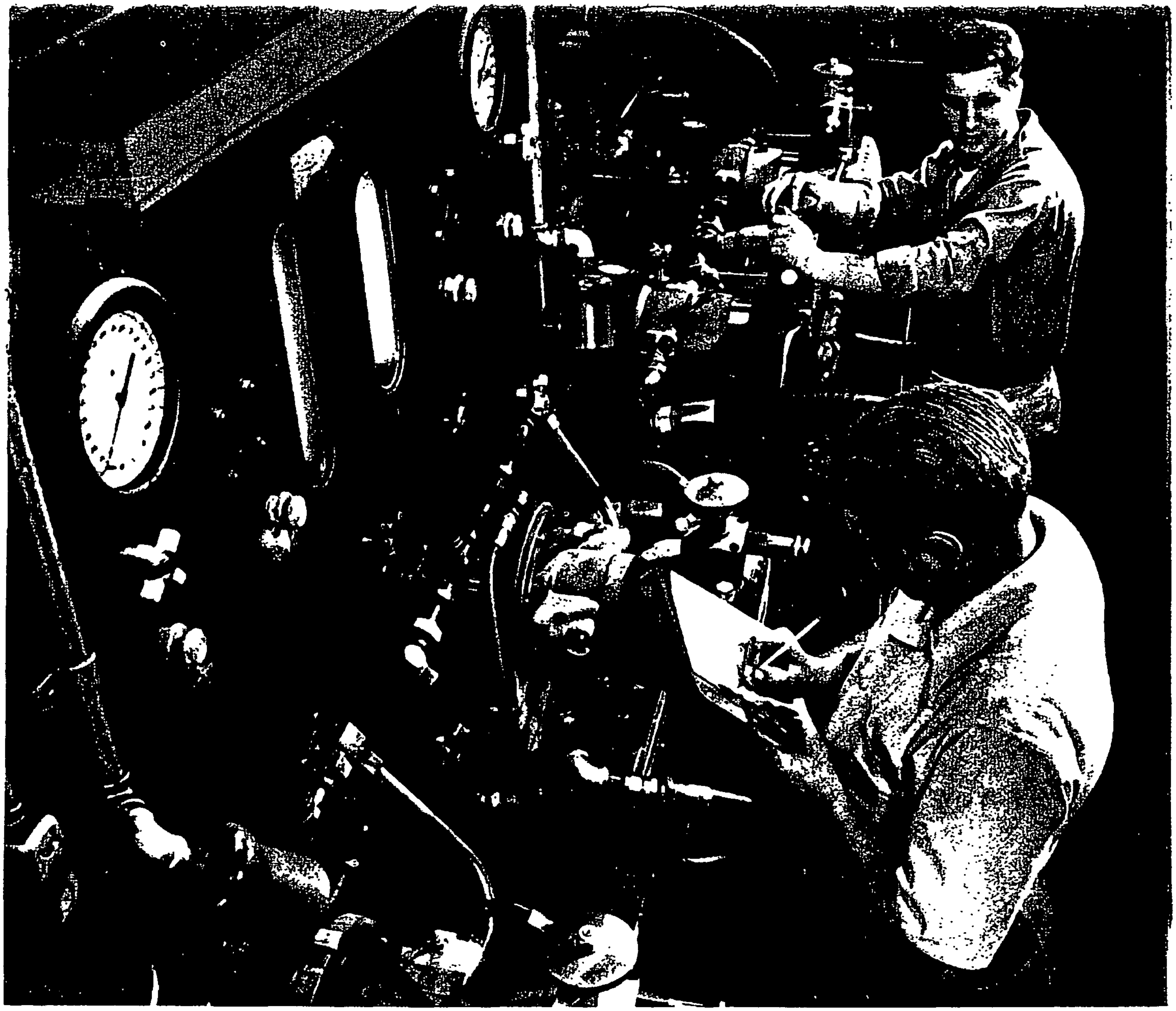

Hydraulic pumps receive thorough check on test stand before shipment by Denison Engineering Division.

all of the assets of a business in Hilden, West Germany. This company, an established and successful enterprise employing approximately 275 people was engaged in contract machining and assembly of industrial hydraulic equipment for a number of European companies. The facilities and equipment are readily adaptable to our types of hydraulic products. The founder and sole owner of the company entered into an agreement with Universal Hydraulics GmbH to remain as general manager.

Working Capital Increased

ON August 21, 1962, the company sold a $12,000,000 issue of 4½% Sinking Fund Debentures due in 1987. The funds from the sales of the debentures were used to retire approximately $2,600,000 of indebtedness of Jarry Hydraulics Limited and for additional working capital.

Working capital increased to $52,689,464 at year-end as compared with $42,024,341 at the end of 1961.