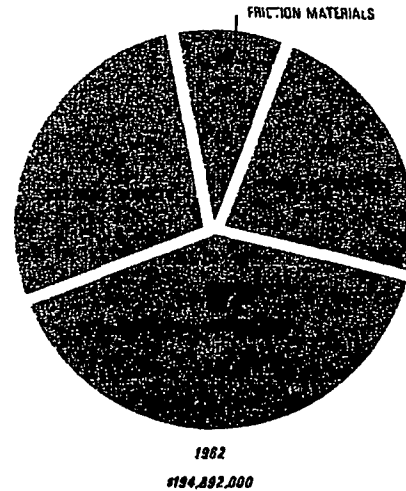
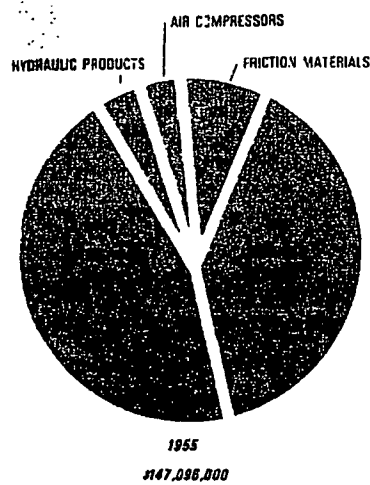


SALES BY PRODUCT GROUPS



THE PROCESSES OF CHANGE AND GROWTH have been almost continuous since Brake Shoe was founded as a railway supply company in 1902. The company first diversified into the castings and forgings businesses and later into automotive and industrial friction materials. In 1955 a fourth dimension was added to the company with its entrance into the manufacture of hydraulic equipment.

The above chart illustrates how the company has grown in volume of sales and how hydraulic equipment has become a major segment of the business while sales of railroad products have declined as a percentage of the total.

The chart below indicates the growth and volume of new products since 1955. These new products, which were developed in our research laboratories or acquired with the companies Brake Shoe has purchased, account for the growth the company has made in the last eight years and they provided 33 per cent of the sales in 1962.

Today, Brake Shoe is a widely diversified enterprise serving a broad span of industries with hundreds of products.

GROWTH OF NEW PRODUCTS

