SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K/A

(Mark One)
[X]
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended December 31, 1995

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from ______________ to _____________
Commission file number 1-9148

THE PITTSTON COMPANY
(Exact name of registrant as specified in its charter)

Virginia (State or other jurisdiction of incorporation or organization)	54-1317776 (I. R. S. Employer Identification No.)
P.O. Box 120070, 100 First Stamford Place, Stamford, Connecticut (Address of principal executive offices)	06912-0070 (Zip Code)

Registrant's telephone number, including area code (203) 978-5200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Pittston Brink's Group Common Stock, Par Value $1	New York Stock Exchange
Pittston Burlington Group Common Stock, Par Value $1	New York Stock Exchange
Pittston Minerals Group Common Stock, Par Value $1	New York Stock Exchange
4% Subordinated Debentures Due July 1, 1997	New York Stock Exchange
Rights to Purchase Series A Participating Cumulative Preferred Stock	New York Stock Exchange
Rights to Purchase Series B Participating Cumulative Preferred Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of March 1, 1996, there were issued and outstanding 41,573,743 shares of Pittston Brink's Group common stock, 20,786,872 shares of Pittston Burlington Group common stock and 8,405,908 shares of Pittston Minerals Group common stock. The aggregate market value of such stocks held by nonaffiliates, as of that date, was $923,075,741, $342,959,562 and $121,194,593, respectively.

Documents incorporated by reference: Portions of the Registrant's definitive Proxy Statement to be filed pursuant to Regulation 14A(Part III).

EXPLANATORY NOTE

This Amendment to the Annual Report on Form 10-K for the fiscal year ended December 31, 1995 (the "Form 10-K") of The Pittston Company ("Pittston" or the "Company") is being filed by Pittston in order to amend the following item in the Form 10-K:

PART II

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Pittston Company and Subsidiaries

STATEMENT OF MANAGEMENT RESPONSIBILITY

The management of The Pittston Company (the "Company") is responsible for preparing the accompanying consolidated financial statements and for their integrity and objectivity. The statements were prepared in accordance with generally accepted accounting principles. Management has also prepared the other information in the annual report and is responsible for its accuracy.

In meeting our responsibility for the integrity of the consolidated financial statements, we maintain a system of internal controls designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorization and that the accounting records provide a reliable basis for the preparation of the financial statements. Qualified personnel throughout the organization maintain and monitor these internal controls on an ongoing basis. In addition, the Company maintains an internal audit department that systematically reviews and reports on the adequacy and effectiveness of the controls, with management follow-up as appropriate.

Management has also established a formal Business Code of Ethics which is distributed throughout the Company. We acknowledge our responsibility to establish and preserve an environment in which all employees properly understand the fundamental importance of high ethical standards in the conduct of our business.

The Company's consolidated financial statements have been audited by KPMG Peat Marwick LLP, independent auditors. During the audit they review and make appropriate tests of accounting records and internal controls to the extent they consider necessary to express an opinion on the Company's consolidated financial statements.

The Company's Board of Directors pursues its oversight role with respect to the Company's consolidated financial statements through the Audit and Ethics Committee, which is composed solely of outside directors. The Committee meets periodically with the independent auditors, internal auditors and management to review the Company's control system and to ensure compliance with applicable laws and the Company's Business Code of Ethics.

We believe that the policies and procedures described above are appropriate and effective and do enable us to meet our responsibility for the integrity of the Company's consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
The Pittston Company

We have audited the accompanying consolidated balance sheets of The Pittston Company and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 1995. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Pittston Company and subsidiaries as of December 31, 1995 and 1994, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1995, in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP
Stamford, Connecticut

January 25, 1996

The Pittston Company and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except per share amounts)	December 31 1995	1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 52,823	42,318
Short-term investments	29,334	25,162
Accounts receivable:		
Trade (Note 3)	397,043	361,361
Other	40,278	31,165
	437,321	392,526
Less estimated amount uncollectible	16,075	15,734
	421,246	376,792
Coal inventory	37,329	25,518
Other inventory	9,070	8,635
	46,399	34,153
Prepaid expenses	31,556	27,700
Deferred income taxes (Note 6)	55,335	55,850
Total current assets	636,693	561,975
Property, plant and equipment, at cost (Note 4)	923,514	840,494
Less accumulated depreciation, depletion and amortization	437,346	394,660
	486,168	445,834
Intangibles, net of amortization (Notes 5 and 10)	327,183	329,441
Deferred pension assets (Note 13)	123,743	118,953
Deferred income taxes (Note 6)	72,343	84,214
Other assets	161,242	197,361
Total assets	$1,807,372	1,737,778
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 37,063	13,323
Current maturities of long-term debt (Note 7)	7,280	13,748
Accounts payable	263,444	252,615
Accrued liabilities:		
Taxes	44,050	44,654
Workers' compensation and other claims	33,255	41,771
Miscellaneous	209,396	208,359
	286,701	294,784
Total current liabilities	594,488	574,470
Long-term debt, less current maturities (Note 7)	133,283	138,071
Postretirement benefits other than pensions (Note 13)	219,895	218,738
Workers' compensation and other claims	125,894	138,793
Deferred income taxes (Note 6)	17,213	19,036
Other liabilities	194,620	200,855
Commitments and contingent liabilities (Notes 7, 11, 12, 13, 17 and 18)		
Shareholders' equity (Notes 1, 7, 8 and 9):		
Preferred stock, par value $10 per share,		
Authorized: 2,000,000 shares $31.25 Series C Cumulative Preferred Stock,		
Issued: 1995--136,280 shares; 1994--152,650 shares	1,362	1,526
Pittston Brink's Group common stock, par value $1 per share:		
Authorized: 100,000,000 shares		
Issued: 1995--41,573,743 shares; 1994--41,594,845 shares	41,574	41,595
Pittston Burlington Group common stock, par value $1 per share:		
Authorized: 50,000,000 shares		
Issued: 1995--20,786,872; 1994--20,797,423	20,787	20,798
Pittston Minerals Group common stock, par value $1 per share:		
Authorized: 20,000,000 shares		
Issued: 1995--8,405,908 shares; 1994--8,389,622 shares	8,406	8,390
Capital in excess of par value	401,633	399,672
Retained earnings	188,728	107,739
Equity adjustment from foreign currency translation	(20,705)	(14,276)
Employee benefits trust, at market value (Note 9)	(119,806)	(117,629)
Total shareholders' equity	521,979	447,815
Total liabilities and shareholders' equity	$1,807,372	1,737,778

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)	Year Ended December 31 1995	1994	1993
Net sales	$ 722,851	794,998	687,089
Operating revenues	2,203,216	1,872,277	1,569,032
Net sales and operating revenues	2,926,067	2,667,275	2,256,121
Costs and expenses:			
Cost of sales	696,295	771,586	645,679
Operating expenses	1,845,404	1,542,080	1,299,541
Selling, general and administrative expenses	263,365	244,330	226,125
Restructuring and other charges, including litigation accrual (Note 14)	--	90,806	78,633
Total costs and expenses	2,805,064	2,648,802	2,249,978
Other operating income (Note 15)	26,496	24,400	19,956
Operating profit	147,499	42,873	26,099
Interest income	3,395	2,513	2,839
Interest expense	(14,253)	(11,489)	(10,173)
Other income (expense), net (Note 15)	(6,305)	(5,572)	(4,611)
Income before income taxes	130,336	28,325	14,154
Provision for income taxes (Note 6)	32,364	1,428	8
Net income	97,972	26,897	14,146
Preferred stock dividends, net (Note 9)	(2,762)	(3,998)	--
Net income attributed to common shares	$ 95,210	22,899	14,146
Pittston Brink's Group (Note 1):			
Net income attributed to common shares	$ 51,093	41,489	31,650
Net income per common share	$ 1.35	1.10	.86
Average common shares outstanding	37,931	37,784	36,907
Pittston Burlington Group (Note 1):			
Net income attributed to common shares	$ 32,855	38,356	15,476
Net income per common share	$ 1.73	2.03	.84
Average common shares outstanding	18,966	18,892	18,454
Pittston Minerals Group (Note 1):			
Net income (loss) attributed to common shares	$ 11,262	(56,946)	(32,980)
Net income (loss) per common share:			
Primary	$ 1.45	(7.50)	(4.47)
Fully diluted	$ 1.40	(7.50)	(4.47)
Average common shares outstanding:			
Primary	7,786	7,594	7,381
Fully diluted	9,999	10,000	7,620

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Years Ended December 31, 1995, 1994 and 1993

(In thousands, except per share amounts)	$31.25 Series C Cumulative Preferred Stock	Pittston Brink's Group Common Stock (Note 1)	Pittston Burlington Group Common Stock (Note 1)	Pittston Minerals Group Common Stock (Note 1)	Capital in Excess of Par Value (Note 1)	Retained Earnings	Equity Adjustment from Foreign Currency Translation	Employee Benefits Trust
BALANCE AT DECEMBER 31, 1992	$ --	40,533	20,267	8,107	249,147	96,240	(14,062)	(58,772)
Net income	--	--	--	--	--	14,146	--	--
Stock options exercised (Note 8)	--	971	486	208	13,092	--	--	--
Tax benefit of stock options exercised (Note 6)	--	--	--	--	2,121	--	--	--
Foreign currency translation adjustment	--	--	--	--	--	--	(4,319)	--
Remeasurement of employee benefits trust	--	--	--	--	73,907	--	--	(73,907)
Shares released from employee benefits trust to employee benefit plan (Note 9)	--	--	--	--	(2)	--	--	1,661
Retirement of stock under share repurchase programs (Note 9)	--	(75)	(38)	(34)	(906)	(458)	--	--
Costs of Services Stock Proposal (Note 9)	--	--	--	--	(3,163)	--	--	--
Cash dividends declared--Pittston Brink's Group $.09 per share, Pittston Burlington Group $.21 per share and Pittston Minerals Group $.6204 per share (Note 1)	--	--	--	--	--	(11,638)	--	--
BALANCE AT DECEMBER 31, 1993	--	41,429	20,715	8,281	334,196	98,290	(18,381)	(131,018)
Net income	--	--	--	--	--	26,897	--	--
Issuance of $31.25 Series C Cumulative Preferred Stock, net of cash expenses (Note 9)	1,610	--	--	--	75,472	--	--	--
Stock options exercised (Note 8)	--	422	211	129	6,570	--	--	--
Tax benefit of stock options exercised (Note 6)	--	--	--	--	2,936	--	--	--
Foreign currency translation adjustment	--	--	--	--	--	--	4,105	--
Remeasurement of employee benefits trust	--	--	--	--	(10,449)	--	--	10,449
Shares released from employee benefits trust to employee benefit plan (Note 9)	--	--	--	--	(309)	--	--	2,940
Retirement of stock under share repurchase programs (Note 9)	(84)	(256)	(128)	(20)	(8,749)	(718)	--	--
Costs of Services Stock Proposal (Note 9)	--	--	--	--	(4)	--	--	--
Conversion of 9.2% debentures	--	--	--	--	9	--	--	--
Cash dividends declared--Pittston Brink's Group $.09 per share, Pittston Burlington Group $.22 per share and Pittston Minerals Group $.65 per share and Series C Preferred Stock $27.09 per share (Note 1)	--	--	--	--	--	(16,730)	--	--
BALANCE AT DECEMBER 31, 1994	1,526	41,595	20,798	8,390	399,672	107,739	(14,276)	(117,629)
Net income	--	--	--	--	--	97,972	--	--
Stock options exercised (Note 8)	--	125	62	95	2,581	--	--	--
Tax benefit of stock options exercised (Note 6)	--	--	--	--	720	--	--	--
Foreign currency translation adjustment	--	--	--	--	--		(6,429)	--
Remeasurement of employee benefits trust	--	--	--	--	9,947	--	--	(9,947)
Shares released from employee benefits trust to employee benefit plan (Note 9)	--	--	--	--	(993)	--	--	7,770
Retirement of stock under share repurchase programs (Note 9)	(164)	(146)	(73)	(79)	(10,294)	148	--	--
Cash dividends declared--Pittston Brink's Group $.09 per share, Pittston Burlington Group $.22 per share and Pittston Minerals Group $.65 per share and Series C Preferred Stock $31.25 per share (Note 1)	--	--	--	--	--	(17,131)	--	--
BALANCE AT DECEMBER 31, 1995	$1,362	41,574	20,787	8,406	401,633	188,728	(20,705)	(119,806)

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31 1995	1994	1993
Cash flows from operating activities:			
Net income	$ 97,972	26,897	14,146
Adjustments to reconcile net income to net cash provided by operating activities:			
Noncash charges and other write-offs	--	46,793	10,857
Depreciation, depletion and amortization	104,989	101,856	77,565
Provision for aircraft heavy maintenance	26,317	26,598	20,962
Provision (credit) for deferred income taxes	11,115	(17,777)	(29,435)
Credit for pensions, noncurrent	(3,762)	(1,128)	(2,596)
Provision for uncollectible accounts receivable	5,762	4,532	6,880
Equity in earnings of unconsolidated affiliates, net of dividends received	2,306	(1,432)	(4,205)
Gain on sale of property, plant and equipment	(5,162)	(3,569)	(5,472)
Other operating, net	4,916	3,491	3,904
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:			
Increase in accounts receivable	(38,628)	(85,734)	(20,715)
Decrease (increase) in inventories	(12,026)	(4,184)	6,507
Increase in prepaid expenses	(2,157)	(2,849)	(2,795)
Increase in accounts payable and accrued liabilities	4,491	69,033	20,458
Decrease (increase) in other assets	326	991	(5,783)
Increase (decrease) in workers' compensation and other claims, noncurrent	(15,212)	6,605	(17,213)
Increase (decrease) in other liabilities	(22,458)	(15,283)	66,339
Other, net	(2,254)	(178)	(342)
Net cash provided by operating activities	156,535	154,662	139,062
Cash flows from investing activities:			
Additions to property, plant and equipment	(124,465)	(106,312)	(97,779)
Proceeds from disposal of property, plant and equipment	22,539	7,622	4,620
Aircraft heavy maintenance expenditures	(22,356)	(15,333)	(19,148)
Acquisitions, net of cash acquired, and related contingency payments	(3,372)	(163,262)	(1,435)
Other, net	1,182	5,431	8,569
Net cash used by investing activities	(126,472)	(271,854)	(105,173)
Cash flows from financing activities:			
Additions to debt	29,866	117,332	4,136
Reductions of debt	(25,891)	(48,257)	(34,385)
Repurchase of stock of the Company	(10,608)	(9,955)	(1,511)
Proceeds from exercise of stock options	3,494	7,332	14,757
Proceeds from employee stock purchase plan	767	--	--
Dividends paid	(17,186)	(16,709)	(11,638)
Proceeds from sale of stock to Savings Investment Plan	--	--	264
Costs of Services Stock Proposal	--	(4)	(3,163)
Preferred stock issuance, net of cash expenses	--	77,359	(277)
Net cash provided (used) by financing activities	(19,558)	127,098	(31,817)
Net increase in cash and cash equivalents	10,505	9,906	2,072
Cash and cash equivalents at beginning of year	42,318	32,412	30,340
Cash and cash equivalents at end of year	$ 52,823	42,318	32,412

See accompanying notes to consolidated financial statements.

(Dollars in thousands, except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

On January 18, 1996, the shareholders of The Pittston Company (the "Company") approved the Brink's Stock Proposal, as described in Note 9, resulting in the modification, effective as of January 19, 1996, of the capital structure of the Company to include an additional class of common stock. The outstanding shares of Pittston Services Group Common Stock ("Services Stock") were redesignated as Pittston Brink's Group Common Stock ("Brink's Stock") on a share-for-share basis, and a new class of common stock, designated as Pittston Burlington Group Common Stock ("Burlington Stock"), was distributed on the basis of one-half share of Burlington Stock for each share of Services Stock previously held by shareholders of record on January 19, 1996. The Pittston Brink's Group (the "Brink's Group") consists of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of the Company. The Pittston Burlington Group (the Burlington Group") consists of the Burlington Air Express Inc. ("Burlington") operations of the Company. The Pittston Minerals Group (the "Minerals Group") consists of the Coal and Mineral Ventures operations of the Company. The approval of the Brink's Stock Proposal did not result in any transfer of assets and liabilities of the Company or any of its subsidiaries. The Company prepares separate financial statements for the Minerals, Brink's and Burlington Groups in addition to consolidated financial information of the Company.

All stock and per share data in the accompanying financial statements have been restated to reflect the modification of the Company's capital structure. The primary impacts of this restatement are as follows:

Net income per common share has been restated in the Consolidated Statements of Operations to reflect the two new classes of stock, Brink's Stock and Burlington Stock, as if they were outstanding for all periods presented. For the purposes of computing net income per common share of Brink's Stock and Burlington Stock, the number of shares of Brink's Stock are assumed to be the same as the total corresponding number of shares of the Company's previous Services Stock. The number of shares of Burlington Stock are assumed to be one-half of the shares of the Company's previous Services Stock.

All financial impacts of purchases and issuances of the Company's Services Stock prior to the effective date of the Brink's Stock Proposal have been attributed to each Group in relation of their respective common equity to the Company's Services Stock. Dividends paid by the Company for Services

Stock were attributed to the Brink's and Burlington Groups in relation to the initial dividends paid on the Brink's Stock and the Burlington Stock. Accordingly, the Consolidated Statements of Shareholders' Equity have been restated to reflect these changes.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements reflect the accounts of the Company and its majority-owned subsidiaries. The Company's interests in 20% to 50% owned companies are carried on the equity method. All material intercompany items and transactions have been eliminated in consolidation. Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits and investments with original maturities of three months or less.

SHORT-TERM INVESTMENTS

Short-term investments primarily include funds set aside by the Company for certain obligations and are carried at cost which approximates market.

INVENTORIES

Inventories are stated at cost (determined under the first-in, first-out or average cost method) or market, whichever is lower.

PROPERTY, PLANT AND EQUIPMENT

Expenditures for maintenance and repairs are charged to expense and the costs of renewals and betterments are capitalized. Depreciation is provided principally on the straight-line method at varying rates depending upon estimated useful lives. Depletion of bituminous coal lands is provided on the basis of tonnage mined in relation to the estimated total of recoverable tonnage in the ground.

Mine development costs, primarily included in bituminous coal lands, are capitalized and amortized over the estimated useful life of the mine. These costs include expenses incurred for site preparation and development as well as operating deficits incurred at the mines during a development stage. A mine is considered under development until all planned production units have been placed in operation.

Valuation of coal properties is based primarily on mining plans and conditions assumed at the time of the evaluation. These valuations could be impacted by actual economic conditions which differ from those assumed at the time of the evaluation.

Subscriber installation costs for home security systems provided by BHS are capitalized and depreciated over the estimated life of the assets and are included in machinery and equipment. The security system that is installed, remains the property of BHS and is capitalized at the cost to bring the revenue producing asset to its intended use. When an installation is identified for disconnection, the remaining net book value of the installation is fully written-off and charged to depreciation expense.

INTANGIBLES
The excess of cost over fair value of net assets of businesses acquired is amortized on a straight-line basis over the estimated periods benefited.

The Company evaluates the carrying value of intangibles and the periods of amortization to determine whether events and circumstances warrant revised estimates of asset value or useful lives. The Company annually assesses the recoverability of the excess of cost over net assets acquired by determining whether the amortization of the asset balance over its remaining life can be recovered through projected undiscounted future operating cash flows. Evaluation of asset value as well as periods of amortization are performed on a disaggregated basis at each of the Company's operating units.

COAL SUPPLY CONTRACTS
Coal supply contracts consist of contracts to supply coal to customers at certain negotiated prices over a period of time, which have been acquired from other coal companies, and are stated at cost at the time of acquisition, which approximates fair market value. The capitalized cost of such contracts is amortized over the term of the contract on the basis of tons of coal sold under the contract.

INCOME TAXES
Income taxes are accounted for in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes , which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

PNEUMOCONIOSIS (BLACK LUNG) EXPENSE
The Company acts as self-insurer with respect to almost all black lung benefits. Provision is made for estimated benefits in accordance with annual actuarial reports prepared by outside actuaries. The excess of the present value of expected future benefits over the accumulated book reserves is recognized over the amortization period as a level percentage of payroll. Cumulative actuarial

gains or losses are calculated periodically and amortized on a straight-line basis. Assumptions used in the calculation of the actuarial present value of black lung benefits are based on actual retirement experience of the Company's coal employees, black lung claims incidence for active miners, actual dependent information, industry turnover rates, actual medical and legal cost experience and projected inflation rates. As of December 31, 1995 and 1994, the accrued value of estimated future black lung benefits discounted at 6% was approximately $60,500 and $62,824, respectively, and are included in workers' compensation and other claims. Based on actuarial data, the Company charged (credited) to operations ($1,402) in 1995, $201 in 1994 and $438 in 1993. In addition, the Company accrued additional expenses for black lung benefits related to federal and state assessments, legal and administration expenses and other self insurance costs. These amounted to $2,569 in 1995, $2,472 in 1994 and $2,887 in 1993.

RECLAMATION COSTS

Expenditures relating to environmental regulatory requirements and reclamation costs undertaken during mine operations are charged against earnings as incurred. Estimated site restoration and post closure reclamation costs are charged against earnings using the units of production method over the expected economic life of each mine. Accrued reclamation costs are subject to review by management on a regular basis and are revised when appropriate for changes in future estimated costs and/or regulatory requirements.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

Postretirement benefits other than pensions are accounted for in accordance with Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", which requires employers to accrue the cost of such retirement benefits during the employees' service with the Company.

FOREIGN CURRENCY TRANSLATION

Assets and liabilities of foreign subsidiaries have been translated at current exchange rates, and related revenues and expenses have been translated at average rates of exchange in effect during the year. Resulting cumulative translation adjustments have been recorded as a separate component of shareholders' equity. Translation adjustments relating to subsidiaries in countries with highly inflationary economies are included in net income, along with all transaction gains and losses for the period.

A portion of the Company's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Because the financial results of the Company are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. However, the Company's international activity is not concentrated in any single currency, which reduces the risks of foreign currency rate fluctuations.

FINANCIAL INSTRUMENTS

The Company uses foreign currency forward contracts to hedge risk of changes in foreign currency rates associated with certain transactions denominated in various currencies. Realized and unrealized gains and losses on these contracts, designated and effective as hedges, are deferred and recognized as part of the specific transaction hedged.

The Company also utilizes other financial instruments to protect against adverse price movements in gold, which the Company produces, and jet fuel products, which the Company consumes as well as interest rate changes on certain variable rate obligations. Gains and losses on these contracts, designated and effective as hedges, are deferred and recognized as part of the transaction hedged.

REVENUE RECOGNITION

Coal--Coal sales are generally recognized when coal is loaded onto transportation vehicles for shipment to customers. For domestic sales, this generally occurs when coal is loaded onto railcars at mine locations. For export sales, this generally occurs when coal is loaded onto marine vessels at terminal facilities.

Mineral Ventures-- Gold sales are recognized when products are shipped to a refinery. Settlement adjustments arising from final determination of weights and assays are reflected in sales when received.

Burlington-- Revenues related to transportation services are recognized, together with related transportation costs, on the date shipments physically depart from facilities en route to destination locations. Financial statements resulting from existing recognition policies do not materially differ from the allocation of revenue between reporting periods based on relative transit times in each reporting period with expenses recognized as incurred.

Brink's-- Revenues are recognized when services are performed.

BHS-- Monitoring revenues are recognized when earned and amounts paid in advance are deferred and recognized as income over the applicable monitoring period, which is generally one year or less. Revenues from the sale of equipment are recognized, together with related costs, upon completion of the installation. Connection fee revenues are recognized to the extent of direct selling costs incurred and expensed. Connection fee revenues in excess of direct selling costs are deferred and recognized as income on a straight-line basis over ten years.

NET INCOME PER COMMON SHARE

Net income per common share for Brink's Stock and Burlington Stock is computed by dividing the net income for each Group by the weighted average number of shares outstanding during the period. The potential dilution from the exercise of stock options is not material. The assumed conversion of the 9.2% convertible subordinated debentures in 1993 was not included since its effect was antidilutive.

The computation of primary earnings per share for Minerals Stock is based on the weighted average number of outstanding common shares divided into net income for the Minerals Group less preferred stock dividends. The computation of fully diluted earnings per common share for Minerals Stock assumes the conversion of the $31.25 Series C Cumulative Preferred Stock (issued in 1994) and additional shares assuming the exercise of stock options (antidilutive in the primary calculation) divided into net income for the Minerals Group. For 1994 and 1993, the loss per share, assuming full dilution, is considered to be the same as primary since the effect of common stock equivalents and the preferred stock conversion would be antidilutive.

The shares of Brink's Stock, Burlington Stock and Minerals Stock held in The Pittston Company Employee Benefits Trust (Note 9) are evaluated for inclusion in the calculations of net income per common share under the treasury stock method and had no dilutive effect.

USE OF ESTIMATES

In accordance with generally accepted accounting principles, management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

PENDING ACCOUNTING CHANGES

The Company is required to implement a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of", in 1996. SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 121 requires companies to utilize a two-step approach to determining whether impairment of such assets has occurred and, if so, the amount of such impairment. Although the Company is still reviewing the impact of adopting SFAS No. 121, it is estimated that the Company's Coal operations will incur a pretax charge to earnings of $25,000 to $30,000 as of January 1, 1996.

The Company is required to implement a new accounting standard, SFAS No. 123, "Accounting for Stock Based Compensation", in 1996. SFAS No. 123 establishes financial accounting and reporting standards for stock-based employee compensation plans. Although SFAS No. 123 encourages adoption of a fair value based method of accounting for all employee stock compensation plans, it allows entities to continue to measure compensation cost for those plans using the intrinsic value based method of accounting prescribed by

Accounting Principles Board Opinion ("APB") No. 25, "Accounting for Stock Issued to Employees" with disclosure of net income and earnings per share as if the fair value based method of accounting is applied. The Company expects to continue to account for its stock compensation plans according to APB No. 25 with the disclosure of the impact on net income and earnings per share as if the fair value based method of accounting is applied.

2. FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, short-term investments and trade receivables. The Company places its cash and cash equivalents and short-term investments with high credit qualified financial institutions and, by policy, limits the amount of credit exposure to any one financial institution. Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Company's customer base, and their dispersion across many different industries and geographic areas.

The following details the fair values of financial instruments for which it is practicable to estimate the value:

CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

The carrying amounts approximate fair value because of the short maturity of these instruments.

DEBT

The aggregate fair value of the Company's long-term debt obligations, which is based upon quoted market prices and rates currently available to the Company for debt with similar terms and maturities, approximates the carrying amount.

OFF-BALANCE SHEET INSTRUMENTS

The Company enters into various off-balance sheet financial instruments, as discussed below, to hedge its foreign currency and other market exposures. The risk that counterparties to such instruments may be unable to perform is minimized by limiting the counterparties to major financial institutions. The Company does not expect any losses due to such counterparty default.

Foreign currency forward contracts -- The Company enters into foreign currency forward contracts with a duration of up to 360 days as a hedge against liabilities denominated in various currencies. These contracts do not subject the Company to risk due to exchange rate movements because gains and losses on these contracts offset losses and gains on the liabilities being hedged. At December 31, 1995, the total notional value of foreign currency forward

contracts outstanding was $10,536. As of such date, the fair value of foreign currency forward contracts was not significant.

Gold contracts --In order to protect itself against downward movements in gold prices, the Company hedges a portion of its recoverable proved and probable reserves primarily through forward sales contracts. At December 31, 1995, 51,865 ounces of gold, representing approximately 25% of the Company's recoverable proved and probable reserves, were sold forward under forward sales contracts that mature periodically through mid-1998, with a total notional value of $22,947. Because only a portion of its future production is currently sold forward, the Company can take advantage of increases, if any, in the spot price of gold. At December 31, 1995, the fair value of the Company's forward sales contracts amounted to $1,336.

Fuel contracts--The Company has hedged a portion of its jet fuel requirements through a swap contract. At December 31, 1995, the notional value of the jet fuel swap, aggregating 11.2 million gallons, through mid-1996, was $5,767. In addition, the Company has entered into several commodity options transactions that are intended to protect against significant increases in jet fuel prices. These transactions, aggregate 10.8 million gallons with a notional value of $6,480 and are applicable throughout the first half of 1996. The Company has also entered into a collar transaction, applicable to 6.0 million gallons that provides for a minimum and maximum per gallon price. This transaction is settled monthly based upon the average of the high and low prices during each period.

The fair value of these fuel hedge transactions may fluctuate over the course of the contract period due to changes in the supply and demand for oil and refined products. Thus, the economic gain or loss, if any, upon settlement of the contracts may differ from the fair value of the contracts at an interim date. At December 31, 1995, the fair value of these contracts was not significant.

Interest rate contracts--In connection with the aircraft leasing by Burlington, the Company has entered into an interest rate swap agreement. This variable to fixed interest rate swap agreement had a notional value of $30,000 and fixes the Company's interest rate at 7.05% through January 2, 1998. Given the decline in the base variable rate subsequent to when the agreement was entered into, the cost to the Company to terminate the agreement, would have been $1,195 on December 31, 1995.

As further discussed in Note 7, in 1994 and 1995, the Company entered into variable to fixed interest rate swap agreements with a notional amount at December 31, 1995 aggregating $55,000. At December 31, 1995, the fair value of these contracts was not significant.

3. ACCOUNTS RECEIVABLE TRADE

For each of the years in the three-year period ended December 31, 1995, the Company maintained agreements with financial institutions whereby it had the right to sell certain coal receivables to those institutions. Certain agreements contained provisions for sales with recourse and other agreements had limited recourse. In 1995 and 1993 total coal receivables of approximately $25,092 and $16,143, respectively, were sold under such agreements. No receivables were sold in 1994. As of December 31, 1995 receivables sold which remained to be collected totaled $5,222.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, at cost consists of the following:

	December 31	
	1995	1994
Bituminous coal lands	$109,400	102,392
Land, other than coal lands	27,605	29,914
Buildings	98,441	77,287
Machinery and equipment	688,068	630,901
Total	$923,514	840,494

The estimated useful lives for property, plant and equipment are as follows:

	Years
Buildings	10 to 40
Machinery and equipment	2 to 30

Depreciation and depletion of property, plant and equipment aggregated $80,087 in 1995, $74,270 in 1994 and $63,953 in 1993.

Capitalized mine development costs totaled $10,118 in 1995, $11,908 in 1994 and $2,181 in 1993.

Changes in capitalized subscriber installation costs for home security systems were as follows:

	Year Ended December 31		
	1995	1994	1993
Capitalized subscriber installation costs-- beginning of year	$81,445	65,785	54,668
Capitalized cost of security system installations	44,488	32,309	23,972
Depreciation, including amounts recognized to fully depreciate capitalized costs for installations disconnected during the year	(20,597)	(16,649)	(12,855)
Capitalized subscriber installation costs-- end of year	$105,336	81,445	65,785

New subscribers were 82,600 in 1995, 75,200 in 1994 and 59,700 in 1993.

As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security system installations. This change in accounting principle is preferable because it more accurately reflects subscriber installation costs. The additional costs not previously capitalized consisted of costs for installation labor and related benefits for supervisory, installation scheduling, equipment testing and other support personnel (in the amount of $3,122 in 1995, $2,645 in 1994 and $2,567 in 1993) and costs incurred in maintaining facilities and vehicles dedicated to the installation process (in the amount of $2,074 in 1995, $1,492 in 1994 and $1,484 in 1993). The effect of this change in accounting principle was to increase operating profit of the consolidated group and the BHS segment in 1995, 1994 and 1993 by $5,196, $4,137 and $4,051, respectively, and net income of the Company and the Brink's Group in 1995, 1994 and 1993 by $3,123, $2,486 and $2,435, respectively, or by $0.08 per share in 1995 and $0.07 per share in 1994 and 1993. Prior to January 1, 1992, the records needed to identify such costs were not available. Thus, it was impossible to accurately calculate the effect on retained earnings as of January 1, 1992. However, the Company believes the effect on retained earnings as of January 1, 1992, was immaterial.

Because capitalized subscriber installation costs for prior periods were not adjusted for the change in accounting principle, installation costs for subscribers in those years will continue to be depreciated based on the lesser amounts capitalized in prior periods. Consequently, depreciation of capitalized subscriber installation costs in the current year and until such capitalized costs prior to January 1, 1992, are fully depreciated will be less than if such prior periods' capitalized costs had been adjusted for the change in accounting. However, the Company believes the effect on net income in 1995, 1994 and 1993 was immaterial.

5. INTANGIBLES

Intangibles consist entirely of the excess of cost over fair value of net assets of companies acquired and are net of accumulated amortization of $86,420 at December 31, 1995 and $75,649 at December 31, 1994. The estimated useful life of intangibles is generally forty years. Amortization of intangibles aggregated $10,352 in 1995, $9,686 in 1994 and $7,126 in 1993.

6. INCOME TAXES

The provision (credit) for income taxes consists of the following:

	U.S. Federal	Foreign	State	Total
1995:				
Current	$ 10,717	6,039	4,493	21,249
Deferred	13,797	(1,866)	(816)	11,115
Total	$ 24,514	4,173	3,677	32,364
1994:				
Current	$ 7,563	5,956	5,686	19,205
Deferred	(20,238)	2,696	(235)	(17,777)
Total	$(12,675)	8,652	5,451	1,428
1993:				
Current	$ 16,385	9,705	3,353	29,443
Deferred	(20,719)	(7,939)	(777)	(29,435)
Total	$ (4,334)	1,766	2,576	8

The significant components of the deferred tax expense (benefit) were as follows:

	1995	1994	1993
Deferred tax expense (benefit),exclusive of the components listed below	$16,376	(16,869)	(33,157)
Net operating loss carryforwards	(2,911)	(393)	1,793
Alternative minimum tax credits	(2,603)	1,147	4,826
Change in the valuation allowance for deferred tax assets	253	(1,662)	(1,397)
Adjustment to deferred tax assets and liabilities for the change in the U.S. federal tax rate	--	--	(1,500)
Total	$11,115	(17,777)	(29,435)

The tax benefit for compensation expense related to the exercise of certain employee stock options for tax purposes in excess of compensation expense for financial reporting purposes is recognized as an adjustment to shareholders' equity.

The components of the net deferred tax asset as of December 31, 1995 and December 31, 1994 were as follows:

	1995	1994
Deferred tax assets:		
Accounts receivable	$ 5,344	5,522
Postretirement benefits other than pensions	95,777	94,430
Workers' compensation and other claims	56,694	58,285
Other liabilities and reserves	104,226	104,382
Miscellaneous	11,162	9,975
Net operating loss carryforwards	11,603	8,692
Alternative minimum tax credits	33,793	30,884
Valuation allowance	(8,446)	(8,193)
Total deferred tax asset	310,153	303,977
Deferred tax liabilities:		
Property, plant and equipment	52,598	55,095
Pension assets	48,669	47,159
Other assets	12,934	4,217
Investments in foreign affiliates	11,478	11,965
Miscellaneous	74,009	64,513
Total deferred tax liability	199,688	182,949
Net deferred tax asset	$110,465	121,028

The valuation allowance relates to deferred tax assets in certain foreign and state jurisdictions.

Based on the Company's historical and expected taxable earnings, management believes it is more likely than not that the Company will realize the benefit of the existing deferred tax asset at December 31, 1995.

The following table accounts for the difference between the actual tax provision and the amounts obtained by applying the statutory U.S. federal income tax rate of 35% in 1995, 1994 and 1993 to the income (loss) before income taxes.

	Year Ended December 31		
	1995	1994	1993
Income (loss) before income taxes:			
United States	$ 97,989	(16,517)	(7,329)
Foreign	32,347	44,842	21,483
Total	$ 130,336	28,325	14,154
Tax provision computed at statutory rate	$ 45,618	9,914	4,954
Increases (reductions) in taxes due to:			
Percentage depletion	(9,861)	(9,313)	(7,598)
State income taxes (net of federal tax benefit)	1,664	5,043	1,924
Goodwill amortization	2,825	2,437	3,055
Difference between total taxes on foreign income and the U.S. federal statutory rate	(6,261)	(6,111)	(118)
Change in the valuation allowance for deferred tax assets	253	(1,662)	(1,397)
Adjustment to deferred tax assets and liabilities for the change in the U.S. federal tax rate	--	--	(1,500)
Miscellaneous	(1,874)	1,120	688
Actual tax provision	$ 32,364	1,428	8

It is the policy of the Company to accrue deferred income taxes on temporary differences related to the financial statement carrying amounts and tax bases of investments in foreign subsidiaries and affiliates which are expected to reverse in the foreseeable future. As of December 31, 1995 and December 31, 1994 the unrecognized deferred tax liability for temporary differences of approximately $38,871 and $56,697, respectively, related to investments in foreign subsidiaries and affiliates that are essentially permanent in nature and not expected to reverse in the foreseeable future was approximately $13,605 and $19,844, respectively.

The Company and its domestic subsidiaries file a consolidated U.S. federal income tax return.

As of December 31, 1995, the Company had $33,793 of alternative minimum tax credits available to offset future U.S. federal income taxes and, under current tax law, the carryforward period for such credits is unlimited.

The tax benefit of net operating loss carryforwards as at December 31, 1995 was $11,603 and related to various state and foreign taxing jurisdictions. The expiration periods primarily range from 5 to 15 years.

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7. LONG-TERM DEBT

Consists of the following:

	As of December 31 1995	1994
Senior obligations:		
U.S. dollar term loan due 2000 (year-end rate 6.56% in 1995 and 6.48% in 1994)	$100,000	100,000
Revolving credit notes due 2000 (5.75% in 1994)	--	9,400
U.S. dollar term loan due 1996 to 1997 (6.44% in 1995 and 6.50% in 1994)	1,582	3,451
Canadian dollar term loan due 1999 (7.50% in 1995 and 6.19% in 1994)	2,932	2,852
All other	10,335	2,562
	114,849	118,265
Subordinated obligations:		
4% subordinated debentures due 1997	14,348	14,648
Obligations under capital leases (average rates 10.10% in 1995 and 9.08% in 1994)	4,086	5,158
Total long-term debt, less current maturities	$133,283	138,071

For the four years through December 31, 2000, minimum repayments of long-term debt outstanding are as follows:

1997	$19,846
1998	6,049
1999	2,094
2000	101,161

In March 1994, the Company entered into a $350,000 credit agreement with a syndicate of banks (the "Facility"). The Facility included a $100,000 five-year term loan, which originally matured in March 1999. The Facility also permitted additional borrowings, repayments and reborrowings of up to an aggregate of $250,000 initially until March 1999. In March 1995, the Facility was amended to extend the maturity of the term loan to May 2000 and to permit the additional borrowings, repayments and reborrowings until May 2000. Interest on borrowings under the Facility is payable at rates based on prime, certificate of deposit, Eurodollar or money market rates.

In 1994, the Company entered into a standard three year variable to fixed interest rate swap agreement on a portion of the Company's U.S. dollar term loan. This agreement fixed the Company's interest rate at 5% on initial borrowings of $40,000 in principal. The principal amount to which the 5% interest rate applies declines periodically throughout the term of the agreement, and at December 31, 1995, this rate applied to borrowings of $25,000 in principal. In addition, during 1995, the Company entered into two other variable to fixed interest rate swap agreements. One agreement fixes the Company's interest rate at 5.80% on $20,000 in principal for a term of three years. The other agreement fixes the Company's interest rate at 5.66% for a term of 21 months on $10,000 in principal, which increases to $20,000 during the term.

The U.S. dollar term loan due 1996 to 1997 bears interest based on the Eurodollar rate.

The Canadian dollar term loan to a wholly-owned indirect subsidiary of Burlington bears interest based on Canadian prime or Bankers' Acceptance rates or, if converted to a U.S. dollar loan, based on Eurodollar or Federal Funds rates. The loan is guaranteed by the Company.

The 4% subordinated debentures due July 1, 1997, are exchangeable only for cash, at the rate of $157.80 per $1,000 debenture. The debentures are redeemable at the Company's option, in whole or in part, at any time prior to maturity, at redemption prices equal to 100% of principal amount. In 1995, the Company redeemed $300 in principal of its 4% subordinated debentures.

On April 15, 1994, the Company redeemed all of the 9.2% convertible subordinated debentures due July 1, 2004, at a premium of $767. The premium has been included in the 1994 Consolidated Statement of Operations in "Other income (expense), net".

Various international subsidiaries maintain lines of credit and overdraft facilities aggregating approximately $110,000 with a number of banks on either a secured or unsecured basis.

Under the terms of some of its debt instruments, the Company has agreed to various restrictions relating to the payment of dividends, the repurchase of capital stock, the maintenance of consolidated net worth, and the amount of additional funded debt which may be incurred. Allowable restricted payments for dividends and stock repurchases aggregated $251,915 at December 31, 1995. Under the terms of the Facility, the Company has agreed to maintain at least $300,000 of Consolidated Net Worth, as defined, and can incur additional indebtedness of approximately $450,000.

At December 31, 1995, the Company had outstanding unsecured letters of credit totaling $87,980 primarily supporting the Company's obligations under its various self-insurance programs.

8. STOCK OPTIONS

The Company grants options under its 1988 Stock Option Plan (the "1988 Plan") to executives and key employees and under its Non-Employee Directors' Stock Option Plan (the "Non-Employee Plan") to outside directors to purchase common stock at a price not less than 100% of quoted market value at date of grant. As part of the Services Stock Proposal (Note 9), the 1988 and Non-Employee Plans were amended to permit option grants to be made to optionees with respect to either Services Stock or Minerals Stock, or both.

The Company's 1979 Stock Option Plan (the 1979 Plan") and 1985 Stock Option Plan (the "1985 Plan") terminated in 1985 and 1988, respectively, except as to options still outstanding.

Upon approval of the Services Stock Proposal in 1993 a total of 2,228,225 shares of common stock were subject to options outstanding under the 1988 Plan, the Non-Employee Plan, the 1979 Plan and the 1985 Plan. Pursuant to antidilution provisions in the option agreements covering such options, the Company converted these options into options for shares of Services Stock or Minerals Stock, or both, depending primarily on the employment status and responsibilities of the particular optionee. In the case of optionees having Company-wide responsibilities, each outstanding option was converted into options for both Services Stock and Minerals Stock. In the case of other optionees, each outstanding option was converted into a new option for only Services Stock or Minerals Stock, as the case may be. As a result, 2,167,247 shares of Services Stock and 507,698 shares of Minerals Stock were subject to options outstanding as of the effective date of the Services Stock Proposal.

The table below summarizes the activity in all plans.

	No. of Shares	Aggregate Option Price
THE PITTSTON COMPANY COMMON STOCK OPTIONS:		
Granted:		
1993	17,500	$ 294
Became exercisable:		
1993	468,250	7,749
Exercised:		
1993	377,191	5,379
PITTSTON SERVICES GROUP COMMON STOCK OPTIONS:		
Outstanding:		
12/31/95	2,398,422	50,528
12/31/94	1,990,197	38,401
Granted:		
1995	586,500	14,595
1994	73,000	2,018
Became exercisable:		
1995	337,063	6,790
1994	421,030	7,593
Exercised:		
1995	170,982	2,289
1994	421,302	5,567
PITTSTON MINERALS GROUP COMMON STOCK OPTIONS:		
Outstanding:		
12/31/95	597,797	9,359
12/31/94	507,323	9,571
Granted:		
1995	258,300	2,665
1994	23,000	431
Became exercisable:		
1995	53,617	1,160
1994	108,259	1,978
Exercised:		
1995	95,129	1,203
1994	128,667	1,765

At December 31, 1995, a total of 1,285,931 shares of Services Stock and 214,163 shares of Minerals Stock were exercisable. In addition, there were 3,463,094

shares of Services Stock and 629,279 shares of Minerals Stock reserved for issuance under the plans, including 1,064,672 shares of Services Stock and 31,482 shares of Minerals Stock reserved for future grant.

As part of the Brink's Stock Proposal (Note 9), the 1988 and Non-Employee Plans were amended to permit option grants to be made to optionees with respect to Brink's Stock or Burlington Stock in addition to Minerals Stock. Upon approval of the Brink's Stock Proposal, a total of 2,383,422 shares of Services Stock were subject to options outstanding under the 1988 Plan, the Non-Employee Plan, the 1979 Plan and the 1985 Plan. Pursuant to antidilution provisions in the option agreements covering such plans, the Company converted these options into options for shares of Brink's Stock or Burlington Stock, or both, depending on the employment status and responsibilities of the particular optionee. In the case of optionees having Company-wide responsibilities, each outstanding Services Stock option was converted into options for both Brink's Stock and Burlington Stock. In the case of other optionees, each outstanding option was converted into a new option only for Brink's Stock or Burlington Stock, as the case may be. As a result, upon approval of the Brink's Stock Proposal, 1,749,822 shares of Brink's Stock and 1,989,466 shares of Burlington Stock were subject to options.

9. CAPITAL STOCK

On July 26, 1993, the shareholders of the Company approved the Services Stock Proposal, as described in the Company's proxy statement dated June 24, 1993, resulting in the reclassification of the Company's common stock. The outstanding shares of Company common stock were redesignated as Services Stock on a share-for-share basis and a second class of common stock, designated as Minerals Stock, was distributed on the basis of one-fifth of one share of Minerals Stock for each share of the Company's previous common stock held by shareholders of record on July 26, 1993.

On January 18, 1996, the shareholders of Company approved the Brink's Stock Proposal, as described in the Company's proxy statement dated December 15, 1995, resulting in the modification, effective as of January 19, 1996, of the capital structure of the Company to include an additional class of common stock. The outstanding shares of Services Stock were redesignated as Brink's Stock on a share-for-share basis, and a new class of common stock, designated as Burlington Stock, was distributed on the basis of one-half share of Burlington Stock for each share of Services Stock previously held by shareholders of record on January 19, 1996. Minerals Stock, Brink's Stock and Burlington Stock are designed to provide shareholders with separate securities reflecting the performance of the Minerals Group, Brink's Group and the Burlington Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any Group.

The Company, at any time, has the right to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Burlington Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock.

The Company, at any time, has the right to exchange each outstanding share of Minerals Stock, which was previously subject to exchange for shares of Services Stock, for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Minerals Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Minerals Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. If any shares of the Company's Preferred Stock are converted after an exchange of Minerals Stock for Brink's Stock (or Burlington Stock), the holder of such Preferred Stock would, upon conversion, receive shares of Brink's Stock (or Burlington Stock) in lieu of shares of Minerals Stock otherwise issuable upon such conversion.

Holders of Brink's Stock at all times have one vote per share. Holders of Burlington Stock and Minerals Stock have one and 0.626 votes per share, respectively, subject to adjustment on January 1, 1998, and on each January 1 every two years thereafter in such a manner so that each class' share of the aggregate voting power at such time will be equal to that class' share of the aggregate market capitalization of the Company's common stock at such time. Accordingly, on each adjustment date, each share of Burlington Stock and Minerals Stock may have more than, less than or continue to have the number of votes per share as they have. Holders of Brink's Stock, Burlington Stock and Minerals Stock vote together as a single voting group on all matters as to which all common shareholders are entitled to vote. In addition, as prescribed by Virginia law, certain amendments to the Articles of Incorporation affecting, among other things, the designation, rights, preferences or limitations of one class of common stock, or certain mergers or statutory share exchanges, must be approved by the holders of such class of common stock, voting as a group, and, in certain circumstances, may also have to be approved by the holders of the other classes of common stock, voting as separate voting groups.

In the event of a dissolution, liquidation or winding up of the Company, the holders of Brink's Stock, Burlington Stock and Minerals Stock, effective January 19, 1996, share on a per share basis an aggregate amount equal to 55%, 28% and 17%, respectively, of the funds, if any, remaining for distribution to the common shareholders. In the case of Minerals Stock, such percentage has been set, using a nominal number of shares of Minerals Stock of 4,202,954 (the "Nominal Shares") in excess of the actual number of shares of Minerals Stock outstanding, to ensure that the holders of Minerals Stock are entitled to the same share of any such funds immediately following the consummation of the transactions as they were prior thereto. These liquidation percentages are subject to adjustment in proportion to the relative change in the total number of shares of Brink's Stock, Burlington Stock and Minerals Stock, as the case may be, then outstanding to the total number of shares of all other classes of common stock then outstanding (which totals, in the case of Minerals Stock, shall include the Nominal Shares).

In 1993, the Board of Directors (the "Board") authorized the repurchase of up to 1,250,000 shares of Services Stock and 250,000 shares of Minerals Stock from time to time in the open market or in private transactions, as conditions warrant, not to exceed an aggregate purchase price of $43,000. In November 1995, the Board authorized an increase in the remaining purchase authority for Minerals Stock to 1,000,000 shares and the purchase, subject to shareholder approval of the Brink's Stock Proposal, of up to 1,500,000 shares of Brink's Stock and up to 1,500,000 shares of Burlington Stock, not to exceed an aggregate purchases price of $45,000 for all common shares of the Company. Prior to this increased authorization, 117,300 shares of Minerals Stock at an aggregate cost of $1,720 were repurchased, of which 78,800 shares at a total cost of $912 were purchased in 1995, 19,700 shares at a total cost of $401 were purchased in 1994 and 18,800 shares at a total cost of $407 were purchased in 1993. Under the share repurchase program in effect prior to the revised program, 401,900 shares of Services Stock at an aggregate cost of $9,624 were repurchased, of which 145,800 shares at a total cost of $3,436 were purchased in 1995 and 256,100 shares at a total cost of $6,188 were purchased in 1994. No additional repurchases were made during the remainder of 1995 subsequent to the implementation of the revised program. The program to acquire shares in the open market remains in effect in 1996.

The Company has authority to issue up to 2,000,000 shares of preferred stock, par value $10 per share. In January 1994, the Company issued 161,000 shares of its $31.25 Series C Cumulative Convertible Preferred Stock, par value $10 per share (the "Convertible Preferred Stock"). The Convertible Preferred Stock pays an annual cumulative dividend of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefore, when, as and if declared by

the Board of Directors of the Company, and bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon. Each share of the Convertible Preferred Stock is convertible at the option of the holder at any time, unless previously redeemed or, under certain circumstances, called for redemption, into shares of Minerals Stock at a conversion price of $32.175 per share of Minerals Stock, subject to adjustment in certain circumstances. Except under certain circumstances, the Convertible Preferred Stock is not redeemable prior to February 1, 1997. On and after such date, the Company may at its option, redeem the Convertible Preferred Stock, in whole or in part, for cash initially at a price of $521.875 per share, and thereafter at prices declining ratably annually on each February 1 to an amount equal to $500.00 per share on and after February 1, 2004, plus in each case an amount equal to accrued and unpaid dividends on the date of redemption. Except under certain circumstances or as prescribed by Virginia law, shares of the Convertible Preferred Stock are nonvoting. The voting rights of the Preferred Stock were not affected by the Brink's Stock Proposal. Other than the Convertible Preferred Stock, no shares of preferred stock are presently issued or outstanding.

In 1994, the Board authorized the repurchase from time to time of up to $15,000 of Convertible Preferred Stock. In November 1995, the Board authorized an increase in the remaining authority to $15,000. Prior to the increased authorization, 24,720 shares at a total cost of $9,624 had been repurchased, of which 16,370 shares at a total cost of $6,258 were purchased in 1995. No additional share repurchases were made during the remainder of 1995 subsequent to the increased authorization. The program to acquire shares remains in effect in 1996.

Dividends paid on the Company's Convertible Preferred Stock commenced on March 1, 1994. In 1995 and 1994, dividends paid on such stock amounted to $4,397 and $4,230, respectively. Preferred dividends included on the Company's Statements of Operations for the years ended December 31, 1995 and 1994, are net of $1,593 and $632, respectively, which was the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to holders of the stock for repurchases made during the year.

Under a Shareholder Rights Plan adopted by the Company's Board of Directors in 1987 and amended in December 1988, rights to purchase a new Series A Participating Cumulative Preferred Stock (the "Series A Preferred Stock") of the Company were distributed as a dividend at the rate of one right for each share of the Company's common stock. Pursuant to both the Services Stock Proposal and the Brink's Stock Proposal, the Shareholders Rights Plan was amended and restated to reflect the change in the capital structure of the Company. Upon approval of the Services Stock Proposal, each existing right was

amended to become a Pittston Services Group right (a "Services Right") and holders of Minerals Stock received one Pittston Minerals Group right (a "Minerals Right") for each outstanding share of Minerals Stock. Upon approval of the Brink's Stock Proposal, each existing Services Right was amended to become a Pittston Brink's Group Right (a "Brink's Right") and each holder of Burlington Stock received one Pittston Burlington Group Right (a Burlington Right") for each outstanding share of Burlington Stock. Each Brink's Right, if and when it becomes exercisable, will entitle the holder to purchase one-thousandth of a share of Series A Preferred Stock at a purchase price of $26.67, subject to adjustment. Each Burlington Right, if and when it becomes exercisable, will entitle the holder to purchase one-thousandth of a share of Series D Preferred Stock at a purchase price of $26.67, subject to adjustment. Each Minerals Right, if and when it becomes exercisable, will entitle the holder to purchase one-thousandth of a share of Series B Participating Cumulative Preferred Stock (the "Series B Preferred Stock") at a purchase price of $40, subject to adjustment. Each fractional share of Series A Preferred Stock and Series B Preferred Stock will be entitled to participate in dividends and to vote on an equivalent basis with one whole share of Brink's Stock, Burlington Stock and Minerals Stock, respectively. Each right will not be exercisable until ten days after a third party acquires 20% or more of the total voting rights of all outstanding Brink's Stock, Burlington Stock and Minerals Stock or ten days after commencement of a tender offer or exchange offer by a third party for 30% or more of the total voting rights of all outstanding Brink's Stock, Burlington Stock and Minerals Stock. If after the rights become exercisable, the Company is acquired in a merger or other business combination, each right will entitle the holder to purchase, for the purchase price, common stock of the surviving or acquiring company having a market value of twice the purchase price. In the event a third party acquires 30% or more of all outstanding Brink's Stock, Burlington Stock and Minerals Stock or engages in one or more "self dealing" transactions with the Company, the rights will entitle each holder to purchase, at the purchase price, that number of fractional shares of Series A Preferred Stock, Series D Preferred Stock and Series B Preferred Stock equivalent to the number of shares of common stock which at the time of the triggering event would have a market value of twice the purchase price. The rights may be redeemed by the Company at a price of $0.01 per right and expire on September 25, 1997.

The Company's Articles of Incorporation limits dividends on Minerals Stock to the lesser of (i) all funds of the Company legally available therefore (as prescribed by Virginia law) and (ii) the Available Minerals Dividend Amount (as defined in the Articles of Incorporation). At December 31, 1995, the Available Minerals Dividend Amount was at least $24,870. Dividends on Minerals Stock are also restricted by covenants in the Company's public indentures and bank credit agreements (Note 7).

In December 1992, the Company formed The Pittston Company Employee Benefits Trust (the "Trust") to hold shares of its common stock to fund obligations under certain employee benefit programs. Upon formation of the Trust, the Company sold for a promissory note of the Trust, 4,000,000 new shares of its common stock to the Trust at a price equal to the fair value of the stock on the date of sale. Upon approval of the Brink's Stock Proposal, 3,537,811 shares in the Trust were redesignated as Brink's Stock and 1,768,906 shares of Burlington Stock were distributed to the Trust. At December 31, 1995, 3,552,906 shares of Brink's Stock (3,778,565 in 1994), 1,776,453 shares of Burlington Stock (1,889,283 in 1994) and 594,461 shares of Minerals Stock (723,218 in 1994) remained in the Trust, valued at market. These shares will be voted by the trustee in the same proportion as those voted by the Company's employees participating in the Company's Savings Investment Plan. The fair market value of the shares is included in each issue of common stock and capital in excess of par and, in total, as a reduction to common shareholders' equity in the Company's consolidated balance sheet.

10. ACQUISITIONS

During 1995, the Company acquired two small businesses, increased its investment in an equity affiliate to a controlling interest and completed the integration of its investments in certain businesses acquired on December 31, 1994, for an aggregate purchase price of $2,157, including debt of $200. The acquisitions have been accounted for as purchases; accordingly, the purchase price was allocated to the underlying assets and liabilities based on their respective estimated fair value at the date of acquisition. The fair value of the assets acquired was $17,217 and liabilities assumed was $20,421. The excess of the purchase price over the fair value of assets acquired and liabilities assumed was $5,361 and is being amortized over a period of forty years. In addition, during 1995, the Company made cash payments of $1,415 in the aggregate for installment and contingency payments for acquisitions made in prior years.

During 1994, a wholly owned indirect subsidiary of the Company completed the acquisition of substantially all of the coal mining operations and coal sales contracts of Addington Resources, Inc. for $157,324. The acquisition has been accounted for as a purchase; accordingly, the purchase price has been allocated to the underlying assets and liabilities based on their respective estimated fair value at the date of acquisition. The fair value of assets acquired was $173,959 and liabilities assumed was $138,518. The excess of the purchase price over the fair value of assets acquired and liabilities assumed was $121,883 and is being amortized over a period of forty years.

The acquisition was financed by the issuance of $80,500 of Convertible Preferred Stock (Note 9) and additional borrowing under existing credit facilities. In March 1994, the additional debt incurred for this acquisition was refinanced with a portion of the proceeds from the five-year term loan (Note 7).

In addition, during 1994, the Company acquired several small businesses and made a contingent payment related to an acquisition made in a prior year. Total consideration paid was $5,938.

During 1993, the Company acquired one small business and made installment and contingency payments related to other acquisitions made in prior years. The total consideration paid was $1,435. The acquisition in 1993 has been accounted for as a purchase and the purchase price was essentially equal to the fair value of net assets acquired.

The results of operations of the companies acquired in 1995, 1994 and 1993 have been included in the Company's results of operations from their date of acquisition.

11. COAL JOINT VENTURE

The Company, through a wholly owned indirect subsidiary, entered into a partnership agreement in 1982 with four other coal companies to construct and operate coal port facilities in Newport News, Virginia, in the Port of Hampton Roads (the "Facilities"). The Facilities commenced operations in 1984, and now have an annual throughput capacity of 22 million tons, with a ground storage capacity of approximately 2 million tons. The Company initially had an indirect 25% interest in the partnership, DTA. Initial financing of the Facilities was accomplished through the issuance of $135,000 principal amount of revenue bonds by the Peninsula Ports Authority of Virginia (the "Authority"), which is a political subdivision of the Commonwealth of Virginia. In 1987, the original revenue bonds were refinanced by the issuance of $132,800 of coal terminal revenue refunding bonds of which two series of these bonds in the aggregate principal amount of $33,200 were attributable to the Company. In 1990, the Company acquired an additional indirect 7 1/2% interest in the DTA partnership, increasing its ownership to 32 1/2%. With the increase in ownership, $9,960 of the remaining four additional series of the revenue refunding bonds of $99,600 became attributable to the Company. In November 1992, all bonds attributable to the Company were refinanced with the issuance of a new series of coal terminal revenue refunding bonds in the aggregate principal amount of $43,160. The new series of bonds bear a fixed interest rate of 7 3/8%. The Authority owns the Facilities and leases them to DTA for the life of the bonds, which mature on June 1, 2020. DTA may purchase the Facilities for $1 at the end of the lease term. The obligations of the partners are several, and not joint.

Under loan agreements with the Authority, DTA is obligated to make payments sufficient to provide for the timely payment of the principal of and interest on the bonds of the new series. Under a throughput and handling agreement, the Company has agreed to make payments to DTA that in the aggregate will provide DTA with sufficient funds to make the payments due under the loan agreements and to pay the Company's share of the operating costs of the Facilities. The Company has also unconditionally guaranteed the payment of the principal of and premium, if any, and the interest on the new series of bonds. Payments for operating costs aggregated $6,841 in 1995, $7,173 in 1994 and $7,949 in 1993. The Company has the right to use 32 1/2% of the throughput and storage capacity of the Facilities subject to user rights of third parties which pay the Company a fee. The Company pays throughput and storage charges based on actual usage at per ton rates determined by DTA.

12. LEASES

The Company and its subsidiaries lease aircraft, facilities, vehicles, computers and coal mining and other equipment under long-term operating leases with varying terms, and most of the leases contain renewal and/or purchase options. As of December 31, 1995, aggregate future minimum lease payments under noncancellable operating leases were as follows:

	Aircraft	Facilities	Equipment & Other	Total
1996	$27,585	35,345	29,325	92,255
1997	27,727	30,176	20,996	78,899
1998	11,559	24,866	13,793	50,218
1999	6,744	21,244	5,936	33,924
20000	--	18,154	2,656	20,810
2001	--	15,415	1,240	16,655
2002	--	12,216	622	12,838
2003	--	11,402	425	11,827
2004	--	10,885	4,138	15,023
2005	--	8,699	6	8,705
Later Years	--	57,118	6	57,124
Total	$73,615	245,520	79,143	398,278

These amounts are net of aggregate future minimum noncancellable sublease rentals of $466.

A wholly-owned subsidiary of the Company entered into a transaction covering various leases which provided for the replacement of four B707 aircraft with four DC8-71 aircraft and completed an evaluation of other fleet related costs. The net effect of this transaction, which was reflected in the 1993 financial statements, did not have a material impact on operating profit.

Rent expense amounted to $120,583 in 1995, $110,414 in 1994 and $91,439 in 1993 and is net of sublease rentals of $539, $800 and $862, respectively.

The Company incurred capital lease obligations of $2,948 in 1995, $3,152 in 1994 and $1,601 in 1993. In addition, in 1994 the Company assumed capital lease obligations of $16,210 as part of the acquisition of the coal operations of Addington Resources, Inc. (Note 10). As of December 31, 1995, the Company's obligations under capital leases were not significant.

13. EMPLOYEE BENEFIT PLANS

The Company and its subsidiaries maintain several noncontributory defined benefit pension plans covering substantially all nonunion employees who meet certain minimum requirements. Benefits of most of the plans are based on salary and years of service. The Company's policy is to fund the actuarially determined amounts necessary to provide assets sufficient to meet the benefits to be paid to plan participants in accordance with applicable regulations. The net pension expense (credit) for 1995, 1994 and 1993 for all plans is as follows:

	Year Ended December 31		
	1995	1994	1993
Accumulated postretirement benefits earned during year	$ 11,193	12,169	9,680
Interest cost on projected benefit obligation	21,429	19,781	19,098
Loss (return) on assets--actual	(77,368)	576	(46,089)
(Loss) return on assets--deferred	43,139	(33,601)	16,154
Other amortization, net	(803)	1,441	(440)
Net pension expense (credit)	$ (2,410)	366	(1,597)

The assumptions used in determining the net pension expense (credit) for the Company's major pension plan were as follows:

	1995	1994	1993
Interest cost on projected benefit obligation	8.75%	7.5%	9.0%
Expected long-term rate of return on assets	10.0%	10.0%	10.0%
Rate of increase in compensation levels	4.0%	4.0%	5.0%

The funded status and prepaid pension expense at December 31, 1995 and 1994 for all plans are as follows:

	1995	1994
Actuarial present value of accumulated benefit obligation:		
Vested	$ 263,992	198,510
Nonvested	14,644	12,652
	278,636	211,162
Benefits attributable to projected salaries	40,854	33,777
Projected benefit obligation	319,490	244,939
Plan assets at fair value	406,923	339,973
Excess of plan assets over projected benefit obligation	87,433	95,034
Unamortized initial net asset	(3,642)	(4,499)
Unrecognized experience loss	35,820	24,247
Unrecognized prior service cost	1,764	1,963
Net pension assets	121,375	116,745
Current pension liability	2,368	2,208
Deferred pension asset per balance sheet	$ 123,743	118,953

For the valuation of pension obligations and the calculation of the funded status, the discount rate was 7.5% in 1995 and 8.75% in 1994. The expected long-term rate of return on assets was 10% in both years. The rate of increase in compensation levels used was 4% in 1995 and 1994.

The unrecognized initial net asset at January 1, 1986 (January 1, 1989 for certain foreign pension plans), the date of adoption of Statement of Financial Accounting Standards No. 87, has been amortized over the estimated remaining average service life of the employees. As of December 31, 1995, approximately 69% of plan assets were invested in equity securities and 31% in fixed income securities.

Under the 1990 collective bargaining agreement with the United Mine Workers of America ("UMWA"), the Company has made payments, based on hours worked, into an escrow account established for the benefit of union employees (Note 17). The total amount accrued and escrowed by the Company's coal operations under this agreement as at December 31, 1995 and 1994, was $26,046 and $23,120, respectively. The amount escrowed and accrued is included in "Short-term investments" and "Miscellaneous accrued liabilities".

The Company and its subsidiaries also provide certain postretirement health care and life insurance benefits for eligible active and retired employees in the United States and Canada.

For the years 1995, 1994 and 1993, the components of periodic expense for these postretirement benefits were as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost--benefits earned during year	$ 1,720	2,446	2,695
Interest cost on accumulated postretirement benefit obligation	19,957	21,429	21,485
Amortization of (gains) losses	(15)	2,804	393
Total expense	$ 21,662	26,679	24,573

Interest costs on the accumulated postretirement benefit obligation were based upon rates of 8.75% in 1995, 7.5% in 1994 and 9% in 1993.

At December 31, 1995 and 1994, the actuarial and recorded liabilities for these postretirement benefits, none of which have been funded, were as follows:

	Year Ended December 31	
	1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$ 232,418	217,307
Fully eligible active plan participants	25,211	22,203
Other active plan participants	29,417	19,449
	287,046	258,959
Unrecognized experience loss	(48,113)	(22,928)
Liability included on the balance sheet	238,933	236,031
Less current portion	19,038	17,293
Noncurrent liability for postretirement health care and life insurance benefits	$ 219,895	218,738

The accumulated postretirement benefit obligation was determined using the unit credit method and an assumed discount rate of 7.5% in 1995 and 8.75% in 1994. The assumed health care cost trend rate used in 1995 was 9% for pre-65 retirees, grading down to 5% in the year 2001. For post-65 retirees, the assumed trend rate in 1995 was 7%, grading down to 5% in the year 2001. The assumed Medicare cost trend rate used in 1995 was 7%, grading down to 5% in the year 2001.

A percentage point increase each year in the assumed health care cost trend rate used would have resulted in a $2,641 increase in the aggregate service and interest components of expense for the year 1995, and a $36,411 increase in the accumulated postretirement benefit obligation at December 31, 1995.

The Company also sponsors a Savings-Investment Plan to assist eligible employees in providing for retirement or other future financial needs. Employee contributions are matched at rates of 50% to 125% up to 5% of compensation (subject to certain limitations imposed by the Internal Revenue Code of 1986, as amended). Contribution expense under the plan aggregated $6,324 in 1995, $5,848 in 1994 and $5,381 in 1993.

In 1994, the Company's shareholders approved the Employee Stock Purchase Plan, whereby eligible employees could elect to purchase shares of Minerals Stock and Services Stock, or both, at the lower of 85% of the fair market value as of specified dates. Under this plan employees purchased 44,006 shares of Minerals Stock for $374 and 57,002 shares of Services Stock for $1,152 in 1995 and 11,843 shares of Minerals Stock for $187 and 26,444 shares of Services Stock for $590 in 1994. Upon approval of the Brink's Stock Proposal, the Employee Stock Purchase Plan was amended so as to permit eligible employees to purchase Brink's Stock, Burlington Stock, Minerals Stock, or a combination, as they elect.

The Company sponsors other defined contribution benefit plans based on hours worked, tons produced or other measurable factors. Contributions under all of these plans aggregated $1,030 in 1995, $1,026 in 1994 and $918 in 1993.

In October 1992, the Coal Industry Retiree Health Benefit Act of 1992 (the "Health Benefit Act") was enacted as part of the Energy Policy Act of 1992. The Health Benefit Act established rules for the payment of future health care benefits for thousands of retired union mine workers and their dependents. Part of the burden for these payments was shifted by the Health Benefit Act from certain coal producers, which had a contractual obligation to fund such payments, to producers such as the Company which have collective bargaining agreements with the UMWA that do not require such payments and to numerous other companies which are no longer in the coal business. The Health Benefit Act established a trust fund to which "signatory operators" and "related persons," including the Company and

certain of its coal subsidiaries (the "Pittston Companies") are obligated to pay annual premiums for assigned beneficiaries, together with a pro rata share for certain beneficiaries who never worked for such employers ("unassigned beneficiaries"), in amounts determined by the Secretary of Health and Human Services on the basis set forth in the Health Benefit Act. For 1995, 1994 and 1993, these amounts, on a pretax basis, were approximately $10,800, $11,000 and $9,100, respectively. The Company believes that the annual liability under the Health Benefit Act for the Pittston Companies' assigned beneficiaries will continue at approximately $10,000 per year for the next several years and should begin to decline thereafter as the number of such assigned beneficiaries decreases.

Based on the number of beneficiaries actually assigned by the Social Security Administration, the Company estimates the aggregate pretax liability relating to the Pittston Companies' assigned beneficiaries remaining at approximately $220,000, which when discounted at 7.5% provides a present value estimate of approximately $95,000.

The ultimate obligation that will be incurred by the Company could be significantly affected by, among other things, increased medical costs, decreased number of beneficiaries, governmental funding arrangements and such federal health benefit legislation of general application as may be enacted. In addition, the Health Benefit Act requires the Pittston Companies to fund, pro rata according to the total number of assigned beneficiaries, a portion of the health benefits for unassigned beneficiaries. At this time, the funding for such health benefits is being provided from another source and for this and other reasons the Pittston Companies' ultimate obligation for the unassigned beneficiaries cannot be determined. The Company accounts for its obligations under the Health Benefit Act as a participant in a multi-employer plan and recognizes the annual cost on a pay-as-you-go basis.

14. RESTRUCTURING AND OTHER CHARGES, INCLUDING LITIGATION ACCRUAL

The market for metallurgical coal, for most of the past fifteen years, has been characterized by weak demand from primary steel producers and intense competition from foreign coal producers, especially those in Australia and Canada. Metallurgical coal sales contracts typically are subject to annual price negotiations, which increase the risk of market forces. As a result of the continuing long-term decline in the metallurgical coal markets, which was further evidenced by significant price reductions in early 1994, Coal operations accelerated its strategy of decreasing its exposure to these markets. After a review of the economic viability of the remaining metallurgical coal assets in early 1994, management determined that four underground mines were no longer

economically viable and should be closed resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power Company under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

As a result of these decisions, the Company incurred a pretax charge of $90,806 in 1994 ($58,116 after tax) which included a reduction in the carrying value of these assets and related accruals for mine closure costs. These charges included asset writedowns of $46,487 which reduced the book carrying value of such assets to what management believes to be their net realizable value based on either estimated sales or leasing of such property to unrelated third parties. In addition, the charges included $3,836 for required lease payments owed to lessors for machinery and equipment that would be idled as a result of the mine and facility closures. The charges also included $19,290 for mine and plant closure costs which represented estimates for reclamation and other environmental costs to be incurred to bring the properties in compliance with federal and state mining and environmental laws. This accrual was required due to the premature closing of the mines. The accrual also included $21,193 in contractually or statutorily required employee severance and other benefit costs associated with termination of employees at these facilities and costs associated with inactive employees at these facilities. Such employee benefits included severance payments, medical insurance, workers' compensation and other benefits and have been calculated in accordance with contractually (collective bargaining agreements signed by certain coal subsidiaries included in the Company) and legally required employee severance and other benefits.

Of the four underground mines, two ceased coal production in 1994. In 1994 the Company reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994 and final reclamation and environmental work is substantially complete. At the beginning of 1994, there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities was reduced by 52% to approximately 360 employees at December 31, 1994 and by 81% to approximately 140 employees at December 31, 1995.

Although coal production has or will cease at the mines contemplated in the accrual, the Company will incur reclamation and environmental costs for several years to bring these properties into compliance with federal and state environmental laws. In addition, employee termination and medical costs will continue to be incurred for several years after the facilities have been closed. The significant portion of these employee liabilities is for statutorily provided workers' compensation costs for

inactive employees. Such benefits include indemnity and medical payments as required under state workers' compensation laws. The long payment periods are based on continued, and in some cases, lifetime indemnity and medical payments to injured former employees and their surviving spouses. Management believes that the charges incurred in 1994 should be sufficient to provide for these future costs and does not anticipate material additional future charges to operating earnings for these facilities, although continual cash funding will be required over the next several years.

In 1993 the Company incurred a pretax charge of $78,633 ($48,897 after tax) relating to mine closing costs including employee benefit costs and certain other noncash charges, together with previously reported litigation (the "Evergreen Case") brought against the Company and a number of its coal subsidiaries by the trustees of certain pension and benefit trust funds established under collective bargaining agreements with the UMWA (Note 17). These charges impacted Coal and Mineral Ventures' operating profit in the amounts of $70,713 and $7,920, respectively.

The charge in the Mineral Ventures segment in 1993, related to the writedown of the Company's investment in the Uley graphite mine in Australia. Although reserve drilling of the Uley property indicates substantial graphite deposits, processing difficulties, depressed graphite prices which remained significantly below the level prevailing at the start of the project and an analysis of various technical and marketing conditions affecting the project resulted in the determination that the assets had been impaired and that loss recognition was appropriate. The charge included asset writedowns of $7,496, which reduced the carrying value of such assets to zero.

The following table analyzes the changes in liabilities during the last three years for facility closure costs recorded as restructuring and other charges:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance January 1, 1993 (a)	$1,146	35,499	35,413	72,058
Additions	2,782	1,598	6,267	10,647
Payments (b)	836	8,663	7,463	16,962
Balance December 31, 1993	3,092	28,434	34,217	65,743
Additions	3,836	19,290	21,193	44,319
Payments (c)	3,141	9,468	12,038	24,647
Balance December 31, 1994	3,787	38,256	43,372	85,415
Payments (d)	1,993	7,765	7,295	17,053
Other reductions (e)	576	1,508	--	2,084
Balance December 31, 1995	$1,218	28,983	36,077	66,278

(a) These amounts represent the remaining liabilities for facility closure costs recorded as restructuring and other charges in prior years. The original charges included $2,312 for leased machinery and equipment, $50,645 principally for incremental facility closing costs, including reclamation and $47,841 for employee benefit costs, primarily workers' compensation, which will continue to be paid for several years.

(b) These amounts represent total cash payments made during the year for liabilities recorded in prior years.

(c) Of the total payments made in 1994, $8,672 was for liabilities recorded in years prior to 1993, $5,822 was for liabilities recorded in 1993 and $10,153 was for liabilities recorded in 1994.

(d) Of the total payments made in 1995, $6,424 was for liabilities recorded in years prior to 1993, $2,486 was for liabilities recorded in 1993 and $8,143 was for liabilities recorded in 1994.

(e) These amounts represent the assumption of liabilities by third parties as a result of sales transactions.

During the next twelve months, expected cash funding of these charges is approximately $15,000 to $20,000. Management estimates that the remaining liability for leased machinery and equipment will be fully paid over the next year. The liability for mine and plant closure costs is expected to be satisfied over the next ten years of which approximately 50% is expected to be paid over the next two years. The liability for employee related costs, which is primarily workers' compensation, is estimated to be 50% settled over the next four years with the balance paid during the following five to ten years.

15. OTHER INCOME AND EXPENSE

Other operating income includes the Company's share of net income of unconsolidated affiliated companies which are carried on the equity method, royalty income and gains on sales of assets.

Amounts presented include the accounts of the following equity affiliates:

	Ownership At December 31, 1995
Servicio Pan Americano De Protecion, S.A. (Mexico)	20.0%
Brink's Panama, S.A.	49.0%
Brink's S.A. (France)	38.0%
Brink's Schenker, GmbH (Germany)	50.0%
Brink's Securmark S.p.A. (Italy)	24.5%
Security Services (Brink's Jordan), W.L.L.	45.0%
Brink's-Allied Limited (Ireland)	50.0%
Brink's Arya India Private Limited	40.0%
Brink's Pakistan (Pvt.) Limited	49.0%
Brink's Taiwan Limited	50.0%
Brink's (Thailand) Ltd.	40.0%
Burlington International Forwarding Ltd. (Taiwan)	33.3%
Mining Project Investors Limited (Australia)	34.2%
MPI Gold (USA)	34.2%

The following table presents summarized financial information of these companies.

	1995	1994	1993
Revenues	$762,250	833,056	727,697
Gross profit	60,712	154,608	147,778
Net income (loss)	(5,873)	23,503	26,530
The Company's share of net income (loss)	$ 182	6,336	7,503
Current assets	$186,039	180,868	
Noncurrent assets	227,229	299,338	
Current liabilities	219,253	145,549	
Noncurrent liabilities	85,057	160,876	
Net equity	$108,958	173,781	

Undistributed earnings of such companies included in consolidated retained earnings approximated $38,300 at December 31, 1995.

16. SEGMENT INFORMATION

Net sales and operating revenues by geographic area are as follows:

	Year Ended December 31		
	1995	1994	1993
United States:			
Domestic customers	$1,449,684	1,477,450	1,172,880
Export customers	256,396	274,695	315,664
	1,706,080	1,752,145	1,488,544
International operations	1,219,987	915,130	767,577
Total	$2,926,067	2,667,275	2,256,121

Segment operating profit by geographic area is as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$115,530	11,770	5,139
International operations	48,775	47,279	37,692
Total	$164,305	59,049	42,831

Identifiable assets by geographic area are as follows:

	As of December 31		
	1995	1994	1993
United States	$1,245,122	1,252,057	945,122
International operations	453,451	389,074	329,574
Total	$1,698,573	1,641,131	1,274,696

Segment operating profit includes restructuring and other charges, including litigation accrual aggregating $90,806 in 1994, all of which is included in the United States and $78,633 in 1993, of which $70,713 is included in the United States and $7,920 is included in other foreign (Note 14).

Industry segment information is as follows:

	Year Ended December 31		
	1995	1994	1993
NET SALES AND OPERATING REVENUES:			
Burlington	$ 1,414,821	1,215,284	998,079
Brink's	659,459	547,046	481,904
BHS	128,936	109,947	89,049
Coal	706,251	779,504	672,244
Mineral Ventures	16,600	15,494	14,845
Consolidated net sales and operating revenues	$ 2,926,067	2,667,275	2,256,121
OPERATING PROFIT (LOSS):			
Burlington	$ 58,723	69,224	37,971
Brink's (a)	42,738	39,710	35,008
BHS (b)	39,506	32,432	26,400
Coal (c)	23,131	(83,451)	(48,246)
Mineral Ventures (c)	207	1,134	(8,302)
Segment operating profit	164,305	59,049	42,831
General Corporate expense	(16,806)	(16,176)	(16,732)
Consolidated operating profit	$ 147,499	42,873	26,099

(a) Includes equity in net income of unconsolidated foreign affiliates of $136 in 1995, $6,048 in 1994 and $6,895 in 1993 (Note 15).

(b) As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations to more accurately reflect subscriber installation costs. The effect of this change in accounting principle was to increase operating profit by $5,196 in 1995, $4,137 in 1994 and $4,051 in 1993 (Note 4).

(c) Operating profit (loss) of the Coal segment included restructuring and other charges, including litigation accrual of $90,806 in 1994 and $70,713 in 1993 (Note 14). Operating loss of the Mineral Ventures segment included restructuring and other charges of $7,920 in 1993 (Note 14).

	1995	1994	1993
CAPITAL EXPENDITURES:			
Burlington	$ 34,576	24,701	21,544
Brink's	23,063	23,963	22,209
BHS	47,256	34,071	26,409
Coal	17,811	25,016	15,499
Mineral Ventures	2,332	2,514	2,690
General Corporate	391	209	110
Consolidated capital expenditures	$125,429	110,474	88,461
DEPRECIATION, DEPLETION AND AMORTIZATION:			
Burlington	$19,856	17,209	15,250
Brink's	21,844	20,553	20,150
BHS	21,028	17,817	14,357
Coal	40,285	44,731	25,679
Mineral Ventures	1,597	1,202	1,779
General Corporate	379	344	350
Consolidated depreciation, depletion and amortization	$104,989	101,856	77,565

	As of December 31		
	1995	1994	1993
ASSETS:			
Burlington	$ 539,719	472,440	418,694
Brink's	321,022	297,816	267,229
BHS	116,701	87,372	72,609
Coal	699,049	761,827	499,494
Mineral Ventures	22,082	21,676	16,670
Identifiable assets	1,698,573	1,641,131	1,274,696
General Corporate (primarily cash,			

investments, advances and deferred pension assets)	108,799	96,647	86,805
Consolidated assets	$1,807,372	1,737,778	1,361,501

17. LITIGATION

In April 1990, the Company entered into a settlement agreement to resolve certain environmental claims against the Company arising from hydrocarbon contamination at a petroleum terminal facility ("Tankport") in Jersey City, New Jersey, which operations were sold in 1983. Under the settlement agreement, the Company is obligated to pay 80% of the remediation costs. Based on data available to the Company and its environmental consultants, the Company estimates its portion of the cleanup costs on an undiscounted basis using existing technologies to be between $6,700 and $16,400 over a period of up to five years. Management is unable to determine that any amount within that range is a better estimate due to a variety of uncertainties, which include the extent of the contamination at the site, the permitted technologies for remediation and the regulatory standards by which the clean-up will be conducted. The clean-up estimates have been modified from prior years' in light of cost inflation. The estimate of costs and the timing of payments could change as a result of changes to the remediation plan required, changes in the technology available to treat the site, unforseen circumstances existing at the site and additional cost inflation.

The Company commenced insurance coverage litigation in 1990, in the United States District Court for the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. In August 1995, the District Court ruled on various Motions for Summary Judgement. In its decision, the Court found favorably for the Company on several matters relating to the comprehensive general liability policies but concluded that the pollution liability policies did not contain pollution coverage for the types of claims associated with the Tankport site. The Company has filed a notice of its intent to appeal the District Court's decision to the Third Circuit. Management and its outside legal counsel continue to believe, however, that recovery of a substantial portion of the cleanup costs will ultimately be probable of realization. Accordingly, management is revising its earlier belief that there is no net liability for the Tankport obligation, and it is the Company's belief that, based on estimates of potential liability and probable realization of insurance recoveries, the Company would be liable for approximately $1,400 based on the Court's decision and related developments of New Jersey law.

In 1988, the trustees of certain pension and benefit trust funds (the "Trust Funds") established under collective bargaining agreements with the UMWA brought an action (the "Evergreen Case") against the Company and a number of its coal subsidiaries in the United States District Court for the District of Columbia, claiming that the defendants are obligated to contribute to such Trust Funds in accordance with the provisions of the 1988 and subsequent National Bituminous Coal Wage Agreements, to which neither the Company nor any of its

subsidiaries is a signatory. In January 1992, the Court issued an order granting summary judgment in favor of the trustees on the issue of liability, which was thereafter affirmed by the Court of Appeals. In June 1993, the United States Supreme Court denied a petition for a writ of certiorari. The case was remanded to District Court where damage and other issues were to be decided. In September 1993, the Company filed a motion seeking relief from the District Court's grant of summary judgment based on, among other things, the Company's allegation that plaintiffs improperly withheld evidence that directly refutes plaintiffs' representations to the District Court and the Court of Appeals in this case. In December 1993, that motion was denied. The Company, following the District Court's ruling in December 1993, recognized in 1993 in its consolidated financial statements the potential liability that might have resulted from an adverse judgment in the Evergreen Case (Notes 13 and 14). On May 23, 1994, the trustees filed a Motion for Entry of Final Judgment seeking approximately $71,100 in delinquent contributions, interest and liquidated damages through May 31, 1994, plus approximately $17 additional interest and liquidated damages for each day between May 31, 1994 and the date of entry of final judgment, plus on-going contributions to the 1974 Pension Plan. The Company opposed this motion. No decision on this motion of final judgment was entered.

In furtherance of its ongoing effort to identify other available legal options for seeking relief from what it believes to be an erroneous finding of liability in the Evergreen Case, the Company filed suit against the Bituminous Coal Operators Association ("BCOA") and others to hold them responsible for any damages sustained by the Company as a result of the Evergreen Case. In December 1994, the District Court ordered the Evergreen Case as well as related cases filed against other coal companies, and the BCOA case, be submitted to mediation before a federal judge in an effort to obtain a settlement.

SUBSEQUENT EVENT (UNAUDITED)

In late March 1996 a settlement was reached in these cases, including the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: approximately $25,800 upon dismissal of the Evergreen Case and the remainder of $24,000 in installments of $7,000 in 1996 and $8,500 in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Company. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. The BCOA case and a separate case against the UMWA have also been dismissed.

As a result of the settlement of these cases, the Company expects to record a pretax gain of approximately $35,000 in the first quarter of 1996 in its consolidated financial statements.

18. COMMITMENTS

At December 31, 1994, the Company had contractual commitments to purchase coal which is primarily used to blend with Company mined coal. Based on the contract provisions these commitments are currently estimated to aggregate approximately $161,743 and expire from 1996 through 1998 as follows:

1996	$76,761
1997	57,929
1998	27,053

Purchases under the contracts were $83,532 in 1995, $53,097 in 1994 and $81,069 in 1993.

19. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended December 31, 1995, 1994 and 1993, cash payments for income taxes, net of refunds received, were $21,967, $23,406 and $30,237, respectively.

For the years ended December 31, 1995, 1994 and 1993, cash payments for interest were $13,575, $12,104 and $10,207, respectively.

In 1995, the Company sold mining operations in Ohio together with a related coal supply contract for notes and royalties receivable totaling $6,949.

In December 1993, the Company sold the majority of the assets of its captive mine supply company. Cash proceeds of $8,400 from the sale were received on January 2, 1994, and have been included in "Cash flow from investing activities: Other, net" in 1994.

During 1993, the Company sold a coal preparation plant and related interest in land, equipment and facilities for mineral reserves with a fair market value of $13,300 and cash of $10,700. The cash proceeds of $10,700 less $1,001 in expenses related to the transaction were included in "Cash flow from investing activities: Other, net".

20. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Tabulated below are certain data for each quarter of 1995 and 1994.

		1st	2nd	3rd	4th
1995 QUARTERS:					
Net sales and operating revenues	$	699,084	711,767	752,453	762,763
Gross profit		76,028	89,898	108,578	109,864
Net income	$	14,065	24,608	29,599	29,700
Per Pittston Brink's Group Common Share:					
Net income	$	.25	.32	.39	.39
Per Pittston Burlington Group Common Share:					
Net income	$	.21	.42	.56	.54
Per Pittston Minerals Group Common Share:					
Net income					
Primary	$	.05	.45	.51	.43
Fully diluted	$	.05	.45	.45	.43
1994 QUARTERS:					
Net sales and operating revenues	$	587,795	659,500	693,854	726,126
Gross profit		51,770	100,521	98,823	102,495
Net income (loss)	$	(63,568)	28,038	31,210	31,217
Per Pittston Brink's Group Common Share:					
Net income	$	.19	.26	.31	.34
Per Pittston Burlington Group Common Share:					
Net income	$	.18	.61	.71	.53
Per Pittston Minerals Group Common Share:					
Net income (loss)					
Primary	$	(9.96)	.72	.74	.91
Fully diluted	$	(9.96)	.67	.61	.81

Net loss in the first quarter of 1994 included restructuring and other charges of $58,116 (Note 14).

Pittston Brink's Group
STATEMENT OF MANAGEMENT RESPONSIBILITY

The management of The Pittston Company (the "Company") is responsible for preparing the accompanying Pittston Brink's Group (the "Brink's Group") financial statements and for their integrity and objectivity. The statements were prepared in accordance with generally accepted accounting principles. Management has also prepared the other information in the annual report and is responsible for its accuracy.

In meeting our responsibility for the integrity of the financial statements, we maintain a system of internal controls designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorization and that the accounting records provide a reliable basis for the preparation of the financial statements. Qualified personnel throughout the organization maintain and monitor these internal controls on an ongoing basis. In addition, the Company maintains an internal audit department that systematically reviews and reports on the adequacy and effectiveness of the controls, with management follow-up as appropriate.

Management has also established a formal Business Code of Ethics which is distributed throughout the Company. We acknowledge our responsibility to establish and preserve an environment in which all employees properly understand the fundamental importance of high ethical standards in the conduct of our business.

The accompanying financial statements have been audited by KPMG Peat Marwick LLP, independent auditors. During the audit they review and make appropriate tests of accounting records and internal controls to the extent they consider necessary to express an opinion on the Brink's Group's financial statements.

The Company's Board of Directors pursues its oversight role with respect to the Brink's Group's financial statements through the Audit and Ethics Committee, which is composed solely of outside directors. The Committee meets periodically with the independent auditors, internal auditors and management to review the Company's control system and to ensure compliance with applicable laws and the Company's Business Code of Ethics.

We believe that the policies and procedures described above are appropriate and effective and do enable us to meet our responsibility for the integrity of the Brink's Group's financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
The Pittston Company

We have audited the accompanying balance sheets of Pittston Brink's Group (as described in Note 1) as of December 31, 1995 and 1994, and the related statements of operations and cash flows for each of the years in the three-year period ended December 31, 1995. These financial statements are the responsibility of The Pittston Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements of Pittston Brink's Group present fairly, in all material respects, the financial position of Pittston Brink's Group as of December 31, 1995 and 1994, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 1995, in conformity with generally accepted accounting principles.

As more fully discussed in Note 1, the financial statements of Pittston Brink's Group should be read in connection with the audited consolidated financial statements of The Pittston Company and subsidiaries.

KPMG Peat Marwick LLP
Stamford, Connecticut

January 25, 1996

Pittston Brink's Group
BALANCE SHEETS

(Dollars in thousands)	December 31 1995	1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 21,977	20,226
Short-term investments	3,288	2,041
Accounts receivable:		
Trade	112,705	88,347
Other	4,841	4,561
	117,546	92,908
Less estimated amount uncollectible	3,756	3,379
	113,790	89,529
Receivable Pittston Minerals Group (Note 2)	3,945	705
Inventories	2,795	1,971
Prepaid expenses	10,380	7,021
Deferred income taxes (Note 7)	13,146	13,670
Total current assets	169,321	135,163
Property, plant and equipment, at cost (Note 4)	429,077	365,041
Less accumulated depreciation and amortization	214,424	184,111
	214,653	180,930
Intangibles, net of amortization (Notes 5 and 11)	28,893	28,106
Investment in and advances to unconsolidated affiliates	28,406	43,171
Deferred pension assets (Note 13)	33,923	32,495
Deferred income taxes (Note 7)	1,081	--
Other assets	8,449	7,022
Total assets	$484,726	426,887
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 4,858	4,544
Current maturities of long-term debt (Note 8)	4,117	5,256
Accounts payable	35,460	26,554
Accrued liabilities:		
Taxes	13,690	13,007
Workers' compensation and other claims	17,613	14,939
Payrolls	12,559	9,750
Deferred monitoring revenues	12,134	11,750
Miscellaneous	30,010	28,591
	86,006	78,037
Total current liabilities	130,441	114,391
Long-term debt, less current maturities (Note 8)	5,795	7,990
Postretirement benefits other than pensions (Note 13)	3,475	3,280
Workers' compensation and other claims	11,292	9,929
Deferred income taxes (Note 7)	37,529	40,245
Payable Pittston Minerals Group (Note 2)	7,844	12,750
Minority interests	21,361	14,471
Other liabilities	8,184	8,300
Commitments and contingent liabilities (Notes 8, 12, and 16)		
Shareholder's equity (Note 3)	258,805	215,531
Total liabilities and shareholder's equity	$484,726	426,887

See accompanying notes to financial statements

Pittston Brink's Group
STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)	Year Ended December 31 1995	1994	1993
Operating revenue	$ 788,395	656,993	570,953
Costs and expenses:			
Operating expenses	599,683	498,185	433,954
Selling, general and administrative expenses	112,133	97,245	87,247
Total costs and expenses	711,816	595,430	521,201
Other operating income (Note 14)	895	5,913	6,899
Operating profit	77,474	67,476	56,651
Interest income	1,840	1,503	1,304
Interest expense (Note 2)	(2,050)	(2,450)	(2,734)
Other income (expense), net	(3,505)	(3,068)	(3,970)
Income before income taxes	73,759	63,461	51,251
Provision for income taxes (Note 7)	22,666	21,972	19,601
Net income	$ 51,093	41,489	31,650
Net income per common share (Note 1)	$ 1.35	1.10	.86
Average common shares outstanding	37,931	37,784	36,907

See accompanying notes to financial statements

Pittston Brink's Group
STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31 1995	1994	1993
Cash flows from operating activities:			
Net income	$ 51,093	41,489	31,650
Adjustments to reconcile net income to net cash provided by operating activities:			
Noncash charges and other write-offs	--	--	11
Depreciation and amortization	42,977	38,463	34,596
Provision (credit) for deferred income taxes	(952)	4,328	(2,998)
Provision (credit) for pensions, noncurrent	(466)	(169)	(240)
Provision for uncollectible accounts receivable	3,265	1,346	3,403
Equity in earnings of unconsolidated affiliates, net of dividends received	2,352	(1,144)	(3,596)
Gain on sale of property, plant and equipment	(377)	(186)	(174)
Other operating, net	3,104	2,380	2,763
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:			
Increase in accounts receivable	(22,352)	(15,620)	(8,275)
Increase in inventories	(812)	(529)	(190)
Increase in prepaid expenses	(1,858)	(675)	(793)
Increase in accounts payable and accrued liabilities	15,822	15,645	9,958
Increase in other assets	(1,597)	(982)	(758)
Increase in workers' compensation and other claims, noncurrent	1,363	886	744
Increase (decrease) in other liabilities	337	(956)	(1,492)
Other, net	(1,119)	(820)	623
Net cash provided by operating activities	90,780	83,456	65,232
Cash flows from investing activities:			
Additions to property, plant and equipment	(69,783)	(56,443)	(47,668)
Proceeds from disposal of property, plant and equipment	3,178	515	979
Acquisitions, net of cash acquired, and related contingency payments	(956)	--	--
Other, net	(1,313)	(4,884)	(1,454)
Net cash used by investing activities	(68,874)	(60,812)	(48,143)
Cash flows from financing activities:			
Additions to debt	1,782	--	4,232
Reductions of debt	(5,893)	(10,129)	(10,587)
Payments to Minerals Group	(12,240)	(5,705)	--
Repurchase of common stock	(2,303)	(4,146)	(616)
Proceeds from exercise of stock options	1,536	3,730	8,123
Proceeds from employee stock purchase plan	395	--	--
Proceeds from sale of stock to Savings Investment Plan	--	--	147
Proceeds from sale of stock to Minerals Group	--	216	86
Dividends paid	(3,432)	(3,399)	(3,175)
Cost of Services Stock Proposal	--	(1)	(782)
Net cash to the Company	--	--	(6,041)
Net cash used by financing activities	(20,155)	(19,434)	(8,613)
Net increase in cash and cash equivalents	1,751	3,210	8,476
Cash and cash equivalents at beginning of period	20,226	17,016	8,540
Cash and cash equivalents at end of period	$ 21,977	20,226	17,016

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

On January 18, 1996, the shareholders of The Pittston Company, (the "Company") approved the Brink's Stock Proposal, as described in the Company's proxy statement dated December 15, 1995, resulting in the modification, effective as of January 19, 1996, of the capital structure of the Company to include an additional class of common stock. The outstanding shares of Pittston Services Group Common Stock ("Services Stock") have been redesignated as Pittston Brink's Group Common Stock, par value $1.00 per share ("Brink's Stock"), and one-half of one share of a new class of common stock identified as Pittston Burlington Group Common Stock, par value $1.00 per share, ("Burlington Stock") has been distributed for each outstanding share of Services Stock. Holders of Pittston Minerals Group Common Stock ("Minerals Stock") continue to be holders of such stock, which continues to reflect the performance of the Pittston Minerals Group (the "Minerals Group"). Brink's Stock is intended to reflect the performance of the Pittston Brink's Group (the "Brink's Group") and Burlington Stock is intended to reflect the performance of the Pittston Burlington Group (the "Burlington Group").

The financial statements of the Brink's Group include the balance sheets, the results of operations and cash flows of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of the Company, and a portion of the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Brink's Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be a reasonable and equitable allocation of such items (see Note 2).

All stock and per share data in the accompanying financial statements have been restated to reflect the modification of the Company's capital structure. The primary impacts of this restatement are as follows:

For the purpose of computing net income per common share of Brink's Stock, the number of shares of Brink's Stock are assumed to be the same as the total number of shares of Services Stock. Net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during the period. The potential dilution from the exercise of stock options is not material. The shares of Brink's Stock assumed to be held in The Pittston Company Employee Benefits Trust are evaluated for inclusion in the calculation of net income per share under the treasury stock method and had no dilutive effect.

All financial impacts of purchases and issuances of Services Stock have been attributed to each Group in relation of their respective common equity to the Services Group common stock. Dividends paid by the Company were attributed to the Brink's and Burlington Groups in relation to the initial dividends to be paid on the Brink's Stock and the Burlington Stock.

The Company provides to holders of Brink's Stock separate financial statements, financial review, descriptions of business and other relevant information for the Brink's Group in addition to the consolidated financial information of the Company. Notwithstanding the attribution of assets and liabilities (including contingent liabilities) among the Minerals Group, the Brink's Group and the Burlington Group for the purpose of preparing their respective financial statements, this attribution and the change in the capital structure of the Company as a result of the Brink's Stock Proposal did not affect legal title to such assets or responsibility for such liabilities for the Company or any of its subsidiaries. Holders of Brink's Stock are common shareholders of the Company, which continues to be responsible for all of its liabilities. Financial impacts arising from one group that affect the Company's financial condition could affect the results of operations and financial condition of each of the groups. Since financial developments within one group could affect other groups, all shareholders of the Company could be adversely affected by an event directly impacting only one group. Accordingly, the Company's consolidated financial statements must be read in connection with the Brink's Group's financial statements.

The accounting policies applicable to the preparation of the financial statements of the Brink's Group may be modified or rescinded at the sole discretion of the Board without approval of shareholders, although there is no intention to do so.

PRINCIPLES OF COMBINATION

The accompanying financial statements reflect the combined accounts of the businesses comprising the Brink's Group and their majority-owned subsidiaries. The Brink's Group interests in 20% to 50% owned companies are carried on the equity method. All material intercompany items and transactions have been eliminated in combination. Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation.

CASH AND CASH EQUIVALENTS
Cash and cash equivalents include cash on hand, demand deposits and investments with original maturities of three months or less.

SHORT-TERM INVESTMENTS
Short-term investments are those with original maturities in excess of three months and are carried at cost which approximates market.

INVENTORIES
Inventories are stated at cost (determined under the first-in, first-out or average cost method) or market, whichever is lower.

PROPERTY, PLANT AND EQUIPMENT
Expenditures for maintenance and repairs are charged to expense, and the costs of renewals and betterments are capitalized. Depreciation is provided principally on the straight-line method at varying rates depending upon estimated useful lives.

Subscriber installation costs for home security systems provided by BHS are capitalized and depreciated over the estimated life of the assets and are included in machinery and equipment. The security system that is installed remains the property of BHS and is capitalized at the cost to bring the revenue producing asset to its intended use. When an installation is identified for disconnection, the remaining net book value of the installation is written-off and charged to depreciation.

INTANGIBLES
The excess of cost over fair value of net assets of companies acquired is amortized on a straight-line basis over the estimated periods benefited.

The Brink's Group evaluates the carrying value of intangibles and the periods of amortization to determine whether events and circumstances warrant revised estimates of asset value or useful lives. The Brink's Group annually assesses the recoverability of the excess of cost over net assets acquired by determining whether the amortization of the asset balance over its remaining life can be recovered through projected undiscounted future operating cash flows. Evaluation of asset value as well as periods of amortization are performed on a disaggregated basis at each of the Brink's Group's operating units.

INCOME TAXES
Income taxes are accounted for in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

See Note 2 for allocation of the Company's U.S. federal income taxes to the Brink's Group.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
Postretirement benefits other than pensions are accounted for in accordance with Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", which requires employers to accrue the cost of such retirement benefits during the employees' service with the Company.

FOREIGN CURRENCY TRANSLATION
Assets and liabilities of foreign operations have been translated at current exchange rates, and related revenues and expenses have been translated at average rates of exchange in effect during the year. Resulting cumulative translation adjustments have been included in shareholder's equity. Translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains and losses for the period.

A portion of the Brink's Group's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Because the financial results of the Brink's Group are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. However, the Brink's Group's international activity is not concentrated in any single currency, which reduces the risks of foreign currency rate fluctuations.

REVENUE RECOGNITION
Brink's--Revenues are recognized when services are performed.

BHS--Monitoring revenues are recognized when earned and amounts paid in advance are deferred and recognized as income over the applicable monitoring period, which is generally one year or less. Revenues from the sale of equipment, are recognized, together with related costs, upon completion of the installation. Connection fee revenues are recognized to the extent of direct selling costs incurred and expensed. Connection fee revenues in excess of direct selling costs are deferred and recognized as income on a straight-line basis over ten years.

USE OF ESTIMATES
In accordance with generally accepted accounting principles, management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

PENDING ACCOUNTING CHANGES

The Brink's Group is required to implement a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of", in 1996. SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 121 requires companies to utilize a two-step approach to determining whether impairment of such assets has occurred and, if so, the amount of such impairment. Although the Brink's Group is still reviewing the impact of adopting SFAS No. 121, it is estimated that its adoption will not have any impact on the Brink's Group's financial statements as of January 1, 1996.

The Brink's Group is required to implement a new accounting standard SFAS No. 123, "Accounting for Stock Based Compensation", in 1996. SFAS No. 123 establishes financial accounting and reporting standards for stock-based employee compensation plans. Although SFAS No. 123 encourages adoption of a fair value based method of accounting for all employee stock compensation plans, it allows entities to continue to measure compensation cost for those plans using the intrinsic value based method of accounting prescribed by Accounting Principles Board Opinion ("APB") No. 25, Accounting for Stock issued to Employees with disclosure of net income and earnings per share as if the fair value based method of accounting is applied. The Brink's Group expects to continue to account for its stock compensation plans according to APB No. 25 with the disclosure of the impact on net income and earnings per share as if the fair value based method of accounting is applied.

2. RELATED PARTY TRANSACTIONS

The following policies may be modified or rescinded by action of the Board, or the Board may adopt additional policies, without approval of the shareholders of the Company, although the Board has no present intention to do so. The Company allocated certain corporate general and administrative expenses, net interest expense and related assets and liabilities in accordance with the policies described below. Corporate assets and liabilities are primarily cash, deferred pension assets, income taxes and accrued liabilities.

FINANCIAL

As a matter of policy, the Company manages most financial activities of the Brink's Group, Burlington Group and Minerals Group on a centralized, consolidated basis. Such financial activities include the investment of surplus cash; the issuance, repayment and repurchase of short-term and long-term debt; the issuance and repurchase of common stock and the payment of dividends. In preparing these financial statements, transactions primarily related to invested cash, short-term and long-term debt (including convertible debt), related net interest and other financial costs have been attributed to the Brink's Group based upon its cash flows for the periods presented after giving consideration to the debt and equity structure of the Company. The Company attributes long-term debt to the Brink's Group based upon the purpose for the debt in addition to the cash requirements of the Brink's Group. At December 31, 1995 and 1994, none of the long-term debt of the Company was attributed to the Brink's Group. The portion of the Company's interest expense allocated to the Brink's Group for 1995 and 1994 was $120 and $176, respectively. There was no interest expense allocated to the Brink's Group in 1992. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Brink's Group.

To the extent borrowings are deemed to occur between the Brink's Group, the Burlington Group and the Minerals Group, intergroup accounts are established bearing interest at the rate in effect from time to time under the Company's unsecured credit lines or, if no such credit lines exist, at the prime rate charged by Chemical Bank from time to time. At December 31, 1995 and 1994, the Minerals Group owed the Brink's Group $17,945 and $5,705, respectively, as the result of borrowings.

INCOME TAXES

The Brink's Group is included in the consolidated U.S. federal income tax return filed by the Company.

The Company's consolidated provision and actual cash payments for U.S. federal income taxes are allocated between the Brink's Group, Burlington Group and Minerals Group in accordance with the Company's tax allocation policy and reflected in the financial statements for each Group. In general, the consolidated tax provision and related tax payments or refunds are allocated among the Groups, for financial statement purposes, based principally upon the financial income, taxable income, credits and other amounts directly related to the respective Group. Tax benefits that cannot be used by the Group generating such attributes, but can be utilized on a consolidated basis, are allocated to the Group that generated such benefits and an intergroup account is established for the benefit of the Group generating the attributes. As a result, the allocated Group amounts of taxes payable or refundable are not necessarily comparable to those that would have resulted if the Groups had filed separate tax returns. At December 31, 1995 and 1994, the Brink's Group owed the Minerals Group $21,844 and $17,750, respectively, for such tax benefits, of which $7,844 and $12,750, respectively, were not expected to be paid within one year from such dates in accordance with the policy.

SHARED SERVICES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Brink's Group based upon utilization and other methods and criteria which management believes to be equitable and a reasonable estimate of the cost attributable to the Brink's Group. These allocations were $4,770, $4,666 and $4,757 in 1995, 1994 and 1993, respectively.

PENSION

The Brink's Group's pension cost related to its participation in the Company's noncontributory defined benefit pension plan is actuarially determined based on its respective employees and an allocable share of the pension plan assets and calculated in accordance with Statement of Financial Accounting Standards No. 87 ("SFAS 87"). Pension plan assets have been allocated to the Brink's Group based on the percentage of its projected benefit obligation to the plan's total projected benefit obligation. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Brink's Group.

3. SHAREHOLDER'S EQUITY

The following presents shareholder's equity of the Brink's Group assuming completion of the Brink's Stock Proposal transaction:

	Year Ended December 31		
	1995	1994	1993
Balance at beginning of period	$ 215,531	175,219	147,582
Net income	51,093	41,489	31,650
Foreign currency translation adjustment	(6,808)	(25)	(3,336)
Stock options exercised	1,114	3,730	8,123
Stock released from employee benefits trust to employee benefits plan	3,371	899	563
Stock sold from employee benefits trust to employee benefits plan	--	--	147
Stock sold to Minerals Group	--	216	86
Stock repurchases	(2,303)	(4,146)	(616)
Dividends declared	(3,437)	(3,404)	(3,175)
Cost of Services Stock Proposal	--	(1)	(782)
Tax benefit of options exercised	244	1,554	1,018
Net cash to the Company	--	--	(6,041)
Balance at end of period	$ 258,805	215,531	175,219

Included in shareholder's equity is the cumulative foreign currency translation adjustment of $20,044, $13,236 and $13,211 at December 31, 1995, 1994 and 1993, respectively.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at cost, consist of the following:

	December 31 1995	1994
Land	$ 4,461	4,162
Buildings	69,135	59,696
Machinery and equipment	355,481	301,183
Total	$429,077	365,041

The estimated useful lives for property, plant and equipment are as follows:

	Years
Buildings	10 to 40
Machinery and equipment	2 to 20

Depreciation of property, plant and equipment aggregated $41,474 in 1995, $35,992 in 1994 and $31,973 in 1993.

Changes in capitalized subscriber installation costs for home security systems included in machinery and equipment were as follows:

	Year Ended December 31 1995	1994	1993
Capitalized subscriber installation costs beginning of year	$ 81,445	65,785	54,668
Capitalized cost of security system installations	44,488	32,309	23,972
Depreciation, including amounts recognized to fully depreciate capitalized costs for installations disconnected during the year	(20,597)	(16,649)	(12,855)
Capitalized subscriber installation costs end of period	$ 105,336	81,445	65,785

New subscribers were 82,600 in 1995, 75,200 in 1994 and 59,700 in 1993.

As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security system installations. This change in accounting principle is preferable because it more accurately reflects subscriber installation costs. The additional costs not previously capitalized consisted of costs for installation labor and related benefits for supervisory, installation scheduling, equipment testing and other support personnel (in the amount of $3,122 in 1995, $2,645 in 1994 and $2,567 in 1993) and costs incurred in maintaining facilities and

vehicles dedicated to the installation process (in the amount of $2,074 in 1995, $1,492 in 1994 and $1,484 in 1993). The effect of this change in accounting principle was to increase operating profit of the Brink's Group and the BHS segment in 1995, 1994 and 1993 by $5,196, $4,137 and $4,051, respectively, and net income of the Brink's Group in 1995, 1994 and 1993 by $3,123, $2,486 and $2,435, respectively, or by $0.08 per share in 1995 and $0.07 per share in1994 and 1993. Prior to January 1, 1992, the records needed to identify such costs were not available. Thus, it was impossible to accurately calculate the effect on retained earnings as of January 1, 1992. However, the Brink's Group believes the effect on retained earnings as of January 1, 1992, was immaterial. Because capitalized subscriber installation costs for prior periods were not adjusted for the change in accounting principle, installation costs for subscribers in those years will continue to be depreciated based on the lesser amounts capitalized in prior periods. Consequently, depreciation of capitalized subscriber installation costs in the current year and until such capitalized costs prior to January 1, 1992, are fully depreciated will be less than if such prior periods' capitalized costs had been adjusted for the change in accounting. However, the Brink's Group believes the effect on net income in 1995, 1994 and 1993 was immaterial.

5. INTANGIBLES

Intangibles consist entirely of the excess of cost over fair value of net assets of companies acquired and are net of accumulated amortization of $7,793 at December 31, 1995, and $6,703 at December 31, 1994. The estimated useful life of intangibles is generally forty years. Amortization of intangibles aggregated $958 in 1995, $882 in 1994 and $865 in 1993.

6. FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Brink's Group to concentrations of credit risk consist principally of cash and cash equivalents, short-term cash investments and trade receivables. The Brink's Group's cash and cash equivalents and short-term investments are placed with high credit quality financial institutions. Also, by policy, the amount of credit exposure to any one financial institution is limited. Concentration of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Brink's Group's customer base, and their dispersion across many geographic areas.

The following details the fair values of financial instruments for which it is practicable to estimate the value:

CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
The carrying amounts approximate fair value because of the short maturity of these instruments.

DEBT

The aggregate fair value of the Brink's Group's long-term debt obligations, which is based upon quoted market prices and rates currently available to the Brink's Group for debt with similar terms and maturities, approximates the carrying amount.

OFF-BALANCE SHEET INSTRUMENTS

The Brink's Group utilizes off-balance sheet financial instruments from time to time to hedge its foreign currency and exposures. The risk that counterparties to such instruments may be unable to perform is minimized by limiting the counterparties to major financial institutions. The Brink's Group does not expect any losses due to such counterparty default.

7. INCOME TAXES

The provision (credit) for income taxes consists of the following:

	U.S. Federal	Foreign	State	Total
1995:				
Current	$16,010	4,615	2,993	23,618
Deferred	972	(1,550)	(374)	(952)
Total	$16,982	3,065	2,619	22,666
1994:				
Current	$12,085	2,873	2,686	17,644
Deferred	2,188	1,608	532	4,328
Total	$14,273	4,481	3,218	21,972
1993:				
Current	$13,118	7,797	1,684	22,599
Deferred	159	(4,537)	1,380	(2,998)
Total	$13,277	3,260	3,064	19,601

The significant components of the deferred tax provision (benefit) were as follows:

	1995	1994	1993
Deferred tax expense (benefit), exclusive of the components listed below	$ 1,550	2,892	(5,548)
Net operating loss carryforwards	(790)	449	1,860
Alternative minimum tax credits	(1,712)	1,084	648
Change in the valuation allowance for deferred tax assets	--	(97)	42
Total	$ (952)	4,328	(2,998)

The tax benefit for compensation expense related to the exercise of certain employee stock options for tax purposes in excess of compensation expense for financial reporting purposes is recognized as an adjustment to shareholder's equity.

The components of the net deferred tax liability as of December 31, 1995 and December 31, 1994 were as follows:

	1995	1994
Deferred tax assets:		
Accounts receivable	$ 1,417	1,310
Postretirement benefits other than pensions	2,028	1,741
Workers' compensation and other claims	5,180	4,974
Other liabilities and reserves	13,561	11,355
Miscellaneous	1,015	727
Net operating loss carryforwards	3,355	2,565
Alternative minimum tax credits	11,245	9,435
Total deferred tax asset	37,801	32,107
Deferred tax liabilities:		
Property, plant and equipment	22,063	22,125
Pension assets	15,031	14,724
Other assets	2,929	2,844
Investments in foreign affiliates	11,478	11,965
Miscellaneous	9,602	7,024
Total deferred tax liability	61,103	58,682
Net deferred tax liability	$23,302	26,575

The recording of deferred federal tax assets is based upon their expected utilization in the Company's consolidated federal income tax return and the benefit that would accrue to the Brink's Group under the Company's tax allocation policy.

The following table accounts for the difference between the actual tax provision and the amounts obtained by applying the statutory U.S. federal income tax rate of 35% in 1995, 1994 and 1993 to the income before income taxes.

	Year Ended December 31		
	1995	1994	1993
Income (loss) before income taxes:			
United States	$ 59,507	47,419	39,187
Foreign	14,252	16,042	12,064
Total	$ 73,759	63,461	51,251
Tax provision computed at statutory rate	$ 25,816	22,211	17,938
Increases (reductions) in taxes due to:			
State income taxes (net of federal tax benefit)	1,702	2,092	1,992
Difference between total taxes on foreign income and the U.S. federal statutory rate	(5,528)	(3,259)	(633)
Miscellaneous	676	928	304
Actual tax provision	$ 22,666	21,972	19,601

It is the policy of the Brink's Group to accrue deferred income taxes on temporary differences related to the financial statement carrying amounts and tax bases of investments in foreign subsidiaries and affiliates which are expected to reverse in the foreseeable future. As of December 31, 1995 and December 31, 1994, the unrecognized deferred tax liability for temporary differences of approximately $29,531, and $36,460, respectively, related to investments in foreign subsidiaries and affiliates that are essentially permanent in nature and not expected to reverse in the foreseeable future was approximately $10,336 and $12,761, respectively.

The Brink's Group is included in the Company's consolidated U.S. federal income tax return.

As of December 31, 1995, the Brink's Group had $11,245 of alternative minimum tax credits allocated to it under the Company's tax allocation policy. Such credits are available to offset future U.S. federal income taxes and, under current tax law, the carryforward period for such credits is unlimited.

The tax benefits of net operating loss carryforwards of the Brink's Group as at December 31, 1995 were $3,355 and related to various state and foreign taxing jurisdictions. The expiration periods primarily range from 5 to 15 years.

8. LONG-TERM DEBT

Total long-term debt of the Brink's Group consists of the following:

	As of December 31 1995	1994
Senior obligations:		
U.S. dollar term loan due 1996 to 1997 (6.44% in 1995 and 6.50% in 1994)	$1,582	3,451
All other	2,150	1,882
	3,732	5,333
Obligations under capital leases (average rates 13.55% in 1995 and 16.80% in 1994)	2,063	2,657
Total long-term debt, less current maturities	$5,795	7,990

For the four years through December 31, 2000, minimum repayments of long-term debt outstanding are as follows:

1997	$3,225
1998	1,044
1999	543
2000	253

The U.S. dollar term loan due 1996 to 1997 bears interest based on the Eurodollar rate.

In March 1994, the Company entered into a $350,000 credit agreement with a syndicate of banks (the "Facility"). The Facility included a $100,000 five-year term loan, which originally matured in March 1999. The Facility also permitted additional borrowings, repayments and reborrowings of up to an aggregate of $250,000 initially until March 1999. In March 1995, the Facility was amended to extend the maturity of the term loan to May 2000 and to permit the additional borrowings, repayments and reborrowings until May 2000. Interest on borrowings under the Facility is payable at rates based on prime, certificate of deposit, Eurodollar or money market rates. At December 31, 1995, no borrowings under the Facility were attributed to the Brink's Group.

Various international operations maintain lines of credit and overdraft facilities aggregating approximately $14,000 with a number of banks on either a secured or unsecured basis.

Under the terms of some of its debt instruments, the Company has agreed to various restrictions relating to the payment of dividends, the repurchase of capital stock, the maintenance of consolidated net worth, and the amount of additional funded debt which may be incurred. See the Company's consolidated financial statements and related footnotes.

At December 31, 1995, the Company's portion of outstanding unsecured letters of credit allocated to the Brink's Group was $14,402, primarily supporting the Brink's Group's obligations under its various self-insurance programs.

9. STOCK OPTIONS

The Company grants options under its 1988 Stock Option Plan (the "1988 Plan") to executives and key employees and under its Non-Employee Directors' Stock Option Plan (the "Non-Employee Plan") to outside directors to purchase common stock at a price not less than 100% of quoted market value at date of grant.

The Company's 1979 Stock Option Plan (the "1979 Plan") and 1985 Stock Option Plan (the "1985 Plan") terminated in 1985 and 1988, respectively, except as to options still outstanding.

As part of the Brink's Stock Proposal (Note 1), the 1988 and Non-Employee Plans were amended to permit option grants to be made to optionees with respect to Brink's Stock or Burlington Stock in addition to Minerals Stock. Upon approval of the Brink's Stock Proposal, a total of 2,383,422 shares of Services Stock were subject to options outstanding under the 1988 Plan, the Non-Employee Plan, the 1979 Plan and the 1985 Plan. Pursuant to antidilution provisions in the option agreements covering such plans, the Company converted these options into options for shares of Brink's Stock or Burlington Stock, or both, depending on the employment status and responsibilities of the particular optionee. In the case of optionees having Company-wide responsibilities, each outstanding Services Stock option was converted into options for both Brink's Stock and Burlington Stock. In the case of other optionees, each outstanding option was converted into a new option only for Brink's Stock or Burlington Stock, as the case may be. As a result, upon approval of the Brink's Stock Proposal, 1,749,822 shares of Brink's Stock and 1,989,466 shares of Burlington Stock were subject to options.

10. CAPITAL STOCK

The Company, at any time, has the right to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Burlington Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock. The Company, at any time has the right, to exchange each outstanding share of Minerals Stock, which was previously subject to exchange for shares of Services Stock, for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Minerals Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Minerals Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. If any shares of the Company's Preferred Stock are converted after an exchange of Minerals Stock for Brink's Stock (or Burlington Stock), the holder of such Preferred Stock would, upon conversion, receive shares of Brink's Stock (or Burlington Stock) in lieu of shares of Minerals Stock otherwise issuable upon such conversion.

Shares of Brink's Stock are not subject to either optional or mandatory exchange. The net proceeds of any disposition of properties and assets of the Brink's Group will be attributed to the Brink's Group. In the case of a disposition of all or substantially all the properties and assets of any other group, the net proceeds will be attributed to the group the shares of which have been issued in exchange for shares of the selling group.

Holders of Brink's Stock at all times have one vote per share. Holders of Burlington Stock and Minerals Stock have one and 0.626 votes per share, respectively, subject to adjustment on January 1, 1998, and on each January 1 every two years thereafter in such a manner that each class' share of the aggregate voting power at such time will be equal to that class' share of the aggregate market capitalization of the Company's common stock at such time. Accordingly, on each adjustment date, each share of Burlington Stock and Minerals Stock may have more than, less than or continue to have the number of votes per share as they have. Holders of Brink's Stock, Burlington Stock and Minerals Stock vote together as a single voting group on all matters as to which all common shareholders are entitled to vote. In addition, as prescribed by Virginia law, certain amendments to the Articles of Incorporation affecting, among other things, the designation, rights, preferences or limitations of one class of common stock, or certain mergers or statutory share exchanges, must be approved by the holders of such class of common stock, voting as a group, and, in certain circumstances, may also have to be approved by the holders of the other classes of common stock, voting as separate voting groups.

In the event of a dissolution, liquidation or winding up of the Company, the holders of Brink's Stock, Burlington Stock and Minerals Stock, effective January 19, 1996, share on a per share basis an aggregate amount equal to 55%, 28% and 17%, respectively, of the funds, if any, remaining for distribution to the common shareholders. In the case of Minerals Stock, such percentage has been set, using a nominal number of shares of Minerals Stock of 4,202,954 (the "Nominal Shares") in excess of the actual number of shares of Minerals Stock outstanding, to ensure that the holders of Minerals Stock are entitled to the same share of any such funds immediately following the consummation of the transaction as they were prior thereto. These liquidation percentages are subject to adjustment in proportion to the relative change in the total number of shares of Brink's Stock, Burlington Stock and Minerals Stock, as the case may be, then outstanding to the total number of shares of all other classes of common stock then outstanding (which totals, in the case of Minerals Stock, shall include the Nominal Shares).

In November 1995, the Board of Directors (the "Board") authorized the repurchase, subject to shareholder approval of the Brink's Stock Proposal, of up to 1,500,000 shares of Brink's Stock from time to time in the open market or in private transactions, as conditions warrant, not to exceed an aggregate purchase price of $45,000 for all common stock of the Company.

Dividends paid to holders of Brink's Stock are limited to funds of the Company legally available for the payment of dividends. Amounts available for dividends may be further limited by covenants in the Company's public debt indentures and bank credit agreements. See the Company's consolidated financial statements and related footnotes. Subject to these limitations, the Company's Board, although there is no requirement to do so, intends to declare and pay dividends on the Brink's Stock based primarily on the earnings, financial condition, cash flow and business requirements of the Brink's Group.

In January 1994, the Company issued 161,000 shares of its $31.25 Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock"). The Convertible Preferred Stock, which is convertible into Minerals Stock and which has been attributed to the Minerals Group, pays an annual dividend of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefore, when as and if, declared by the Board. Payment of dividends commenced on March 1, 1994. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon.

In December 1992, the Company formed the Pittston Company Employee Benefits Trust (the "Trust") to hold shares of its common stock to fund obligations under certain employee benefits programs. Upon formation of the Trust, the Company sold for a promissory note of the Trust, 4,000,000 shares of its common stock to the Trust at a price equal to the fair value of the stock on the date of sale. Upon approval of the Brink's Stock Proposal, 3,537,811 shares in the Trust were redesignated as Brink's Stock. At December 31, 1995, 3,552,906 shares of Brink's Stock (3,778,565 in 1994) remained in the Trust, valued at market. The value of these shares has no impact on shareholder's equity.

11. ACQUISITIONS

During 1995, the Brink's Group increased its investment in an equity affiliate to a controlling interest for a purchase price of $956. The acquisition was accounted for as a purchase; accordingly, the purchase price was allocated to the underlying assets and liabilities based on the estimated fair value at the date of acquisition. The fair value of the assets acquired was $9,493 and liabilities assumed was $9,456. The excess of the purchase price over the fair value of assets acquired and liabilities assumed was $919 and is being amortized over a period of forty years.

The results of operations of the acquired company have been included in the Brink's Group's results of operations from the date of acquisition.

12. LEASES

The Brink's Group's businesses lease facilities, vehicles, computers and other equipment under long-term operating leases with varying terms, and most of the leases contain renewal and/or purchase options. As of December 31, 1995, aggregate future minimum lease payments under noncancellable operating leases were as follows:

	Facilities	Equipment & Other	Total
1996	$13,069	2,879	15,948
1997	11,637	1,657	13,294
1998	8,627	1,140	9,767
1999	7,573	370	7,943
2000	6,430	274	6,704
2001	5,804	98	5,902
2002	5,180	21	5,201
2003	4,842	8	4,850
2004	4,652	6	4,658
2005	3,589	6	3,595
Later Years	7,493	6	7,499
Total	$78,896	6,465	85,361

These amounts are net of aggregate future minimum non-cancellable sublease rentals of $302.

Rent expense amounted to $23,469 in 1995, $17,419 in 1994 and $14,908 in 1993.

The Brink's Group incurred capital lease obligations of $648 in 1995, $1,651 in 1994 and $1,059 in 1993. As of December 31, 1995, the Brink's Group's obligations under capital leases were not significant.

13. EMPLOYEE BENEFIT PLANS

The Brink's Group's businesses participate in the Company's noncontributory defined benefit pension plan covering substantially all nonunion employees who meet certain minimum requirements in addition to sponsoring certain other defined benefit plans. Benefits of most of the plans are based on salary and years of service. The Brink's Group's pension cost relating to its participation in the Company's defined benefit pension plan is actuarially determined based on its respective employees and an allocable share of the pension plan assets. The Company's policy is to fund the actuarially determined amounts necessary to provide assets sufficient to meet the benefits to be paid to plan participants in accordance with applicable regulations. The net pension expense (credit) for 1995, 1994 and 1993 for all plans is as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$ 5,031	5,551	4,558
Interest cost on projected benefit obligation	8,719	7,838	7,765
Return on assets actual	(28,019)	(1,750)	(18,726)
(Loss) return on assets deferred	14,717	(10,910)	7,011
Other amortization, net	(505)	(472)	(274)
Net pension expense (credit)	$ (57)	257	334

The assumptions used in determining the net pension expense (credit) for the Company's major pension plan were as follows:

	1995	1994	1993
Interest cost on projected benefit obligation	8.75%	7.5%	9.0%
Expected long-term rate of return on assets	10.0%	10.0%	10.0%
Rate of increase in compensation levels	4.0%	4.0%	5.0%

The funded status and prepaid pension expense at December 31, 1995 and 1994 are as follows:

	1995	1994
Actuarial present value of accumulated benefit obligation:		
Vested	$ 104,120	78,344
Nonvested	8,282	6,559
	112,402	84,903
Benefits attributable to projected salaries	18,966	14,965
Projected benefit obligation	131,368	99,868
Plan assets at fair value	159,555	132,736
Excess of plan assets over projected benefit obligation	28,187	32,868
Unamortized initial net asset	(2,918)	(3,418)
Unrecognized experience loss	6,781	604
Unrecognized prior service cost	1,385	1,608
Net pension assets	33,435	31,662
Current pension liability	488	833
Deferred pension asset per balance sheet	$ 33,923	32,495

For the valuation of pension obligations and the calculation of the funded status, the discount rate was 7.5% in 1995 and 8.75% in 1994. The expected long-term rate of return on assets was 10% in both years. The rate of increase in compensation levels used was 4% in 1995 and 1994.

The unrecognized initial net asset at January 1, 1986 (January 1, 1989, for certain foreign pension plans), the date of adoption of SFAS 87, has been amortized over the estimated remaining average service life of the employees. As of December 31, 1995, approximately 65% of plan assets were invested in equity securities and 35% in fixed income securities.

The Brink's Group also provides certain postretirement health care and life insurance benefits for eligible active and retired employees in the United States and Canada.

For the years 1995, 1994 and 1993, the components of periodic expense for these postretirement benefits were as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$ 68	86	70
Interest cost on accumulated postretirement benefit obligation	240	232	256
Total expense	$308	318	326

Interest costs on the accumulated postretirement benefit obligation were based upon rates of 8.75% in 1995, 7.5% in 1994 and 9% in 1993.

At December 31, 1995 and 1994, the actuarial and recorded liabilities for these postretirement benefits, none of which have been funded, were as follows:

	1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$1,632	1,675
Fully eligible active plan participants	777	654
Other active plan participants	1,195	766
	3,604	3,095
Unrecognized experience gain	155	477
Liability included on the balance sheet	3,759	3,572
Less current portion	284	292
Noncurrent liability for postretirement health care and life insurance benefits	$3,475	3,280

The accumulated postretirement benefit obligation was determined using the unit credit method and an assumed discount rate of 7.5% in 1995 and 8.75% in 1994. The postretirement benefit obligation for U.S. salaried employees does not provide for changes in health care costs since the employer's contribution to the plan is a fixed amount. The assumed health care cost trend rate used in 1995 for employees under a foreign plan was 9% grading down to 5% in the year 2001.

A percentage point increase each year in the assumed health care cost trend rate used would have resulted in a $11 increase in the aggregate service and interest components of expense for the year 1995, and a $60 increase in the accumulated postretirement benefit obligation at December 31, 1995.

The Brink's Group also participates in the Company's Savings-Investment Plan to assist eligible employees in providing for retirement or other future financial needs. Employee contributions are matched at rates of 75% to 125% up to 5% of compensation (subject to certain limitations imposed by the Internal Revenue Code of 1986, as amended). Contribution expense under the plan aggregated $2,794 in 1995, $2,706 in 1994 and $2,153 in 1993.

In May 1994, the Company's shareholders approved the Employee Stock Purchase Plan effective July 1, 1994. See the Company's consolidated financial statements and related footnotes for information regarding the Company's Employee Stock Purchase Plan.

14. OTHER OPERATING INCOME

Other operating income includes the Brink's Group's share of net income in unconsolidated affiliated companies which are carried on the equity method. Amounts presented include the accounts of the following equity affiliates:

	Ownership At December 31, 1995
Servicio Pan Americano De Protecion, S.A. (Mexico)	20.0%
Brink's Panama, S.A	49.0%
Brink's S.A. (France)	38.0%
Brink's Schenker, GmbH (Germany)	50.0%
Brink's Securmark S.p.A. (Italy)	24.5%
Security Services (Brink's Jordan), W.L.L	45.0%
Brink's-Allied Limited (Ireland)	50.0%
Brink's Arya India Private Limited	40.0%
Brink's Pakistan (Pvt.) Limited	49.0%
Brink's Taiwan Limited	50.0%
Brink's (Thailand) Ltd.	40.0%

The following table presents summarized financial information of these companies.

	1995	1994	1993
Revenues	$ 715,423	784,699	688,637
Gross profit	58,661	147,468	140,402
Net income (loss)	(6,048)	22,661	24,739
The Company's share of net income (loss)	$ 136	6,048	6,895
Current assets	$155,687	149,367	
Noncurrent assets	218,019	291,085	
Current liabilities	209,016	135,824	
Noncurrent liabilities	80,860	156,375	
Net equity	$ 83,830	148,253	

Undistributed earnings of such companies approximated $37,321 at December 31, 1995.

15. SEGMENT INFORMATION

Operating revenues by geographic area are as follows:

	Year Ended December 31 1995	1994	1993
United States	$464,738	406,828	356,869
Brazil	106,678	70,492	43,974
Other foreign	216,979	179,673	170,110
Total operating revenues	$788,395	656,993	570,953

The following is derived from the business segment information in the Company's consolidated financial statements as it relates to the Brink's Group. See Note 2, Related Party Transactions, for a description of the Company's policy for corporate allocations.

The Brink's Group's portion of the Company's operating profit is as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$ 63,362	51,343	43,707
Brazil	5,329	3,162	1,413
Other foreign	13,553	17,637	16,288
Brink's Group's portion of the Company's segment operating profit	82,244	72,142	61,408
Allocated general corporate expense	(4,770)	(4,666)	(4,757)
Total operating profit	$ 77,474	67,476	56,651

The Brink's Group's portion of the Company's assets at year end is as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$240,397	203,364	173,416
Brazil	29,492	25,843	20,780
Other foreign	167,834	155,981	145,642
Brink's Group's portion of the Company's assets	437,723	385,188	339,838
Brink's Group's portion of corporate assets	24,697	24,503	23,208
Deferred tax reclass	22,306	17,196	14,877
Total assets	$484,726	426,887	377,923

Industry segment information is as follows:

	Year Ended December 31		
	1995	1994	1993
REVENUES:			
Brink's	$ 659,459	547,046	481,904
BHS	128,936	109,947	89,049
Total revenues	$ 788,395	656,993	570,953
OPERATING PROFIT:			
Brink's (a)	$ 42,738	39,710	35,008
BHS (b)	39,506	32,432	26,400
Segment operating profit	82,244	72,142	61,408
Allocated general corporate expense	(4,770)	(4,666)	(4,757)
Total operating profit	$ 77,474	67,476	56,651

(a) Includes equity in net income of unconsolidated foreign affiliates of $136 in 1995, $6,048 in 1994 and $6,895 in 1993.

(b) As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations to more accurately reflect subscriber installation costs. The effect of this change in accounting principle was to increase operating profit $5,196 in 1995, $4,137 in 1994 and $4,051 in 1993 (Note 4).

	Year Ended December 31		
	1995	1994	1993
CAPITAL EXPENDITURES:			
Brink's	$ 23,063	23,963	22,209
BHS	47,256	34,071	26,409
Allocated general corporate	111	60	32
Total capital expenditures	$ 70,430	58,094	48,650
DEPRECIATION AND AMORTIZATION:			
Brink's	$ 21,844	20,553	20,150
BHS	21,028	17,817	14,357
Allocated general corporate expense	105	93	89
Total depreciation and amortization	$ 42,977	38,463	34,596
ASSETS AT DECEMBER 31:			
Brink's	321,022	297,816	267,229
BHS	116,701	87,372	72,609
Identifiable assets	437,723	385,188	339,838
Allocated portion of the Company's corporate assets	24,697	24,503	23,208
Deferred tax reclass	22,306	17,196	14,877
Total assets	$484,726	426,887	377,923

16. CONTINGENT LIABILITIES

Under the Coal Industry Retiree Health Benefit Act of 1992 (the "Act"), the Company and its majority-owned subsidiaries at July 20, 1992, including the Brink's Group included in these financial statements, are jointly and severally liable with the Burlington Group and the Minerals Group for the costs of health care coverage provided for by that Act. For a description of the Act and an estimate of certain of such costs, see Note 13 to the Company's consolidated financial statements. At this time, the Company expects the Minerals Group to generate sufficient cash flow to discharge its obligations under the Act.

In April 1990, the Company entered into a settlement agreement to resolve certain environmental claims against the Company arising from hydrocarbon contamination at a petroleum terminal facility ("Tankport") in Jersey City, New Jersey, which operations were sold in 1983. Under the settlement agreement, the Company is obligated to pay 80% of the remediation costs. Based on data available to the Company and its environmental consultants, the Company estimates its portion of the cleanup costs on an undiscounted basis using existing technologies to be between $6,700 and $16,400 over a period of up to five years. Management is unable to determine that any amount within that range is a better

estimate due to a variety of uncertainties, which include the extent of the contamination at the site, the permitted technologies for remediation and the regulatory standards by which the clean-up will be conducted. The clean-up estimates have been modified from prior years' in light of cost inflation. The estimate of costs and the timing of payments could change as a result of changes to the remediation plan required, changes in the technology available to treat the site, unforseen circumstances existing at the site and additional cost inflation.

The Company commenced insurance coverage litigation in 1990, in the United States District Court for the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. In August 1995, the District Court ruled on various Motions for Summary Judgement. In its decision, the Court found favorably for the Company on several matters relating to the comprehensive general liability policies but concluded that the pollution liability policies did not contain pollution coverage for the types of claims associated with the Tankport site. The Company has filed a notice of its intent to appeal the District Court's decision to the Third Circuit. Management and its outside legal counsel continue to believe, however, that recovery of a substantial portion of the cleanup costs will ultimately be probable of realization. Accordingly, management is revising its earlier belief that there is no net liability for the Tankport obligation, and it is the Company's belief that, based on estimates of potential liability and probable realization of insurance recoveries, the Company would be liable for approximately $1,400 based on the Court's decision and related developments of New Jersey law.

17. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended December 31, 1995, 1994 and 1993, cash payments for income taxes, net of refunds received, were $22,352, $19,277 and $15,595, respectively.

For the years ended December 31, 1995, 1994 and 1993, cash payments for interest were $1,663, $2,502 and $2,722, respectively.

18. SELECTED QUARTERLY FINANCIAL DATA

Tabulated below are certain data for each quarter of 1995 and 1994.

	1st	2nd	3rd	4th
1995 QUARTERS:				
Operating revenues	$179,400	185,606	208,958	214,431
Gross profit	39,876	44,242	50,803	53,791
Net income	$ 9,546	11,965	14,613	14,969
Per Pittston Brink's Group Common Share:				
Net income	$ .25	.32	.39	.39
1994 QUARTERS:				
Operating revenues	$149,569	155,085	171,787	180,552
Gross profit	32,850	38,567	43,043	44,348
Net income	$ 7,172	9,779	11,576	12,962
Per Pittston Brink's Group Common Share:				
Net income	$ .19	.26	.31	.34

Pittston Burlington Group
STATEMENT OF MANAGEMENT RESPONSIBILITY

The management of The Pittston Company (the "Company") is responsible for preparing the accompanying Pittston Burlington Group (the "Burlington Group") financial statements and for their integrity and objectivity. The statements were prepared in accordance with generally accepted accounting principles. Management has also prepared the other information in the annual report and is responsible for its accuracy.

In meeting our responsibility for the integrity of the financial statements, we maintain a system of internal controls designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorization and that the accounting records provide a reliable basis for the preparation of the financial statements. Qualified personnel throughout the organization maintain and monitor these internal controls on an ongoing basis. In addition, the Company maintains an internal audit department that systematically reviews and reports on the adequacy and effectiveness of the controls, with management follow-up as appropriate.

Management has also established a formal Business Code of Ethics which is distributed throughout the Company. We acknowledge our responsibility to establish and preserve an environment in which all employees properly understand the fundamental importance of high ethical standards in the conduct of our business.

The accompanying financial statements have been audited by KPMG Peat Marwick LLP, independent auditors. During the audit they review and make appropriate tests of accounting records and internal controls to the extent they consider necessary to express an opinion on the Burlington Group's financial statements.

The Company's Board of Directors pursues its oversight role with respect to the Burlington Group's financial statements through the Audit and Ethics Committee, which is composed solely of outside directors. The Committee meets periodically with the independent auditors, internal auditors and management to review the Company's control system and to ensure compliance with applicable laws and the Company's Business Code of Ethics.

We believe that the policies and procedures described above are appropriate and effective and do enable us to meet our responsibility for the integrity of the Burlington Group's financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
The Pittston Company

We have audited the accompanying balance sheets of Pittston Burlington Group (as described in Note 1) as of December 31, 1995 and 1994, and the related statements of operations and cash flows for each of the years in the three-year period ended December 31, 1995. These financial statements are the responsibility of The Pittston Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements of Pittston Burlington Group present fairly, in all material respects, the financial position of Pittston Burlington Group as of December 31, 1995 and 1994, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 1995, in conformity with generally accepted accounting principles.

As more fully discussed in Note 1, the financial statements of Pittston Burlington Group should be read in connection with the audited consolidated financial statements of The Pittston Company and subsidiaries.

KPMG Peat Marwick LLP
Stamford, Connecticut

January 25, 1996

Pittston Burlington Group
BALANCE SHEETS

(Dollars in thousands)	December 31 1995	1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 25,847	18,384
Accounts receivable:		
Trade	218,081	180,024
Other	11,973	8,791
	230,054	188,815
Less estimated amount uncollectible	10,373	10,475
	219,681	178,340
Receivable -- Pittston Minerals Group (Note 2)	5,910	31,465
Inventories	1,684	2,035
Prepaid expenses	13,603	9,290
Deferred income taxes (Note 7)	11,512	11,655
Total current assets	278,237	251,169
Property, plant and equipment, at cost (Note 4)	128,440	95,053
Less accumulated depreciation and amortization	56,269	50,611
	72,171	44,442
Intangibles, net of amortization (Notes 5 and 11)	180,739	180,686
Deferred pension assets (Note 13)	10,427	10,655
Deferred income taxes (Note 7)	12,875	9,050
Other assets	17,628	25,514
Total assets	$ 572,077	521,516
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 32,181	8,779
Current maturities of long-term debt (Note 8)	1,964	938
Accounts payable	157,770	149,290
Accrued liabilities:		
Taxes	13,760	10,389
Workers' compensation and other claims	3,459	4,185
Miscellaneous	45,092	44,944
	62,311	59,518
Total current liabilities	254,226	218,525
Long-term debt, less current maturities (Note 8)	26,697	41,906
Postretirement benefits other than pensions (Note 13)	2,713	2,481
Deferred income taxes (Note 7)	1,996	1,572
Payable Pittston Minerals Group (Note 2)	8,029	10,436
Other liabilities	6,563	5,716
Commitments and contingent liabilities (Notes 8, 12, and 15)		
Shareholder's equity (Note 3)	271,853	240,880
Total liabilities and shareholder's equity	$ 572,077	521,516

See accompanying notes to financial statements.

Pittston Burlington Group
STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)	Year Ended December 31 1995	1994	1993
Operating revenue	$1,414,821	1,215,284	998,079
Costs and expenses:			
Operating expenses	1,245,721	1,043,895	865,587
Selling, general and administrative expenses	117,980	110,036	102,089
Total costs and expenses	1,363,701	1,153,931	967,676
Other operating income	2,833	3,206	2,811
Operating profit	53,953	64,559	33,214
Interest income	4,430	2,127	901
Interest expense (Note 2)	(5,108)	(3,847)	(6,103)
Other income (expense), net	(1,702)	(1,629)	(97)
Income before income taxes	51,573	61,210	27,915
Provision for income taxes (Note 7)	18,718	22,854	12,439
Net income	$ 32,855	38,356	15,476
Net income per common share (Note 1)	$ 1.73	2.03	.84
Average common shares outstanding	18,966	18,892	18,454

See accompanying notes to financial statements.

Pittston Burlington Group
STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31 1995	1994	1993
Cash flows from operating activities:			
Net income	$32,855	38,356	15,476
Adjustments to reconcile net income to net cash provided by operating activities:			
Noncash charges and other write-offs	--	306	--
Depreciation and amortization	19,972	17,319	15,378
Provision for aircraft heavy maintenance	26,317	26,598	20,962
Credit for deferred income taxes	(4,345)	(5,256)	(1,337)
Provision for pensions, noncurrent	218	203	290
Provision for uncollectible accounts receivable	2,336	3,054	2,949
Equity in earnings of unconsolidated affiliates, net of dividends received	(194)	(118)	(115)
Loss (gain) on sale of property, plant and equipment	209	39	(234)
Other operating, net	828	343	278
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:			
Increase in accounts receivable	(38,946)	(45,084)	(9,986)
(Increase) decrease in inventories	351	(242)	(361)
(Increase) decrease in prepaid expenses	(4,127)	1,575	(2,610)
Increase in accounts payable and accrued liabilities	5,193	64,615	10,104
Decrease (increase) in other assets	(551)	272	(4,921)
Increase (decrease) in other liabilities	642	1,000	(75)
Other, net	(1,270)	860	(515)
Net cash provided by operating activities	39,488	103,840	45,283
Cash flows from investing activities:			
Additions to property, plant and equipment	(32,399)	(24,005)	(28,362)
Proceeds from disposal of property, plant and equipment	422	1,467	972
Aircraft heavy maintenance expenditures	(22,356)	(15,333)	(19,148)
Acquisitions, net of cash acquired, and related contingency payments	(1,338)	(5,938)	(736)
Other, net	3,683	3,775	(23)
Net cash used by investing activities	(51,988)	(40,034)	(47,297)
Cash flows from financing activities:			
Additions to debt	28,060	31,790	--
Reductions of debt	(2,834)	(30,482)	(23,894)
Payments (to) from Minerals Group	(878)	(55,731)	13,266
Repurchase of common stock	(1,132)	(2,042)	(304)
Proceeds from exercise of stock options	756	1,837	4,001
Proceeds from employee stock purchase plan	195	--	--
Proceeds from sale of stock to Savings Investment Plan	--	--	73
Proceeds from sale of stock to Minerals Group	--	106	42
Dividends paid	(4,204)	(4,154)	(3,880)
Cost of Services Stock Proposal	--	(1)	(782)
Net cash from the Company	--	--	6,937
Net cash provided (used) by financing activities	19,963	(58,677)	(4,541)
Net increase (decrease) in cash and cash equivalents	7,463	5,129	(6,555)
Cash and cash equivalents at beginning of period	18,384	13,255	19,810
Cash and cash equivalents at end of period	$25,847	18,384	13,255

See accompanying notes to financial statements.

Pittston Burlington Group
NOTES TO FINANCIAL STATEMENTS

(Dollars in thousands, except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

On January 18, 1996, the shareholders of The Pittston Company (the "Company") approved the Brink's Stock Proposal, as described in the Company's proxy statement dated December 15, 1995, resulting in the modification, effective as of January 19, 1996, of the capital structure of the Company to include an additional class of common stock. The outstanding shares of Pittston Services Group Common Stock ("Services Stock") have been redesignated as Pittston Brink's Group Common Stock, par value $1.00 per share ("Brink's Stock"), and one-half of one share of a new class of common stock identified as Pittston Burlington Group Common Stock, par value $1.00 per share, ("Burlington Stock") has been distributed for each outstanding share of Services Stock. Holders of Pittston Minerals Group Common Stock ("Minerals Stock") continue to be holders of such stock, which continues to reflect the performance of the Pittston Minerals Group (the "Minerals Group"). Brink's Stock is intended to reflect the performance of the Pittston Brink's Group (the "Brink's Group") and Burlington Stock is intended to reflect the performance of the Pittston Burlington Group (the "Burlington Group").

The financial statements of the Burlington Group include the balance sheets, the results of operations and cash flows of the Burlington Air Express Inc. ("Burlington") operations of the Company, and a portion of the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Burlington Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be a reasonable and equitable allocation of such items (see Note 2).

All stock and per share data in the accompanying financial statements have been restated to reflect the modification of the Company's capital structure. The primary impacts of this restatement are as follows:

For the purpose of computing net income per common share of Burlington Stock, the number of shares of Burlington Stock are assumed to be one-half of the total number of shares of Services Stock. Net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during the period. The potential dilution from the exercise of stock options is not material. The potential dilution from the assumed conversion of the 9.20% convertible subordinated debentures in 1993 was not included since its effect was antidilutive. The shares of Burlington Stock assumed to be held in The Pittston Company Employee Benefits Trust are evaluated for inclusion in the calculation of net income per share under the treasury stock method and had no dilutive effect.

All financial impacts of purchases and issuances of Services Stock have been attributed to each Group in relation of their respective common equity to the Services Group common stock. Dividends paid by the Company were attributed to the Brink's and Burlington Groups in relation to the initial dividends to be paid on the Brink's Stock and the Burlington Stock.

The Company provides to holders of Burlington Stock separate financial statements, financial review, descriptions of business and other relevant information for the Burlington Group in addition to the consolidated financial information of the Company. Notwithstanding the attribution of assets and liabilities (including contingent liabilities) among the Minerals Group, the Brink's Group and the Burlington Group for the purpose of preparing their respective financial statements, this attribution and the change in the capital structure of the Company contemplated by the Brink's Stock Proposal did not affect legal title to such assets or responsibility for such liabilities for the Company or any of its subsidiaries. Holders of Burlington Stock are common shareholders of the Company, which continues to be responsible for all of its liabilities. Financial impacts arising from one group that affect the Company's financial condition could affect the results of operations and financial condition of each of the groups. Since financial developments within one group could affect other groups, all shareholders of the Company could be adversely affected by an event directly impacting only one group. Accordingly, the Company's consolidated financial statements must be read in connection with the Burlington Group's financial statements.

The accounting policies applicable to the preparation of the financial statements of the Burlington Group may be modified or rescinded at the sole discretion of the Board without approval of shareholders, although there is no intention to do so.

PRINCIPLES OF COMBINATION

The accompanying financial statements reflect the combined accounts of the businesses comprising the Burlington Group and their majority-owned subsidiaries. The Burlington Group interests in 20% to 50% owned companies are carried on the equity method. All material intercompany items and transactions have been eliminated in combination. Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits and investments with original maturities of three months or less.

INVENTORIES

Inventories are stated at cost (determined under the first-in, first-out or average cost method) or market, whichever is lower.

PROPERTY, PLANT AND EQUIPMENT

Expenditures for maintenance and repairs are charged to expense, and the costs of renewals and betterments are capitalized. Depreciation is provided principally on the straight-line method at varying rates depending upon estimated useful lives.

INTANGIBLES

The excess of cost over fair value of net assets of companies acquired is amortized on a straight-line basis over the estimated periods benefited.

The Burlington Group evaluates the carrying value of intangibles and the periods of amortization to determine whether events and circumstances warrant revised estimates of asset value or useful lives. The Burlington Group annually assesses the recoverability of the excess of cost over net assets acquired by determining whether the amortization of the asset balance over its remaining life can be recovered through projected undiscounted future operating cash flows. Evaluation of asset value as well as periods of amortization are performed on a disaggregated basis at each of the Burlington Group's operating units.

INCOME TAXES

Income taxes are accounted for in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

See Note 2 for allocation of the Company's U.S. federal income taxes to the Burlington Group.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
Postretirement benefits other than pensions are accounted for in accordance with Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", which requires employers to accrue the cost of such retirement benefits during the employees' service with the Company.

FOREIGN CURRENCY TRANSLATION
Assets and liabilities of foreign operations have been translated at current exchange rates, and related revenues and expenses have been translated at average rates of exchange in effect during the year. Resulting cumulative translation adjustments have been included in shareholder's equity. Translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains and losses for the period.

A portion of the Burlington Group's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Because the financial results of the Burlington Group are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. However, the Burlington Group's international activity is not concentrated in any single currency, which reduces the risks of foreign currency rate fluctuations.

FINANCIAL INSTRUMENTS
The Burlington Group uses foreign currency forward contracts to hedge risk of changes in foreign currency rates associated with certain transactions denominated in various currencies. Realized and unrealized gains and losses on these contracts, designated and effective as hedges, are deferred and recognized as part of the specific transaction hedged.

The Burlington Group also utilizes financial instruments to protect against price increases in jet fuel as well as interest rate changes on certain variable rate lease obligations. Gains and losses on such financial instruments, designated and effective as hedges, are recognized as part of the specific transaction hedged.

REVENUE RECOGNITION
Revenues related to transportation services are recognized, together with related transportation costs, on the date shipments physically depart from facilities en route to destination locations. Financial statements resulting from existing recognition policies do not materially differ from the allocation of revenue between reporting periods based on relative transit times in each reporting period with expenses recognized as incurred.

USE OF ESTIMATES

In accordance with generally accepted accounting principles, management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

PENDING ACCOUNTING CHANGES

The Burlington Group is required to implement a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of", in 1996. SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 121 requires companies to utilize a two-step approach to determining whether impairment of such assets has occurred and, if so, the amount of such impairment. Although the Burlington Group is still reviewing the impact of adopting SFAS No. 121, it is estimated that its adoption will not have any impact on the Burlington Group's financial statements as of January 1, 1996.

The Burlington Group is required to implement a new accounting standard SFAS No. 123, "Accounting for Stock Based Compensation", in 1996. SFAS No. 123 establishes financial accounting and reporting standards for stock-based employee compensation plans. Although SFAS No. 123 encourages adoption of a fair value based method of accounting for all employee stock compensation plans, it allows entities to continue to measure compensation cost for those plans using the intrinsic value based method of accounting prescribed by Accounting Principles Board Opinion ("APB") No. 25, "Accounting for Stock issued to Employees" with disclosure of net income and earnings per share as if the fair value based method of accounting is applied. The Burlington Group expects to continue to account for its stock compensation plans according to APB No. 25 with the disclosure of the impact on net income and earnings per share as if the fair value based method of accounting is applied.

2. RELATED PARTY TRANSACTIONS

The following policies may be modified or rescinded by action of the Board, or the Board may adopt additional policies, without approval of the shareholders of the Company, although the Board has no present intention to do so. The Company allocated certain corporate general and administrative expenses, net interest expense and related assets and liabilities in accordance with the policies described below. Corporate assets and liabilities are primarily cash, deferred pension assets, income taxes and accrued liabilities.

FINANCIAL

As a matter of policy, the Company manages most financial activities of the Burlington Group, Brink's Group and Minerals Group on a centralized, consolidated basis. Such financial activities include the investment of surplus cash; the issuance, repayment and repurchase of short-term and long-term debt; the issuance and repurchase of common stock and the payment of dividends. In preparing these financial statements, transactions primarily related to invested cash, short-term and long-term debt (including convertible debt), related net interest and other financial costs have been attributed to the Burlington Group based upon its cash flows for the periods presented after giving consideration to the debt and equity structure of the Company. The Company attributes long-term debt to the Burlington Group based upon the purpose for the debt in addition to the cash requirements of the Burlington Group. See Note 8 for details and amounts of long-term debt. The portion of the Company's interest expense allocated to the Burlington Group for 1995, 1994 and 1993 was $2,327, $2,629 and $5,063, respectively. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Burlington Group.

To the extent borrowings are deemed to occur between the Burlington Group, the Brink's Group and the Minerals Group, intergroup accounts are established bearing interest at the rate in effect from time to time under the Company's unsecured credit lines or, if no such credit lines exist, at the prime rate charged by Chemical Bank from time to time. At December 31, 1995 and 1994, the Minerals Group owed the Burlington Group $19,910 and $42,465, respectively, as the result of borrowings.

INCOME TAXES

The Burlington Group is included in the consolidated U.S. federal income tax return filed by the Company.

The Company's consolidated provision and actual cash payments for U.S. federal income taxes are allocated between the Burlington Group, Brink's Group and Minerals Group in accordance with the Company's tax allocation policy and reflected in the financial statements for each Group. In general, the consolidated tax provision and related tax payments or refunds are allocated among the Groups, for financial statement purposes, based principally upon the financial income, taxable income, credits and other amounts directly related to the respective Group. Tax benefits that cannot be used by the Group generating such attributes, but can be utilized on a consolidated basis, are allocated to the Group that generated such benefits and an intergroup account is established for the benefit of the

Group generating the attributes. As a result, the allocated Group amounts of taxes payable or refundable are not necessarily comparable to those that would have resulted if the Groups had filed separate tax returns. At December 31, 1995 and 1994, the Burlington Group owed the Minerals Group $22,029 and $21,436, respectively, for such tax benefits, of which $8,029 and $10,436, respectively, were not expected to be paid within one year from such dates in accordance with the policy.

SHARED SERVICES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Burlington Group based upon utilization and other methods and criteria which management believes to be equitable and a reasonable estimate of the cost attributable to the Burlington Group. These allocations were $4,770, $4,665 and $4,757 in 1995, 1994 and 1993, respectively.

PENSION

The Burlington Group's pension cost related to its participation in the Company's noncontributory defined benefit pension plan is actuarially determined based on its respective employees and an allocable share of the pension plan assets and calculated in accordance with Statement of Financial Accounting Standards No. 87 ("SFAS 87"). Pension plan assets have been allocated to the Burlington Group based on the percentage of its projected benefit obligation to the plan's total projected benefit obligation. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Burlington Group.

3. SHAREHOLDER'S EQUITY

The following presents shareholder's equity of the Burlington Group assuming completion of the Brink's Stock Proposal transaction:

	Year Ended December 31		
	1995	1994	1993
Balance at beginning of period	$ 240,880	203,150	181,576
Net income	32,855	38,356	15,476
Foreign currency translation adjustment	945	2,418	(768)
Stock options exercised	548	1,837	4,001
Stock released from employee benefits trust to employee benefits plan	1,661	443	278
Stock sold from employee benefits trust to employee benefits plan	--	--	73
Stock sold to Minerals Group	--	107	42
Stock repurchases	(1,134)	(2,042)	(304)
Dividends declared	(4,201)	(4,161)	(3,880)
Cost of Services Stock Proposal	--	(1)	(782)
Tax benefit of options exercised	299	765	501
Conversion of debt	--	8	--
Net cash (to) from the Company	--	--	6,937
Balance at end of period	$271,853	240,880	203,150

Included in shareholder's equity is the cumulative foreign currency translation adjustment of $721, $1,666 and $4,084 at December 31, 1995, 1994 and 1993, respectively.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at cost, consist of the following:

	December 31	
	1995	1994
Land	$ 1,495	197
Buildings	20,102	9,147
Machinery and equipment	106,843	85,709
Total	$128,440	95,053

The estimated useful lives for property, plant and equipment are as follows:

	Years
Buildings	10 to 25
Machinery and equipment	4 to 10

Depreciation of property, plant and equipment aggregated $13,449 in 1995, $10,797 in 1994 and $8,735 in 1993.

5. INTANGIBLES

Intangibles consist entirely of the excess of cost over fair value of net assets of companies acquired and are net of accumulated amortization of $72,721 at December 31, 1995 and $66,140 at December 31, 1994. The estimated useful life of intangibles is generally forty years. Amortization of intangibles aggregated $6,295 in 1995, $6,162 in 1994 and $6,218 in 1993.

6. FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Burlington Group to concentrations of credit risk consist principally of cash and cash equivalents, and trade receivables. The Burlington Group's cash and cash equivalents are placed with high credit quality financial institutions. Also, by policy, the amount of credit exposure to any one financial institution is limited. Concentration of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Burlington Group's customer base, and their dispersion across many different industries and geographic areas.

The following details the fair values of financial instruments for which it is practicable to estimate the value:

CASH AND CASH EQUIVALENTS
The carrying amounts approximate fair value because of the short maturity of these instruments.

DEBT
The aggregate fair value of the Burlington Group's long-term debt obligations, which is based upon quoted market prices and rates currently available to the Burlington Group for debt with similar terms and maturities, approximates the carrying amount.

OFF-BALANCE SHEET INSTRUMENTS
The Burlington Group utilizes various off-balance sheet financial instruments, as discussed below, to hedge its foreign currency and other market exposures. The risk that counterparties to such instruments may be unable to perform is minimized by limiting the counterparties to major financial institutions. The Burlington Group does not expect any losses due to such counterparty default.

Foreign currency forward contracts -- The Company enters into foreign currency forward contracts with a duration of 30 days as a hedge against accounts payable denominated in various currencies. These contracts do not subject the Company to risk due to exchange rate movements because gains and losses on these contracts offset losses and gains on the payables being hedged. At December 31, 1995, the total contract value of foreign currency forward contracts outstanding was $6,189. As of such date, the fair value of the foreign currency forward contracts was not significant.

Fuel contracts -- The Burlington Group has hedged a portion of its jet fuel requirements through a swap contract. At December 31, 1995, the notional value of the jet fuel swap, aggregating 11.2 million gallons, through mid-1996, was $5,767. In addition, the Company has entered into several commodity option transactions that are intended to protect against significant increases in jet fuel prices. These transactions, aggregate 10.8 million gallons with a notional value of $6,480 and are applicable throughout the first half of 1996. The Company has also entered into a collar transaction applicable to 6.0 million gallons that provides a minimum and maximum per gallon price. This transaction is settled monthly based upon the average of the high and low prices during each period.

The fair value of these fuel hedge transactions may fluctuate over the course of the contract period due to changes in the supply and demand for oil and refined products. Thus, the economic gain or loss, if any, upon settlement of the contracts may differ from the fair value of the contracts at an interim date. At December 31, 1995, the fair value of these contracts was not significant.

Interest rate contracts -- In connection with the aircraft leasing by Burlington, the Company has entered into an interest rate swap agreement. This variable to fixed interest rate swap agreement had a notional value of $30,000 that fixes the Company's interest rate at 7.05% through January 2, 1998. Given the decline in the base variable rate subsequent to when the agreement was entered into, the cost to the Company to terminate the agreement would have been $1,195 at December 31, 1995.

7. INCOME TAXES

The provision (credit) for income taxes consists of the following:

	U.S. Federal	Foreign	State	Total
1995:				
Current	$20,139	1,424	1,500	23,063
Deferred	(2,839)	(1,064)	(442)	(4,345)
Total	$17,300	360	1,058	18,718
1994:				
Current	$22,077	3,033	3,000	28,110
Deferred	(4,472)	80	(864)	(5,256)
Total	$17,605	3,113	2,136	22,854
1993:				
Current	$10,806	1,870	1,100	13,776
Deferred	(520)	(302)	(515)	(1,337)
Total	$10,286	1,568	585	12,439

The significant components of the deferred tax benefit were as follows:

	1995	1994	1993
Deferred tax expense (benefit), exclusive of the components listed below	$(2,212)	(6,028)	(2,118)
Net operating loss carryforwards	(1,490)	(247)	205
Alternative minimum tax credits	(565)	1,084	647
Change in the valuation allowance for deferred tax assets	(78)	(65)	(71)
Total	$(4,345)	(5,256)	(1,337)

The tax benefit for compensation expense related to the exercise of certain employee stock options for tax purposes in excess of compensation expense for financial reporting purposes is recognized as an adjustment to shareholder's equity.

The components of the net deferred tax asset as of December 31, 1995 and December 31, 1994 were as follows:

	1995	1994
Deferred tax assets:		
Accounts receivable	$ 3,149	3,368
Postretirement benefits other than pensions	1,100	985
Workers' compensation and other claims	1,357	1,819
Other liabilities and reserves	13,275	11,194
Miscellaneous	1,642	612
Net operating loss carryforwards	5,340	3,850
Alternative minimum tax credits	11,653	10,963
Valuation allowance	--	(78)
Total deferred tax asset	37,516	32,713
Deferred tax liabilities:		
Property, plant and equipment	576	725
Pension assets	1,486	1,608
Other assets	684	383
Miscellaneous	12,379	10,864
Total deferred tax liability	15,125	13,580
Net deferred tax asset	$ 22,391	19,133

The recording of deferred federal tax assets is based upon their expected utilization in the Company's consolidated federal income tax return and the benefit that would accrue to the Burlington Group under the Company's tax allocation policy.

The valuation allowance relates to deferred tax assets in certain foreign jurisdictions.

The following table accounts for the difference between the actual tax provision and the amounts obtained by applying the statutory U.S. federal income tax rate of 35% in 1995, 1994 and 1993 to the income before income taxes.

	Year Ended December 31		
	1995	1994	1993
Income (loss) before income taxes:			
United States	$ 34,943	35,464	11,633
Foreign	16,630	25,746	16,282
Total	$ 51,573	61,210	27,915
Tax provision computed at statutory rate	$ 18,051	21,424	9,770
Increases (reductions) in taxes due to:			
State income taxes (net of federal tax benefit)	688	1,388	380
Goodwill amortization	2,079	1,891	2,065
Difference between total taxes on foreign income and the U.S. federal statutory rate	(1,430)	(2,790)	107
Miscellaneous	(670)	941	117
Actual tax provision	$18,718	22,854	12,439

It is the policy of the Burlington Group to accrue deferred income taxes on temporary differences related to the financial statement carrying amounts and tax bases of investments in foreign subsidiaries and affiliates which are expected to reverse in the foreseeable future. As of December 31, 1995 and December 31, 1994, the unrecognized deferred tax liability for temporary differences of approximately $9,340 and $20,237, respectively, related to investments in foreign subsidiaries and affiliates that are essentially permanent in nature and not expected to reverse in the foreseeable future was approximately $3,269 and $7,083, respectively.

The Burlington Group is included in the Company's consolidated U.S. federal income tax return.

As of December 31, 1995, the Burlington Group had $11,653 of alternative minimum tax credits allocated to it under the Company's tax allocation policy. Such credits are available to offset future U.S. federal income taxes and, under current tax law, the carryforward period for such credits is unlimited.

The tax benefits of net operating loss carryforwards of the Burlington Group as at December 31, 1995 were $5,340 and related to various state and foreign taxing jurisdictions. The expiration periods primarily range from 5 to 15 years.

8. LONG-TERM DEBT

A portion of the outstanding debt under the Company's credit agreement and the Company's subordinated obligations have been attributed to the Burlington Group. Total long-term debt of the Burlington Group consists of the following:

	As of December 31	
	1995	1994
Senior obligations:		
Canadian dollar term loan due 1999 (7.50% in 1995 and 6.19% in 1994)	$ 2,932	2,852
All other	7,772	353
	10,704	3,205
Obligations under capital leases (average rates 13.00% in 1995 and 12.04% in 1994)	1,645	619
	12,349	3,824
Attributed portion of the Company's debt:		
U.S. dollar term loan due 2000 (year-end rate 6.48% in 1994)	--	23,434
4% subordinated debentures due 1997	14,348	14,648
	14,348	38,082
Total long-term debt, less current maturities	$26,697	41,906

For the four years through December 31, 2000, minimum repayments of long-term debt outstanding are as follows:

1997	$16,446
1998	4,685
1999	1,490
2000	859

The Canadian dollar term loan to a wholly-owned indirect subsidiary of the Burlington Group, bears interest based on Canadian prime or Bankers' Acceptance rates or, if converted to a U.S. dollar loan, based on Eurodollar or Federal Funds rates. The Canadian dollar term loan is guaranteed by the Company.

In March 1994, the Company entered into a $350,000 credit agreement with a syndicate of banks (the "Facility"). The Facility included a $100,000 five-year term loan, which originally matured in March 1999. The Facility also permitted additional borrowings, repayments and reborrowings of up to an aggregate of $250,000 initially until March 1999. In March 1995, the Facility was amended to extend the maturity of the term loan to May 2000 and to permit the additional borrowings, repayments and reborrowings until May 2000. Interest on borrowings under the Facility is payable at rates based on prime, certificate of deposit, Eurodollar or money market rates. At December 31, 1995, no borrowings under the Facility were attributed to the Burlington Group.

The 4% subordinated debentures due July 1, 1997, are exchangeable for cash, at the rate of $157.80 per $1,000 debenture. The debentures are redeemable at the Company's option, in whole or in part, at any time prior to maturity, at redemption prices equal to 100% of principal amount. In 1995, the Company redeemed $300 in principal of its 4% subordinated debentures.

On April 15, 1994, the Company redeemed all of the 9.2% convertible subordinated debentures due July 1, 2004, at a premium of $767. The premium has been included in the Statement of Operations in "Other income (expense), net".

Various international operations maintain lines of credit and overdraft facilities aggregating approximately $96,000 with a number of banks on either a secured or unsecured basis.

Under the terms of some of its debt instruments, the Company has agreed to various restrictions relating to the payment of dividends, the repurchase of capital stock, the maintenance of consolidated net worth, and the amount of additional funded debt which may be incurred. See the Company's consolidated financial statements and related footnotes.

At December 31, 1995, the Company's portion of outstanding unsecured letters of credit allocated to the Burlington Group was $39,924, primarily supporting the Burlington Group's obligations under aircraft leases and its various self-insurance programs.

9. STOCK OPTIONS

The Company grants options under its 1988 Stock Option Plan (the "1988 Plan") to executives and key employees and under its Non-Employee Directors' Stock Option Plan (the "Non-Employee Plan") to outside directors to purchase common stock at a price not less than 100% of quoted market value at date of grant.

The Company's 1979 Stock Option Plan (the "1979 Plan") and 1985 Stock Option Plan (the "1985 Plan") terminated in 1985 and 1988, respectively, except as to options still outstanding.

As part of the Brink's Stock Proposal (Note 1), the 1988 and Non-Employee Plans were amended to permit option grants to be made to optionees with respect to Brink's Stock or Burlington Stock in addition to Minerals Stock. Upon approval of the Brink's Stock Proposal, a total of 2,383,422 shares of Services Stock were subject to options outstanding under the 1988 Plan, the Non-Employee Plan, the 1979 Plan and the 1985 Plan. Pursuant to antidilution provisions in the option agreements covering such plans, the Company converted these options into options for shares of Brink's Stock or Burlington Stock, or both, depending on the employment status and responsibilities of the particular optionee. In the case of optionees having Company-wide responsibilities, each outstanding Services Stock option was converted into options for both Brink's Stock and Burlington Stock. In the case of other optionees, each outstanding option was converted into a new option only for Brink's Stock or Burlington Stock, as the case may be. As a result, upon approval of the Brink's Stock Proposal, 1,749,822 shares of Brink's Stock and 1,989,466 shares of Burlington Stock were subject to options.

10. CAPITAL STOCK

The Company, at any time, has the right to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Burlington Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock.

The Company, at any time, has the right to exchange each outstanding share of Minerals Stock, which was previously subject to exchange for shares of Services Stock, for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Minerals Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Minerals Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. If any shares of the Company's Preferred Stock are converted after an exchange of Minerals Stock for Brink's Stock (or Burlington Stock), the holder of such Preferred Stock would, upon conversion, receive shares of Brink's Stock (or Burlington Stock) in lieu of shares of Minerals Stock otherwise issuable upon such conversion.

Shares of Brink's Stock are not subject to either optional or mandatory exchange. The net proceeds of any disposition of properties and assets of the Brink's Group will be attributed to the Brink's Group. In the case of a disposition of all or substantially all the properties and assets of any other group, the net proceeds will be attributed to the group the shares of which have been issued in exchange for shares of the selling group.

Holders of Brink's Stock at all times have one vote per share. Holders of Burlington Stock and Minerals Stock have one and 0.626 votes per share, respectively, subject to adjustment on January 1, 1998, and on each January 1 every two years thereafter in such a manner so that each class' share of the aggregate voting power at such time will be equal to that class' share of the aggregate market capitalization of the Company's common stock at such time. Accordingly, on each adjustment date, each share of Burlington Stock and Minerals Stock may have more than, less than or continue to have the number of votes per share as they have. Holders of Brink's Stock, Burlington Stock and Minerals Stock vote together as a single voting group on all matters as to which all common shareholders are entitled to vote. In addition, as prescribed by Virginia law, certain amendments to the Articles of Incorporation affecting, among other things, the designation, rights, preferences or limitations of one class of common stock, or certain mergers or statutory share exchanges, must be approved by the holders of such class of common stock, voting as a group, and, in certain circumstances, may also have to be approved by the holders of the other classes of common stock, voting as separate voting groups.

In the event of a dissolution, liquidation or winding up of the Company, the holders of Brink's Stock, Burlington Stock and Minerals Stock, effective as of January 19, 1996, share on a per share basis an aggregate amount equal to 55%, 28% and 17%, respectively, of the funds, if any, remaining for distribution to the common shareholders. In the case of Minerals Stock, such percentage has been set, using a nominal number of shares of Minerals Stock of 4,202,954 (the "Nominal Shares") in excess of the actual number of shares of Minerals Stock outstanding, to ensure that the holders of Minerals Stock are entitled to the same share of any such funds immediately following the consummation of the transactions as they were prior thereto. These liquidation percentages are subject to adjustment in proportion to the relative change in the total number of shares of Brink's Stock, Burlington Stock and Minerals Stock, as the case may be, then outstanding to the total number of shares of all other classes of common stock then outstanding (which totals, in the case of Minerals Stock, shall include the Nominal Shares).

In November 1995, the Board of Directors (the "Board"), authorized the repurchase, subject to shareholder approval of the Brink's Stock Proposal, of up to 1,500,000 shares of Burlington Stock from time to time in the open market or in private transactions, as conditions warrant, not to exceed an aggregate purchase price of $45,000 for all common stock of the Company.

Dividends paid to holders of Burlington Stock are limited to funds of the Company legally available for the payment of dividends. Amounts available for dividends may be further limited by covenants in the Company's public debt indentures and bank credit agreements. See the Company's consolidated financial statements and related footnotes. Subject to these limitations, the Company's Board, although there is no requirement to do so, intends to declare and pay dividends on the Burlington Stock based primarily on the earnings, financial condition, cash flow and business requirements of the Burlington Group.

In January 1994, the Company issued 161,000 shares of its $31.25 Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock"). The Convertible Preferred Stock, which is convertible into Minerals Stock and which has been attributed to the Minerals Group, pays an annual dividend of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefore, when as and if, declared by the Board. Payment of dividends commenced on March 1, 1994. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon.

In December 1992, the Company formed the Pittston Company Employee Benefits Trust (the "Trust") to hold shares of its common stock to fund obligations under certain employee benefits programs. Upon formation of the Trust, the Company sold for a promissory note of the Trust, 4,000,000 shares of its common stock to the Trust at a price equal to the fair value of the stock on the date of sale. Upon approval of the Brink's Stock Proposal, 1,768,906 shares of Burlington Stock were distributed to the Trust. At December 31, 1995, 1,776,453 shares of Burlington Stock (1,889,283 in 1994) remained in the Trust, valued at market. The value of these shares has no impact on shareholder's equity.

11. ACQUISITIONS

During 1995, the Burlington Group acquired one small business and completed the integration of its investments in certain businesses acquired on December 31, 1994, for an aggregate purchase price of $645. The acquisitions were accounted for as purchases; accordingly, the purchase price was allocated to the underlying assets and liabilities based on the respective estimated fair value at the date of acquisition. The fair value of the assets acquired was $6,602 and liabilities assumed was $10,399. The excess of the purchase price over the fair value of assets acquired and liabilities assumed was $4,442 and is being amortized over a period of forty years. In addition, during 1995, the Burlington Group made a contingent payment of $693 for an acquisition made in prior years.

During 1994, the Burlington Group acquired several small businesses and made a contingent payment related to an acquisition made in a prior year. Total consideration paid was $5,938.

During 1993, the Burlington Group acquired one small business and made a contingency payment related to an acquisition consummated in a prior year. The total consideration paid was $736. The acquisition has been accounted for as a purchase and the purchase price for the acquisitions was essentially equal to the fair value of assets acquired.

The results of operations of the companies acquired in 1995, 1994 and 1993 have been included in the Burlington Group's results of operations from their date of acquisition.

12. LEASES

The Burlington Group leases aircraft, facilities, vehicles, computers and other equipment under long-term operating leases with varying terms, and most of the leases contain renewal and/or purchase options. As of December 31, 1995, aggregate future minimum lease payments under noncancellable operating leases were as follows:

	Aircraft	Facilities	Equipment & Other	Total
1996	$27,585	21,503	4,768	53,856
1997	27,727	17,741	3,690	49,158
1998	11,559	15,443	2,788	29,790
1999	6,744	12,893	1,881	21,518
2000	--	10,979	1,591	12,570
2001	--	9,156	1,067	10,223
2002	--	7,034	601	7,635
2003	--	6,558	417	6,975
2004	--	6,231	4,132	10,363
2005	--	5,108	--	5,108
Later Years	--	49,623	--	49,623
Total	$73,615	162,269	20,935	256,819

These amounts are net of aggregate future minimum noncancellable sublease rentals of $164.

Rent expense amounted to $62,751 in 1995, $57,412 in 1994 and $51,677 in 1993 and is net of sublease rentals of $490, $695 and $781, respectively.

Burlington entered into a transaction covering various leases which provided for the replacement of four B707 aircraft with four DC8-71 aircraft and completed an evaluation of other fleet related costs. The net effect of this transaction, which was reflected in the 1993 financial statements, did not have a material impact on operating profit.

The Burlington Group incurred capital lease obligations of $2,288 in 1995, $755 in 1994 and $542 in 1993. As of December 31, 1994, the Burlington Group's obligations under capital leases were not significant.

13. EMPLOYEE BENEFIT PLANS

The Burlington Group's businesses participate in the Company's noncontributory defined benefit pension plan covering substantially all nonunion employees who meet certain minimum requirements, in addition to sponsoring certain other defined benefit plans. Benefits of most of the plans are based on salary and years of service. The Burlington Group's pension cost relating to its participation in the Company's defined benefit pension plan is actuarially determined based on its respective employees and an allocable share of the pension plan assets. The Company's policy is to fund the actuarially determined amounts necessary to provide assets sufficient to meet the benefits to be paid to plan participants in accordance with applicable regulations. The net pension expense for 1995, 1994 and 1993 for all plans is as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$ 2,856	3,009	2,350
Interest cost on projected benefit obligation	3,162	2,919	2,460
Loss (return) on assets actual	(11,344)	662	(7,016)
(Loss) return on assets deferred	6,223	(5,713)	2,915
Other amortization, net	(305)	(357)	(255)
Net pension expense	$ 592	520	454

The assumptions used in determining the net pension expense for the Company's major pension plan were as follows:

	1995	1994	1993
Interest cost on projected benefit obligation	8.75%	7.5%	9.0%
Expected long-term rate of return on assets	10.0%	10.0%	10.0%
Rate of increase in compensation levels	4.0%	4.0%	5.0%

The funded status and prepaid pension expense at December 31, 1995 and 1994 are as follows:

	1995	1994
Actuarial present value of accumulated benefit obligation:		
Vested	$ 38,240	25,929
Nonvested	2,524	2,081
	40,764	28,010
Benefits attributable to projected salaries	10,376	7,313
Projected benefit obligation	51,140	35,323
Plan assets at fair value	59,831	49,390
Excess of plan assets over projected benefit obligation	8,691	14,067
Unamortized initial net asset	(724)	(1,082)
Unrecognized experience gain	1,732	(2,873)
Unrecognized prior service cost	106	84
Net pension assets	9,805	10,196
Current pension liability	622	459
Deferred pension asset per balance sheet	$ 10,427	10,655

For the valuation of pension obligations and the calculation of the funded status, the discount rate was 7.5% in 1995 and 8.75% in 1994. The expected long-term rate of return on assets was 10% in both years. The rate of increase in compensation levels used was 4% in 1995 and 1994.

The unrecognized initial net asset at January 1, 1986 (January 1, 1989, for certain foreign pension plans), the date of adoption of SFAS 87, has been amortized over the estimated remaining average service life of the employees. As of December 31, 1995, approximately 75% of plan assets were invested in equity securities and 25% in fixed income securities.

The Burlington Group also provides certain postretirement health care and life insurance benefits for eligible active and retired employees in the United States and Canada.

For the years 1995, 1994 and 1993, the components of periodic expense for these postretirement benefits were as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$129	219	112
Interest cost on accumulated postretirement benefit obligation	192	247	160
Total expense	$321	466	272

Interest costs on the accumulated postretirement benefit obligation were based upon rates of 8.75% in 1995, 7.5% in 1994 and 9% in 1993.

At December 31, 1995 and 1994, the actuarial and recorded liabilities for these postretirement benefits, none of which have been funded, were as follows:

	1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$ 569	589
Fully eligible active plan participants	403	379
Other active plan participants	1,919	1,349
	2,891	2,317
Unrecognized experience gain (loss)	(71)	214
Liability included on the balance sheet	2,820	2,531
Less current portion	107	50
Noncurrent liability for postretirement health care and life insurance benefits	$ 2,713	2,481

The accumulated postretirement benefit obligation was deter-mined using the unit credit method and an assumed discount rate of 7.5% in 1995 and 8.75% in 1994. The postretirement benefit obligation for U.S. salaried employees does not provide for changes in health care costs since the employer's contribution to the plan is a fixed amount.

A percentage point increase each year in the assumed health care cost trend rate used would not have resulted in any increase in the aggregate service and interest components of expense for the year 1995 or in the accumulated postretirement benefit obligation at December 31, 1995.

The Burlington Group also participates in the Company's Savings-Investment Plan to assist eligible employees in providing for retirement or other future financial needs. Employee contributions are matched at rates of 75% up to 5% of compensation (subject to certain limitations imposed by the Internal Revenue Code of 1986, as amended). Contribution expense under the plan aggregated $2,326 in 1995, $1,656 in 1994 and $1,207 in 1993.

In May 1994, the Company's shareholders approved the Employee Stock Purchase Plan effective July 1, 1994. See the Company's consolidated financial statements and related footnotes for information regarding the Company's Employee Stock Purchase Plan.

The Burlington Group sponsors several other defined contribution benefit plans based on hours worked or other measurable factors. Contributions under all of these plans aggregated $662 in 1995, $556 in 1994 and $443 in 1993.

14. SEGMENT INFORMATION

Operating revenues by geographic area are as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$ 535,091	565,813	459,431
International operations	879,730	649,471	538,648
Total operating revenues	$1,414,821	1,215,284	998,079

The following is derived from the business segment information in the Company's consolidated financial statements as it relates to the Burlington Group. See Note 2, Related Party Transactions, for a description of the Company's policy for corporate allocations.

The Burlington Group's portion of the Company's operating profit is as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$ 30,416	45,732	19,290
International operations	28,307	23,492	18,681
Burlington Group's portion of the Company's segment operating profit	58,723	69,224	37,971
Corporate expenses allocated to the Burlington Group	(4,770)	(4,665)	(4,757)
Total operating profit	$ 53,953	64,559	33,214

The Burlington Group's portion of the Company's assets at year end is as follows:

	Year Ended December 31		
	1995	1994	1993
United States	$302,593	284,294	268,705
International operations	237,126	188,146	149,989
Burlington Group's portion of the Company's assets	539,719	472,440	418,694
Burlington Group's portion of corporate assets	32,358	49,076	13,542
Total assets	$572,077	521,516	432,236

15. CONTINGENT LIABILITIES

Under the Coal Industry Retiree Health Benefit Act of 1992 (the "Act"), the Company and its majority-owned subsidiaries at July 20, 1992, including the Burlington Group included in these financial statements, are jointly and severally liable with the Brink's Group and the Minerals Group for the costs of health care coverage provided for by that Act. For a description of the Act and an estimate of certain of such costs, see Note 13 to the Company's consolidated financial statements. At this time, the Company expects the Minerals Group to generate sufficient cash flow to discharge its obligations under the Act.

In April 1990, the Company entered into a settlement agreement to resolve certain environmental claims against the Company arising from hydrocarbon contamination at a petroleum terminal facility ("Tankport") in Jersey City, New Jersey, which operations were sold in 1983. Under the settlement agreement, the Company is obligated to pay 80% of the remediation costs. Based on data available to the Company and its environmental consultants, the Company estimates its portion of the cleanup costs on an undiscounted basis using existing technologies to be between $6,700 and $16,400 over a period of up to five years. Management is unable to determine that any amount within that range is a better estimate due to a variety of uncertainties, which include the extent of the contamination at the site, the permitted technologies for remediation and the regulatory standards by which the clean-up will be conducted. The clean-up estimates have been modified from prior years' in light of cost inflation. The estimate of costs and the timing of payments could change as a result of changes to the remediation plan required, changes in the technology available to treat the site, unforseen circumstances existing at the site and additional cost inflation.

The Company commenced insurance coverage litigation in 1990, in the United States District Court for the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. In August 1995, the District Court ruled on various Motions for Summary Judgement. In its

decision, the Court found favorably for the Company on several matters relating to the comprehensive general liability policies but concluded that the pollution liability policies did not contain pollution coverage for the types of claims associated with the Tankport site. The Company has filed a notice of its intent to appeal the District Court's decision to the Third Circuit. Management and its outside legal counsel continue to believe, however, that recovery of a substantial portion of the cleanup costs will ultimately be probable of realization. Accordingly, management is revising its earlier belief that there is no net liability for the Tankport obligation, and it is the Company's belief that, based on estimates of potential liability and probable realization of insurance recoveries, the Company would be liable for approximately $1,400 based on the Court's decision and related developments of New Jersey law.

16. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended December 31, 1995, 1994 and 1993, cash payments for income taxes, net of refunds received, were $20,346, $16,980 and $12,181, respectively.

For the years ended December 31, 1995, 1994 and 1993, cash payments for interest were $5,055, $4,926 and $5,359, respectively.

On December 31, 1995, the Minerals Group assumed the portion of the Company's term loan in the amount of $23,434, which had been attributed to the Burlington Group, as partial settlement of the intercompany payable due to the Burlington Group. This transfer of debt as partial settlement of the intercompany between the Groups has been recognized as a noncash transaction and is not included in the Burlington Group's 1995 Statement of Cash Flows.

17. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Tabulated below are certain data for each quarter of 1995 and 1994.

	1st	2nd	3rd	4th
1995 QUARTERS:				
Operating revenues	$323,944	341,950	365,793	383,134
Gross profit	34,352	42,305	47,334	45,109
Net income	$ 4,049	8,009	10,524	10,273
Per Pittston Burlington Group Common Share:				
Net income	$ .21	.42	.56	.54
1994 QUARTERS:				
Operating revenues	$261,484	302,266	311,925	339,609
Gross profit	31,959	48,849	45,010	45,571
Net income	$ 3,339	11,509	13,438	10,070
Per Pittston Burlington Group Common Share:				
Net income	$ .18	.61	.71	.53

Pittston Minerals Group
STATEMENT OF MANAGEMENT RESPONSIBILITY

The management of The Pittston Company (the "Company") is responsible for preparing the accompanying Pittston Minerals Group (the "Mineral Group') financial statements and for their integrity and objectivity. The statements were prepared in accordance with generally accepted accounting principles. Management has also prepared the other information in the annual report and is responsible for its accuracy.

In meeting our responsibility for the integrity of the financial statements, we maintain a system of internal controls designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorization and that the accounting records provide a reliable basis for the preparation of the financial statements. Qualified personnel throughout the organization maintain and monitor these internal controls on an ongoing basis. In addition, the Company maintains an internal audit department that systematically reviews and reports on the adequacy and effectiveness of the controls, with management follow-up as appropriate.

Management has also established a formal Business Code of Ethics which is distributed throughout the Company. We acknowledge our responsibility to establish and preserve an environment in which all employees properly understand the fundamental importance of high ethical standards in the conduct of our business.

The accompanying financial statements have been audited by KPMG Peat Marwick LLP, independent auditors. During the audit they review and make appropriate tests of accounting records and internal controls to the extent they consider necessary to express an opinion on the Minerals Group's financial statements.

The Company's Board of Directors pursues its oversight role with respect to the Minerals Group's financial statements through the Audit and Ethics Committee, which is composed solely of outside directors. The Committee meets periodically with the independent auditors, internal auditors and management to review the Company's control system and to ensure compliance with applicable laws and the Company's Business Code of Ethics.

We believe that the policies and procedures described above are appropriate and effective and do enable us to meet our responsibility for the integrity of the Minerals Group's financial statements.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
The Pittston Company

We have audited the accompanying balance sheets of Pittston Minerals Group (as described in Note 1) as of December 31, 1995 and 1994, and the related statements of operations and cash flows for each of the years in the three-year period ended December 31, 1995. These financial statements are the responsibility of The Pittston Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements of Pittston Minerals Group present fairly, in all material respects, the financial position of Pittston Minerals Group as of December 31, 1995 and 1994, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 1995, in conformity with generally accepted accounting principles.

As more fully discussed in Note 1, the financial statements of Pittston Minerals Group should be read in connection with the audited consolidated financial statements of The Pittston Company and subsidiaries.

KPMG Peat Marwick LLP
Stamford, Connecticut

January 25, 1996

Pittston Minerals Group
BALANCE SHEETS

(In thousands)	December 31 1995	1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,999	3,708
Short-term investments	26,046	23,121
Accounts receivable:		
Trade (Note 5)	66,257	92,990
Other	23,464	17,813
	89,721	110,803
Less estimated amount uncollectible	1,946	1,880
	87,775	108,923
Coal inventory	37,329	25,518
Other inventory	4,591	4,629
	41,920	30,147
Prepaid expenses	7,573	11,389
Deferred income taxes (Note 8)	30,677	30,525
Total current assets	198,990	207,813
Property, plant and equipment, at cost (Note 4)	365,997	380,400
Less accumulated depreciation, depletion and amortization	166,653	159,938
	199,344	220,462
Deferred pension assets (Note 15)	79,393	75,803
Deferred income taxes (Note 8)	80,699	97,945
Intangibles, net of amortization (Notes 6 and 12)	117,551	120,649
Coal supply contracts (Note 12)	63,455	82,240
Receivable Pittston Brink's Group/Burlington Group (Note 2)	15,873	23,186
Other assets	43,304	39,414
Total assets	$ 798,609	867,512
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term bank borrowings	$ 24	--
Current maturities of long-term debt (Note 9)	1,199	7,554
Accounts payable	70,214	76,771
Payable Pittston Brink's Group (Note 2)	3,945	705
Payable Pittston Burlington Group (Note 2)	5,910	31,465
Accrued liabilities:		
Taxes	16,600	21,259
Workers' compensation and other claims	20,334	22,647
Postretirement benefits other than pensions (Note 15)	18,647	16,951
Reclamation	12,450	19,323
Miscellaneous (Note 15)	70,353	77,049
	138,384	157,229
Total current liabilities	219,676	273,724
Long-term debt, less current maturities (Note 9)	100,791	88,175
Postretirement benefits other than pensions (Note 15)	213,707	212,977
Workers' compensation and other claims	114,602	128,864
Reclamation	47,126	49,198
Other liabilities	111,386	123,170
Commitments and contingent liabilities (Notes 9, 13, 14, 15, 19 and 20)		
Shareholder's equity (Note 3)	(8,679)	(8,596)
Total liabilities and shareholder's equity	$ 798,609	867,512

See accompanying notes to financial statements.

Pittston Minerals Group
STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)	Year Ended December 31 1995	1994	1993
Net sales	$722,851	794,998	687,089
Costs and expenses:			
Cost of sales	696,295	771,586	645,679
Selling, general and administrative expenses	33,252	37,049	36,789
Restructuring and other charges, including litigation accrual (Note 16)	--	90,806	78,633
Total costs and expenses	729,547	899,441	761,101
Other operating income (Note 17)	22,768	15,281	10,246
Operating profit (loss)	16,072	(89,162)	(63,766)
Interest income	564	192	634
Interest expense (Note 2)	(10,534)	(6,501)	(1,336)
Other income (expense), net (Note 17)	(1,098)	(875)	(544)
Income (loss) before income taxes	5,004	(96,346)	(65,012)
Provision (credit) for income taxes (Note 8)	(9,020)	(43,398)	(32,032)
Net income (loss)	14,024	(52,948)	(32,980)
Preferred stock dividends, net (Note 11)	(2,762)	(3,998)	--
Net income (loss) attributed to common shares	$ 11,262	(56,946)	(32,980)
Net income (loss) per common share (Note 1):			
Primary	$ 1.45	(7.50)	(4.47)
Fully diluted	$ 1.40	(7.50)	(4.47)
Average common shares outstanding (Note 1):			
Primary	7,786	7,594	7,381
Fully diluted	9,999	10,000	7,620

See accompanying notes to financial statements.

Pittston Minerals Group
STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31 1995	1994	1993
Cash flows from operating activities:			
Net income (loss)	$14,024	(52,948)	(32,980)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Noncash charges and other write-offs	--	46,487	10,846
Depreciation, depletion and amortization	42,040	46,074	27,591
Provision (credit) for deferred income taxes	16,412	(16,849)	(25,100)
Credit for pensions, noncurrent	(3,514)	(1,162)	(2,646)
Provision for uncollectible accounts receivable	161	132	528
Gain on sale of property, plant and equipment	(4,994)	(3,422)	(5,064)
Other operating, net	1,132	407	193
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:			
Decrease (increase) in accounts receivable	22,670	(25,030)	(2,454)
Decrease (increase) in inventories	(11,565)	(3,413)	7,058
Decrease (increase) in prepaid expenses	3,828	(3,749)	608
Increase (decrease) in accounts payable and accrued liabilities	(16,524)	(11,227)	396
Decrease (increase) in other assets	2,474	1,701	(104)
Increase (decrease) in workers' compensation and other claims, noncurrent	(16,575)	5,719	(17,957)
Increase (decrease) in other liabilities	(23,437)	(15,711)	67,906
Other, net	135	(218)	(450)
Net cash provided (used) by operating activities	26,267	(33,209)	28,371
Cash flows from investing activities:			
Additions to property, plant and equipment	(22,283)	(25,864)	(21,749)
Proceeds from disposal of property, plant and equipment	18,939	5,640	2,669
Acquisitions, net of cash acquired, and related contingency payments	(1,078)	(157,324)	(699)
Other, net	(1,188)	6,540	10,046
Net cash used by investing activities	(5,610)	(171,008)	(9,733)
Cash flows from financing activities:			
Additions to debt	24	86,045	--
Reductions of debt	(17,164)	(8,149)	--
Payments (to) from Brink's Group	12,240	5,705	--
Payments (to) from Burlington Group	878	55,731	(13,266)
Repurchase of stock	(7,173)	(3,767)	(591)
Proceeds from exercise of stock options	1,202	1,765	2,633
Proceeds from employee stock purchase plan	177	--	--
Proceeds from sale of stock to SIP	--	--	44
Proceeds from sale of stock to Brink's Group/Burlington Group	--	253	48
Dividends paid	(9,550)	(9,156)	(4,583)
Cost of Services Stock Proposal	--	(2)	(1,599)
Preferred stock issuance, net of cash expenses	--	77,359	(277)
Net cash to the Company	--	--	(896)
Net cash provided (used) by financing activities	(19,366)	205,784	(18,487)
Net increase in cash and cash equivalents	1,291	1,567	151
Cash and cash equivalents at beginning of year	3,708	2,141	1,990
Cash and cash equivalents at end of year	$ 4,999	3,708	2,141

See accompanying notes to financial statements.

Pittston Minerals Group
NOTES TO FINANCIAL STATEMENTS

(Dollars in thousands, except per share amounts)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

On July 26, 1993, the shareholders of The Pittston Company (the "Company") approved the Services Stock Proposal, as described in the Company's proxy statement dated June 24, 1993, resulting in the reclassification of the Company's common stock. The outstanding shares of Company common stock were redesignated as Pittston Services Group Common Stock ("Services Stock") on a share-for-share basis and a second class of common stock, designated as Pittston Minerals Group Common Stock ("Minerals Stock"), was distributed on the basis of one-fifth of one share of Minerals Stock for each share of the Company's previous common stock held by shareholders of record on July 26, 1993.

On January 18, 1996, the shareholders of The Pittston Company (the "Company") approved the Brink's Stock Proposal, as described in the Company's proxy statement dated December 15, 1995, resulting in the modification, effective as of January 19, 1996, of the capital structure of the Company to include an additional class of common stock. The outstanding shares of Pittston Services Group Common Stock ("Services Stock") have been redesignated as Pittston Brink's Group Common Stock, par value $1.00 per share ("Brink's Stock"), and one-half of one share of a new class of common stock identified as Pittston Burlington Group Common Stock, par value $1.00 per share, ("Burlington Stock") has been distributed for each outstanding share of Services Stock. Holders of Pittston Minerals Group Common Stock ("Minerals Stock") continue to be holders of such stock, which continues to reflect the performance of the Pittston Minerals Group (the "Minerals Group"). Brink's Stock is intended to reflect the performance of the Pittston Brink's Group (the "Brink's Group") and Burlington Stock is intended to reflect the performance of the Pittston Burlington Group (the "Burlington Group").

The financial statements of the Minerals Group include the balance sheets, results of operations and cash flows of the Coal and Mineral Ventures operations of the Company, and a portion of the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Minerals Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be a reasonable and equitable allocation of such items (Note 2).

The Company provides holders of Minerals Stock separate financial statements, financial review, descriptions of business and other relevant information for the Minerals Group in addition to consolidated financial information of the Company. Notwithstanding the attribution of assets and liabilities (including contingent liabilities) among the Minerals Group, the Brink's Group and the Burlington Group for the purpose of preparing their respective financial statements, this attribution and the change in the capital structure of the Company as a result of the approval of the Brink's Stock Proposal and the Services Stock Proposal did not affect legal title to such assets or responsibility for such liabilities of the Company which will continue to be responsible for all of its liabilities. Holders of Minerals Stock are shareholders of the Company, which continues to be responsible for all its liabilities. Financial impacts arising from one group that affect the Company's financial condition could affect the results of operations and financial condition of each of the groups. Since financial developments within one group could affect other groups, all shareholders of the Company could be adversely affected by an event directly impacting only one group. Accordingly, the Company's consolidated financial statements must be read in connection with the Minerals Group's financial statements.

The accounting policies applicable to the preparation of the financial statements of the Minerals Group may be modified or rescinded at the sole discretion of the Board without approval of shareholders, although there is no intention to do so.

PRINCIPLES OF COMBINATION

The accompanying financial statements reflect the accounts of the businesses comprising the Minerals Group. The Minerals Group's interests in 20% to 50% owned companies are carried on the equity method. All material intercompany items and transactions have been eliminated in combination. Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits and investments with original maturities of three months or less.

SHORT-TERM INVESTMENTS

Short-term investments primarily include funds set aside by the Minerals Group for certain obligations and are carried at cost which approximates market.

INVENTORIES

Inventories are stated at cost (determined under the average cost method) or market, whichever is lower.

PROPERTY, PLANT AND EQUIPMENT

Expenditures for maintenance and repairs are charged to expense, and the costs of renewals and betterments are capitalized. Depreciation is provided principally on the straight-line method at varying rates depending upon estimated useful lives. Depletion of bituminous coal lands is provided on the basis of tonnage mined in relation to the estimated total of recoverable tonnage in the ground.

Mine development costs, primarily included in bituminous coal lands, are capitalized and amortized over the estimated useful life of the mine. These costs include expenses incurred for site preparation and development as well as operating deficits incurred at the mines during a development stage. A mine is considered under development until all planned production units have been placed in operation.

Valuation of coal properties is based primarily on mining plans and conditions assumed at the time of the evaluation. These valuations could be impacted by actual economic conditions which differ from those assumed at the time of the evaluation.

INTANGIBLES

The excess of cost over fair value of net assets of companies acquired is amortized on a straight-line basis over the estimated periods benefited.

The Minerals Group evaluates the carrying value of intangibles and the periods of amortization to determine whether events and circumstances warrant revised estimates of assets value or useful lives. The Minerals Group annually assesses the recoverability of the excess of cost over net assets acquired by determining whether the amortization of the assets balance over its remaining life can be recovered through projected undiscounted future operating cash flows. Evaluation of asset value as well as periods of amortization are performed on a disaggregated basis.

COAL SUPPLY CONTRACTS

Coal supply contracts consist of contracts to supply coal to customers at certain negotiated prices over a period of time, which have been acquired from other coal companies, and are stated at cost at the time of acquisition, which approximates fair market value. The capitalized cost of such contracts is amortized over the term of the contract on the basis of tons of coal sold under the contract.

INCOME TAXES

Income taxes are accounted for in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

See Note 2 for allocation of the Company's U.S. federal income taxes to the Minerals Group.

PNEUMOCONIOSIS (BLACK LUNG) EXPENSE

The Minerals Group acts as self-insurer with respect to almost all black lung benefits. Provision is made for estimated benefits in accordance with annual actuarial reports prepared by outside actuaries. The excess of the present value of expected future benefits over the accumulated book reserves is recognized over the amortization period as a level percentage of payroll. Cumulative actuarial gains or losses are calculated periodically and amortized on a straight-line basis. Assumptions used in the calculation of the actuarial present value of black lung benefits are based on actual retirement experience of the Company's coal employees, black lung claims incidence for active miners, actual dependent information, industry turnover rates, actual medical and legal cost experience and projected inflation rates. As of December 31, 1995 and 1994, the accrued value of estimated future black lung benefits discounted at 6% approximately $60,500 and $62,824, respectively, and are included in workers' compensation and other claims. Based on actuarial data, the amount charged (credited) to operations was ($1,402) in 1995, $201 in 1994 and $438 in 1993. In addition, the Company accrued additional expenses for black lung benefits related to federal and state assessments, legal and administrative expenses and other self insurance. These amounted to $2,569 in 1995, $2,472 in 1994 and $2,887 in 1993.

RECLAMATION COSTS

Expenditures relating to environmental regulatory requirements and reclamation costs undertaken during mine operations are charged against earnings as incurred. Estimated site restoration and post closure reclamation costs are charged against earnings using the units of production method over the expected economic life of each mine. Accrued reclamation costs are subject to review by management on a regular basis and are revised when appropriate for changes in future estimated costs and/or regulatory requirements.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

Postretirement benefits other than pensions are accounted for in accordance with Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", which requires employers to accrue the cost of such retirement benefits during the employees' service with the Company.

FOREIGN CURRENCY TRANSLATION

Assets and liabilities of foreign operations have been translated at current exchange rates, and related revenues and expenses have been translated at average rates of exchange in effect during the year. Resulting cumulative translation adjustments have been included in shareholder's equity.

FINANCIAL INSTRUMENTS

The Minerals Group uses foreign currency forward contracts to hedge risk of changes in foreign currency rates associated with certain transactions denominated in Australian dollars. Realized and unrealized gains and losses on these contracts, designated and effective as hedges are deferred and recognized as part of the specific transaction hedged.

The Minerals Group hedges against downward movements in gold prices principally through the use of forward sales contracts as well as interest rate changes on certain variable rate debt. Gains and losses on these contracts, designated and effective as hedges, are deferred and recognized as part of the transaction hedged.

REVENUE RECOGNITION

Coal sales are generally recognized when coal is loaded onto transportation vehicles for shipment to customers. For domestic sales, this generally occurs when coal is loaded onto railcars at mine locations. For export sales, this generally occurs when coal is loaded onto marine vessels at terminal facilities.

Gold sales are recognized when products are shipped to a refinery. Settlement adjustments arising from final determination of weights and assays are reflected in sales when received.

NET INCOME PER COMMON SHARE

The computation of primary earnings per share is based on the weighted average number of outstanding common shares divided into net income less preferred stock dividends. The computation of fully diluted earnings per common share assumes the conversion of the $31.25 Series C Cumulative Preferred Stock (issued in 1994) and additional shares assuming the exercise of stock options (antidilutive in the primary calculation) divided into net income. For 1994 and 1993, the loss per share, assuming full dilution, is considered to be the same as primary since the effect of common stock equivalents and the preferred stock conversion would be antidilutive. The shares of Minerals Stock held in The Pittston Company Employee Benefits Trust are evaluated for inclusion in the calculation of net income per share under the treasury stock method and had no dilutive effect.

USE OF ESTIMATES

In accordance with generally accepted accounting principles, management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

PENDING ACCOUNTING CHANGES

The Minerals Group is required to implement a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of", in 1996. SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 121 requires companies to utilize a two-step approach to determining whether impairment of such assets has occurred and, if so, the amount of such impairment. Although the Minerals Group is still reviewing the impact of adopting SFAS No. 121, it is estimated that the Minerals Group will incur a pretax charge to earnings of $25,000 to $30,000 as of January 1, 1996.

The Minerals Group is required to implement a new accounting standard, SFAS No. 123, "Accounting for Stock Based Compensation", in 1996. SFAS No. 123 establishes financial accounting and reporting standards for stock-based employee compensation plans. Although SFAS No. 123 encourages adoption of a fair value based method of accounting for all employee stock compensation plans, it allows entities to continue to measure compensation cost for those plans using the intrinsic value based method of accounting prescribed by Accounting Principles Board Opinion ("APB") No. 25, Accounting for Stock Issued to Employees with disclosure of net income and earnings per share as if the fair value based method of accounting is applied. The Minerals Group expects to continue to account for its stock compensation plans according to APB No. 25 with the disclosure of the impact on net income and earnings per share as if the fair value based method of accounting is applied.

2. RELATED PARTY TRANSACTIONS

The following policies may be modified or rescinded by action of the Company's Board of Directors (the Board"), or the Board may adopt additional policies, without approval of the shareholders of the Company, although the Board has no present intention to do so. The Company allocated certain corporate general and administrative expenses, net interest expense and related assets and liabilities in accordance with the policies described below. Corporate assets and liabilities are primarily cash, deferred pension assets, income taxes and accrued liabilities.

FINANCIAL

As a matter of policy, the Company manages most financial activities of the Minerals Group, the Brink's Group and the Burlington Group on a centralized, consolidated basis. Such financial activities include the investment of surplus cash; the issuance, repayment and repurchase of short-term and long-term debt; the issuance and repurchase of common stock and the payment of dividends. In preparing these financial statements, transactions primarily related to invested cash, short-term and long-term debt (including convertible debt), related net interest and other financial costs have been attributed to the Minerals Group based upon its cash flows for the periods presented after giving consideration to the debt and equity structure of the Company. At December 31, 1995 and 1994, the Company attributed long-term debt to the Minerals Group based upon the purpose for the debt in addition to the cash flow requirements of the Minerals Group. See Note 9 for details and amount of long-term debt. The portion of the Company's interest expense allocated to the Minerals Group for 1995, 1994 and 1993 was $6,335, $4,448 and $359, respectively. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Minerals Group.

To the extent borrowings are deemed to occur between the Brink's Group, Burlington Group and the Minerals Group, intergroup accounts have been established bearing interest at the rate in effect from time to time under the Company's unsecured credit lines or, if no such credit lines exist, at the prime rate charged by Chemical Bank from time to time. At December 31, 1995, the Minerals Group owed the Brink's Group and Burlington Group $17,945 and $19,910, respectively, and at December 31, 1994, the Minerals Group owed the Brink's Group and Burlington Group $5,705 and $42,465, respectively, as a result of borrowings.

INCOME TAXES

The Minerals Group is included in the consolidated U.S. federal income tax return filed by the Company.

The Company's consolidated provision and actual cash payments for U.S. federal income taxes are allocated between the Minerals Group, the Brink's Group and the Burlington Group in accordance with the Company's tax allocation policy and reflected in the financial statements for each Group. In general, the consolidated tax provision and related tax payments or refunds are allocated between the Groups, for financial statement purposes, based principally upon the financial income, taxable income, credits and other amounts directly related to the respective Group. Tax benefits that cannot be used by the Group generating such attributes, but can be utilized on a consolidated basis, are allocated to the Group that generated such benefits and an intergroup account is established for the benefit of the Group generating the attributes. As a result, the allocated Group amounts of taxes payable or refundable are not necessarily comparable to those that would have resulted if the Groups had filed separate tax returns. At December 31, 1995, the Minerals Group was owed $21,844 and $22,029 from the Brink's Group and the Burlington Group, respectively for such tax benefits, of which $7,844 and $8,029, respectively, were not expected to be received within one year from such dates in accordance with the policy. At December 31, 1994, the Minerals Group was owed $17,750 and $21,436 from the Brink's Group and the Burlington Group, respectively, for such tax benefits, of which $12,750 and $10,436, respectively, were not expected to be received within one year from such date.

SHARED SERVICES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Minerals Group based upon utilization and other methods and criteria which management believes to be equitable and a reasonable estimate of the cost attributable to the Minerals Group. These allocations were $7,266, $6,845 and $7,218 in 1995, 1994 and 1993, respectively.

PENSION

The Minerals Group's pension cost related to its participation in the Company's noncontributory defined benefit pension plan is actuarially determined based on its respective employees and an allocable share of the pension plan assets and calculated in accordance with Statement of Financial Accounting Standards No. 87, Employers' Accounting for Pensions ("SFAS 87"). Pension plan assets have been allocated to the Minerals Group

based on the percentage of its projected benefit obligation to the plan's total projected benefit obligation. Management believes such method of allocation to be equitable and a reasonable estimate of the cost attributable to the Minerals Group.

3. SHAREHOLDER'S EQUITY

The following analyzes shareholder's equity of the Minerals Group for the periods presented:

	1995	1994	1993
Balance at beginning of period	$ (8,596)	(24,857)	12,302
Net income (loss)	14,024	(52,948)	(32,980)
Stock options exercised	1,202	1,765	2,633
Stock released from employee benefits trust to employee benefits plan	1,744	713	378
Stock sold from employee benefits trust to employee benefits plan	--	--	44
Issuance of $31.25 Series C Cumulative Preferred Stock, net of cash expenses	--	77,082	--
Stock sold to Brink's/Burlington Groups	--	253	48
Stock repurchases	(7,171)	(3,767)	(591)
Dividends declared	(9,493)	(9,165)	(4,583)
Costs of Services Stock Proposal	--	(2)	(1,599)
Foreign currency translation adjustment	(566)	1,712	(215)
Tax benefit of options exercised	177	617	602
Conversion of debt	--	1	--
Net cash (to) from the Company	--	--	(896)
Balance at end of period	$ (8,679)	(8,596)	(24,857)

Included in shareholder's equity is the cumulative foreign currency translation adjustment of $60, $626 and ($1,086) at December 31, 1995, 1994 and 1993, respectively.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, at cost consist of the following:

	December 31 1995	1994
Bituminous coal lands	$109,400	102,392
Land, other than coal lands	21,649	25,555
Buildings	9,204	8,444
Machinery and equipment	225,744	244,009
Total	$365,997	380,400

The estimated useful lives for property, plant and equipment are as follows:

	Years
Buildings	10 to 40
Machinery and equipment	3 to 30

Depreciation and depletion of property, plant and equipment aggregated $25,164 in 1995, $27,481 in 1994 and $23,245 in 1993.

Mine development costs which were capitalized totaled $10,118 in 1995, $11,908 in 1994 and $2,181 in 1993.

5. ACCOUNTS RECEIVABLE -- TRADE

For each of the years in the three-year period ended December 31, 1995, the Company, on behalf of the Minerals Group maintained agreements with financial institutions whereby it had the right to sell certain coal receivables to those institutions. Certain agreements contained provisions for sales with recourse and other agreements had limited recourse. In 1995 and 1993 total coal receivables of approximately $25,092 and $16,143, respectively, were sold under such agreements. No receivables were sold in 1994. As of December 31, 1995, receivables sold which remained to be collected totaled $5,222.

6. INTANGIBLES

Intangibles consist entirely of the excess of cost over fair value of net assets of companies acquired and are net of accumulated amortization of $5,906 at December 31, 1995 and $2,806 at December 31, 1994. The estimated useful life of intangibles is generally forty years. Amortization of intangibles aggregated $3,099 in 1995, $2,642 in 1994 and $43 in 1993.

7. FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Minerals Group to concentrations of credit risk consist principally of cash and cash equivalents, short-term investments and trade receivables. The Minerals Group's cash and cash equivalents and short-term investments are placed with high credit quality financial institutions. Also, by policy, the amount of credit exposure to any one financial institution is limited. The Minerals Group makes substantial sales to relatively few large customers. Credit limits, ongoing credit evaluation and account monitoring procedures are utilized to minimize the risk of loss from nonperformance on trade receivables.

The following details the fair values of financial instruments for which it is practicable to estimate the value:

CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
The carrying amounts approximate fair value because of the short maturity of these instruments.

DEBT
The aggregate fair value of the Minerals Group's long term debt obligations, which is based upon quoted market prices and rates currently available to the Company for debt with similar terms and maturities, approximates the carrying amount.

OFF-BALANCE SHEET INSTRUMENTS
The Minerals Group utilizes off-balance sheet financial instruments, as discussed below, to hedge its market exposures. The risk that counterparties to these contracts may be unable to perform is minimized by limiting the counterparties to major financial institutions. The Minerals Group does not expect any losses due to such counterparty default.

Foreign currency forward contracts -- The Minerals Group enters into foreign currency forward contracts with a duration of up to 360 days as a hedge against liabilities denominated in various currencies. These contracts do not subject the Minerals Group to risk due to exchange rate movements because gains and losses on these contracts offset losses and gains on the liabilities being hedged. At December 31, 1995, the total notional value of foreign currency forward contracts outstanding was $4,347. As of such date, the fair value of foreign currency forward contracts was not significant.

Gold contracts -- In order to protect itself against downward movements in gold prices, the Minerals Group hedges a portion of its recoverable proved and probable reserves primarily through forward sales contracts. At December 31, 1995, 51,865 ounces of gold, representing approximately 25% of the Minerals Group's recoverable proved and probable reserves, were sold forward under forward sales contracts that mature periodically through mid-1998, with a notional value of $22,947. Because only a portion of its future production is currently sold forward, the Minerals Group can take advantage of increases, if any, in the spot price of gold. At December 31, 1995, the fair value of the Minerals Group's forward sales contracts amounted to $1,336.

Interest rate contracts -- As discussed further in Note 9, in 1994 and 1995, the Company entered into variable to fixed interest rate swap agreements with a notional amount at December 31, 1995, aggregating $55,000. Fair value at December 31, 1995 was insignificant. These contracts have been attributed to the Minerals Group.

8. INCOME TAXES

The provision (credit) for income taxes consists of the following:

	U.S. Federal	Foreign	State	Total
1995:				
Current	$(25,432)	--	--	(25,432)
Deferred	15,664	748	--	16,412
Total	$ (9,768)	748	--	(9,020)
1994:				
Current	$(26,599)	50	--	(26,549)
Deferred	(17,954)	1,008	97	(16,849)
Total	$(44,553)	1,058	97	(43,398)
1993:				
Current	$ (7,539)	38	569	(6,932)
Deferred	(20,358)	(3,100)	(1,642)	(25,100)
Total	$(27,897)	(3,062)	(1,073)	(32,032)

The significant components of the deferred tax expense (benefit) were as follows:

	1995	1994	1993
Deferred tax expense (benefit), exclusive of the components listed below	$ 17,038	(13,733)	(25,490)
Net operating loss carryforwards	(631)	(595)	(273)
Alternative minimum tax credit	(326)	(1,021)	3,531
Change in the valuation allowance for deferred tax assets	331	(1,500)	(1,368)
Adjustment to deferred tax assets and liabilities for the change in the U.S. federal tax rate	--	--	(1,500)
Total	$ 16,412	(16,849)	(25,100)

The tax benefit for compensation expense related to the exercise of certain employee stock options for tax purposes in excess of compensation expense for financial reporting purposes is recognized as an adjustment to shareholder's equity.

The components of the net deferred tax asset as of December 31, 1995, and December 31, 1994, were as follows:

	1995	1994
Deferred tax assets:		
Accounts receivable	$ 778	844
Postretirement benefits other than pensions	92,649	91,704
Workers' compensation and other claims	50,157	51,492
Other liabilities and reserves	77,390	81,833
Miscellaneous	8,505	8,636
Net operating loss carryforwards	2,908	2,277
Alternative minimum tax credits	10,895	10,486
Valuation allowance	(8,446)	(8,115)
Total deferred tax asset	234,836	239,157
Deferred tax liabilities:		
Property, plant and equipment	29,959	32,245
Pension assets	32,152	30,827
Other assets	9,321	990
Miscellaneous	52,028	46,625
Total deferred tax liability	123,460	110,687
Net deferred tax asset	$ 111,376	128,470

The recording of net deferred federal tax assets is based upon their expected utilization in the Company's consolidated federal income tax return and the benefit that would accrue to the Minerals Group under the Company's tax allocation policy.

The valuation allowance relates to deferred tax assets in certain foreign and state jurisdictions.

The following table accounts for the difference between the actual tax provision and the amounts obtained by applying the statutory U.S. federal income tax rate of 35% in 1995, 1994 and 1993 to the income (loss) before income taxes.

	Year Ended December 31		
	1995	1994	1993
Income (loss) before income taxes:			
United States	$ 3,539	(99,400)	(58,149)
Foreign	1,465	3,054	(6,863)
Total	$ 5,004	(96,346)	(65,012)
Tax provision computed at statutory rate	$ 1,751	(33,721)	(22,754)
Increases (reductions) in taxes due to:			
Percentage depletion	(9,861)	(9,313)	(7,598)
State income taxes (net of federal tax benefit)	(726)	1,563	(448)
Change in the valuation allowance for deferred tax assets	331	(1,500)	(1,368)
Adjustment to deferred tax assets and liabilities for the change in the U.S. federal tax rate	--	--	(1,500)
Miscellaneous	(515)	(427)	1,636
Actual tax provision (credit)	$(9,020)	(43,398)	(32,032)

It is the policy of the Minerals Group to accrue deferred income taxes on temporary differences related to the financial statement carrying amounts and tax bases of investments in foreign subsidiaries and affiliates which are expected to reverse in the foreseeable future. As of December 31, 1995 and December 31, 1994, there was no unrecognized deferred tax liability for temporary differences related to investments in foreign subsidiaries and affiliates.

The Minerals Group is included in the Company's consolidated U.S. federal income tax return.

As of December 31, 1995, the Minerals Group had $10,895 of alternative minimum tax credits allocated to it under the Company's tax allocation policy. Such credits are available to offset future U.S. federal income taxes and, under current tax law, the carryforward period for such credits is unlimited.

The tax benefit of net operating loss carryforwards for the Minerals Group as at December 31, 1995 was $2,908 and related to various state and foreign taxing jurisdictions. The expiration periods primarily range from 5 to 15 years.

9. LONG-TERM DEBT

A portion of the outstanding debt under the Company's credit agreement has been attributed to the Minerals Group. Total long-term debt of the Minerals Group consists of the following:

	As of December 31 1995	1994
Senior obligations	$ 413	327
Obligations under capital leases (average rates 6.22% in 1995 and 6.27% in 1994)	378	1,882
	791	2,209
Attributed portion of Company's debt		
U.S. dollar term loan due 2000 (year end rate 6.56% in 1995 and 6.49% in 1994)	100,000	76,566
Revolving credit notes due 2000 (year end rate 5.75% in 1994)	--	9,400
Total long-term debt, less current maturities	$100,791	88,175

For the four years through December 31, 2000, minimum repayments of long-term debt outstanding are as follows:

1997	$ 175
1998	320
1999	61
2000	100,049

In March 1994, the Company entered into a $350,000 credit agreement with a syndicate of banks (the "Facility"). The Facility included a $100,000 five-year term loan, which originally matured in March 1999. The Facility also permitted additional borrowings, repayments and reborrowings of up to $250,000 until March 1999. In March 1995, the Facility was amended to extend the maturity of the term loan to May 2000 and to permit the additional borrowings, repayments and reborrowings until May 2000. Interest on borrowings under the Facility is payable at rates based on prime, certificate of deposit, Eurodollar or money market rates. At December 31, 1995, the $100,000 term loan under the Facility was attributed to the Minerals Group. At December 31, 1995, there were no additional borrowings outstanding under the remainder of the Facility.

In 1994, the Company entered into a standard three year variable to fixed interest rate swap agreement on a portion of the Company's U.S. dollar term loan. This agreement fixed the Company's interest rate at 5% on initial borrowings of $40,000 in principal. The principal amount to which the 5% interest rate applies declines periodically throughout the term of the agreement and at December 31, 1995, this rate applied to borrowings of $25,000 in principal. In addition, during 1995, the Company entered into two other variable to fixed interest rate swap agreements. One agreement fixes the Company's interest rate at 5.80% on $20,000 in principal for a term of three years. The other agreement fixes the Company's interest rate at 5.66% for a term of 21 months on $10,000 in principal, which increases to $20,000 during the term. These agreements have been attributed to the Minerals Group.

Under the terms of some of its debt instruments, the Company has agreed to various restrictions relating to the payment of dividends, the repurchase of capital stock, the maintenance of consolidated net worth, and the amount of additional funded debt which may be incurred. See the Company's consolidated financial statements and related footnotes.

At December 31, 1995, the Company's portion of outstanding unsecured letters of credit allocated to the Minerals Group was $33,654, primarily supporting its obligations under its various self-insurance programs.

10. STOCK OPTIONS

The Company grants options under its 1988 Stock Option Plan (the "1988 Plan") to executives and key employees and under its Non-Employee Directors' Stock Option Plan (the "Non-Employee Plan") to outside directors to purchase common stock at a price not less than 100% of quoted market value at date of grant. As part of the Services Stock Proposal (Note 1), the 1988 and the Non-Employee Plans were amended to permit option grants to be made to optionees with respect to either Services Stock or Minerals Stock, or both.

The Company's 1979 Stock Option Plan (the "1979 Plan") and 1985 Stock Option Plan (the "1985 Plan") terminated in 1985 and 1988, respectively, except as to options still outstanding.

Upon approval of the Services Stock Proposal in 1993, a total of 2,228,225 shares of common stock were subject to options outstanding under the 1988 Plan, the Non-Employee Plan, the 1979 Plan and the 1985 Plan. Pursuant to antidilution provisions in the option agreements covering such options, the Company converted these options into options for shares of Services Stock or Minerals Stock, or both, depending primarily on the employment status and responsibilities of the particular optionee. In the case of optionees having Company-wide responsibilities, each outstanding option was converted into an options for both Services Stock and Minerals Stock. In the case of other optionees, each outstanding option was converted into a new option for only Services Stock or Minerals Stock, as the case may be. As a result, 2,167,247 shares of Services Stock and 507,698 shares of Minerals Stock were subject to options outstanding as of the effective date of the Services Stock Proposal.

The table below summarizes the related plan activity.

	No. of Shares	Aggregate Option Price
THE PITTSTON COMPANY COMMON STOCK OPTIONS:		
Granted:		
1993	17,500	$ 294
Became exercisable:		
1993	468,250	7,749
Exercised:		
1993	377,191	5,379
PITTSTON MINERALS GROUP COMMON STOCK OPTIONS:		
Outstanding:		
12/31/95	597,797	9,359
12/31/94	507,323	9,571
12/31/93	623,498	11,023
Granted:		
1995	258,300	2,665
1994	23,000	431
1993	252,000	6,094
Became exercisable:		
1995	53,617	1,160
1994	108,259	1,978
1993	3,575	50
Exercised:		
1995	95,129	1,203
1994	128,667	1,765
1993	134,528	1,738

At December 31, 1995, total of 214,163 shares of Minerals Stock were exercisable. In addition, there were 629,279 shares of Minerals Stock reserved for issuance under the plans, including 31,482 shares of Minerals Stock reserved for future grant.

The approval of the Brink's Stock Proposal had no affect on options for Minerals Stock.

11. CAPITAL STOCK

The Company, at any time, has the right to exchange each outstanding share of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Burlington Group to any person (with certain exceptions), the Company is required to exchange each outstanding share

of Burlington Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Minerals Stock) having a fair market value equal to 115% of the fair market value of one share of Burlington Stock.

The Company, at any time, has the right to exchange each outstanding share of Minerals Stock, which was previously subject to exchange for shares of Services Stock, for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. In addition, upon the disposition of all or substantially all of the properties and assets of the Minerals Group to any person (with certain exceptions), the Company is required to exchange each outstanding share of Minerals Stock for shares of Brink's Stock (or, if no Brink's Stock is then outstanding, Burlington Stock) having a fair market value equal to 115% of the fair market value of one share of Minerals Stock. If any shares of the Company's Preferred Stock are converted after an exchange of Minerals Stock for Brink's Stock (or Burlington Stock), the holder of such Preferred Stock would, upon conversion, receive shares of Brink's Stock (or Burlington Stock) in lieu of shares of Minerals Stock otherwise issuable upon such conversion.

Holders of Brink's Stock at all times have one vote per share. Holders of Burlington Stock and Minerals Stock have one and 0.626 votes per share, respectively, subject to adjustment on January 1, 1998, and on each January 1 every two years thereafter in such a manner so that each class' share of the aggregate voting power at such time will be equal to that class' share of the aggregate market capitalization of the Company's common stock at such time. Accordingly, on each adjustment date, each share of Burlington Stock and Minerals Stock may have more than, less than or continue to have the number of votes per share as they have. Holders of Brink's Stock, Burlington Stock and Minerals Stock vote together as a single voting group on all matters as to which all common shareholders are entitled to vote. In addition, as prescribed by Virginia law, certain amendments to the Articles of Incorporation affecting, among other things, the designation, rights, preferences or limitations of one class of common stock, or certain mergers or statutory share exchanges, must be approved by the holders of such class of common stock, voting as a group, and, in certain circumstances, may also have to be approved by the holders of the other classes of common stock, voting as separate voting groups.

In the event of a dissolution, liquidation or winding up of the Company, the holders of Brink's Stock, Burlington Stock and Minerals Stock, effective January 19, 1996, share on a per share basis an aggregate amount equal to 55%, 28% and 17%, respectively, of the funds, if any, remaining for distribution to the common shareholders. In the case of Minerals Stock, such percentage has been set, using a nominal number of shares of Minerals Stock of 4,202,954 (the "Nominal Shares") in excess of the actual number of shares of Minerals Stock outstanding, to ensure that the holders of Minerals Stock are entitled to the same share of any such funds immediately following the consummation of the transactions as they were prior thereto. These liquidation percentages are subject to adjustment in proportion to the relative change in the total number of shares of Brink's Stock, Burlington Stock and Minerals Stock, as the case may be, then outstanding to the total number of shares of all other classes of common stock then outstanding (which totals, in the case of Minerals Stock, shall include the Nominal Shares).

In conjunction with the Services Stock Proposal, the Board of Directors (the "Board") authorized the repurchase of up to 1,250,000 shares of Services Stock and 250,000 shares of Minerals Stock from time to time in the open market or in private transactions, as conditions warrant, not to exceed an aggregate purchase price of $43,000. In November 1995, the Board authorized an increase in the remaining purchase authority for Minerals Stock to 1,000,000 shares and the purchase, subject to shareholder approval of the Brink's Stock Proposal, of up to 1,500,000 shares of Brink's Stock and up to 1,500,000 shares of Burlington Stock, no to exceed an aggregate purchase price of $45,000 for all common shares of the Company. Prior to this increased authorization, 117,300 shares of Minerals Stock at an aggregate cost of $1,720 were repurchased, of which 78,800 shares at a total cost of $912 were purchased in 1995, 19,700 shares at a total cost of $401 were purchased in 1994 and 18,800 shares at a total cost of $407 were purchased in 1993. No additional repurchases of Minerals Stock were made during the remainder of 1995 subsequent to the increased authorization. The program to acquire shares remains in effect in 1996.

In January 1994, the Company issued 161,000 shares of its $31.25 Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock"). The proceeds of the Convertible Preferred Stock offering have been attributed to the Minerals Group. The Convertible Preferred Stock pays an annual cumulative dividend of $31.25 per share payable quarterly, in

cash, in arrears, out of all funds of the Company legally available therefore, when as and if declared by the Board, and bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon. Each share of the Convertible Preferred Stock is convertible at the option of the holder unless previously redeemed or, under certain circumstances, called for redemption, into shares of Minerals Stock at a conversion price of $32.175 per share of Minerals Stock, subject to adjustment in certain circumstances. Except under certain circumstances, the Convertible Preferred Stock is not redeemable prior to February 1, 1997. On and after such date, the Company may, at its option, redeem the Convertible Preferred Stock, in whole or in part, for cash initially at a price of $521.875 per share, and thereafter at prices declining ratable annually on each February 1 to an amount equal to $500 per share on and after February 1, 2004, plus in each case and amount equal to accrued and unpaid dividends on the date of redemption. Except under certain circumstances or as prescribed by Virginia law, shares of the Convertible Preferred Stock are nonvoting. The voting rights of the Preferred Stock were not affected by the Brink's Stock Proposal. Prior to an increase in November 1995 in the remaining authorization to repurchase from time to time up to $15,000 of its Convertible Preferred Stock, under a repurchase program, 24,720 shares at a total cost of $9,624 had been repurchased, of which 16,370 shares at a total cost of $6,258 were purchased in 1995. No additional share repurchases were made during the remainder of 1995 subsequent to the increased authorization. See Note 9 to the Company's consolidated financial statements.

Dividends paid on the Company's Convertible Preferred Stock commenced on March 1, 1994. In 1995 and 1994, dividends paid on such stock were $4,397 and $4,230, respectively. Preferred dividends included on the Minerals Group's Statements of Operations for the years ended December 31, 1995 and 1994 are net of $1,593 and $632, respectively, which was the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to holders of the stock for repurchases made during each year.

The Company's Articles of Incorporation limits dividends on Minerals Stock to the lesser of (i) all funds of the Company legally available therefore (as prescribed by Virginia law) and (ii) the Available Minerals Dividend Amount (as defined in the Articles of Incorporation). At December 31, 1995, the Available Minerals Dividend Amount was at least $24,870. Dividends on Minerals Stock are also restricted by covenants in the Company's public indentures and bank credit agreements. See the Company's consolidated financial statements and related footnotes. Subject to these limitations, the Company's Board, although there is no requirement to do so, intends to declare and pay dividends on the Minerals Stock based primarily on the earnings, financial condition, cash flow and business requirements of the Minerals Group.

In December 1992, the Company formed The Pittston Company Employee Benefits Trust (the 'Trust") to hold shares of its common stock to fund obligations under certain employee benefits programs. Upon formation of the Trust, the Company sold for a promissory note of the Trust, 4,000,000 new shares of its common stock to the Trust at a price equal to the fair value of the stock on the date of sale. Upon approval of the Services Stock Proposal, 3,871,826 shares in the Trust were redesignated as Services Stock and 774,365 shares of Minerals Stock were distributed to the Trust. At December 31, 1995, 594,461 shares of Minerals Stock (723,218 in 1994) remained in the Trust, valued at market. The value of these shares has no impact on shareholder's equity.

12. ACQUISITIONS

During 1995, the Minerals Group acquired one small business for a purchase price of $556, including debt of $200. The acquisition was accounted for as a purchase; accordingly, the purchase price was allocated to the underlying assets and liabilities based on the estimated fair value at the date of acquisition. The fair value of the assets acquired was $1,122 and liabilities assumed was $566. The purchase price was equal to the fair value of net assets acquired. In addition, during 1995, the Minerals Group made an installment payment of $722 for an acquisition made in prior years.

During 1994, a wholly owned indirect subsidiary of the Minerals Group completed the acquisition of substantially all of the coal mining operations and coal supply contracts of Addington Resources, Inc. for $157,324. The acquisition has been accounted for as a purchase; accordingly, the purchase price has been allocated to the underlying assets and liabilities based on their respective estimated fair values at the date of acquisition. The fair value of assets acquired was $173,959 and liabilities assumed was $138,518. The excess of the purchase price over the fair value of assets acquired and liabilities assumed was $121,883 and is being amortized over a period of forty years.

The acquisition was financed by the issuance of $80,500 of Convertible Preferred Stock (Note 1) and additional borrowings under existing credit facilities. In March 1994, the additional debt incurred for this acquisition was refinanced with a portion of the proceeds from the five-year term loan (Note 9).

During 1993, the Minerals Group made installment and contingency payments related to acquisitions consummated in prior years. Total consideration paid was $699.

The results of operations of the companies acquired in 1995 and 1994 have been included in the Minerals Group's results of operations from their date of acquisition.

13. COAL JOINT VENTURE

The Minerals Group, through a wholly owned indirect subsidiary of the Company, entered into a partnership agreement in 1982 with four other coal companies to construct and operate coal port facilities in Newport News, Virginia, in the Port of Hampton Roads (the "Facilities"). The Facilities commenced operations in 1984, and now have an annual throughput capacity of 22 million tons, with a ground storage capacity of approximately 2 million tons. The Minerals Group initially had an indirect 25% interest in the partnership, Dominion Terminal Associates ("DTA"). Initial financing of the Facilities was accomplished through the issuance of $135,000 principal amount of revenue bonds by the Peninsula Ports Authority of Virginia (the "Authority"), which is a political subdivision of the Commonwealth of Virginia. In 1987, the original revenue bonds were refinanced by the issuance of $132,800 of coal terminal revenue refunding bonds of which two series of these bonds in the aggregate principal amount of $33,200 were attributable to the Minerals Group. In 1990, the Minerals Group acquired an additional indirect 7 1/2% interest in DTA for cash of $3,055 plus the assumption of bond indebtedness, increasing its ownership to 32 1/2%. With the increase in ownership, $9,960 of the remaining four additional series of the revenue refunding bonds of $99,600 became attributable to the Minerals Group. In November 1992, all bonds attributable to the Minerals Group were refinanced with the issuance of a new series of coal terminal revenue refunding bonds in the aggregate principal amount of $43,160. The new series of bonds bear a fixed interest rate of 7 3/8%. The Authority owns the Facilities and leases them to DTA for the life of the bonds, which mature on June 1, 2020. DTA may purchase the facilities for $1 at the end of the lease term. The obligations of the partners are several, and not joint.

Under loan agreements with the Authority, DTA is obligated to make payments sufficient to provide for the timely payment of the principal of and interest on the bonds of the new series. Under a throughput and handling agreement, the Minerals Group has agreed to make payments to DTA that in the aggregate will provide DTA with sufficient funds to make the payments due under the loan agreements and to pay the Minerals Group's share of the operating costs of the Facilities. The Company has also unconditionally guaranteed the payment of the principal of and premium, if any, and the interest on the new series of bonds. Payments for operating costs aggregated $6,841 in 1995, $7,173 in 1994 and $7,949 in 1993. The Minerals Group has the right to use 32 1/2% of the throughput and storage capacity of the Facilities subject to user rights of third parties which pay the Minerals Group a fee. The Minerals Group pays throughput and storage charges based on actual usage at per ton rates determined by DTA.

14. LEASES

The Minerals Group's businesses lease coal mining and other equipment under long-term operating leases with varying terms, and most of the leases contain renewal and/or purchase options. As of December 31, 1995, aggregate future minimum lease payments under noncancellable operating leases were as follows:

	Facilities	Equipment & Other	Total
1996	$ 773	21,678	22,451
1997	798	15,649	16,447
1998	796	9,865	10,661
1999	778	3,685	4,463
2000	745	791	1,536
2001	455	75	530
2002	2	--	2
2003	2	--	2
2004	2	--	2
2005	2	--	2
Later Years	2	--	2
Total	$4,355	51,743	56,098

There are no noncancellable sublease rentals. Almost all of the above amounts related to equipment are guaranteed by the Company.

Rent expense amounted to $34,363 in 1995, $35,583 in 1994 and $24,854 in 1993 and is net of sublease rentals of $12 in 1995 and $69 in 1994 and 1993.

In 1995, the Minerals Group incurred capital lease obligations of $12. In 1994, the Minerals Group incurred capital lease obligations of $746 and assumed capital lease obligations of $16,210 as part of the acquisition of the coal operations of Addington Resources, Inc., (Note 12). As of December 31, 1995, the Minerals Group's obligations under capital leases were not significant.

15. EMPLOYEE BENEFIT PLANS

The Minerals Group's businesses participate in the Company's noncontributory defined benefit pension plan covering substantially all nonunion employees who meet certain minimum requirements. Benefits under the plan are based on salary and years of service. The Minerals Group's pension cost is actuarially determined based on its employees and an allocable

share of the pension plan assets. The Company's policy is to fund the actuarially determined amounts necessary to provide assets sufficient to meet the benefits to be paid to plan participants in accordance with applicable regulations. The net pension credit for 1995, 1994 and 1993 for the Minerals Group is as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$ 3,306	3,609	2,772
Interest cost on projected benefit obligation	9,548	9,024	8,873
Loss (return) on assets actual	(38,005)	1,664	(20,347)
(Loss) return on assets deferred	22,199	(16,978)	6,317
Other amortization, net	7	2,270	--
Net pension credit	$ (2,945)	(411)	(2,385)

The assumptions used in determining the net pension credit for the Company's major pension plan were as follows:

	1995	1994	1993
Interest cost on projected benefit obligation	8.75%	7.5%	9.0%
Expected long-term rate of return on assets	10.0%	10.0%	10.0%
Rae of increase in compensation levels	4.0%	4.0%	5.0%

The Minerals Group's allocated funded status and deferred pension assets at December 31, 1995 and 1994 are as follows:

	1995	1994
Actuarial present value of accumulated benefit obligation:		
Vested	$121,632	94,237
Nonvested	3,838	4,012
	125,470	98,249
Benefits attributable to projected salaries	11,512	11,499
Projected benefit obligation	136,982	109,748
Plan assets at fair value	187,537	157,847
Excess of plan assets over projected benefit obligation	50,555	48,099
Unrecognized experience loss	27,307	26,517
Unrecognized prior service cost	273	271
Net pension assets	78,135	74,887
Current pension liability	1,258	916
Deferred pension asset per balance sheet	$ 79,393	75,803

For the valuation of pension obligations and the calculation of the funded status, the discount rate was 7.5% in 1995 and 8.75% in 1994. The expected long-term rate of return on assets was 10% in both years. The rate of increase in compensation levels used was 4% in 1995 and 1994.

The unrecognized initial net asset at January 1, 1986, the date of adoption of SFAS 87, has been amortized over the estimated remaining average service life of the employees, which period ended at December 31, 1992. As of December 31, 1995, approximately 70% of plan assets were invested in equity securities and 30% in fixed income securities.

Under the 1990 collective bargaining agreement with the United Mine Workers of America ("UMWA"), the Minerals Group has made payments, based on hours worked, into escrow accounts established for the benefit of union employees (Note 19). The total amount accrued and escrowed by the Minerals Group's coal operations under this agreement as at December 31, 1995 and December 31, 1994, was $26,046 and $23,120, respectively. The amount escrowed and accrued is included in "Short-term investments" and "Miscellaneous accrued liabilities".

The Minerals Group also provides certain postretirement health care and life insurance benefits for eligible active and retired employees in the United States.

For the years 1995, 1994 and 1993, the components of periodic expense for these postretirement benefits were as follows:

	Year Ended December 31		
	1995	1994	1993
Service cost benefits earned during year	$ 1,523	2,141	2,513
Interest cost on accumulated post-retirement benefit obligation	19,510	20,948	21,060
Amortization of (gains) losses	--	2,806	402
Total expense	$21,033	25,895	23,975

The interest costs on the accumulated postretirement benefit obligation were based upon rates of 8.75% in 1995, 7.5% in 1994 and 9% in 1993.

At December 31, 1995 and 1994, the actuarial and recorded liabilities for these postretirement benefits, none of which have been funded, were as follows:

	1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$ 230,217	215,043
Fully eligible active plan participants	24,031	21,170
Other active plan participants	26,303	17,334
	280,551	253,547
Unrecognized experience loss	(48,197)	(23,619)
Liability included on the balance sheet	232,354	229,928
Less current portion	18,647	16,951
Noncurrent liability for postretirement health care and life insurance benefits	$ 213,707	212,977

The accumulated postretirement benefit obligation was determined using the unit credit method and an assumed discount rate of 7.5% in 1995 and 8.75% in 1994. The assumed health care cost trend rate used in 1995 was 9% for pre-65 retirees, grading down to 5% in the year 2001. For post-65 retirees, the assumed trend rate in 1995 was 7%, grading down to 5% in the year 2001. The assumed medicare cost trend rate used in 1995 was 7%, grading down to 5% in the year 2001.

A percentage point increase each year in the assumed health care cost trend rate used would have resulted in a $2,630 increase in the aggregate service and interest components of expense for the year 1995, and a $36,351 increase in the accumulated postretirement benefit obligation at December 31, 1995.

The Minerals Group also participates in the Company's Savings-Investment Plan to assist eligible employees in providing for retirement or other future financial needs. Employee contributions are matched at rates of 50% and 100% up to 5% of compensation (subject to certain limitations imposed by the Internal Revenue Code of 1986, as amended). Contribution expense under the plan aggregated $1,204 in 1995, $1,468 in 1994 and $2,021 in 1993.

In May 1994, the Company's shareholders approved the Employee Stock Purchase Plan effective July 1, 1994. As amended, upon approval of the Brink's Stock Proposal, eligible employees may elect to purchase shares of Brink's Stock, Burlington Stock and Minerals Stock at the lower of 85% of the fair market value as of specified dates. Under this plan, for the years ended December 31, 1995 and 1994, employees of the Company purchased 44,006 shares of Minerals Stock for $374 and 11,843 shares of Minerals Stock for $187, respectively.

The Minerals Group sponsors other defined contribution plans and contributions under these plans aggregated $368 in 1995, $470 in 1994 and $475 in 1993.

In October 1992, the Coal Industry Retiree Health Benefit Act of 1992 (the "Health Benefit Act") was enacted as part of the Energy Policy Act of 1992. The Health Benefit Act established rules for the payment of future health care benefits for thousands of retired union mine workers and their dependents. Part of the burden for these payments was shifted by the Health Benefit Act from certain coal producers, which had a contractual obligation to fund such payments, to producers such as the Company which have collective bargaining agreements with the UMWA that do not require such payments and to numerous other companies which are no longer in the coal business. The Health Benefit Act established a trust fund to which "signatory operators" and "related persons", including the Company and certain of its coal subsidiaries (the "Pittston Companies") are obligated to pay annual premiums for assigned beneficiaries, together with a pro rata share for certain beneficiaries who never worked for such employers ("unassigned beneficiaries"), in amounts determined by the Secretary of Health and Human Services on the basis set forth in the Health Benefit Act. For 1995, 1994 and 1993, these amounts, on a pretax basis, were approximately $10,800, $11,000 and $9,100, respectively. The Company believes that the annual liability under the Health Benefit Act for the Pittston Companies' assigned beneficiaries will continue at approximately $10,000 per year for the next several years and should begin to decline thereafter as the number of such assigned beneficiaries decreases.

Based on the number of beneficiaries actually assigned by the Social Security Administration, the Company estimates the aggregate pretax liability relating to the Pittston Companies' assigned beneficiaries at approximately $220,000, which when discounted at 7.5% provides a present value estimate of approximately $95,000.

The ultimate obligation that will be incurred by the Company could be significantly affected by, among other things, increased medical costs, decreased number of beneficiaries, governmental funding arrangements and such federal health benefit legislation of general application as may be enacted. In addition, the Health Benefit Act requires the Pittston Companies to fund, pro rata according to the total number of assigned beneficiaries, a portion of the health benefits for unassigned beneficiaries. At this time, the funding for such health benefits is being provided from another source and for this and other reasons the Pittston Companies' ultimate obligation for the unassigned beneficiaries cannot be determined. The Company accounts for its obligations under the Health Benefit Act as a participant in a multi-employer plan and recognizes the annual cost on a pay-as-you-go basis.

16. RESTRUCTURING AND OTHER CHARGES, INCLUDING LITIGATION ACCRUAL

The market for metallurgical coal, for most of the past fifteen years, has been characterized by weak demand from primary steel producers and intense competition from foreign coal producers, especially those in Australia and Canada. Metallurgical coal sales contracts typically are subject to annual price negotiations, which increase the risk of market forces. As a result of the continuing long-term decline in the metallurgical coal markets, which was further evidenced by significant price reductions in early 1994, Coal operations accelerated its strategy of decreasing its exposure to these markets. After a review of the economic viability of the remaining metallurgical coal assets in early 1994, management determined that four underground mines were no longer economically viable and should be closed resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power Company under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

As a result of these decisions, the Minerals Group incurred a pretax charge of $90,806 ($58,116 after tax) in 1994 which included a reduction in the carrying value of these assets and related accruals for mine closure costs. These charges included assets writedowns of $46,487 which reduced the book carrying value of such assets to what management believes to be their net realizable value based on either estimated sales or leasing of such property to unrelated third parties. In addition, the charges included $3,836 for required lease payments owed to lessors for machinery and equipment that would be idled as a result of the mine and facility closures. The charges also included $19,290 for mine and plant closure costs which represented estimates for reclamation and other environmental costs to be incurred to bring the properties in compliance with federal and state mining and environmental laws. This accrual was required due to the premature closing of the mines. The accrual also included $21,193 in contractually or statutorily required employee severance and other benefit costs associated with termination of employees at these facilities and costs associated with inactive employees at these facilities. Such employee benefits included severance payments, medical insurance, workers' compensation and other benefits and have been calculated in accordance with contractually (collective bargaining agreements signed by certain coal subsidiaries included in the Company) and legally required employee severance and other benefits.

Of the four underground mines, two ceased coal production in 1994. In 1994 the Company reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994 and final reclamation and environmental work is substantially complete. At the beginning of 1994, there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities has been reduced by 52% to approximately 360 employees at December 31, 1994 and by 81% to approximately 140 employees at December 31, 1995.

Although coal production has or will cease at the mines contemplated in the accrual, the Minerals Group will incur reclamation and environmental costs for several years to bring these properties into compliance with federal and state environmental laws. In addition, employee termination and medical costs will continue to be incurred for several years after the facilities have been closed. The significant portion of these employee liabilities is for statutorily provided workers' compensation costs for inactive employees. Such benefits include indemnity and medical payments as required under state workers' compensation laws. The long payment periods are based on continued, and in some cases, lifetime indemnity and medical payments to injured former employees and their surviving spouses. Management believes that the charges incurred in 1994 should be sufficient to provide for these future costs and does not anticipate material additional future charges to operating earnings for these facilities, although continual cash funding will be required over the next several years.

In 1993 the Minerals Group incurred a pretax charge of $78,633 ($48,897 after tax) relating to mine closing costs including employee benefit costs and certain other noncash charges, together with previously reported litigation (the "Evergreen Case") brought against the Company and a number of its coal subsidiaries by the trustees of certain pension and benefit trust fund established under collective bargaining agreements with the UMWA (Note 18). These charges impacted Coal and Mineral Ventures' operating profit in the amounts of $70,713 and $7,920, respectively.

The charge in the Mineral Ventures segment in 1993, related to the writedown of the Mineral Group's investment in the Uley graphite mine in Australia. Although reserve drilling of the Uley property indicates substantial graphite deposits, processing difficulties, depressed graphite prices which remained significantly below the level prevailing at the start of the project and an analysis of various technical and marketing conditions affecting the project resulted in the determination that the assets had been impaired and that loss recognition was appropriate. The charge included asset writedowns of $7,496 which reduced the carrying value of such assets to zero.

The following table analyzes the changes in liabilities during the last three years for facility closure costs recorded as restructuring and other charges:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance January 1, 1993 (a)	$1,146	35,499	35,413	72,058
Additions	2,782	1,598	6,267	10,647
Payments (b)	836	8,663	7,463	16,962
Balance December 31, 1993	3,092	28,434	34,217	65,743
Additions	3,836	19,290	21,193	44,319
Payments (c)	3,141	9,468	12,038	24,647
Balance December 31, 1994	3,787	38,256	43,372	85,415
Payments (d)	1,993	7,765	7,295	17,053
Other reductions (e)	576	1,508	--	2,084
Balance December 31, 1995	$1,218	28,983	36,077	66,278

(a) These amounts represent the remaining liabilities for facility closure costs recorded as restructuring and other charges in prior years. The original charges included $2,312 for leased machinery and equipment, $50,645 principally for incremental facility closing costs, including reclamation and $47,841 for employee benefit costs, primarily workers' compensation, which will continue to be paid for several years.

(b) These amounts represent total cash payments made during the year for liabilities recorded in prior years.

(c) Of the total payments made, in 1994, $8,672 was for liabilities recorded in years prior to 1993, $5,822 was for liabilities recorded in 1993 and $10,153 was for liabilities recorded in 1994.

(d) Of the total payments made in 1995, $6,424 was for liabilities recorded in years prior to 1993, $2,486 was for liabilities recorded in 1993 and $8,143 was for liabilities recorded in 1994.

(e) These amounts represent the assumption of liabilities by third parties as a result of sales transactions.

During the next twelve months, expected cash funding of these charges is approximately $15,000 to $20,000. Management estimates that the remaining liability for leased machinery and equipment will be fully paid over the next year. The liability for mine and plant closure costs is expected to be satisfied over the next ten years of which approximately 50% is expected to be paid over the next two years. The liability for employee related costs, which is primarily workers' compensation, is estimated to be 50% settled over the next four years with the balance paid during the following five to ten years.

17. OTHER INCOME AND EXPENSE

Other operating income primarily includes royalty income and gains on sales of assets.

18. SEGMENT INFORMATION

Net sales by geographic area are as follows:

	Year Ended December 31		
	1995	1994	1993
United States:			
Domestic customers	$467,479	512,875	359,748
Export customers in Europe	108,111	131,447	132,753
Export customers in Japan	67,145	71,937	84,195
Other export customers	63,516	63,245	95,548
	706,251	779,504	672,244
Australia	16,600	15,494	14,845
Total net sales	$722,851	794,998	687,089

The following is derived from the business segment information in the Company's consolidated financial statements as it relates to the Minerals Group. See Note 2, Related Party Transactions, for a description of the Company's policy for corporate allocations.

The Minerals Group's portion of the Company's operating profit is as follows:

	Year Ended December 31		
	1995	1994	1993
United States *	$ 21,752	(85,305)	(49,157)
Australia *	1,586	2,988	(7,391)
Minerals Group's portion of the Company's segment operating profit	23,338	(82,317)	(56,548)
Corporate expenses allocated to the Minerals Group	(7,266)	(6,845)	(7,218)
Total operating profit (loss)	$ 16,072	(89,162)	(63,766)

* Operating profit (loss) includes restructuring and other charges, including litigation accrual aggregating $90,806 in 1994 all of which is included in the United States and $78,633 in 1993, of which $70,713 is included in the United States and $7,920 is included in Australia (Note 16).

The Minerals Group's portion of the Company's assets at year end is as follows:

	As of December 31		
	1995	1994	1993
United States	$702,132	764,399	503,002
Australia	18,999	19,104	13,162
Minerals Group's portion of the Company's assets	721,131	783,503	516,164
Minerals Group's portion of corporate assets	77,478	84,009	90,083
Total assets	$798,609	867,512	606,247

Industry segment information is as follows:

	Year Ended December 31		
	1995	1994	1993
REVENUES:			
Coal	$ 706,251	779,504	672,244
Mineral Ventures	16,600	15,494	14,845
Total revenues	$ 722,851	794,998	687,089
OPERATING PROFIT (LOSS):			
Coal *	$ 23,131	(83,451)	(48,246)
Mineral Ventures *	207	1,134	(8,302)
Segment operating profit (loss)	23,338	(82,317)	(56,548)
Allocated general corporate expense	(7,266)	(6,845)	(7,218)
Total operating profit (loss)	$ 16,072	(89,162)	(63,766)

* Operating profit (loss) of the Coal segment included restructuring and other charges, including litigation accrual of $90,806 in 1994 and $70,713 in 1993 (Note 16). Operating loss of the Mineral Ventures segment included restructuring and other charges of $7,920 in 1993 (Note 16).

	1995	1994	1993
CAPITAL EXPENDITURES:			
Coal	$ 17,811	25,016	15,499
Mineral Ventures	2,332	2,514	2,690
Allocated general corporate	168	90	47
Total capital expenditures	$ 20,311	27,620	18,236
DEPRECIATION, DEPLETION AND AMORTIZATION:			
Coal	$ 40,285	44,731	25,679
Mineral Ventures	1,597	1,202	1,779
Allocated general corporate	158	141	133
Total depreciation, depletion and amortization	$ 42,040	46,074	27,591
ASSETS AT DECEMBER 31:			
Coal	$699,049	761,827	499,494
Mineral Ventures	22,082	21,676	16,670
Identifiable assets	721,131	783,503	516,164
Allocated portion of the Company's corporate assets	77,478	84,009	90,083
Total assets	$798,609	867,512	606,247

In 1995, 1994 and 1993, net sales to one customer of the Coal segment amounted to $125,730, $111,830 and $106,253, respectively.

19. LITIGATION

In April 1990, the Company entered into a settlement agreement to resolve certain environmental claims against the Company arising from hydrocarbon contamination at a petroleum terminal facility ("Tankport") in Jersey City, New Jersey, which operations were sold in 1983. Under the settlement agreement, the Company is obligated to pay 80% of the remediation costs. Based on data available to the Company and its environmental consultants, the Company estimates its portion of the cleanup costs on an undiscounted basis using existing technologies to be between $6,700 and $16,400 over a period of up to five years. Management is unable to determine that any amount within that range is a better estimate due to a variety of uncertainties, which include the extent of the contamination at the site, the permitted technologies for remediation and the regulatory standards by which the clean-up will be conducted. The clean-up estimates have been modified from prior years' in light of cost inflation. The estimate of costs and the timing of payments could change as a result of changes to the remediation plan required, changes in the technology available to treat the site, unforseen circumstances existing at the site and additional cost inflation.

The Company commenced insurance coverage litigation in 1990, in the United States District Court for the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. In August 1995, the District Court ruled on various Motions for Summary Judgement. In its decision, the Court found favorably for the Company on several matters relating to the comprehensive general liability policies but concluded that the pollution liability policies did not contain pollution coverage for the types of claims associated with the Tankport site. The Company has filed a notice of its intent to appeal the District Court's decision to the Third Circuit. Management and its outside legal counsel continue to believe, however, that recovery of a substantial portion of the cleanup costs will ultimately be probable of realization. Accordingly, management is revising its earlier belief that there is no net liability for the Tankport obligation, and it is the Company's belief that, based on estimates of potential liability and probable realization of insurance recoveries, the Company would be liable for approximately $1,400 based on the Courts decision and related developments of New Jersey law.

In 1988, the trustees of certain pension and benefit trust funds (the "Trust Funds") established under collective bargaining agreements with the UMWA brought an action (the "Evergreen Case") against the Company and a number of its coal subsidiaries in the United States District Court for the District of Columbia, claiming that the defendants are obligated to contribute to such Trust Funds in accordance with the provisions of the 1988 and subsequent National Bituminous Coal Wage Agreements, to which neither the Company nor any of its subsidiaries is a signatory. In January 1992, the Court issued an order granting summary judgment in favor of the trustees on the issue of liability, which was thereafter affirmed by the Court of Appeals. In June 1993, the United States Supreme Court denied a petition for a writ of certiorari. The case was remanded to District Court, where damage and other issues were to be decided. In September 1993, the Company filed a motion seeking relief from the District Court's grant of summary judgment based on, among other things, the Company's allegations that plaintiffs improperly withheld evidence that directly refutes plaintiffs' representations to the District Court and the Court of Appeals in this case. In December 1993, that motion was denied. The Company, following the District Court's ruling in December 1993, recognized in 1993 in its financial statements for the Minerals Group the potential liability that might have resulted from an adverse judgment in the Evergreen Case (Notes 15 and 16). On May 23, 1994, the trustees filed a Motion for Entry of Final Judgment seeking approximately $71,100 in delinquent contributions, interest and liquidated damages through May 31, 1994, plus approximately $17 additional interest and liquidated damages for each day between May 31, 1994 and the date of entry of final judgment, plus on-going contributions to the 1974 Pension Plan. The Company opposed this motion. No decision on this motion of final judgment was entered.

In furtherance of its ongoing effort to identify other available legal options for seeking relief from what it believes to be an erroneous finding of liability in the Evergreen Case, the Company filed suit against the Bituminous Coal Operators Association ("BCOA") and others to hold them responsible for any damages sustained by the Company as a result of the Evergreen Case. In December 1994, the District Court ordered the Evergreen Case as well as related cases filed against other coal companies, and the BCOA case, be submitted to mediation before a federal judge in an effort to obtain a settlement.

SUBSEQUENT EVENT (UNAUDITED)
In late March 1996 a settlement was reached in these cases, including the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: approximately $25,800 upon dismissal of the Evergreen Case and the remainder of $24,000 in installments of $7,000 in 1996 and $8,500 in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Company. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. The BCOA case and a separate case against the UMWA have also been dismissed.

As a result of the settlement of these cases, the Company expects to record a pretax gain of approximately $35,000 in the first quarter of 1996 in its financial statements for the Minerals Group.

20. COMMITMENTS

At December 31, 1995, the Minerals Group had contractual commitments to purchase coal which is primarily used to blend with company mined coal. Based on the contract provisions these commitments are currently estimated to aggregate approximately $161,743 and expire from 1996 through 1998 as follows:

1996	$76,761
1997	57,929
1998	27,053

Purchases under the contracts were $83,532 in 1995, $53,097 in 1994 and $81,069 in 1993.

21. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended December 31, 1995 and 1994, there were net cash tax refunds of $20,731 and $12,851, respectively. For the year ended December 31, 1993, cash payments for income taxes, net of refunds received was $2,461.

For the years ended December 31, 1995, 1994 and 1993, cash payments for interest were $10,296, $5,985 and $2,126, respectively.

On December 31, 1995, the Minerals Group assumed the portion of the Company's term loan in the amount of $23,434, which had been attributed to the Burlington Group, as partial settlement of the intercompany payable due to the Burlington Group. This transfer of debt as partial settlement of the intercompany between the Groups has been recognized as a noncash transaction and is not included in the Minerals Group's 1995 Statement of Cash Flows.

In 1995, the Minerals Group sold mining operations in Ohio together with a related coal supply contract for notes and royalties receivable totaling $6,949.

In December 1993, the Minerals Group sold the majority of the assets of its captive mine supply company. Cash proceeds of $8,400 from the sale were received on January 2, 1994, and have been included in "Cash flow from investing activities: Other, net" in 1994.

During 1993, the Minerals Group sold a coal preparation plant and related interest in land, equipment and facilities for mineral reserves with a fair market value of $13,300 and cash of $10,700. The cash proceeds of $10,700 less $1,001 in expenses related to the transaction were included in "Cash flow from investing activities: Other, net".

22. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Tabulated below are certain data for each quarter of 1995 and 1994.

	1st	2nd	3rd	4th
1995 QUARTERS:				
Net sales	$ 195,740	184,211	177,702	165,198
Gross profit	1,800	3,351	10,441	10,964
Net income	$ 470	4,634	4,462	4,458
Per Pittston Minerals Group Common Share:				
Net income				
Primary	$ .05	.45	.51	.43
Fully diluted	$ .05	.45	.45	.43
1994 QUARTERS:				
Net sales	$ 176,742	202,149	210,142	205,965
Gross profit (loss)	(13,039)	13,105	10,770	12,576
Net income (loss)	$ (74,079)	6,750	6,196	8,185
Per Pittston Minerals Group Common Share:				
Net income (loss)				
Primary	$ (9.96)	.72	.74	.91
Fully diluted	$ (9.96)	.67	.61	.81

Net income (loss) in the first quarter of 1994, included restructuring and other charges of $58,116 (Note 16).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this 10-K/A to be signed on its behalf by the undersigned, thereunto duly authorized, on April 5, 1996.

The Pittston Company
(Registrant)

By G.R. ROGLIANO

(G. R. Rogliano, Senior
Vice President)

Exhibit Index

Exhibit Number	Description
23	Consent of independent auditors.

Exhibit 23

Consent of Independent Auditors

The Board of Directors
The Pittston Company

We consent to incorporation by reference in the Registration Statements (Nos. 2-64258, 33-2039, 33-21393, 33-23333, 33-69040, 33-53565 and 333-02219) on Form S-8 of The Pittston Company of our reports dated January 25, 1996, as listed in the accompanying Index to Financial Statements and Schedules as listed in Items 14(a)1 and 14(a)2 included in the 1995 Annual Report on Form 10-K/A of The Pittston Company which reports appear herein.

Our reports for Pittston Brink's Group, Pittston Burlington Group and Pittston Minerals Group contain an explanatory paragraph that states that the financial statements of Pittston Brink's Group, Pittston Burlington Group and Pittston Minerals Group should be read in connection with the audited consolidated financial statements of The Pittston Company and subsidiaries.

KPMG Peat Marwick LLP
Stamford, Connecticut

April 5, 1996