

Earnings Digests

WACHOVIA CORP. — Winston-Salem [NYSE]

	1976	1975
6 mths end June 30		
Deposits	\$2.653 billion	\$2.615 billion
Income before securities transactions	\$16,359,000	\$15,080,000
Per share	\$1.10	\$1.02
Net income	\$16,297,000	\$14,330,000
Net per share	\$1.10	\$0.97
Recent price	22	

Second-quarter earnings before securities transactions were \$9 million (\$.60 per share) with net income of \$12,085,000 (\$.81 per share).

Wachovia Bank and Trust Co. N.A. earned \$15,349,000 before securities transactions for the six months, compared to \$14,804,000 last year. Second-quarter earnings before securities transactions were \$7,667,000.

Wachovia Mortgage Co. had increased losses for the first half and second quarter, losing \$1,334,000 in the first half and \$575,000 for the second quarter.

SOUTHERN NATIONAL CORP. — Lumberton [OTC]

	1976	1975
6 mths end June 30		
Deposits	\$296,624,225	\$284,727,766
Income before securities transactions	\$1,240,182	\$1,281,862
Per share	\$1.08	\$1.10
Net income	\$1,253,872	\$1,217,055
Net per share	\$1.09	\$1.05
EPS last 4 qtrs	\$2.31	
Recent price	18 1/4	
P/E ratio	8 X	

The board of directors declared a \$.20 dividend, payable Aug. 1.

HANES CORP. — Winston-Salem [NYSE]

	1976	1975
6 mths end July 3		
Net sales	\$178,489,000	\$146,202,000
Pre-tax income	\$14,558,000	\$6,059,000
Net income	\$9,174,000	\$3,878,000
Per share diluted	\$2.22	\$0.96
EPS last 4 qtrs	\$3.92	
Recent price	24-5/8	
P/E ratio	6.3 X	

Management was very happy.

The six months' sales and earnings were records. Second-quarter earnings were \$3,597,000 (\$.86 per share diluted) on sales of \$88,965,000. President and chief executive officer Robert E. Elberson warned that second-half comparisons between 1976 and 1975 were not expected to be as favorable as those for the first half, since early 1975 reflected the recessionary impact.

CANNON MILLS INC. — Kannapolis [OTC]

	1976	1975
6 mths end June 30		
Net sales	\$219,896,910	\$166,597,716
Net income	\$7,901,684	\$6,303,357
Per share	\$0.867	\$0.68
EPS last 4 qtrs	\$2.22	
Recent price	18 1/2	
P/E ratio	8.3 X	

"Our sales and net income reflect the increased business activity of the first half of 1976 compared to the same period last year," said president Harold Hornaday. "If prices of cotton, our principal raw material, continue at present or higher levels, operating results for 1976 could be adversely affected."

The board of directors declared a \$.23 per share dividend, payable Sept. 3 to stockholders of record Aug. 9.

TRION INC. — Sanford [OTC]

	1976	1975
6 mths end June 30		
Sales	\$2,367,100	\$1,955,580
Net income	\$209,681	\$169,211
Per share	\$.71	\$.57
EPS last 4 qtrs	\$1.29	
Recent price	6 1/4	
P/E ratio	4.8 X	

Because of record mid-year sales and earnings, president Hugh E. Carr announced an increase in the quarterly dividend from \$.025 to \$.05. The usual semi-annual preferred dividend of \$.125 was also declared. Dividends are payable Aug. 1 to shareholders of record July 1.

HUYCK CORP. — Wake Forest [NYSE]

	1976	1975
6 mths end June 30		
Net sales	\$48,651,000	\$35,880,000
Pre-tax income	\$6,288,000	\$2,793,000
Net income	\$3,094,000	\$1,380,000
Per share	\$.50	\$.22
EPS last 4 qtrs	\$.88	
Recent price	13-7/8	
P/E ratio	15.8 X	

Management was very pleased.

Second-quarter earnings were \$2,032,000 (\$.33 per share) on sales of \$25,863,000. President D.H. Grubb attributed the increase in sales and earnings to the improved economic climate, particularly in the United States. He said that barring any unforeseen changes in the economic recovery around the world, 1976 will be a good year for Huyck with earnings at or near those of 1974, the company's record high year.

AKZONA INC. — Asheville [NYSE]

	1976	1975
6 mths end June 30		
Net sales	\$378,298,000	\$312,448,000
Net income	\$10,499,000	(\$4,124,000)
Per share	\$.84	(\$0.33)
EPS last 4 qtrs	\$1.80	
Recent price	18 1/4	
P/E ratio	10.1 X	

Management was moderately pleased.

Second-quarter earnings were \$3,403,000 (\$.27 per share) on sales of \$180,127,000. The company said that improvement in its Armak, Armira and International Salt divisions more than compensated for reduced earnings at American Enka, Brand-Rex and Organon.

"Compared with the first quarter of 1976, deteriorating conditions in polyester textile filament and nylon carpet yarns, as well as the normal seasonal elimination of the ice-control salt business, resulted in a drop in net income" in the second quarter, the company said.

CHATHAM MFG. CO. — Elkin [OTC]

	1976	1975
6 mths end June 26		
Sales	\$46,240,000	\$29,547,000
Pre-tax income	\$4,132,000	\$701,000
Net income	\$2,119,000	\$356,000
Per share	\$1.16	\$.19
EPS last 4 qtrs	\$1.79	
Recent price	12 1/4	
P/E ratio	7 X	

Management was extremely pleased.

Second-quarter earnings were \$1,116,000 (\$.61 per share) on sales of \$23,001,000. Management said that "while we are pleased with the turnaround from the recessionary period of last year, we must note the continuing inflation...which necessitated a substantial wage increase for our employees effective June 28. This will affect our profits for the last six months."

Lowe's Sales Up In June

N. WILKESBORO—June sales volume for Lowe's Companies Inc. totaled \$47,075,000, the second highest monthly sales in the company's history.

Compared to June 1975, the increase in sales was \$12,755,000, or 37%. There was one more selling day in June this year.

For the first 11 months of fiscal 1976, Lowe's sales have totaled \$413,875,000.

Food Town Plans Dividend

SALISBURY — A cash dividend of four cents per share has been declared by the directors of Food Town Stores, Inc. This dividend is to be paid Aug. 10 to shareholders of record as of July 26.

Hatteras Sets \$.12 Dividend

CHARLOTTE—The board of directors of Hatteras Income Securities Inc. has declared a monthly dividend of \$.12 per share from net investment income. The dividend will be payable July 30 to shareholders of record July 16.

China Grove Sets Dividend

CHINA GROVE — The board of directors of China Grove Cotton Mills Co. has declared a second-quarter dividend of \$.48 per share which was payable July 23 to stockholders of record July 16.

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Dunhill
of HIGH POINT, INC.

This announcement appears as a matter of record only.

\$6,000,000

Heilig-Meyers Company

Notes due June 1991

This transaction was arranged privately by the undersigned.

Wheat
First Securities

July 19, 1976