

Opinion Research Corporation

AMEX-OPI- \$7.13 (Website: www.opinionresearch.com)

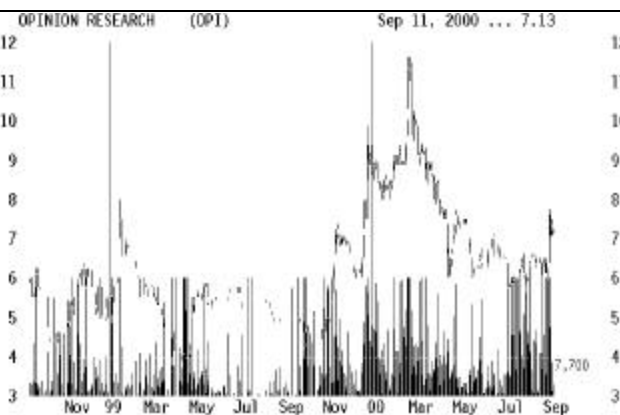
September 12, 2000

Richard J. Wayman, CFA
rwayman@researchstock.com

OPI Sells Stock at 42% Premium to Closing Market Price and Uses Funds to Make Accretive Acquisition

Current Data		EPS		P/E
Fiscal Year End	Dec	1999	\$ 0.58	12.3
Current Price	\$ 7.13	2000E	\$ 0.69	10.4
52-Week Range	12-4	2001E	\$ 0.82	8.7
Shares Out (Mill)	4.3	Valuation		Current
Ave Volume LTM	10,729	P/E (Next FY)	10.38	21-8
Market Capitalization	\$ 30.4	P/B	1.56	2.3-1.1
LTD/Total Capital	68.0%	Price/Sales	0.26	0.33-0.16
Institutional Holdings	44.0%	Operating Data		This Qtr
Insider Holdings	22%	Sales Growth	40.9%	83.7%
Book Value	\$ 4.58	EBITDA Margin	11.1%	11.4%
10Yr Bond	5.77%	Net Inc. Growth	40.2%	56.9%

Source: Baseline except for EPS estimates, researchstock.com



Source: Baseline

Key Investment Points

- The C/J acquisition appears to be a good fit; there are many potential synergies.
- OPI sold 1.17 million shares at \$8.50 per share versus closing market price of \$6.00 and issued 740,500 warrants with an exercise price of \$12.00.
- We think there is upside to both our 2001 EPS forecast and target price (currently \$18.00).

Company Description

Princeton, New Jersey-based Opinion Research Corporation (OPI) is one of the leading global market research firms in the US, providing business to business (B2B) and public (government) markets with sophisticated market research and teleservices. OPI's services help firms improve customer loyalty, branding, corporate reputation, and evaluate market demand for new or existing products. The Company focuses on projects that require continuous updating, thus resulting in a stable client base and recurring revenue streams (we estimate approximately 60% of revenues are from recurring projects). The Company's client base is comprised of Fortune 50 multinational firms such as Bell Atlantic, Chase Manhattan, and General Motors and government agencies. Founded in 1938 by market research pioneer and ex-partner of George Gallup, Claude Robinson, the Company had its IPO in 1993. During the last two years, the Company entered the telemarketing and government services sectors by acquiring ProTel and Macro International, respectively.

Review of Events

On Friday, September 1, 2000 OPI raised approximately \$10 million in a private stock placement that was priced at a 42% premium to the closing price of \$6.00. LLR Equity Partners ("LLR") was the buyer of the 1.17 million common shares and 740,000 warrants (with an exercise price of \$12.00). The purchase gives LLR a 22% ownership stake in OPI and two seats on the Board.

These funds were then used to acquire C/J Research Corporation ("C/J"), a privately held market research firm based in Arlington Heights, Illinois. C/J has annual revenues of approximately \$10 million and a blue-chip clientele that includes The Chicago Tribune, The Walt Disney Company, and Wendy's International. The acquisition has several potential synergies (discussed below)

Premium Paid by LLR is In-Line with Our Observations

This 43% premium to Friday's closing price of \$6.00 is in-line with the premium we have observed when other underfollowed firms "get noticed". As we have stated in earlier reports, we think the stock is undervalued because Wall Street did not notice its turnaround due to its myopic focus on big cap names. As shown in Table 1, the relative undervaluation is especially noticeable when you realize that the stock was selling at a Price/Sales ratio of 0.2x versus 5.7x for the peer group and 2.4x that is accorded to the industry giants; Interpublic Group (IPG) and Omnicom (OMC).

		EPS		%		LTM Rev			
		1999	2000	Growth	2000PE	PEG	P/S	Grwth	Price
OPINION RESEARCH	OPI	\$0.58	\$0.68	17.2%	8.8	0.5	0.2	84%	\$6.00
TOTAL RESEARCH	TOTL	\$0.17	na	na	na	na	1.0	24%	\$3.75
NET PERCEPTIONS	NETP	-\$0.65	-\$0.53	18.5%	-29.2	-1.6	12.9	329%	\$15.50
@PLAN.INC	APLN	-\$0.51	-\$0.41	-180.4%	-14.8	0.1	6.2	na	\$6.06
ACNIELSEN	ART	\$1.29	\$1.41	9.3%	17.2	1.9	0.9	5%	\$24.31
INFORMATION RESOURCE	IRIC	\$0.05	\$0.14	180.0%	47.3	0.3	0.4	1%	\$6.63
MEDIA METRIX	MMXI	-\$0.41	-\$0.34	17.1%	-68.9	-4.0	12.9	na	\$23.44
Ave.				10.3%	-6.6	-0.5	5.7	88.6%	
INTERPUBLIC GROUP	IPG	\$1.30	\$1.50	15.4%	25.9	1.7	2.3	20%	\$38.88
OMNICOM GROUP	OMC	\$2.01	\$2.36	17.4%	35.3	2.0	2.6	22%	\$83.25
SERVICES-AD/MARKET	SRVAM	\$8.67	\$10.08	16.3%	31.1	1.9	na	44%	313.05

(Note: This data was as of close on September 1, 2000)

C/J Provides Definite Synergies

We think the C/J acquisition will provide some definite synergies that should boost performance in 2001. However, the impact on 2000 results may be muted due to the timing of the deal and because it will take time to integrate operations and before the benefits of operating synergies are seen in the income statement.

Some of the key operating benefits are:

- C/J provides OPI with entrées into consumer and pharmaceutical market research;
- Increased cross-selling opportunities;
- C/J benefits by being able to offer its clients more international research by tapping into OPI's international network; and
- Operating margins should improve, as the international infrastructure is leveraged by additional volume.

Outlook

We are maintaining our EPS forecast of \$0.69 and \$0.82 for 2000 and 2001, respectively, because we expect that the \$10 million in additional annual revenues will be offset by the dilution created by the additional 1.17 million shares issued to LLR.

However, we do think there is some upside potential to our expectations. Our revised forecast does not assume any growth in C/J revenues in 2001 nor have we included any growth from cross-selling. Table 2 contains our annual EPS model.

Table 2: Annual Earnings Model						
(\$MM)	1996	1997	1998*	1999	2000E	2001e
Revenues	47.27	56.67	73.17	118.62	162.84	181.47
Cost of Goods Sold	30.30	34.37	44.81	75.85	108.16	120.13
Gross Margin	16.97	22.30	28.36	42.77	54.68	61.34
SG&A	12.20	16.84	19.41	28.50	36.12	40.06
Depreciation	2.40	2.66	4.14	5.81	6.81	6.80
Operating Income	2.37	2.80	4.81	8.46	11.75	14.49
Interest Expense	0.80	0.67	1.87	4.01	5.41	5.50
Other Income/Expense	0.00	0.00	2.47	0.00	0.00	0.00
PreTax Income	1.57	2.13	0.47	4.46	6.34	8.99
Income Taxes	0.80	0.98	0.49	1.94	2.82	4.04
Extraord	0.00	0.00	0.15	0.09	0.00	0.00
Net Income	0.81	1.15	-0.17	2.42	3.52	4.94
EPS-Basic	\$ 0.19	\$ 0.28	\$0.0 *	\$0.59 **	\$ 0.83	\$ 1.16
Diluted	\$ 0.19	\$ 0.28	\$0.0 *	\$ 0.58 **	\$ 0.69	\$ 0.82
			* Includes charges related to ex-CEO.			
			** Excludes debt re-structuring charges			
Basic Shares	4.169	4.144	4.202	4.244	4.244	4.244
Diluted Shares	4.213	4.146	4.202	4.332	5.124	6.045
Tax Rate	50.9%	45.8%	104.3%	43.6%	44.5%	45.0%
Boldfaced data are estimates						
Growth Rates						
Revenues	7.2%	19.9%	29.1%	62.1%	37.3%	11.4%
EBIDTA		14.5%	63.9%	59.4%	30.1%	14.7%
Net Inc.	148.4%	42.7%	nm	nm	45.1%	40.5%
EPS	149.2%	45.0%	nm	nm	18.4%	19.1%
Margin Analysis						
Gross	35.9%	39.4%	38.8%	36.1%	33.6%	33.8%
EBIDTA	10.1%	9.6%	12.2%	12.0%	11.4%	11.7%
Net	1.7%	2.0%	-0.2%	2.0%	2.2%	2.7%

12-18 Month Target Price Raised to \$18.00

We raised our 12-18 month target price to \$18.00 but we think this is a conservative target because it is based on our modest expectations for 2001 EPS and maintains our pre-acquisition multiples. We would expect that the multiples would reach peer group norms after there is more visibility of the benefits of these events, especially on a price/sales and EBITDA multiple basis. Table 3 contains the current valuation multiples for the peer group and highlights the discrepancy between the Price/Sales multiple and revenue growth during the last 12 months.

		EPS		%		LTM Rev			
		1999	2000	Growth	2000PE	PEG	P/S	Grwth	Price
OPINION RESEARCH	OPI	\$0.58	\$0.68	17.2%	10.5	0.6	0.2	84%	\$7.13
TOTAL RESEARCH	TOTL	\$0.17	na	na	na	na	0.9	24%	\$3.63
NET PERCEPTIONS	NETP	-\$0.65	-\$0.53	18.5%	-25.8	-1.4	11.4	329%	\$13.69
@PLAN.INC	APLN	-\$0.51	-\$0.41	-180.4%	-12.0	0.1	5.0	na	\$4.94
ACNIELSEN	ART	\$1.29	\$1.41	9.3%	17.6	1.9	0.9	5%	\$24.75
INFORMATION RESOURCE	IRIC	\$0.05	\$0.14	180.0%	52.7	0.3	0.4	1%	\$7.38
MEDIA METRIX	MMXI	-\$0.41	-\$0.34	17.1%	-56.3	-3.3	10.6	na	\$19.13
	Ave.			10.3%	-2.2	-0.3	4.9	88.6%	
INTERPUBLIC GROUP	IPG	\$1.30	\$1.50	15.4%	25.3	1.6	2.3	20%	\$38.00
OMNICOM GROUP	OMC	\$2.01	\$2.36	17.4%	34.2	2.0	2.6	22%	\$80.63
SERVICES-AD/MARKET	SRVAM	\$8.67	\$10.08	16.3%	30.0	1.8	na	44%	302.41

Source: Baseline

Table 4 illustrates how we derived our \$18.00 target price.

	2001e	Multiple	Est. Range
Revenues	181.47	0.8	\$ 31.15
		0.2	\$ 7.79
EPS	\$ 0.82	21	\$ 17.17
		12	\$ 9.81
EBITDA	18.56	7	\$ 27.88
		3	\$ 11.95
Average Est. Price		High	\$ 25.40
		Low	\$ 9.85
		Ave.	\$ 17.63
Current Price	\$ 7.13		
P/E TTM	12.3		

Conclusion

We think these are very positive developments for OPI. The stock sale gave the market an indication of the relative undervaluation of OPI stock. The acquisition provides additional top and bottom line growth. However, it remains to be seen when the market will fully react to this news.

Risk Consideration

Investors need to consider the following risks before investing:

The shares are not very liquid. Average daily volume for the last 12 months averaged 7,000 – 10,000 shares. Activity has increased during the last 30 days to about 14,000 shares. Consequently, the shares could have significant price volatility.

The Company is not widely followed by Wall Street analysts. OPI currently has just two analysts covering the firm, and we initiated coverage in late 1999. The rest of the peer group has an average of eight analysts. Omnicom has 10 analysts covering it. Consequently, it is possible that valuations could remain depressed due to a lack of market awareness.

By some measures, debt levels are higher than sector averages. While we do not consider leverage to be extreme and interest coverage is more than adequate, the current debt load could prevent OPI from making future acquisitions.

Client concentration is improving but remains an issue. While management continues to diversify the client base, the Company remains dependent on a few large clients.

This report contains "forward looking" statements within the meaning of U.S. federal securities laws. Forward-looking statements regarding the Company's performance inherently involve risks and uncertainties that could cause actual results to differ from such forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products/services in the marketplace; acceptance in the marketplace of the Company's new product lines/services; competitive factors; new product/service introductions by others; technological changes; dependence upon third party vendors; year 2000 issues; and other risks discussed in the Company's periodic report filings, including interim reports, with the Securities and Exchange Commission, By making these forward looking statements, researchstock.com, Inc. undertakes no obligation to update these statements for revisions or changes after the date of this report.

NEITHER RESEARCHSTOCK.COM NOR ANY PROVIDERS OF INFORMATION MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED FROM USING THIS INFORMATION AND MAKE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR USE.

researchstock.com, Inc. is an independent research firm that publishes research reports on companies that may, or may not be clients. researchstom.com, Inc. derives most of its compensation from investment research and financial advisory services, and has been compensated for the preparation of this report. researchstock.com, Inc.'s monthly retainer fee is \$2,500.00. This information is solely for informative purposes and is not solicitation or an offer to buy or sell any security. It is not intended as being a complete description of the securities, markets or developments referred to in the material. The information contained herein is subject to change without notice, and we assume no responsibility to update the information in this report. Any sales or earnings forecasts contained in this report were independently prepared by researchstock.com, Inc., unless otherwise stated, and are not endorsed by the management of the company which is the subject of this report. All expressions of opinion are subject to change without notice. The information contained herein was obtained from sources, which we consider reliable, but we have not independently verified such information and thus do not guarantee that it is accurate or complete. Additional information is available upon request. researchstock.com, Inc. and/or its officers and directors, stockholders, and employees, and/or members of their families may have a long/short position in the securities mentioned in this report and may make purchases and or sales for their own account of those securities as principal or agent in the open market or otherwise. researchstock.com, Inc. or one of its

affiliates may from time to time perform investment banking or other services for, or solicits investment banking or other business from, any company mentioned in this report. This report does not take into account the investment objectives, financial situation or particular needs of any particular person. Investors should obtain individual financial advice based on their own particular circumstances before making investment decisions on the basis of this report.