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AMREP CORP
Form 10-Q/A
June 12, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q / A

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 31 , 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-4702

AMREP Corporation

(Exact name of registrant as specified in its charter)

Oklahoma

59-0936128

(State or other jurisdiction of
incorporation or organization)

(IRS Employer
Identification No.)

641 Lexington Avenue, Sixth Floor, New York, New York

10022

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(212) 705-4700

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes No

Number of Shares of Common Stock, par value \$.10 per share, outstanding at February 28, 2003 - 6,580,612.

EXPLANATORY NOTE

On March 21, 2003, AMREP Corporation filed with the Securities and Exchange Commission (SEC) the Quarterly Report on Form 10-Q for the quarterly period ended January 31, 2003. The amounts reported were deemed preliminary pending the Company's evaluation of the implications of applying the consensus of Emerging

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Issues Task Force (EITF) Issue 01-14, "Income Statement Characterization of Reimbursements Received for "Out-of-Pocket" Expenses Incurred", to the method of accounting for reimbursed postage expenses and the related revenues in the Fulfillment business. The Company has now completed this evaluation and has concluded that EITF Issue 01-14 is not applicable and that it is appropriate to continue to net the reimbursed expenses against the related revenues. Accordingly, no change is required to the Company's historical accounting practices or to amounts reported in the unaudited financial statements included in the Form 10-Q.

The amendments being made pursuant to this Form 10-Q/A are as follows:

- o Note 2 to the Notes to Consolidated Financial Statements (Unaudited) is deleted in its entirety.
- o The first paragraph of the "Results of Operations for the Three and Nine Month Periods ended January 31, 2003 and 2002" included in the Management's Discussion and Analysis of Financial Condition and Results of Operations" is deleted in its entirety.
- o The phrase "subject to the resolution of the matter discussed in Note 2 to the financial statements" included in the first sentence of each of the three (3) "Certifications" signed by officers of the Company is deleted in its entirety.

FORM 10-Q
AMREP CORPORATION AND SUBSIDIARIES

INDEX

PART I. FINANCIAL INFORMATION	PAGE NO.
-----	-----
Item 1. Financial Statements:	
Balance Sheets	
January 31, 2003 and April 30, 2002	1
Statements of Operations and Retained Earnings	
Three Months Ended January 31, 2003 and 2002	2
Statements of Operations and Retained Earnings	
Nine Months Ended January 31, 2003 and 2002	3
Statements of Cash Flows	
Nine Months Ended January 31, 2003 and 2002	4
Notes to Consolidated Financial Statements	5 - 6
Item 2. Management's Discussion and Analysis	7 - 9
Item 3. Quantitative and Qualitative Disclosures about Market Risk	9
Item 4. Controls and Procedures	9
PART II. OTHER INFORMATION	

Item 6. Exhibits and Reports on Form 8-K	10
SIGNATURES	11

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CERTIFICATIONS

12 - 17

EXHIBIT INDEX

18

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

AMREP CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited)
(Thousands, except par value and number of shares)

	January 31, 2003	April 30, 2002
	-----	-----
ASSETS		

Cash and cash equivalents	\$ 16,688	\$ 15,744
Receivables, net:		
Real estate operations	5,898	6,630
Magazine circulation operations	32,524	34,082
Real estate inventory	63,434	62,296
Property, plant and equipment, at cost, net of accumulated depreciation and amortization of \$15,895 at January 31, 2003 and \$14,499 at April 30, 2002	9,680	9,890
Assets held for sale - net	5,984	5,853
Other assets	9,712	10,002
Excess of cost of subsidiary over net assets acquired	5,191	5,191
	-----	-----
	\$ 149,111	\$ 149,688
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		

Accounts payable	\$ 24,362	\$ 26,349
Accrued expenses	7,896	7,518
Notes payable:		
Amounts due within one year	4,902	3,383
Amounts subsequently due	6,843	13,236
	-----	-----
	11,745	16,619
Taxes payable	2,265	1,127
Deferred income taxes	4,596	4,596
	-----	-----
	50,864	56,209
	-----	-----

Commitments and contingencies

Shareholders' equity:
Common stock, \$.10 par value;
shares authorized - 20,000,000;
7,406,704 shares issued - at

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January 31, 2003 and 7,399,704 at April 30, 2002	740	740
Capital contributed in excess of par value	44,982	44,935
Retained earnings	58,234	53,513
Treasury stock, at cost; 826,092 shares at January 31, 2003 and April 30, 2002	(5,709)	(5,709)
	-----	-----
	98,247	93,479
	-----	-----
	\$ 149,111	\$ 149,688
	=====	=====

See notes to consolidated financial statements.

1

AMREP CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations and Retained Earnings (Unaudited)
Three Months Ended January 31, 2003 and 2002
(Thousands, except per share amounts)

	2003	2002
	-----	-----
REVENUES		

Magazine circulation operations	\$ 13,316	\$ 12,178
Real estate operations	6,899	3,267
Interest and other operations	643	852
	-----	-----
	20,858	16,297
	-----	-----
COSTS AND EXPENSES		

Magazine circulation operating expenses	10,026	9,549
Real estate cost of sales	2,774	2,106
Real estate commissions and selling	296	143
Other operations	604	697
General and administrative:		
Magazine circulation operations	1,706	1,674
Real estate operations and corporate	849	777
Interest expense, net	141	238
	-----	-----
	16,396	15,184
	-----	-----
Income before income taxes	4,462	1,113
PROVISION FOR INCOME TAXES	1,785	445
	-----	-----
NET INCOME	2,677	668

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RETAINED EARNINGS, beginning of period	55,557	51,179
	-----	-----
RETAINED EARNINGS, end of period	\$ 58,234	\$ 51,847
	=====	=====
NET INCOME PER SHARE - BASIC AND DILUTED	\$ 0.41	\$ 0.10
	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,581	6,574
	=====	=====

See notes to consolidated financial statements.

2

AMREP CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations and Retained Earnings (Unaudited)
Nine Months Ended January 31, 2003 and 2002
(Thousands, except per share amounts)

	2003	2002
	-----	-----
REVENUES		

Magazine circulation operations	\$ 38,657	\$ 36,888
Real estate operations	11,483	24,705
Interest and other operations	3,064	2,572
	-----	-----
	53,204	64,165
	-----	-----
COSTS AND EXPENSES		

Magazine circulation operating expenses	29,871	28,983
Real estate cost of sales	5,134	20,258
Real estate commissions and selling	617	745
Other operations	1,888	1,937
General and administrative:		
Magazine circulation operations	5,086	5,074
Real estate operations and corporate	2,290	2,585
Interest expense, net	450	1,196
	-----	-----
	45,336	60,778
	-----	-----
Income before income taxes	7,868	3,387
PROVISION FOR INCOME TAXES	3,147	1,355
	-----	-----
NET INCOME	4,721	2,032
RETAINED EARNINGS, beginning of period	53,513	49,815
	-----	-----
RETAINED EARNINGS, end of period	\$ 58,234	\$ 51,847
	=====	=====

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NET INCOME PER SHARE - BASIC AND DILUTE	\$ 0.72	\$ 0.31
	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,579	6,574
	=====	=====

See notes to consolidated financial statements.

3

AMREP CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Unaudited)
Nine Months Ended January 31, 2003 and 2002
(Thousands)

	2003	2002
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 4,721	\$ 2,032
	-----	-----
Adjustments to reconcile net income to net cash provided by operating activities -		
Depreciation and amortization	2,293	1,892
Non-cash credits and charges:		
Pension benefit accrual	102	(304)
Bad debt reserve	126	436
Changes in assets and liabilities -		
Receivables	2,163	1,432
Real estate inventory	(1,138)	11,144
Other assets	(340)	1,380
Accounts payable and accrued expenses	(1,642)	4,556
Taxes payable	1,138	323
	-----	-----
Total adjustments	2,702	20,859
	-----	-----
Net cash provided by operating activities	7,423	22,891
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(1,651)	(1,827)
	-----	-----
Net cash used by investing activities	(1,651)	(1,827)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt financing	18,400	15,386
Principal debt payments	(23,274)	(39,670)
Proceeds from exercise of stock options	46	-
	-----	-----
Net cash provided (used) by financing activities	(4,828)	(24,284)
	-----	-----
Increase (decrease) in cash and cash equivalents	944	(3,220)
	-----	-----
CASH AND CASH EQUIVALENTS, beginning of period	15,744	15,941
	-----	-----
CASH AND CASH EQUIVALENTS, end of period	\$ 16,688	\$ 12,721

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SUPPLEMENTAL CASH FLOW INFORMATION:

Interest paid - net of amounts capitalized	\$ 482	\$ 1,385
Income taxes paid - net of refunds	\$ 1,311	\$ 1,032

See notes to consolidated financial statements.

4

AMREP CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements (Unaudited)
Nine Months Ended January 31, 2003 and 2002

(1) BASIS OF PRESENTATION

The accompanying unaudited financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission for interim financial information. The April 30, 2002 balance sheet amounts have been derived from the April 30, 2002 audited financial statements of the Registrant. Since the accompanying consolidated financial statements do not include all the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements, it is suggested that they be read in conjunction with the audited consolidated financial statements and notes thereto included in the Registrant's 2002 Annual Report on Form 10-K. In the opinion of management, subject to the resolution of the matter discussed in Note 2, the accompanying unaudited financial statements include all adjustments, which are of a normal recurring nature, necessary to reflect a fair presentation of the results for the interim periods presented. The results of operations for such interim periods are not necessarily indicative of the results to be expected for the full fiscal year.

(2) INFORMATION ABOUT THE COMPANY'S OPERATIONS IN DIFFERENT

INDUSTRY SEGMENTS

The following tables set forth summarized data relative to the industry segments in which the Company operates for the three and Nine month periods ended January 31, 2003 and 2002. Certain amounts included in "Interest and other operations" on the Consolidated Statements of Operations are classified below within the land operations and homebuilding segments, depending upon the nature of business activity. In addition, certain prior year amounts with respect to corporate allocations have been reclassified to conform to the 2003 presentation and methodology of allocations.

THREE MONTHS	Land Operations	Home Building	Distribution	Fulfillment
January 2003 (Thousands):				
Revenues	\$ 7,012	\$ -	\$ 3,519	\$ 9,797
Expenses(excluding interest)	3,778	-	2,946	8,961
Interest expense, net	-	-	45	40
Pretax income contribution	\$ 3,234	\$ -	\$ 528	\$ 796

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	=====	=====	=====	=====

January 2002 (Thousands):				
Revenues	\$ 3,559	\$ 3	\$ 3,543	\$ 8,635
Expenses(excluding interest)	2,952	60	3,298	7,925
Interest expense, net	32	-	153	17
	-----	-----	-----	-----
Pretax income (loss) contribution	\$ 575	\$ (57)	\$ 92	\$ 693
	=====	=====	=====	=====

5

NINE MONTHS	Land Operations	Home Building	Distribution	Fulfillment
	-----	-----	-----	-----
January 2003 (Thousands):				
Revenues	\$ 12,365	\$ -	\$ 11,039	\$ 27,618
Expenses (excluding interest)	7,877	-	8,869	26,613
Interest expense, net	-	-	177	99
	-----	-----	-----	-----
Pretax income contribution	\$ 4,488	\$ -	\$ 1,993	\$ 906
	=====	=====	=====	=====
Identifiable assets	\$ 72,757	\$ -	\$ 33,953	\$ 23,119

January 2002 (Thousands):				
Revenues	\$ 24,920	\$ 670	\$ 11,301	\$ 25,587
Expenses (excluding interest)	22,604	984	9,772	24,285
Interest expense, net	113	-	816	159
	-----	-----	-----	-----
Pretax income contribution	\$ 2,203	\$ (314)	\$ 713	\$ 1,143
	=====	=====	=====	=====
Identifiable assets	\$ 72,875	\$ 1,277	\$ 39,043	\$ 19,905

(3) STOCK-BASED COMPENSATION

The Company accounts for stock-based awards to employees and directors using the intrinsic value method in accordance with APB Opinion No.25, "Accounting for Stock issued to Employees". Accordingly, no compensation expense has been recognized with respect to the stock option plans in the financial statements. Further, the amount of additional compensation disclosable under the disclosure-only provisions of SFAS No. 123 as amended by SFAS No. 148 is immaterial

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for all periods presented.

6

AMREP CORPORATION AND SUBSIDIARIES

Item 2. Management's Discussion and Analysis of Financial Condition and Results ----- of Operations -----

Results of Operations for the Three and Nine Month Periods ended January 31, ----- 2003 and 2002 -----

Revenues from magazine circulation operations increased to \$13.3 million in the third quarter ended January 31, 2003 from \$12.2 million in the same period last year, and were approximately \$38.7 million for the first nine months of fiscal 2003 versus \$36.9 million in the same period of fiscal 2002. Revenues from Fulfillment Services increased approximately 13% and 8% for the three and nine month periods ended January 31, 2003, respectively, compared to the corresponding periods of the prior year, with a majority of this increase being due to new customers, the expansion of the product services line of fulfillment activity and, to a lesser extent, to the fee resulting from an early contract termination. Revenues from Newsstand Distribution Services decreased approximately 1% and 2% for the three and nine month periods ended January 31, 2003, respectively, compared to the corresponding periods of the prior year primarily due to a modest decline in magazine sales rates. Magazine circulation operating expenses increased by 5% in the third quarter and 3% in the nine month period, respectively, principally due to operating costs associated with the expansion of the product services line.

Revenues from real estate operations were \$6.9 million and \$11.5 million for the three and nine month periods ended January 31, 2003, respectively, compared to \$3.3 million and \$24.7 million in the comparable periods of the prior year. Revenues increased in the third quarter of the current year due to higher number of residential land sale closings in the Company's principal market in New Mexico than in the same period last year, but decreased for the nine month period since last year's revenues included two large land sales in Colorado and California which were made as part of the Company's restructuring of its real estate operations, including a program to dispose of all real estate assets in markets outside of New Mexico. Although these two large prior year sales generated a substantial amount of cash, the gross profits realized were marginal and, as a result, the average gross profit percentage on all land sales increased from 19% in the first nine months of fiscal 2002 to 55% in the current year. For the quarter ended January 31, 2003, the consolidated gross profit margin was 60% compared to 35% in the same quarter last year. Gross profits on land sales in the Company's major market of Rio Rancho, New Mexico were 60% and 57% in the three and nine month periods of fiscal 2003, respectively, compared to 37% and 41% in the prior year's comparable periods, and increased over the prior year because the current year activity includes proportionately more sales from certain projects that contribute a higher average gross profit. Land sale revenues and related gross profits can vary from period to period as a result of the nature and timing of specific transactions, and thus prior results are not necessarily an indication of amounts that may be expected to occur in future periods.

Real estate commissions and selling expenses increased in the three month period ended January 31, 2003 versus the same period in fiscal 2002 as a result of the

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increased revenues, but decreased for the nine month period despite the revenue increase because those two large land sales discussed above which were made in the prior year did not have significant commissions and selling costs associated

7

with them. Real estate and corporate general and administrative expenses increased in the quarter ended January 31, 2003 due to an increase in pension expense resulting from an anticipated change in the assumption for the expected rate of return of investments necessitated by changing market conditions, but they decreased for the nine month period in fiscal 2003 versus the same period last year due to the effects of the Company's cost reduction and other budgetary control measures. General and administrative costs of magazine circulation operations in the third quarter and nine month periods of fiscal 2003 were comparable to the same periods of the prior year. Interest expense decreased in both the three and nine month periods ended January 31, 2003 due to the effects of lower borrowing levels and reduced interest rates in both the magazine circulation and real estate business segments.

Liquidity and Captial Resources

During the past several years, the Company has financed its operations from internally generated funds from land sales and magazine circulation operations, and from borrowings under its various lines-of-credit and development loan agreements.

Kable News Company has an agreement with a bank which allows it to borrow up to \$20 million based upon a prescribed percentage of eligible accounts receivable, as defined. At January 31, 2003, Kable had borrowing availability of \$14.9 million based upon available collateral, against which \$2.1 million was outstanding. Kable also has an additional arrangement with another bank for a \$4.6 million credit line to be used for the purchase of capital equipment and which is collateralized by such equipment. At January 31, 2003, approximately \$3.2 million was outstanding under this arrangement, and \$1.0 million was available for future borrowing.

The Company also has several lines of credit and development loan agreements totaling \$16.3 million to support real estate operations in New Mexico. These loans are collateralized by certain real estate assets and are subject to available collateral and various financial performance and other covenants. At January 31, 2003, the maximum availability under these real estate loan arrangements totaled \$8.9 million based upon available collateral, against which borrowings of \$4.1 million were outstanding.

Cash Flows From Operating Activities

Inventories amounted to \$62.3 million at April 30, 2002 compared to \$63.4 million at January 31, 2003. This change was the net result of additional development work at Rio Rancho, New Mexico. Receivables from magazine circulation operations decreased moderately from \$34.1 million at April 30, 2002 to \$32.5 million at January 31, 2003 as a result of the timing of billings and collections.

Application of Critical Accounting Policies

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires

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management to make estimates and assumptions that affect the amounts reported in

8

the financial statements. The significant estimates that affect the financial statements of the Company include, but are not limited to, inventory valuation judgments for real estate operations, sales percentage and magazine return estimates for magazine circulation operations, and the recoverability of long-term assets and amortization periods for all business operations. Actual results could differ from those estimates. There has been no significant effect on the financial condition or results of operations as a result of changes in policies or estimates.

Statement of Forward-Looking Information

Certain information included herein and in other Company statements, reports and filings with the Securities and Exchange Commission is forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. Refer to Item 7 of the Annual Report on Form 10-K for a discussion of the assumptions and factors on which these statements are based. Any changes in the actual outcome of these assumptions and factors could produce significantly different results; accordingly, all forward-looking statements should be evaluated with the understanding of their inherent uncertainty.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to the Company's market risk for the nine month period ended January 31, 2003. Refer to Item 7(A) of the Company's Annual Report on Form 10-K for the fiscal year ended April 30, 2002 for additional information regarding quantitative and qualitative disclosures about market risk.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

During the 90-day period prior to the filing of this report, management, including the Company's Chief Financial Officer and other certifying Officers, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based upon, and as of the date of that evaluation, the certifying Officers concluded that the disclosure controls and procedures were effective, in all material respects, to ensure that information required to be disclosed in the reports the Company files and submits under the Securities Exchange Act of 1934 are recorded, processed, summarized and reported as and when required.

(b) Changes in Internal Controls

Internal controls were most recently evaluated in connection with the audit of the Company's financial statements for the fiscal year ended April 30, 2002, and there have been no significant changes in internal controls or in other factors that could significantly affect those controls since that time.

9

18

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PART II

Other Information

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

10.1 AMREP Corporation 2002 Non-Employee Directors' Stock Plan

99.1 Certification Pursuant to 18 U.S.C. Section 1350 as enacted by
Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

No reports on Form 8-K were filed by Registrant during the quarter
ended January 31, 2003.

10

AMREP CORPORATION AND SUBSIDIARIES

SIGNATURES

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

AMREP CORPORATION
(Registrant)

Dated: June 11, 2003

By: /s/ Peter M. Pizza

Peter M. Pizza
Vice President and
Chief Financial Officer
(Principal Financial and
Accounting Officer)

11

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CERTIFICATIONS

I, Peter M. Pizza, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMREP Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and
6. The Registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

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Dated: June 11, 2003

/s/ Peter M. Pizza

Peter M. Pizza
Title: Chief Financial Officer

13

CERTIFICATIONS

I, James Wall, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMREP Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in

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internal controls; and

- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and

14

- 6. The Registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: June 11, 2003

/s/ James Wall

James Wall

Title: *

* The Company is a holding company which does substantially all of its business through two wholly-owned subsidiaries (and their subsidiaries). Those wholly-owned subsidiaries are AMREP Southwest Inc. ("ASW") and Kable News Company, Inc. ("Kable"). Mr. Wall is the principal executive officer of ASW, and Mr. Duloc is the principal executive officer of Kable. The Company has no chief executive officer and its only executive officers are James Wall and Peter M. Pizza. Mr. Wall is a Senior Vice President of the Company and Mr. Pizza is a Vice President and Chief Financial Officer of the Company.

15

CERTIFICATIONS

I, Michael P. Duloc, certify that:

- 1. I have reviewed this quarterly report on Form 10-Q of AMREP Corporation;
- 2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
- 3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
- 4. The Registrant's other certifying officers and I are responsible for

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establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:

- a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and

16

6. The Registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: June 11, 2003

/s/ Michael P. Duloc

Michael P. Duloc

Title: *

* The Company is a holding company which does substantially all of its business through two wholly-owned subsidiaries (and their subsidiaries). Those wholly-owned subsidiaries are AMREP Southwest Inc. ("ASW") and Kable News Company, Inc. ("Kable"). Mr. Wall is the principal executive officer of ASW, and Mr. Duloc is the principal executive officer of Kable. The Company has no chief executive officer and its only executive officers are James Wall and Peter M. Pizza. Mr. Wall is a Senior Vice President of the Company and Mr. Pizza is a Vice President and Chief Financial Officer of the Company.

AMREP CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX

Exhibit No.	Description
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10.1	AMREP Corporation 2002 Non-Employee Directors' Stock Plan
99.1	Certification Pursuant to 18 U.S.C. Section 1350 as enacted by Section 906 of the Sarbanes-Oxley Act of 2002