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INDUSTRIAL MANUAL

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Net property	115,980,000	105,097,000
Def. chgs., etc.	256,000	648,000
Equity affil. earn.	13,071,000	6,763,000
Total	$208,337,000	$150,816,000
Liabilities:		
Accounts pay., etc.	$19,112,000	$21,234,000
Debt due	20,676,000	6,619,000
Income taxes	2,737,000	1,971,000
Total current	$42,525,000	$29,824,000
Deb. 5½s, 1994	------	19,873,000
Notes, etc., payable	22,974,000	36,845,000
Barge repairs res.	2,468,000	2,185,000
Def. income tax	6,952,000	6,798,000
Exploration adv.	1,891,000	------
Minority interest	14,435,000	------
5% pfd. stk. ($50)	190,000	215,000
6% conv. pfd. ($50)	25,021,000	------
Common stk. ($0.50)	5,264,000	2,391,000
Capital surplus	49,358,000	24,801,000
Earned surplus	37,278,000	27,926,000
Stockhold. equity	117,111,000	55,333,000
[1]Reacq. stock	19,000	42,000
Net stkhld. eq.	117,092,000	55,291,000
Total	$208,337,000	$150,816,000
Net current assets	$36,505,000	$8,484,000
Net tang. com. sh.	$8.75	[2]$11.56

[1]20,184 (1970, 10,687) com. shs. at cost. [2]At cost or less. [3]$5.77 adj. for stk. split.

Term Loan Debt: Outstanding, Dec. 31, 1971, $7,000,000 5.32% note payable semi-annually thru 1976.

The 5.32% note agreements contain restrictions on the payment of dividends on common stock other than dividends payable in stock. As of Dec. 31, 1971, such dividends were limited to $37,183,000.

Subsidiary Debt: (guaranteed) Outstg. Dec. 31, 1971, $15,988,000 comprising:

(1) $1,616,000 5½% due, semi-annually, 1972-75.

(2) $6,352,000 5½% due, semi-annually, 1972-79.

(3) $3,920,000 7⅝% due 1974.

(4) $4,100,000 7⅛%-8⅛% due semi-annually, 1973-77.

Subsidiary Debt: (not guaranteed) Outstg. Dec. 31, 1971, $5,102,000 (1) $5,000,000 8½% note due monthly thru 1975; (2) $102,000 8% debenture due 1979.

Capital Stock: 1. Ocean Drilling & Exploration Co. 5% cumulative preferred, par $50:
AUTHORIZED—All series, 600,000 shares; outstanding, 5% series, 3,790 shares; par $50.
At Mar. 1, 1971, Murphy Oil Co. owns 3,964 shares (92%).
PREFERENCES—Has preference for assets and dividends
DIVIDEND RIGHTS—Entitled to cumulative dividends of $2.50 a share annually, payable quarterly Feb. 1, etc.
DIVIDEND RECORD—Regular dividends paid.
VOTING RIGHTS—Has no voting power except on default of 6 quarterly dividends when, voting as a class, entitled to elect 3 directors. Consent of 66⅔% of preferred required to creat prior stock or increase authorized prior stock; to amend terms adversely. Consent of majority of preferred required to increase authorized preferred; create parity stock, consolidate or dissolve voluntarily.
LIQUIDATION RIGHTS—In liquidation, entitled to $50 a share if involuntary and redemption price if voluntary; plus dividends.
PREEMPTIVE RIGHTS—None.
CALLABLE—As a whole or in part at any time on at least 30 days' notice at $52.50 a share and dividends; callable for sinking fund (which see) at $50 a share.
SINKING FUND—Annually by Nov. 1, to retire $10,500 par value of 5% preferred in 1958 and $25,000 par value thereafter; however if net income in any year is insufficient to retire shares of every series having sinking fund requirement, company shall, in lieu of annual sinking fund, retire shares of all series pro rata as provided.
TRANSFER AGENT—Company's office.

2. Ocean Drilling & Exploration Co., 6% cumulative convertible preferred; par $50:
AUTH.—600,000; outstg., 500,415 shs.
PREFERENCES—Has preference for assets and divs.
DIVIDEND RIGHTS—Entitled to cum. divs. of 6% per annum, payable quarterly Feb. 1, etc.
VOTING LIQUIDATION RIGHTS—Same as 5% cum. pfd., par $50.
PREEMPTIVE RIGHTS—None.
CALLABLE—As a whole or in part at any time on at least 30 days' notice at following prices per sh. to each Dec. 1, incl.: 1973, $53; 1975, $52.25; 1977, $51.50; 1979, $50.75; thereafter $50.
CONVERTIBLE—Into com. at any time (if called, thru redemption date) at rate of 1.587 com. shs. for each pfd. sh. No adjustment for divs. Cash paid in lieu of fractional shs. Conversion privilege protected against dilution.
PURPOSE—Proceeds for general corporate purposes including new drilling barges, debt repayment and oil and gas exploration and development.

TRANSFER AGENTS & REGISTRARS—Same as common stock (below).
OFFERED—(500,415 shs.) at $50 a sh. plus accrued divs. to common stockholders of record Nov. 19, 1971. Rights expired Dec. 6, 1971. Offering included 254,526 shs. subscribed for without underwriting by Murphy Oil Corp., parent. Remaining shs. underwritten by Morgan Stanley & Co., Inc. and Reinhoidt & Gardner and associates.
TRADED—OTC.
PRICE RANGE—1971, 72½-54½.

3. Ocean Drilling & Exploration Co. common; par $.50.
AUTHORIZED—14,000,000 shares; outstanding, 10,508,696 shares; in treasury, 20,184 shares; par $.50.
Par changed from $1 to 50 cents by 2-for-1 split Apr. 30, 1965; $0.50 par shs. split 2-for-1 on Nov. 22, 1971.
Murphy Oil Corp. owns 51% of capital stock.
VOTING RIGHTS—Has one vote per share, with right of cumulative voting for directors.
PREEMPTIVE RIGHTS — Has preemptive rights.
DIVIDENDS—
On $1 par shares:
1959-62 nil 1963-64 [1]--
On $.50 par shares:
1965--- nil 1966--- [1]-- 1967--- nil 1968-71 0.20
On $0.50 par shares after 2-for-1 split:
[2]1972- 0.075
[1]Also stock dividends: 1963-64 5%; 1966, 4%.
[2]To Feb. 2.
TRANSFER AGENTS & REGISTRARS—Whitney National Bank of New Orleans, New Orleans; Chase Manhattan Bank, N.A., New York.
TRADED—OTC.

PRICE RANGE—[1]	1971	1970	1969	1968	1967
High	37¾	43	46¾	49¼	39¼
Low	28¼	19	28¾	31	22¼

[1]After 2-for-1 split; before, 65¾-42.

PANACON CORP.

(Controlled by Jim Walter Corp.)

History: Incorporated in Michigan, Nov. 29, 1909, as Briggs Manufacturing Co.; present name adopted Apr. 9, 1970.

On Jan. 1, 1935, property and business of its British subsidiary, Briggs Bodies, Ltd. (which had been organized in July, 1930, to make automobile bodies, at Dagenham, England) was sold to Briggs Motor Bodies, Ltd. for cash and securities of latter now held by company's wholly owned subsidiary, Briggs Trust, Ltd. (formerly Briggs Bodies, Ltd.).

In Jan., 1949, company purchased Upper Union Mills at Youngstown, O., from Carnegie-Illinois Steel Corp., a subsidiary of United States Steel Corp., for $1,000,000.

Early in 1953, company sold Briggs Trust, Ltd., a subsidiary, to Ford Motor Co., Ltd., of London, for $8,636,562. Briggs Trust held about 60% of 2,000,000 shares of Briggs Motor Bodies, Ltd.

As of Dec. 29, 1953 company sold all automotive and aircraft plants, etc., to Chrysler Corp., and later transferred to Chrysler automotive and aircraft inventories and dies.

In 1964 acquired Case Plumbing Manufacturing Co. of Robinson, Ill.

In 1965 acquired 50% of outstanding stock of American Airmotive Corp. for $100,000 in cash and a $1,500,000 promissory note to Bankers Life & Casualty Co.

In 1965 merged Republic-Transcon Industries, Inc.

In 1967 sold American Airmotive Corp. and Textile, Inc.

In Apr. 1970, merged Philip Carey Corp., subsidiary of Glen Alden Corp.; Co. operates as a division. Past acquisitions made by Philip Carey include Quebec Asbestos Co. (1915); Miami Cycle (1933); Asbestos Co. of Tex. (1951); Lehon Co. (1955) and Liberty Bell Mfg. Co. (1959).

In 1971 sold Western Tire Auto Stores.

Control: As of Apr. 1972 Jim Walter Corp. (see alphabetical index) acquired 89% of voting power of common stock of Co. from Glen Alden Corp.

Divisions: Briggs Manufacturing Company, Carey Canadian Mines, Ltd., Miami-Carey Co., Miami-Carey Ltd., Philip Carey Co., Republic Heater Co.

Business and Products: Engaged in manufacture and sale of Briggs Beautyware, vitreous china, plumbing fixtures, porcelain enamelware, and brass plumbingware fittings. Company also manufactures gas and electric water heaters, air conditioners, forced air furnaces, building wall panels and commercial signs, prepared roofing for homes, bathroom cabinets, lights and accessories; kitchen range hoods; ventilating fans and heaters, framed and unframed mirrors, door chimes, apartment mail boxes, electric fireplaces and Jobber products. Also engaged in Mining and Milling of Asbestos.

Property: Principal plants located at:

Abingdon, Ill.	Monroe, O.
Robinson, Ill.	Santa Fe Springs, Cal.
Sterling Heights, Mich.	Swainsboro, Ga.
East Broughton, Ont.	Toronto, Ont.
Cincinnati, O.	Wilmington, Ill.
Houston, Tex.	Elizabethtown, Ky.
Linden, N. J.	Dallas, Tex.
Memphis, Tenn.	Los Angeles, Cal.
Perth Amboy, N. J.	Portland, Ore.

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Auditors: Haskins & Sells.

Annual Meeting: June 17 or, if Saturday or Sunday, on following Monday.

Counsel: Taft, Slettinius & Hollister, Cincinnati.

No. of Stockholders: Dec. 31, 1971, 5,924.

No. of Employees: Dec. 31, 1971, 5,700.

Executive Offices: 320 South Wayne Ave., Cincinnati, O. 45215.

Note: Co. plans to move executive offices from Cincinnati, O. to Atlanta, Ga. in Apr. or May of 1972.

Consolidated Income Account, years ended Dec. 31:	1971	1970
Net sales	$180,925,025	$157,152,392
Oth. income, net	203,626	491,886
Total	181,128,651	157,644,278
Cost of sales	145,786,753	131,032,535
Selling, etc., exp.	21,355,087	18,328,879
Interest, etc.	2,267,269	3,023,826
Income taxes	5,581,249	2,187,546
[2]Extraord. credit	4,453,000	793,412
Net income	10,591,293	3,864,904
Prev. ret. earn.	12,870,229	9,005,325
Retained earnings	[1]23,461,522	12,870,229
[3]Earn., com. sh.	$0 67	$0 25

[1]$4,456,000 not restricted. [2]Tax credit due to loss carryforward. [3]As reported on aver. shares, assuming conv of cl. A com. stk. & exercise of dilutive stk. options; $0.39 (1970, $0.20) excl. extraord. credit.; $0.65 ($0.38 excl. extraord. credit) in 1971 and $0 24 ($0.19 excl. extraord. credit) in 1970, on fully diluted basis.

Consolidated Balance Sheet, as of Dec. 31:		
Assets:	1971	1970
Cash	$6,464,504	$4,350,847
Receivables, net	28,709,707	28,755,814
[2]Inventories	25,374,746	22,319,903
Total current	$60,548,957	$55,426,564
[1]Net prop., etc.	41,950,269	41,856,955
Def. charges, etc.	3,508,906	3,687,211
Total	$106,008,132	$100,970,730
Liabilities:		
Accts., etc., pay.	$15,216,772	$15,309,899
Notes payable	------	1,650,000
Debt due	4,961,709	4,790,083
Total current	$20,178,481	$21,749,982
Long term debt	23,999,913	29,036,172
Res. bonded roofs	4,125,941	4,450,000
Def. income tax	3,428,028	3,308,123
Pensions	1,922,011	703,616
Com. stk. ($1)	8,251,269	8,234,123
Cl. A com. stk. ($1)	7,356,000	7,356,000
Paid-in surplus	13,284,967	13,262,485
Retained earnings	23,461,522	12,870,229
Total	$106,008,132	$100,970,730
Net current assets	$40,370,476	$33,676,582
[1]Depr. & depl.	$49,579,199	$46,979,876

[2]Lower cost or mkt.
Note: Above 1970 statements restated for comparative purposes.

Long-Term Debt: Outstg. Dec. 31, 1971 (excl. current maturities), $23,999,913 comprising (1) $2,600,000 notes payable to bank with interest at 1% above prime rate, due thru 1974; (2) $6,405,128 4%-6½% mtge. notes due to 1986; (3) $1,182,840 5½%-6½% notes payable due to 1974; (4) $7,000,000 8½% notes payable annually thru 1974; (5) $1,080,000 notes payable to bank at interest 1% above prime rate due annually thru 1975; (6) $175,437 3%-6% sundry debt consisting principally of mtge. and notes due 1972-77; (7) $5,360,475 non-interest bearing subord. notes due thru 1982; (8) $196,033 due to holders of 5% to 6¼% industrial revenue bonds payable annually 1973-79

Agreement covering certain debt contain convenant on mergers, working capital, dividends and net worth At Dec. 31, 1971, $4,456,000 of retained earnings were available for dividends.

Unpaid balance on subord. note may be converted at option of holders into com at rate of 1 com. sh. for each $10 of notes Approx. 35% of notes are held by affiliated companies.

Capital Stock: 1. Panacon Corp. class A common; par $1:
Auth., 7,356,000 shs.; outstg. 7,356,000 shs.; par $1.
All owned by Jim Walter Corp.
Shares divs. equally with com., when declared.
In liquidation, has first preference over com. to extent of $3 a sh.
Has 1/1000th vote per sh. with cumulative voting for directors. No preemptive rights.
Convertible into com. after Dec. 31, 1971 on a sh-for-sh. basis.
Transfer Agent: Detroit (Mich.) Bank & Trust Co. and First National Bank of Chicago.
Registrar: Manufacturers National Bank, Detroit and American National Bank & Trust Co., Chicago.

2. Panacon Corp. common; par $1:
Auth., 25,000,000 shs.; outstg. 8,251,269 shs. of which Jim Walter Corp owns 6,528,739 shs.; reserved for options, 442,375 shs.; reserved for warrants, 81,748 shs.; reserved for conversion of notes, 536,048 shs; reserved for conversion of cl. A com., 7,356,000 shs.; par $1.
Has one vote per sh. with cumulative voting for directors. No preemptive rights.
In any liquidation, has second preference to extent of $3 a sh Thereafter, cl. A and com. share assets ratably.
Transfer Agent & Registrar: Same as for cl. A com.
Listed: On Midwest Stock Exchange.

Price Range:	1971	1970	[1]1969	1968	1967
High	4¼	4⅞	9	6½	4½
Low	2½	2⅛	3⅜	3⅝	1¼

[1]1969 and prior years price range on Detroit S. E. for Briggs Mfg. Co.
Note: Jim Walter Corp. owns 79% of voting power of capital stock (88% giving effect to conversion of cl. A).

Warrants: Outstg. Dec. 31, 1971, warrants to purchase 81,748 com. shs. at $7.50 a sh. to July 1, 1973.

PATERSON PARCHMENT PAPER CO.

History: Incorporated in Delaware in May 1966 as successor to a company of same name incorporated in Pennsylvania, Jan. 1, 1945. On Dec. 29, 1944, merged company of same name incorporated in New Jersey in Feb., 1891.
On July 29, 1965 acquired Kee Lox Manufacturing Co. for $5,470,000. On Nov. 6, 1967 formed Dynagraphic Systems, Inc.
On Mar. 3, 1970 acquired Darmon Tool & Manufacturing Corp. for 27,811 common shares.

Business: Manufactures paper for business & graphic arts, special industrial papers, bookbinding material. Products sold under tradenames: PATAPAR, PATERSON, PATAX, PARCHKIN, and DURAPAK. Also manufactures and distributes carbon papers and computer and inked ribbons and distributes office copying machines and supplies. Products sold under tradenames Kee Lox, Kee Lectro and Panama-Beaver.

Property: Has plants at Bristol, Pa., Rochester, N. Y., Sunnyvale, Cal. and Fairfield, N. J.

Subsidiaries: (wholly-owned) Paterson Pacific Parchment Co., Kee Lox Manufacturing Co., Dynagraphic Systems, Inc., Darmon Tool & Mfg. Corp.

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Auditors: Main, Lafrentz & Co., New York, N. Y.

Annual Meeting: In May.

No. of Stockholders: Feb. 16, 1972, 1,703.

No. of Employees: Dec. 31, 1971, 1,156.

General Counsel: George P. Williams, III, Schnader, Harrison, Segal & Lewis, Philadelphia, Pa.

Purchasing Agent: C. J. Clauer, Jr.

Office: Bristol, Pa. 19007.

Consolidated Income Account, years ended Dec. 31:

	1971	1970
Net sales	$29,547,677	$30,257,166
Cost of sales	21,962,427	21,813,742
Selling, etc., exp.	7,990,941	7,923,035
Oth deduct., net	267,218	2,044,518
Income taxes	cr220,100	cr638,781
Extraord credit	[2]177,623	------
[1]**Net loss**	275,186	885,348
Prev. ret. earn.	5,977,988	7,243,713
Common divs.	213,107	380,377
[4]Earn., com. sh.	[3]d$0.26	d$0.84
No. of com. shares	1,106,537	1,106,537

[1]After $766,199 (1970, $760,033) deprec. [2]Gain bldg. & equip. sold. [3]d$0.42 before extraord. credit. [4]As reported on aver. shs.

Consolidated Balance Sheet, as of Dec. 31:

Assets:	1971	1970
Cash	$979,647	$725,051
Mkt. sec., cost	------	50,000
Receivables, net	3,529,753	3,732,724
Tax claim	325,165	828,429
[3]Inventories	8,253,158	8,557,648
Prepayment	201,775	65,416
Total current	$13,289,498	$13,959,268
[1]Net prop., etc.	7,978,534	8,636,986
Investments, etc.	335,435	362,849
Exc. acq. cost	669,531	491,968
Deferred charges	782,719	274,951
Total	$23,055,717	$23,726,022
Liabilities:		
Accts. payable	$2,290,154	$2,607,739
Notes payable	34,920	1,078,400
Accruals	844,246	867,100
Inc., etc., tax	160,908	125,665
Unred. coupons	1,695,677	1,649,653
Total current	$5,025,905	$6,328,557
Notes payable	5,242,139	4,388,843
Deferred inc. tax	925,018	622,455
Deferred comp.	119,043	154,262
Com. stk ($5)	5,555,640	5,555,640
Capital surplus	780,994	780,994
Retained earnings	5,489,695	5,977,988
Stockhold. equity	11,826,329	12,314,622
[2]Reacquired stk.	82,717	82,717
Net stkhld. eq.	11,743,612	12,231,905
Total	$23,055,717	$23,726,022
Net current assets	$8,263,593	$7,630,711
Net tg. com. sh.	$10.01	$10.62
[1]Depreciation	$12,222,427	$11,785,192

[2]45,591 com. shs. at cost. [3]Lower cost (fifo) or mkt.

Long-Term Debt: Outstg., Dec. 31, 1971: (1) $5,000,000 revolving credit with interest at ¾% over prime to July 31, 1972 and 1¼% over prime rate thereafter to Jan. 1, 1974 payable quarterly beginning Nov. 1, 1971.
(2) $242,139 other loans from insurance companies.
Company is required under latter loan to maintain working capital of not less than $6,500,000 and may not borrow any additional money in excess of an aggregate of $500,000 without consent of bank.

Capital Stock: 1. Paterson Parchment Paper Co. common; par $5:
AUTHORIZED—4,000,000; outstanding, 1,065,537; in treasury, 45,591 shares; reserved for options, 59,055 shares; par $5.
Par changed from $20 to $10 Apr. 3, 1957 and from $10 to $5 Jan. 10, 1969, both by 2-for-1 splits.
DIVIDENDS—(Payments since 1944 follow):

On $20 par shares:

1945	0.80	1946-47	1.00	1948	0.60
1949	0.80	1950	1.30	1951	1.10
1952	0.60	1953	0.80	1954-56	1.00
[1]1957	0.20				

On $10 par shares:

1957	0.41½	1958	0.50	[1]1959	0.55
1960	0.45	1961	0.50	[1]1962-65	0.55
[2]1965	0.25	[1]1966	0.57½	[1]1967	0.30
1968	0.60				

On $5 par shares:

1969-70	0.36	1971	0.20	[2]1972	0.10

[1]Also stock dividends 1957, 20%; 1959, 5%; 1964 and 1965, 2%; 1966 and 1967, 3%.
[2]To May 31.
TRANSFER AGENT AND REGISTRAR—Bankers Trust Co., N.Y.C.
LISTED—On ASE (Symbol: PPP).

PRICE RANGE—	1971	1970	1969	[1]1968	1967
High	9¾	21⅝	35¾	30	26
Low	5½	6⅝	16⅝	29	16

[1]After Jan. 1969 split (w. i.); before, 66¼-21¾.

PEABODY GALION CORP.

History: Incorporated under Delaware laws May 10, 1946, as Hercules Steel Products Corp.; name changed to Hercules Galion Products, Inc. on merger of Central Ohio Steel Products Co. Aug. 31, 1955. Present name adopted Dec. 11, 1969.
On July 1, 1946, acquired entire common stock of Galion Metallic Vault Co., an Ohio company incorporated on Jan. 5, 1905, operating chiefly as Hercules Steel Products Co. Galion Metallic Vault Co. was merged Mar. 12, 1947, (Sold on Oct. 5, 1965).
On Jan. 31, 1948 merged Star Mfg., Co., St. Louis, acquired in 1947 On Nov. 1, 1954, acquired plant and truck van body business of Gramm Trailer Corp.
In 1961, acquired assets of Helmco, Inc., for $314,469 cash.
Central Ohio Steel Products Co. (merged Aug 31, 1955) was incorporated in Ohio Mar. 7, 1928 to acquire property and business of National Grave Vault Co. and trade name of Galion Allsteel Body Co. On Nov. 1, 1950, acquired Cardington Metal Products Co., on Feb 1 1951, Mansfield Metal Vault Co.
On Nov 30, 1962, acquired Carley Trailer
In Oct. 1967, acquired 60% of common stock of Standard Auto Body Co., Los Angeles; acquired remaining 40% of common stock in Oct. 1968.
In May, 1969 acquired Regal Stamping Co, Detroit, Mich. for $2,605,000 and 66,666 com. shs.
In Sept., 1969 acquired 77% interest in Peabody Engineering Corp., Stamford, Conn. for $4,000,000 in cash and notes. In Nov., 1969 acquired remaining interest from Stevens Institute of Technology for $1,250,000 in 4-year notes.
On Jan. 12, 1970 acquired DeWald Fabrications Inc., Van Nuys, Calif., for approx 104,000 Co. com. shs., of which half are based on a future contingency payout basis.
In Dec. 1970, acquired Barnes Manufacturing Co., Mansfield, O. for 258,000 Co. com shs
During 1970, also acquired in exchange of 484,473 com. shs outstanding capital stock of DeWald Fabrications, Inc.; Power and Combustion, Inc. and its affiliate; Hart Pump Corp.; Welles Products Corp., exchanged 136,822 com. shs. for outstanding com. stock of Ryan Instruments, Inc. and subsidiary.
On Apr. 30, 1971, acquired Industrial Leasing Corp. for 77,426 common shares.
On June 30, 1971, acquired Peterson Water Resources, Inc. for 11,327 common shares.
Also in 1971, acquired Commercial Testing & Engineering Co.; Rudco Equipment Co; X-Ray Engineering Co. and Gordon & Piatt, Inc. in exchange for 365,107 common shares.
Proposed Acquisitions: In Apr. 1972, Co. agreed to acquire Certified Industrial X-Ray Co., San Leandro, Cal. and Combustion & Power Equipment Ltd., Montreal, Canada.

Business: Manufactures Hercules Galion dump truck bodies and hydraulic hoists, van bodies, platform bodies, a hydraulic lift tail gate, dump trailers and semi-trailers, refuse packers, containers and systems and also popcorn machines and a line of commercial cooking and food serving equipment, also hot and cold beverage dispensing appliances.
Peabody Engineering Division manufactures diversified air and water pollution prevention equipment.

Property: Company has plants as follows:

Los Angeles, Calif.	St. Louis, Mo.
Fremont, Calif.	Detroit, Mich.
Van Nuys, Calif.	Roseville, Mich.
Stamford, Conn.	Galion, O
Lima, O.	Durant, Okla.
Toronto, Ont.	London, England

Subsidiaries: Peabody Engineering Corp.; Peabody Engineering Corp. of Canada, Ltd; Peabody Engineering, Ltd.; E-Z Pack Co; Hercules Galion Co.; Standard Auto Body Co Star Manufacturing Co.; Unisteel Body Co.; Regal Stamping Co.; DeWald Fabrications, Inc.; Centerline Metal Products Co.
Power and Combustion, Inc.; Hart Pump Corp.; Welles Products Corp.; Barnes Manufacturing Co.; Ryan Instruments, Inc.; Gordon & Piatt, Inc.; Industrial Leasing Corp.

Officers: J. E. McConnaughy, Jr., Chmn. and Pres; A. W. Drew, Exec. Vice-Pres; W A. Herpich, Exec. Vice-Pres. (R&D); F B. Hout, John Dun, A. J. Giglio, Nicholas Bongiovanni, J. M. Claffey, Vice-Pres.; R. E. Deems, Vice-Pres., Sec. & Treas.; T. J. Nuzzaci.

Directors: F. W. Hellman, P C. R. Huang, J E. McConnaughy, Jr., John Dunn, Stewart Udall, A. W. Drew, N. J Bongiovanni, R. A. Levinson, D. E. Lyons, W. R. Ross, Jr.

Gen. Counsel: Rosenman, Colin, Kaye, Petschek, Freund & Emil.

Purchasing Agent: C. L. Snyder.

Auditors: Peat, Marwick, Mitchell & Co.

Annual Meeting: Third Friday of Feb.

No. of Stockholders: Dec. 31, 1969, 2,500.

No. of Employees: Dec. 31, 1971, 3,129.

Office: 410 Park Ave., N. Y., N. Y. 10022.

Consolidated Income Account, years ended Sept. 30:

	[3]1971	1970
Net sales	$90,274,000	$68,267,000
Cost of sales	67,138,000	51,159,000
Selling, etc., exp.	15,858,000	11,080,000
[1]Oper. profit	7,278,000	6,028,000
[4]Other income	298,000	dr256,000
Total income	7,576,000	5,772,000
Interest	1,291,000	919,000
Income taxes	2,764,000	2,181,000
Net profit	3,521,000	2,672,000
Prev. ret. earn.	6,951,000	5,167,000
7% pfd divs.	------	2,000
Com. divs (stk.)	------	850,000
Pool. co. divs	------	36,000
Pool. co. equity	cr17,000	------
Retained earnings	10,489,000	6,951,000
[2]Earn., com sh.	$1.20	$1.04
No. of com. shares	3,149,145	2,742,089

[1]After $1,340,000 (1970, $1,031,000) deprec [2]On 3,001,000 (1970, 2,564,000) aver com & com equiv. sh. [3]Incl. Peterson Water Resources Inc. from date of acq. June 30, 1971 [4]Incl. $139,000 (1970, $24,000) equity in earns of non-consol. subs.

Consolidated Balance Sheet, as of Sept. 30:

Assets:	1971	1970
Cash	$2,647,000	$3,022,000