

EATON
MANUFACTURING COMPANY
AND CONSOLIDATED
SUBSIDIARIES

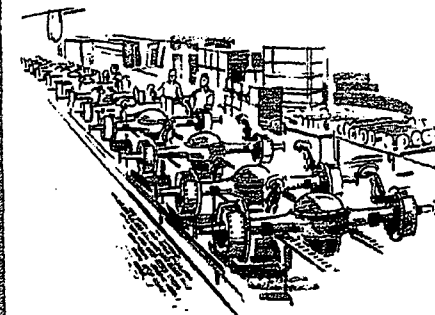
**STATEMENTS OF
CONSOLIDATED INCOME
AND EARNINGS
RETAINED FOR USE
IN THE BUSINESS**

<i>Income</i>	1959	1958
Net sales	\$287,332,079	\$197,836,672
Other income	993,410	942,881
	<u>\$288,325,489</u>	<u>\$198,779,553</u>
Less:		
Cost of products sold	\$234,805,342	\$169,507,160
Selling, advertising, administrative, and general expenses . . .	16,225,349	12,380,291
Other charges	626,991	321,335
Federal, state, and Canadian taxes on income—estimated . . .	19,399,000	8,615,000
	<u>\$271,056,682</u>	<u>\$190,823,786</u>
NET INCOME	<u>\$ 17,268,807</u>	<u>\$ 7,955,767</u>
Allowances for depreciation and amortization:		
1959—\$6,934,023; 1958—\$7,352,472		

Earnings Retained for Use in the Business

Balance at beginning of year:		
Eaton Manufacturing Company and subsidiaries	\$ 74,536,041	\$ 66,294,460
Fuller Manufacturing Company and subsidiary		8,395,556
	<u>\$ 74,536,041</u>	<u>\$ 74,690,016</u>
Net income of Fuller Manufacturing Company and subsidiary for December, 1957		274,755
Net income for the year	17,268,807	7,955,767
	<u>\$ 91,804,848</u>	<u>\$ 82,920,538</u>
Dividends declared:		
Cash—\$1.90 a share in 1959, and		
\$1.50 a share in 1958—Note A	\$ 9,084,417	\$ 6,798,301
Stock dividend of Fuller Manufacturing Company—10%		1,586,196
	<u>\$ 9,084,417</u>	<u>\$ 8,384,497</u>
BALANCE AT END OF YEAR	<u>\$ 82,720,431</u>	<u>\$ 74,536,041</u>

See notes to consolidated financial statements—Page 10



Final assembly of Eaton
2-Speed Truck Axles.

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