UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
August 7, 2001 (May 24, 2001)

MATTHEWS INTERNATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania	0-9115 and 0-24494	25-0644320
(State or other jurisdiction of incorporation)	(Commission File Numbers)	(IRS Employer Identification No.)

Two NorthShore Center, Pittsburgh, PA	15212-5851
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (412) 442-8200

INFORMATION TO BE INCLUDED IN THE REPORT

This Current Report on Form 8-K/A is being filed pursuant to Item 7(a)(4) and Item 7(b)(2) of Form 8-K to include the financial statements and pro forma financial information in connection with the Registrant's Current Report on Form 8-K filed on June 8, 2001.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of Acquired Business

The following financial statements are filed herewith as required pursuant to this Item and the requirements of the Securities Exchange Act of 1934:

Audited financial statements for the year ended December 31, 2000, including unaudited financial statements for the three-month period ended March 31, 2001	Appendix A

(b) Pro Forma Financial Information

The following unaudited pro forma financial statements are filed herewith as required pursuant to this Item and the requirements of the Securities Exchange Act of 1934:

Pro forma condensed consolidated balance sheet at March 31, 2001	Appendix B
Pro forma condensed consolidated statement of income for six months ended March 31, 2001	Appendix C

Pro forma condensed consolidated statement of income for the year ended September 30, 2000 Appendix D

The unaudited pro forma condensed consolidated balance sheet at March 31, 2001 reflects the financial position of Matthews International Corporation ("Matthews") after giving effect to the acquisition of the Commemorative Products business of The York Group, Inc. ("York") and assumes the acquisition occurred on March 31, 2001. The unaudited pro forma condensed consolidated statements of income for the year ended September 30, 2000 and the six months ended March 31, 2001 assume that the acquisition occurred on October 1, 1999, and are based on the operations of Matthews for the year ended September 30, 2000 and the six months ended March 31, 2001, respectively. The unaudited pro forma statement of income for the year ended September 30, 2000 reflects the statement of income of the Commemorative Products business of York for the year ended December 31, 2000.

Matthews has accounted for this acquisition using the purchase method and, accordingly, recorded the acquired assets and liabilities at their estimated fair values at the closing date. The purchase price allocations are preliminary. Final allocations will be made based upon valuations and other studies that have not yet been completed.

The unaudited pro forma condensed consolidated financial statements presented herein are provided for illustrative purposes only and include certain adjustments, such as goodwill amortization and interest expense on acquisition debt. The pro forma adjustments presented are based on available information and include certain assumptions and adjustments that are considered reasonable under the circumstances. These adjustments are directly attributable to the transaction referenced above and are expected to have a continuing impact on the Registrant's results of operations and financial condition. No assumptions were made regarding restructuring costs or recurring synergies that may occur as a result of the acquisition.

The pro forma information does not purport to be indicative of the financial position or results of operations of the Registrant that would have actually occurred had the transaction been in effect as of the date or for the periods presented. The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical financial statements and related notes of the Registrant.

The condensed consolidated balance sheet of Matthews as of March 31, 2001 and the condensed consolidated statement of income of Matthews for the six months ended March 31, 2001 were derived from the unaudited interim condensed consolidated financial statements included in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2001. The condensed consolidated statement of income of Matthews for the year ended September 30, 2000 was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended September 30, 2000.

(c) Exhibits

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MATTHEWS INTERNATIONAL CORPORATION
(Registrant)

By Edward J. Boyle

Edward J. Boyle
Vice President, Accounting &
Finance, Treasurer and Secretary

Date: August 7, 2001

APPENDIX A

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)

Combined Financial Statements
As of December 31, 2000
Together With Auditors' Report

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of
Matthews International Corporation:

We have audited the accompanying combined balance sheet of York Bronze Company (a Delaware corporation) and OMC Industries, Inc. (a Texas corporation) (collectively, the Bronze Companies), as of December 31, 2000, and the related combined statements of income, stockholder's equity and cash flows for the year then ended. These financial statements are the responsibility of the Bronze Companies' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. 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 audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Bronze Companies as of December 31, 2000, and the combined results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Arthur Andersen LLP

Houston, Texas
July 27, 2001

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)
COMBINED BALANCE SHEETS
(In Thousands, Except Share and Per Share Data)

	December 31, 2000	March 31, 2001
ASSETS		(Unaudited)
CURRENT ASSETS:		
Cash	$ 376	$ 200
Trade accounts receivable, net of allowance for doubtful accounts of $198 and $217	3,844	4,763
Notes receivable	80	63
Inventories	2,642	2,397
Prepaid expenses and other current assets	292	244
Total current assets	7,234	7,667
PROPERTY, PLANT AND EQUIPMENT, net	14,631	13,038
GOODWILL, net	48,484	48,142
OTHER ASSETS	896	927
ASSETS HELD FOR SALE	1,697	1,841
Total assets	$ 72,942	$ 71,615
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,888	$ 2,779
Accrued liabilities	1,377	959
Deferred tax liabilities	557	239
Current portion of long-term debt and capital lease obligation	51	52
Amounts due to Parent	16,187	14,861
Total current liabilities	21,060	18,890

LONG-TERM DEBT AND CAPITAL LEASE OBLIGATION, net of current portion	373	349
DEFERRED TAX LIABILITIES	3,295	3,593
OTHER NONCURRENT LIABILITIES	4,237	4,251
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDER'S EQUITY:		
Common stock -		
York Bronze Company, par value of $1.00 per share; 1,000 shares authorized, issued and outstanding	1	1
OMC Industries, Inc., par value of $.10 per share; 1,000 shares authorized, issued and outstanding	-	-
Additional paid-in capital	30,781	30,781
Retained earnings	13,195	13,750
Total stockholder's equity	43,977	44,532
Total liabilities and stockholder's equity	$ 72,942	$ 71,615

The accompanying notes are an integral part of these combined financial statements.

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)
COMBINED STATEMENTS OF INCOME
(In Thousands)

	Year Ended December 31, 2000	Three Months Ended March 31, 2000	2001
		(Unaudited)	
NET SALES (Including sales to Parent of $91, $65 and $3, respectively)	$ 43,259	$ 9,623	$ 11,166
COST OF SALES	28,346	6,582	6,849
Gross profit	14,913	3,041	4,317
OTHER OPERATING EXPENSES	9,610	2,336	2,888
PLANT CLOSURE AND SHUTDOWN EXPENSES	2,084	-	402
Operating income	3,219	705	1,027
OTHER INCOME (EXPENSES):			
Interest expense	(94)	(31)	(24)
Other income	63	14	126
INCOME BEFORE INCOME TAXES	3,188	688	1,129
INCOME TAX PROVISION	1,767	402	574
NET INCOME	$ 1,421	$ 286	$ 555

The accompanying notes are an integral part of these combined financial statements.

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)
COMBINED STATEMENTS OF STOCKHOLDER'S EQUITY
(In Thousands, Except Share Amounts)
<TABLE>
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	York Bronze Company Common Stock Shares	Amount	OMC Industries, Inc., Common Stock Shares	Amount	Additional Paid-In Capital	Retained Earnings	Total Stockholder's Equity
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE, December 31, 1999	1,000	$ 1	1,000	$ -	$ 30,781	$ 11,774	$ 42,556
Net income	-	-	-	-	-	1,421	1,421
BALANCE, December 31, 2000	1,000	1	1,000	-	30,781	13,195	43,977
Net income (unaudited)	-	-	-	-	-	555	555
BALANCE, March 31, 2001 (unaudited)	1,000	$ 1	1,000	$ -	$ 30,781	$ 13,750	$ 44,532

The accompanying notes are an integral part of these combined financial statements.
</TABLE>

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)
COMBINED STATEMENTS OF CASH FLOWS
(In Thousands)

	Year Ended December 31, 2000	Three Months Ended March 31, 2000	2001
		(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 1,421	$ 286	$ 555
Adjustments to reconcile net income to net cash provided by operating activities -			
Depreciation and amortization	2,674	719	1,309
(Gain) loss on disposition of equipment	(26)	32	-
Deferred income taxes	1,938	777	(20)
Plant closure and shutdown expenses	2,084	-	402
Decrease (increase) in -			
Trade accounts and notes receivable	2,096	691	(902)
Inventories	266	128	245
Prepaid expenses and other current assets	897	84	48
Other assets	(347)	430	(31)
Increase (decrease) in -			
Accounts payable and accrued liabilities	(1,012)	(665)	(527)
Other noncurrent liabilities	(354)	(132)	14
Net cash provided by (used in) operating activities	9,637	2,350	1,093
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from disposition of equipment	266	-	100
Capital expenditures	(1,772)	(482)	(20)
Net cash provided by (used in) investing activities	(1,506)	(482)	80
CASH FLOWS FROM FINANCING ACTIVITIES:			
Decrease in amounts due to Parent	(7,853)	(1,268)	(1,326)
Repayments of long-term debt and capital lease obligation	(51)	(18)	(23)
Net cash used in financing activities	(7,904)	(1,286)	(1,349)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	227	582	(176)
CASH, beginning of period	149	149	376

CASH, end of period	$ 376	$ 731	$ 200

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the period for interest	$ 99	$ 27	$ 21

The accompanying notes are an integral part of these combined financial statements.

YORK BRONZE COMPANY AND OMC INDUSTRIES, INC.
(Wholly Owned Subsidiaries of The York Group, Inc.)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Background

The accompanying combined financial statements include the accounts of York Bronze Company (York Bronze) and OMC Industries, Inc. (OMC) (collectively, the Bronze Companies). The Bronze Companies manufacture bronze memorials and architectural bronze industrial signage and plaques for sale primarily in the United States. The Bronze Companies were wholly owned subsidiaries of The York Group, Inc. (York or the Parent). Because of the common ownership and interrelationship of the Bronze Companies, the financial statements of York Bronze and OMC have been combined for purposes of the financial statements presented herein after eliminating significant intercompany balances and transactions.

Sale of Bronze Companies

Effective May 24, 2001, Matthews International Corporation (Matthews) acquired all of the outstanding common stock of the Bronze Companies from York. The purchase price of the Bronze Companies paid by Matthews was approximately $9.1 million below the historical cost basis of the Bronze Companies' combined net assets. This loss was recorded by York upon the sale of the Bronze Companies in May 2001. The Bronze Companies' combined financial statements have been prepared on the historical basis of accounting in accordance with accounting principles generally accepted in the United States, which may be greater or less than the fair value of the assets and liabilities as determined by Matthews. The $9.1 million loss recorded by York in May 2001 is not reflected in the accompanying combined financial statements. Immediately preceding the Matthews purchase, all amounts due to York by the Bronze Companies were accounted for as an additional York capital contribution to the Bronze Companies.

Subsequent to the Matthews purchase, Matthews announced the closure of OMC. Matthews is currently evaluating the net assets of OMC for realization.

Unaudited Interim Financial Statements

The accompanying combined balance sheet as of March 31, 2001, the combined statements of income and cash flows for the three months ended March 31, 2000 and 2001, and the combined statement of stockholder's equity for the three months ended March 31, 2001, are unaudited but, in the opinion of management, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of results for the interim periods. Results for the three months ended March 31, 2001, are not necessarily indicative of the results that may be expected for the year ending December 31, 2001.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. The actual results could differ from those estimates.

Revenue Recognition

The substantial majority of the Bronze Companies' revenue is recognized when products are shipped or services are rendered. The Bronze Companies offer price discounts and rebates to customers. Discounts and rebates are estimated and reported as a reduction of sales at the time the Bronze Companies' products are sold.

The Bronze Companies also manufacture memorials under firm contracts for which title and risk of loss are passed to the customer. The Bronze Companies consider these arrangements to be long-term contracts, as defined by Statement of Position (SOP) 81-1. Accordingly, revenue for these arrangements is recognized on the percentage-of-completion method, measured by the percentage of total costs incurred to date to total estimated costs to be incurred. Billings in excess of costs and estimated earnings is included in accrued liabilities and other noncurrent liabilities in the accompanying combined balance sheet and is recognized as revenue upon final completion and delivery.

Losses on contracts, if any, are recognized when such losses can be estimated. As these arrangements normally extend over one or more years, revisions in costs and profits are reflected during the period in which facts requiring the revision become known. While management uses available information to estimate total costs, future costs could exceed or be less than such estimates, resulting in adjustments to the Bronze Companies' revenues and profits.

Inventories

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

Goodwill

Goodwill represents York's original purchase price of the Bronze Companies in excess of the fair value of the Bronze Companies' net tangible and intangible assets purchased. Goodwill is being amortized on a straight-line method over 40 years for York Bronze and 19 years for OMC. Amortization expense for 2000 was approximately $1,365,000 and accumulated amortization as of December 31, 2000, was approximately $3,406,000.

Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation. The cost of ordinary maintenance and repairs is expensed while renewals and replacements are capitalized. Depreciation is computed based on the estimated useful lives of the assets using the straight-line method. Estimated useful lives range from 15 to 20 years for buildings and improvements and five to 10 years for machinery, equipment and furniture and fixtures.

Income Taxes

The Bronze Companies file a consolidated federal income tax return with the Parent. Income taxes in the Bronze Companies' combined financial statements have been allocated on a separate company basis and reflect the Parent's payment of taxes related to income generated by the Bronze Companies.

A current tax liability or asset is recognized for the estimated taxes payable or refundable as if the Bronze Companies were to file separate returns. Any current tax liability or asset is reflected as amounts due to Parent in the accompanying combined financial statements. A deferred tax liability or asset is recognized for the estimated future tax effects attributable to temporary differences. Deferred taxes are determined based upon current tax laws and rates, and any impact from changes in these tax regulations and rates is recorded in the period in which the related change is enacted.

Long-Lived Assets

The Bronze Companies evaluate the recoverability of property, plant and equipment and intangible assets on a going concern basis if facts and circumstances indicate that any of those assets might be impaired. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to fair value or discounted cash flow value is necessary. Pursuant to SFAS No. 121, management does not believe an impairment is required as of March 31, 2001.

Overhead Allocations

York provided certain services to the Bronze Companies commonly provided by parent companies to subsidiaries including human resources, information technology, insurance administration, legal and financing. During the year ended December 31, 2000, York charged the Bronze Companies a total of approximately $1.2 million related to the aforementioned services.

Recent Accounting Pronouncements

In 2000, the Bronze Companies adopted Emerging Issues Task Force (EITF) Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs." EITF No. 00-10 requires the recognition of shipping and handling fee revenue within revenues and the associated expenses as an expense. The adoption of this EITF did not have a material impact on the combined results of operations or financial position of the Bronze Companies.

In June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 141, "Business Combinations," and SFAS No. 142, "Goodwill and Other Intangible Assets," which are effective beginning January 1, 2002. Pursuant to SFAS No. 142, goodwill amortization will not be recorded subsequent to December 31, 2001.

2. NOTES RECEIVABLE:

As of December 31, 2000, the Bronze Companies had two outstanding notes receivable, which bear interest at 9.75 percent and are substantially all due within one year.

3. LONG-TERM DEBT:

As of December 31, 2000, OMC had a note payable outstanding related to the purchase of land and improvements in Brazos County, Texas. The note bears interest at 9.50 percent, and principal and interest are due monthly though December 2007. The note is secured by the land purchased. Aggregate annual maturities of debt as of December 31, 2000, are as follows (in thousands):

2001	$ 41
2002	45
2003	49
2004	54
2005	59
Thereafter	132

	380
Less - Current portion	(41)

Total	$ 339
	===

The estimated fair value of the Bronze Companies' long-term debt and all other financial instruments at December 31, 2000, approximates the carrying value. The fair value was estimated using market interest rates for similar types of instruments.

York financed its original acquisition of York Bronze in March 1998 using unsecured corporate credit facilities. In an amendment executed in August 1999, the common stock and substantially all of the assets of the Bronze Companies were pledged as collateral on certain indebtedness of York. The indebtedness has not been pushed down to the Bronze Companies' combined financial statements. This indebtedness was repaid by York in May 2001 from the proceeds of the sale of the Bronze Companies (see Note 1). In connection with York's repayment of the indebtedness, all pledges on the Bronze Companies' common stock and assets were released by the creditors.

4. INCOME TAXES:

The components of income tax expense for the year ended December 31, 2000, are as follows (in thousands):

Current -	
Federal	$ (415)
State	(18)
Deferred -	
Federal	1,938
State	262

Total	$ 1,767
	======

Deferred tax assets and liabilities result from temporary differences between the financial statement and tax bases of assets and liabilities. The significant components of deferred tax liabilities at December 31, 2000, are as follows (in thousands):

Deferred tax liabilities -	
Depreciable and amortizable assets	$ 3,413
Other, net	439

Net deferred tax liabilities	$ 3,852
	======

No valuation allowance has been provided against the deferred tax assets as the Bronze Companies have concluded these tax benefits are realizable either through carryback availability against prior years' taxable income, the reversal of existing deferred tax liabilities or future taxable income.

A reconciliation between the U.S. federal statutory rate and the Bronze Companies' effective tax rate for the year ended December 31, 2000, is as follows (in thousands):

U.S. federal statutory rate	35.0%
State income taxes, net of federal tax benefit	5.5
Nondeductible goodwill	15.0
Miscellaneous other nondeductible expenses	(.1)

	55.4%
	====

5. COMMITMENTS AND CONTINGENCIES:

Operating Leases

York Bronze leases certain office and warehouse facilities and data processing and transportation equipment under noncancelable operating leases that expire through August 2005. The leases generally provide that York Bronze shall pay for utilities, insurance, taxes and maintenance. York Bronze is also obligated under a capital lease for the purchase of land, building and improvements in Preston County, West Virginia.

The annual payments for operating leases and the present value of future minimum capital lease payments as of December 31, 2000, are as follows (in thousands):

	Minimum Lease Payments	Capital Lease Obligation
2001	$ 40	$ 14
2002	37	14
2003	21	14
2004	21	14
2005	11	-

Total minimum lease payments	$ 130	56
Less - Amount representing interest		(12)
Capital lease obligation		$ 44

The Bronze Companies' rental expense under operating leases for the year ended December 31, 2000, totaled approximately $23,000.

Deferred Compensation

The Bronze Companies have deferred compensation arrangements with certain former stockholders of York Bronze that provide for future payments through December 2001. The arrangements provide for interest ranging from 6.00 percent to 11.50 percent, with deferred compensation and interest due in either monthly or quarterly installments through December 2012. As of December 31, 2000, approximately $553,000 was due under the arrangements. The current portion of the obligation has been recorded in accrued liabilities and the long-term portion has been reflected in other noncurrent liabilities in the accompanying combined financial statements. Future maturities of deferred compensation as of December 31, 2000, are as follows (in thousands):

2001	$ 42	
2002	46	
2003	50	
2004	40	
2005	38	
Thereafter	337	
	553	
Less - Current portion		(56)
Total	$ 497	

401(k) Profit-Sharing and Retirement Plans

York Bronze and OMC sponsor a 401(k) profit-sharing plan and 401(k) retirement plan, respectively (collectively, the Plans), for eligible employees. Employees may make tax-deferred contributions to the Plans, subject to certain limitations as defined by the Internal Revenue Code. The Bronze Companies made matching contributions which totaled approximately $43,000 during 2000.

Other

York Bronze and York are presently defending civil litigation in West Virginia brought by the former owners of York Bronze. The plaintiffs claim the breach of an agreement and plan of merger dated February 17, 1998, and of an accompanying escrow agreement. The plaintiffs are seeking damages of $2.6 million, plus interest on what the plaintiffs claim is an improperly held escrow account, punitive damages and attorneys' fees. York Bronze and York are vigorously defending these claims and believe they have no merit. In the opinion of management, the ultimate resolution of this matter is not expected to have a material adverse effect on the Bronze Companies' financial position or results of operations.

The Bronze Companies are also subject to certain claims and disputes arising in the normal course of operations. In the opinion of management, uninsured losses, if any, resulting from the ultimate resolution of these matters will not have a material adverse effect on the Bronze Companies' financial position or results of operations.

6. PENSION PLAN:

Substantially all employees of York Bronze are eligible to participate in a defined benefit pension plan. The following table sets forth the funded status and amounts included in other assets in the Bronze Companies' combined balance sheet as of December 31, 2000, relating to York Bronze's defined benefit pension plan (in thousands):

Changes in benefit obligation -		
Benefit obligations, beginning of year		$ 5,327
Service cost	238	
Interest cost	357	
Actuarial loss	(246)	
Benefits paid	(354)	

Benefit obligations, end of year		$ 5,322
	=====	
Changes in plan assets -		
Fair value of plan assets, beginning of year		$ 6,357
Actual return on plan assets		(156)
Company contribution		180
Benefits paid	(374)	

Fair value of plan assets, end of year		$ 6,007
	=====	
Funded status of the plan		$ 685
Unrecognized actuarial gains		84
Unrecognized prior service cost		102
Unrecognized net transition obligation		(43)

Prepaid pension cost		$ 828
	=====	

Net pension cost for 2000 included the following components (in thousands):

Service cost benefits earned during the year		$ 238
Interest cost on projected benefit obligations		357
Actual return on plan assets		(504)
Net deferrals	4	

Net periodic pension costs		$ 95
	=====	

Weighted average assumptions underlying the actuarial computations are as follows:

Discount rate	7.00%
Expected return on plan assets	8.00
Rate of compensation increase	4.00

7. PLANT CLOSURE AND SHUTDOWN EXPENSES:

During 2000, York Bronze recorded a charge of approximately $1.4 million related to the write-down of its closed Aiken, South Carolina, foundry to reflect the facility's estimated fair value. The remaining Aiken plant assets of approximately $1.7 million have been classified as assets held for sale in the accompanying combined balance sheets. York Bronze also recorded a charge of approximately $700,000 to record additional shutdown expenses.

8. SUPPLEMENTAL INFORMATION:

The detail of certain balance sheet accounts as of December 31, 2000, was as follows:

Inventories -		
Raw materials		$ 622
Work in process		415
Finished goods		1,605

	$ 2,642	
	======	
Property, plant and equipment -		
Land and improvements		$ 700
Buildings and improvements		3,803
Machinery and equipment		13,346

Vehicles, furniture and fixtures	1,230
Construction in process	725

	19,804
Less - Accumulated depreciation	(3,476)

	16,328
Less - Amounts included in assets held for sale	(1,697)

Property, plant and equipment, net	$ 14,631
	======

Accrued liabilities -	
Accrued payroll	$ 327
Plant closure accrual	413
Billings in excess	279
Other accrued liabilities	358

	$ 1,377
	======

Other noncurrent liabilities -	
Billings in excess	$ 3,740
Other noncurrent liabilities	497

	$ 4,237
	======

APPENDIX B

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

MARCH 31, 2001

(in thousands)

<TABLE>
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	As Reported			
	Matthews	Commemorative Products (H)	Pro Forma Adjustments	Pro Forma Consolidated
<S>	<C>	<C>	<C>	<C>
ASSETS				
Current assets:				
Cash and cash equivalents	$ 37,400	$ 200	$(15,000) A	$ 22,600
Short-term investments	266	-	-	266
Accounts receivable	44,536	4,826	-	49,362
Inventories	16,529	2,397	-	18,926
Other current assets	2,391	5	-	2,396
	-------	-------	-------	-------
Total current assets	101,122	7,428	(15,000)	93,550
Investments	15,668			15,668
Property, plant and equipment, net	41,449	13,038	(3,215) B	51,272
Deferred income taxes and other assets	13,844	(2,666)	-	11,178
Assets held for sale	-	1,841	(1,841) C	-
Goodwill and other intangible assets, net	47,895	48,142	(9,432) A	86,605
	-------	-------	-------	-------
Total assets	$219,978	$ 67,783	$(29,488)	$258,273
	=======	=======	=======	=======
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Long-term debt, current maturities	2,176	52	(41) A	2,187
Accounts payable	10,679	2,779	-	13,458
Accrued compensation	10,640	-	-	10,640
Accrued income taxes	4,692	-	-	4,692
Customer prepayments	6,016	-	-	6,016
Amounts due to Parent	-	14,861	(14,861) D	-
Other current liabilities	11,215	959	265 A,C	12,439

	-------	------	-------	-------
Total current liabilities	45,418	18,651	(14,637)	49,432
Long-term debt	10,738	349	29,681 A,E	40,768
Estimated finishing costs	4,161	3,740	-	7,901
Postretirement benefits	18,793	-	-	18,793
Other liabilities	10,733	511	-	11,244
Shareholders' equity:				
Common stock	18,167	1	(1) A	18,167
Additional paid in capital		30,781	(30,781) A	-
Retained earnings	187,807	13,750	(13,750) A	187,807
Accumulated other comprehensive income (loss)	(10,558)	-	-	(10,558)
Treasury stock, at cost	(65,281)	-	-	(65,281)
	-------	-------	-------	-------
Total shareholders' equity	130,135	44,532	(44,532)	$130,135
	-------	-------	-------	-------
Total liabilities and shareholders' equity	$219,978	$ 67,783	$(29,488)	$258,273
	=======	=======	=======	=======

</TABLE>

APPENDIX C
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
for the six months ended March 31, 2001
(dollars in thousands, except per share amounts)

<TABLE>
<CAPTION>

	As Reported			
	Matthews	Commemorative Products	Pro Forma Adjustments	Pro Forma Consolidated
	--------	--------	--------	--------
<S>	<C>	<C>	<C>	<C>
Sales	$132,895	$ 20,463	$ -	$153,358
Cost of sales	(76,517)	(12,797)	144 B	(89,170)
	-------	-------	-------	-------
Gross profit	56,378	7,666	144	64,188
Selling and administrative expenses	(33,482)	(5,271)	(282) F	(39,035)
Special items	2,177	(1,036)	-	1,141
	-------	-------	-------	-------
Operating profit	25,073	1,359	(138)	26,294
Investment income	1,417	-	-	1,417
Interest expense	(656)	(67)	(708) E	(1,431)
Other income (deductions), net	(557)	158	-	(399)
Minority interest	(1,066)	-	-	(1,066)
	-------	-------	-------	-------
Income before income taxes	24,211	1,450	(846)	24,815
Income taxes	(9,345)	(834)	613 G	(9,566)
	-------	-------	-------	-------
Net income	$ 14,866	$ 616	$ (233)	$ 15,249
	=======	=======	=======	=======
Diluted earnings per share	$ .95			$ .97
	=====			=====
Diluted weighted-average				

outstanding shares	15,678,189	15,678,189

</TABLE>

APPENDIX D
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
for the year ended September 30, 2000
(dollars in thousands, except per share amounts)

<TABLE>
<CAPTION>

	As Reported			
	Matthews	Commemorative Products (1)	Pro Forma Adjustments	Pro Forma Consolidated
Sales	$ 262,365	$ 43,259	$ -	$ 305,624
Cost of sales	(144,276)	(28,346)	250 B	(172,372)
Gross profit	118,089	14,913	250	133,252
Selling and administrative expenses	(70,313)	(9,610)	(571) F	(80,494)
Special items	-	(2,084)	-	(2,084)
Operating profit	47,776	3,219	(321)	50,674
Investment income	1,828	-	-	1,828
Interest expense	(1,488)	(94)	(1,415) E	(2,997)
Other income (deductions), net	125	63	-	188
Minority interest	(2,303)	-	-	(2,303)
Income before income taxes	45,938	3,188	(1,736)	47,390
Income taxes	(18,015)	(1,767)	1,240 G	(18,542)
Net income	$ 27,923	$ 1,421	$ (496)	$ 28,848
Diluted earnings per share	$ 1.76			$ 1.82
Diluted weighted-average outstanding shares	15,851,577			15,851,577

</TABLE>
(1) Commemorative Products information is for the year ended December 31, 2000.

The unaudited pro forma condensed consolidated financial statements reflect the following pro forma adjustments:

A Matthews has accounted for this acquisition using the purchase method and, accordingly, recorded the acquired assets and liabilities (including estimated acquisition costs) at their estimated fair values at the closing date. The purchase price was $45.0 million cash, financed in part by bank borrowings of $30.0 million. The excess purchase price over the value of assets acquired, net of liabilities assumed, was recorded as goodwill.

B Certain property, plant and equipment of the Commemorative Products business of The York Group, Inc. and related depreciation expense were adjusted to conform to Matthews' asset capitalization policies.

C Assets held for sale of $1.8 million, and the related plant closure accrual of $335,000, were not purchased by Matthews in the acquisition.

D Amounts due to Parent were not assumed by Matthews in the acquisition.

E Additional debt incurred in connection with the acquisition represented borrowings of $30.0 million under Matthews' Revolving Credit and Term Loan Agreement. The borrowings bear interest at LIBOR plus .75%, which was 4.83% at the closing date. Assuming a 0.125% change in interest rates, interest expense would change by $18,750 and $37,500, respectively, for the six months ended March 31, 2001 and the year ended September 30, 2000.

F Selling and administrative expenses have been adjusted to reflect incremental amortization of goodwill and other intangible assets resulting from the acquisition. Goodwill is amortized on a straight-line basis over a 20-year period.

G The provision for income taxes was adjusted at an assumed effective tax rate of 40% for pro forma changes in interest expense and depreciation expense and to reflect the full amount of goodwill amortization.

H Certain amounts in the balance sheet of the Commemorative Products business of The York Group, Inc. have been reclassified to conform to Matthews' presentation.