanley Wunderlich

Stanley Wunderlich

WAIVER AND MODIFICATION

The Chase Manhattan Bank, N.A. ("Chase") has been advised that Del Global Technologies Corp. ("Del") intends to file a Form S-2 Registration Statement (the "Impending Registration Statement") with the Securities and Exchange Commission (the "SEC") within approximately the next 60 days, pursuant to which Del shall register approximately 2,000,000 shares of its common stock, par value \$.10 ("Common Stock").

Pursuant to a Warrant Agreement dated March 5, 1996 between Del and Chase (the "Warrant Agreement"), Chase holds 17,000 warrants to purchase Common Stock of Del (the "Warrants"). Section 7.1 of the Warrant Agreement gives Chase, as the holder of the Warrants, certain demand registration rights (the "Demand Registration Rights") which may be exercised by Chase one time at any time after November 5, 1996. Section 7.2 of the Warrant Agreement gives Chase, as the holder of the Warrants, certain piggy-back registration rights (the "Piggy-Back Registration Rights") which would be exercisable in connection with the Impending Registration Statement.

Del has requested that Chase waive the Piggy-Back Registration Rights in connection with the Impending Registration Statement. As an inducement to Chase to waive such rights, Del agrees that Chase may exercise its Demand Registration Rights one time at any time after the earlier of (i) the thirtieth day after the Impending Registration Statement shall have been declared effective by the SEC or (ii) November 5, 1996.

Chase hereby agrees to waive the Piggy-Back Registration Rights, subject to the foregoing modification of the date on which Chase may exercise its Demand Registration Rights.

The waiver granted herein shall be effective only with respect to the Impending Registration Statement and shall not limit in any way the Piggy-Back Registration Rights of Chase with respect to any other registration statement.

IN WITNESS WHEREOF, Chase and Del have caused this waiver and modification to be duly executed by their respective duly authorized officers as of the date set forth herein.

DATED: April 25, 1996

DEL GLOBAL TECHNOLOGIES CORP.

*By: /s/ Leonard A. Trugman
Name: Leonard A. Trugman
Title: Chairman, CEO & President*

THE CHASE MANHATTAN BANK, N.A.

*By: /s/ Michael D. Anthony
Name: Michael D. Anthony
Title: Vice President*

INDEPENDENT AUDITORS' CONSENT EXHIBIT 23.1

We consent to the use in this Registration Statement of Del Global Technologies Corp. (formerly Del Electronics Corp.) on Form S-2 of our report dated October 23, 1995, included and incorporated by reference in the Annual Report on Form 10-K, as amended, of Del Global Technologies Corp. for the year ended July 29, 1995, and to the use of our report dated October 23, 1995, appearing in the Prospectus, which is part of this Registration Statement. We also consent to the reference to us under the heading "Selected Financial Data" and "Experts" in such Prospectus.

*S/ DELOITTE & TOUCHE LLP
DELOITTE & TOUCHE LLP*

*New York, New York
April 30, 1996*

EXHIBIT 23.2

INDEPENDENT AUDITORS' CONSENT

The Board of Directors
DENTSPLY International Inc.

We consent to the use of our report included herein and to reference to our firm under the heading 'Experts' in the prospectus.

KPMG Peat Marwick LLP
Chicago, Illinois
April 26, 1996

EXHIBIT 24.1

POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes Leonard A. Trugman and David Engel, and each of them, with full power of substitution and full power to act without the others, his true and lawful attorney-in-fact and agent in his name, place, and stead, to execute in the name and on behalf of each such person, individually and in each capacity stated below, and to file, any and all amendments to this Registration Statement, including any and all post-effective amendments.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on the 30 day of April 1996.

Signature	Title	Date
/s/ LEONARD A. TRUGMAN ----- Leonard A. Trugman	Chairman of the Board, Chief Executive Officer and President	April 30, 1996
/s/ DAVID ENGEL ----- David Engel	Executive Vice President and Chief Financial Officer	April 30, 1996
/s/ MICHAEL H. TABER ----- Michael H. Taber	Vice President - Finance, Secretary and Chief Accounting Officer	April 30, 1996
/s/ NATAN BERTMAN ----- Natan Bertman	Director	April 30, 1996
/s/ DAVID MICHAEL ----- David Michael	Director	April 30, 1996
/s/ JAMES M. TIERNAN ----- James M. Tiernan	Director	April 30, 1996
/s/ SEYMOUR RUBIN ----- Seymour Rubin	Director	April 30, 1996

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ARTICLE 5

The schedule contains summary financial data extracted from the Statement of Assets to be acquired of the Gendex Medical Division of Dentsply International Inc. as of December 31, 1995 and the Statement of Revenues and Expenses for the years ended December 31, 1994 and 1995 and is qualified in its entirety by reference to such financial statements.

MULTIPLIER: 1

PERIOD TYPE	YEAR	YEAR
FISCAL YEAR END	DEC 31 1995	DEC 31 1994
PERIOD START	JAN 01 1995	JAN 01 1994
PERIOD END	DEC 31 1995	DEC 31 1994
CASH	0	0
SECURITIES	0	0
RECEIVABLES	0	0
ALLOWANCES	0	0
INVENTORY	6,129,493	0
CURRENT ASSETS	6,129,493	0
PP&E	650,675	0
DEPRECIATION	0	0
TOTAL ASSETS	8,482,129	0
CURRENT LIABILITIES	0	0
BONDS	0	0
PREFERRED MANDATORY	0	0
PREFERRED	0	0
COMMON	0	0
OTHER SE	0	0
TOTAL LIABILITY AND EQUITY	0	0
SALES	18,895,991	20,664,178
TOTAL REVENUES	18,895,991	20,664,178
CGS	16,364,819	17,521,209
TOTAL COSTS	16,364,819	17,521,209
OTHER EXPENSES	2,614,806	2,864,647
LOSS PROVISION	0	0
INTEREST EXPENSE	0	0
INCOME PRETAX	(83,634)	278,322
INCOME TAX	0	0
INCOME CONTINUING	(83,634)	278,322
DISCONTINUED	0	0
EXTRAORDINARY	0	0
CHANGES	0	0
NET INCOME	(83,634)	278,322
EPS PRIMARY	0.000	0.000
EPS DILUTED	0.000	0.000

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