

Commodore Officials Say They Are Unaware Of 'Fictitious Trading'

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Officials of Commodore International Ltd. said they don't know of any "fictitious trading" in the company's stock.

Trading in Commodore shares has been halted on the American and Montreal stock exchanges since last Thursday when the Quebec Securities Commission, which is investigating a recent runup in the price of the shares, said it has reason to believe "that the market is fictitious or simulated."

On the Montreal Stock Exchange, the price of Commodore's shares climbed to \$19.50 from \$5.375 between April 1 and last Wednesday.

Commodore, which makes and sells calculators, watches, electronic parts and office equipment, said its management and their associates haven't bought or sold any Commodore stock since last January, although two outside directors have done some trading.

One director sold 36,000 shares and bought 13,300 shares. Another director sold 1,000 shares. And a bank affiliated with a controlling shareholder sold 5,500 shares. Prior to the trading halt, about 15,000 to 20,000 Commodore shares changed hands daily on the American exchange.

Commodore is one of a growing number of companies making or planning to make so-called personal computers, minicomputers intended for small business, hobbyist and home use. And in its comments on the halt in trading, the company provided several new details about the outlook for its computer and its impact on the company.

For example, while Commodore didn't make any specific sales projections, it said its plants will be adequate to produce about 10,000 of the small computers a month by next June. It has about 1,000 firm orders for the computer, a \$600 machine known as PET, or Personal Electronic Transactor.

In addition, Commodore said it expects PETs to account for about one-fourth of the company's sales by next June 30. Production and deliveries, however, won't begin until next month; they originally had been set for this summer.

For the fourth quarter ended June 30, Commodore said it expects to report net sales of about \$12.3 million and a profit before taxes and extraordinary credits of about \$150,000. In the like period a year earlier, the company reported sales of \$8.6 million and a loss of \$306,000 before taxes and extraordinary items.