Opinion Research Corporation

AMEX-OPI- $9.13 (Website: www.opinionresearch.com)

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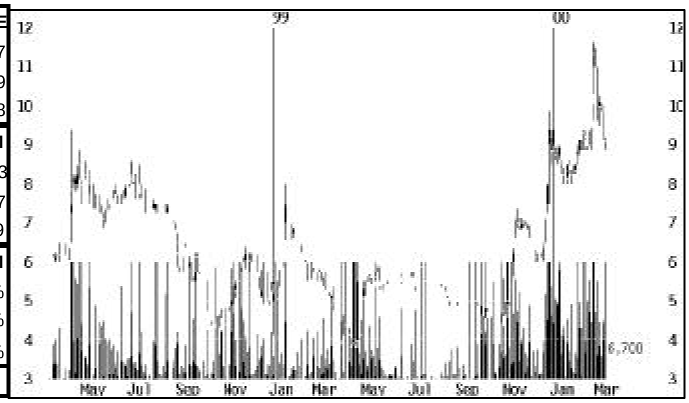
Initial Report

Undervalued Stock Posts Third Year of Double-Digit Growth

Current Data		**EPS**		**P/E**
Fiscal Year End	Dec	1999	$ 0.58	15.7
Current Price	$ 9.13	2000E	$ 0.66	13.9
52-Week Range	12-3	2001E	$ 0.77	11.8
Shares Out (Mill)	4.2	**Valuation**	**Current**	**LTM**
Ave Volume LTM	8,000	P/E (Next FY)	13.85	21-13
Market Capitalization	$ 39.0	P/B	1.99	2.6-1.7
LTD/Total Capital	71.0%	Price/Sales	0.33	0.42-0.29
Institutional Holdings	44.0%	**Operating Data**	**This Qtr**	**LTM**
Insider Holdings	22%	Sales Growth	107.0%	62.0%
Book Value	$ 4.58	EBITDA Margin	11.0%	12.0%
30Yr Bond	6.16%	Net Inc. Growth	155%	62.0%

Source: Baseline except for EPS estimates, researchstock.com



Source: Baseline

Key Investment Points

- Undervalued stock in a dynamic sector
- EPS increased 61% for FY99 and 150% in 4Q99
- Solid cash flow: cash flow per share exceeds EPS by 55%
- 12 – 18 month target price in the mid-teens

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.

INVESTMENT THESIS

OPI is strategically positioned to capitalize on several major trends in the economy and the Market Services sector. We see the Company benefiting from the following macro and Company-specific issues:

- Macro Issues:
  - Demand for market research services (MRS) will grow as deregulation and globalization increase competition.
  - The B2B niche will be the fastest growing segment, with firms able to perform international projects having a competitive advantage.

- OPI has:
  - Experienced and motivated Management.
  - Highly educated employees.
  - Proprietary technology and Internet orientation.
  - Unique product offerings.
  - Ability to perform global research projects.
  - $200 million government contract backlog.

We think the shares are extremely undervalued due to:

- An early history of inconsistent performance caused by ill-fated attempts to develop niche businesses and a one-time golden parachute charge. Current Management has shown a focus on developing core competencies and has executed accretive acquisitions that we think bodes well for future operating performance.

- The Company has not been widely followed by Wall Street. Recent coverage was not initiated until late in 1999 and only three analysts are currently covering OPI. We think this will change if the Company continues to meet our EPS forecasts.

- Liquidity concerns may keep some institutions away from the stock, creating an opportunity for other investors.

COMPANY OVERVIEW

OPI is estimated to be the 15th largest US-based market research firm in terms of total revenues. The Company differentiates itself by serving the B2B market and government agencies. OPI has developed expertise in helping clients;

- Manage corporate brand and image;
- Build brand equity;
- Improve customer loyalty & retention;
- Measure market behavior; and
- Improving business performance through employee research.

<u>Product Line</u>

OPI offers a number of products that can be sold on a stand-alone basis or used in combination to provide the services noted above. Presented below are descriptions of what we feel are key services and a table summarizing other services.

Business Panels
Panels are comprised of business executives and professionals who have agreed to participate on a continuing basis. Constructing these panels is a time-consuming and expensive process, but once established, the panels are a source of reliable information that can be leveraged by multiple surveys.

Internet Panels
In February 2000, OPI announced the introduction of B2B Internet panels, a key feature in OPI's Internet strategy. While there is some debate about the efficacy of Internet-based surveys in the business to consumer sector, we think the application is more effective in the B2B setting, and thus more effective for OPI and its customers. The main concern about Internet polling is the skewness in results that arise from the differences between the general public and a sample drawn from a pool of Web-savvy respondents. We think this discrepancy is minimized in the B2B arena because of the proliferation of computers in the business sector.

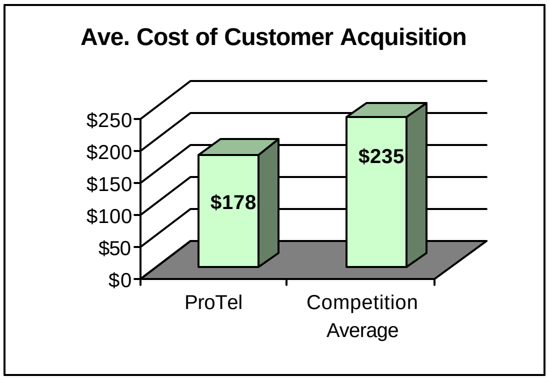
CARAVAN
CARAVAN is a weekly shared-cost national survey that has been conducted for more than 30 years. This survey allows several clients to pool their questions for submission to a large sample. Typically, information from these surveys provides measurement and evaluation of advertising and products.

CORPerceptions
Developed in 1994, this service profiles the image of B2B corporations in 16 countries around the world. The sample consists of approximately 1,200 senior business executives that are interviewed annually. These executives hail from the following industries: automotive, brokerage services, computer hardware, electronics, information technology, and Management consulting.

BrandPerceptions
This is an international brand equity study conducted among 4,250 consumers in 16 countries throughout Asia Pacific, Europe and North America. The result provides data on consumer awareness, preference, satisfaction, and brand loyalty.

E.Tr@ck (sm)
This is a nationally syndicated research study of online shoppers designed to provide e-commerce companies with information on consumer attitudes, perceptions of online merchants, and products searched for online. The survey is conducted twice a year with a random dialing of approximately 2,000 adults screened for 600 – 700 online shoppers.

TeleScience
TeleScience is a proprietary product that combines telemarketing and advanced analytics. It improves the efficiency and profitability of telemarketing by using a continuously updated consumer profile that selects better prospects. A 12-month beta test on a credit card solicitation resulted in a larger group of new cardholders that maintained a higher balance and were more active than the group assembled by the competitive product (see graphs below). However, TeleScience is a more expensive solution than current systems and requires selling to higher Management level, thus lengthening the sales cycle.



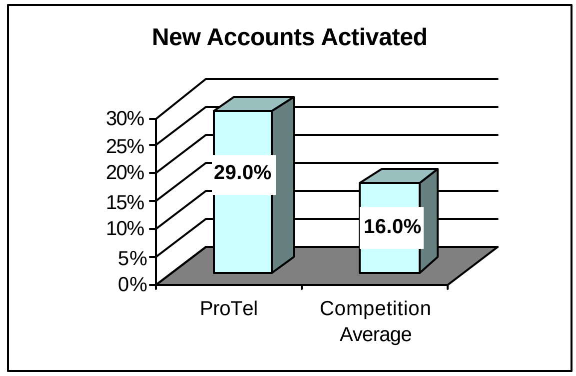


Fig.1 Source: Company information

Fig.2 Source: Company information

Table 1 summarizes some of the Company's other services.

Table 1: Other OPI Services	
Consumer Loyalty Plus	Survey for measuring and building customer loyalty.
C&R Test	A poll that measures advertising comprehension and reaction.
Competitive Environment Test	Survey that tests copy for TV and print advertising.
Customers for Life	Software-based customer retention tool, designed to strengthen long-term customer loyalty.

<u>B2B Market Research Niche</u>

The B2B niche is an important factor to remember because of its economics and large growth potential. B2B research projects are typically very customized, have larger margins, and produce recurring revenue streams. We currently estimate that 60% of OPI's revenues are derived from recurring projects. The growth in B2B transactions can be illustrated by the following facts:

- US exports of goods and services (mostly B2B) are expected to grow 51% from $826 billion in 1996 to $1.7 trillion in 2006.
- Forrester Research estimates US B2B trade to grow 35% to $14.1 trillion from 1998 to 2003 while B2C growth is estimated at 22%.

<u>Client Base</u>

The Company's corporate client list consists of major multinational corporations that require customized global research projects designed to better target their message by providing continuous feedback loops. The major sectors served by OPI are:

Government Agencies	Financial Services
Technology	Automotive
Telecommunications	Healthcare

The composition of the client base has undergone a subtle shift during the last several years. Management has made a concerted effort to reduce dependence on any one client and to eliminate less profitable business. The results of these efforts can be seen in Table 2, which presents a summary of the client base and its evolution. ***It is important to note that this table illustrates the change in importance of each of the noted clients relative to the entire client pool***. For example, while Bell Atlantic remains a client, their 1999 revenues declined.

Table 2: Client Base Analysis
(Source: Company 10-K filings)

Largest Clients in terms of Revenues			
1996	**1997**	**1998**	**1999**
Bell Atlantic	Bell Atlantic	AOL	AOL
Chrysler	Cooper & Lybrand	Catholic Health Initiatives	Cendant
Cooper & Lybrand	Dean Witter	Cendant	Dept. of Human Health Services
Dean Witter	EDS Corp.	GM	EDS
EDS Corp.	GE	IBM	GM
GE	GM	Nortel	IBM
GM	Moody's Service, Inc.	PNC Bank	Morgan Stanley Den Witter
ITT Sheraton	PNC Bank	Price WaterhouseCoopers	Sears
Moody's Service, Inc.	SBC	US Postal Service	US Agency for Int'l Development
PNC Bank	US Postal Service		US Dept. of Education
US Postal Service			
Total # Clients			
670	550	600	1200
Backlog ($Million)			
12.2	26.1	23.0	200.0

Another example of Management's efforts is the relative importance of automotive business. Until recently, the automotive sector was a major source of client concentration. Automotive contracts accounted for 21% of total revenues in 1994; 25% in 1996; and have declined since then. While automotive business remains a major focus, the business volume has declined due to a more disciplined pricing strategy. The loss of these automotive contracts adversely impacted sales growth, but overall operating margins improved as resources were used on more profitable relationships.

Acquisitions

OPI has made several acquisitions to achieve the goal of providing local knowledge on a global scale. As shown in Table 3, OPI has acquired firms to expand its presence into Europe, Asia and Mexico. Other acquisitions added expertise in the automotive, teleservices and government sectors. We will briefly discuss the two most recent acquisitions due to their size and influence on OPI's competitive advantages.

Table 3: Acquisitions

1993	Gordon Simmons Research (UK)
1994	Strategic Research Consulting (US automotive clients)
1995	Hong Kong Branch Office opened
1997	Korean, Taiwan, and Mexico MR firms
1998	ProTel Marketing, Inc. (1997 sales = $14 MM)
1999	Macro International (1998 sales = $62 MM)

ProTel
In January 1998, OPI acquired Lansing, Illinois-based ProTel Marketing, Inc. and entered the $90 billion telemarketing business. Historically, ProTel posted annual revenue growth of about 15%. We view this as a key strategic acquisition because it provided a new service line and made OPI more of a one-stop shop. It also allowed a pooling of talent that resulted in the creation of TeleScience, a proprietary telemarketing program that combines OPI's expertise in modeling with a constant feedback loop that has proven to be very effective in telemarketing campaigns. We estimate that revenues could grow at 12% annually during the next two years as the result of TeleScience sales and increased volume from the new center in Dayton, Ohio (opened in late 1999).

Client concentration is also a factor at ProTel as nearly 80% of current revenues are derived from two clients. However, it should be noted that these key relationships are comprised of multiple contracts with several departments that have lasted for several years. Consequently, the risk of completely losing a major client is reduced. Furthermore, client concentration has been decreasing as the result of company efforts to achieve better client diversification.

Macro
In May 1999, OPI acquired Macro International. This significantly enlarged OPI's ability to perform international projects and allowed it to enter the large and growing government agency market. The other major benefits of this acquisition were:

- Doubled OPI's annual revenue,
- Diversified the revenue base,
- Provided complementary product offerings which will facilitate cross-selling,
- Improved stability and predictability of revenues/earnings, and
- Brought a $200 million backlog.

With this acquisition, the income statement has taken on a new look due to cost accounting differences. Government contracts have smaller margins and record more operating expenses in cost of goods sold. The net result is that the gross and operating margins declined after 2Q99, but have since stabilized.

<u>Current Revenue Composition</u>
OPI's operating results have been significantly enhanced by recent acquisitions (see Figure 3). As shown in Figure 4, FY 1999, B2B marketing research contributed 47% of total revenues, government-related contracts accounted for 38%, and teleservices were 15% of sales.

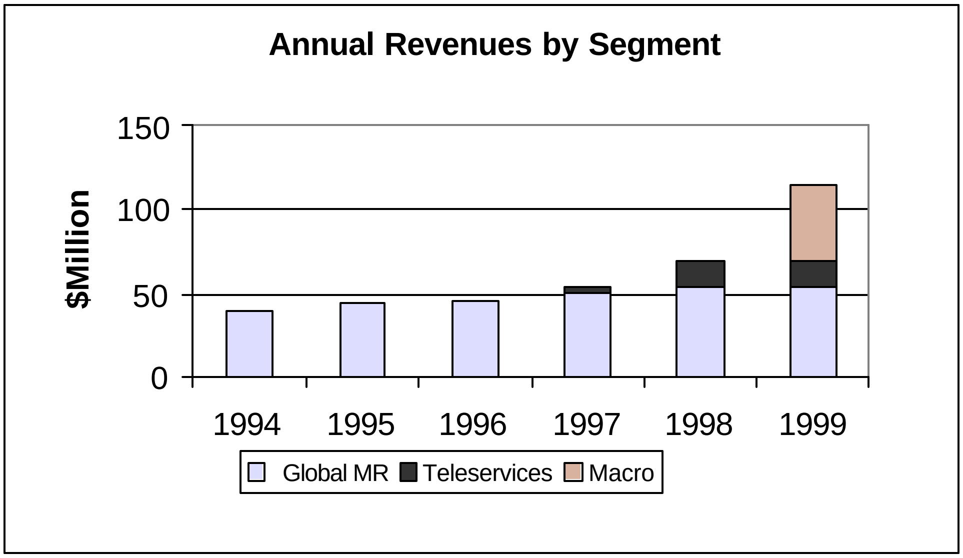


Figure 3

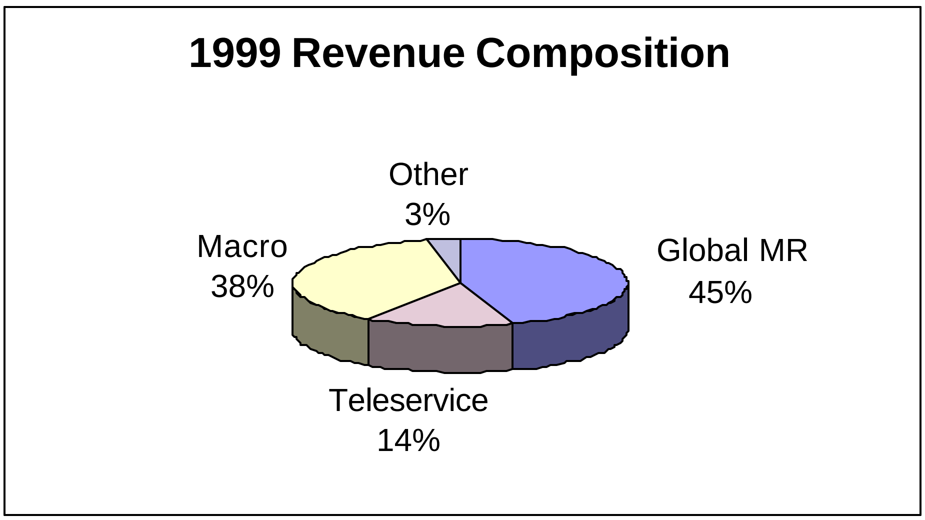


Figure 4

INDUSTRY OVERVIEW

Market Research

Global market research is a $13 billion market that is posting an annual growth rate in the high single-digits. In 1999, US-based spending on market research hit an estimated $5.55 billion. The sector remains relatively fragmented with large multinational firms growing at a faster rate because they are better positioned to take advantage of the sector's major growth drivers. These growth drivers are:

- Increased competition,
- Escalating cost of product introduction requires more preparatory market research,
- Globalization of markets creating need to be able to provide a one stop shop for international research projects,
- Need to analyze data from multiple countries with uniform analytical procedures,

- Consolidation increasing as larger firms seek to add expertise via acquisition, and
- Outsourcing market research function gaining wider acceptance as companies focus on core competencies.

OPI's competition comes from small units of consulting firms and full service advertising firms such as Omnicom (NYSE-OMC) and Interpublic Group (NYSE-IPG). However, the small size of these internal research units relative to the parent's overall operations give OPI a competitive advantage. This advantage arises from the ability to perform global research projects within their network rather than having to hire several different research organizations on an ad hoc basis to create a network to perform a research project.

<u>Teleservices</u>
Teleservices is a $90 billion market, with an annual growth rate in the double digits. However, we think the growth rate could accelerate if the industry implemented new methodologies that increased the return on investment. For example, credit card telemarketing programs are currently devised to maximize the number of new accounts opened during a campaign. While this format provides instant feedback and is easy to measure, it does not always produce a profitable pool of new cardholders. Recent earnings disappointments at major credit card firms are evidence that new ways are needed to increase the longer-term profitability of telemarketing marketing campaigns.

OPI's TeleScience is a new methodology that generates a larger pool of more profitable cardholders. However, the challenge is converting clients from a quick and easy measurement (new accounts opened) to waiting several months until data is collected to determine how profitable the new cardholders are. Due to the longer time frames and relatively higher cost, the sales effort takes place at a higher Management level, lengthening the sales cycle.

COMPETITIVE ADVANTAGES
OPI's competitive advantages are:

- One of the few US-based market research firms that can conduct global studies,
- 60+ year history and established expertise,
- 50% of OPI's Professionals have advanced academic degrees,
- Complementary Commercial (B2B) and Social (government) research capabilities,
- $200 million backlog of government contracts,
- A Blue Chip, highly-visible, and loyal client base, and
- Proprietary products such as TeleScience(sm).

MANAGEMENT
John F. Short, Chairman, CEO and President.
- Part of two-man team that joined OPI in 1989 with the intention of acquiring the company from Arthur D. Little & Co. Led Management buyout in 1991 and IPO in 1993.
- Core experience in financial Management and consulting. Established a track record of managing turnaround situations.

Douglas L. Cox, Chief Financial Officer.
- Joined the Company in his current capacity in October 1998.
- Prior to OPI he was Senior Vice President and CFO of Elf Atochem North America, Inc.
- MBA from the Wharton School of the University of Pennsylvania.

Gregory C. Ellis, Chief Operating Officer – ORC Market Research.
- Responsible for global market research sales and services (excluding Macro).
- 20+ years experience in the market research industry with specialized knowledge ranging from project design to delivery.
- Joined OPI in October 1995 as CEO of the Princeton Group and was promoted to his current position in December 1997.
- MSIA from Carnegie-Mellon University Graduate School of Industrial Administration.

Ruth R. Wolf, Chief Executive Officer – ORC Pro Tel.
- Ms. Wolf joined OPI with the acquisition of Pro Tel in 1998.
- Founded Pro Tel and has more than 30 years of experience in telemarketing.

Frank J. Quirk, Chairman & CEO – Macro International.
- Primarily responsible for operations and administration.
- Under his direction, Macro grew annual revenues from $3 million to $60 million.
- Joined Macro in 1972 as Vice President and was made President in 1980 when Management purchased company from Cenco. He was made Chairman in 1998.
- Involved in client assignments requiring organizational planning, financial analysis, and information systems development.
- Prior to Macro, he worked at Booze, Allen & Hamilton (1967 - 1972) where he was a member of both the client consulting and internal financial Management staffs.
- MBA and AB from Cornell University.

Michael T. Errecart, PhD, President - Macro International.
- Oversees Market Research and Applied Research Divisions.
- Broad experience in statistical analysis, modeling, data processing, research and evaluation.
- Began working at Macro in 1997, working his way up from an associate to President in 1998.
- Ph.D. in mathematical science from The John Hopkins University, MSE in operations research from John Hopkins University (concentration in econometrics and computer science), and an undergraduate degree in electrical engineering/computer sciences from MIT.

OPERATING RESULTS

Historical Review

From a strategic perspective, OPI's operating results can be divided into two periods. From 1992 through 1995, the Company was not as focused on the B2B niche and allocated a significant portion of cash flow into R&D efforts that did not generate viable products. In mid 1995, Management initiated several strategic changes:

- Becoming more focused on the B2B sector,
- Establishing an international network of Company-owned operations and strategic alliances, and
- Maximizing profitability by eliminating lower margin products and clients.

Revenues have increased at an average annual rate of 30% for both the 1992-1995 and 1995-1999 periods. The most significant growth has occurred as the result of acquisitions made since 1998 (see Figure 5). Internal growth has averaged in the low to mid single digits, consistent with the industry's pace.

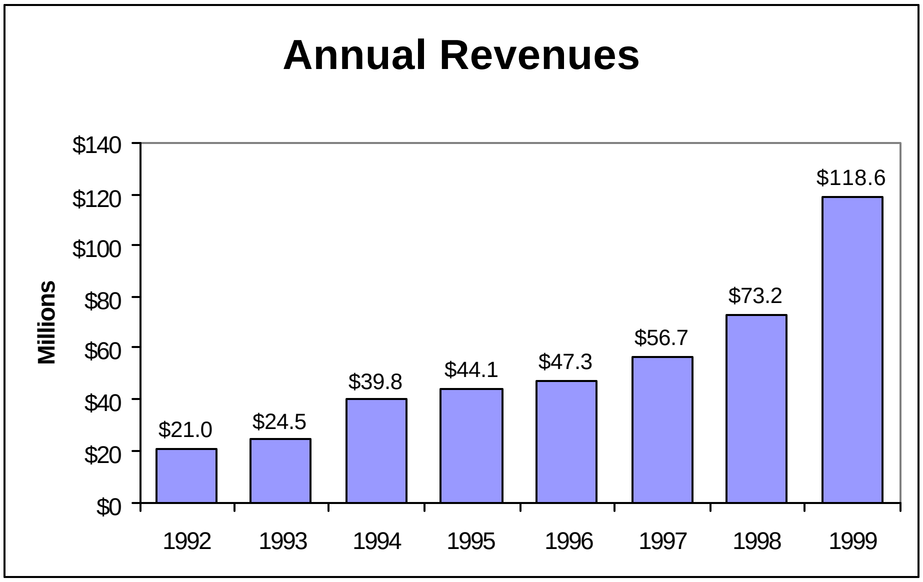


Figure 5

Prior to 1996, operating results were inconsistent as the Company wrote off development costs and severance expenses for several products that were discontinued. Since 1996, operating results have improved dramatically excluding a $2.5 million executive contract buyout. Operating margins improved from 4.8% in 1995 to 6.6% in 1999. Figure 6 illustrates the growth in net income. We excluded the 1998 charge to better portray operating results.

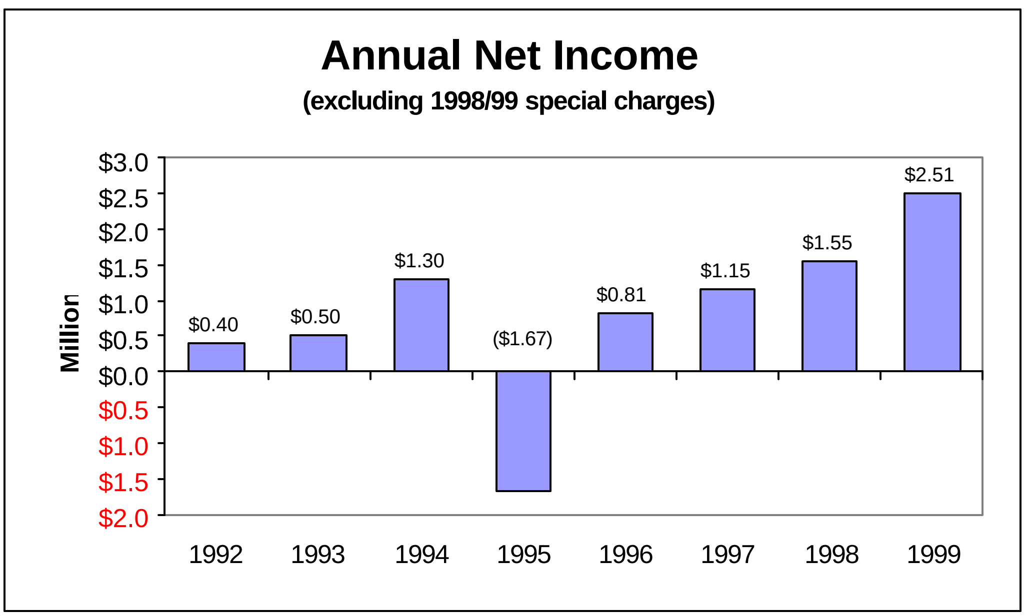


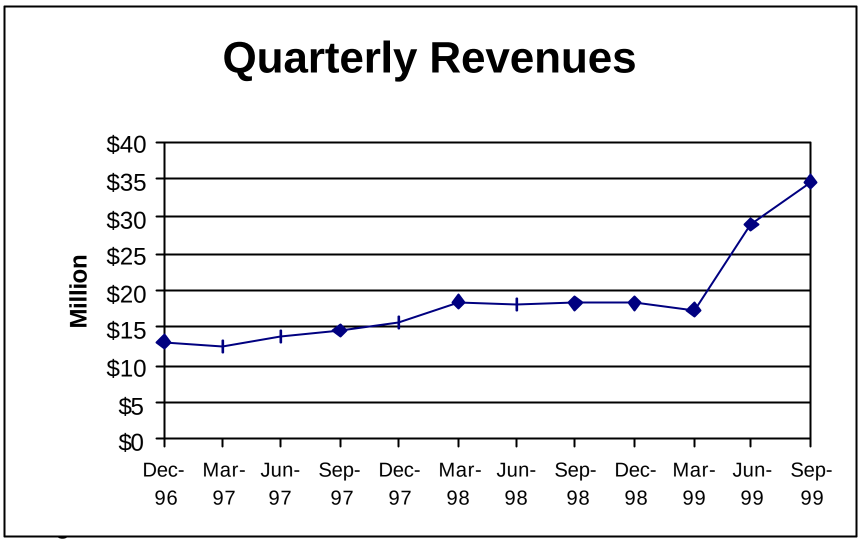
Figure 6

Recent Results: 4Q and Fiscal 1999

OPI posted a fourth consecutive quarter of revenue and earnings growth. For the last three quarters of 1999, the top and bottom lines grew in the double-digit range primarily due to the May 1999 Macro acquisition and internal growth in the teleservices business.

4Q99

For the fourth quarter, EPS was $0.15, a 150% improvement over the $0.06 (before one-time charges taken in 4Q98). Revenues grew 107% to $38 million while net income increased 155% to $0.7 million. Most of this growth is attributable to the Macro acquisition that added $18 million in sales. Teleservices sales grew 24% and we estimate market research revenue to have increased by 3.5%. Operating margins improved to 6.5% from 6.3% as Management continued to focus on cost controls and realized some operating synergies from recent acquisitions. Figure 7 illustrates the quarterly revenue growth since December 1997.



The recent trends in the gross margin and SG&A expenses are due to the accounting conventions for government contract work which constitutes the bulk of Macro's business. From 1Q99 (just before the Macro acquisition) to 4Q99, the gross margin declined from 41.86% to 34.5% while SG&A expenses as a percent of sales improved from 27.6% to 23.4%. Macro records more operating expenses in the cost of goods sold than does OPI. As the Macro business has grown as a percentage of the total revenue mix, the cost of goods sold grew while SG&A expense as a percent of sales declined. Since Macro was acquired in May 1999, we would expect two more quarters where the comparisons will continue to show these trends. However, on a sequential basis, both the cost of goods sold and SG&A expenses have stabilized. Due to this transition, the EBITDA margin is a better tool for examining profitability trends. EBIDTA margins have steadily improved and are currently around 12% (see Figure 8).

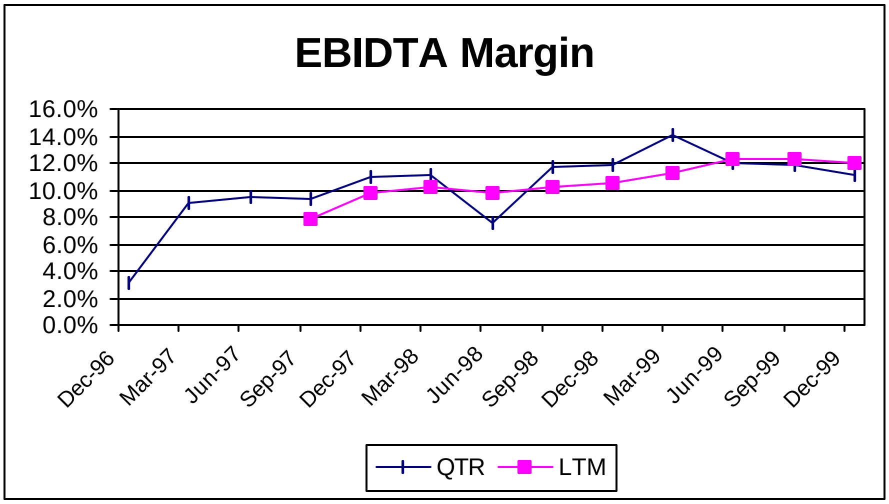


Figure 8

Depreciation and interest expenses in 4Q99 increased relative to 4Q98 in dollar terms due to the Macro acquisition. The $11.3 million in goodwill associated with this acquisition is being amortized at $0.14 million per quarter. Interest expense rose as OPI used debt to finance part of the $23.3 million purchase price.

Fiscal 1999

Highlights for 1999:

- Revenues increased 62% to $119 million (4Q99 annualized run rate is $150 million)
- Backlog exceeded of $200 million
- Operating income up 262% to $8.5 million
- Net income grew 62% to $2.5 million
- Diluted EPS rose 61% to $0.58 from $0.36
- Diluted cash flow per share of $0.90 versus $0.21 in 1998.

(Note: these results exclude the $2.5 million unusual charge in 4Q98 and the extraordinary losses related to early debt retirement of $150,000 in 1998 and $90,000 in 1999.)

Revenue growth is attributed to Macro (which contributed $45 million) and a 13% increase in Teleservice business. We estimate that Market Research (UK and US combined) declined slightly as the result of client losses stemming from acquisition issues rather than a fundamental weakness in OPI's practices. The Company had several clients who were acquired by other firms that chose to move the market research business to their own provider. The Company also declined some business from large automobile manufacturers due to more disciplined pricing strategies. Management is aware of the negative trend in MRS and has taken several steps to reverse this trend, but we think it may take a couple quarters before there is evidence of improvement in the top line. Net income grew inline with revenues, as Management was able to keep operating costs relatively constant by leveraging the infrastructure it has built over the last three years.

Financial Condition

By some measures OPI is more leveraged than its peer group, but current cash flows provide ample interest coverage (EBIDTA/Interest expense was 3.6x at yearend) and we expect future cash flows will be used to reduce debt. Cash flow per share increased to $0.90 from $0.21 in 1998. The DSO calculation increased to 63 from 45 due to the payment terms on Macro accounts (the government receives longer terms than private sector work).

As shown in Figure 9, leverage has already begun to decline while interest coverage is in the 3x to 4x range.

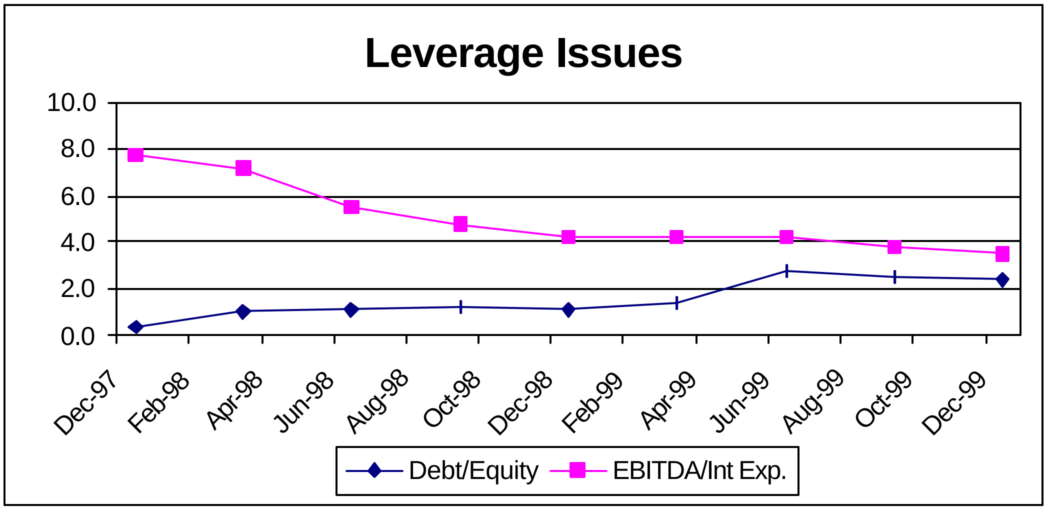


Figure 9

Outlook

On a fundamental basis, we think 2000 will be another impressive year for OPI. The first two quarters will be relatively easy comparisons due to the timing of the Macro acquisition (late in 2Q99). Longer term, we expect:

- Teleservices to grow at an annual rate of 12% based upon strength in that industry; our expectations that Telescience will begin to gain market acceptance; and the new Dayton, Ohio facility's ability to achieve higher call volumes;
- MSR revenues to increase at an average annual rate of about 3%, slightly less than the industry average; and
- Macro business to grow at an average annual rate of 5% (a conservative assumption that is below the Company's average annual growth rate from 1997 to 1999 of 8%).

Our forecast does not assume any acquisitions nor does it assume any growth in OPI's Asian or Mexican businesses. Our model also assumes that operating expenses will increase at a slightly slower pace than sales.

It is important to note that while we forecast net income to grow 25% in 2000, we expect diluted EPS to grow 14%. The reason for the lag in diluted EPS growth is the impact of a rising stock price on the calculation for diluted shares outstanding. As OPI's stock price rises, the number of diluted shares increases because more stock options are "in the money". Based on conversations with management, we estimate that if the share price averages $8.00, diluted shares will be 4.6 million and our EPS forecast is $0.66. If the share price averages $12.00, diluted shares increase to 4.8 million and our EPS estimate declines to $0.63. We currently assume 4.6 million diluted shares for our forecast.

Based on these assumptions, we forecast net income to grow 25% in 2000 and 18% in 2001 while diluted EPS growth to be about 17% per year. The reason diluted EPS growth lags net income is due to the impact a rising share price will have on the calculation for diluted shares. Table 4 contains our annual forecast while Table 5 contains our quarterly estimates.

Table 4: Annual Earnings Model

($MM)	1996	1997	1998*	1999	2000E	2001e
Revenues	47.27	56.67	73.17	118.62	**150.15**	**157.88**
Cost of Goods Sold	30.30	34.37	44.81	75.85	**98.41**	**103.41**
Gross Margin	16.97	22.30	28.36	42.77	**51.74**	**54.47**
SG&A	12.20	16.84	19.41	28.50	**33.60**	**35.20**
Depreciation	2.40	2.66	4.14	5.81	**7.06**	**7.20**
Operating Income	2.37	2.80	4.81	8.46	**11.08**	**12.07**
Interest Expense	0.80	0.67	1.87	4.01	**5.57**	**5.53**
Other Income/Expens	0.00	0.00	2.47	0.00	**0.00**	**0.00**
PreTax Income	1.57	2.13	0.47	4.46	**5.51**	**6.54**
Income Taxes	0.80	0.98	0.49	1.94	**2.48**	**2.94**
Extraord	0.00	0.00	0.15	0.09	**0.00**	**0.00**
Net Income	0.81	1.15	-0.17	2.42	**3.03**	**3.60**
** Includes charges related to ex-CEO.*						
EPS-Basic	$ 0.19	$ 0.28	$0.0 *	$0.59 *	**$ 0.71**	**$ 0.85**
Diluted	$ 0.19	$ 0.28	$0.0 *	$ 0.58 *	**$ 0.66**	**$ 0.77**
			* 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	**4.600**	**4.663**
Tax Rate	50.9%	45.8%	104.3%	43.6%	**45.0%**	**45.0%**
Boldfaced data are estimates						
Growth Rates						
Revenues	7.2%	19.9%	29.1%	62.1%	26.6%	5.1%
EBIDTA		14.5%	63.9%	59.4%	27.1%	6.2%
Net Inc.	148.4%	42.7%	nm	nm	25.0%	18.7%
EPS	149.2%	45.0%	nm	nm	13.6%	17.1%
Margin Analysis						
Gross	35.9%	39.4%	38.8%	36.1%	34.5%	34.5%
EBIDTA	10.1%	9.6%	12.2%	12.0%	12.1%	12.2%
Net	1.7%	2.0%	-0.2%	2.0%	2.0%	2.3%

Table 5: Quarterly Diluted EPS Forecast

	1Q	2Q	3Q	4Q	FY
1999	$ 0.14	$ 0.13	$ 0.16	$ 0.15	$ 0.58 *
2000	$ 0.15	$ 0.18	$ 0.16	$ 0.18	$ 0.66
2001	$ 0.18	$ 0.22	$ 0.15	$ 0.22	$ 0.77
Growth Rates					
1999	42.8%	23.9%	76.5%	150.0%*	61.0%*
2000	2.2%	34.7%	-3.2%	19.0%	13.8%
2001	24.1%	23.9%	-2.3%	21.4%	17.1%

* Ex one-time charges.

Valuation Analysis

Before we analyze OPI's relative valuation, we need to first define the peer group to provide a perspective by presenting a summary of the group's recent performance.

The marketing services sector is populated by firms like Omnicom (OMC) and Interpublic Group (IPG) that do everything (buying advertising, consulting, research, etc.) and firms specializing in a specific niche, such as National Research Corporation (NCRI) that focuses on health care. Consequently, a comparison to an industry index has limitations when looking at a firm like OPI that focuses on B2B market research.

The peer group we use is comprised of firms that are more research related, albeit with differing specialties. While this is not an ideal comparison (valuations are currently higher for Internet-related research firms), it does help illustrate how the market values research providers. We have also provided similar data for the three largest diversified advertising/marketing firms for illustrative purposes.

Table 6 provides an overview of the recent performance of the peer group for the last 12 months. This table illustrates that OPI:

- Is one of the larger firms in the group.
- Has increased revenues while maintaining a healthy profit (EBITDA) margin and ROE.
- Is more leveraged than most of the peer group.

Table 6: Sector Comparables - Last 12 Month Performance

(Source: Baseline) Company	Ticker	Revenues (MM)	% Chg	EBIDTA Margin	EPS	% Chg	Debt/ Capital	Net Debt/ EBITDA	Interest Coverage	ROE
OPINION RESEARCH	OPI	119	62%	11.98%	$ 0.58	35%	0.7	7.0	1.5	13%
TOTAL RESEARCH	TOTL	48	30%	19.61%	$ 0.17	13%	0.0	1.9	-	22%
NET PERCEPTIONS	NETP	15	238%	-659.09%	$ (0.65)	nm	0.0	2.1	- -	
NFO WORLDWIDE	NFO	457	66%	2.65%	$ 0.52	-22%	0.6	4.9	3.4	13%
HARRIS INTERACTIVE	HPOL	35	nm	-94.31%	-	nm	0.0	5.8	- -	
MARKETING SVCS GROUP	MSGI	103	54%	-8.91%	$ (0.59)	-228%	0.0 -		- -	
@PLAN.INC	APLN	7	nm	-275.79%	$ (0.20)	nm	0.0	39.0	- -	
NCRIC GROUP	NCRI	-	nm	nm	$ 0.74	nm	0.0	6.1	-	2%
INFORMATION RESOURCE	IRIC	546	7%	4.95%	$ 0.05	-65%	0.0	0.8	3.5	1%
	Ave. ex-OPI		79%	-144.4%		-75.5%	0.1	8.7	3.5	10%
OMNICOM GROUP	OMC	5,100	25%	0.33%	$ 2.01	20%	0.5	7.2	8.4	32%
INTERPUBLIC GROUP	IPG	4,600	15%	0.43%	$ 1.30	17%	0.4	6.7	10	27%
YOUNG & RUBICAM	YNR	1,700	13%	1.19%	$ 1.40	24%	0.5	6.3	12.4	78%

Company Name	Description
Total Research	Consumer research with special products for customer loyalty, brand equity and e-commerce.
Net Perceptions	Internet retail marketing research (IPO 4/99).
Harris Interactive	Broad-based consumer research (IPO 12/99).
NFO Worldwide, Inc.	Custom market research services to package goods, pharmaceuticals, telcos, and financial firms.
Marketing Serv. Group	Direct and indirect marketing services in US and Canada.
@PLAN.INC	Internet market research systems (IPO 5/99).
NCRIC Group	Survey-based performance analysis and tracking services for the healthcare industry.
Information Resource	Consumer product market research via UPC tracking

The following are the top three diversified international advertising/marketing services firms:

OMNICOM GROUP
INTERPUBLIC GROUP
YOUNG & RUBICAM

Table 7 compares share price trends and selected valuation metrics and illustrate OPI's relative undervaluation. Note that the shares are currently selling at a significant discount to sales and EBITDA. OPI is currently valued at; 0.3x sales versus the group mean of 5.0x (excluding Internet inflated stocks); and 6.2x EBITDA the group's average of approximately 11.0x (ex-Internet).

Table 7: Comparative Valuation Analysis

			LTM	Market	P/E		Price to				EV/
		Price	Price Change	Cap (MM)	CY99	CY00	Book	CF	Sales	EBITDA	EBITDA
OPINION RESEARCH	OPI	$ 9.13	69%	39	13.2	-	2	5.9	0.3	3.2	6.2
TOTAL RESEARCH	TOTL	$ 5.75	114%	71	-	-	6.6	22.2	1.5	14.8	14.5
NET PERCEPTIONS	NETP	$ 56.13	IPO 4/99	1234	NM	NM	NM	NM	81.6	-128.5	NM
HARRIS INTERACTIVE	HPOL	$ 10.38	84%	324	NM	-	NM	-	9.4	180.0	-
NFO WORLDWIDE	NFO	$ 20.94	IPO 12/99	577	-	-	10.9	NM	5.6	9.8	13.6
MARKETING SVCS GROUP	MSGI	$ 20.94	141%	577	-	-	10.9	NM	5.6	-90.2	NM
@PLAN.INC	APLN	$ 10.38	IPO 5/99	115	NM	69.2	NM	NM	15.6	-71.9	NM
NCRIC GROUP	NCRI	$ 8.00	-45%	30	8.9	8.2	-	-	-	27.3	NM
INFORMATION RESOURCE	IRIC	$ 6.75	-7%	190	33.8	12.3	0.8	1.3	0.4	1.3	1.2
			57%	390	21.4	29.9	7.3	11.8	17.1	-7.2	9.8
OMNICOM GROUP	OMC	$ 83.00	21%	14728	35.6	30.9	10.6	28.8	2.9	17.4	18.2
INTERPUBLIC GROUP	IPG	$ 37.63	-2%	10560	25.3	21.9	6.8	19.4	2.3	14.7	12.1
YOUNG & RUBICAM	YNR	$ 40.25	-5%	2802	23.8	20.2	13.2	17.7	1.6	22.5	12.3

It is important to look at Price/EBITDA in order to compare firms in this peer group because it eliminates distortions caused by whether a firm uses pooling or purchase accounting. With the rapid acquisition pace over the last two years, the differences can be significant. It slao provides a quick proxy for cash earnings.

We think the shares could trade up to the mid-teen range over the next 12 – 18 months. We arrived at this target price by using our forecast of revenues, EPS and EBITDA and applying a high/low range based on historical ranges and our future expectations. Table 8 summarizes these calculations and assumes 4.66 million shares outstanding.

Table 8: Target Price Methodology

($MM except EPS)	2000e	Multiple	Est. Price Range
Revenues	150.15	0.5	$ 16.11
		0.2	$ 6.44
EPS	$ 0.66	20	$ 13.17
		10	$ 6.59
EBITDA	18.14	5	$ 19.46
		2	$ 7.79
Average Est. Price		High	$ 24.37
		Low	$ 10.41
		Ave.	$ 17.39

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We feel that these are conservative multiples based on the peer group's current price/sales ratio and our expectation of 17% EPS growth over the next two years. We think that if OPI hits or exceeds our forecast, the market will become more aware of this stock and reduce the current valuation discrepancies.

Risk Consideration

Investors need to consider the following risks before investing:

The shares are not very liquid. Average daily volume for the last 30 days has been about 16,000 shares. While this is significantly greater than the average of 8,000 during the last 12 months, the shares remain thinly traded and could experience significant price volatility.

The Company is not widely followed by Wall Street analysts. OPI currently has just two analysts covering the firm. (We are initiating coverage with this report.) The rest of the peer group has an average of eight analysts. Omnicom has 10 analysts covering it. Consequently, it is possible that valuations differential could persist due to a lack of analyst support.

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.

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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.

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