UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1998

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

Commission file number 1-9148

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

Virginia	54-1317776
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

P.O. Box 4229, 1000 Virginia Center Parkway, Glen Allen, Virginia 23058-4229
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (804) 553-3600

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

As of May 8, 1998, 41,111,230 shares of $1 par value Pittston Brink's Group Common Stock, 20,163,468 shares of $1 par value Pittston BAX Group Common Stock and 8,392,403 shares of $1 par value Pittston Minerals Group Common Stock were outstanding.

PART I - FINANCIAL INFORMATION
THE PITTSTON COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	March 31 1998	December 31 1997
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 72,615	69,878
Short-term investments, at lower of cost or market	2,277	2,227
Accounts receivable (net of estimated amount uncollectible: 1998 - $25,307; 1997 - $21,985)	617,433	531,317
Inventories, at lower of cost or market	37,698	40,174
Prepaid expenses	43,943	32,767
Deferred income taxes	50,302	50,442
Total current assets	824,268	726,805
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1998 - $539,253; 1997 - $519,658)	718,673	647,642
Intangibles, net of amortization	328,443	301,395
Deferred pension assets	119,172	123,138
Deferred income taxes	46,199	47,826
Other assets	141,600	149,138
Total assets	$ 2,178,355	1,995,944
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 57,480	40,144
Current maturities of long-term debt	21,593	11,299
Accounts payable	293,476	281,411
Accrued liabilities	343,738	310,819
Total current liabilities	716,287	643,673
Long-term debt, less current maturities	299,476	191,812
Postretirement benefits other than pensions	233,399	231,451
Workers' compensation and other claims	101,979	106,378
Deferred income taxes	17,015	17,157
Other liabilities	113,682	119,855
Shareholders' equity:		
Preferred stock, par value $10 per share: Authorized: 2,000 shares $31.25 Series C Cumulative Convertible Preferred Stock; Issued and outstanding: 1998 - 113 shares; 1997 - 114 shares	1,134	1,138
Pittston Brink's Group Common Stock, par value $1 per share: Authorized: 100,000 shares; Issued and outstanding: 1998 - 41,112 shares; 1997 - 41,130 shares	41,112	41,130
Pittston BAX Group Common Stock, par value $1 per share: Authorized: 50,000 shares; Issued and outstanding: 1998 - 20,200 shares; 1997 - 20,378 shares	20,200	20,378
Pittston Minerals Group Common Stock, par value $1 per share: Authorized: 20,000 shares; Issued and outstanding: 1998 - 8,393 shares; 1997 - 8,406 shares	8,393	8,406
Capital in excess of par value	410,556	430,970
Retained earnings	365,966	359,940
Accumulated other comprehensive income - foreign currency translation	(42,808)	(41,762)
Employee benefits trust, at market value	(108,036)	(134,582)
Total shareholders' equity	696,517	685,618

Total liabilities and shareholders' equity	$ 2,178,355	1,995,944

See accompanying notes to consolidated financial statements.

THE PITTSTON COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Net sales	$ 149,898	158,883
Operating revenues	712,766	622,793
Net sales and operating revenues	862,664	781,676
Costs and expenses:		
Cost of sales	144,164	153,412
Operating expenses	595,771	518,819
Selling, general and administrative expenses	99,256	75,643
Total costs and expenses	839,191	747,874
Other operating income, net	3,027	3,576
Operating profit	26,500	37,378
Interest income	1,181	1,019
Interest expense	(7,384)	(5,564)
Other expense, net	(1,435)	(2,389)
Income before income taxes	18,862	30,444
Provision for income taxes	6,034	9,103
Net income	12,828	21,341
Preferred stock dividends, net	(864)	(901)
Net income attributed to common shares	$ 11,964	20,440
Pittston Brink's Group:		
Net income attributed to common shares	$ 17,037	15,306
Net income per common share:		
Basic	$ .44	.40
Diluted	.44	.40
Cash dividends per common share	$ .025	.025
Pittston BAX Group:		
Net (loss) income attributed to common shares	$ (2,966)	5,088
Net (loss) income per common share:		
Basic	$ (.15)	.26
Diluted	(.15)	.26
Cash dividends per common share	$ .06	.06
Pittston Minerals Group:		
Net (loss) income	$ (2,107)	46
Net (loss) income per common share:		
Basic	$ (.26)	.01
Diuted	(.26)	.01
Cash dividends per common share	$ .1625	.1625

See accompanying notes to consolidated financial statements.

THE PITTSTON COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Cash flows from operating activities:		
Net income	$ 12,828	21,341
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	33,878	30,139
Provision for aircraft heavy maintenance	8,733	8,186
Provision for deferred income taxes	2,115	2,328
(Credit) provision for pensions, noncurrent	(441)	141
Provision for uncollectible accounts receivable	2,647	1,768
Minority interest expense	1,821	1,576
Equity in (earnings) losses of unconsolidated affiliates, net of dividends received	(747)	861
Other operating, net	4,239	963
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(12,381)	(10,471)
Decrease (increase) in inventories	2,564	(7,314)
Increase in prepaid expenses	(5,362)	(9,793)
Decrease in accounts payable and accrued liabilities	(17,399)	(7,897)
Increase in other assets	(1,008)	(3,292)
Decrease in other liabilities	(4,604)	(2,852)
Decrease in workers' compensation and other claims, noncurrent	(1,718)	(2,256)
Other, net	(3,459)	366
Net cash provided by operating activities	21,706	23,794
Cash flows from investing activities:		
Additions to property, plant and equipment	(60,705)	(40,031)
Aircraft heavy maintenance expenditures	(9,659)	(9,473)
Proceeds from disposal of property, plant and equipment	421	3,939
Acquisitions, net of cash acquired, and related contingency payments	224	(54,094)
Other, net	(4,182)	13,901
Net cash used by investing activities	(73,901)	(85,758)
Cash flows from financing activities:		
Additions to debt	70,905	87,685
Reductions of debt	(9,640)	(6,851)
Repurchase of stock of the Company	(4,499)	(6,514)
Proceeds from exercise of stock options	2,288	1,303
Dividends paid	(4,122)	(4,049)
Net cash provided by financing activities	54,932	71,574
Net increase in cash and cash equivalents	2,737	9,610
Cash and cash equivalents at beginning of period	69,878	41,217
Cash and cash equivalents at end of period	$ 72,615	50,827

See accompanying notes to consolidated financial statements.

THE PITTSTON COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

(1) The Pittston Company (the "Company") prepares consolidated financial statements in addition to separate financial statements for the Pittston Brink's Group (the "Brink's Group"), the Pittston BAX Group (the "BAX Group") and the Pittston Minerals Group (the "Minerals 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 BAX Group consists of the BAX Global Inc. ("BAX Global") operations of the Company. The Minerals Group consists of the Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of the Company. The Company's capital structure includes three issues of common stock: Pittston Brink's Group Common Stock ("Brink's Stock"), Pittston BAX Group Common Stock ("BAX Stock") and Pittston Minerals Group Common Stock ("Minerals Stock") which were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, BAX Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any Group or the Company as a whole. Holders of Brink's Stock, BAX Stock and Minerals Stock are shareholders of the Company, which is responsible for all liabilities. Financial developments affecting the Brink's Group, the BAX Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups.

Effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

(2) The following is a reconciliation between the calculation of basic and diluted net income per share:

	Quarter Ended March 31	
Brink's Group	1998	1997
Numerator:		
Net income - Basic and diluted net income per share numerator	$17,037	15,306
Denominator:		
Basic weighted average common shares outstanding	38,477	38,189
Effect of dilutive securities:		
Employee stock options	604	419
Diluted weighted average common shares outstanding	39,081	38,608

Options to purchase 23 shares of common stock at prices between $28.63 and $29.50 per share were outstanding for the quarter ended March 31, 1997 but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

BAX Group	Quarter Ended March 31 1998	1997
Numerator:		
Net (loss) income - Basic and diluted net income per share numerator	$ (2,966)	5,088
Denominator:		
Basic weighted average common shares outstanding	19,477	19,406
Effect of dilutive securities:		
Employee stock options	--	414
Diluted weighted average common shares outstanding	19,477	19,820

Options to purchase 2,366 shares of common stock, at prices between $5.78 and $27.91 per share, were outstanding for the quarter ended March 31, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive. Options to purchase 42 shares of common stock, at prices between $19.81 and $21.13 per share, were outstanding for the quarter ended March 31, 1997 but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Minerals Group	Quarter Ended March 31 1998	1997
Numerator:		
Net (loss) income	$ (1,243)	947
Convertible Preferred Stock dividends	(864)	(901)
Net (loss) income - Basic and diluted net income per share numerator	(2,107)	46
Denominator:		
Basic weighted average common shares outstanding	8,225	8,002
Effect of dilutive securities:		
Employee stock options	--	57
Diluted weighted average common shares outstanding	8,225	8,059

Options to purchase 677 shares of common stock, at prices between $9.50 and $25.74 per share, were outstanding for the quarter ended March 31, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive. Options to purchase 230 shares of common stock, at prices between $14.86 and $25.74 per share were outstanding for the quarter ended March 31, 1997 but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

The conversion of preferred stock to 1,765 and 1,793 shares of common stock has been excluded in the computation of diluted net (loss) income per share in 1998 and 1997, respectively, because the effect of the assumed conversion would be antidilutive.

(3) Depreciation, depletion and amortization of property, plant and equipment in the first quarter of 1998 totaled $28,686 and $24,740 in the first quarter of 1997.

(4) Cash payments made for interest and income taxes, net of refunds received, were as follows:

	Quarter Ended March 31 1998	1997
Interest	$7,528	5,439
Income taxes	$5,003	4,530

During the quarter ended March 31, 1998, Brink's recorded the following noncash items in connection with the acquisition of substantially all of the remaining shares of its affiliate in France; seller financing of the equivalent of US $27,500 and the assumption of $41,400 of existing Brink's France debt. See further discussion below.

(5) In the first quarter of 1998, the Brink's Group purchased 62% (representing nearly all the remaining shares) of its French affiliate ("Brink's S.A.") for payments aggregating US $39,000 over three years. The acquisition was funded through an initial payment made at closing of $8,789 and a note to the seller for a principal amount of approximately the equivalent of US $27,500 payable in annual installments plus interest through 2001. The acquisition has been accounted for as a purchase, and accordingly, the purchase price is being allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. Based on a preliminary evaluation which is subject to additional review, the estimated fair value of the additional assets recorded, including goodwill, approximated $134,100 and included $9,200 in cash. Estimated liabilities assumed of $97,800 included previously existing debt of approximately $41,400. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is being amortized over forty years. Brink's S.A. had annual 1997 revenues approximating the equivalent of US $220,000.

(6) In two independent transactions in April and May, 1998, Coal Operations sold one of its surface mines representing 1.6 million tons of the anticipated 1998 production, along with the coal supply agreements associated with this mine, and other limited reserves to major US coal companies. Cash proceeds from these sales approximate $18.7 million.

(7) On April 30, 1998, BAX Global acquired the privately held Air Transport International LLC ("ATI") for a purchase price of approximately $29,000. The acquisition was funded through the revolving credit portion of the Company's credit agreement with a syndicate of banks and will be accounted for as a purchase.

(8) As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations. 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 and costs incurred in maintaining facilities and vehicles dedicated to the installation process. The effect of this change in accounting principle was to increase operating profit for the Brink's Group and the BHS segment for the quarter ended March 31, 1998 and 1997 by $1,416 and $1,178, respectively. The effect of this change increased basic and diluted net income per common share of the Brink's Group by $.02 in the first three months of 1998 and 1997.

(9) Under the share repurchase programs authorized by the Board of Directors, the Company purchased shares in the periods presented as follows:

(Dollars in millions)		Quarter Ended March 31 1998	1997
Brink's Stock:			
Shares		--	153,000
Cost	$	--	4.0
BAX Stock:			
Shares		177,532	132,100
Cost	$	3.5	2.6
Convertible Preferred Stock:			
Shares		355	--
Cost	$	0.1	--
Excess carrying amount (a)	$	0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

At March 31, 1998, the Company had the remaining authority to purchase over time 1,000 shares of Minerals Stock; 1,056 shares of Brink's Stock; 915 shares of BAX Stock and an additional $24,236 of its Convertible Preferred Stock. The aggregate purchase price limitation for all common stock was $21,398 at March 31, 1998.

(10) The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income," in the first quarter of 1998. SFAS No. 130 established standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive income, which is composed of net income attributable to common shares and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $10,918 and $14,683, respectively.

Effective January 1, 1998, the Company implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

(11) The Company will adopt a new accounting standard, SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. SFAS No. 131 also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Company.

(12) Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation.

(13) In the opinion of management, all adjustments have been made which are necessary for a fair presentation of results of operations and financial condition for the periods reported herein. All such adjustments are of a normal recurring nature.

THE PITTSTON COMPANY AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

The financial statements of The Pittston Company (the "Company") include balance sheets, results of operations and cash flows of the Brink's, Incorporated ("Brink's"), Brink's Home Security, Inc. ("BHS"), BAX Global Inc. ("BAX Global"), Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of the Company as well as the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment.

The following discussion is a summary of the key factors management considers necessary in reviewing the Company's results of operations, liquidity and capital resources.

RESULTS OF OPERATIONS

(In thousands)	Quarter Ended March 31 1998	1997
Net sales and operating revenues:		
Brink's	$ 261,923	209,199
BHS	48,410	42,185
BAX Global	402,433	371,409
Coal Operations	145,920	154,593
Mineral Ventures	3,978	4,290
Net sales and operating revenues	$ 862,664	781,676
Operating profit (loss):		
Brink's	$ 21,919	15,801
BHS	13,502	12,779
BAX Global	430	10,756
Coal Operations	2,502	3,623
Mineral Ventures	(47)	(455)
Segment operating profit	38,306	42,504
General corporate expense	(11,806)	(5,126)
Total operating profit	$ 26,500	37,378

In the first quarter of 1998, the Company reported net income of $12.8 million compared with $21.3 million in the first quarter of 1997. Operating profit totaled $26.5 million in the 1998 first quarter compared with $37.4 million in the prior year first quarter. Increased operating results at Brink's ($6.1 million), BHS ($0.7 million), and Mineral Ventures ($0.4 million) were offset by lower operating profits at BAX Global ($10.3 million) and Coal Operations ($1.1 million) combined with higher general corporate expenses ($6.7 million). Corporate expenses in the first quarter of 1998 included a $5.8 million pre-tax charge related to a retirement agreement between the Company and its former Chairman and CEO.

BRINK'S
The following is a table of selected financial data for Brink's on a comparative basis:

(In thousands)	Quarter Ended March 31 1998	1997
Operating revenues:		
North America (United States and Canada)	$129,367	110,772
Latin America	76,492	59,696
Europe	49,813	32,628
Asia/Pacific	6,251	6,103
Total operating revenues	261,923	209,199
Operating expenses	209,386	167,056
Selling, general and administrative expenses	31,604	25,721
Total costs and expenses	240,990	192,777
Other operating income (expense), net	986	(621)
Operating profit:		
North America (United States and Canada)	10,067	7,754
Latin America	10,677	7,437
Europe	825	376
Asia/Pacific	350	234
Total operating profit	$ 21,919	15,801
Depreciation and amortization	$ 8,419	7,547
Cash capital expenditures	$ 13,303	9,814

Brink's consolidated revenues totaled $261.9 million in the first quarter of 1998 compared with $209.2 million in the first quarter of 1997. Brink's operating profit of $21.9 million in the first quarter of 1998 represented a $6.1 million (39%) increase over the $15.8 million operating profit reported in the prior year quarter reflecting increases in all geographic regions. The revenue increase of $52.7 million (25%) was offset, in part, by increases in operating expenses and selling, general and administrative expenses of $48.2 million.

Revenues from North American operations (United States and Canada) increased $18.6 million (17%) to $129.4 million in the 1998 first quarter from $110.8 million in the prior year quarter. North American operating profit increased $2.3 million (30%) to $10.1 million in the current year quarter. The revenue and operating profit improvements for 1998 primarily resulted from improved armored car operations, which include ATM services.

In Latin America, revenues and operating profit increased 28% to $76.5 million and 44% to $10.7 million, respectively, from the first quarter of 1997 to the first quarter of 1998. The increase in revenues and operating profits includes the impact of three months of consolidated results from the acquired operation in Venezuela versus only two months of consolidated results in the 1997 quarter, as well as strong results in Venezuela and Colombia which were offset, in part, by costs associated with start-up operations in Argentina.

Revenues and operating profit from European operations amounted to $49.8 million and $0.8 million, respectively, in the first quarter of 1998. These amounts represented increases of $17.2 million (53%) and $0.4 million (119%) from the comparable quarter of 1997. The increase in revenues was primarily due to the the acquisition of nearly all of the remaining shares of the affiliate in France in the first quarter of 1998 (discussed in more detail below). The increase in operating profits reflects improved results from operations in France, as well as the increased ownership. This improvement was partially offset by lower results in Belgium caused by six weeks of industry-wide labor unrest in the armored car industry in that country which was resolved in the quarter.

Revenues and operating profit from Asia/Pacific operations in the first quarter of 1998 were $6.3 million and $0.4 million, respectively, compared to $6.1 million and $0.2 million, respectively, in the 1997 quarter.

BHS

The following is a table of selected financial data for BHS on a comparative basis:

(Dollars in thousands)	Quarter Ended March 31 1998	1997
Operating revenues	$ 48,410	42,185
Operating expenses	24,046	20,852
Selling, general and administrative expenses	10,862	8,554
Total costs and expenses	34,908	29,406
Operating profit:		
Monitoring and service	17,182	14,590
Net marketing, sales and installation	(3,680)	(1,811)
Total operating profit	$ 13,502	12,779
Depreciation and amortization	$ 8,802	6,666
Cash capital expenditures	$ 18,459	16,520
Annualized recurring revenues (a)	$ 160,422	132,598
Number of subscribers:		
Beginning of period	511,532	446,505
Installations	26,750	25,590
Disconnects	(9,675)	(8,088)
End of period	528,607	464,007

(a) Annualized recurring revenues are calculated based on the number of subscribers at period end multiplied by the average fee per subscriber received in the last month of the period for monitoring, maintenance and related services.

Revenues for BHS increased by $6.2 million (15%) to $48.4 million in the first quarter of 1998 from $42.2 million in the 1997 quarter. The increase in revenues was due to higher ongoing monitoring and service revenues, reflecting a 14% increase in the subscriber base as well as higher average monitoring fees. As a result of such growth, annualized recurring revenues at the end of the first quarter of 1998 grew 21% over the amount in effect at the end of the first quarter of 1997. Installation revenue for the first quarter of 1998 decreased 6% over the same 1997 period. While the number of new security system installations increased, the revenue per installation decreased as compared to the 1997 period, in response to continuing aggressive installation marketing and pricing by competitors.

Operating profit of $13.5 million in the first quarter of 1998 represented an increase of $0.7 million (5%) compared to the $12.8 million earned in the 1997 first quarter. Operating profit generated from monitoring and service activities increased $2.6 million (18%) and was favorably impacted by the 14% growth in the subscriber base combined with the higher average monitoring fees. Cash margins per subscriber resulting from this portion of the business increased slightly from the first quarter of 1997. Operating losses from marketing, sales and installation activities increased $1.9 million in the first quarter of 1998 as compared to 1997. This increase is due to higher levels of sales and marketing costs incurred and expensed combined with lower levels of installation revenue. Both of these factors are a consequence of the competitive environment in the residential security market.

As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations. 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 and costs incurred in maintaining facilities and vehicles dedicated to the installation process. The effect of this change in accounting principle was to increase operating profit for the Brink's Group and the BHS segment for the quarter ended March 31, 1998 and 1997 by $1.4 million and $1.2 million, respectively. The effect of this change increased basic and diluted net income per common share of the Brink's Group by $.02 in the first three months of 1998 and 1997.

BAX GLOBAL
The following is a table of selected financial data for BAX Global on a comparative basis:

(In thousands - except per pound/shipment amounts)	Quarter Ended March 31 1998	1997
Operating revenues:		
Intra-U.S.:		
Expedited freight services	$ 147,398	136,672
Other (a)	945	1,721
Total Intra-U.S	148,343	138,393
International:		
Expedited freight services (a)	206,452	198,129
Other (a)	47,638	34,887
Total International	254,090	233,016
Total operating revenues	402,433	371,409
Operating expenses	362,339	330,911
Selling, general and administrative expenses	39,531	30,391
Total costs and expenses	401,870	361,302
Other operating (expense) income, net	(133)	649
Operating profit (loss):		
Intra-U.S	(4,977)	4,117
International	5,407	6,639
Total operating profit	$ 430	10,756
Depreciation and amortization	$ 7,609	6,908
Cash capital expenditures	$ 24,275	6,175
Expedited freight services shipment growth rate (b)	1.2%	(1.8%)
Expedited freight services weight growth rate (b):		
Intra-U.S	8.9%	0.8%
International	8.8%	2.5%
Worldwide	8.8%	1.7%
Expedited freight services weight (millions of pounds)	381.5	350.5
Expedited freight services shipments (thousands)	1,290	1,275
Worldwide expedited freight services:		
Yield (revenue per pound) (a)	$ .928	.955
Revenue per shipment (a)	$ 274	263
Weight per shipment (pounds)	296	275

(a) Prior period's international expedited freight revenues have been reclassified to conform to the current period classification.

(b) Compared to the same period in the prior year.

BAX Global's first quarter 1998 operating profit amounted to $0.4 million, a decrease of $10.4 million from the $10.8 million reported in the first quarter of 1997. The first quarter included a net pre-tax charge of approximately $3.5 million ($1.9 million international and $1.6 million intra-U.S.) related to incremental information technology expenditures including Year 2000 expenses, partially offset by several non-recurring items. Worldwide revenues increased 8% to $402.4 million from $371.4 million in the 1997 quarter. The $31.0 million growth in revenues principally reflects a 9% increase in worldwide expedited freight services pounds shipped, which reached 381.5 million pounds in the first quarter of 1998, offset by a 3% decrease in average yield on this volume. In addition, non-expedited freight services revenues, increased $12.0 million (33%) during the first quarter of 1998 as compared to the same quarter in 1997 reflecting increases in ocean freight services and logistics revenues. Worldwide expenses amounted to $401.9 million, $40.6 million (11%) higher than in the first quarter of 1997.

In the first quarter of 1998, BAX Global's intra-U.S. revenues increased from $138.4 million to $148.3 million. This $9.9 million (7%) increase was primarily due to an increase of $10.7 million in intra-U.S. expedited freight services revenues. The higher level of intra-U.S. expedited freight services revenues in 1998 was due to a 9% increase in weight shipped. Intra-U.S. operating results during the first quarter of 1998, excluding the previously mentioned net charge of $1.6 million, decreased $7.5 million from the $4.1 million of operating profit earned in the first quarter of 1997. The decrease was primarily due to the lower than expected volume combined with higher transportation costs. Intra-U.S. transportation costs in the quarter were higher than 1997 first quarter levels, due in part, to efforts to enhance service levels. Transportation costs were also unfavorably impacted by service disruptions caused mainly by equipment problems which were resolved during the quarter.

International revenues in the first quarter of 1998 increased $21.1 million (9%) to $254.1 million from the $233.0 million recorded in the first quarter of 1997. International expedited freight services revenue increased $8.3 million (4%) due to a 9% increase in weight shipped offset by a 4% decrease in average yield. The decrease in yield reflects a change in mix with less higher yielding export traffic to Asian markets combined with the absence of third party carrier surcharges which existed in the first quarter of 1997. In addition, international non-expedited freight services revenue increased $12.8 million (37%) in the first quarter of 1998 as compared to the same period in 1997 due to growth in both the logistics and ocean freight businesses. International operating profit in the first quarter of 1998, excluding the previously mentioned net charge of $1.9 million, increased $0.7 million (11%) from the $6.6 million recorded in the first quarter of 1997. Operating profit during the first quarter of 1998 benefited from improved U.S. export margins.

On April 30, 1998, BAX Global acquired the privately held Air Transport International LLC ("ATI") for a purchase price of approximately $29 million. The acquisition will be accounted for as a purchase. ATI is a U.S.-based freight and passenger airline which operates a certificated fleet of aircraft providing services to BAX Global and other customers. The ATI acquisition is part of BAX Global's strategy to improve the quality of its service offerings for its customers by increasing its control over flight operations. As a result of this acquisition, BAX Global suspended its efforts to start up its own certificated airline carrier operations.

During 1997, BAX Global began a BAX Process Innovation ("BPI") Program which was comprised of an extensive review of all aspects of the company's operations. Senior management from around the world, working with a major consulting firm, reviewed all areas of the business including sales, operations, finance, logistics and information technology.

In 1998, as a result of integrating BPI into BAX Global's continuous improvement program, the overall cost for information technology systems, business improvements and employee training was reduced from previous estimates of up to $200 million over the next two to three years. BAX Global's information technology expenditures, which will include substantial improvements to information systems, annual recurring capital costs, process improvement initiatives and spending for Year 2000 compliance initiatives, are now currently estimated at approximately $60 million per year for 1998 and 1999, approximately two-thirds of which may be capitalized. Additional details of the information technology and Year 2000 compliance initiatives are being further developed which may have an impact on future reported results.

COAL OPERATIONS

The following are tables of selected financial data for Coal Operations on a comparative basis:

(In thousands)	Quarter Ended March 31 1998	1997
Net sales	$145,920	154,593
Cost of sales	141,493	149,739
Selling, general and administrative expenses	4,254	4,936
Total costs and expenses	145,747	154,675
Other operating income, net	2,329	3,705
Operating profit	$ 2,502	3,623
Coal sales (tons):		
Metallurgical	1,931	1,891
Utility and industrial	2,923	3,229
Total coal sales	4,854	5,120
Production/purchased (tons):		
Deep	1,389	1,102
Surface	1,969	2,659
Contract	242	363
	3,600	4,124
Purchased	965	1,340
Total	4,565	5,464

(In thousands, except per ton amounts)	Quarter Ended March 31 1998	1997
Net coal sales (a)	$143,976	152,698
Current production costs of coal sold (a)	132,507	141,572
Coal margin	11,469	11,126
Non-coal margin	616	717
Other operating income, net	2,329	3,705
Margin and other income	14,414	15,548
Other costs and expenses:		
Idle equipment and closed mines	703	307
Inactive employee cost	6,955	6,682
Selling, general and administrative expenses	4,254	4,936
Total other costs and expenses	11,912	11,925
Operating profit	$ 2,502	3,623
Coal margin per ton:		
Realization	$ 29.66	29.82
Current production costs	27.29	27.65
Coal margin	$ 2.37	2.17

(a) Excludes non-coal components.

Coal Operations generated an operating profit of $2.5 million in the first quarter of 1998, compared to $3.6 million recorded in the 1997 first quarter. Sales volume of 4.9 million tons in the first quarter of 1998 was 5% less than the 5.1 million tons sold in the prior year quarter. Compared to the first quarter of 1997, steam coal sales in 1998 decreased by 0.3 million tons (9%), to 2.9 million tons, while metallurgical coal sales remained consistent at 1.9 million tons. The steam sales reduction was due to the expiration of a long-term contract, railroad service disruption and reduced spot sales. Steam coal sales represented 60% of total volume in 1998 and 63% in 1997.

Total coal margin of $11.5 million for the first quarter of 1998 represented an increase of $0.3 million from the comparable 1997 period. The increase in total coal margin reflects a decrease of $9.1 million ($0.36 per ton) in the current production costs of coal sold offset, in large part, by a decrease of $8.7 million ($0.16 per ton) in coal realization. The decrease in realization was due mostly to a decrease in realization on metallurgical coal caused by lower price settlements with metallurgical customers for the contract year which began on April 1, 1997. Realizations on metallurgical coal sales for the contract year beginning April 1, 1998 will be slightly lower than those in the contract year that began April 1, 1997.

The current production cost of coal sold decreased $0.36 per ton to $27.29 in the first quarter of 1998 from the first quarter of 1997. Production costs in the 1998 quarter include a $1.3 million ($0.27 per ton) benefit related to a favorable ruling issued by the U.S. Supreme Court in March 1998 on the unconstitutionality of the Harbor Maintenance Tax. The $1.3 million credit represents the effect of past payments and, as a result of the ruling, Coal Operations anticipates lower export coal costs in the future. In addition, the first quarter of 1997 included higher production costs at certain deep mines due to temporary adverse geological conditions. Production in the 1998 first quarter decreased 0.5 million tons over the 1997 first quarter to 3.6 million tons and purchased coal decreased 0.4 million tons to 1.0 million tons. Surface production accounted for 56% and 66% of the total volume in the 1998 and 1997 first quarters, respectively. Productivity of 34.9 tons per man day in the 1998 first quarter decreased from the 36.6 tons per man day in the 1997 first quarter primarily attributable to an increased percentage of deep mine production.

Non-coal margin, which reflects earnings from the oil, gas and timber businesses, amounted to $0.6 million in the first quarter of 1998, which was $0.1 million lower than in the first quarter of 1997, reflecting the impact of changes in natural gas prices. Other operating income, which primarily includes gains on sales of property and equipment and third party royalties, amounted to $2.3 million in the first quarter of 1998 as compared to $3.7 million in the comparable period of 1997. This decrease of $1.4 million was principally due to the inclusion in 1997 of a favorable insurance settlement along with higher gains on asset sales during that period.

Idle equipment and closed mine costs increased $0.4 million to $0.7 million in the 1998 first quarter due to costs associated with mines which went idle during the third quarter of 1997. Inactive employee costs, which represent long-term employee liabilities for pension and retiree medical costs, increased from $6.7 million to $7.0 million for the first quarter of 1998 resulting from the use of a lower long-term discount rate to calculate the present value of the obligations. Selling, general and administrative expenses decreased $0.7 million (14%) in the first quarter of 1998 from 1997 due to reductions in support and administrative staff and related costs.

In two independent transactions in April and May, 1998, Coal Operations sold one of its surface mines representing 1.6 million tons of the anticipated 1998 production, along with the coal supply agreements associated with this mine, and other limited reserves to major US coal companies. Cash proceeds from these sales approximate $18.7 million. In a related transaction, Coal Operations acquired additional tons of coal reserves that are contiguous to an existing operation.

Coal Operations continues cash funding for charges recorded in prior years for facility closure costs recorded as restructuring and other charges in the Statement of Operations. The following table analyzes the changes in liabilities during the first three months of 1998 for such costs:

(In thousands)	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1997	$ 11,143	19,703	30,846
Payments	272	459	731
Balance as of March 31, 1998	$ 10,871	19,244	30,115

Mineral Ventures

The following is a table of selected financial data for Mineral Ventures on a comparative basis:

(Dollars in thousands, except per ounce data)	Quarter Ended March 31 1998	1997
Stawell Gold Mine:		
Gold sales	$ 3,956	4,281
Other revenue	22	9
Net sales	3,978	4,290
Cost of sales (a)	2,671	3,631
Selling, general and administrative expenses (a)	291	298
Total costs and expenses	2,962	3,929
Operating profit - Stawell Gold Mine	1,016	361
Other operating expense, net	(1,063)	(816)
Operating loss	$ (47)	(455)
Stawell Gold Mine:		
Mineral Ventures' 50% direct share:		
Ounces sold	11,146	10,576
Ounces produced	11,156	10,951
Average per ounce sold (US$):		
Realization	$ 355	405
Cash cost	206	327

(a) Excludes $908 of non-Stawell related selling, general and administrative expenses for the quarter ended March 31, 1998. Excludes $42 and $617 of non-Stawell related cost of sales and selling, general and administrative expenses, respectively, for the quarter ended March 31, 1997. Such costs are reclassified to cost of sales and selling, general and administrative expenses in the Minerals Group Statement of Operations.

Mineral Ventures, which primarily consists of a 50% direct and a 17% indirect interest in the Stawell gold mine ("Stawell") in western Victoria, Australia, generated a small operating loss in the first quarter of 1998, an improvement of $0.4 million as compared to the loss of $0.5 million in the first quarter of 1997. Mineral Ventures' 50% direct interest in Stawell's operations generated net sales of $4.0 million in the first quarter of 1998 compared to $4.3 million in the 1997 period due to an increase in ounces of gold sold from 10.6 thousand ounces to 11.1 thousand ounces, offset by lower gold realizations. The operating profit at Stawell

of $1.0 million increased $0.7 million over the prior year amount, reflecting a $121 per ounce decrease (37%) in the cash cost of gold sold partially offset by a $50 per ounce decrease (12%) in average realization. Production costs were lower in the 1998 quarter due to a weaker Australian dollar as well as more favorable ground conditions than those experienced in the first quarter of 1997.

As of March 31, 1998, approximately 16% of Mineral Ventures' proven and probable reserves had been sold forward under forward sales contracts that mature periodically through mid-1999. Based on contracts in place and current market conditions, full year 1998 average realizations are expected to be between $325 and $330 per ounce of gold sold. At March 31, 1998, remaining proven and probable gold reserves at the Stawell mine were estimated at 415.7 thousand ounces. The joint venture also has exploration rights in the highly prospective district around the mine.

Other operating expense, net, includes equity earnings from joint ventures, primarily consisting of Mineral Ventures' 17% indirect interest in Stawell's operations and gold exploration costs for all operations excluding Stawell.

In addition to its interest in Stawell, Mineral Ventures has a 17% indirect interest in the Silver Swan base metals property in Western Australia. Operating results at Silver Swan have been below expectations due to the impact of depressed nickel prices, though production volumes and costs at the mine are in line with expectations.

FOREIGN OPERATIONS

A portion of the Company's financial results is derived from activities in 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. The Company's international activity is not concentrated in any single currency, which limits the risks of foreign currency rate fluctuation. In addition, these rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Company routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Company uses foreign currency forward contracts to hedge the risks associated with such transactions. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged. In addition, translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. A subsidiary in Venezuela and affiliates in Mexico operate in such highly inflationary economies. Prior to January 1, 1998, the economy in Brazil, in which the Company has subsidiaries, was considered highly inflationary.

The Company is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions, controls on repatriation of earnings and capital, nationalization, political instability, expropriation and other forms of restrictive action by local governments. The future effects, if any, of such risks on the Company cannot be predicted.

CORPORATE EXPENSES

In the first quarter of 1998, corporate expenses totaled $11.8 million compared with $5.1 million in the 1997 first quarter. Corporate expenses in the first quarter of 1998 included a $5.8 million pre-tax charge relating to a retirement agreement between the Company and its former Chairman and CEO.

OTHER OPERATING INCOME, NET

Other operating income, net includes the Company's share of net earnings of unconsolidated affiliates, primarily Brink's equity affiliates, royalty income from Coal Operations and gains and losses from sales of coal assets. Other operating income, net decreased $0.5 million in the first quarter of 1998, as compared to the same period in 1997. The decline in the quarter is the result of lower asset sales and foreign currency exchange gains offset by increased equity in earnings of unconsolidated affiliates.

NET INTEREST EXPENSE

Net interest expense increased $1.7 million to $6.2 million in the first quarter of 1998 from $4.5 million in the prior year quarter. This increase is predominantly due to higher average borrowings related to capital expenditures and acquisitions, as well as higher average interest rates largely attributed to foreign borrowings.

OTHER EXPENSE, NET

Other expense, net for the first quarter of 1998 decreased $1.0 million to $1.4 million. The lower level of other expense, net is due to higher foreign translation gains offset in part by an increase in minority interest expense for Brink's consolidated affiliates.

INCOME TAXES

In both the 1998 and 1997 periods presented, the provision for income taxes was less than the statutory federal income tax rate of 35% due to the tax benefits of percentage depletion on Coal Operations and lower taxes on foreign income, partially offset by provisions for goodwill amortization and state income taxes.

FINANCIAL CONDITION

CASH FLOW REQUIREMENTS

Cash provided by operating activities during the first three months of 1998 totaled $21.7 million compared with $23.8 million in the first three months of 1997. This decrease resulted from lower net income partially offset by higher noncash charges in the first three months of 1998. Cash generated from operations was not sufficient to fund investing activities, primarily capital expenditures and aircraft heavy maintenance. As a result of these items and funds used for share activities, the Company required net borrowings of $61.3 million, resulting in an increase in cash and cash equivalents of $2.7 million.

In the first quarter of 1998, Brink's purchased 62% (representing nearly all the remaining shares) of its French affiliate ("Brink's S.A.") for payments aggregating US $39 million over three years. The acquisition was funded through an initial payment made at closing of $8.8 million and a note to the seller for a principal amount of $27.5 million payable in annual installments plus interest through 2001. The acquisition has been accounted for as a purchase, and accordingly, the purchase price is being allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. Based on a preliminary evaluation which is subject to additional review, the estimated fair value of the additional assets recorded, including goodwill, approximated $134.1 million and included $9.2 million in cash. Estimated liabilities assumed of $97.8 million, included previously existing debt of approximately $41.4 million. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is being amortized over forty years. Brink's S.A. had annual 1997 revenues approximating the equivalent of US $220 million.

CAPITAL EXPENDITURES

Cash capital expenditures for the first three months of 1998 totaled $60.7 million, $20.7 million higher than in the comparable period in 1997. Of the 1998 amount of cash capital expenditures, $13.3 million was spent by Brink's, $18.5 million was spent by BHS, $24.3 million was spent by BAX Global, $3.7 million was spent by Coal Operations and $0.7 million was spent by Mineral Ventures. For the remainder of 1998, company-wide capital expenditures are expected to range between $170 and $180 million, excluding BPI expenditures. The foregoing amounts exclude expenditures that have been or are expected to be financed through capital and operating leases, and any acquisition expenditures.

FINANCING

The Company intends to fund cash capital expenditures through cash flow from operating activities or through operating leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements or other borrowing arrangements.

Total outstanding debt amounted to $378.5 million at March 31, 1998, up from $243.3 million at year-end 1997. The $135.2 million increase reflects debt associated with the Brink's France acquisition (as previously discussed) as well as additional cash required to fund capital expenditures.

The Company has a $350.0 million credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100.0 million term loan and also permits additional borrowings, repayments and reborrowings of up to an aggregate of $250.0 million. As of March 31, 1998 and December 31, 1997 borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $80.8 million and $25.9 million, respectively, of additional borrowings were outstanding under the remainder of the Facility.

OFF-BALANCE SHEET INSTRUMENTS

In the first quarter of 1998, the Company, on behalf of the BAX Group, entered into additional commodity option transactions that are intended to protect against significant increases in jet fuel prices. These transactions aggregated 47.6 million gallons and mature periodically throughout 1998. 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 March 31, 1998, the fair value of all outstanding contracts to hedge jet fuel requirements was ($1.4) million.

READINESS FOR YEAR 2000

The Company has taken actions to understand the nature and extent of work required to make its systems, products, services and infrastructure Year 2000 compliant. The Company is currently preparing its financial, information and other computer-based systems for the Year 2000, including replacing and/or updating existing systems. The Company continues to evaluate the additional estimated costs associated with these efforts, which it currently estimates to be between $40-$45 million over the next two years. Based on actual experience and available information, the Company believes that it will be able to manage its Year 2000 transition without any material adverse effect on its business operations, services or financial condition. However, if the applicable modifications and conversions are not made, or are not completed on a timely basis, the Year 2000 issue could have a material adverse impact on the operations of the Company. Further, management is currently evaluating the extent to which the Company's interface systems are vulnerable to its suppliers' and customers' failure to remediate their own Year 2000 issues as there is no guarantee that the systems of other companies on which the Company's systems rely will be timely and adequately converted.

CAPITALIZATION

The Company has three classes of common stock: Pittston Brink's Group Common Stock ("Brink's Stock"), Pittston BAX Group Common Stock ("BAX Stock") and Pittston Minerals Group Common Stock ("Minerals Stock") which were designed to provide shareholders with separate securities reflecting the performance of the Pittston Brink's Group ("Brink's Group"), the Pittston BAX Group ("BAX Group") and the Pittston Minerals Group ("Minerals Group"), respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups. The Brink's Group consists of the Brink's and BHS operations of the Company. The BAX Group consists of the BAX Global operations of the Company. The Minerals Group consists of the Coal Operations and Mineral Ventures operations of the Company. The Company prepares separate financial statements for the Brink's, BAX and Minerals Groups in addition to consolidated financial information of the Company.

Effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

Under the share repurchase programs authorized by the Board of Directors (the "Board"), the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
Brink's Stock:		
Shares	--	153,000
Cost	$ --	4.0
BAX Stock:		
Shares	177,532	132,100
Cost	$ 3.5	2.6
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

The Company's remaining repurchase authority with respect to the Convertible Preferred Stock as of March 31, 1998 was $24.2 million. As of March 31, 1998, the Company had remaining authority to purchase over time 1.1 million shares of Brink's Stock; 0.9 million shares of BAX Stock; and 1.0 million shares of Minerals Stock. The aggregate purchase price limitation for all common stock was $21.4 million as of March 31, 1998.

DIVIDENDS

The Board intends to declare and pay dividends, if any, on Brink's Stock, BAX Stock and Minerals Stock based on the earnings, financial condition, cash flow and business requirements of the Brink's Group, BAX Group and the Minerals Group, respectively. Since the Company remains subject to Virginia law limitations on dividends, losses by one Group could affect the Company's ability to pay dividends in respect of stock relating to the other Group. Dividends on Minerals Stock are also limited by the Available Minerals Dividend Amount as defined in the Company's Articles of Incorporation. The Available Minerals Dividend Amount may be reduced by activity that reduces shareholder's equity or the fair value of net assets of the Minerals Group. Such activity includes net losses by the Minerals Group, dividends paid on the Minerals Stock and the Convertible Preferred Stock, repurchases of Minerals Stock and the Convertible Preferred Stock, and foreign currency translation losses. At March 31, 1998, the Available Minerals Dividend Amount was at least $12.9 million.

During the first three months of 1998 and 1997, the Board declared and the Company paid cash dividends of 2.5 cents per share of Brink's Stock, 6 cents per share of BAX Stock, and 16.25 cents per share of Minerals Stock. Dividends paid on the Convertible Preferred Stock in each of the first three months of 1998 and 1997 were $0.9 million. In May 1998, the Company reduced the annual dividend rate on Minerals Stock to $0.10 per share for shareholders as of the May 15, 1998 record date. Cash made available from this lower dividend rate will be used to either reinvest, as suitable opportunities arise, in the Minerals Group companies or to pay down debt, with a view towards maximizing long-term shareholder value.

ACCOUNTING CHANGES

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive income, which is composed of net income attributable to common shares and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $10.9 million and $14.7 million, respectively.

Effective January 1, 1998, the Company implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

PENDING ACCOUNTING CHANGES

The Company will implement SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. The SFAS also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Company.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding BPI and information technology and related outlay projections, the expected benefits from the ATI acquisition and from BAX Global's continuous improvement program on financial results, expectations with regard to future realizations on metallurgical coal and gold sales and the readiness for Year 2000, involve forward looking information which is subject to known and unknown risks, uncertainties, and contingencies which could cause actual results, performance or achievements, to differ materially from those which are anticipated. Such risks, uncertainties and contingencies, many of which are beyond the control of the Company, include, but are not limited to, overall economic and business conditions, the demand for the Company's products and services, pricing and other competitive factors in the industry, geological conditions, new government regulations and/or legislative initiatives, variations in costs or expenses, variations in the spot prices of coal and gold, the successful integration of the ATI acquisition, the ability of counterparties to perform, changes in the scope of improvements to information systems and Year 2000 initiatives, delays or problems in the implementation of Year 2000 initiatives by the Company and/or its suppliers and customers, and delays or problems in the design and implementation of improvements to information systems.

PITTSTON BRINK'S GROUP
BALANCE SHEETS
(IN THOUSANDS)

	March 31 1998	December 31 1997
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 42,862	37,694
Short-term investments, at lower of cost or market	2,277	2,227
Accounts receivable (net of estimated amount uncollectible: 1998 - $12,190; 1997 - $9,660)	235,162	160,912
Receivable - Pittston Minerals Group	--	8,003
Inventories, at lower of cost or market	6,599	3,469
Prepaid expenses	21,474	16,672
Deferred income taxes	18,382	18,147
Total current assets	326,756	247,124
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1998 - $286,653; 1997 - $276,457)	400,212	346,672
Intangibles, net of accumulated amortization	45,434	18,510
Investment in and advances to unconsolidated affiliates	19,601	28,169
Deferred pension assets	27,349	31,713
Deferred income taxes	3,769	3,612
Other assets	18,508	16,530
Total assets	$ 841,629	692,330
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 15,275	9,073
Current maturities of long-term debt	17,914	7,576
Accounts payable	52,576	36,337
Accrued liabilities	164,529	125,362
Payable - Pittston Minerals Group	3,233	--
Total current liabilities	253,527	178,348
Long-term debt, less current maturities	92,412	38,682
Postretirement benefits other than pensions	4,169	4,097
Workers' compensation and other claims	11,228	11,277
Deferred income taxes	46,410	45,324
Payable - Pittston Minerals Group	2,907	391
Other liabilities	6,497	8,929
Minority interests	26,078	24,802
Shareholder's equity	398,401	380,480
Total liabilities and shareholder's equity	$ 841,629	692,330

See accompanying notes to financial statements.

PITTSTON BRINK'S GROUP
STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Operating revenues	$ 310,333	251,384
Costs and expenses:		
Operating expenses	233,432	187,908
Selling, general and administrative expenses	46,555	36,063
Total costs and expenses	279,987	223,971
Other operating income (expense), net	986	(621)
Operating profit	31,332	26,792
Interest income	864	653
Interest expense	(3,815)	(2,239)
Other expense, net	(1,337)	(1,658)
Income before income taxes	27,044	23,548
Provision for income taxes	10,007	8,242
Net income	$ 17,037	15,306
Net income per common share:		
Basic	$ .44	.40
Diluted	.44	.40
Cash dividends per common share	$ .025	.025
Weighted average common shares outstanding:		
Basic	38,477	38,189
Diluted	39,081	38,608

See accompanying notes to financial statements.

PITTSTON BRINK'S GROUP
STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Cash flows from operating activities:		
Net income	$ 17,037	15,306
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,278	14,260
Provision for deferred income taxes	966	517
Provision for pensions, noncurrent	385	422
Provision for uncollectible accounts receivable	1,525	1,018
Minority interest expense	1,777	1,584
Equity in (earnings) loss of unconsolidated affiliates, net of dividends received	(902)	(880)
Other operating, net	2,345	2,375
Change in operating assets and liabilities, net of the effects of acquisitions and dispositions:		
(Increase) decrease in accounts receivable	(11,792)	2,572
(Increase) decrease in inventories	(3,058)	539
Increase in prepaid expenses	(982)	(4,427)
Increase (decrease) in accounts payable and accrued liabilities	3,333	(6,015)
Increase in other assets	(1,369)	(3,366)
Decrease in other liabilities	(2,281)	(794)
Other, net	(1,383)	(301)
Net cash provided by operating activities	22,879	22,810
Cash flows from investing activities:		
Additions to property, plant and equipment	(31,866)	(26,367)
Proceeds from disposal of property, plant and equipment	77	2,291
Acquisitions, net of cash acquired	224	(53,303)
Other, net	163	10,558
Net cash used by investing activities	(31,402)	(66,821)
Cash flows from financing activities:		
Additions to debt	5,220	50,580
Reductions of debt	(2,518)	(5,500)
Payments from Minerals Group	11,238	11,685
Proceeds from exercise of stock options	1,383	1,035
Dividends paid	(916)	(880)
Repurchase of common stock	(716)	(3,964)
Net cash provided by financing activities	13,691	52,956
Net increase in cash and cash equivalents	5,168	8,945
Cash and cash equivalents at beginning of period	37,694	20,012
Cash and cash equivalents at end of period	$ 42,862	28,957

See accompanying notes to financial statements.

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

(1) The financial statements of the Pittston Brink's Group (the "Brink's Group") include the balance sheets, results of operations and cash flows of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of The Pittston Company (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 amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the Brink's Group.

The Company provides holders of Pittston Brink's Group Common Stock ("Brink's Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Brink's Group, in addition to consolidated financial information of the Company. Holders of Brink's Stock are shareholders of the Company, which is responsible for all liabilities. Therefore, financial developments affecting the Brink's Group, the Pittston BAX Group (the "BAX Group" formerly the Pittston Burlington Group) or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the Brink's Group's financial statements.

(2) The following is a reconciliation between the calculation of basic and diluted net income per share:

Brink's Group	Quarter Ended March 31 1998	1997
Numerator:		
Net income - Basic and diluted net income per share numerator	$ 17,037	15,306
Denominator:		
Basic weighted average common shares outstanding	38,477	38,189
Effect of dilutive securities:		
Employee stock options	604	419
Diluted weighted average common shares outstanding	39,081	38,608

Options to purchase 23 shares of common stock, at prices between $28.63 and $29.50 per share were outstanding for the quarter ended March 31, 1997, but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

(3) As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations. 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 and costs incurred in maintaining facilities and vehicles dedicated to the installation process. The effect of this change in accounting principle was to increase operating profit for the Brink's Group and the BHS segment for the first three months of 1998 and 1997 by $1,416 and $1,178, respectively. The effect of this change increased basic and diluted net income per common share of the Brink's Group by $.02 in the first three months of 1998 and 1997.

(4) Depreciation and amortization of property, plant and equipment in the first quarter of 1998 totaled $16,941 and $13,976 in 1997.

(5) Cash payments made for interest and income taxes, net of refunds received, were as follows:

	Quarter Ended March 31 1998	1997
Interest	$ 3,478	2,216
Income taxes	$ 1,279	3,650

During the quarter ended March 31, 1998, Brink's recorded the following noncash items in connection with the acquisition of substantially all of the remaining shares of its affiliate in France; the seller financing of the equivalent of US $27,500 and the assumption of $41,400 of existing Brink's France debt. See further discussion below.

(6) In the first quarter of 1998, the Brink's Group purchased 62% (representing nearly all the remaining shares) of its French affiliate ("Brink's S.A.") for payments aggregating US $39,000 over three years. The acquisition was funded through an initial payment made at closing of $8,789 and a note to the seller for a principal amount of approximately the equivalent of US $27,500 payable in annual installments plus interest through 2001. The acquisition has been accounted for as a purchase, and accordingly, the purchase price is being allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. Based on a preliminary evaluation which is subject to additional review, the estimated fair value of the additional assets recorded, including goodwill, approximated $134,100 and included $9,200 in cash. Estimated liabilities assumed of $97,800 included previously existing debt of approximately $41,400. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is being amortized over forty years. Brink's S.A. had annual 1997 revenues approximating the equivalent of U.S. $220,000.

(7) Under the share repurchase programs authorized by the Board of Directors, the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
Brink's Stock:		
Shares	--	153,000
Cost	$ --	4.0
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

At March 31, 1998, the Company had the remaining authority to purchase over time 1,056 shares of Brink's Stock and an additional $24,236 of its Convertible Preferred Stock. The aggregate purchase price limitation for all common stock was $21,398 at March 31, 1998.

(8) The Brink's Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income," in the first quarter of 1998. SFAS No. 130 established standards for the reporting and display

of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those

resulting from investments by or distributions to shareholders. Total comprehensive income, which is composed of net income and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $15,262 and $11,202, respectively.

Effective January 1, 1998, the Brink's Group implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

(9) The Brink's Group will adopt a new accounting standard, SFAS No. 131, "Disclosures and Segments of an Enterprise and Related Information," in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. SFAS No. 131 also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Brink's Group.

(10) Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation.

(11) In the opinion of management, all adjustments have been made which are necessary for a fair presentation of results of operations and financial condition for the periods reported herein. All such adjustments are of a normal recurring nature.

PITTSTON BRINK'S GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The financial statements of the Pittston Brink's Group (the "Brink's Group") include the balance sheets, results of operations and cash flows of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of The Pittston Company (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 amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the Brink's Group.

The Company provides holders of Pittston Brink's Group Common Stock ("Brink's Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Brink's Group, in addition to consolidated financial information of the Company. Holders of Brink's Stock are shareholders of the Company, which is responsible for all liabilities. Therefore, financial developments affecting the Brink's Group, the Pittston BAX Group (the "BAX Group" formerly the Pittston Burlington Group) or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the Brink's Group's financial statements.

The following discussion is a summary of the key factors management considers necessary in reviewing the Brink's Group's results of operations, liquidity and capital resources. This discussion must be read in conjunction with the financial statements and related notes of the Brink's Group and the Company.

RESULTS OF OPERATIONS

(In thousands)	Quarter Ended March 31 1998	1997
Operating revenues:		
Brink's	$ 261,923	209,199
BHS	48,410	42,185
Total operating revenues	$ 310,333	251,384
Operating profit:		
Brink's	$ 21,919	15,801
BHS	13,502	12,779
Segment operating profit	35,421	28,580
General corporate expense	(4,089)	(1,788)
Total operating profit	$ 31,332	26,792

The Brink's Group net income totaled $17.0 million ($0.44 per share) in the first quarter of 1998 compared with $15.3 million ($0.40 per share) in the first quarter of 1997. Operating profit for the 1998 first quarter increased to $31.3 million from $26.8 million in the first quarter of 1997. Included in the 1998 quarter's operating results was a pre-tax charge of $2.0 million ($0.03 per share) for the Brink's Group's share of expenses relating to a retirement agreement between the Company and its former Chairman and CEO. The increase in net income and operating profit for the 1998 first quarter compared with the same period of 1997 was attributable to improved operating earnings for the Brink's and BHS businesses. Revenues for the 1998 first quarter increased $58.9 million or 23% compared with the 1997 first quarter, of which $52.7 million was from Brink's and $6.2 million was from BHS. Operating expenses and selling, general and administrative expenses for the 1998 first quarter increased $56.0 million or 25% compared with the same period last year, of which $48.2 million was from Brink's and $5.5 million was from BHS. Net interest expense during the first quarter of 1998 increased $1.4 million due largely to higher average interest rates and borrowings used to fund the acquisitions of Brink's affiliates in Venezuela and France in early 1997 and 1998, respectively.

BRINK'S

The following is a table of selected financial data for Brink's on a comparative basis:

(In thousands)	Quarter Ended March 31 1998	1997
Operating revenues:		
North America (United States and Canada)	$ 129,367	110,772
Latin America	76,492	59,696
Europe	49,813	32,628
Asia/Pacific	6,251	6,103
Total operating revenues	261,923	209,199
Operating expenses	209,386	167,056
Selling, general and administrative expenses	31,604	25,721
Total costs and expenses	240,990	192,777
Other operating income (expense), net	986	(621)
Operating profit:		
North America (United States and Canada)	10,067	7,754
Latin America	10,677	7,437
Europe	825	376
Asia/Pacific	350	234
Total operating profit	$ 21,919	15,801
Depreciation and amortization	$ 8,419	7,547
Cash capital expenditures	$ 13,303	9,814

Brink's consolidated revenues totaled $261.9 million in the first quarter of 1998 compared with $209.2 million in the first quarter of 1997. Brink's operating profit of $21.9 million in the first quarter of 1998 represented a $6.1 million (39%) increase over the $15.8 million operating profit reported in the prior year quarter reflecting increases in all geographic regions. The revenue increase of $52.7 million (25%) was offset, in part, by increases in operating expenses and selling, general and administrative expenses of $48.2 million.

Revenues from North American operations (United States and Canada) increased $18.6 million (17%) to $129.4 million in the 1998 first quarter from $110.8 million in the prior year quarter. North American operating profit increased $2.3 million (30%) to $10.1 million in the current year quarter. The revenue and operating profit improvements for 1998 primarily resulted from improved armored car operations, which include ATM services.

In Latin America, revenues and operating profit increased 28% to $76.5 million and 44% to $10.7 million, respectively, from the first quarter of 1997 to the first quarter of 1998. The increase in revenues and operating profits includes the impact of three months of consolidated results from the acquired operation in Venezuela versus only two months of consolidated results in the 1997 quarter, as well as strong results in Venezuela and Colombia which were offset, in part, by costs associated with start-up operations in Argentina.

Revenues and operating profit from European operations amounted to $49.8 million and $0.8 million, respectively, in the first quarter of 1998. These amounts represented increases of $17.2 million (53%) and $0.4 million (119%) from the comparable quarter of 1997. The increase in revenues was primarily due to the the acquisition of nearly all of the remaining shares of the affiliate in France in the first quarter of 1998 (discussed in more detail below). The increase in operating profits reflects improved results from operations in France, as well as the increased ownership. This improvement was partially offset by lower results in Belgium caused by six weeks of industry-wide labor unrest in the armored car industry in that country which was resolved in the quarter.

Revenues and operating profit from Asia/Pacific operations in the first quarter of 1998 were $6.3 million and $0.4 million, respectively, compared to $6.1 million and $0.2 million, respectively, in the 1997 quarter.

BHS
The following is a table of selected financial data for BHS on a comparative basis:

(Dollars in thousands)	Quarter Ended March 31 1998	1997
Operating revenues	$ 48,410	42,185
Operating expenses	24,046	20,852
Selling, general and administrative expenses	10,862	8,554
Total costs and expenses	34,908	29,406
Operating profit:		
Monitoring and service	17,182	14,590
Net marketing, sales and installation	(3,680)	(1,811)
Total operating profit	$ 13,502	12,779
Depreciation and amortization	$ 8,802	6,666
Cash capital expenditures	$ 18,459	16,520
Annualized recurring revenues (a)	$ 160,422	132,598
Number of subscribers:		
Beginning of period	511,532	446,505
Installations	26,750	25,590
Disconnects	(9,675)	(8,088)
End of period	528,607	464,007

(a) Annualized recurring revenues are calculated based on the number of subscribers at period end multiplied by the average fee per subscriber received in the last month of the period for monitoring, maintenance and related services.

Revenues for BHS increased by $6.2 million (15%) to $48.4 million in the first quarter of 1998 from $42.2 million in the 1997 quarter. The increase in revenues was due to higher ongoing monitoring and service revenues, reflecting a 14% increase in the subscriber base as well as higher average monitoring fees. As a result of such growth, annualized recurring revenues at the end of the first quarter of 1998 grew 21% over the amount in effect at the end of the first quarter of 1997. Installation revenue for the first quarter of 1998 decreased 6% over the same 1997 period. While the number of new security system installations increased, the revenue per installation decreased as compared to the 1997 period, in response to continuing aggressive installation marketing and pricing by competitors.

Operating profit of $13.5 million in the first quarter of 1998 represented an increase of $0.7 million (5%) compared to the $12.8 million earned in the 1997 first quarter. Operating profit generated from monitoring and service activities increased $2.6 million (18%) and was favorably impacted by the 14% growth in the subscriber base combined with the higher average monitoring fees. Cash margins per subscriber resulting from this portion of the business increased slightly from the first quarter of 1997. Operating losses from marketing, sales and installation activities increased $1.9 million in the first quarter of 1998 as compared to 1997. This increase is due to higher levels of sales and marketing costs incurred and expensed combined with lower levels of installation revenue. Both of these factors are a consequence of the competitive environment in the residential security market.

As of January 1, 1992, BHS elected to capitalize categories of costs not previously capitalized for home security installations. 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 and costs incurred in maintaining facilities and vehicles dedicated to the installation process. The effect of this

change in accounting principle was to increase operating profit for the Brink's Group and the BHS segment for the quarter ended March 31, 1998 and 1997 by $1.4 million and $1.2 million, respectively. The effect of this change increased basic and diluted net income per common share of the Brink's Group by $.02 in the first three months of 1998 and 1997.

FOREIGN OPERATIONS

A portion of the Brink's Group's financial results is derived from activities in 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. The Brink's Group's international activity is not concentrated in any single currency, which limits the risks of foreign currency rate fluctuations. In addition, these rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Brink's Group routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Company, on behalf of the Brink's Group, from time to time, uses foreign currency forward contracts to hedge the risks associated with such transactions. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged. In addition, translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. A subsidiary in Venezuela and an affiliate in Mexico operate in such highly inflationary economies. Prior to January 1, 1998, the economy in Brazil, in which the Brink's Group has a subsidiary, was considered highly inflationary.

The Brink's Group is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions, controls on repatriation of earnings and capital, nationalization, political instability, expropriation and other forms of restrictive action by local governments. The future effects, if any, of such risks on the Brink's Group cannot be predicted.

CORPORATE EXPENSES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Brink's Group based on utilization and other methods and criteria which management believes to be an equitable and a reasonable estimate of the costs attributable to the Brink's Group. These attributions were $4.1 million and $1.8 million for the first quarter of 1998 and 1997, respectively. The increase in the 1998 quarter is mainly due to a pre-tax charge of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $2.0 million of these expenses have been attributed to the Brink's Group.

OTHER OPERATING INCOME AND EXPENSE, NET
Other operating income and expense, net consists primarily of net equity earnings of Brink's foreign affiliates. These net equity earnings amounted to income of $0.9 million and expense of $0.7 million for the first quarters of 1998 and 1997, respectively. The favorable change is primarily due to improvement in the earnings of Brink's former equity affiliate in France. This formerly 38% owned affiliate became a consolidated subsidiary in the first quarter of 1998 as discussed in more detail below.

NET INTEREST EXPENSE
Net interest expense increased from $1.6 million in the first quarter of 1997 to $3.0 million in the first quarter of 1998. This increase is predominantly due to higher average borrowings related to acquisitions, as well as higher average interest rates largely attributed to foreign borrowings.

OTHER EXPENSE, NET
Other expense, net which principally includes foreign translation gains and losses and minority interest earnings or losses of Brink's subsidiaries, decreased for the first quarter of 1998 by $0.3 million. The lower level of expense during the 1998 period reflects an increase in foreign translation gains partially offset by higher minority ownership expense associated with Venezuela.

INCOME TAXES
The effective tax rate in the first quarter of 1998 was 37%. This is an increase from the comparable period in 1997 which had an effective tax rate of 35%. The 1997 rate was lower due to lower taxes on foreign income.

FINANCIAL CONDITION

A portion of the Company's corporate assets and liabilities has been attributed to the Brink's Group based upon utilization of the shared services from which assets and liabilities are generated. Management believes this attribution to be an equitable and a reasonable estimate of the cost attributable to the Brink's Group.

CASH FLOW REQUIREMENTS
Cash provided by operating activities amounted to $22.9 million in the first three months of 1998, which is essentially unchanged from the 1997 level. Significant sources of cash flow primarily include net income and noncash charges offset by funds used to finance working capital. Cash generated from operating activities was not sufficient to fund investing activities, primarily capital expenditures. However, additional borrowings and repayments from the Minerals Group resulted in an increase of $5.2 million in cash and cash equivalents in the first three months of 1998.

In the first quarter of 1998, Brink's purchased 62% (representing nearly all the remaining shares) of its French affiliate ("Brink's S.A.") for payments aggregating US $39 million over three years. The acquisition was funded through an initial payment made at closing of $8.8 million and a note to the seller for a principal amount of $27.5 million payable in annual installments plus interest through 2001. The acquisition has been accounted for as a purchase, and accordingly, the purchase price is being allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. Based on a preliminary evaluation which is subject to additional review, the estimated fair value of the additional assets recorded, including goodwill, approximated $134.1 million and included $9.2 million in cash. Estimated liabilities assumed of $97.8 million included previously existing debt of approximately $41.4 million. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is being amortized over forty years. Brink's S.A. had annual 1997 revenues approximating the equivalent of US $220 million.

CAPITAL EXPENDITURES
Cash capital expenditures for the first quarter of 1998 totaled $31.9 million, of which $18.5 million was spent by BHS and $13.3 million was spent by Brink's. Cash capital expenditures totaled $26.4 million in the 1997 quarter. Expenditures incurred by BHS in the first quarter of 1998 were primarily for customer installations, representing the expansion in the subscriber base, while expenditures incurred by Brink's were primarily for expansion, replacement or maintenance of ongoing business operations. For the remainder of 1998, cash capital expenditures are expected to range between $105 million and $110 million.

FINANCING

The Brink's Group intends to fund cash capital expenditures through cash flow from operating activities or through operating leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements or other borrowing arrangements or repayments from the Minerals Group.

Total outstanding debt at March 31, 1998 was $125.6 million, $70.3 million higher than the $55.3 million reported at December 31, 1997. The increase in debt is attributable to debt associated with the acquisition of Brink's affiliate in France as previously discussed.

The Company has a $350.0 million credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100.0 million term loan and permits additional borrowings, repayments and reborrowings of up to an aggregate of $250.0 million. As of March 31, 1998 and December 31, 1997, borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $80.8 million and $25.9 million, respectively, of additional borrowings were outstanding under the remainder of the Facility. No portion of the total amount outstanding under the Facility at March 31, 1998 or December 31, 1997, was attributable to the Brink's Group.

RELATED PARTY TRANSACTIONS

At March 31, 1998, under an interest bearing borrowing arrangement, the Minerals Group owed the Brink's Group $15.8 million, a decrease of $11.2 million from the $27.0 million owed at December 31, 1997.

At March 31, 1998, the Brink's Group owed the Minerals Group $21.9 million compared to the $19.4 million owed at December 31, 1997 for tax payments representing the Minerals Group's tax benefits utilized by the Brink's Group in accordance with the Company's tax sharing policy. Of the total tax benefits owed to the Minerals Group at March 31, 1998, $19.0 million is expected to be paid within one year.

READINESS FOR YEAR 2000

The Brink's Group has taken actions to understand the nature and extent of work required to make its systems, services and infrastructure Year 2000 compliant. The Brink's Group is currently preparing its financial, information and other computer-based systems for the Year 2000, including replacing and/or updating existing systems. As these efforts progress, the Brink's Group continues to evaluate the associated costs. Based upon its most recent estimates and its anticipated capital spending, the Brink's Group does not anticipate that it will incur any material costs in preparing for the Year 2000. The Brink's Group believes, based on available information, that it will be able to manage its Year 2000 transition without material adverse effect on its business operations, services or financial condition. However, if the applicable modifications and conversions are not made, or are not completed on a timely basis, the Year 2000 issue could have a material adverse impact on the operations of the Brink's Group. Further, management is currently evaluating the extent to which the Brink's Group's interface systems are vulnerable to its suppliers' and customers' failure to remediate their own Year 2000 issues as there is no guarantee that the systems of other companies on which the Brink's Group's systems rely will be timely and adequately converted.

CAPITALIZATION

The Company has three classes of common stock: Brink's Stock, Pittston BAX Group Common Stock ("BAX Stock") and Pittston Minerals Group Common Stock ("Minerals Stock") which were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, BAX Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups. The Brink's Group consists of the Brink's and BHS operations of the Company. The BAX Group consists of the BAX Global Inc. ("BAX Global") operations of the Company. The Minerals Group consists of the Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of the Company. The Company prepares separate financial statements for the Brink's, BAX and Minerals Groups, in addition to consolidated financial information of the Company.

Effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

Under the share repurchase programs authorized by the Board of Directors (the "Board"), the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
Brink's Stock:		
Shares	--	153,000
Cost	$ --	4.0
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

The Company's remaining repurchase authority with respect to the Convertible Preferred Stock as of March 31, 1998 was $24.2 million. As of March 31, 1998, the Company had remaining authority to purchase over time 1.1 million shares of Brink's Stock. The aggregate purchase price limitation for all common stock was $21.4 million as of March 31, 1998.

DIVIDENDS

The Board intends to declare and pay dividends, if any, on Brink's Stock based on the earnings, financial condition, cash flow and business requirements of the Brink's Group. Since the Company remains subject to Virginia law limitations on dividends, losses by the Minerals Group or the BAX Group could affect the Company's ability to pay dividends in respect of stock relating to the Brink's Group.

During the first three months of 1998 and 1997, the Board declared and the Company paid cash dividends of 2.5 cents per share of Brink's Stock. Dividends paid on the Convertible Preferred Stock in each of the first quarters of 1998 and 1997 were $0.9 million.

ACCOUNTING CHANGES

The Brink's Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive income, which is composed of net income and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $15.3 million and $11.2 million, respectively.

Effective January 1, 1998, the Brink's Group implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

PENDING ACCOUNTING CHANGES

The Brink's Group will implement SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. The SFAS also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Brink's Group.

FORWARD LOOKING INFORMATION
Certain of the matters discussed herein, including statements regarding the readiness for Year 2000, involve forward looking information which is subject to known and unknown risks, uncertainties, and contingencies which could cause actual results, performance or achievements to differ materially from those which are anticipated. Such risks, uncertainties and contingencies, many of which are beyond the control of the Brink's Group and the Company, include, but are not limited to, overall economic and business conditions, the demand for the Brink's Group's services, pricing and other competitive factors in the industry, new government regulations and/or legislative initiatives, variations in costs or expenses, changes in the scope of Year 2000 initiatives, and delays or problems in the implementation of Year 2000 initiatives by the Brink's Group and/or its suppliers and customers.

PITTSTON BAX GROUP
BALANCE SHEETS
(IN THOUSANDS)

	March 31 1998	December 31 1997
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 27,570	28,790
Accounts receivable (net of estimated amount uncollectible: 1998 - $10,889; 1997 -$10,110)	302,168	306,806
Inventories, at lower of cost or market	1,501	1,359
Prepaid expenses	12,416	11,050
Deferred income taxes	6,860	7,159
Total current assets	350,515	355,164
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1998 - $83,385; 1997 - $78,815)	147,303	128,632
Intangibles, net of accumulated amortization	175,667	174,791
Deferred pension assets	7,192	7,600
Deferred income taxes	20,710	19,814
Other assets	19,111	15,442
Total assets	$ 720,498	701,443
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 42,205	31,071
Current maturities of long-term debt	3,214	3,176
Accounts payable	195,014	194,489
Payable - Pittston Minerals Group	5,000	4,966
Accrued liabilities	74,721	78,363
Total current liabilities	320,154	312,065
Long-term debt, less current maturities	53,629	37,016
Postretirement benefits other than pensions	3,629	3,518
Deferred income taxes	1,411	1,447
Payable - Pittston Minerals Group	14,564	13,239
Other liabilities	8,117	10,448
Shareholder's equity	318,994	323,710
Total liabilities and shareholder's equity	$ 720,498	701,443

See accompanying notes to financial statements.

PITTSTON BAX GROUP
STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Operating revenues	$ 402,433	371,409
Costs and expenses:		
Operating expenses	362,339	330,911
Selling, general and administrative expenses	43,614	32,171
Total costs and expenses	405,953	363,082
Other operating (expense) income, net	(133)	649
Operating (loss) profit	(3,653)	8,976
Interest income	259	330
Interest expense	(1,218)	(946)
Other expense, net	(98)	(281)
(Loss) income before income taxes	(4,710)	8,079
(Credit) provision for income taxes	(1,744)	2,991
Net (loss) income	$ (2,966)	5,088
Net (loss) income per common share:		
Basic	$ (.15)	.26
Diluted	(.15)	.26
Cash dividends per common share	$ .06	.06
Weighted average common shares outstanding:		
Basic	19,477	19,406
Diluted	19,477	19,820

See accompanying notes to financial statements.

PITTSTON BAX GROUP
STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Cash flows from operating activities:		
Net (loss) income	$ (2,966)	5,088
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,667	6,959
Provision for aircraft heavy maintenance	8,733	8,186
Credit for deferred income taxes	(463)	(190)
(Credit) provision for pensions, noncurrent	(24)	567
Provision for uncollectible accounts receivable	1,110	699
Other operating, net	1,317	556
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease (increase) in accounts receivable	15,903	(12,629)
(Increase) decrease in inventories	(142)	78
Increase in prepaid expenses	(1,928)	(1,941)
(Decrease) increase in accounts payable and accrued liabilities	(9,795)	6,245
Decrease (increase) in other assets	583	(150)
Decrease in other liabilities	(1,108)	(444)
Other, net	(1,444)	776
Net cash provided by operating activities	17,443	13,800
Cash flows from investing activities:		
Additions to property, plant and equipment	(24,379)	(6,207)
Proceeds from disposal of property, plant and equipment	115	115
Aircraft heavy maintenance	(9,659)	(9,473)
Other, net	(2,406)	2,106
Net cash used by investing activities	(36,329)	(13,459)
Cash flows from financing activities:		
Additions to debt	25,341	622
Reductions of debt	(3,960)	(1,225)
Payments from Minerals Group	--	6,002
Proceeds from exercise of stock options	905	263
Dividends paid	(1,106)	(1,080)
Repurchase of common stock	(3,514)	(2,550)
Net cash provided by financing activities	17,666	2,032
Net (decrease) increase in cash and cash equivalents	(1,220)	2,373
Cash and cash equivalents at beginning of period	28,790	17,818
Cash and cash equivalents at end of period	$ 27,570	20,191

See accompanying notes to financial statements.

PITTSTON BAX GROUP
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

(1) The financial statements of the Pittston BAX Group (the "BAX Group") include the balance sheets, results of operations and cash flows of the BAX Global Inc. ("BAX Global") operations of The Pittston Company (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 BAX Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the BAX Group.

The Company provides holders of Pittston BAX Group Common Stock ("BAX Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the BAX Group, in addition to consolidated financial information of the Company. Holders of BAX Stock are shareholders of the Company, which is responsible for all liabilities. Therefore, financial developments affecting the BAX Group, the Pittston Brink's Group (the "Brink's Group") and the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the BAX Group's financial statements.

Effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

(2) The following is a reconciliation between the calculation of basic and diluted net income per share:

BAX Group	Quarter Ended March 31 1998	1997
Numerator:		
Net (loss) income - Basic and diluted net income per share numerator	$ (2,966)	5,088
Denominator:		
Basic weighted average common shares outstanding	19,477	19,406
Effect of dilutive securities:		
Employee stock options	--	414
Diluted weighted average common shares outstanding	19,477	19,820

Options to purchase 2,366 shares of common stock, at prices between $5.78 and $27.91 per share, were outstanding as of March 31, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive. Options to purchase 42 shares of common stock, at prices between $19.81 and $21.13 per share, were outstanding as of March 31, 1997 but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

(3) Depreciation and amortization of property, plant and equipment in the first quarters of 1998 and 1997 totaled $6,006 and $5,315, respectively.

(4) Cash payments made for interest and income taxes, net of refunds received, were as follows:

	Quarter Ended March 31 1998	1997
Interest	$ 826	829
Income taxes	$ 3,746	867

(5) On April 30, 1998, BAX Global acquired the privately held Air Transport International LLC ("ATI") for a purchase price of approximately $29,000. The acquisition was funded through the revolving credit portion of the Company's credit agreement with a syndicate of banks and will be accounted for as a purchase.

(6) Under the share repurchase programs authorized by the Board of Directors, the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
BAX Stock:		
Shares	177,532	132,100
Cost	$ 3.5	2.6
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

At March 31, 1998, the Company had the remaining authority to purchase over time 915 shares of BAX Stock and an additional $24,236 of its Convertible Preferred Stock. The aggregate purchase price limitation for all common stock was $21,398 at March 31, 1998.

(7) The BAX Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive (loss) income, which is composed of net (loss) income and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $2,566 and $3,653, respectively.

Effective January 1, 1998, the BAX Group implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software. As a result of the implementation of SOP No. 98-1, net loss for the quarter ended March 31, 1998, included a benefit of approximately $792 or $.04 per share for costs capitalized during the quarter which would have been expensed prior to the implementation of SOP No. 98-1.

(8) The BAX Group will adopt a new accounting standard, SFAS No. 131, "Disclosures and Segments of an Enterprise and Related Information," in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. SFAS No. 131 also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the BAX Group.

(9) Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation.

(10) In the opinion of management, all adjustments have been made which are necessary for a fair presentation of results of operations and financial condition for the periods reported herein. All such adjustments are of a normal recurring nature.

PITTSTON BAX GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

The financial statements of the Pittston BAX Group (the "BAX Group") include the balance sheets, results of operations and cash flows of BAX Global Inc. ("BAX Global") operations of The Pittston Company (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 BAX Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the BAX Group.

Effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

The Company provides holders of Pittston BAX Group Common Stock ("BAX Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the BAX Group in addition to consolidated financial information of the Company. Holders of BAX Stock are shareholders of the Company, which continues to be responsible for all liabilities. Therefore, financial developments affecting the BAX Group, the Pittston Brink's Group (the "Brink's Group") or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the BAX Group's financial statements.

The following discussion is a summary of the key factors management considers necessary in reviewing the BAX Group's results of operations, liquidity and capital resources. This discussion must be read in conjunction with the financial statements and related notes of the BAX Group and the Company.

BAX Global's freight business has tended to be seasonal, with a significantly higher volume of shipments generally experienced during March, June and the period August through November than during the other periods of the year. The lowest volume of shipments has generally occurred in January and February.

RESULTS OF OPERATIONS

(In thousands)	Quarter Ended March 31 1998	1997
Operating revenues:		
BAX Global	$ 402,433	371,409
Operating profit (loss):		
BAX Global	$ 430	10,756
General corporate expense	(4,083)	(1,780)
Operating (loss) profit	$ (3,653)	8,976

In the first quarter of 1998, the BAX Group reported a net loss of $3.0 million ($0.15 per share) as compared to net income of $5.1 million ($0.26 per share) in the first quarter of 1997. Revenues increased $31.0 million or 8% compared with the 1997 first quarter. Operating expenses and selling, general and administrative expenses for the 1998 first period increased $42.9 million (12%) compared with the same quarter last year. Operating losses in the first quarter 1998 totaled $3.7 million compared to operating profit of $9.0 million in the prior year quarter. Included in the current quarter was a pre-tax charge of $2.0 million ($0.06 per share) for the BAX Group's share of expenses related to a retirement agreement between the Company and its former Chairman and CEO. The first quarter also includes a net pre-tax charge of approximately $3.5 million

($1.9 million international and $1.6 million intra-U.S.) related to incremental information technology expenditures including Year 2000 expenses, partially offset by several non-recurring items.

BAX GLOBAL

The following is a table of selected financial data for BAX Global on a comparative basis:

(In thousands - except per pound/shipment amounts)	Quarter Ended March 31 1998	1997
Operating revenues:		
Intra-U.S.:		
Expedited freight services	$ 147,398	136,672
Other (a)	945	1,721
Total Intra-U.S.	148,343	138,393
International:		
Expedited freight services (a)	206,452	198,129
Other (a)	47,638	34,887
Total International	254,090	233,016
Total operating revenues	402,433	371,409
Operating expenses	362,339	330,911
Selling, general and administrative expenses	39,531	30,391
Total costs and expenses	401,870	361,302
Other operating (expense) income, net	(133)	649
Operating profit (loss):		
Intra-U.S.	(4,977)	4,117
International	5,407	6,639
Total operating profit	$ 430	10,756
Depreciation and amortization	$ 7,609	6,908
Cash capital expenditures	$ 24,275	6,175
Expedited freight services shipment growth rate (b)	1.2%	(1.8%)
Expedited freight services weight growth rate (b):		
Intra-U.S.	8.9%	0.8%
International	8.8%	2.5%
Worldwide	8.8%	1.7%
Expedited freight services weight (millions of pounds)	381.5	350.5
Expedited freight services shipments (thousands)	1,290	1,275
Worldwide expedited freight services:		
Yield (revenue per pound) (a)	$ .928	.955
Revenue per shipment (a)	$ 274	263
Weight per shipment (pounds)	296	275

(a) Prior period's international expedited freight revenues have been reclassified to conform to the current period classification.

(b) Compared to the same period in the prior year.

BAX Global's first quarter 1998 operating profit amounted to $0.4 million, a decrease of $10.4 million from the $10.8 million reported in the first quarter of 1997. The first quarter included a net pre-tax charge of approximately $3.5 million ($1.9 million international and $1.6 million intra-U.S.) related to incremental information technology expenditures including Year 2000 expenses, partially offset by several non-recurring items. Worldwide revenues increased 8% to $402.4 million from $371.4 million in the 1997 quarter. The $31.0 million growth in revenues principally reflects a 9% increase in worldwide expedited freight services pounds shipped, which reached 381.5 million pounds in the first quarter of 1998, offset by a 3% decrease in average yield on this volume. In addition, non-expedited freight services revenues, increased $12.0 million (33%) during the first quarter of 1998 as compared to the same quarter in 1997 reflecting increases in ocean freight services and logistics revenues. Worldwide expenses amounted to $401.9 million, $40.6 million (11%) higher than in the first quarter of 1997.

In the first quarter of 1998, BAX Global's intra-U.S. revenues increased from $138.4 million to $148.3 million. This $9.9 million (7%) increase was primarily due to an increase of $10.7 million in intra-U.S. expedited freight services revenues. The higher level of intra-U.S. expedited freight services revenues in 1998 was due to a 9% increase in weight shipped. Intra-U.S. operating results during the first quarter of 1998, excluding the previously mentioned net charge of $1.6 million, decreased $7.5 million from the $4.1 million of operating profit earned in the first quarter of 1997. The decrease was primarily due to the lower than expected volume combined with higher transportation costs. Intra-U.S. transportation costs in the quarter were higher than 1997 first quarter levels, due in part, to efforts to enhance service levels. Transportation costs were also unfavorably impacted by service disruptions caused mainly by equipment problems which were resolved during the quarter.

International revenues in the first quarter of 1998 increased $21.1 million (9%) to $254.1 million from the $233.0 million recorded in the first quarter of 1997. International expedited freight services revenue increased $8.3 million (4%) due to a 9% increase in weight shipped offset by a 4% decrease in average yield. The decrease in yield reflects a change in mix with less higher yielding export traffic to Asian markets combined with the absence of third party carrier surcharges which existed in the first quarter of 1997. In addition, international non-expedited freight services revenue increased $12.8 million (37%) in the first quarter of 1998 as compared to the same period in 1997 due to growth in both the logistics and ocean freight businesses. International operating profit in the first quarter of 1998, excluding the previously mentioned net charge of $1.9 million, increased $0.7 million (11%) from the $6.6 million recorded in the first quarter of 1997. Operating profit during the first quarter of 1998 benefited from improved U.S. export margins.

On April 30, 1998, BAX Global acquired the privately held Air Transport International LLC ("ATI") for a purchase price of approximately $29 million. The acquisition will be accounted for as a purchase. ATI is a U.S.-based freight and passenger airline which operates a certificated fleet of aircraft providing services to BAX Global and other customers. The ATI acquisition is part of BAX Global's strategy to improve the quality of its service offerings for its customers by increasing its control over flight operations. As a result of this acquisition, BAX Global suspended its efforts to start up its own certificated airline carrier operations.

During 1997, BAX Global began a BAX Process Innovation ("BPI") Program which was comprised of an extensive review of all aspects of the company's operations. Senior management from around the world, working with a major consulting firm, reviewed all areas of the business including sales, operations, finance, logistics and information technology.

In 1998, as a result of integrating BPI into BAX Global's continuous improvement program, the overall cost for information technology systems, business improvements and employee training was reduced from previous estimates of up to $200 million over the next two to three years. BAX Global's information technology expenditures, which will include substantial improvements to information systems, annual recurring capital costs, process improvement initiatives and spending for Year 2000 compliance initiatives, are now currently estimated at approximately $60 million per year for 1998 and 1999, approximately two-thirds of which may be capitalized. Additional details of the information technology and Year 2000 compliance initiatives are being further developed which may have an impact on future reported results.

FOREIGN OPERATIONS

A portion of the BAX Group's financial results is derived from activities in foreign countries, each with a local currency other than the U.S. dollar. Because the financial results of the BAX 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. The BAX Group's international activity is not concentrated in any single currency, which limits the risks of foreign currency rate fluctuations. In addition, these rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The BAX Group routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Company, on behalf of the BAX Group, uses foreign currency forward contracts to hedge the risks associated with such transactions. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged. In addition, translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. A subsidiary in Mexico operates in such a highly inflationary economy. Prior to January 1, 1998, the economy in Brazil, in which the BAX Group has a subsidiary, was considered highly inflationary.

The BAX Group is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions, controls on repatriation of earnings and capital, nationalization, political instability, expropriation and other forms of restrictive action by local governments. The future effects, if any, of such risks on the BAX Group cannot be predicted.

CORPORATE EXPENSES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the BAX Group based on utilization and other methods and criteria which management believes to be an equitable and a reasonable estimate of the costs attributable to the BAX Group. These attributions were $4.1 million and $1.8 million for the first quarters of 1998 and 1997, respectively. The increase in the 1998 period is mainly due to a pre-tax charge of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $2.0 million of these expenses have been attributed to the BAX Group.

OTHER OPERATING INCOME AND EXPENSE, NET

Other operating income and expense, net decreased $0.8 million to an expense of $0.1 million in the first quarter of 1998, as compared to the same period in 1997. Other operating income and expense, net principally includes foreign exchange transaction gains and losses, and the changes for the comparable periods are due to normal fluctuations in such gains and losses.

INTEREST EXPENSE, NET

Net interest expense increased $0.3 million in the three month period ended March 31, 1998 as compared to the same period in 1997. The increase is due to higher levels of debt associated with investments in information technology.

INCOME TAXES

In both the 1998 and 1997 periods presented, the provision for income taxes exceeded the statutory federal income tax rate of 35% primarily due to provisions for state income taxes and goodwill amortization, partially offset by lower taxes on foreign income.

FINANCIAL CONDITION

A portion of the Company's corporate assets and liabilities has been attributed to the BAX Group based upon utilization of the shared services from which assets and liabilities are generated. Management believes this attribution to be an equitable and a reasonable estimate of the cost attributable to the BAX Group.

CASH FLOW REQUIREMENTS
Cash provided by operating activities during the first three months of 1998 totaled $17.4 million as compared to the $13.8 million generated in the first three months of 1997. The higher level of cash generated from operating activities was due to a decrease in the funding requirements for net operating assets and liabilities partially offset by lower earnings in the 1998 period. Cash generated from operating activities was not sufficient to fund net investing and share activities, resulting in an increase in net borrowings of $21.4 million.

CAPITAL EXPENDITURES
Cash capital expenditures for the first three months of 1998 and 1997 totaled $24.4 million and $6.2 million, respectively reflecting higher levels of investment in information technology systems. For the remainder of 1998, cash capital expenditures are expected to range between $45.0 million and $50.0 million, excluding any expenditures relating to the BPI program and other information technology systems. These expenditures will primarily relate to planned expansion for new facilities.

FINANCING
The BAX Group intends to fund its cash capital expenditure requirements through anticipated cash flows from operating activities or through operating leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements, other borrowing arrangements or repayments from the Minerals Group.

Total outstanding debt was $99.0 million at March 31, 1998, an increase of $27.7 million from the $71.3 million reported at December 31, 1997. The net increase in debt primarily reflects borrowings to fund incremental information technology expenditures, including those relating to Year 2000 compliance.

The Company has a $350.0 million credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100.0 million term loan and also permits additional borrowings, repayments and reborrowings of up to an aggregate of $250.0 million. As of March 31, 1998 and 1997, borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $80.8 million and $25.9 million, respectively, of additional borrowings were outstanding under the remainder of the Facility. Of the total outstanding amount under the Facility at March 31, 1998 and December 31, 1997, $28.4 million and $10.9 million, respectively, was attributed to the BAX Group.

RELATED PARTY TRANSACTIONS
At March 31, 1998 and December 31, 1997, the Minerals Group had no borrowings from the BAX Group.

At March 31, 1998, the BAX Group owed the Minerals Group $19.6 million versus $18.2 million at December 31, 1997 for tax payments representing Minerals Group's tax benefits utilized by the BAX Group in accordance with the Company's tax sharing policy. Of the total tax benefits owed to the Minerals Group at March 31, 1998, $5.0 million is expected to be paid within one year.

OFF-BALANCE SHEET INSTRUMENTS
In the first quarter of 1998, the Company, on behalf of the BAX Group, entered into additional commodity option transactions that are intended to protect against significant increases in jet fuel prices. These transactions aggregated 47.6 million gallons and mature periodically throughout 1998. 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 March 31, 1998, the fair value of all outstanding contracts to hedge jet fuel requirements was ($1.4) million.

READINESS FOR YEAR 2000
The BAX Group has taken actions to understand the nature and extent of the work required to make its systems, services and infrastructure Year 2000 compliant. The BAX Group is currently preparing its financial, information and other computer-based systems for the Year 2000, including replacing and/or updating existing systems. The BAX Group continues to evaluate the additional estimated costs associated with these efforts, which it currently estimates to be between $30-$35 million over the next two years. Based on actual experience and available information, the BAX Group believes that it will be able to manage its Year 2000

transition without any material adverse effect on its business operations, services or financial condition. However, if the applicable modifications and conversions are not made, or are not completed on a timely basis, the Year 2000 issue could have a material adverse impact on the operations of the BAX Group. Further, management is currently evaluating the extent to which the BAX Group's interface systems are vulnerable to its suppliers' and customers' failure to remediate their own Year 2000 issues as there is no guarantee that the systems of other companies on which the BAX Group's systems rely will be timely and adequately converted.

CAPITALIZATION

The Company has three classes of common stock: BAX Stock, Pittston Brink's Group Common Stock ("Brink's Stock"), and Pittston Minerals Group Common Stock ("Minerals Stock") which were designed to provide shareholders with separate securities reflecting the performance of the BAX Group, Brink's Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups. The BAX Group consists of the BAX Global operations of the Company. The Brink's Group consists of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of the Company. The Minerals Group consists of the Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of the Company. The Company prepares separate financial statements for the BAX, Brink's and Minerals Groups in addition to consolidated financial information of the Company.

As previously mentioned, effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

Under the share repurchase programs authorized by the Board of Directors (the "Board"), the Company purchased shares in the periods presented as follows:

	Quarter Ended March 31	
(Dollars in millions)	1998	1997
BAX Stock:		
Shares	177,532	132,100
Cost	$ 3.5	2.6
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Company's Statement of Operations.

The Company's remaining repurchase authority with respect to the Convertible Preferred Stock as of March 31, 1998 was $24.2 million. As of March 31, 1998, the Company had remaining authority to purchase over time 0.9 million shares of BAX Stock. The aggregate purchase price limitation for all common stock was $21.4 million as of March 31, 1998.

DIVIDENDS

The Board intends to declare and pay dividends, if any, on BAX Stock based on earnings, financial condition, cash flow and business requirements of the BAX Group. Since the Company remains subject to Virginia law limitations on dividends, losses by the Minerals Group and/or the Brink's Group could affect the Company's ability to pay dividends in respect to stock relating to the BAX Group.

During the first quarter of 1998 and 1997, the Board declared and the Company paid cash dividends of 6 cents per share of BAX Stock. Dividends paid on the Convertible Preferred Stock in each of the first quarters of 1998 and 1997 were $0.9 million.

ACCOUNTING CHANGES

The BAX Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive (loss) income which is composed of net (loss) income and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was ($2.6) million and $3.7 million, respectively.

Effective January 1, 1998, the BAX Group implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software. As a result of the implementation of SOP No. 98-1, net loss for the quarter ended March 31, 1998, included a benefit of approximately $0.8 million or $.04 per share for costs capitalized during the quarter which would have been expensed prior to the implementation of SOP No. 98-1.

PENDING ACCOUNTING CHANGES

The Company will implement SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. The SFAS also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Company.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding BPI and information technology and related outlay projections, the expected benefits from the ATI acquisition and from BAX Global's continuous improvement program on financial results and the readiness for Year 2000, involve forward looking information which is subject to known and unknown risks, uncertainties and contingencies, which could cause actual results, performance or achievements to differ materially from those which are anticipated. Such risks, uncertainties and contingencies, many of which are beyond the control of the BAX Group and the Company, include, but are not limited to, overall economic and business conditions, the demand for BAX Global's services, pricing and other competitive factors in the industry, new government regulations and/or legislative initiatives, variations in costs or expenses, the successful integration of the ATI acquisition, changes in the scope of improvements to information systems and Year 2000 initiatives, delays or problems in the implementation of Year 2000 initiatives by the BAX Group and/or its suppliers and customers, and delays or problems in the design and implementation of improvements to information systems.

PITTSTON MINERALS GROUP
BALANCE SHEETS
(IN THOUSANDS)

	March 31 1998	December 31 1997
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,183	3,394
Accounts receivable (net of estimated amount uncollectible: 1998 - $2,228; 1997 - $2,215)	80,103	63,599
Inventories, at lower of cost or market:		
Coal inventory	25,872	31,644
Other inventory	3,726	3,702
	29,598	35,346
Receivable - Pittston Brink's Group/BAX Group, net	8,233	--
Prepaid expenses	10,053	5,045
Deferred income taxes	25,060	25,136
Total current assets	155,230	132,520
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1998 - $169,215; 1997 - $164,386)	171,158	172,338
Deferred pension assets	84,631	83,825
Deferred income taxes	53,258	54,778
Coal supply contracts, net of amortization	36,590	41,703
Intangibles, net of amortization	107,342	108,094
Receivable - Pittston Brink's Group/BAX Group, net	17,471	13,630
Other assets	47,790	47,294
Total assets	$ 673,470	654,182
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current maturities of long-term debt	465	547
Accounts payable	45,886	50,585
Payable - Pittston Brink's Group/BAX Group, net	--	3,038
Accrued liabilities	104,488	107,094
Total current liabilities	150,839	161,264
Long-term debt, less current maturities	153,435	116,114
Postretirement benefits other than pensions	225,601	223,836
Workers' compensation and other claims	87,784	92,857
Mine closing and reclamation	46,253	47,546
Other liabilities	30,436	31,137
Shareholder's equity	(20,878)	(18,572)
Total liabilities and shareholder's equity	$ 673,470	654,182

See accompanying notes to financial statements.

PITTSTON MINERALS GROUP
STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Quarter Ended March 31 1998	1997
Net sales	$ 149,898	158,883
Cost and expenses:		
Cost of sales	144,164	153,412
Selling, general and administrative expenses	9,087	7,409
Total costs and expenses	153,251	160,821
Other operating income, net	2,174	3,548
Operating (loss) profit	(1,179)	1,610
Interest income	301	282
Interest expense	(2,594)	(2,625)
Other expense, net	--	(450)
Loss before income taxes	(3,472)	(1,183)
Credit for income taxes	(2,229)	(2,130)
Net (loss) income	(1,243)	947
Preferred stock dividends, net	(864)	(901)
Net (loss) income attributed to common shares	$ (2,107)	46
Net (loss) income per common share:		
Basic	$ (.26)	.01
Diluted	(.26)	.01
Cash dividends per common share	$ .1625	.1625
Weighted average common shares outstanding:		
Basic	8,225	8,002
Diluted	8,225	8,059

See accompanying notes to financial statements.

PITTSTON MINERALS GROUP
STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(Unaudited)

	Quarter Ended March 31 1998	1997
Cash flows from operating activities:		
Net (loss) income	$ (1,243)	947
Adjustments to reconcile net (loss) income to net cash used by operating activities:		
Depreciation, depletion and amortization	8,933	8,920
Provision for deferred income taxes	1,612	2,001
Credit for pensions, noncurrent	(802)	(847)
Other operating, net	788	(185)
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(16,492)	(414)
Decrease (increase) in inventories	5,764	(7,931)
Increase in prepaid expenses	(2,452)	(3,425)
Decrease in accounts payable and accrued liabilities	(10,937)	(8,127)
(Increase) decrease in other assets	(222)	223
Decrease in other liabilities	(1,215)	(1,614)
Decrease in workers' compensation and other claims, noncurrent	(2,394)	(2,257)
Other, net	44	(106)
Net cash used by operating activities	(18,616)	(12,815)
Cash flows from investing activities:		
Additions to property, plant and equipment	(4,460)	(7,458)
Proceeds from disposal of property, plant and equipment	229	1,534
Acquisitions, net of cash acquired, and related contingency payments	--	(791)
Other, net	(1,939)	1,237
Net cash used by investing activities	(6,170)	(5,478)
Cash flows from financing activities:		
Additions to debt	40,344	36,483
Reductions of debt	(3,162)	(126)
Payments to Brink's Group	(11,238)	(11,685)
Payments to BAX Group	--	(6,002)
Repurchase of stock	(269)	--
Proceeds from exercise of stock options	--	4
Dividends paid	(2,100)	(2,089)
Net cash provided by financing activities	23,575	16,585
Net decrease in cash and cash equivalents	(1,211)	(1,708)
Cash and cash equivalents at beginning of period	3,394	3,387
Cash and cash equivalents at end of period	$ 2,183	1,679

See accompanying notes to financial statements.

PITTSTON MINERALS GROUP
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(Unaudited)

(1) The financial statements of the Pittston Minerals Group (the "Minerals Group") include the balance sheets, results of operations and cash flows of the Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of The Pittston Company (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 amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the Minerals Group.

The Company provides holders of Pittston Minerals Group Common Stock ("Minerals Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Minerals Group, in addition to consolidated financial information of the Company. Holders of Minerals Stock are shareholders of the Company, which is responsible for all liabilities. Therefore, financial developments affecting the Minerals Group, the Pittston Brink's Group (the "Brink's Group") or the Pittston BAX Group (the "BAX Group" formerly the Pittston Burlington Group) that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the Minerals Group's financial statements.

(2) The following is a reconciliation between the calculation of basic and diluted net income per share:

	Quarter Ended March 31	
Minerals Group	1998	1997
Numerator:		
Net (loss) income	$ (1,243)	947
Convertible Preferred Stock dividends	(864)	(901)
Net (loss) income - Basic and diluted net income per share numerator	(2,107)	46
Denominator:		
Basic weighted average common shares outstanding	8,225	8,002
Effect of dilutive securities:		
Employee stock options	--	57
Diluted weighted average common shares outstanding	8,225	8,059

Options to purchase 677 shares of common stock, at prices between $9.50 and $25.74 per share, were outstanding as of March 31, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive. Options to purchase 230 shares of common stock, at prices between $14.86 and $25.74 per share were outstanding as of March 31, 1997 but were not included in the computation of diluted net income per share because the options' exercise price was greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

The conversion of preferred stock to 1,765 and 1,793 shares of common stock has been excluded in the computation of diluted net (loss) income per share in 1998 and 1997, respectively, because the effect of the assumed conversion would be antidilutive.

(3) Depreciation, depletion and amortization of property, plant and equipment in the first quarter of 1998 and 1997 totaled $5,739 and $5,449, respectively.

(4) Cash payments made for interest and income taxes, net of refunds received, were as follows:

	Quarter Ended March 31 1998	1997
Interest	$ 3,466	2,641
Income taxes	$ (22)	13

(5) In two independent transactions in April and May, 1998, Coal Operations sold one of its surface mines representing 1.6 million tons of the anticipated 1998 production, along with the coal supply agreements associated with this mine, and other limited reserves to major US coal companies. Cash proceeds from these sales approximate $18.7 million.

(6) Under the share repurchase programs authorized by the Board of Directors, the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Minerals Group and the Company's Statement of Operations.

At March 31, 1998, the Company had the remaining authority to purchase over time 1,000 shares of Minerals Stock and an additional $24,236 of its Convertible Preferred Stock. The aggregate purchase price limitation for all common stock was $21,398 at March 31, 1998.

(7) The Minerals Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive loss which is composed of net (loss) income attributable to common shares and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was $1,778 and $172, respectively.

Effective January 1, 1998, the Company implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

(8) The Minerals Group will adopt a new accounting standard, SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. SFAS No. 131 also requires additional disclosures with respect to products and services, geographic

areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Minerals Group.

(9) Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation.

(10) In the opinion of management, all adjustments have been made which are necessary for a fair presentation of results of operations and financial condition for the periods reported herein. All such adjustments are of a normal recurring nature.

PITTSTON MINERALS GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

The financial statements of the Pittston Minerals Group ("Minerals Group") include the balance sheets, results of operations and cash flows of the Pittston Coal Company ("Coal Operations") and Pittston Mineral Ventures ("Mineral Ventures") operations of The Pittston Company (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 amounts reflected in these financial statements are determined based upon methods which management believes to be a reasonable and an equitable estimate of the cost attributable to the Minerals Group.

The Company provides to holders of the Pittston Minerals Group Common Stock ("Minerals Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Minerals Group, in addition to consolidated financial information of the Company. Holders of Minerals Stock are shareholders of the Company, which is responsible for all liabilities. Therefore, financial developments affecting the Minerals Group, the Pittston Brink's Group (the "Brink's Group") or the Pittston BAX Group (the "BAX Group" formerly the Pittston Burlington Group) that affect the Company's financial condition could affect the results of operations and financial condition of each of the Groups. Accordingly, the Company's consolidated financial statements must be read in connection with the Minerals Group's financial statements.

The following discussion is a summary of the key factors management considers necessary in reviewing the Minerals Group's results of operations, liquidity and capital resources. This discussion must be read in conjunction with the financial statements and related notes of the Minerals Group and the Company.

RESULTS OF OPERATIONS

(In thousands)	Quarter Ended March 31 1998	1997
Net Sales:		
Coal Operations	$ 145,920	154,593
Mineral Ventures	3,978	4,290
Net sales	$ 149,898	158,883
Operating profit (loss):		
Coal Operations	$ 2,502	3,623
Mineral Ventures	(47)	(455)
Segment operating profit	2,455	3,168
General corporate expense	(3,634)	(1,558)
Operating (loss) profit	$ (1,179)	1,610

In the first quarter of 1998, the Minerals Group reported a net loss of $1.2 million, $0.26 per share, compared to net income of $0.9 million, $0.01 per share, in the first quarter of 1997. The operating loss in the first quarter of 1998 totaled $1.2 million as compared to an operating profit of $1.6 million in the 1997 quarter. Included in the 1998 quarter's results was a pre-tax charge of $1.8 million ($0.14 per share) for the Minerals Group's share of expenses related to a retirement agreement between the Company and its former Chairman and CEO. Net sales during the first quarter of 1998 decreased $9.0 million (6%) compared to the corresponding period in 1997.

COAL OPERATIONS
The following are tables of selected financial data for Coal Operations on a comparative basis:

(In thousands)	Quarter Ended March 31 1998	1997
Net sales	$ 145,920	154,593
Cost of sales	141,493	149,739
Selling, general and administrative expenses	4,254	4,936
Total costs and expenses	145,747	154,675
Other operating income, net	2,329	3,705
Operating profit	$ 2,502	3,623
Coal sales (tons):		
Metallurgical	1,931	1,891
Utility and industrial	2,923	3,229
Total coal sales	4,854	5,120
Production/purchased (tons):		
Deep	1,389	1,102
Surface	1,969	2,659
Contract	242	363
	3,600	4,124
Purchased	965	1,340
Total	4,565	5,464

(In thousands, except per ton amounts)	Quarter Ended March 31 1998	1997
Net coal sales (a)	$ 143,976	152,698
Current production costs of coal sold (a)	132,507	141,572
Coal margin	11,469	11,126
Non-coal margin	616	717
Other operating income, net	2,329	3,705
Margin and other income	14,414	15,548
Other costs and expenses:		
Idle equipment and closed mines	703	307
Inactive employee cost	6,955	6,682
Selling, general and administrative expenses	4,254	4,936
Total other costs and expenses	11,912	11,925
Operating profit	$ 2,502	3,623
Coal margin per ton:		
Realization	$ 29.66	29.82
Current production costs	27.29	27.65
Coal margin	$ 2.37	2.17

(a) Excludes non-coal components.

Coal Operations generated an operating profit of $2.5 million in the first quarter of 1998, compared to $3.6 million recorded in the 1997 first quarter. Sales volume of 4.9 million tons in the first quarter of 1998 was 5% less than the 5.1 million tons sold in the prior year quarter. Compared to the first quarter of 1997, steam coal sales in 1998 decreased by 0.3 million tons (9%), to 2.9 million tons, while metallurgical coal sales remained consistent at 1.9 million tons. The steam sales reduction was due to the expiration of a long-term contract, railroad service disruption and reduced spot sales. Steam coal sales represented 60% of total volume in 1998 and 63% in 1997.

Total coal margin of $11.5 million for the first quarter of 1998 represented an increase of $0.3 million from the comparable 1997 period. The increase in total coal margin reflects a decrease of $9.1 million ($0.36 per ton) in the current production costs of coal sold offset, in large part, by a decrease of $8.7 million ($0.16 per ton) in coal realization. The decrease in realization was due mostly to a decrease in realization on metallurgical coal caused by lower price settlements with metallurgical customers for the contract year which began on April 1, 1997. Realizations on metallurgical coal sales for the contract year beginning April 1, 1998 will be slightly lower than those in the contract year that began April 1, 1997.

The current production cost of coal sold decreased $0.36 per ton to $27.29 in the first quarter of 1998 from the first quarter of 1997. Production costs in the 1998 quarter include a $1.3 million ($0.27 per ton) benefit related to a favorable ruling issued by the U.S. Supreme Court in March 1998 on the unconstitutionality of the Harbor Maintenance Tax. The $1.3 million credit represents the effect of past payments and, as a result of the ruling, Coal Operations anticipates lower export coal costs in the future. In addition, the first quarter of 1997 included higher production costs at certain deep mines due to temporary adverse geological conditions. Production in the 1998 first quarter decreased 0.5 million tons over the 1997 first quarter to 3.6 million tons and purchased coal decreased 0.4 million tons to 1.0 million tons. Surface production accounted for 56% and 66% of the total volume in the 1998 and 1997 first quarters, respectively. Productivity of 34.9 tons per man day in the 1998 first quarter decreased from the 36.6 tons per man day in the 1997 first quarter primarily attributable to an increased percentage of deep mine production.

Non-coal margin, which reflects earnings from the oil, gas and timber businesses, amounted to $0.6 million in the first quarter of 1998, which was $0.1 million lower than in the first quarter of 1997, reflecting the impact of changes in natural gas prices. Other operating income, which primarily includes gains on sales of property and equipment and third party royalties, amounted to $2.3 million in the first quarter of 1998 as compared to $3.7 million in the comparable period of 1997. This decrease of $1.4 million was principally due to the inclusion in 1997 of a favorable insurance settlement along with higher gains on asset sales during that period.

Idle equipment and closed mine costs increased $0.4 million to $0.7 million in the 1998 first quarter due to costs associated with mines which went idle during the third quarter of 1997. Inactive employee costs, which represent long-term employee liabilities for pension and retiree medical costs, increased from $6.7 million to $7.0 million for the first quarter of 1998 resulting from the use of a lower long-term discount rate to calculate the present value of the obligations. Selling, general and administrative expenses decreased $0.7 million (14%) in the first quarter of 1998 from 1997 due to reductions in support and administrative staff and related costs.

In two independent transactions in April and May, 1998, Coal Operations sold one of its surface mines representing 1.6 million tons of the anticipated 1998 production, along with the coal supply agreements associated with this mine, and other limited reserves to major US coal companies. Cash proceeds from these sales approximate $18.7 million. In a related transaction, Coal operations acquired additional tons of coal reserves that are contiguous to an existing operation.

Coal Operations continues cash funding for charges recorded in prior years for facility closure costs recorded as restructuring and other charges in the Statement of Operations. The following table analyzes the changes in liabilities during the first three months of 1998 for such costs:

(In thousands)	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1997	$ 11,143	19,703	30,846
Payments	272	459	731
Balance as of March 31, 1998	$ 10,871	19,244	30,115

MINERAL VENTURES

The following is a table of selected financial data for Mineral Ventures on a comparative basis:

(Dollars in thousands, except per ounce data)	Quarter Ended March 31 1998	1997
Stawell Gold Mine:		
Gold sales	$ 3,956	4,281
Other revenue	22	9
Net sales	3,978	4,290
Cost of sales (a)	2,671	3,631
Selling, general and administrative expenses (a)	291	298
Total costs and expenses	2,962	3,929
Operating profit - Stawell Gold Mine	1,016	361
Other operating expense, net	(1,063)	(816)
Operating loss	$ (47)	(455)
Stawell Gold Mine:		
Mineral Ventures' 50% direct share:		
Ounces sold	11,146	10,576
Ounces produced	11,156	10,951
Average per ounce sold (US$):		
Realization	$ 355	405
Cash cost	206	327

(a) Excludes $908 of non-Stawell related selling, general and administrative expenses for the quarter ended March 31, 1998. Excludes $42 and $617 of non-Stawell related cost of sales and selling, general and administrative expenses, respectively, for the quarter ended March 31, 1997. Such costs are reclassified to cost of sales and selling, general and administrative expenses in the Minerals Group Statement of Operations.

Mineral Ventures, which primarily consists of a 50% direct and a 17% indirect interest in the Stawell gold mine ("Stawell") in western Victoria, Australia, generated a small operating loss in the first quarter of 1998, an improvement of $0.4 million as compared to the loss of $0.5 million in the first quarter of 1997. Mineral Ventures' 50% direct interest in Stawell's operations generated net sales of $4.0 million in the first quarter of 1998 compared to $4.3 million in the 1997 period due to an increase in ounces of gold sold from 10.6 thousand ounces to 11.1 thousand ounces, offset by lower gold realizations. The operating profit at Stawell

of $1.0 million increased $0.7 million over the prior year amount, reflecting a $121 per ounce decrease (37%) in the cash cost of gold sold partially offset by a $50 per ounce decrease (12%) in average realization. Production costs were lower in the 1998 quarter due to a weaker Australian dollar as well as more favorable ground conditions than those experienced in the first quarter of 1997.

As of March 31, 1998, approximately 16% of Mineral Ventures' proven and probable reserves had been sold forward under forward sales contracts that mature periodically through mid-1999. Based on contracts in place and current market conditions, full year 1998 average realizations are expected to be between $325 and $330 per ounce of gold sold. At March 31, 1998, remaining proven and probable gold reserves at the Stawell mine were estimated at 415.7 thousand ounces. The joint venture also has exploration rights in the highly prospective district around the mine.

Other operating expense, net, includes equity earnings from joint ventures, primarily consisting of Mineral Ventures' 17% indirect interest in Stawell's operations and gold exploration costs for all operations excluding Stawell.

In addition to its interest in Stawell, Mineral Ventures has a 17% indirect interest in the Silver Swan base metals property in Western Australia. Operating results at Silver Swan have been below expectations due to the impact of depressed nickel prices, though production volumes and costs at the mine are in line with expectations.

FOREIGN OPERATIONS

A portion of the Minerals Group's financial results is derived from activities in Australia, which has a local currency other than the U.S. dollar. Because the financial results of the Minerals Group are reported in U.S. dollars, they are affected by the changes in the value of the foreign currency in relation to the U.S. dollar. Rate fluctuations may adversely affect transactions which are denominated in the Australian dollar. The Minerals Group routinely enters into such transactions in the normal course of its business. The Company, on behalf of the Minerals Group, from time to time, uses foreign currency exchange forward contracts to hedge the risks associated with certain transactions denominated in the Australian dollar. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged.

The Minerals Group is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions.

CORPORATE EXPENSES

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Minerals Group based on utilization and other methods and criteria which management believes to be an equitable and a reasonable estimate of the cost attributable to the Minerals Group. These attributions were $3.6 million and $1.6 million for the first quarters of 1998 and 1997, respectively. The increase in the 1998 period is mainly due to a pre-tax charge of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $1.8 million of these expenses have been attributed to the Minerals Group.

OTHER OPERATING INCOME, NET

Other operating income, net for the first quarter of 1998 decreased to $2.2 million from $3.5 million recognized in the 1997 quarter. Other operating income, net principally includes equity in earnings of unconsolidated affiliates, royalty income and gains and losses from sales of coal property and equipment. The decrease in 1998 relates to the inclusion in 1997 of a favorable insurance settlement along with higher gains on asset sales during that period.

INTEREST EXPENSE, NET
Net interest expense in each of first quarters of 1998 and 1997 was $2.3 million.

INCOME TAXES
In both the 1998 and 1997 periods presented, a credit for income taxes was recorded, due to pre-tax losses as well as tax benefits of percentage depletion which can be used by the Company.

FINANCIAL CONDITION

A portion of the Company's corporate assets and liabilities has been attributed to the Minerals Group based upon utilization of the shared services from which assets and liabilities are generated. Management believes this attribution to be an equitable and a reasonable estimate of the cost attributable to the Minerals Group.

CASH FLOW REQUIREMENTS
Operating activities for the first three months of 1998 used cash of $18.6 million, compared to $12.8 million used in 1997. In the 1998 period, cash flow from operations declined due to lower earnings combined with an increase in the amount required to fund operating assets and liabilities. Cash used by operating activities, capital expenditures and other investing activities, repayments to the Brink's Group and net costs of share activity more than offset additional net borrowings, resulting in a decrease in cash and cash equivalents of $1.2 million.

CAPITAL EXPENDITURES
Cash capital expenditures for the first three months of 1998 and 1997 totaled $4.5 million and $7.5 million, respectively. During the 1998 period, Coal Operations and Mineral Ventures spent $3.7 million and $0.7 million, respectively. For the remainder of 1998, the Minerals Group's cash capital expenditures are expected to approximate $20 million.

FINANCING
The Minerals Group intends to fund cash capital expenditures through anticipated cash flow from operating activities or through operating leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements, other borrowing arrangements or borrowings from the Brink's and BAX Groups.

Total debt outstanding at March 31, 1998 was $153.9 million, an increase of $37.2 million from the $116.7 million outstanding at December 31, 1997. These increased borrowings, which funded cash flow requirements including repayment of amounts owed to the Brink's Group, were made primarily under the credit agreement discussed below.

The Company has a $350.0 million credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100.0 million term loan and also permits additional borrowings, repayments and reborrowings of up to an aggregate of $250.0 million. As of March 31, 1998 and December 31, 1997, borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $80.8 million and $25.9 million, respectively, of additional borrowings were outstanding under the remainder of the Facility. Of the outstanding amounts under the Facility at March 31, 1998, and December 31, 1997, $52.4 million and $15.0 million, respectively, was attributed to the Minerals Group.

RELATED PARTY TRANSACTIONS
At March 31, 1998, under interest bearing borrowing arrangements, the Minerals Group owed the Brink's Group $15.8 million, a decrease of $11.2 million from the $27.0 million owed at December 31, 1997. The Minerals Group did not owe any amounts to the BAX Group at March 31, 1998 or December 31, 1997.

At March 31, 1998, the Brink's Group owed the Minerals Group $21.9 million versus $19.4 million at December 31, 1997 for tax benefits. Approximately $19.0 million is expected to be paid within one year. Also at March 31, 1998, the BAX Group owed the Minerals Group $19.6 million versus $18.2 million at December 31, 1997 for tax benefits, of which $5.0 million is expected to be paid within one year.

READINESS FOR YEAR 2000
The Minerals Group has taken actions to understand the nature and extent of the work required to make its systems, products and infrastructures Year 2000 compliant. As these efforts progress, the Minerals Group continues to evaluate the estimated costs associated with these efforts. Based upon its most recent estimates and its anticipated capital spending, the Minerals Group does not anticipate that it will incur any material costs in preparing for the Year 2000. The Minerals Group believes, based on available information, that it will be able to manage its total Year 2000 transition without any material adverse effect on its business operations, products or financial condition. However, if the applicable modifications and conversions are not made, or are not completed on a timely basis, the Year 2000 issue could have a material adverse impact on the operations of the Minerals Group. Further, management is currently evaluating the extent to which the Minerals Group's interface systems are vulnerable to its suppliers' and customers' failure to remediate their own Year 2000 issues as there is no guarantee that the systems of other companies on which the Minerals Group's systems rely will be timely and adequately converted.

CAPITALIZATION
The Company has three classes of common stock: Minerals Stock; Pittston Brink's Group Common Stock ("Brink's Stock") and Pittston BAX Group Common Stock ("BAX Stock") which were designed to provide shareholders with separate securities reflecting the performance of the Minerals Group, Brink's Group and BAX Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups. The Minerals Group consists of the Coal Operations and Mineral Ventures operations of the Company. The Brink's Group consists of the Brink's, Incorporated ("Brink's") and the Brink's Home Security, Inc. ("BHS") operations of the Company. The BAX Group consists of the BAX Global Inc. ("BAX Global") operations of the Company. The Company prepares separate financial statements for the Minerals, Brink's and BAX Groups in addition to consolidated financial information of the Company.

As previously mentioned, effective May 4, 1998, the designation of Pittston Burlington Group Common Stock and the name of the Pittston Burlington Group were changed to Pittston BAX Group Common Stock and Pittston BAX Group, respectively. All rights and privileges of the holders of such Stock are otherwise unaffected by such changes. The stock continues to trade on the New York Stock Exchange under the symbol "PZX".

Under the share repurchase programs authorized by the Board of Directors (the "Board"), the Company purchased shares in the periods presented as follows:

(Dollars in millions)	Quarter Ended March 31 1998	1997
Convertible Preferred Stock:		
Shares	355	--
Cost	$ 0.1	--
Excess carrying amount (a)	$ 0.02	--

(a) The excess of the carrying amount of the Series C Cumulative Convertible Preferred Stock (the "Convertible Preferred Stock") over the cash paid to holders for repurchases made during the periods. This amount is deducted from preferred dividends in the Minerals Group and the Company's Statement of Operations.

The Company's remaining repurchase authority with respect to the Convertible Preferred Stock as of March 31, 1998 was $24.2 million. As of March 31, 1998, the Company had remaining authority to purchase over time 1.0 million shares of Minerals Stock. The aggregate purchase price limitation for all common stock was $21.4 million as of March 31, 1998.

DIVIDENDS

The Board intends to declare and pay dividends, if any, on Minerals Stock based on the earnings, financial condition, cash flow and business requirements of the Minerals Group. Since the Company remains subject to Virginia law limitations on dividends, losses by the Brink's or the BAX Group could affect the Company's ability to pay dividends in respect of stock relating to the Minerals Group. Dividends on Minerals Stock are also limited by the Available Minerals Dividend Amount as defined in the Company's Articles of Incorporation. The Available Minerals Dividend Amount may be reduced by activity that reduces shareholder's equity or the fair value of net assets of the Minerals Group. Such activity includes net losses by the Minerals Group, dividends paid on the Minerals Stock and the Convertible Preferred Stock, repurchases of Minerals Stock and the Convertible Preferred Stock, and foreign currency translation losses. At March 31, 1998, the Available Minerals Dividend Amount was at least $12.9 million.

During the first three months of 1998 and 1997, the Board declared and the Company paid cash dividends of 16.25 cents per share of Minerals Stock. Dividends paid on the Convertible Preferred Stock in each of the 1998 and 1997 first quarters totaled $0.9 million.

In May 1998, the Company reduced the annual dividend rate on Minerals Stock to $0.10 per share for shareholders as of the May 15, 1998 record date. Cash made available from this lower dividend rate will be used to either reinvest, as suitable opportunities arise, in the Minerals Group companies or to pay down debt, with a view towards maximizing long-term shareholder value.

ACCOUNTING CHANGES

The Minerals Group adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", in the first quarter of 1998. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income generally represents all changes in shareholders' equity except those resulting from investments by or distributions to shareholders. Total comprehensive loss, which is composed of net (loss) income attributable to common shares and foreign currency translation adjustments, for the quarters ended March 31, 1998 and 1997 was ($1.8) million and ($0.2) million, respectively.

Effective January 1, 1998, the Minerals Group implemented a new AICPA Statement of Position ("SOP") No. 98-1 "Accounting for the Costs of Computer Software Developed for Internal Use". SOP No. 98-1 requires that certain costs related to the development or purchase of internal-use software be capitalized and amortized over the estimated useful life of the software.

PENDING ACCOUNTING CHANGES

The Minerals Group will adopt a new accounting standard, SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in the financial statements for the year ended December 31, 1998. SFAS No. 131 requires publicly-held companies to report financial and descriptive information about operating segments in financial statements issued to shareholders for interim and annual periods. SFAS No. 131 also requires additional disclosures with respect to products and services, geographic areas of operation, and major customers. The adoption of this SFAS is not expected to have a material impact on the financial statements of the Minerals Group.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding readiness for Year 2000 and expectations with regard to future realizations on metallurgical coal and gold sales involve forward looking information which is subject to known and unknown risks, uncertainties and contingencies which could cause actual results, performance and achievements, to differ materially from those which are anticipated. Such risks, uncertainties and contingencies, many of which are beyond the control of the Minerals Group and the Company, include, but are not limited to, overall economic and business conditions, the demand for the Minerals Group's products, geological conditions, pricing, and other competitive factors in the industry, new

government regulations and/or legislative initiatives, variations in the spot prices of coal and gold, the ability of counterparties to perform, changes in the scope of Year 2000 initiatives and delays or problems in the implementation of Year 2000 initiatives by the Minerals Group and/or its suppliers and customers.

PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

(a) The Registrant's annual meeting of shareholders was held on May 1, 1998.

(b) Not required.

(c) The following persons were elected for terms expiring in 2001, by the following votes:

	For	Withheld
J. R. Barker	50,823,524.7316	1,617,341.6572
J. L. Broadhead	50,827,110.6781	1,622,755.7107
M. T. Dan	50,837,043.1463	1,612,823.2425
R. M. Gross	50,832,974.9386	1,616,891.4502

The following person was elected for a term expiring in 2000, by the following votes:

	For	Withheld
C. S. Sloane	50,827,003.1203	1,622,863.2685

The selection of KPMG Peat Marwick LLP as independent certified public accountants to audit the accounts of the Registrant and its subsidiaries for the year 1998 was approved by the following vote:

For	Against	Abstentions	Broker Non-votes
51,303,833.4541	367,445.1592	194,641.3123	583,896.4630

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit Number	
2	Membership Interest Acquisition Agreement Among Air Transport International LLC and BAX Global Inc., dated February 3, 1998. Incorporated by reference to the Registrant's Current Report on Form 8-K filed May 14, 1998.
3(I)	Articles of Correction for the Registrant, dated March 16, 1998.
10(a)*	Retirement Agreement, dated as of May 4, 1998, between the Registrant and David L. Marshall.

27 Financial Data Schedule.

(b) The following reports on Form 8-K were filed during the first quarter of 1998:

(i) Report on Form 8-K filed on January 28, 1998, with respect to fourth quarter 1997 earnings for each of Pittston Brink's Group Common Stock, Pittston Burlington Group Common Stock and Pittston Minerals Group Common Stock;

(ii) Report on Form 8-K filed on February 4, 1998, with respect to BAX Global Inc.'s agreement to acquire, subject to certain conditions, Air Transport International LLC;

(iii) Report on Form 8-K filed on February 6, 1998, with respect to the retirement of Joseph C. Farrell, the Registrant's Chairman of the Board, Chief Executive Officer and President and the election by the Board of Directors of Michael T. Dan as President and Chief Executive Officer;

(iv) Report on Form 8-K filed on February 10, 1998, with respect to the election of Michael T. Dan as a director of the Registrant, in addition to his election as President and Chief Executive Officer;

(v) Report on Form 8-K filed on March 19, 1998, with respect to Articles of Restatement and Articles of Correction filed by the Registrant with the Virginia State Corporation Commission; and

(vi) Report on Form 8-K filed on March 30, 1998, with respect to anticipated first quarter 1998 results for Pittston Burlington Group Common Stock.

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* Management contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE PITTSTON COMPANY

May 15, 1998 By /s/ Amanda N. Aghdami

Amanda N. Aghdami
(Controller and Principal
Accounting Officer)

EXHIBIT 3(i)

ARTICLES OF CORRECTION

FOR

THE PITTSTON COMPANY

1. The name of the corporation is THE PITTSTON COMPANY.

2. The text of the restated articles of incorporation, as corrected, is set forth below:

"RESTATED ARTICLES OF INCORPORATION

of

THE PITTSTON COMPANY

ARTICLE I

The name of the Corporation is THE PITTSTON COMPANY.

ARTICLE II

The purpose for which the Corporation is organized is to transact any lawful business not required to be stated in the Articles of Incorporation.

ARTICLE III

EACH REFERENCE IN THIS ARTICLE III TO "BAX" SHALL BE DEEMED TO REFER TO "BURLINGTON" UNTIL MAY 4, 1998. AS OF MAY 4, 1998, EACH REFERENCE IN THIS ARTICLE III TO "BAX" SHALL BE DEEMED TO REFER TO "BAX."

The total number of shares of capital stock which the Corporation shall have authority to issue is one hundred seventy-two million (172,000,000), of which two million (2,000,000) shares shall be shares of Preferred Stock, par value $10.00 per share (hereinafter called "Preferred Stock"), one hundred million (100,000,000) shares shall be shares of a class of common stock designated as Pittston Brink's Group Common Stock, par value $1.00 per share ("Brink's Stock"), fifty million (50,000,000) shares shall be shares of a class of common stock designated as Pittston BAX Group Common Stock, par value $1.00 per share ("BAX Stock"), and twenty million (20,000,000) shares shall be shares of Pittston Minerals Group Common Stock, par value $1.00 per share ("Minerals Stock"). Brink's Stock, BAX

Stock and Minerals Stock shall hereinafter collectively be called "Common Stock".

DIVISION I

The preferences, limitations and relative rights of the shares of each class of Common Stock are as follows:

1. Dividend Rights.

(a) Subject to the express terms of any outstanding series of Preferred Stock, dividends may be declared and paid upon Brink's Stock, BAX Stock and Minerals Stock upon the terms provided for below with respect to each such class:

(i) Dividends on Brink's Stock and BAX Stock. Dividends on Brink's Stock and/or BAX Stock may be declared and paid out of funds of the Corporation legally available therefor. Subject to the foregoing, the declaration and payment of dividends on Brink's Stock and BAX Stock, and the amount thereof, shall at all times be solely in the discretion of the Board of Directors.

(ii) Dividends on Minerals Stock. Dividends on Minerals Stock may be declared and paid only out of the lesser of (A) funds of the Corporation legally available therefor and (B) the Available Minerals Dividend Amount. Subject to the foregoing, the declaration and payment of dividends on Minerals Stock, and the amount thereof, shall at all times be solely in the discretion of the Board of Directors.

(b) Discrimination Among Brink's Stock, BAX Stock and Minerals Stock. The Board of Directors, subject to the provisions of Sections 1(a)(i) and 1(a)(ii), may, in its sole discretion, declare and pay dividends exclusively on Brink's Stock, exclusively on BAX Stock, exclusively on Minerals Stock or on any combination or all of such classes in equal or unequal amounts, notwithstanding the amounts of funds available for dividends on each class, the respective voting and liquidation rights of each class, the amount of prior dividends declared on each class or any other factor.

(c) Distribution Determination. Pursuant to Section 13.1-653 of the Virginia Stock Corporation Act, the Board of Directors may base a determination that a proposed dividend distribution is out of funds legally available therefor under

Virginia law either on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances or on a fair valuation of the Corporation's total net assets or other method that is reasonable in the circumstances.

2. Exchange. Shares of Brink's Stock, BAX Stock and Minerals Stock are subject to exchange upon the terms provided below:

(a) Exchange of Brink's Stock. Outstanding shares of Brink's Stock shall not be subject to either optional or mandatory exchange by the Board of Directors.

(b) Exchange of BAX Stock.

(i) In the event of the Disposition, in one transaction or a series of related transactions, by the Corporation of all or substantially all of the properties and assets of Pittston BAX Group (other than in connection with the Disposition by the Corporation of all or substantially all of its properties and assets in one transaction) to any person, entity or group (other than (A) the holders of all outstanding shares of BAX Stock on a pro rata basis or (B) any person, entity or group in which the Corporation, directly or indirectly, owns a majority equity interest), the Corporation shall, on or prior to the first Business Day following the 60th day following the consummation of such Disposition, exchange each outstanding share of BAX Stock for fully paid and nonassessable shares of Brink's Stock (or, if there are not shares of Brink's Stock outstanding on the Exchange Date, of Minerals Stock, or, if there are no shares of Minerals Stock outstanding on the Exchange Date and shares of another class or classes of Common Stock (other than BAX Stock) are then outstanding, of such other class of Common Stock as then has the largest Aggregate Market Capitalization) having a Fair Market Value equal to 115 percent of the Fair Market Value of one share of BAX Stock, as of the date of the first public announcement by the Corporation of such Disposition.

(ii) The Board of Directors may, by a majority vote of the directors then in office, at any time in its sole discretion declare that each outstanding share of BAX Stock shall be exchanged, on an Exchange Date set forth in a notice to holders of BAX Stock pursuant to Section 2(e)(i), for fully paid and nonassessable shares of Brink's Stock (or, if there are no shares of Brink's Stock outstanding on the Exchange Date, of

Minerals Stock, or, if there are no shares of Minerals Stock outstanding, and shares of another class or classes of Common Stock (other than BAX Stock) are then outstanding, of such other class of Common Stock as then has the largest Aggregate Market Capitalization) having a Fair Market Value equal to 115 percent of the Fair Market Value of one share of BAX Stock, as of the date of the first public announcement by the Corporation of such exchange.

(iii) After any Exchange Date on which all outstanding shares of BAX Stock were exchanged, any share of BAX Stock that is issued on conversion or exercise of any Convertible Securities shall, immediately upon issuance pursuant to such conversion or exercise and without any notice or any other action on the part of the Corporation or its Board of Directors or the holder of such share of BAX Stock, be exchanged for the amount of shares of Brink's Stock or another class of Common Stock that a holder of such Convertible Security would have been entitled to receive pursuant to the terms of such Convertible Security had such terms provided that the conversion privilege in effect immediately prior to any exchange by the Corporation of any shares of its BAX Stock for shares of any other capital stock of the Corporation would be adjusted so that the holder of any such Convertible Security thereafter surrendered for conversion would be entitled to receive the number of shares of capital stock of the Corporation he or she would have owned immediately following such action had such Convertible Security been converted immediately prior thereto. The provisions of this Section 2(b)(iii) shall not apply to the extent that equivalent adjustments are otherwise made pursuant to the provisions of such Convertible Securities.

(c) Exchange of Minerals Stock.

(i) In the event of the Disposition, in one transaction or a series of related transactions, by the Corporation of all or substantially all of the properties and assets of Pittston Minerals Group (other than in connection with the Disposition by the Corporation of all or substantially all of its properties and assets in one transaction) to any person, entity or group (other than (A) the holders of all outstanding shares of Minerals Stock on a pro rata basis or (B) any person, entity or group in which the Corporation, directly or indirectly, owns a majority equity interest), the Corporation shall, on or prior to the first Business Day following the 60th day following the consummation of such Disposition, exchange each outstanding

share of Minerals Stock for fully paid and nonassessable shares of Brink's Stock (or, if there are no shares of Brink's Stock outstanding on the Exchange Date, of BAX Stock, or, if there are no shares of BAX Stock outstanding on the Exchange Date and shares of another class or classes of Common Stock (other than Minerals Stock) are then outstanding, of such other class of Common Stock) as then has the largest Aggregate Market Capitalization) having a Fair Market Value equal to 115 percent of the Fair Market Value of one share of Minerals Stock, as of the date of the first public announcement by the Corporation of such Disposition.

(ii) The Board of Directors may, by a majority vote of the directors then in office, at any time in its sole discretion declare that each outstanding share of Minerals Stock shall be exchanged, on an Exchange Date set forth in a notice to holders of Minerals Stock pursuant to Section 2(e)(i), for fully paid and nonassessable shares of Brink's Stock (or, if there are no shares of Brink's Stock outstanding on the Exchange Date, of BAX Stock, or if there are no shares of BAX Stock outstanding on the Exchange Date and shares of another class or classes of Common Stock (other than Minerals Stock) are then outstanding, of such other class of Common Stock as then has the largest Aggregate Market Capitalization) having a Fair Market Value equal to 115 percent of the Fair Market Value of one share of Minerals Stock, as of the date of the first public announcement by the Corporation of such exchange.

(iii) After any Exchange Date on which all outstanding shares of Minerals Stock were exchanged, any share of Minerals Stock that is issued on conversion or exercise of any Convertible Securities shall, immediately upon issuance pursuant to such conversion or exercise and without any notice or any other action on the part of the Corporation or its Board of Directors or the holder of such share of Minerals Stock, be exchanged for the amount of shares of Brink's Stock or another class of Common Stock that a holder of such Convertible Security would have been entitled to receive pursuant to the terms of such Convertible Security had such terms provided that the conversion privilege in effect immediately prior to any exchange by the Corporation of any shares of its Minerals Stock for shares of any other capital stock of the Corporation would be adjusted so that the holder of any such Convertible Security thereafter surrendered for conversion would be entitled to receive the number of shares of capital stock of the Corporation he or she would have owned immediately following such action had such

Convertible Security been converted immediately prior thereto. The provisions of this Section 2(c)(iii) shall not apply to the extent that equivalent adjustments are otherwise made pursuant to the provisions of such Convertible Securities.

(d) Certain Definitions. For purposes of Sections 2(b)(i) and 2(c)(i):

(i) as of any date, "substantially all of the properties and assets" of Pittston BAX Group or Pittston Minerals Group, as the case may be, shall mean a portion of such properties and assets that represents at least 80 percent of either of the then-current market value, as determined by the Board of Directors based on opinions, appraisals or such other evidence as the Board shall consider relevant, of, or the aggregate reported net sales for the immediately preceding twelve fiscal quarterly periods of the Corporation derived from, the properties and assets of Pittston BAX Group or Pittston Minerals Group, respectively, as of such date (excluding the properties and assets of any person, entity or group in which the Corporation, directly or indirectly, owns less than a majority equity interest);

(ii) if immediately after any event, the Corporation, directly or indirectly, owns less than a majority equity interest in any person, entity or group in which the Corporation, directly or indirectly, owned a majority equity interest immediately prior to the occurrence of such event, a Disposition of all of the properties and assets of Pittston BAX Group or Pittston Minerals Group, respectively, owned by such person, entity or group shall be deemed to have occurred; and

(iii) in the case of a Disposition of properties and assets in a series of related transactions, such Disposition shall not be deemed to have been consummated until the consummation of the last of such transactions.

(e) General Exchange Provisions.

(i) In the event of any exchange pursuant to Sections 2(b)(i) and (ii) or 2(c)(i) and (ii), the Corporation shall cause to be given to each holder of BAX Stock or Minerals Stock, respectively, a notice stating (A) that shares of BAX Stock or Minerals Stock, respectively, shall be exchanged, (B) the Exchange Date, (C) the kind and amount of shares of capital stock to be received by such holder with respect to each share of

BAX Stock or Minerals Stock, respectively, held by such holder, including details as to the calculation thereof, (D) the place or places where certificates for shares of BAX Stock or Minerals Stock, respectively, properly endorsed or assigned for transfer (unless the Corporation shall waive such requirement), are to be surrendered for delivery of certificates for shares of such capital stock and (E) that, subject to Section 2(e)(iii), dividends on BAX Stock or Minerals Stock, respectively, will cease to be paid as of such Exchange Date. Such notice shall be sent by first-class mail, postage prepaid, not less than 30 nor more than 60 days prior to the Exchange Date and in any case to each holder of BAX Stock or Minerals Stock, respectively, at such holder's address as the same appears on the stock transfer books of the Corporation. Neither the failure to mail such notice to any particular holder of BAX Stock or Minerals Stock, respectively, nor any defect therein shall affect the sufficiency thereof with respect to any other holder of BAX Stock or Minerals Stock, respectively.

(ii) The Corporation shall not be required to issue or deliver fractional shares of any class of capital stock to any holder of BAX Stock or Minerals Stock, as the case may be, upon any exchange pursuant to this Section 2. If the number of shares of any class of capital stock remaining to be issued to any holder of BAX Stock or Minerals Stock is a fraction, the Corporation shall, if such fraction is not issued or delivered to such holder, pay a cash adjustment in respect of such fraction in an amount equal to the Fair Market Value of such fraction on the date such payment is to be made.

(iii) No adjustments in respect of dividends shall be made upon the exchange of any shares of BAX Stock or Minerals Stock, as the case may be; provided, however, that, if the Exchange Date with respect to BAX Stock or Minerals Stock, as the case may be, shall be subsequent to the record date for the payment of a dividend or other distribution thereon or with respect thereto, the holders of such shares of BAX Stock or Minerals Stock, respectively, at the close of business on such record date shall be entitled to receive the dividend or other distribution payable on or with respect to such shares on the date set for payment of such dividend or other distribution, notwithstanding the exchange of such shares or the Corporation's default in payment of the dividend or distribution due on such date.

(iv) Before any holder of shares of BAX Stock or

Minerals Stock, as the case may be, shall be entitled to receive certificates representing shares of any capital stock to be received by such holder with respect to such shares of BAX Stock or Minerals Stock, respectively, pursuant to this Section 2, such holder shall surrender at such office as the Corporation shall specify certificates for such shares of BAX Stock or Minerals Stock, properly endorsed or assigned for transfer (unless the Corporation shall waive such requirement). The Corporation will as soon as practicable after such surrender of certificates representing shares of BAX Stock or Minerals Stock deliver to the person for whose account such shares of BAX Stock or Minerals Stock were so surrendered, or to his or her nominee or nominees, certificates representing the number of whole shares of the kind of capital stock to which he or she shall be entitled as aforesaid, together with any fractional payment contemplated by Section 2(e)(ii).

(v) From and after any applicable Exchange Date, all rights of a holder of shares of BAX Stock or Minerals Stock, as the case may be, that were exchanged shall cease except for the right, upon surrender of the certificates representing such shares of BAX Stock or Minerals Stock, respectively, to receive certificates representing shares of the capital stock for which such shares were exchanged together with any fractional payment contemplated by Section 2(e)(ii) and rights to dividends as provided in Section 2(e)(iii). No holder of a certificate that immediately prior to the applicable Exchange Date for BAX Stock or Minerals Stock, as the case may be, represented shares of BAX Stock or Minerals Stock, respectively, shall be entitled to receive any dividend or other distribution with respect to shares of any kind of capital stock into which BAX Stock or Minerals Stock, respectively, was exchanged until surrender of such holder's certificate for a certificate or certificates representing shares of such kind of capital stock. Upon such surrender, there shall be paid to the holder the amount of any dividends or other distributions (without interest) which theretofore became payable with respect to a record date after the Exchange Date, but that were not paid by reason of the foregoing, with respect to the number of whole shares of the kind of capital stock represented by the certificate or certificates issued upon such surrender. From and after an Exchange Date for BAX Stock or Minerals Stock, the Corporation shall, however, be entitled to treat the certificates for BAX Stock or Minerals Stock, respectively, that have not yet been surrendered for exchange as evidencing the ownership of the number of whole shares of the kind of capital stock for which the shares of BAX

Stock or Minerals Stock represented by such certificates shall have been exchanged, notwithstanding the failure to surrender such certificates.

(vi) The Corporation will pay any and all documentary, stamp or similar issue or transfer taxes that may be payable in respect of the issue or delivery of any shares of capital stock on exchange of shares of BAX Stock or Minerals Stock pursuant hereto. The Corporation shall not, however, be required to pay any tax that may be payable in respect of any transfer involved in the issue and delivery of any shares of capital stock in a name other than that in which the shares of BAX Stock or Minerals Stock so exchanged were registered, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Corporation the amount of any such tax, or has established to the satisfaction of the Corporation that such tax has been paid.

3. Voting Rights.

(a) The holders of Brink's Stock, BAX Stock and Minerals Stock shall vote together as a single voting group on all matters; provided, however, that, except as provided below with respect to amending voting rights of Minerals Stock, the holders of Brink's Stock, BAX Stock or Minerals Stock, as the case may be, voting separately as a separate voting group, shall be entitled to approve by the vote of a majority of the shares of Brink's Stock, BAX Stock or Minerals Stock, as the case may be, then outstanding any proposed amendment to these Restated Articles of Incorporation to the extent prescribed by Section 13.1-708 of the Virginia Stock Corporation Act. Each holder of Brink's Stock shall be entitled to one vote, in person or by proxy, for each share of Brink's Stock standing in his or her name on the stock transfer books of the Corporation. Except as otherwise provided below and subject to the provisions of Section 5, each holder of BAX Stock and each holder of Minerals Stock shall be entitled to one vote and 0.626 votes, respectively, in person or by proxy, for each share of BAX Stock or Minerals Stock, respectively, standing in his or her name on the stock transfer books of the Corporation from the Effective Date to and including December 31, 1997. On January 1, 1998, and on each January 1 every two years thereafter, the number of votes to which the holder of each share of BAX Stock and the holder of each share of Minerals Stock shall be entitled shall be adjusted and fixed for two-year periods to equal the quotient of (x) the Aggregate Market Capitalization of BAX Stock or Minerals Stock,

respectively, on each such date and (y) the Aggregate Market Capitalization of the Corporation on each such date, divided by the number of shares of BAX Stock or Minerals Stock, respectively, outstanding on each such date with the resulting number multiplied by the number determined by dividing the number of shares of Brink's Stock outstanding on each such date by the quotient of (i) the Aggregate Market Capitalization of Brink's Stock on each such date and (ii) the Aggregate Market Capitalization of the Corporation on each such date. Any proposed amendment to these Restated Articles of Incorporation that would affect or otherwise adjust the voting rights of the holders of Minerals Stock shall be approved in a vote of holders of Minerals Stock, voting as a separate voting group, by the greater of: (i) the affirmative vote of two-thirds of all votes cast on the amendment by the holders of Minerals Stock entitled to vote on such amendment and present or represented at a meeting at which a quorum of Minerals Stock exists; or (ii) the affirmative vote of a majority of the then outstanding votes of Minerals Stock. The Board of Directors shall take such action to implement such changes in the voting rights of BAX Stock or Minerals Stock as may be required pursuant to this Section 3(a).

(b) Unless the Board of Directors conditions its submission of a particular matter on receipt of a greater vote or on any other basis permitted by applicable law, the vote of the holders of a majority of the outstanding shares of Brink's Stock, BAX Stock and Minerals Stock, voting together as a single voting group, is required for approval of any of the following that by applicable law are required to be submitted to shareholders for their approval: (i) any amendment or restatement of these Articles of Incorporation, except as otherwise provided in Section 3(a) or prescribed by Section 13.1-708 of the Virginia Stock Corporation Act; (ii) a plan of merger; (iii) a plan of share exchange, except as otherwise provided in Section 2; (iv) the sale, lease, exchange or other disposition of all or substantially all the property of the Corporation otherwise than in the usual and regular course of its business; or (v) a proposal to dissolve the Corporation. The foregoing provisions shall not be construed to alter or modify in any respect the voting requirements prescribed by the Virginia Stock Corporation Act which would in the absence of such provisions be applicable to approval of any affiliated transaction (as defined in said Act) or any amendment of the Restated Articles of Incorporation of the Corporation relating to the vote required for approval of any affiliated transaction.

4. Liquidation Rights. Subject to the provisions of Section 5, in the event of the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, after there shall have been paid or set apart for the holders of Preferred Stock the full preferential amounts to which they are entitled, (a) the holders of Brink's Stock shall be entitled to receive, on a per share basis in proportion to the total number of then outstanding shares of Brink's Stock to the Total Liquidation Shares, (b) the holders of BAX Stock shall be entitled to receive, on a per share basis in proportion to the total number of then outstanding shares of BAX Stock to the Total Liquidation Shares and (c) the holders of Minerals Stock shall be entitled to receive, on a per share basis in proportion to the then outstanding shares of Minerals Stock increased by the Nominal Shares to the Total Liquidation Shares, in each case determined as of the fifth Business Day prior to the date of the public announcement of (i) a voluntary dissolution, liquidation or winding up of the Corporation or (ii) the institution of a proceeding for the involuntary dissolution, liquidation or winding up of the Corporation, the funds of the Corporation remaining for distribution to its common shareholders.

5. Subdivision or Combination. If the Corporation shall in any manner subdivide (by stock split, stock dividend or otherwise) or combine (by reverse stock split or otherwise) the outstanding shares of any of Brink's Stock, BAX Stock or Minerals Stock, the voting and liquidation rights of BAX Stock and Minerals Stock relative to Brink's Stock shall be appropriately adjusted so as to avoid any dilution in the aggregate voting or liquidation rights of any class.

6. Definitions. As used in this Division I, the following terms shall have the following meanings (with each term defined in the singular having the comparable meaning when used in the plural and vice versa), unless another definition is provided or the context otherwise requires:

"Aggregate Market Capitalization" shall mean, with respect to the Company or any class of Common Stock as of any date of determination, the product of (i) the Fair Market Value of all classes of Common Stock or any such class, as the case may be, as of such date and (ii) the number of shares of all such classes of Common Stock or of any such class, as the case may be, issued and outstanding as of such date.

"Available Minerals Dividend Amount", on any date, shall mean the greatest of (a) an amount equal to (i) $50 million,

increased or decreased, as appropriate, to reflect (A) Minerals Net Income from the close of business on June 30, 1993, (B) any dividends or other distributions declared or paid with respect to, or repurchases or issuances of, any shares of Minerals Stock or any shares of Preferred Stock attributed to Pittston Minerals Group and (C) any other adjustments to shareholders' equity of Pittston Minerals Group made in accordance with generally accepted accounting principles, less (ii) the aggregate stated capital of any outstanding shares of Preferred Stock attributed to Pittston Minerals Group; (b) in the discretion of the Board of Directors, the excess of the fair value of the net assets of Pittston Minerals Group, as determined by the Board of Directors on a basis corresponding to one of those set forth in Section 13.1-643 of the Virginia Stock Corporation Act with respect to a single corporation, over the aggregate stated capital of any outstanding shares of Preferred Stock attributed to Pittston Minerals Group; or (c) an amount equal to Minerals Net Income (if positive) for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

"Business Day" shall mean each weekday other than any day on which Brink's Stock, BAX Stock or Minerals Stock is not traded on any national securities exchange or the National Association of Securities Dealers Automated Quotations System or in the over-the-counter market.

"Convertible Securities" shall mean any securities of the Corporation that are convertible into or evidence the right to purchase any shares of Brink's Stock, BAX Stock or Minerals Stock, pursuant to antidilution provisions of such securities or otherwise.

"Disposition" shall mean the sale, transfer, assignment or other disposition (whether by merger, consolidation, sale or contribution of assets or stock or otherwise) of properties or assets.

"Effective Date" shall mean the close of business on the date on which the State Corporation Commission of Virginia issues a certificate of amendment relating to these Articles of Amendment to the Restated Articles of Incorporation.

"Exchange Date" shall mean any date fixed for an exchange of shares of BAX Stock or Minerals Stock, as the case may be, as set forth in a notice to holders of BAX Stock or Minerals Stock, respectively, pursuant to Section 2(e)(i).

"Fair Market Value" of shares of any class of Common Stock on any date means the average of the daily closing prices thereof for the 10 consecutive Business Days commencing on the 30th Business Day prior to the date in question. The closing price for each Business Day shall be (i) if such shares are listed or admitted to trading on a national securities exchange, the closing price on the New York Stock Exchange Composite Tape (or any successor composite tape reporting transactions on national securities exchanges) or, if such New York Stock Exchange Composite Tape shall not be in use or shall not report transactions in such shares, the last reported sales price regular way on the principal national securities exchange on which such shares are listed or admitted to trading (which shall be the national securities exchange on which the greatest number of shares of stock has been traded during such 10 consecutive Business Days), or, if there is no transaction on any such Business Day in any such situation, the mean of the bid and asked prices on such Business Day, or (ii) if such shares are not listed or admitted to trading on any such exchange, the closing price, if reported, or, if the closing price is not reported, the average of the closing bid and asked prices as reported by the National Association of Securities Dealers Automated Quotations System or a similar source selected from time to time by the Corporation for this purpose. In the event such closing prices are unavailable, the Fair Market Value of such shares shall be determined by the Board.

"Minerals Net Income" shall mean the net income or loss of Pittston Minerals Group determined in accordance with generally accepted accounting principles, including income and expenses of the Corporation attributed to the operations of Pittston Minerals Group on a substantially consistent basis, including, without limitation, corporate administrative costs, net interest and other financial costs and income taxes.

"Nominal Shares" shall mean 4,202,954 shares of Minerals

Stock which has been used to establish the initial liquidation percentages among each class of Common Stock as of the Effective Date.

"Pittston Brink's Group" shall mean, at any time all the businesses in which the Corporation is or has been engaged, directly or indirectly, and all assets and liabilities of the Corporation, other than any businesses, assets or liabilities constituting Pittston BAX Group or Pittston Minerals Group. "Pittston BAX Group" shall mean, at any time, (a) all the businesses in which Burlington Air Express Inc. and its subsidiaries (or any of their predecessors) are or have been engaged, directly or indirectly, (b) all assets and liabilities of the Corporation to the extent attributed to any of such businesses, whether or not such assets or liabilities are or were assets and liabilities of such businesses, and (c) such businesses, assets, and liabilities acquired by the Corporation for Pittston BAX Group after the Effective Date and determined by the Board of Directors to be included in Pittston BAX Group. "Pittston Minerals Group" shall mean, at any time, (a) all the businesses in which Pittston Coal Company and its subsidiaries (or any of their predecessors) are or have been engaged, directly or indirectly, (b) all the businesses in which Pittston Mineral Ventures Company and its subsidiaries (or any of their predecessors) are or have been engaged, directly or indirectly, (c) all assets and liabilities of the Corporation to the extent attributed to any of such businesses, whether or not such assets or liabilities are or were assets and liabilities of such businesses, and (d) such businesses, assets, and liabilities acquired by the Corporation for Pittston Minerals Group after the Effective Date and determined by the Board of Directors to be included in Pittston Minerals Group.

"Total Liquidation Shares" shall mean, as of any date, the total number of outstanding shares of Brink's Stock, BAX Stock and Minerals Stock on such date, plus the Nominal Shares.

7. Determinations by the Board of Directors. Any determinations made by the Board of Directors of the Corporation or any committee of the Board, a majority of which are "disinterested directors", under any provision in this Division I of Article III shall be final and binding on all shareholders of the Corporation. For this purpose, any director who is not an employee of or a consultant to the Corporation and who is not, directly or indirectly, the beneficial owner of 1 percent or more of the outstanding shares of Common Stock shall be considered

"disinterested", even though such director may beneficially own a greater amount of one class of Common Stock than of the other class of Common Stock.

DIVISION II

Subject to applicable laws and to this Article III, the Board of Directors of the Corporation may determine the preferences, limitations and relative rights of the Preferred Stock and of any series of such Preferred Stock. Such determination may include, without limitation, provisions with respect to voting rights (including rights with respect to any transaction of a specified nature), redemption, convertibility, distribution and preference on dissolution or otherwise.

Terms of the Preferred Stock are as follows:

A. Series A Participating Cumulative Preferred Stock

1. Designation and Number of Shares. The shares of such series shall be designated as "Series A Participating Cumulative Preferred Stock" (the "Series A Preferred Stock"). The number of shares initially constituting the Series A Preferred Stock shall be 50,000; provided, however, that if more than a total of 50,000 shares of Series A Preferred Stock shall be issuable upon the exercise of Pittston Brink's Group Rights issued pursuant to the Amended and Restated Rights Agreement dated as of January 19, 1996, between the Corporation and Chemical Bank, as Rights Agent (the "Rights Agreement"), the Board of Directors of the Corporation, pursuant to Section 13.1-639 of the Virginia Stock Corporation Act, shall direct by resolution or resolutions that articles of amendment to these Articles of Incorporation be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 13.1-604 thereof, providing for the total number of shares of Series A Preferred Stock authorized to be issued to be increased (to the extent that the Articles of Incorporation then permit) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of such Rights.

2. Dividends or Distributions.

(a) Subject to the prior and superior rights of the holders of shares of any other series of Preferred Stock or other class of capital stock not by its terms ranking on a parity with, or junior to, the shares of Series A

Preferred Stock with respect to dividends, the holders of shares of the Series A Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of the assets of the Corporation legally available therefor, (1) quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or a fraction of a share of Series A Preferred Stock, of $10.00 per whole share (rounded to the nearest cent) less the amount of all cash dividends declared on the Series A Preferred Stock pursuant to the following clause (2) since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock, and (2) dividends payable in cash on the payment date for each cash dividend declared on Brink's Stock in an amount per whole share (rounded to the nearest cent) equal to the Brink's Formula Number (as defined below) then in effect times the cash dividends then to be paid on each share of Brink's Stock. In addition, if the Corporation shall pay any dividend or make any distribution on Brink's Stock payable in assets, securities or other forms of noncash consideration (other than dividends or distributions solely in shares of Brink's Stock), then, in each such case, the Corporation shall simultaneously pay or make on each outstanding share of Series A Preferred Stock a dividend or distribution in like kind of the Brink's Formula Number then in effect times such dividend or distribution on each share of Brink's Stock. As used herein, the "Brink's Formula Number" shall be 1,000; provided, however, that if at any time after January 19, 1996, the Corporation shall (x) declare or pay any dividend on Brink's Stock payable in shares of Brink's Stock or make any distribution on Brink's Stock in shares of Brink's Stock, (y) subdivide (by a stock split or otherwise) the outstanding shares of Brink's Stock into a larger number of shares of Brink's Stock or (z) combine (by a reverse stock split or otherwise) the outstanding shares of Brink's Stock into a smaller number of shares of Brink's Stock, then in each such event the Brink's Formula Number shall be adjusted to a number determined by multiplying the Brink's Formula Number in effect immediately prior to such event by a fraction, the numerator of which is the number of shares of Brink's Stock that are outstanding immediately after such event and the denominator of which is the number of shares of Brink's Stock that are outstanding immediately prior to such event (and rounding the result to the nearest whole number); and provided further that if at any time after January 19, 1996, the Corporation shall issue any shares of its capital stock in a

reclassification or change of the outstanding shares of Brink's Stock (including any such reclassification or change in connection with a merger in which the Corporation is the surviving corporation), then in each such event the Brink's Formula Number shall be appropriately adjusted to reflect such reclassification or change.

(b) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in Section 2(a) above immediately prior to or at the same time it declares a dividend or distribution on Brink's Stock (other than a dividend or distribution solely in shares of Brink's Stock); provided, however, that, in the event no dividend or distribution (other than a dividend or distribution in shares of Brink's Stock) shall have been declared on Brink's Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $2.00 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date. The Board of Directors may fix a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a dividend or distribution declared thereon, which record date shall be the same as the record date for any corresponding dividend or distribution on Brink's Stock.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from and after the Quarterly Dividend Payment Date next preceding the date of original issue of such shares of Series A Preferred Stock; provided, however, that dividends on such shares which are originally issued after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and on or prior to the next succeeding Quarterly Dividend Payment Date shall begin to accrue and be cumulative from and after such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding.

(d) So long as any shares of the Series A Preferred Stock are outstanding, no dividends or other distributions shall be declared, paid or distributed, or set aside for payment or distribution, on Brink's Stock unless, in each case, the dividend

required by this Section 2 to be declared on the Series A Preferred Stock shall have been declared.

(e) The holders of the shares of Series A Preferred Stock shall not be entitled to receive any dividends or other distributions except as provided herein.

3. Voting Rights. The holders of shares of Series A Preferred Stock shall have the following voting rights:

(a) Each holder of Series A Preferred Stock shall be entitled to a number of votes equal to the product of (1) the Brink's Formula Number then in effect for each share of Series A Preferred Stock held of record on each matter on which holders of Brink's Stock are entitled to vote times (2) the maximum number of votes per share which the holders of Brink's Stock then have with respect to such matter.

(b) Except as otherwise provided herein or by applicable law, the holders of shares of Series A Preferred Stock, the holders of shares of Brink's Stock and the holders of any other class of capital stock entitled to vote in the election of directors shall vote together as one class for the election of directors of the Corporation. In addition, the holders of Series A Preferred Stock and the holders of Brink's Stock shall vote together as one class on all other matters submitted to a vote of holders of Brink's Stock.

(c) If at the time of any annual meeting of shareholders for the election of directors, the equivalent of six quarterly dividends (whether or not consecutive) payable on any share or shares of Series A Preferred Stock are in default, the number of directors constituting the Board of Directors of the Corporation shall be increased by two. In addition to voting together with other holders of capital stock as set forth in Section 3(a) for the election of other directors of the Corporation, the holders of record of the Series A Preferred Stock, voting separately as a class to the exclusion of such other holders, shall be entitled at said meeting of shareholders (and at each subsequent annual meeting of shareholders), unless all dividends in arrears have been paid or declared and set apart for payment prior thereto, to vote for the election of two directors of the Corporation, the holders of any Series A Preferred Stock being entitled to cast a number of votes per share of Series A Preferred Stock equal to the Brink's Formula Number. Until the default in payments of all dividends which

permitted the election of said directors shall cease to exist any director who shall have been so elected pursuant to the next preceding sentence may be removed at any time, either with or without cause, only by the affirmative vote of the holders of the shares at the time entitled to cast a majority of the votes entitled to be cast for the election of any such director at a special meeting of such holders called for that purpose, and any vacancy thereby created may be filled by the vote of such holders. If and when such default shall cease to exist, the holders of the Series A Preferred Stock shall be divested of the foregoing special voting rights, subject to revesting in the event of each and every subsequent like default in payments of dividends. Upon the termination of the foregoing special voting rights, the terms of office of all persons who may have been elected directors pursuant to said special voting rights shall forthwith terminate, and the number of directors constituting the Board of Directors shall be reduced by two. The voting rights granted by this Section 3(c) shall be in addition to any other voting rights granted to the holders of the Series A Preferred Stock in this Section 3.

(d) Except as provided herein, in Section 11 or by applicable law, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Brink's Stock as set forth herein) for authorizing or taking any corporate action.

4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up)

with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock; provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under subparagraph (a) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

5. Liquidation Rights. Upon the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, no distribution shall be made (a) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution, or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received an amount equal to the accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, plus an amount equal to the greater of (i) $26.67 per share or (ii) an aggregate amount per share equal to the Brink's Formula Number

then in effect times the aggregate amount to be distributed per share to holders of Brink's Stock, or (b) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up.

6. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination, statutory share exchange or other transaction in which the shares of Brink's Stock are exchanged for or changed into other stock or securities, cash or any other property, then in any such case the then outstanding shares of Series A Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share equal to the Brink's Formula Number then in effect times the aggregate amount of stock, securities, cash or other property (payable in kind), as the case may be, into which or for which each share of Brink's Stock is exchanged or changed.

7. Redemption; No Sinking Fund. (a) The outstanding shares of Series A Preferred Stock may be redeemed at the option of the Board of Directors as a whole, but not in part, at any time at which, in the good faith determination of the Board of Directors, no person beneficially owns more than 10 percent of the aggregate voting power represented by all the outstanding shares of capital stock of the Corporation generally entitled to vote in the election of Directors of the Corporation, at a cash price per share equal to (i) 125 percent of the product of the Brink's Formula Number times the Brink's Stock Market Value (as such term is hereinafter defined), plus (ii) all dividends which on the redemption date have accrued on the shares to be redeemed and have not been paid or declared and a sum sufficient for the payment thereof set apart, without interest. The "Brink's Stock Market Value" on any date shall be deemed to be the average of the daily closing prices, per share, of Brink's Stock for the 30 consecutive Trading Days immediately prior to the date in question. The closing price for each Trading Day shall be the last sale price, regular way, or, in case no such sale takes place on such Trading Day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system if Brink's Stock is listed or admitted to trading on a national securities exchange or, if Brink's Stock is not listed or admitted to trading on any national securities exchange, the last

quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such Trading Day Brink's Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in Brink's Stock selected by the Board of Directors of the Corporation. If on any such Trading Day no market maker is making a market in Brink's Stock, the fair value of Brink's Stock on such Trading Day shall mean the fair value of Brink's Stock as determined in good faith by the Board of Directors of the Corporation. "Trading Day" shall mean a day on which the principal national securities exchange on which Brink's Stock is listed or admitted to trading is open for the transaction of business or, if Brink's Stock is not listed or admitted to trading on any national securities exchange, a Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which banking institutions in the Borough of Manhattan, the City of New York, are authorized or obligated by law or executive order to close.

(b) The shares of Series A Preferred Stock shall not be subject to or entitled to the operation of a retirement or sinking fund.

8. Ranking. The Series A Preferred Stock shall rank senior to Brink's Stock, Minerals Stock and BAX Stock, on a parity with the Corporation's Series B Participating Cumulative Preferred Stock, par value $10 per share, and the Corporation's Series D Participating Cumulative Preferred Stock, par value $10 per share, and junior to all other series of Preferred Stock of the Corporation, unless the Board of Directors shall specifically determine otherwise in fixing the powers, preferences and relative, participating, optional and other special rights of the shares of such series and the qualifications, limitations and restrictions thereof.

9. Fractional Shares. The Series A Preferred Stock shall be issuable upon exercise of Pittston Brink's Group rights issued pursuant to the Rights Agreement in whole shares or in any fraction of a share that is not smaller than one one-thousandth (1/1000th) of a share or any integral multiple of such fraction. At the election of the Corporation, prior to the first issuance of a share or a fraction of a share of Series A Preferred Stock, either (1) certificates may be issued to evidence such authorized fraction of a share of Series A Preferred Stock, or (2) any such

authorized fraction of a share of Series A Preferred Stock may be evidenced by depositary receipts pursuant to an appropriate agreement between the Corporation and a depositary selected by the Corporation; provided that such agreement shall provide that the holders of such depositary receipts shall have all the rights, privileges and preferences to which they are entitled as beneficial owners of the Series A Preferred Stock.

10. Reacquired Shares. Any shares of Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the Board of Directors pursuant to the provisions of the first paragraph of Division II of Article III.

11. Amendment. None of the powers, preferences and relative, participating, optional and other special rights of the Series A Preferred Stock as provided herein shall be amended in any manner which would alter or change the powers, preferences, rights or privileges of the holders of Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of more than 66-2/3 percent of the outstanding shares of Series A Preferred Stock, voting as a separate class.

B. Series B Participating Cumulative Preferred Stock

1. Designation and Number of Shares. The shares of such series shall be designated as "Series B Participating Cumulative Preferred Stock" (the "Series B Preferred Stock"). The number of shares initially constituting the Series B Preferred Stock shall be 20,000; provided, however, that if more than a total of 20,000 shares of Series B Preferred Stock shall be issuable upon the exercise of Pittston Minerals Group Rights issued pursuant to the Amended and Restated Rights Agreement dated as of January 19, 1996, between the Corporation and Chemical Bank, as Rights Agent (the "Rights Agreement"), the Board of Directors of the Corporation, pursuant to Section 13.1-639 of the Virginia Stock Corporation Act, shall direct by resolution or resolutions that articles of amendment to these Articles of Incorporation be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 13.1-604 thereof, providing for the total number of shares of

Series B Preferred Stock authorized to be issued to be increased (to the extent that the Articles of Incorporation then permit) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of such Rights.

2. Dividends or Distributions.

(a) Subject to the prior and superior rights of the holders of shares of any other series of Preferred Stock or other class of capital stock not by its terms ranking on a parity with, or junior to, the shares of Series B Preferred Stock with respect to dividends, the holders of shares of the Series B Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of the assets of the Corporation legally available therefor, (1) quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or a fraction of a share of Series B Preferred Stock, of $10.00 per whole share (rounded to the nearest cent) less the amount of all cash dividends declared on the Series B Preferred Stock pursuant to the following clause (2) since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series B Preferred Stock, and (2) dividends payable in cash on the payment date for each cash dividend declared on Minerals Stock in an amount per whole share (rounded to the nearest cent) equal to the Minerals Formula Number (as defined below) then in effect times the cash dividends then to be paid on each share of Minerals Stock. In addition, if the Corporation shall pay any dividend or make any distribution on Minerals Stock payable in assets, securities or other forms of noncash consideration (other than dividends or distributions solely in shares of Minerals Stock), then, in each such case, the Corporation shall simultaneously pay or make on each outstanding share of Series B Preferred Stock a dividend or distribution in like kind of the Minerals Formula Number then in effect times such dividend or distribution on each share of Minerals Stock. As used herein, the "Minerals Formula Number" shall be 1,000; provided, however, that if at any time after July 26, 1993, the Corporation shall (x) declare or pay any dividend on Minerals Stock payable in shares of Minerals Stock or make any distribution on Minerals Stock in shares of Minerals Stock, (y) subdivide (by a stock split or otherwise) the outstanding shares of Minerals Stock into a larger number of shares of Minerals

Stock or (z) combine (by a reverse stock split or otherwise) the outstanding shares of Minerals Stock into a smaller number of shares of Minerals Stock, then in each such event the Minerals Formula Number shall be adjusted to a number determined by multiplying the Minerals Formula Number in effect immediately prior to such event by a fraction, the numerator of which is the number of shares of Minerals Stock that are outstanding immediately after such event and the denominator of which is the number of shares of Minerals Stock that are outstanding immediately prior to such event (and rounding the result to the nearest whole number); and provided further, that if at any time after July 26, 1993, the Corporation shall issue any shares of its capital stock in a reclassification or change of the outstanding shares of Minerals Stock (including any such reclassification or change in connection with a merger in which the Corporation is the surviving corporation), then in each such event the Minerals Formula Number shall be appropriately adjusted to reflect such reclassification or change.

(b) The Corporation shall declare a dividend or distribution on the Series B Preferred Stock as provided in Section 2(a) above immediately prior to or at the same time it declares a dividend or distribution on Minerals Stock (other than a dividend or distribution solely in shares of Minerals Stock); provided, however, that in the event no dividend or distribution (other than a dividend or distribution in shares of Minerals Stock) shall have been declared on Minerals Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $2.00 per share on the Series B Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date. The Board of Directors may fix a record date for the determination of holders of shares of Series B Preferred Stock entitled to receive a dividend or distribution declared thereon, which record date shall be the same as the record date for any corresponding dividend or distribution on Minerals Stock.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series B Preferred Stock from and after the Quarterly Dividend Payment Date next preceding the date of original issue of such shares of Series B Preferred Stock; provided, however, that dividends on such shares which are originally issued after the record date for the determination of holders of shares of Series B Preferred Stock entitled to receive a quarterly dividend and on or prior to the next succeeding Quarterly Dividend Payment Date shall begin to accrue and be

cumulative from and after such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series B Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding.

(d) So long as any shares of the Series B Preferred Stock are outstanding, no dividends or other distributions shall be declared, paid or distributed, or set aside for payment or distribution, on Minerals Stock unless, in each case, the dividend required by this Section 2 to be declared on the Series B Preferred Stock shall have been declared.

(e) The holders of the shares of Series B Preferred Stock shall not be entitled to receive any dividends or other distributions except as provided herein.

3. Voting Rights. The holders of shares of Series B Preferred Stock shall have the following voting rights:

(a) Each holder of Series B Preferred Stock shall be entitled to a number of votes equal to the product of (1) the Minerals Formula Number then in effect for each share of Series B Preferred Stock held of record on each matter on which holders of Minerals Stock are entitled to vote times (2) the maximum number of votes per share which the holders of Minerals Stock then have with respect to such matter.

(b) Except as otherwise provided herein or by applicable law, the holders of shares of Series B Preferred Stock, the holders of shares of Minerals Stock and the holders of any other class of capital stock entitled to vote in the election of directors shall vote together as one class for the election of directors of the Corporation. In addition, the holders of Series B Preferred Stock and the holders of Minerals Stock shall vote together as one class on all other matters submitted to a vote of holders of Minerals Stock.

(c) If at the time of any annual meeting of shareholders for the election of directors, the equivalent of six quarterly dividends (whether or not consecutive) payable on any share or shares of Series B Preferred Stock are in default, the number of directors constituting the Board of Directors of the Corporation shall be increased by two. In addition to voting

together with other holders of capital stock as set forth in Section 3(a) for the election of other directors of the Corporation, the holders of record of the Series B Preferred Stock, voting separately as a class to the exclusion of such other holders, shall be entitled at said meeting of shareholders (and at each subsequent annual meeting of shareholders), unless all dividends in arrears have been paid or declared and set apart for payment prior thereto, to vote for the election of two directors of the Corporation, the holders of any Series B Preferred Stock being entitled to cast a number of votes per share of Series B Preferred Stock equal to the Minerals Formula Number. Until the default in payments of all dividends which permitted the election of said directors shall cease to exist any director who shall have been so elected pursuant to the next preceding sentence may be removed at any time, either with or without cause, only the affirmative vote of the holders of the shares at the time entitled to cast a majority of the votes entitled to be cast for the election of any such director at a special meeting of such holders called for that purpose, and any vacancy thereby created may be filled by the vote of such holders. If and when such default shall cease to exist, the holders of the Series B Preferred Stock shall be divested of the foregoing special voting rights, subject to revesting in the event of each and every subsequent like default in payments of dividends. Upon the termination of the foregoing special voting rights, the terms of office of all persons who may have been elected directors pursuant to said special voting rights shall forthwith terminate, and the number of directors constituting the Board of Directors shall be reduced by two. The voting rights granted by this Section 3(c) shall be in addition to any other voting rights granted to the holders of the Series B Preferred Stock in this Section 3.

(d) Except as provided herein, in Section 11 or by applicable law, holders of Series B Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Mineral Stock as set forth herein) for authorizing or taking any corporate action.

4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series B Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on

shares of Series B Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series B Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series B Preferred Stock, except dividends paid ratably on the Series B Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series B Preferred Stock; provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series B Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series B Preferred Stock, or any shares of stock ranking on a parity with the Series B Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under subparagraph (a) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

5. Liquidation Rights. Upon the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, no distribution shall be made (a) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution, or winding up) to the Series B Preferred Stock unless, prior thereto, the holders of shares of Series B Preferred Stock shall have received an amount equal to the accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, plus an amount equal to the greater of (i) $40 per share or (ii) an aggregate amount per share equal to the Minerals Formula Number then in effect times the aggregate amount to be distributed per share to holders of Minerals Stock, or (b) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series B Preferred Stock, except distributions made ratably on the Series B Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up.

6. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination, statutory share exchange or other transaction in which the shares of Minerals Stock are exchanged for or changed into other stock or securities, cash or any other property, then in any such case the then outstanding shares of Series B Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share equal to the Minerals Formula Number then in effect times the aggregate amount of stock, securities, cash or any other property (payable in kind), as the case may be, into which or for which each share of Minerals Stock is exchanged or changed.

7. Redemption; No Sinking Fund.

(a) The outstanding shares of Series B Preferred Stock may be redeemed at the option of the Board of Directors as a whole, but not in part, at any time at which, in the good faith determination of the Board of Directors, no person beneficially owns more than 10 percent of the aggregate voting power represented by all the outstanding shares of capital stock of the Corporation generally entitled to vote in the election of Directors of the Corporation, at a cash price per share equal to (i) 125 percent of the product of the Minerals Formula Number times the Minerals Stock Market Value (as such term is hereinafter defined), plus (ii) all dividends which on the redemption date have accrued on the shares to be redeemed and

have not been paid or declared and a sum sufficient for the payment thereof set apart, without interest. The "Minerals Stock Market Value" on any date shall be deemed to be the average of the daily closing prices, per share, of Minerals Stock for the 30 consecutive Trading Days immediately prior to the date in question. The closing price for each Trading Day shall be the last sale price, regular way, or, in case no such sale takes place on such Trading Day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system if Minerals Stock is listed or admitted to trading on a national securities exchange, or, if Minerals Stock is not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such Trading Day Minerals Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional marketmaker making a market in Minerals Stock selected by the Board of Directors of the Corporation. If on any such Trading Day no market maker is making a market in Minerals Stock, the fair value of Minerals Stock on such Trading Day shall mean the fair value of Minerals Stock as determined in good faith by the Board of Directors of the Corporation. "Trading Day" shall mean a day on which the principal national securities exchange on which Minerals Stock is listed or admitted to trading is open for the transaction of business or, if Minerals Stock is not listed or admitted to trading on any national securities exchange, a Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which banking institutions in the Borough of Manhattan, the City of New York, are authorized or obligated by law or executive order to close.

(b) The shares of Series B Preferred Stock shall not be subject to or entitled to the operation of a retirement or sinking fund.

8. Ranking. The Series B Preferred Stock shall rank senior to Brink's Stock, Minerals Stock and BAX Stock, on a parity with the Corporation's Series A Participating Cumulative Preferred Stock, par value $10 per share, and the Corporation's Series D Participating Cumulative Preferred Stock, par value $10 per share, and junior to all other series of Preferred Stock of the Corporation, unless the Board of Directors shall specifically determine otherwise in fixing the powers, preferences and

relative, participating, optional and other special rights of the shares of such series and the qualifications, limitations and restrictions thereof.

9. Fractional Shares. The Series B Preferred Stock shall be issuable upon exercise of Pittston Minerals Group Rights issued pursuant to the Rights Agreement in whole shares or in any fraction of a share that is not smaller than one one-thousandth (1/1000th) of a share or any integral multiple of such fraction. At the election of the Corporation, prior to the first issuance of a share or a fraction of a share of Series B Preferred Stock, either (1) certificates may be issued to evidence such authorized fraction of a share of Series B Preferred Stock, or (2) any such authorized fraction of a share of Series B Preferred Stock may be evidenced by depositary receipts pursuant to an appropriate agreement between the Corporation and a depositary selected by the Corporation; provided that such agreement shall provide that the holders of such depositary receipts shall have all the rights, privileges and preferences to which they are entitled as beneficial owners of the Series B Preferred Stock.

10. Reacquired Shares. Any shares of Series B Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the Board of Directors pursuant to the provisions of the first paragraph of Division II of Article III.

11. Amendment. None of the powers, preferences and relative, participating, optional and other special rights of the Series B Preferred Stock as provided herein shall be amended in any manner which would alter or change the powers, preferences, rights or privileges of the holders of Series B Preferred Stock so as to affect them adversely without the affirmative vote of the holders of more than 66-2/3 percent of the outstanding shares of Series B Preferred Stock, voting as a separate class.

C. $31.25 Series C Cumulative Convertible Preferred Stock

1. Designation and Number of Shares. The shares of such series shall be designated "$31.25 Series C Cumulative

Convertible Preferred Stock" (hereinafter called "this Series"). The number of shares constituting this Series is 161,000. Shares of this Series shall have a stated capital of $10.00 per share. The number of authorized shares of this Series may be reduced by further resolution adopted by the Board of Directors and by the filing of articles of amendment pursuant to the provisions of the Virginia Stock Corporation Act stating that such reduction has been so authorized, but the number of authorized shares of this Series shall not be so increased.

2. Dividends.

(a) The annual dividend for each share of this Series shall be $31.25. Such dividends shall be cumulative from the date of original issue of such shares, and shall be payable, in cash, when, as and if declared by the Board of Directors, out of funds legally available for such purpose on the first calendar day of March, June, September and December of each year, commencing March 1, 1994; provided, however, that if any such date is a Saturday, Sunday or legal holiday, then such dividend shall be payable on the next calendar day which is not a Saturday, Sunday or legal holiday.

(b) Each dividend on shares of this Series shall be paid to the holders of record of such shares as they appear on the stock transfer books of the Corporation on such record date, not exceeding 70 days preceding the payment date thereof, as shall be fixed by the Board of Directors. Dividends in arrears for any past dividend period or any part thereof may be declared and paid at any time, without reference to any regular dividend payment date, to holders of record on such date, not exceeding 70 days preceding the payment date thereof, as may be fixed by the Board of Directors.

(c) Except as hereinafter provided, no dividends shall be declared or paid or set apart for payment on the Preferred Stock of any series ranking substantially equal ("parity") or junior to this Series as to dividends for any period unless full cumulative dividends have been or contemporaneously are declared and paid on this Series for all past dividend periods. When dividends are not paid in full, as aforesaid, upon the shares of this Series, all dividends declared upon shares of this Series and any other Preferred Stock ranking on a parity as to dividends with this Series shall be declared pro rata so that the amount of dividends per share on this Series and such other Preferred Stock shall in all cases bear to each

other the same ratio that accrued dividends per share on this Series and such other Preferred Stock bear to each other. Holders of shares of this Series shall not be entitled to any dividends, whether payable in cash, property or stock, in excess of full cumulative dividends, as herein provided, on this Series. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on this Series which may be in arrears.

(d) So long as any shares of this Series are outstanding, no dividend (other than a dividend in Common Stock or in any other stock of the Corporation ranking junior to this Series as to dividends and upon liquidation and other than as provided in Section 2(c)) shall be declared or paid or set aside for payment or other distribution declared or made upon the Common Stock or any other stock of the Corporation ranking junior to, or on a parity with, this Series as to dividends or upon liquidation, nor shall any Common Stock nor any other stock of the Corporation ranking junior to, or on a parity with, this Series as to dividends or upon liquidation be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such stock) by the Corporation (except by conversion into or exchange for stock of the Corporation ranking junior to this Series as to dividends and upon liquidation) unless, in each case, the full cumulative dividends on all outstanding shares of this Series shall have been paid or contemporaneously are declared and paid for all past dividend periods.

(e) Dividends payable on this Series for each full quarterly dividend period shall be computed by dividing the annual dividend by four. Dividends payable on this Series for any period shorter or longer than a full quarterly dividend period, including for the initial dividend period, shall be computed on the basis of a 360-day year of twelve 30-day months.

3. Optional Redemption. Except as provided in Section 4, the shares of this Series shall not be redeemable by the Corporation prior to February 1, 1997. On and after February 1, 1997, shares of this Series may be redeemed, in whole at any time or in part from time to time, at the option of the Corporation, out of funds legally available for such purpose, for cash in an amount equal to the following Redemption Prices if redeemed during the twelve-month period beginning February 1 of the year indicated below, upon giving notice as provided in

Section 5:

Year	Redemption Price
1997	$521.875
1998	518.750
1999	515.625
2000	512.500
2001	509.375
2002	506.250
2003	503.125
2004 and thereafter	500.000

plus, in each case, an amount equal to accrued and unpaid dividends thereon to the date fixed for redemption.

4. Mandatory Redemption.

(a) Acquisition Redemption. If the Acquisition is not consummated on or prior to March 1, 1994, shares of this Series shall be redeemed by the Corporation, in whole, out of funds legally available for such purpose, for cash in an amount equal to the Redemption Price plus an amount equal to accrued and unpaid dividends thereon to the date fixed for redemption (such a redemption is hereinafter referred to as an "Acquisition Redemption"). The Redemption Date of shares of this Series pursuant to this Section 4(a) shall be on or prior to March 11, 1994, as fixed by the Board of Directors.

(b) Pittston Minerals Group Special Events. If (i) the Corporation or any of its Subsidiaries shall enter into a transaction or series of transactions resulting in the Disposition of all or substantially all of the properties and assets of Pittston Minerals Group under circumstances where the Corporation is not required to exchange outstanding shares of Minerals Stock for shares of Brink's Stock, BAX Stock or other Common Stock (other than Minerals Stock) pursuant to Section 2(b) of Division I of Article III of these Articles of Incorporation or (ii) the Corporation shall pay a dividend on, or the Corporation or any of its Subsidiaries shall consummate a tender offer or exchange offer for, Minerals Stock, and the aggregate amount of such dividend or the consideration paid in such tender offer or exchange offer is an amount equal to all or substantially all of the properties and assets of Pittston Minerals Group (the events described in clauses (b)(i) and (ii) above are hereinafter collectively referred to as the "Pittston

Minerals Group Special Events"), the Corporation shall redeem shares of this Series, in whole, within 60 days following any such Pittston Minerals Group Special Event, for cash in the amount equal to the Redemption Price, plus an amount equal to accrued and unpaid dividends thereon to the date fixed for redemption. The Redemption Date on shares of this Series pursuant to this Section 4(b) shall be (A) the consummation date of the Disposition or the dividend payment date if such Pittston Minerals Group Special Event involves a Disposition or the payment of a dividend, respectively, or (B) the consummation date of the tender offer or exchange offer if such Pittston Minerals Group Special Event involves a tender offer or exchange offer, respectively. Any redemption pursuant to this Section 4(b) shall be conditioned upon the consummation of such Disposition, the payment of such dividend or the consummation of such tender offer or exchange offer, as the case may be.

In the event of a Disposition by the Corporation of any equity interest in any person, the entity or group in which the Corporation, directly or indirectly, owned a majority equity interest as of the date of such Disposition, which person, entity or group owned properties and assets of Pittston Minerals Group as of such date (a "Pittston Minerals Group Company"), to holders of all the outstanding shares of Minerals Stock on a pro rata basis, solely for the purpose of determining whether a Disposition of all or substantially all of the properties and assets of Pittston Minerals Group pursuant to clause (b)(i) above has occurred, a Disposition of the properties and assets of such Pittston Minerals Group Company shall only be deemed to have occurred if the Corporation, directly or indirectly, owns less than 20 percent of the entire equity interest in such Company immediately after the occurrence of such Disposition. If the Corporation exchanges all outstanding shares of Minerals Stock for shares of Brink's Stock, BAX Stock or other Common Stock (other than Minerals Stock) pursuant to Section 2 of Division I of Article III of these Articles of Incorporation and, subsequent to such exchange, any event substantially similar to any Pittston Minerals Group Special Event occurs in respect of Brink's Stock or BAX Stock, at which time there is another class of Common Stock outstanding other than Brink's Stock or BAX Stock, the Corporation shall redeem the shares of this Series, in whole, for cash in the amount equal to the Redemption Price, plus an amount equal to accrued and unpaid dividends thereon to the date fixed for redemption. The Redemption Date shall occur, and the conditions in respect thereof, shall be determined in a manner described above with respect to any redemption resulting

from any substantially similar Pittston Minerals Group Special Event.

5. General Redemption Provisions. The following general redemption provisions shall apply, as the context requires, to any redemption of any shares of this Series pursuant to Sections 3 and 4:

(a) In the event that fewer than all the outstanding shares of this Series are to be redeemed, the number of shares to be redeemed shall be determined by the Board of Directors and the shares to be redeemed shall be determined by lot or pro rata as may be determined by the Board of Directors or by any other method as may be determined by the Board of Directors in its sole discretion to be equitable; provided, however, that the Corporation may redeem any number of shares of this Series owned by holders whose aggregate holdings of such shares do not exceed 100 as may be specified by the Corporation.

(b) In the event the Corporation shall redeem shares of this Series pursuant to Section 3, notice of such redemption shall be given, on a date at least 30 days but not more than 60 days prior to the date fixed for such redemption by the Board of Directors to each holder of record of the shares of this Series to be redeemed. Notice of an Acquisition Redemption pursuant to Section 4(a) shall be given not less than 10 days prior to the date fixed for such redemption by the Board of Directors to each holder of record of the shares of this Series. Notice of redemption in connection with any Pittston Minerals Group Special Event shall be given (i) if such Event involves a Disposition or the payment of a dividend, not less than 45 days prior to the date selected by the Board of Directors for the consummation of such Disposition or the payment of such dividend or (ii) if such Event involves a tender offer or exchange offer, on the date of public announcement thereof (but in any event not less than 30 days prior to such redemption). Such notice shall be given by first class mail, postage prepaid, at such holder's address as the same appears on the stock transfer books of the Corporation. Neither the failure to mail, to any particular holder, any notice required by this Section 5(b) nor any defect therein or in the mailing thereof shall affect the sufficiency of the notice or the validity of the proceedings for redemption with respect to any other holder. Any notice which was mailed in the manner herein provided shall be conclusively presumed to have been duly given on the date mailed whether or not the holder receives the notice. Each such notice shall state as appropriate: (i) the Redemption

Date; (ii) the number of shares of this Series to be redeemed and, if fewer than all the shares held by such holder are to be redeemed, the number or proportion of such shares to be redeemed from such holder; (iii) the Redemption Price to be paid in respect of the redemption; (iv) the place or places where certificates for such shares are to be surrendered for the payment of the Redemption Price; (v) whether the Corporation is depositing with a bank or trust company on or before the applicable Redemption Date as provided in Section 5(d) an adequate amount of money for the payment of the Redemption Price and, if so, the proposed date of such deposit; (vi) the then current Conversion Price (including, to the extent any event then known to the Corporation will result in an adjustment to the Conversion Price on or prior to the Redemption Date, such adjusted Conversion Price and date of such adjustment) and the date on which the right of holders to convert shall terminate; (vii) the amount of accrued and unpaid dividends in respect of the shares of this Series to be redeemed; and (viii) that dividends on shares of this Series to be redeemed shall cease to accrue on the Redemption Date.

(c) Notice having been given as provided in Section 5(b), from and after the Redemption Date (unless default shall be made by the Corporation in providing an adequate amount of money for the payment of the Redemption Price necessary to effect such redemption in accordance with the terms hereof) (i) dividends on the shares of this Series so called for redemption shall cease to accrue, (ii) such shares shall no longer be deemed to be outstanding and (iii) all rights of the holders thereof as holders of shares of this Series shall cease (except the right to receive from the Corporation the Redemption Price, without interest thereon, upon surrender and endorsement of their certificates). Upon surrender in accordance with said notice of the certificates for any shares so redeemed (properly endorsed or assigned for transfer, unless the Corporation shall waive such requirement), such shares shall be so redeemed by the Corporation.

(d) The Corporation's obligation to provide an adequate amount of money for the payment of the Redemption Price necessary to effect any redemption in accordance with Sections 3 and 4 shall be deemed fulfilled if, on or before the applicable Redemption Date, the Corporation shall deposit with a bank or trust company that has an office in the Borough of Manhattan, City of New York, and that has, or is an affiliate of a bank or trust company that has, a capital and surplus of at least

$50,000,000, an amount of money adequate for the payment of the aggregate Redemption Price necessary for such redemption in accordance with the terms hereof, in trust, with irrevocable instructions that such money be applied to the redemption of the shares of this Series so called for redemption. No interest shall accrue for the benefit of the holders of shares of this Series to be redeemed on any money so payable by the Corporation in respect of any redemption.

Subject to applicable escheat laws, any money unclaimed at the end of two years from the related Redemption Date shall revert to the general funds of the Corporation, after which reversion the holders of such shares so called for redemption shall look only to the general funds of the Corporation for the payment of such money. In case fewer than all the shares of this Series represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without cost to the holder thereof.

(e) Any shares of this Series which shall at any time have been redeemed shall, upon the taking of any action required by law, have the status of authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the Board of Directors.

(f) Notwithstanding the foregoing provisions of Sections 3 through 5, unless the full cumulative dividends on all outstanding shares of this Series shall have been paid or contemporaneously are declared and paid for all past dividend periods, the Corporation may not (i) redeem in part shares of this Series other than on a pro rata basis or (ii) purchase or otherwise acquire any shares of this Series other than pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of this Series.

6. Conversion. Holders of shares of this Series shall have the right to convert all or a portion of such shares into shares of Minerals Stock in accordance with the provisions of this Section 6. For purposes of this Section 6, references to shares of this Series shall apply equally to fractional shares thereof, but only to the extent such fractional shares are integral multiples of one-tenth of one share of this Series. (a) Subject to and upon compliance with the provisions of this Section 6, a holder of shares of this Series shall have the right, at such holder's option, at any time after March 11, 1994,

to convert such shares into the number of fully paid and nonassessable shares of Minerals Stock equal to the quotient of (i) the product of the initial liquidation preference for shares of this Series of $500.00 per share times the number of shares of this Series to be converted, divided by (ii) the Conversion Price (as in effect on the date provided for in the last paragraph of Section 6(b)) by surrendering the certificates representing such shares to be converted, such surrender to be made in the manner provided in accordance with this Section 6; provided, however, that the right to convert shares of this Series called for redemption pursuant to (A) Sections 3, 4(a) and 4(b) (but, in the case of Section 4(b), only to the extent the Pittston Minerals Group Special Event does not involve the payment of a dividend) shall terminate at the close of business on the related Redemption Date or (B) Section 4(b) (but only to the extent the Pittston Minerals Group Special Event involves the payment of a dividend) shall terminate on the 31st day prior to the date selected by the Board of Directors for the payment of such dividend, unless the Corporation shall default in making payment of any moneys payable upon such redemption under Sections 3 and 4.

(b) In order to exercise the conversion right, the holder of any shares of this Series to be converted shall surrender the certificate representing such shares, duly endorsed or assigned to the Corporation or in blank, at the office of the Transfer Agent, accompanied by written notice to the Corporation that the holder thereof elects to convert such shares or a specified portion thereof. Unless the shares issuable on conversion are to be issued in the same name as the name in which such shares of this Series are registered, any shares surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder or such holder's duly authorized attorney and an amount sufficient to pay any transfer or similar tax (or evidence reasonably satisfactory to the Corporation demonstrating that such taxes have been paid). Holders of shares of this Series at the close of business on a record date for determining shareholders entitled to receive a dividend shall be entitled to receive the dividend payable on such shares on the corresponding dividend payment date (except that holders of shares called for redemption on a Redemption Date occurring between the close of business on such record date and the opening of business on such dividend payment date shall not be entitled to receive such dividend on such dividend payment date) notwithstanding the conversion thereof following the close of business on such

dividend record date and prior to the opening of business on such dividend payment date. However, shares of this Series surrendered for conversion during the period between the close of business on such dividend record date and the opening of business on such dividend payment date (except shares called for redemption on a Redemption Date during such period) must be accompanied by payment of an amount equal to the dividend payable on such shares on such dividend payment date. A holder of shares of this Series on a dividend record date who (or whose transferee) tenders any such shares for conversion into shares of Minerals Stock on a dividend payment date will receive the dividend payable by the Corporation on such shares of this Series on such date, and the converting holder need not include payment of the amount of such dividend upon surrender of such shares for conversion. Except as provided above, the Corporation shall make no payment or allowance for unpaid dividends, whether or not in arrears, on converted shares or for dividends on the shares of Minerals Stock issued upon such conversion. As promptly as practicable after the surrender of certificates for shares of this Series as aforesaid, the Corporation shall issue and shall deliver at such office to such holder, or on such holder's written order, a certificate or certificates for the number of full shares of Minerals Stock issuable upon the conversion of such shares in accordance with the provisions of this Section 6, and any fractional interest in respect of a share of Minerals Stock arising upon such conversion shall be settled as provided in Section 6(c). Each conversion shall be deemed to have been effected immediately prior to the close of business on the date on which the certificates for shares of this Series shall have been surrendered and the notice referred to in the third preceding paragraph (and, if applicable, payment of an amount equal to the dividend payable on such shares as described in the second preceding paragraph) shall have been received by the Corporation as aforesaid, and the person or persons in whose name or names any certificate or certificates for shares of Minerals Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares represented thereby at such time on such date and such conversion shall be at the Conversion Price in effect at such time on such date.

(c) No fractional shares or scrip representing fractions of shares of Minerals Stock or any other Common Stock of the Corporation shall be issued upon conversion of any share of this Series. Instead of any fractional interest in a share of Minerals Stock or such other Common Stock that would otherwise be

deliverable upon the conversion of a share of this Series, the Corporation shall pay to the holder of such share an amount in cash based upon the Closing Price of Minerals Stock or such other Common Stock on the Trading Day immediately preceding the date of conversion. If more than one share shall be surrendered for conversion at one time by the same holder, the number of full shares of Minerals Stock or such other Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of this Series so surrendered.

(d) The Conversion Price per share of Minerals Stock shall be adjusted from time to time as follows:

(i) If the Corporation shall, after the date on which shares of this Series are initially issued, (A) pay a dividend or make a distribution on any class of its capital stock in shares of Minerals Stock, (B) subdivide the outstanding Minerals Stock into a greater number of shares or (C) combine the outstanding Minerals Stock into a smaller number of shares, then the Conversion Price in effect at the opening of business on the day next following the date fixed for the determination of shareholders entitled to receive such dividend or distribution or at the opening of business on the day next following the day on which such subdivision or combination becomes effective, as the case may be, shall be adjusted so that the holder of any share of this Series thereafter surrendered for conversion shall be entitled to receive the number of shares of Minerals Stock that such holder would have owned or have been entitled to receive after the happening of any of the events described above had such share been converted immediately prior to the record date in the case of a dividend or distribution or the effective date in the case of a subdivision or combination. An adjustment made pursuant to this Section 6(d)(i) shall become effective immediately after the opening of business on the day next following the record date (except as provided in Section 6(m)) in the case of a dividend or distribution and shall become effective immediately after the opening of business on the day next following the effective date in the case of a subdivision or combination.

(ii) If the Corporation shall issue, after the date on which shares of this Series are initially issued, rights or warrants (other than any rights or warrants (including Minerals Rights) referred to in Section 6(d)(iii) below) to all holders of Minerals Stock entitling them (for a period expiring within 45 days after the record date mentioned below) to

subscribe for or purchase Minerals Stock at a price per share less than the Current Market Price per share of Minerals Stock on the record date for the determination of shareholders entitled to receive such rights or warrants, then the Conversion Price in effect at the opening of business on the day next following such record date shall be adjusted to equal the price determined by multiplying (A) the Conversion Price in effect immediately prior to the opening of business on the day next following the date fixed for such determination by (B) a fraction, the numerator of which shall be the sum of (I) the number of shares of Minerals Stock outstanding on the close of business on the date fixed for such determination and (II) the number of shares that the aggregate proceeds to the Corporation from the exercise of such rights or warrants for Minerals Stock would purchase at such Current Market Price and the denominator of which shall be the sum of (x) the number of shares of Minerals Stock outstanding on the close of business on the date fixed for such determination and (y) the number of additional shares of Minerals Stock offered for subscription or purchase pursuant to such rights or warrants. Such adjustment shall become effective immediately after the opening of business on the day next following such record date (except as provided in Section 6(m)). In determining whether any rights or warrants entitle the holders of Minerals Stock to subscribe for or purchase shares of Minerals Stock at less than the Current Market Price thereof, there shall be taken into account any consideration received by the Corporation upon issuance and upon exercise of such rights or warrants, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(iii) If the Corporation shall distribute to all holders of Minerals Stock any shares of capital stock (other than Common Stock of the Corporation), evidences of indebtedness, cash or other assets of the Corporation (including securities, but excluding (A) any dividend or distribution referred to in Section 6(d)(i), (B) any rights or warrants referred to in Section 6(d)(ii) or in the second paragraph of this section 6(d)(iii), (C) any dividend or distribution paid exclusively in cash or (D) any stocks, securities or other property received as a result of a transaction referred to in Section 6(f) (any of the foregoing being hereinafter referred to in this Section 6(d)(iii) as the "Securities"), then in each such case the Conversion Price shall be adjusted so that it shall equal the price determined by multiplying (I) the Conversion Price in effect immediately prior to the close of business on the date fixed for the determination of shareholders entitled to receive such distribution by (II) a

fraction, the numerator of which shall be the Current Market Price per share of the Minerals Stock on the record date mentioned below less the then fair market value (as determined by the Board of Directors) of the portion of the Securities so distributed to one share of Minerals Stock and the denominator of which shall be the Current Market Price per share of the Minerals Stock on the record date mentioned below. Such adjustment shall become effective immediately at the opening of business on the day next following the record date for the determination of shareholders entitled to receive such distribution (except as provided in Section 6(m)). With respect to the Amended and Restated Rights Agreement dated as of July 26, 1993 (as amended, further restated or otherwise modified from time to time, the "Restated Rights Agreement") between the Corporation and Chemical Bank (terms used in this paragraph and not otherwise defined herein have the meanings ascribed thereto in the Restated Rights Agreement), the Conversion Price will be adjusted only when Minerals Rights issuable pursuant thereto become exercisable after the Corporation's right of redemption thereunder has expired. Subject to the foregoing, upon the later to occur of the Distribution Date and a Triggering Event (the "Adjustment Date"), the Conversion Price in effect at the opening of business on the Adjustment Date shall be adjusted to equal the price determined by multiplying (A) such Conversion Price by (B) a fraction, the numerator of which shall be equal to the Current Market Price per share of Minerals Stock on the Trading Day immediately prior to the Adjustment Date less an amount equal to the quotient of (I) the aggregate fair market value on the Adjustment Date (as determined by the Board of Directors) of Minerals Rights distributed under the Restated Rights Agreement divided by (II) the number of shares of Minerals Stock outstanding on the Trading Date immediately prior to the Adjustment Date and the denominator of which shall be equal to such Current Market Price per share of Minerals Stock. Such adjustment shall become effective immediately after the opening of business on the day next following such Adjustment Date.

(iv) If the Corporation shall, by dividend or otherwise, at any time distribute to all holders of Minerals Stock cash (excluding any regular quarterly dividend payable solely in cash, any cash that is distributed as part of a distribution requiring a Conversion Price adjustment pursuant to Section 6(d)(iii) and cash that is distributed in a merger or consolidation to which Section 6(f) applies) in an aggregate amount that, together with (A) the aggregate amount of any other distributions to all holders of Minerals Stock made exclusively

in cash (to which this Section 6(d)(iv) would otherwise apply) within the 12 months preceding the date of payment of such distribution and in respect of which no Conversion Price adjustment has been made and (B) all excess Purchase Payments in respect of each tender offer or exchange offer for, or other negotiated purchase of, Minerals Stock concluded by the Corporation or any of its Subsidiaries within the 12 months preceding the date of payment of such distribution and in respect of which no Conversion Price adjustment has been made, exceeds an amount equal to 12 1/2 percent of the product of the Current Market Price per share of Minerals Stock on the date fixed for determination of holders of Minerals Stock entitled to receive such distribution times the number of shares of Minerals Stock outstanding on such date, then the Conversion Price shall be adjusted so that it shall equal the price determined by multiplying (A) such Conversion Price in effect immediately prior to the Conversion Price adjustment contemplated by this Section 6(d)(iv) by (B) a fraction, the numerator of which shall be the Current Market Price per share of Minerals Stock on the date fixed for determination of holders of Minerals Stock entitled to receive such distribution less that combined amount of such cash and such Excess Purchase Payments so distributed applicable to one share of Minerals Stock and the denominator of which shall be such Current Market Price per share of Minerals Stock on such date of determination. Such adjustment shall become effective immediately prior to the opening of business on the day next following the date fixed for such determination.

(v) In case the Corporation or any of its Subsidiaries makes a tender offer or exchange offer for, or other negotiated purchase of, all or any portion of Minerals Stock, if the aggregate amount of any Excess Purchase Payment, together with (A) the aggregate amount of any distributions made to all holders of Minerals Stock made exclusively in cash (excluding any regular quarterly dividend payable solely in cash, any cash that is distributed as part of a distribution requiring a Conversion Price adjustment pursuant to Section 6(d)(iii) and cash that is distributed in a merger or consolidation to which Section 6(f) applies) within the 12 months preceding the consummation of such tender or exchange offer or other negotiated purchase and in respect of which no Conversion Price adjustment has been made and (B) all other excess Purchase Payments in respect of each tender or offer for, or other negotiated purchase of, Minerals Stock concluded by the Corporation or any of its Subsidiaries within the 12 months preceding the consummation of such tender or

exchange offer or other negotiated purchase and in respect of which no Conversion Price adjustment has been made, exceeds an amount equal to 12 1/2 percent of the product of the Current Market Price per share of Minerals Stock on the consummation date of such tender or exchange offer or other negotiated purchase (any such date, the "Purchase Date") times the number of shares of Minerals Stock outstanding (including any tendered, exchanged or purchased shares) on such Purchase Date, then the Conversion Price shall be adjusted so that it shall equal the price determined by multiplying (I) such Conversion Price in effect immediately prior to such Purchase Date by (II) a fraction, the numerator of which shall be the Current Market Price per share of Minerals Stock on such Purchase Date less the combined amount of Excess Purchase Payments and such cash so distributed applicable to one share of Minerals Stock and the denominator of which shall be such Current Market Price per share on such Purchase Date. Such adjustment shall become effective immediately prior to the opening of business on the day next following such Purchase Date.

(vi) The Corporation from time to time may reduce the Conversion Price by any amount for any period of at least 20 business days (or such other period as may then be required by applicable law), provided that the Board of Directors shall have determined that such reduction is in the best interests of the Corporation. No reduction in the Conversion Price pursuant to this Section 6(d)(vi) shall become effective unless the Corporation shall have mailed a notice, at least 15 days prior to the date on which such reduction is scheduled to become effective, to each holder of shares of this Series. Such notice shall be given by first class mail, postage prepaid, at such holder's address as the same appears on the stock transfer books of the Corporation. Such notice shall state the amount per share by which the Conversion Price will be reduced and the period for which such reduction will be in effect.

(vii) The Corporation may make such reductions in the Conversion Price, in addition to those required by Sections 6(d)(i) through (v), as the Board of Directors determines to be necessary in order that any event treated for Federal income tax purposes as dividend of stock or stock rights will not be taxable to the recipients; provided, however, that any such reduction shall not be effective until written evidence of the action of the Board of Directors authorizing such reduction shall be filed with the Secretary of the Corporation and notice thereof shall have been given by first class mail, postage prepaid, to each

holder of shares of this Series at such holder's address as the same appears on the stock transfer books of the Corporation.

(e) No adjustment in the Conversion Price shall be required unless such adjustment would require a cumulative increase or decrease of at least 1 percent in such Price; provided, however, that any adjustment that by reason of this Section 6(e) are not required to be made shall be carried forward and taken into account in any subsequent adjustment until made; provided, further, that any adjustment shall be required and made in accordance with the provisions of this Section 6 (other than this Section 6(e)) not later than such time as may be required in order to preserve the tax-free nature of a distribution to the holders of shares of Minerals Stock or any other Common Stock into which shares of this Series are convertible. Notwithstanding any other provisions of this Section 6, the Corporation shall not be required to make any adjustment of any Conversion Price established hereunder for the issuance of any shares of Common Stock of the Corporation (including Minerals Stock) pursuant to any plan providing for the reinvestment of dividends or interest payable on securities of the Corporation and the investment of additional optional amounts in shares of such Common Stock under such plan. All calculations under this Section 6 shall be made to the nearest 1/100 of a cent (with $.00005 being rounded upward) or to the nearest 1/10,000 of a share (with .00005 of a share being rounded upward), as the case may be.

(f) If the Corporation shall be a party to any transaction (including, without limitation, a merger or consolidation of the Corporation and excluding any transaction as to which Section 6(d) applies), in each case as a result of which shares of Minerals Stock shall be converted into the right to receive stock, securities or other property (including cash or any combination thereof) (each of the foregoing being referred to herein as a "Transaction"), each share of this Series which is not converted into the right to receive stock, securities or other property in connection with such Transaction shall thereafter be convertible into the kind and amount of shares of stock, securities and other property (including cash or any combination thereof) receivable upon the consummation of such Transaction by a holder of that number of shares or fraction thereof of Minerals Stock into which one share of this Series was convertible immediately prior to such Transaction, assuming such holder of Minerals Stock (i) is not a person with which the Corporation consolidated or into which the Corporation merged or

which merged into the Corporation or to which such sale or transfer was made, as the case may be (a "Constituent Person"), or an affiliate of a Constituent Person and (ii) failed to exercise his rights of election, if any, as to the kind or amount of stock, securities and other property (including cash) receivable upon such Transaction (provided that if the kind or amount of stock, securities and other property (including cash) receivable upon such Transaction is not the same for each share of Minerals Stock of the Corporation held immediately prior to such Transaction by other than a Constituent Person or an affiliate thereof and in respect of which such rights of election shall not have been exercised (a "non-electing share"), then for the purpose of this Section 6(f) the kind and amount of stock, securities and other property (including cash) receivable upon such Transaction by each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). The Corporation shall not be a party to any Transaction unless the terms of such Transaction are consistent with the provisions of this Section 6(f) and it shall not consent or agree to the occurrence of any Transaction until the Corporation has entered into an agreement with the other party or parties to such transaction for the benefit of the holders of shares of this Series that will contain provisions enabling the holders of such shares that remain outstanding after such Transaction to convert into the consideration received by holders of Minerals Stock at the Conversion Price in effect immediately prior to such Transaction. The provisions of this Section 6(f) shall similarly apply to successive Transactions.

(g) The reclassification of Common Stock into which shares of this Series are then convertible into securities which include securities other than such Common Stock (other than any reclassification upon a consolidation or merger to which Section 6(f) applies) shall be deemed to involve (i) a distribution of such securities other than such Common Stock to all holders of such Common Stock (and the effective date of such reclassification shall be deemed to be "the date fixed for the determination of shareholders entitled to receive such distribution") and (ii) a subdivision or combination, as the case may be, of the number of shares of such Common Stock outstanding immediately prior to such reclassification into the number of shares of such Common Stock outstanding immediately thereafter (and the effective date of such reclassification shall be deemed to be the effective date of such subdivision or combination).

(h) If the Corporation shall, by dividend or otherwise,

distribute to all holders of Minerals Stock or other class of Common Stock into which shares of this Series are then convertible shares of Common Stock other than Minerals Stock or any class of Common Stock into which shares of this Series are then convertible, each share of this Series shall be convertible, in addition to the number of shares of Minerals Stock and/or such other Common Stock into which such share is then convertible, into the number of shares of such other Common Stock receivable upon payment of such distribution to a holder of that number of shares or fraction thereof of Minerals Stock or such other Common Stock into which one share of this Series was convertible immediately prior to the record date fixed for the determination of shareholders entitled to receive such distribution. Shares of this Series shall become so convertible immediately after the opening of business on the date next following such record date (except as provided in Section 6(m)). In addition, a Conversion Price shall be established with respect to such Common Stock in an amount equal to the quotient of (i) the initial liquidation preference of $500.00 per share of this Series divided by (ii) the number of shares or fraction thereof of such Common Stock that a holder of one share of Minerals Stock or such other Common Stock into which shares of this Series are then convertible would be entitled to receive on the payment date for such distribution from and after any such date of determination of shareholders entitled to receive such distribution and, thereafter, Conversion Price adjustments as nearly as equivalent in type as may be practicable to the adjustments pursuant to Sections 6(d) through (f) which are to be made in respect of Minerals Stock shall be made in respect of shares of such Common Stock. Notwithstanding the foregoing and the provisions of Section 6(d)(iii), if the Corporation shall make such a distribution in Common Stock and, thereafter, all the shares of such Common Stock cease to be outstanding, on the date such shares of Common Stock cease to be outstanding (x) the shares of this Series shall cease to be convertible into shares of such Common Stock, (y) a distribution of shares of such Common Stock shall be deemed to have occurred on such date and (z) the Conversion Price for the class of Common Stock upon which such distribution was made, or if no shares of such class are then outstanding because shares of such class were exchanged for shares of another class of Common Stock, of such other class of Common Stock, shall be adjusted in the manner set forth in Section 6(d)(iii) to the same extent as if shares of the Common Stock in which such distribution was made were within the meaning of the term "Securities" in Section 6(d)(iii).

(i) After the date, if any, on which all outstanding

shares of Minerals Stock or of any other Common Stock into which shares of this Series are then convertible are exchanged for shares of another class of Common Stock (as provided in Section 2 of Division I of Article III of these Articles of Incorporation), each share of this Series shall thereafter be convertible into the number of shares of such other class of Common Stock receivable upon such exchange by a holder of that number of shares or fraction thereof of Minerals Stock and/or such other Common Stock into which shares of this Series are then convertible into which one share of this Series was convertible immediately prior to such exchange. From and after any such exchange, Conversion Price adjustments as nearly equivalent as may be practicable to the adjustments pursuant to Sections 6(d) through 6(h) which, prior to such exchange, were made in respect of Minerals Stock and/or such other Common Stock into which shares of this Series are then convertible shall instead be made pursuant to such Sections in respect of shares of such other class of Common Stock.

(j) Subject to the provisions of Section 6(k), if:

(i) the Corporation takes any action that would require an adjustment of the Conversion Price pursuant to Sections 6(d) through (i);

(ii) there shall be any consolidation or merger to which the Corporation is a party and for which approval of any shareholders of the Corporation is required, or the sale or transfer of all or substantially all of the assets of the Corporation or Pittston Minerals Group;

(iii) there shall occur the voluntary or involuntary liquidation, dissolution or winding up of the Corporation; or

(iv) the Corporation or any of its Subsidiaries shall commence a tender offer or exchange offer for all or a portion of the outstanding shares of Minerals Stock (or shall amend any such tender offer or exchange offer), then the Corporation shall cause to be filed with the Transfer Agent and shall cause to be mailed to the holders of shares of this Series at their addresses as shown on the stock transfer books of the Corporation, as promptly as possible, but at least 15 days prior to the earliest applicable date hereinafter specified, a notice stating, as applicable, (A) the proposed record date for a dividend or distribution or the proposed effective date of a consolidation, merger, sale, transfer,

liquidation, dissolution or winding up, (B) the date as of which it is expected that holders of the Minerals Stock of record shall be entitled to exchange their shares of Minerals Stock for securities or other property, if any, deliverable upon such consolidation, merger, sale, transfer, liquidation, dissolution or winding up or (C) the date on which such tender offer or exchange offer commenced, the date on which such tender offer or exchange offer is scheduled to expire unless extended, the consideration offered and the other material terms thereof (or the material terms of any amendment thereto). Failure to give or receive such notice or any defect therein shall not affect the legality or validity of the related transaction.

(k) The Corporation shall cause to be filed with the Transfer Agent and shall cause to be mailed to the holders of shares of this Series at their addresses as shown on the stock transfer books of the Corporation notice of its intention (i) to cause to occur, or to take any action that would result in, any Pittston Minerals Group Special Event or (ii) to exchange outstanding shares of Minerals Stock for shares of Brink's Stock, BAX Stock or any other Common Stock pursuant to Section 2 of Division I of Article III of these Articles of Incorporation (which notice shall include the date on which an exchange of outstanding shares of Minerals Stock for shares of such Common Stock is expected to become effective and the date as of which it is expected that holders of record of Minerals Stock shall be entitled to exchange their shares of Minerals Stock for shares of such Common Stock), not less than (A) 45 days prior to the date selected by the Board of Directors for the consummation of the Disposition or the payment of a dividend in connection with any Pittston Minerals Group Special Event involving a Disposition or the payment of a dividend, respectively, (B) 30 days prior to the consummation of any tender offer or exchange offer in connection with any Pittston Minerals Group Special Event involving a tender offer or exchange offer, respectively, or (C) 30 days prior to the exchange date for any such exchange. In addition, from and after any such exchange for outstanding shares of Minerals Stock for shares of Brink's Stock, BAX Stock or any other Common Stock, the Corporation shall be required, in connection with the redemption requirement specified in the third paragraph of Section 4(b), to give a comparable notice of its intention to take actions with respect to Brink's Stock, BAX Stock or any other Common Stock substantially similar to any Pittston Minerals Group Special Event. In the event of any conflict between the notice provisions of this Section 6(k) and Section 6(j) above, the notice provisions of this Section 6(k) shall govern.

(l) Whenever the Conversion Price is adjusted as herein provided, the Corporation shall promptly file with the Transfer Agent an officer's certificate setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment, which certificate shall be prima facie evidence of the correctness of such adjustment. Promptly after delivery of such certificate, the Corporation shall prepare a notice of such adjustment of the Conversion Price setting forth the adjusted Conversion Price and the effective date of such adjustment and shall send such notice of such adjustment of the Conversion Price by first class mail, postage prepaid, to the holder of each share of this Series at such holder's address as the same appears on the stock transfer books of the Corporation.

(m) In any case in which Section 6(d) or 6(h) provides that an adjustment shall become effective on the day next following a record date for an event, the Corporation may defer until the occurrence of such event (i) issuing to the holder of any share of this Series converted after such record date and before the occurrence of such event the additional shares of Minerals Stock or any other Common Stock of the Corporation issuable upon such conversion by reason of the adjustment required by such event over and above the number of shares of Minerals Stock or such other Common Stock issuable upon such conversion before giving effect to such adjustment and (ii) paying to such holder any amount in cash in lieu of any fraction thereof pursuant to Section 6(c).

(n) For purposes of this Section 6, the number of shares of Minerals Stock or any other Common Stock into which shares of this Series are then convertible at any time outstanding shall not include any shares of Minerals Stock or such other Common Stock then owned or held by, or for the account of, the Corporation. The Corporation shall not pay a dividend or make any distribution on shares of Minerals Stock or such other Common Stock held in the treasury of the Corporation.

(o) There shall be no adjustment of the Conversion Price in case of the issuance of any capital stock of the Corporation in a reorganization, acquisition or other similar transaction except as specifically set forth in this Section 6. If any action or transaction would require adjustment of any Conversion Price established hereunder pursuant to more than one paragraph of this Section 6, only the adjustment which would result in the largest reduction of such Conversion Price shall be

made.

(p) The Corporation covenants that it will at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued shares of Minerals Stock and/or, if the shares of this Series are then convertible into other Common Stock of the Corporation, such other Common Stock, for the purpose of effecting conversion of shares of this Series, the full number of shares of Minerals Stock or such other Common Stock deliverable upon the conversion of all outstanding shares of this Series not theretofore converted. For purposes of this Section 6(p), the number of shares of Minerals Stock or such other Common Stock that shall be deliverable upon the conversion of all outstanding shares of this Series shall be computed as if at the time of computation all such outstanding shares were held by a single holder. The Corporation covenants that any shares of Minerals Stock or other Common Stock of the Corporation issued upon conversion of shares of this Series shall be validly issued, fully paid and nonassessable.

(q) The Corporation will pay any and all documentary, stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Minerals Stock or other securities or property on conversion of shares of this Series pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issue or delivery of shares of Minerals Stock or other securities or property in a name other than that of the holder of such shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or established, to the reasonable satisfaction of the Corporation, that such tax has been paid.

7. Voting. The shares of this Series shall not have any voting rights, either general or special, except as prescribed by the Virginia Stock Corporation Act and as set forth in this Section 7.

(a) Unless the vote of the holders of a greater number of shares shall then be required by the Virginia Stock Corporation Act, the vote of the holders of at least a majority of all the shares of this Series at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of shares of this Series shall vote together as

a separate voting group, shall be necessary for authorizing, effecting or validating the amendment, alteration or repeal of any of the provisions of these Articles of Incorporation or of any article amendatory thereof or supplemental thereto (including any articles of amendment or any similar document relating to any series of Preferred Stock) so as to change the designation, rights, preferences or limitations of this Series.

(b) Unless the vote of the holders of a greater number of shares shall then be required by the Virginia Stock Corporation Act, the vote of the holders of at least a majority of all shares of this Series at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of shares of this Series shall vote as a separate voting group shall be necessary to (i) increase or decrease the number of authorized shares of Preferred Stock, (ii) create a new stock, or increase the number of authorized shares of any class of stock, of the Corporation ranking prior or superior ("prior") to, or on a parity with, the shares of this Series, either as to dividends or upon liquidation, or (iii) reclassify any outstanding stock of the Corporation into any such prior or parity shares.

(c) Unless the vote of the holders of a greater number of shares shall then be required by the Virginia Stock Corporation Act, the vote of the holders of at least a majority of all the shares of this Series and all other series of Preferred Stock ranking on a parity with this Series, either as to dividends or upon liquidation, at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of shares of this Series and such other series of Preferred Stock shall vote together as a single voting group without regard to series, shall be necessary for authorizing, effecting or validating (i) the merger or consolidation of the Corporation into or with any other corporation or (ii) any statutory share exchange involving the Corporation, if such merger, consolidation or statutory share exchange would change the designation, rights, preferences or limitations of this Series or if, after such merger, consolidation or statutory share exchange, there shall be outstanding any shares of any class of stock ranking prior to, or on a parity with, the shares of this Series as to dividends or upon liquidation or any obligation or security convertible into or evidencing the right to purchase any such prior or parity shares (except such stock, securities or obligations of the Corporation as may have been outstanding immediately preceding such merger, consolidation or statutory

share exchange).

(d) If, on the date used to determine shareholders of record for any meeting of shareholders for the election of directors, a default in preference dividends on the Preferred Stock shall exist, the number of directors constituting the Board of Directors shall be increased by two, and the holders of the Preferred Stock of all series (whether or not the holders of such series of Preferred Stock would be entitled to vote for the election of directors if such default in preference dividends did not exist) shall have the right at such meeting, voting together as a single voting group without regard to series, to the exclusion of the holders of Common Stock of the Corporation, to elect two directors of the Corporation to fill such newly created directorships. Each director elected by the holders of shares of Preferred Stock (herein called a "Preferred Director") shall continue to serve as such director for the full term for which such director shall have been elected, notwithstanding that prior to the end of such term a default in preference dividends shall cease to exist. Any Preferred Director may be removed without cause by, and shall not be removed without cause except by, the vote of the holders of record of the outstanding shares of Preferred Stock, voting together as a single voting group without regard to series, at a meeting of the shareholders, or of the holders of shares of Preferred Stock, called for the purpose. So long as a default in any preference dividends on the Preferred Stock shall exist (i) any vacancy in the office of a Preferred Director may be filled (except as provided in the following clause (ii)) by an instrument in writing signed by the remaining Preferred Director and filed with the Corporation and (ii) in the case of the removal of any Preferred Director, the vacancy may be filled by the vote of the holders of the outstanding shares of Preferred Stock, voting together as a single voting group without regard to series, at the same meeting at which such removal shall be voted. Each director appointed as aforesaid by the remaining Preferred Director shall be deemed, for all purposes hereof, to be a Preferred Director. Whenever the term of office of the Preferred Directors shall end and no default in preference dividends shall exist, the number of directors constituting the Board of Directors shall be reduced by two. For the purposes hereof, a "default in preference dividends" on the Preferred Stock shall be deemed to have occurred whenever the amount of accrued and unpaid dividends upon any series of the Preferred Stock shall be equivalent to six full quarterly dividends or more (whether or not consecutive), and, having so occurred, such default shall be deemed to exist thereafter until, but only

until, all accrued dividends on all shares of Preferred Stock of each and every series then outstanding shall have been paid for all past dividend periods.

8. Liquidation Rights.

(a) Upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the holders of the shares of this Series shall be entitled to receive out of the assets of the Corporation available for distribution to shareholders, before any payment or distribution shall be made on any class of the Common Stock of the Corporation or on any other class of stock ranking junior to the Preferred Stock upon liquidation, the amount of $500.00 per share, plus a sum equal to all dividends (whether or not earned or declared) on such shares accrued and unpaid thereon to the date of final distribution.

(b) Neither the sale, lease or exchange (for cash, shares of stock, securities or other consideration) of all or substantially all of the property and assets of the Corporation nor the merger or consolidation of the Corporation into or with any other corporation or the merger or consolidation of any other corporation into or with the Corporation, shall be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary for the purpose of this Section 8.

(c) After the payment to the holders of the shares of this Series of the full preferential amounts provided for in Section 8(a), the holders of shares of this Series as such shall have no right or claim to any of the remaining assets of the Corporation.

(d) In the event the assets of the Corporation available for distribution to the holders of shares of this Series upon any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such holders are entitled pursuant to Section 8(a), no such distribution shall be made on account of any shares of any other class or series of Preferred Stock ranking on a parity with the shares of this series upon such dissolution, liquidation or winding up unless proportionate distributive amounts shall be paid on account of the shares of this Series, ratably, in proportion to the full distributable amounts for which holders of all such parity shares are respectively entitled upon such dissolution, liquidation or winding up.

9. Ranking. For purposes of this resolution, any stock of any class or classes of the Corporation shall be deemed to rank:

(a) prior to the shares of this Series, either as to dividends or upon liquidation, if the holders of such class or classes shall be entitled to the receipt of dividends or of amounts distributable upon dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, as the case may be, in preference or priority to the holders of shares of this Series;

(b) on a parity with the shares of this Series, either as to dividends or upon liquidation, whether or not the dividend rates, dividend payment dates or redemption or liquidation prices per share or sinking fund provisions, if any, are different from those of this Series, if the holders of such stock shall be entitled to the receipt of dividends or of amounts distributable upon dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, as the case may be, in proportion to their respective dividend rates or liquidation prices, without preference or priority, one over the other, as between the holders of such stock and the holders of shares of this Series; and

(c) junior to shares of this Series, either as to dividends or upon liquidation, if (i) such class or classes shall be the Series A Participating Cumulative Preferred Stock, par value $10.00 per share, or the Series B Participating Cumulative Preferred Stock, par value $10.00 per share, issued by the Corporation pursuant to the Restated Rights Agreement, (ii) such class or classes shall be any class of Common Stock of the Corporation or (iii) the holders of shares of this Series shall be entitled to receipt of dividends or of amounts distributable upon dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, as the case may be, in preference or priority to the holders of shares of such class or classes.

10. Determinations by the Board of Directors.

(a) Any determinations made by the Board of Directors under any provision of this Section C of Division II of Article III of these Articles of Incorporation shall be final and binding on all shareholders (including holders of shares of this Series) of the Corporation.

(b) Any determinations made by the Board of Directors, a majority of whose members are "disinterested directors," under any provision in Division I of Article III of these Articles of Incorporation shall be final and binding on all shareholders of the Corporation, including holders of shares of this Series. For this purpose, any director who is not an employee of or a consultant to the Corporation and who is not, directly or indirectly, the beneficial owner of 1 percent or more of the outstanding shares of Common Stock shall be considered "disinterested," even though such director may beneficially own a greater amount of one class of Common Stock than of the other class of Common Stock.

11. Definitions. Unless otherwise defined in this Section C of Division II of Article III of these Articles of Incorporation, terms used herein shall have the meanings ascribed thereto in the first paragraph, and in Division I of Article III of these Articles of Incorporation and the following terms shall have the following meanings:

"Acquisition" means the acquisition by Pittston Acquisition Company, an indirect wholly owned Subsidiary of the Corporation, of all the outstanding capital stock of Addington, Inc., Appalachian Mining, Inc., Appalachian Land Company, Vandalia Resources, Inc. and Kanawha Development Corporation, each of which is a direct wholly owned subsidiary of Addington Holding Company, Inc., pursuant to a Stock Purchase Agreement dated as of September 24, 1993 between Addington Holding Company, Inc. and Pittston Acquisition Company.

"Articles of Incorporation" means the Corporation's Restated Articles of Incorporation, as amended, supplemented, further restated or otherwise modified from time to time.

"Board of Directors" or "Board" means, at any time, the duly elected or acting board of directors (or duly authorized committee thereof) of the Corporation at such time.

"Closing Price" of shares of any class of Common Stock of the Corporation for any day means the last reported sale price, regular way on such day, or, if no reported sale takes place on such day, the average of the reported closing bid and asked prices on such day, regular way, in either case as reported on the New York Stock Exchange Composite Tape or, if such Common Stock is not listed or admitted to trading on the NYSE, on the principal national securities exchange on which such Common Stock

is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, on the National Market System of NASDAQ or, if such Common Stock is not quoted on such National Market System, the average of the closing bid and asked prices on such day in the over-the-counter market as reported by NASDAQ or, if closing bid and asked prices for such Common Stock on such day shall not have been reported through NASDAQ, the average of the closing bid and asked prices on such day as furnished by any NYSE member firm regularly making a market in such Common Stock selected for such purpose by the Board of Directors.

"Conversion Price" means the conversion price per share of Minerals Stock and/or other shares of Common Stock of the Corporation into which shares of this Series are convertible, as such Conversion Price may be adjusted pursuant to Section 6. The initial conversion price per share of Minerals Stock will be $32.175 (equivalent to a conversion rate of 15.54 shares of Minerals Stock for each share of this Series).

"Current Market Price" means, with respect to any class of Common Stock of the Corporation, the average of the daily Closing Prices of a share of such Common Stock during the five consecutive Trading Days selected by the Corporation commencing not more than 20 Trading Days before, and ending not later than, the date in question; provided, however, that (i) if the "ex" date for any event (other than the issuance or distribution requiring such computation) that requires an adjustment to the Conversion Price pursuant to Sections 6(d)(ii) through (v) occurs on or after the 20th Trading Day prior to the day in question and prior to the "ex" date for the issuance or distribution requiring such computation, the Closing Price for each Trading Day prior to the "ex" date for such other event shall be adjusted by multiplying such Closing Price by the same fraction by which the Conversion Price is so required to be adjusted as a result of such other event, (ii) if the "ex" date for any event (other than the issuance or distribution requiring such computation) that required an adjustment to the Conversion Price pursuant to Sections 6(d)(ii) through (v) occurs on or after the "ex" date for the issuance or distribution requiring such computation and on or prior to the day in question, the Closing Price for each Trading Day on and after the "ex" date for such other event shall be adjusted by multiplying such Closing Price by the reciprocal of the fraction by which the Conversion Price is so required to be adjusted as a result of such other event, and (iii) if the "ex" date for the issuance or distribution requiring such

computation is on or prior to the day in question, after taking into account any adjustment required pursuant to clause (ii) of this proviso, the Closing Price for each Trading Day on or after such "ex" date shall be adjusted by adding thereto the amount of any cash and the fair market value on the day in question (as determined by the Board of Directors in a manner consistent with any determination of such value for purposes of Section 6(d)(iii) or (iv)) of the evidences of indebtedness, shares of capital stock or assets being distributed applicable to one share of the applicable class of Common Stock of the Corporation as of the close of business on the day before such "ex" date. For purposes of this definition, the term "ex" date, with respect to any class of Common Stock of the Corporation, (a) when used with respect to any issuance or distribution, means the first date on which such Common Stock trades regular way on such exchange or in the relevant market from which the Closing Price was obtained without the right to receive such issuance or distribution, (b) when used with respect to any subdivision or combination of shares of such Common Stock, means the first date on which such Common Stock trades regular way on such exchange or in such market after the time at which such subdivision or combination becomes effective, and (c) when used with respect to any tender offer or exchange offer means the first date on which such Common Stock trades regular way on such exchange or in such market after the expiration time of such tender offer or exchange offer. "Disposition" means the sale, transfer, assignment or other disposition (whether by merger, consolidation, sale or contribution of assets or stock or otherwise) of properties or assets.

"Excess Purchase Payment" means the excess, if any, of (i) the aggregate of the cash and the value (as determined by the Board of Directors) of all other consideration paid by the Corporation or any of its Subsidiaries with respect to the shares of the applicable class of Common Stock of the Corporation acquired in a tender offer or exchange offer or other negotiated purchase over (ii) the product of the Current Market Price per share of such Common Stock times the number of shares of such Common Stock acquired in such tender offer or exchange offer or negotiated purchase.

"Minerals Rights" means the Pittston Minerals Group Rights of the Corporation which are issuable under the Corporation's shareholder rights plan adopted by the Board of Directors, the terms and conditions of which are set forth in the Restated Rights Agreement.

"NASDAQ" means the National Association of Securities Dealers, Inc. Automated Quotations System or any successor thereto.

"NYSE" means the New York Stock Exchange, Inc. or any successor thereto.

"Redemption Date" means any date on which the Corporation redeems any shares of this Series.

"Redemption Price" means (i) with respect to any optional redemption of any share of this Series pursuant to Section 3, the applicable amount set forth in such Section and (ii) with respect to any mandatory redemption of any share of this Series pursuant to Section 4, $500.00.

"Restated Rights Agreement" shall have the meaning given thereto in the second paragraph of Section 6(d)(iii).

"Subsidiary" means a corporation more than 50 percent of the outstanding voting stock of which is owned, directly or indirectly, by the Corporation or by one or more other Subsidiaries. For the purpose of this definition, "voting stock" means stock which ordinarily has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

"Trading Day" means, with respect to any class of Common Stock of the Corporation, any day on which such Common Stock is traded on the NYSE, or if such Common Stock is not listed or admitted to trading on the NYSE, on the principal national securities exchange on which such Common Stock is listed or admitted, or if not listed or admitted to trading on any national securities exchange, on the National Market System of the NASDAQ, or if such Common Stock is not quoted on such National Market System, in the applicable securities market in which such Common Stock is traded.

"Transfer Agent" means the Corporation or such other agent or agents of the Corporation as may be designated by the Board of Directors as the Transfer Agent for shares of this Series.

D. Series D Participating Cumulative Preferred Stock

1. Designation and Number of Shares. The shares of

such series shall be designated as "Series D Participating Cumulative Preferred Stock" (the "Series D Preferred Stock"). The number of shares initially constituting the Series D Preferred Stock shall be 50,000; provided, however, that if more than a total of 50,000 shares of Series D Preferred Stock shall be issuable upon the exercise of Pittston BAX Group Rights issued pursuant to the Amended and Restated Rights Agreement dated as of January 10, 1996, between the Corporation and Chemical Bank, as Rights Agent (the "Rights Agreement"), the Board of Directors of the Corporation, pursuant to Section 13.1-639 of the Virginia Stock Corporation Act, shall direct by resolution or resolutions that articles of amendment to these Articles of Incorporation be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 13.1-604 thereof, providing for the total number of shares of Series D Preferred Stock authorized to be issued to be increased (to the extent that the Articles of Incorporation then permit) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of such Rights.

2. Dividends or Distributions.

(a) Subject to the prior and superior rights of the holders of shares of any other series of Preferred Stock or other class of capital stock not by its terms ranking on a parity with, or junior to, the shares of Series D Preferred Stock with respect to dividends, the holders of shares of the Series D Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of the assets of the Corporation legally available therefor, (1) quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or a fraction of a share of Series D Preferred Stock, of $10.00 per whole share (rounded to the nearest cent) less the amount of all cash dividends declared on the Series D Preferred Stock pursuant to the following clause (2) since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series D Preferred Stock, and (2) dividends payable in cash on the payment date for each cash dividend declared on BAX Stock in an amount per whole share (rounded to the nearest cent) equal to the Burlington Formula Number (as defined below) then in effect times the cash dividends then to be paid on each share of BAX Stock. In addition, if the

Corporation shall pay any dividend or make any distribution on BAX Stock payable in assets, securities or other forms of noncash consideration (other than dividends or distributions solely in shares of BAX Stock), then, in each such case, the Corporation shall simultaneously pay or make on each outstanding share of Series D Preferred Stock a dividend or distribution in like kind of the Burlington Formula Number then in effect times such dividend or distribution on each share of BAX Stock. As used herein, the "Burlington Formula Number" shall be 1,000; provided, however, that if at any time after January 19, 1996, the Corporation shall (x) declare or pay any dividend on BAX Stock payable in shares of BAX Stock or make any distribution on BAX Stock in shares of BAX Stock, (y) subdivide (by a stock split or otherwise) the outstanding shares of BAX Stock into a larger number of shares of BAX Stock or (z) combine (by a reverse stock split or otherwise) the outstanding shares of BAX Stock into a smaller number of shares of BAX Stock, then in each such event the Burlington Formula Number shall be adjusted to a number determined by multiplying the Burlington Formula Number in effect immediately prior to such event by a fraction, the numerator of which is the number of shares of BAX Stock that are outstanding immediately after such event and the denominator of which is the number of shares of BAX Stock that are outstanding immediately prior to such event (and rounding the result to the nearest whole number); and provided further that if at any time after January 19, 1996, the Corporation shall issue any shares of its capital stock in a reclassification or change of the outstanding shares of BAX Stock (including any such reclassification or change in connection with a merger in which the Corporation is the surviving corporation), then in each such event the Burlington Formula Number shall be appropriately adjusted to reflect such reclassification or change.

(b) The Corporation shall declare a dividend or distribution on the Series D Preferred Stock as provided in Section 2(a) above immediately prior to or at the same time it declares a dividend or distribution on BAX Stock (other than a dividend or distribution solely in shares of BAX Stock); provided, however, that, in the event no dividend or distribution (other than a dividend or distribution in shares of BAX Stock) shall have been declared on BAX Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $2.00 per share on the Series D Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date. The Board of Directors may fix a record date for the determination of holders

of shares of Series D Preferred Stock entitled to receive a dividend or distribution declared thereon, which record date shall be the same as the record date for any corresponding dividend or distribution on BAX Stock.

(c) Dividends shall begin to accrue and be cumulative on outstanding shares of Series D Preferred Stock from and after the Quarterly Dividend Payment Date next preceding the date of original issue of such shares of Series D Preferred Stock; provided, however, that dividends on such shares which are originally issued after the record date for the determination of holders of shares of Series D Preferred Stock entitled to receive a quarterly dividend and on or prior to the next succeeding Quarterly Dividend Payment Date shall begin to accrue and be cumulative from and after such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series D in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding.

(d) So long as any shares of the Series D Preferred Stock are outstanding, no dividends or other distributions shall be declared, paid or distributed, or set aside for payment or distribution, on BAX Stock unless, in each case, the dividend required by this Section 2 to be declared on the Series D Preferred Stock shall have been declared.

(e) The holders of the shares of Series D Preferred Stock shall not be entitled to receive any dividends or other distributions except as provided herein.

3. Voting Rights. The holders of shares of Series D Preferred Stock shall have the following voting rights:

(a) Each holder of Series D Preferred Stock shall be entitled to a number of votes equal to the product of (1) the Burlington Formula Number then in effect for each share of Series D Preferred Stock held of record on each matter on which holders of BAX Stock are entitled to vote times (2) the maximum number of votes per share which the holders of BAX Stock then have with respect to such matter.

(b) Except as otherwise provided herein or by applicable law, the holders of shares of Series D Preferred Stock, the holders of shares of BAX Stock and the holders of any

other class of capital stock entitled to vote in the election of directors shall vote together as one class for the election of directors of the Corporation. In addition, the holders of Series D Preferred Stock and the holders of BAX Stock shall vote together as one class on all other matters submitted to a vote of holders of BAX Stock.

(c) If at the time of any annual meeting of shareholders for the election of directors, the equivalent of six quarterly dividends (whether or not consecutive) payable on any share or shares of Series D Preferred Stock are in default, the number of directors constituting the Board of Directors of the Corporation shall be increased by two. In addition to voting together with other holders of capital stock as set forth in Section 3(a) for the election of other directors of the Corporation, the holders of record of the Series D Preferred Stock, voting separately as a class to the exclusion of such other holders, shall be entitled at said meeting of shareholders (and at each subsequent annual meeting of shareholders), unless all dividends in arrears have been paid or declared and set apart for payment prior thereto, to vote for the election of two directors of the Corporation, the holders of any Series D Preferred Stock being entitled to cast a number of votes per share of Series D Preferred Stock equal to the Burlington Formula Number. Until the default in payments of all dividends which permitted the election of said directors shall cease to exist any director who shall have been so elected pursuant to the next preceding sentence may be removed at any time, either with or without cause, only by the affirmative vote of the holders of the shares at the time entitled to cast a majority of the votes entitled to be cast for the election of any such director at a special meeting of such holders called for that purpose, and any vacancy thereby created may be filled by the vote of such holders. If and when such default shall cease to exist, the holders of the Series D Preferred Stock shall be divested of the foregoing special voting rights, subject to revesting in the event of each and every subsequent like default in payments of dividends. Upon the termination of the foregoing special voting rights, the terms of office of all persons who may have been elected directors pursuant to said special voting rights shall forthwith terminate, and the number of directors constituting the Board of Directors shall be reduced by two. The voting rights granted by this Section 3(c) shall be in addition to any other voting rights granted to the holders of the Series D Preferred Stock in this Section 3.

(d) Except as provided herein, in Section 11 or by applicable law, holders of Series D Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of BAX Stock as set forth herein) for authorizing or taking any corporate action.

4. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Series D Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series D Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series D Preferred Stock:

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series D Preferred Stock, except dividends paid ratably on the Series D Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series D Preferred Stock; provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series D Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series D Preferred Stock, or any shares of stock ranking on a parity with the Series D Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to

all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under subparagraph (a) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

5. Liquidation Rights. Upon the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, no distribution shall be made (a) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution, or winding up) to the Series D Preferred Stock unless, prior thereto, the holders of shares of Series D Preferred Stock shall have received an amount equal to the accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, plus an amount equal to the greater of (i) $26.67 per share of (ii) an aggregate amount per share equal to the Burlington Formula Number then in effect times the aggregate amount to be distributed per share to holders of BAX Stock, or (b) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series D Preferred Stock, except distributions made ratably on the Series D Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up.

6. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination, statutory share exchange or other transaction in which the shares of BAX Stock are exchanged for or changed into other stock or securities, cash or any other property, then in any such case the then outstanding shares of Series D Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share equal to the Burlington Formula Number then in effect times the aggregate amount of stock, securities, cash or any other property (payable in kind), as the case may be, into which or for which each share of BAX Stock is exchanged or changed.

7. Redemption; No Sinking Fund.

(a) The outstanding shares of Series D Preferred Stock may be redeemed at the option of the Board of Directors as a whole, but not in part, at any time at which, in the good faith determination of the Board of Directors, no person beneficially owns more than 10 percent of the aggregate voting power represented by all the outstanding shares of capital stock of the Corporation generally entitled to vote in the election of Directors of the Corporation, at a cash price per share equal to (i) 125 percent of the product of the Burlington Formula Number times the BAX Stock Market Value (as such term is hereinafter defined), plus (ii) all dividends which on the redemption date have accrued on the shares to be redeemed and have not been paid or declared and a sum sufficient for the payment thereof set apart, without interest. The "BAX Stock Market Value" on any date shall be deemed to be the average of the daily closing prices, per share, of BAX Stock for the 30 consecutive Trading Days immediately prior to the date in question. The closing price for each Trading Day shall be the last sale price, regular way, or, in case no such sale takes place on such Trading Day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system if BAX Stock is listed or admitted to trading on a national securities exchange or, if BAX Stock is not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such Trading Day BAX Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in BAX Stock selected by the Board of Directors of the Corporation. If on any such Trading Day no market maker is making a market in BAX Stock, the fair value of BAX Stock on such Trading Day shall mean the fair value of BAX Stock as determined in good faith by the Board of Directors of the Corporation. "Trading Day" shall mean a day on which the principal national securities exchange on which BAX Stock is listed or admitted to trading is open for the transaction of business or, if BAX Stock is not listed or admitted to trading on any national securities exchange, a Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which banking institutions in the Borough of Manhattan, the City of New York, are authorized or obligated by law or executive order to close.

(b) The shares of Series D Preferred Stock shall not

be subject to or entitled to the operation of a retirement or sinking fund.

8. Ranking. The Series D Preferred Stock shall rank senior to Brink's Stock, Minerals Stock and BAX Stock, on a parity with the Corporation's Series A Participating Cumulative Preferred Stock, par value $10 per share, and the Corporation's Series B Participating Cumulative Preferred Stock, par value $10 per share, and junior to all other series of Preferred Stock of the Corporation, unless the Board of Directors shall specifically determine otherwise in fixing the powers, preferences and relative, participating, optional and other special rights of the shares of such series and the qualifications, limitations and restrictions thereof.

9. Fractional Shares. The Series D Preferred Stock shall be issuable upon exercise of Pittston BAX Group Rights issued pursuant to the Rights Agreement in whole shares or in any fraction of a share that is not smaller than one one-thousandth (1/1000th) of a share or any integral multiple of such fraction. At the election of the Corporation, prior to the first issuance of a share or a fraction of a share of Series D Preferred Stock, either (1) certificates may be issued to evidence such authorized fraction of a share of Series D Preferred Stock, or (2) any such authorized fraction of a share of Series D Preferred Stock may be evidenced by depositary receipts pursuant to an appropriate agreement between the Corporation and a depositary selected by the Corporation; provided that such agreement shall provide that the holders of such depositary receipts shall have all the rights, privileges and preferences to which they are entitled as beneficial owners of the Series D Preferred Stock.

10. Reacquired Shares. Any shares of Series D Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock, without designation as to series until such shares are once more designated as part of a particular series by the Board of Directors pursuant to the provisions of the first paragraph of Division II of Article III.

11. Amendment. None of the powers, preferences and relative, participating, optional and other special rights of the Series D Preferred Stock as provided herein shall be amended in any manner which would alter or change the powers, preferences,

rights or privileges of the holders of Series D Preferred Stock so as to affect them adversely without the affirmative vote of the holders of more than 66-2/3 percent of the outstanding shares of Series D Preferred Stock, voting as a separate class.

ARTICLE IV

1. No holder of any class of capital stock of the Corporation shall have any preemptive right to subscribe for, purchase or acquire (i) any shares of capital stock of the Corporation, (ii) any securities convertible into or exchangeable for any such shares or (iii) any options, warrants or rights to subscribe for, purchase or acquire any of such shares or securities.

2. Rights, options or warrants for the purchase of shares of any class of capital stock of the Corporation may be issued upon such terms and conditions and for such consideration as may be approved by the Board of Directors. Approval of the shareholders of the Corporation shall not be required for any such issue, whether or not issued to directors, officers or employees of the Corporation or any of its subsidiaries rather than generally to holders of shares of any such class.

ARTICLE V

1. The Board of Directors shall consist of such number of individuals, not less than nine or more than fifteen, as shall be specified in or fixed in accordance with the bylaws of the Corporation. Directors may be removed only with cause.

2. Directors shall be divided into three classes, each class to be as nearly equal in number as possible, the number to be assigned each class to be determined by, or in the manner provided in, the bylaws of the Corporation, or in the absence of any such provision, then by the Directors prior to the election of a particular class. At each annual meeting the successors to directors whose terms shall expire that year shall be elected to a term of three years; provided, however, that at least three directors shall be elected in each year.

3. In addition to any other vote that may be required by statute, stock exchange regulations, these Articles of Incorporation or any amendment thereto, or the bylaws of the Corporation, the vote of the holders of four-fifths of all classes of stock of the Corporation entitled to vote in elections

of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal Section 1 or Section 2 of this Article V or this Section 3.

ARTICLE VI

The private property of the shareholders of the Corporation shall not be subject to payment of corporate debts to any extent whatever.

ARTICLE VII

The Board of Directors shall have the power to make, amend or repeal bylaws of the Corporation.

ARTICLE VIII

1. In any proceeding brought by a shareholder of the Corporation in the right of the Corporation or brought by or on behalf of shareholders of the Corporation, an officer or a director of the Corporation shall not be liable to the Corporation or its shareholders for any monetary damages arising out of any transaction, occurrence or course of conduct, unless in such proceeding a judgment shall have been entered against the director or officer because of a finding that the act or omission for which the officer or director was adjudged liable had been proved to be due to his or her willful misconduct or a knowing violation of the criminal law or any federal or state securities law.

2. Without limiting any of the provisions of this Article VIII, each officer, director or employee of the Corporation shall be entitled to indemnity, including indemnity with respect to a proceeding by or in the right of the Corporation, to the fullest extent required or permitted under the provisions of the Stock Corporation Act of the Commonwealth of Virginia as in effect from time to time, except only an indemnity against willful misconduct or a knowing violation of the criminal law. No amendment or repeal of this Article VIII shall apply to or have any effect on the rights provided under this Article VIII with respect to any act or omission occurring prior to such amendment or repeal. The Corporation shall promptly take all such actions, and make all such determinations, as shall be necessary or appropriate to comply with its obligation to make such indemnity and shall promptly pay or reimburse all reasonable expenses, including attorneys' fees, incurred by any such officer, director or

employee in connection with such actions and determinations or proceedings of any kind arising therefrom.

3. The Corporation shall promptly pay for or reimburse the reasonable expenses, including attorneys' fees, incurred by an officer, director or employee of the Corporation in connection with any proceeding (whether or not made a party) arising from his or her status as such officer, director or employee, in advance of final disposition of any such proceeding upon receipt by the Corporation from such officer, director or employee of (a) a written statement of good faith belief that he or she is entitled to indemnity by the Corporation, and (b) a written undertaking, executed personally or on his or her behalf, to repay the amount so paid or reimbursed if after final disposition of such proceeding it is determined that he or she did not meet the applicable standard of conduct.

4. The rights of each officer, director or employee of the Corporation under this Article VIII or as otherwise provided by law shall continue regardless of cessation of their status as such and shall inure to the benefit of their respective heirs, executors, administrators and legal representatives. Such rights shall not prevent or restrict the power of the Corporation to make or provide for any further indemnity, or provisions for determining entitlement to indemnity, pursuant to one or more indemnification agreements, bylaws, or other arrangements (including, without limitation, creation of trust funds or security interests funded by letters of credit or other means) approved by the Board of Directors (whether or not any of the directors of the Corporation shall be a party to or beneficiary of any such agreements, bylaws or arrangements); provided, however, that any provision of such agreements, bylaws or other arrangements shall not be effective if and to the extent that it is determined to be contrary to this Article VIII or applicable laws of the Commonwealth of Virginia.

5. The rights to indemnity and payment or reimbursement of expenses provided under this Article VIII shall extend to any individual who, while a director or officer of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee (including service as a named fiduciary), employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

6. The provisions of this Article VIII shall be applicable

regardless of when a transaction, occurrence or course of conduct on which a proceeding is based, in whole or in part, took place.

7. Each provision in this Article VIII shall be severable, and an adverse determination as to any such provision shall in no way affect the validity of any other provision. The provisions of this Article VIII shall be in addition to, and not in limitation of, all rights to indemnity and payment or reimbursement of expenses required or permitted by applicable provisions of law.

3. Pursuant to Section 13.1-607 of the Virginia Stock Corporation Act, the Board of Directors of Pittston Company has authorized this correction of the Restated Articles of Incorporation.

IN WITNESS WHEREOF, The Pittston Company has caused this instrument to be signed by its Secretary this 16th day of March, 1998.

THE PITTSTON COMPANY
By /s/ Austin F. Reed
Austin F. Reed, Secretary

EXHIBIT 10(a)

May 4, 1998

Mr. David L. Marshall
32 Valley Club Circle
Napa, CA 94558

Retirement Agreement

Dear David:

This letter is intended to set forth the terms and conditions of your resignation as an employee of The Pittston Company (the "Company"). Accordingly, the Company hereby agrees with you as follows:

1. Resignation. This will confirm your resignation, effective May 4, 1998, as an employee of the Company and from all other offices and positions (including directorships) you may hold in, the Company and its subsidiaries and affiliates. You agree that you will execute any formal letter of resignation reasonably requested by the Company to further evidence your resignation hereunder.

2. Termination Payment. In lieu of any compensation, severance and other termination payments and benefits under your Employment Agreement with the Company dated as of June 1, 1997, as amended as of October 1, 1997, you shall receive $171,154 (the "Termination Payment") in a lump sum to be paid on or before May 4, 1998.

3. Unexercised Stock Options. All unexercised stock options issued to you under the Company's stock option plans ("Option Plan") and outstanding on the date hereof shall continue to become vested and remain exercisable until June 1, 2000 (unless previously expired pursuant to the terms of the original grant) in accordance with the terms of the Option Plan and the option agreements evidencing your outstanding grants, and the Company agrees that it shall take no action otherwise reserved to it to prevent such

options from becoming so vested and exercisable provided the terms of this Retirement Agreement are not breached by you.

4. Retirement Benefits. a. Pension. Your monthly retirement benefits of $3,612.67 under the Company's Pension-Retirement Plan and $3,654.85 under the Pension Equalization Plan will continue and will be based upon the Plans' present pension formulae. In addition, payments to you of $4,782.17 per month under the Supplemental Retirement Benefit provided by Section 3(b) of your Employment Agreement will also continue, except that effective March 15, 1998, such amount will be increased by $40,000 per calendar year payable monthly. The obligations of the Company (i) to pay to you the Supplemental Retirement Benefit (excluding the $40,000 increase described in the foregoing sentence) and (ii) to provide to you the retiree health benefits described in Section 4(b) below shall continue in effect notwithstanding any breach or alleged breach by you of any of your obligations under this Agreement. All retirement benefits are payable on a 50% joint and survivor basis with your present spouse, Lucy Marshall, as the joint annuitant.

b. Health Benefits. You and your eligible family members shall be entitled to participate in the Retiree Health Care Program of the Company on the same basis presently made available to other eligible retirees of the Company subject to the Company's right to modify such program from time to time. You will be responsible for the normal retiree contribution to the cost of maintaining your participation in such Program.

c. Deferred Compensation Program. Effective May 4, 1998, you shall be entitled to receive the full value of your account balance (including Company matching contributions) in accordance with the terms of the Key Employees' Deferred Compensation Program of the Company.

d. Tax Preparation Services. The Company agrees to provide you with tax preparation services through The Pittston Company Tax Planning--Tax Return Preparation and Certification Program up to a maximum value of $5,000 for tax years 1997 and 1998.

5. Confidentiality. You shall not use for your own or any other person's benefit, or disclose, divulge or communicate to any other person, any trade or business secret or other information disclosed to or known by you as a consequence of or through your employment with the Company

(including information conceived, originated or developed by you), which is of a confidential or proprietary nature and not generally known to the public, about the Company's business, prospects, patents or other intellectual property, personnel, shareholders, operations, processes, budgets, plans and development programs (collectively the "Confidential Information") without the prior written consent of the Company, except (a) in connection with (i) the implementation or enforcement of this Agreement, (ii) any claim for indemnification as a director, officer, employee or agent of the Company or (iii) your defense of any civil or criminal action or proceeding, or (b) as appropriate for the performance of your obligations under this Agreement, or (c) if such use or disclosure is required by law. Such Confidential Information includes, but is not limited to, (a) business methods and information of the Company, including prices charged, discounts given to customers or obtained from suppliers, transport rates, marketing and advertising programs, costings, budgets, turnover, sales targets or other unpublished financial information; and (b) lists and particulars of the Company's suppliers, customers and potential customers and the individual contacts or negotiations with such suppliers and customers; and (c) manufacturing or production processes and know-how developed or employed by the Company or its suppliers; and (d) details as to the design or specifications of the Company's or their suppliers' products and inventions or developments relating to future products. You will, upon termination of your employment, return all documents or other carriers of information in your possession, custody or control which contain records of such information and all property in your possession, custody or control belonging to the Company or its customers or suppliers or relating to the Company's business and business relationships. This restriction shall apply without limit in point of time but shall cease to apply to information or knowledge which shall come (otherwise than by breach of this clause) into the public domain or which is generally disclosed to third parties by the Company without restriction on such third parties or which is disclosed to you by a third party not in breach of any obligation of confidentiality to the Company. For purposes solely of this Section 5, the term "Company" shall be deemed to include the Company's subsidiaries and affiliates.

6. Release by You. In consideration of the fulfillment of the payments and benefits described above, you release, remise and forever discharge the Company from and against any and all claims, cross-claims, third-party

claims, counterclaims, contribution claims, debts, demands, actions, promises, judgments, trespasses, executions, causes of action, suits, accounts, covenants, sums of money, dues, reckonings, bonds, bills, liens, attachments, trustee process, specialties, contracts, controversies, agreements, promises, damages, and all other claims of every kind and nature in law, equity, arbitration, or other forum which you now have or ever had up to and including the date hereof, whether absolute or contingent, direct or indirect, known or unknown. Additionally, you hereby waive and release the Company from any and all claims which you have, your successors or assigns have or may have against the Company for, upon or by reason of any matter, cause or thing whatsoever, including, but not limited to (a) those that might arise in your capacity as a shareholder of the Company (both individually and derivatively), or (b) in any way related to your employment or termination of your employment by the Company, whether or not you know them to exist at the present time, including, but not limited to, rights under federal, state or local laws prohibiting age or other forms of discrimination, including Title VII of the Civil Rights Act of 1964, as amended; Section 1981 through 1988 of Title 42 of the United States Code; the Age Discrimination in Employment Act of 1967, as amended; the Employee Retirement Income Security Act of 1974, as amended; the Fair Labor Standards Act, the Americans with Disabilities Act, as amended; the Family and Medical Leave Act; the National Labor Relations Act, as amended; the Immigration Reform Control Act, as amended; the Occupational Safety and Health Act, as amended; any public policy, contract or common law; and any alleged entitlement to costs, fees or expenses, including attorneys' fees, claims for compensation or benefits earned by your past service, claims involving willful misconduct, and claims arising after the date of this Agreement. Notwithstanding the foregoing, nothing herein shall be deemed to release, remise or discharge the Company from any claims arising out of, relating to or asserted (x) under this Agreement or (y) with respect to any right of indemnification as a director, officer or employee of the Company, whether arising under the Company's charter or by-laws, by operation of law, or otherwise. For purposes solely of this Section 6, the term "Company" shall be deemed to include the Company's subsidiaries and affiliates and the respective legal representatives, successors and assigns, past, present and future directors, officers, employees, trustees and shareholders of the Company and the Company's subsidiaries and affiliates.

7. Non-Competition. You are released from all obligations included in the covenant not to compete set forth in Section 8 of the Employment Agreement; provided, however, that you shall in all respects remain subject to the restrictions of Section 5 of this Agreement.

8. Non-Solicitation. Except with the prior written consent of the Company, you shall not, during the period covered by the covenant not to compete referenced in Section 8 of the Employment Agreement, solicit or entice away or endeavor to employ, solicit or entice away any person who is at the date of this Agreement or was at any time during the period of twelve (12) months prior to the date of this Agreement an employee of the Company or any of its subsidiaries or affiliates.

9. Designs and Inventions. All designs, inventions, programs, discoveries or improvements conceived, apprehended or learned by you during the course of or arising out of your employment with the Company and which concern or are applicable to products or articles manufactured or sold by or to services provided by the Company shall be the exclusive property of the Company.

10. Revocation. You acknowledge that you have been offered at least twenty-one (21) days to consider the meaning of this Agreement, that you have had the opportunity to seek the advice of an attorney and that you have voluntarily elected to sign this Agreement prior to the expiration of such twenty-one (21)-day period. Furthermore, once you have signed this Agreement, you may revoke this Agreement during the period of seven (7) business days immediately following the signing (the "Revocation Period"). This Agreement will not be effective or enforceable until the Revocation Period has expired without any revocation from you. Any revocation within this period must be submitted in writing to the Company and signed by you.

11. Attorney Consultation. You agree that you have entered into this Agreement after having had the opportunity to consult with the advisors of your choice, including an attorney, with such consultation as deemed appropriate and have a full understanding of your rights and of the effect of executing this Agreement, namely, that you waive any and all non-excluded claims or causes of action against the Company regarding your employment or termination of employment, including the waiver of claims set forth above. You further acknowledge that your execution of the

Agreement is made voluntarily and with full understanding of its consequences and has not been coerced in any way.

12. Withholding. All amounts and benefits to be paid or provided hereunder shall be reduced by all applicable taxes required by law to be withheld by the Company, including without limitation Medicare taxes (in an amount equal to $5,933.56) on the increase in your Supplemental Retirement Benefit as described in Section 4(a) above.

13. Full Integration. This Agreement constitutes the entire understanding between you and the Company with respect to the subject matter hereof. There are no representations, understandings or agreements of any nature or kind whatsoever, oral or written, regarding the subject matter hereof which is not included herein. This Agreement supersedes the Employment Agreement between you and the Company which except as otherwise specifically provided herein, shall be null and void upon the execution of this Agreement.

14. Modification and Waiver. No supplement, modification, change or waiver of this Agreement or any provision hereof shall be binding unless executed in writing by you and the Company evidencing the parties' respective intent to be bound thereby. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

15. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

16. Virginia Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, without regard to its principles of conflicts of laws. Any litigation arising out of this Agreement shall be conducted in a forum located within the Commonwealth of Virginia.

17. Notice. For the purposes of this Agreement, notices and all other communications provided in this Agreement shall be in writing and shall be deemed to have

been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed as follows:

If to You:	David C. Marshall 32 Valley Club Circle Napa, CA 94558
If to the Company:	The Pittston Company 1000 Virginia Center Parkway Glen Allen, Virginia 23058-4229 Attention: Vice President-Human Resources and Administration

or to such other address as any of the parties hereto may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

18. Validity. Any provision of this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

19. Captions. The section captions herein are for convenience or reference only, do not constitute part of the Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

20. Further Assurances. Each of the parties hereto shall execute such documents and other papers and take such further actions as may be reasonably required to carry out the provisions hereof and the transactions contemplated hereby.

21. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal personally or through their duly authorized representative on the dates written by each of their signatures.

THE PITTSTON COMPANY,

by /s/ Frank T. Lennon

Frank T. Lennon,
Vice President-Human Resources
and Administration

/s/ David L. Marshall

DAVID L. MARSHALL

This schedule contains summary financial information from The Pittston Company Form 10K for the quarter ended March 31, 1998, and is qualified in its entirety by reference to such financial statements.

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3-MOS
DEC-31-1998
MAR-31-1998
72,615
2,277
589,382
25,307
37,698
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539,253
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625,678
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862,664
144,164
839,191
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2,647
7,384
18,862
6,034
12,828
0
0
0
12,828
0
0

Pittston Brink's Group - Basic - .44
Pittston Burlington Group - Basic -(.15)
Pittston Minerals Group - Basic - (.26)
Pittston Brink's Group - Diluted - .44
Pittston Burlington Group - Diluted - (.15)
Pittston Minerals Group - Diluted - (.26)