

New York, New York
February 11, 1997

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PNEUMO ABEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(DOLLARS IN MILLIONS, EXCEPT SHARE DATA)

	DECEMBER 31,	
	1996	1995
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 3.5	\$ 8.5
Trade accounts receivable, net.....	11.3	10.4
Inventories	46.3	45.5
Prepaid expenses and other.....	2.2	3.5
Total current assets.....	63.3	67.9
Property, plant and equipment, net.....	10.4	10.6
Pension asset.....	14.1	-
Deferred tax asset.....	34.8	1.0
Intangibles and other assets.....	4.0	5.8
TOTAL ASSETS.....	\$126.6	\$85.3
LIABILITIES & STOCKHOLDER'S EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Current portion of long-term debt.....	\$ -	\$ 10.2
Foreign borrowings.....	-	0.7
Accounts payable.....	5.2	5.6
Accrued interest.....	1.3	1.3
Accrued compensation and benefits.....	3.1	2.4
Income taxes payable.....	1.4	0.6
Payable to parent.....	7.1	-
Accrued expenses and other.....	4.7	0.6
Total current liabilities.....	22.8	21.4
Long-term debt.....	91.9	108.1
Other liabilities.....	6.9	3.1
Commitments and contingencies.....	-	-
STOCKHOLDER'S EQUITY (DEFICIT):		
Common stock, par value \$1.00 per share, 1,000 shares authorized, issued and outstanding.....	-	-
Additional paid-in-capital.....	51.2	-
Accumulated deficit.....	(47.4)	(49.2)
Currency translation adjustment.....	1.2	1.9
TOTAL STOCKHOLDER'S EQUITY (DEFICIT).....	5.0	(47.3)
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY (DEFICIT).....	\$126.6	\$ 85.3

See Notes to Consolidated Financial Statements

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PNEUMO ABEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
(DOLLARS IN MILLIONS)

	YEAR ENDED DECEMBER		
	1996	1995	1994
1994			
NET SALES.....	\$103.4	\$103.2	\$95.6
Cost of sales.....	57.4	60.0	57.4