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INVESTOR, EXECS COMPLETE PURCHASE OF MEMOREX

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Unisys Corp. on Tuesday completed the sale of most of Memorex Corp. of Santa Clara to New York investor Eli S. Jacobs and a group of Memorex senior executives for \$550 million in cash and preferred stock.

Announced in November as the largest leveraged buyout in the computer industry's history, the sale gives the new Memorex a huge sales force, a communications terminal manufacturing plant in Milpitas, a floppy-disk and tape- cartridge operation in Santa Clara, and a strong base in Europe. Seventy percent of the new Memorex's business will be in Europe, and the core group of executives involved in the purchase is from Memorex's historically strong European operation.

Unisys, the new name for the combination of Burroughs Corp. and Sperry Corp., retains its big plant in Santa Clara, which makes large disk drives for IBM and IBM-compatible mainframe computers. Unisys will make the drives for the new Memorex.

The deal was financed largely by Drexel Burnham Lambert's high-yield, or "junk," bonds. Junk-bond financing has come under scrutiny in the past few weeks because of a Securities and Exchange Commission investigation of Wall Street trader Ivan Boesky.

Memorex spokesman Tom Lustenader said no details about the financing are available, including any possible effect on the deal from the events on Wall Street.

The new Memorex, which will be based in London, will have 6,000 employees, including 1,600 in Santa Clara County. Lustenader said some of Memorex's corporate staff of 350 may be laid off next year.