SSI Surgical Services Announces Third Quarter Results

November 22, 1999

ORLANDO, Fla.--(BUSINESS WIRE)--Nov. 22, 1999--SSI Surgical Services, Inc. (NASDAQ:SGSI) today announced revenues in the third quarter ended September 26, 1999 were $7.5 million compared to $1.9 million a year ago. The company reported a net loss of $66,000 compared to a net loss in the prior year quarter of $180,000.

Revenues in the first nine months jumped to $23.0 million from $5.8 million a year ago, and net income was $420,000 compared to a net loss last year of $409,000.

The increases in revenues and net income are primarily the result of acquisitions made in January 1999. Larry C. Buckelew, chairman of SSI Surgical Services, said, "We are continuing the successful integration of the businesses we acquired earlier this year. Customer demand for our on-site and off-site surgical services is strong, and we are building the management team and organization to support our future growth."

Mr. Buckelew also said the company was in the process of searching for a chief executive officer, and that it had promoted Todd Riddell, senior vice president, to the additional title of chief operating officer. "We are focused on providing improved service to existing customers. This means better local support for customers and our field organization."

The figures are as follows:

STATEMENTS OF OPERATIONS
(Unaudited)

Three Months Ended	September 26, 1999	September 30, 1998
Revenues	$7,518,000	$1,899,000
Cost of revenues	$4,932,000	$1,350,000
Gross profit	$2,586,000	$549,000
Selling, general and administrative expenses	$2,401,000	$641,000
Interest expense, net	$283,000	$88,000
Income (loss) before income taxes	($98,000)	($180,000)
Income taxes (benefit)	($32,000)	-
Net income (loss)	($66,000)	($180,000)
Preferred Stock dividends	-	$27,000
Net income (loss) available for common shareholders	($66,000)	($207,000)
Net income (loss) per common share		
Basic	Nil	($.06)
Diluted	Nil	($.06)
Weighted average common shares outstanding		
Basic	19,491	3,170
Diluted	19,491	3,170

Nine Months Ended	September 26, 1999	September 30, 1998
Revenues	$22,980,000	$5,795,000
Cost of revenues	$14,755,000	$4,221,000
Gross profit	$8,225,000	$1,574,000
Selling, general and administrative expenses	$6,990,000	$1,660,000

Interest expense, net	$616,000	$323,000
Income (loss) before income taxes	$619,000	($409,000)
Income taxes (benefit)	$199,000	-
Net income (loss)	$420,000	($409,000)
Preferred stock dividends	-	$82,000
Net income (loss) available for common shareholders	$420,000	($491,000)
Net income (loss) per common share		
Basic	$.02	($.15)
Diluted	$.02	($.15)
Weighted average common shares outstanding		
Basic	19,491	3,170
Diluted	19,491	3,170

SSI Surgical Services, Inc., provides a comprehensive menu of surgical support services, both on-site (at customer location) and off-site (at six SSI facilities), to hospitals and ambulatory surgery centers. Services include consulting, department management, staffing, training, asset inventory management systems, endoscopy services, surgical instrument and linen management and sterilization service.

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KEYWORD: FLORIDA
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