

In addition, various legal proceedings, claims and investigations are pending against the Company, including those relating to commercial transactions, product liability, safety and health matters and other matters. The Company is involved in various stages of legal proceedings, claims, investigations and cleanup relating to environmental natural resource matters, some of which relate to waste disposal sites. Most of these matters are covered by insurance, subject to deductibles and maximum limits, and by third-party indemnities.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

PART II

ITEM 5. MARKET OF REGISTRANT'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

There is no active market for the Registrant's common stock; all issued and outstanding shares of common stock are indirectly held by PCT.

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth selected historical financial data of the Company for each of the years in the five year period ended December 31, 1996. The selected historical financial data of the Company have been derived from the audited financial statements of the Company and Mafco Worldwide prior to the merger with Pneumo Abex on November 25, 1996. Since Mafco Worldwide and Pneumo Abex were under common control at the time of the Merger, the Merger has been accounted for in a manner similar to a pooling-of-interests from November 25, 1996 with Mafco Worldwide as the predecessor company. In addition, Purchaser's basis of accounting is not reflected in these financial statements due to the Company's public debt.

The selected financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements of the Company and the notes thereto included elsewhere in this Form 10-K.