

Statement of Consolidated Earnings

Years Ended December 31, 1966 and 1965

INCOME	1966	1965
Shipments	\$277,398,557	\$260,168,235
Other income—net (note 2)	2,295,402	561,738
TOTAL	<u>279,693,959</u>	<u>260,729,973</u>
COSTS AND EXPENSES		
Materials, wages, and other costs	194,341,980	185,114,946
Selling, administrative, and research expense	34,827,222	30,574,618
Depreciation and amortization of intangibles	11,113,521	10,332,612
Repairs and maintenance of plant and equipment	8,917,501	8,567,024
Property, excise, and miscellaneous taxes	2,536,921	2,812,606
Interest	1,629,767	1,477,681
TOTAL	<u>253,366,912</u>	<u>239,025,487</u>
EARNINGS BEFORE TAXES ON INCOME	<u>26,327,047</u>	<u>21,704,486</u>
Provision for taxes on income (note 3)	13,500,000	10,600,000
NET EARNINGS	<u>12,827,047</u>	<u>11,104,486</u>
SPECIAL ITEM		
Loss on sale of forging facilities less related taxes on income		1,048,475
NET EARNINGS AND SPECIAL ITEM	<u>\$ 12,827,047</u>	<u>\$ 10,056,011</u>
PER SHARE OF COMMON STOCK OUTSTANDING AT END OF YEAR (note 4)		
Net earnings	\$3.49	\$2.61
Special item at loss		10.48