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 September 30, 1999

[ ] 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.)

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 November 1, 1999, 40,861,415 shares of $1 par value Pittston Brink's Group Common Stock, 20,824,910 shares of $1 par value Pittston BAX Group Common Stock and 10,086,434 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)

	September 30 1999	December 31 1998
ASSETS	(Unaudited)	

Current assets:		
Cash and cash equivalents	$ 78,885	83,894
Accounts receivable (net of estimated uncollectible amounts: 1999 - $35,795; 1998 - $32,122)	626,710	606,344
Inventories	44,352	42,770
Prepaid expenses and other current assets	43,494	35,141
Deferred income taxes	51,128	52,494
Total current assets	844,569	820,643
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1999 - $630,952; 1998 - $573,250)	890,479	849,883
Intangibles, net of accumulated amortization	346,802	345,600
Deferred pension assets	124,364	119,500
Deferred income taxes	62,594	63,489
Other assets	126,184	132,022
Total assets	$2,394,992	2,331,137
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 79,174	88,283
Current maturities of long-term debt	54,788	36,509
Accounts payable	285,574	284,341
Accrued liabilities	370,732	388,300
Total current liabilities	790,268	797,433
Long-term debt, less current maturities	351,417	323,308
Postretirement benefits other than pensions	244,521	239,550
Workers' compensation and other claims	88,192	93,324
Deferred income taxes	20,854	20,615
Other liabilities	135,416	120,879
Commitments and contingent liabilities		
Shareholders' equity:		
Preferred stock, par value $10 per share: Authorized: 2,000 shares $31.25 Series C Cumulative Convertible Preferred Stock; Issued and outstanding: 1999 - 30 shares; 1998 - 113 shares	296	1,134
Pittston Brink's Group Common Stock, par value $1 per share: Authorized: 100,000 shares; Issued and outstanding: 1999 - 40,861 shares; 1998 - 40,961 shares	40,861	40,961
Pittston BAX Group Common Stock, par value $1 per share: Authorized: 50,000 shares; Issued and outstanding: 1999 and 1998 - 20,825 shares	20,825	20,825
Pittston Minerals Group Common Stock, par value $1 per share: Authorized: 20,000 shares; Issued and outstanding: 1999 and 1998 - 9,186 shares	9,186	9,186
Capital in excess of par value	339,126	403,148
Retained earnings	463,674	401,186
Accumulated other comprehensive income	(58,512)	(51,865)
Employee benefits trust, at market value	(51,132)	(88,547)
Total shareholders' equity	764,324	736,028
Total liabilities and shareholders' equity	$2,394,992	2,331,137

See accompanying notes to consolidated financial statements.

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

	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Net sales	$ 105,510	126,567	305,219	410,873
Operating revenues	938,598	842,365	2,666,059	2,347,827
Net sales and operating revenues	1,044,108	968,932	2,971,278	2,758,700
Costs and expenses:				
Cost of sales	113,283	125,148	324,698	402,590
Operating expenses	771,345	694,506	2,216,602	1,948,957
Selling, general and administrative expenses (including the $15,723 write-off of long-lived assets in the 1998 periods)	121,891	141,690	346,846	343,678
Restructuring and other credits	(851)	-	(851)	-
Total costs and expenses	1,005,668	961,344	2,887,295	2,695,225
Other operating income, net	4,953	8,551	14,270	14,667
Operating profit	43,393	16,139	98,253	78,142
Interest income	1,520	1,377	4,106	3,625
Interest expense	(9,240)	(11,090)	(28,747)	(28,001)
Other income (expense), net	111	1,021	(164)	603
Income before income taxes	35,784	7,447	73,448	54,369
Provision for income taxes	11,760	7,236	20,842	20,568
Net income	24,024	211	52,606	33,801
Preferred stock dividends, net (Note 7)	(231)	(886)	17,852	(2,637)
Net income (loss) attributed to common shares	$ 23,793	(675)	70,458	31,164
Pittston Brink's Group:				
Net income attributed to common shares	$ 22,031	20,008	58,434	57,615
Net income per common share:				
Basic	$ 0.56	0.52	1.50	1.49
Diluted	0.56	0.51	1.49	1.47
Cash dividend per common share	$ 0.025	0.025	0.075	0.075
Pittston BAX Group:				
Net income (loss) attributed to common shares	$ 8,672	(21,835)	12,144	(23,812)
Net income (loss) per common share:				
Basic	$ 0.45	(1.13)	0.63	(1.22)
Diluted	0.45	(1.13)	0.63	(1.22)
Cash dividends per common share	$ 0.06	0.06	0.18	0.18
Pittston Minerals Group:				
Net income (loss) attributed to common shares (Note 7)	$ (6,910)	1,152	(120)	(2,639)
Net income (loss) per common share:				
Basic	$ (0.77)	0.14	(0.01)	(0.32)
Diluted	(0.77)	0.14	(1.87)	(0.32)
Cash dividends per common share	$ -	0.0250	0.0250	0.2125
Comprehensive income (loss)	$ 22,845	(3,896)	63,811	23,289

See accompanying notes to consolidated financial statements.

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

	Nine Months Ended September 30 1999	1998
Cash flows from operating activities:		
Net income	$52,606	33,801
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	133,449	113,090
Non-cash charges and other write-offs	362	20,124
Provision for aircraft heavy maintenance	36,664	27,148
Provision (credit) for deferred income taxes	746	(6,615)
Provision for pensions, noncurrent	7,732	3,086
Provision for uncollectible accounts receivable	12,475	17,915
Equity in (earnings) loss of unconsolidated affiliates, net of dividends received	(2,633)	1,146
Other operating, net	7,853	6,187
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(14,444)	(62,795)
(Increase) decrease in inventories	(4,166)	1,859
Increase in prepaid expenses and other current assets	(2,001)	(5,949)
Increase in other assets	(7,828)	(4,620)
Decrease in accounts payable and accrued liabilities	(2,382)	(15,582)
(Decrease) increase in other liabilities	(256)	3,986
Decrease in workers' compensation and other claims, noncurrent	(5,478)	(7,457)
Other, net	64	(9,497)
Net cash provided by operating activities	212,763	115,827
Cash flows from investing activities:		
Additions to property, plant and equipment	(188,840)	(190,956)
Aircraft heavy maintenance expenditures	(59,601)	(26,708)
Proceeds from disposal of property, plant and equipment	8,177	23,094
Acquisitions, net of cash acquired, and related contingency payments	(429)	(34,361)
Dispositions of other assets and investments	1,143	8,482
Other, net	5,932	(4,695)
Net cash used by investing activities	(233,618)	(225,144)
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings	(6,502)	35,746
Additions to long-term debt	125,524	161,029
Reductions of long-term debt	(74,168)	(68,906)
Repurchase of stock of the Company (Note 7)	(23,494)	(16,860)
Proceeds from exercise of stock options	2,156	7,910
Dividends paid	(7,670)	(10,330)
Net cash provided by financing activities	15,846	108,589
Net decrease in cash and cash equivalents	(5,009)	(728)
Cash and cash equivalents at beginning of period	83,894	69,878
Cash and cash equivalents at end of period	$78,885	69,150

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 ("Pittston Coal") 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. The Company prepares separate financial information including separate financial statements for the Brink's, BAX and Minerals Groups in addition to the consolidated financial information of the Company. Holders of Brink's Stock, BAX Stock and Minerals Stock are shareholders of the Company, which is responsible for all its 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.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with applicable quarterly reporting regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation. Specifically, for the nine months ended September 30, 1999, $3.2 million of pension expenses for BAX Global have been reclassified from selling, general and administrative expenses to operating expenses, as such expenses are related to operations personnel. Operating results for the interim periods of 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and related notes included in the Company's annual report on Form 10-K for the year ended December 31, 1998.

(2) The following are reconciliations between the calculations of basic and diluted net income (loss) per share by Group:

BRINK'S GROUP	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
NUMERATOR:				
Net income - Basic and diluted net income per share	$22,031	20,008	58,434	57,615
DENOMINATOR:				
Basic weighted average common shares outstanding	39,122	38,797	39,001	38,664
Effect of dilutive securities:				
Stock options	147	383	181	491
Diluted weighted average common shares outstanding	39,269	39,180	39,182	39,155

Options to purchase 1,410 shares of Brink's Stock, at prices between $25.57 and $39.56 per share, and options to purchase 1,164 shares of Brink's Stock, at prices between $26.69 and $39.56 per share, were outstanding during the three and nine months ended September 30, 1999, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 356 shares of Brink's Stock, at prices between $37.06 and $39.56 per share, and options to purchase 333 shares of Brink's Stock, at prices between $38.16 and $39.56 per share, were outstanding during the three and nine months ended September 30, 1998, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

The shares of Brink's Stock held in The Pittston Company Employee Benefits Trust ("Trust") are subject to the treasury stock method and effectively are not included in the basic and diluted net income per share calculations. As of September 30, 1999, 1,691 shares of Brink's Stock (2,126 in 1998) remained in the Trust.

	Three Months Ended September 30		Nine Months Ended September 30	
BAX GROUP	1999	1998	1999	1998
NUMERATOR:				
Net income (loss) - Basic and diluted net income (loss) per share	$ 8,672	(21,835)	12,144	(23,812)
DENOMINATOR:				
Basic weighted average common shares outstanding	19,316	19,339	19,180	19,446
Effect of dilutive securities:				
Stock options	29	-	26	-
Diluted weighted average common shares outstanding	19,345	19,339	19,206	19,446

Options to purchase 2,017 and 2,263 shares of BAX Stock, at prices between $9.41 and $27.91 per share, were outstanding during the three and nine months ended September 30, 1999, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 2,229 and 2,478 shares of BAX Stock, at prices between $5.78 and $27.91 per share, were outstanding during the three and nine months ended September 30, 1998, respectively, but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive.

The shares of BAX Stock held in the Trust are subject to the treasury stock method and effectively are not included in the basic and diluted net income (loss) per share calculations. As of September 30, 1999, 1,466 shares of BAX Stock (455 in 1998) remained in the Trust.

MINERALS GROUP	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
NUMERATOR:				
Net income (loss)	$(6,679)	2,038	(17,972)	(2)
Convertible Preferred Stock dividends, net	(231)	(886)	17,852	(2,637)
Basic net income (loss) per share	(6,910)	1,152	(120)	(2,639)
Effect of dilutive securities:				
Convertible Preferred Stock dividends, net	-	-	(17,852)	-
Diluted net income (loss) per share	$(6,910)	1,152	(17,972)	(2,639)
DENOMINATOR:				
Basic weighted average common shares outstanding	9,014	8,370	8,786	8,302
Effect of dilutive securities:				
Stock options	-	1	1	-
Assumed conversion of Convertible Preferred Stock	-	-	813	-
Diluted weighted average common shares outstanding	9,014	8,371	9,600	8,302

Options to purchase 722 shares of Minerals Stock, at prices between $1.56 and $25.74 per share, were outstanding during the three months ended September 30, 1999, 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 698 shares of Minerals Stock, at prices between $1.81 and $25.74 per share, were outstanding during the nine months ended September 30, 1999, but were not included in the computation of diluted net loss per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 625 shares of Minerals Stock, at prices between $5.63 and $25.74 per share, were outstanding during the three months ended September 30, 1998 but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive. Options to purchase 787 shares of Minerals Stock, at prices between $4.19 and $25.74 per share, were outstanding during the nine months ended September 30, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive.

The conversion of the Convertible Preferred Stock to 460 and 1,764 shares of Minerals Stock has been excluded in the computation of diluted net income (loss) per share in the three months ended September 30, 1999, and in the three and nine months ended September 30, 1998, respectively, because the effect of the assumed conversions would be antidilutive.

The shares of Minerals Stock held in the Trust are subject to the treasury stock method and effectively are not included in the basic and diluted net income (loss) per share calculations. As of September 30, 1999, 69 shares of Minerals Stock (3 in 1998) remained in the Trust. In October 1999, the Company sold for a promissory note of the Trust, 900 new shares of Minerals Stock at a price equal to the closing value of the stock on the date prior to issuance.

(3) Depreciation, depletion and amortization of property, plant and equipment totaled $39,671 and $115,236 in the third quarter and nine month periods of 1999, respectively, compared to $33,564 and $95,724 in the third quarter and nine month periods of 1998, respectively.

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

	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Interest	$ 9,969	10,891	29,335	27,206
Income taxes	$ 9,052	3,218	31,483	22,302

During the first quarter of 1998, Brink's recorded the following noncash investing and financing activities 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 borrowings of approximately US $19,000 and capital leases of approximately US $30,000.

(5) 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 by $1,250 and $3,455 for the third quarter and nine month periods of 1998, respectively. The effect of this change increased diluted net income per common share of the Brink's Group by $0.02 and $0.06 in the third quarter and nine month periods of 1998, respectively.

(6) The cumulative impact of foreign currency translation adjustments deducted from shareholders' equity was $61, 811 and $48,887 at September 30, 1999 and December 31, 1998, respectively.

The cumulative impact of cash flow hedges added to shareholders' equity was $2,837 at September 30, 1999. The cumulative impact of cash flow hedges deducted from shareholders' equity was $3,309 at December 31, 1998.

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

(In thousands)		Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Brink's Stock:					
Shares		-	35.4	100.0	149.5
Cost	$	-	1,262	2,514	5,617
BAX Stock:					
Shares		-	245.7	-	650.6
Cost	$	-	2,901	-	10,097
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	20,980	146
Excess carrying amount (a)	$	-	-	19,201	23

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4,300. On March 15, 1999, the Company purchased 83.9 shares (or 839 depositary shares) of its Convertible Preferred Stock for $20,980. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19,201, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock.

As of September 30, 1999, the Company had the remaining authority to purchase 900 shares of Brink's Stock; 1,465 shares of BAX Stock; 1,000 shares of Minerals Stock and an additional $7,556 of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22,184 as of September 30, 1999.

(8) During the third quarter of 1998, the Company incurred expenses of approximately $36,000, nearly all of which was recorded in selling, general and administrative expenses in the statement of operations. These expenses were comprised of several items. During the third quarter of 1998, the Company recorded write-offs for software costs included in property, plant and equipment in accordance with SFAS No. 121 of approximately $16,000. These write-offs consisted of the costs associated with certain in-process software development projects that were canceled during the quarter and unamortized costs of existing software applications which were determined by management to have no future service potential or value. It is management's belief at this time that the current ongoing information technology ("IT") initiatives are necessary and will be successfully completed and implemented. Provisions aggregating $13,000 were recorded on existing receivables during the quarter, primarily to reflect more difficult operating environments in Asia and Latin America. Approximately $7,000 was accrued for severance and other expenses primarily stemming from a realignment of BAX Global's organizational structure.

The additional IT and bad debt expenses are primarily non-cash items and are reflected in the statement of cash flows partially through the non-cash charges and other write-offs line item and the provision for uncollectible accounts receivable line item. Severance costs recorded in the third quarter of 1998 are cash items. At September 30, 1999, the Company reversed approximately $100 of the accrued severance representing the unused portion of the initial accrual established at September 30, 1998.

(9) On April 30, 1998, the Company 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 bank credit agreement and was accounted for as a purchase. The pro forma impact on the Company's total revenues, net income and net income per share had the ATI acquisition occurred as of the beginning of 1998 would not have been material.

(10) As of January 1, 1999, the Company adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities." SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The Company has determined that the capitalized mine development costs for its gold and coal mining operations relate to acquiring and constructing long-lived assets and preparing them for their intended use. Accordingly, the adoption of SOP No. 98-5 had no material impact on the results of operations of the Company.

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 ("Pittston Coal") 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

	Three Months Ended September 30		Nine Months Ended September 30	
(In thousands)	1999	1998	1999	1998
Net sales and operating revenues:				
Brink's	$ 347,930	329,701	1,013,279	901,375
BHS	58,124	51,796	170,261	150,267
BAX Global	532,544	460,868	1,482,519	1,296,185
Pittston Coal	102,463	122,867	295,508	398,963
Mineral Ventures	3,047	3,700	9,711	11,910
Net sales and operating revenues	$1,044,108	968,932	2,971,278	2,758,700
Operating profit (loss):				
Brink's	$ 27,320	24,595	69,820	70,561
BHS	12,663	13,008	41,000	40,405
BAX Global	18,177	(21,285)	31,365	(14,576)
Pittston Coal	(7,281)	5,854	(23,599)	6,642
Mineral Ventures	(2,001)	(1,084)	(4,029)	(1,409)
Segment operating profit	48,878	21,088	114,557	101,623
General corporate expense	(5,485)	(4,949)	(16,304)	(23,481)
Operating profit	$ 43,393	16,139	98,253	78,142

In the third quarter of 1999, the Company reported net income of $24.0 million compared with $0.2 million in the third quarter of 1998. Operating profit totaled $43.4 million in the 1999 third quarter compared with $16.1 million in the prior year third quarter. Results for the third quarter of 1998 were adversely affected by additional expenses of approximately $36 million at the Company's BAX Global operations (discussed below) combined with a related decrease in the effective tax rate which resulted in a lower tax benefit. Increased operating results at BAX Global ($39.5 million) and Brink's ($2.7 million) were partially offset by decreases in operating profits at Pittston Coal ($13.1 million), Mineral Ventures ($0.9 million) and BHS ($0.3 million) as well as higher corporate expenses ($0.5 million) as discussed below.

In the first nine months of 1999, the Company reported net income of $52.6 million compared with $33.8 million in the first nine months of 1998. Operating profit totaled $98.3 million in the first nine months of 1999 compared with $78.1 million in the prior year's comparable period. Increased operating results at BAX Global ($45.9 million) and BHS ($0.6 million), as well as lower corporate expenses ($7.2 million), were partially offset by decreases in operating profits at Pittston Coal ($30.2 million), Mineral Ventures ($2.6 million) and Brink's ($0.7 million). Corporate expenses in the first nine months of 1998 included $5.8 million of additional expenses related to a retirement agreement between the Company and its former Chairman and CEO. Corporate expenses in the first nine months of 1998 also include costs associated with a severance agreement with a former member of the Company's senior management.

During the third quarter of 1998, BAX Global incurred additional expenses of approximately $36.0 million, nearly all of which was recorded in selling, general and administrative expenses in the statement of operations. These expenses were comprised of several items. During the third quarter of 1998, BAX Global recorded write-offs for software costs in accordance with SFAS No. 121 of approximately $16 million. These write-offs consisted of the costs associated with certain in-process software development projects that were canceled during the quarter and unamortized costs of existing software applications which were determined by management to have no future service potential or value. It is management's belief at this time that the current ongoing information technology ("IT") initiatives are necessary and will be successfully completed and implemented. Provisions aggregating $13.0 million were recorded on existing receivables during the quarter, primarily to reflect more difficult operating environments in Asia and Latin America. Approximately $7 million was accrued for severance and other expenses primarily stemming from a realignment of BAX Global's organizational structure. At September 30, 1999, BAX Global reversed approximately $0.1 million of the accrued severance representing the unused portion of the initial accrual established at September 30, 1998.

Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19.2 million, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock.

BRINK'S

Brink's consolidated revenues totaled $347.9 million in the third quarter of 1999 compared with $329.7 million in the third quarter of 1998 representing an increase of 6% and reflecting growth in all geographic regions. Brink's operating profit of $27.3 million in the third quarter of 1999 represented a $2.7 million (11%) increase versus the $24.6 million of operating profit reported in the prior year quarter. Operating profit increases in Latin America were partially offset by decreases in North America and Asia/Pacific while European operating results remained level with the prior year quarter.

North American revenue increases stemmed from growth in armored car operations which include ATM services. The margin contributed by the increased revenue was more than offset by increased selling, general and administrative expenses primarily representing increased information technology expenditures in North America. The increased information technology spending is intended to enhance Brink's capabilities in transportation of valuables, ATM servicing, money processing and air courier operations as well as to implement communication improvements. Despite overall difficult economic conditions in Latin America, operating performance improved in Brazil and in Brink's 20% owned Mexican affiliate, which recorded equity earnings versus an equity loss in the same quarter last year. In addition, Brink's subsidiary in Argentina significantly reduced the level of losses associated with its startup. Operations have also benefited from cost reduction measures and other actions which have been taken during 1999 in response to weaker business conditions. Asia/Pacific operations incurred an operating loss primarily due to costs associated with the business expansion in Australia; efforts are currently underway to improve that situation.

Brink's consolidated revenues totaled $1,013.3 million in the first nine months of 1999, up 12% compared with $901.4 million in the first nine months of 1998 with growth in all geographic regions. Brink's operating profit of $69.8 million in the first nine months of 1999 represented a $0.7 million decrease compared to the prior year period.

The increase in North American revenues for the first nine months of 1999 resulted primarily from continued growth in armored car operations, which include ATM services, and the decrease in operating profit was primarily due to increased expenditures on information technology to enhance Brink's capabilities in transportation of valuables, ATM servicing, money processing and air courier operations as well as to implement communication improvements. The increase in revenue from European operations was primarily due to the acquisition of nearly all the remaining shares of Brink's affiliate in France in the first quarter of 1998 as well as the acquisition of the remaining 50% interest of Brink's affiliate in Germany late in the second quarter of 1998. The operating profit increase in Europe was primarily due to the improved results from operations and the increased ownership position in France which more than offset unfavorable results in Germany. Operating profits in Latin America increased versus last year due to improved results in Brazil, Mexico and Argentina, partially offset by lower results from Venezuela, Chile and Colombia due to weaker business conditions. The operating loss from Asia/Pacific operations was primarily due to costs associated with the business expansion in Australia.

BHS

Revenues for BHS increased $6.3 million (12%) to $58.1 million in the third quarter of 1999 compared to the 1998 third quarter. In the first nine months of 1999, revenues for BHS increased $20.0 million (13%) to $170.3 million. The increase in revenues was due to increased monitoring and service fee revenues, reflecting an 11% increase in the subscriber base as well as higher average monitoring fees. As a result of such growth, monthly recurring revenues at September 30, 1999 grew 14% versus those as measured at September 30, 1998.

Operating profit in the third quarter of 1999 decreased $0.3 million (3%) compared to the 1998 third quarter. In the first nine months of 1999, operating profit increased $0.6 million (1%) to $41.0 million. Operating profit in the third quarter and first nine months of 1999, as compared to the same 1998 periods, reflected increases of $1.4 million and $3.6 million, respectively, in the up-front net cost of marketing, sales and installation related to gaining new subscribers. The increases in up-front net cost in both the quarter and year to date periods were due to higher levels of sales and marketing costs as a consequence of the continuing competitive environment in the residential security market. This increase in the up-front net cost was only partially offset, in the three month period, by the favorable impact of a $1.1 million increase in operating profit attributable to monitoring and service activities (resulting from growth of 11% in the subscriber base combined with higher average monitoring fees, partially offset by higher disconnect expense). In the year to date period as compared to the prior year period, the increased profitability in monitoring and service activities of $4.2 million more than offset the higher up-front cost of gaining new subscribers of $3.6 million.

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 three and nine month periods ended September 30, 1998 by $1.3 million and $3.5 million, respectively. The effect of this change increased diluted net income per common share of the Brink's Group by $0.02 and $0.06 in the three and nine month periods ended September 30, 1998, respectively.

BAX GLOBAL

BAX Global's worldwide operating revenues increased 16% to $532.5 million in the third quarter of 1999 as compared to $460.9 million in the third quarter of 1998, with increases in all geographic regions, most notably the Pacific region which benefited from the continuation of new business from several high technology industry customers obtained during late 1998 and early 1999 and the acquisition of the remaining 67% interest in a freight agent in Taiwan in the first quarter of 1999. Revenues in the Americas region also increased over the 1998 quarter, reflecting higher US domestic expedited freight services revenue, due primarily to continued expansion of the higher-yielding Emergency Response ("EMR") product, as well as increases in US charter business.

In the current quarter, BAX Global reported an operating profit of $18.2 million as compared to an operating loss of $21.3 million reported in the third quarter of 1998, which included the previously discussed additional expenses of approximately $36 million. The current quarter operating profit benefited from favorable results in the Pacific region, primarily reflecting additional expedited and supply chain management business, and in the Atlantic region, primarily reflecting higher expedited freight services volumes. The improvement in operating profit in the Americas region largely resulted from higher margins on domestic expedited freight services which benefited from higher EMR product volumes. These benefits were partially offset by increased station and administrative expenses.

BAX Global's worldwide operating revenues increased 14% to $1,482.5 million in the first nine months of 1999 as compared to $1,296.2 million in the first nine months of 1998, with increases in all geographic regions, mostly notably the Pacific, which benefited from the continuation of new business from several high technology industry customers obtained during late 1998 and early 1999 and the acquisition of the remaining 67% interest in a freight agent in Taiwan in the first quarter of 1999. Revenue increases in the Americas region were primarily the result of the inclusion of revenues from ATI which was acquired in late April 1998 partially offset by a slight decrease in US expedited freight services and export revenues.

For the first nine months of 1999, BAX Global reported an operating profit of $31.4 million as compared to an operating loss of $14.6 million reported in the same period of 1998 including the previously discussed additional expenses of approximately $36 million. Operating profit in the 1999 period benefited from favorable results in the Pacific region, reflecting additional business from high technology industry customers and in the Americas region, primarily from higher margins reflecting higher yields due to the continued penetration of the EMR product and lower expedited freight transportation costs. Lower transportation costs were favorably impacted by operating efficiencies, the effects of which were partially offset by higher maintenance and fuel costs. The operating profit improvements were partially offset by higher administrative expenses. In addition, the Atlantic region's operating profit increased primarily due to higher export and import expedited freight volumes. Operating profit in the first nine months of 1999 also included the benefit of $1.6 million of incentive accrual reversals related to 1998 as such incentives were not paid as a result of a management decision made during the first quarter of 1999.

PITTSTON COAL

Net sales for Pittston Coal totaled $102.5 million in the third quarter of 1999 compared to $122.9 million in the prior year quarter. Pittston Coal incurred an operating loss of $7.3 million in the third quarter of 1999 compared to an operating profit of $5.9 million in 1998.

Net sales for Pittston Coal totaled $295.5 million in the first nine months of 1999 compared to $399.0 million in the same period of 1998. Pittston Coal incurred an operating loss of $23.6 million in the first nine months of 1999 including the costs associated with the previously reported salaried staff reductions, compared to an operating profit of $6.6 million in 1998.

The decline in net sales for the third quarter of 1999 versus 1998 is primarily due to a 16% reduction in total tons sold. Steam coal sales in the third quarter of 1999 remained relatively unchanged and metallurgical coal sales declined by 0.6 million tons (32%) to 1.3 million tons when compared to the third quarter of 1998. The decline in metallurgical sales was primarily due to weak export markets and a strong US dollar relative to the currencies of other coal exporting nations. Steam coal sales represented 63% and 54% of total volume in the third quarter of 1999 and 1998, respectively, reflecting the impact of the significant decline in metallurgical volumes.

The lower operating results in the third quarter of 1999 as compared to the prior year's period were primarily due to a $5.9 million decline in other operating income and a $3.7 million decrease in total coal margin. In addition, idle and closed mine costs and inactive employee costs increased $1.3 million and $2.6 million, respectively, in the third quarter of 1999, compared to the same period in 1998. The operating loss in the 1999 quarter includes a $2.4 million benefit on litigation settlements and favorable workers' compensation claim experience. However, this $2.4 million benefit was partially offset by $0.8 million of costs associated with the previously reported salaried staff reduction. Operating profit in the third quarter of 1998 included a $5.4 million gain on the sale of assets as well as a $2.6 million gain on a litigation settlement.

Coal margin per ton decreased to $1.22 per ton in the third quarter of 1999 from $1.93 per ton for the 1998 third quarter due primarily to lower sales volume combined with lower realizations on metallurgical sales and to a lesser extent, higher steam related production costs due to permitting delays discussed below. Metallurgical coal margins were negatively impacted in the third quarter of 1999 by lower realizations per ton primarily resulting from the previously mentioned weak market conditions which negatively impacted annual contract negotiations. In addition, coal margin in the third quarter of 1999 included the benefit of the judgment rendered by the US District Court for the Eastern District of Virginia, regarding the constitutionality of the federal black lung excise tax (as more fully discussed below).

Metallurgical sales in 1999 are expected to continue to be lower than 1998 levels, due to weak market conditions. Metallurgical export sales continue to be negatively impacted by the relative strength of the US dollar versus currencies of other metallurgical coal producing countries as well as an oversupply of metallurgical coal internationally resulting from the lasting effects of the 1998 Asian crisis. In addition, future steam coal margins are expected to be negatively impacted by any failure to receive mining permits in West Virginia on a timely basis (as discussed below) as well as potential increases in operating costs.

Operating profit from the gas and timber businesses amounted to $1.6 million for both the third quarter of 1999 and 1998.

Idle and closed mine costs increased $1.3 million during the third quarter of 1999 compared to the same period in 1998, due to the first quarter 1999 idlement of a deep mine producing metallurgical coal, which was idled in response to the previously mentioned weak market conditions. Late in the third quarter of 1999, this mine was reactivated and is now producing at reduced capacity. Barring significant improvements in market conditions, there could be a further review of capacity requirements.

Inactive employee costs, which primarily represent long-term employee liabilities for pension, black lung and retiree medical costs, increased 39% over the prior year's quarter primarily due to higher costs related to certain long-term benefit obligations as a result of reductions in the amortization of actuarial gains, a decrease in the discount rate used to calculate the present value of the liabilities and higher premiums under the Coal Industry Retiree Benefit Act of 1992. Pittston Coal anticipates that costs related to certain of these long-term benefit obligations will continue at these higher levels throughout 1999.

Selling, general and administrative expenses increased $0.4 million (8%) over the prior year's quarter due to expenses associated with the salaried staff reductions and as a result of provisions related to the bankruptcy of a significant user of Pittston Coal's metallurgical coal.

Pittston Coal management has engaged an outside consultant to perform a comprehensive study of its coal resources. Such study will include an evaluation of the quality, recoverability and economic feasibility of all available reserves. It is currently anticipated that the study will be completed prior to the end of 1999. Management intends to use the results of the study along with its ongoing assessment of current and future coal industry economics to evaluate and, potentially, adjust its current plans to maximize values from specific properties and interests. Decisions to be made by management as a result of this process could affect future earnings and the carrying value of coal-related assets. It is not currently possible to estimate the potential outcome of this assessment or its impact, if any, on the financial position and/or results of operations of the Minerals Group.

As reported in the first two quarters of 1999, a controversy involving an unrelated party with respect to a method of mining called "mountaintop removal" that began in mid-1998 in West Virginia has resulted in a substantial delay in the process of issuing mining permits, including those unrelated to mountaintop removal. As a result, there has been a delay in Vandalia Resources, Inc. ("Vandalia"), a wholly-owned subsidiary of Pittston Coal, being issued, in a timely fashion, mining permits necessary for its uninterrupted mining. Vandalia required the issuance of two permits to ensure uninterrupted production throughout 1999 and a third permit to ensure uninterrupted production throughout 2000. Vandalia obtained the first permit on April 15, 1999. Expedient development under the first permit allowed for uninterrupted production through September 17, 1999 when permitting delays forced the elimination of 26 jobs and reduced marketable production from Vandalia by 40,000 tons per month. The second permit has been pending since the fall of 1998, and the third permit has been pending since the spring of 1999. Although management believed the second permit was likely to be issued in the fall of 1999 and the third permit would be issued in mid-2000, on October 20, 1999, United States District Court Judge Charles H. Haden, II issued a Memorandum Opinion and Order enjoining the regulatory agencies from approving any further surface mining permits that allowed the placement of excess spoil in intermittent and perennial streams, which includes Vandalia's second and third permits. In an effort to enforce Judge Haden's Order, the Director of the West Virginia Division of Environmental Protection issued an October 21, 1999 Order which provided that no surface mining permits shall be issued which propose fills in intermittent or perennial streams. On October 29, 1999, Judge Haden stayed the enforcement of his October 20, 1999 Memorandum Opinion and Order pending appeal of his Order to the United States Court of Appeals for the Fourth Circuit, and on November 1, 1999, the Director of the West Virginia Division of Environmental Protected rescinded his October 21, 1999 Order. Since Vandalia's second and third permits planned for fills in intermittent and perennial streams, Vandalia is unsure how this activity will affect the issuance of the outstanding permits. Vandalia and other affected parties in West Virginia are currently exploring all legal and legislative remedies that may be available to resolve this matter. If the outstanding permits are not issued prior to the end of January 2000, this most probably will result in additional job and marketable production losses. During the year ended December 31, 1998, Vandalia produced approximately 2.7 million tons of coal resulting in revenues of approximately $81.8 million and contributed significantly to coal margin.

Pittston Coal sales decreased $103.5 million in the first nine months of 1999 compared to the same period in 1998 largely as the result of reduced sales volume as well as lower metallurgical coal realizations. Compared to the first nine months of 1998, steam coal sales in the first nine months of 1999 decreased by 1.4 million tons (19%), to 6.0 million tons and metallurgical coal sales declined by 2.0 million tons (35%), to 3.8 million tons. The steam sales reduction was due primarily to the sale of certain coal assets at the Elkay mining operation in West Virginia ("Elkay Assets") in the second quarter of 1998 and the closing of a surface mine in Kentucky in the third quarter 1998. The decline in metallurgical sales was primarily due to weak export markets and a strong US dollar relative to the currencies of other coal exporting nations. Steam coal sales represented 62% and 56% of total volume in the first nine months of 1999 and 1998, respectively.

For the first nine months of 1999, Pittston Coal generated an operating loss of $23.6 million as compared to an operating profit of $6.6 million for the same period in 1998. The lower results were primarily due to a decrease in total coal margin and increases in idle and closed mine cost, inactive employee cost and selling, general and administrative expenses. Operating profit in the 1998 period included a net benefit of approximately $6 million related to net gains on the sale of assets and a gain on a litigation settlement. Operating loss in the 1999 period includes gains on litigation settlements and the previously mentioned favorable workers' compensation claim experience, offset by costs in the third quarter associated with the salaried staff reduction.

Total coal margin for the first nine months of 1999 decreased compared to the 1998 comparable period due to lower sales volume combined with a decrease in coal margin per ton. Coal margin per ton decreased to $1.48 per ton in the first nine months of 1999 from $2.11 per ton for the 1998 period. This overall change was primarily due to a decrease in metallurgical coal margins. Metallurgical coal margins were negatively impacted in the first nine months of 1999 by lower realizations per ton primarily resulting from the previously mentioned weak export markets. In addition, coal margin per ton in the first nine months of 1998 included an average benefit of $0.10 per ton related to a favorable ruling issued by the US Supreme Court on the unconstitutionality of the Harbor Maintenance Tax while the first nine months of 1999 included the benefit of the judgment rendered by the US District Court for the Eastern District of Virginia, regarding the constitutionality of the federal black lung excise tax on export shipments, since Pittston Coal no longer had to accrue the tax (as more fully discussed below).

Idle and closed mine costs increased $2.1 million during the first nine months of 1999. The increase was due to the first quarter 1999 idlement of a deep mine producing metallurgical coal, in response to the previously mentioned weak market conditions, as well as additional costs at other idle mines, partially offset by the $2.0 million inventory writedown associated with the sale of the Elkay Assets in 1998.

Inactive employee costs, which primarily represent long-term employee liabilities for pension, black lung and retiree medical costs, increased 35% from the first nine months of 1998 to the same period in 1999 primarily due to higher costs related to certain long-term benefit obligations as a result of reductions in the amortization of actuarial gains, a decrease in the discount rate used to calculate the present value of the liabilities and higher premiums under the Coal Industry Retiree Benefit Act of 1992.

Selling, general and administrative expenses for the first nine months of 1999 increased $2.4 million over the prior year comparable period, primarily as the result of a provision related to the bankruptcy of a significant user of Pittston Coal's metallurgical coal.

On February 10, 1999, the US District Court for the Eastern District of Virginia entered a final judgment in favor of certain of the Company's subsidiaries, ruling that the federal black lung excise tax ("FBLET") imposed under Section 4121 of the Internal Revenue Code is unconstitutional as applied to export coal sales and ordering a refund to the subsidiaries of approximately $0.7 million (plus interest) for the FBLET that those companies paid for the quarter ended March 31, 1997. The government did not appeal the judgment before the April 12, 1999 deadline for noticing an appeal. A refund of $0.8 million including interest was received in July, 1999. The Company will seek additional refunds of the FBLET it paid on export coal sales for all open statutory periods. The ultimate amounts and timing of such refunds, if any, cannot be determined at the present time. As a result of this judgment, Pittston Coal no longer has to incur the tax on exported coal sales in 1999. During the first nine months of 1998, such tax amounted to approximately $1.9 million.

Pittston Coal 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 nine months of 1999 for such costs:

(In thousands)	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1998	$ 8,906	16,307	25,213
Payments	1,373	1,355	2,728
Reversals (a)	-	851	851
Balance as of September 30, 1999	$ 7,533	14,101	21,634

(a) Reversals relate to favorable workers'compensation claim experience.

MINERAL VENTURES

Mineral Ventures generated net sales during the third quarter of 1999 of $3.0 million, an 18% decrease from the $3.7 million reported in the third quarter of 1998. The decrease in net sales resulted from the year-over-year decline in the market price of gold and lower sales volume. Operating loss for the third quarter of 1999 was $2.0 million compared to an operating loss of $1.1 million in the same period last year. The operating loss during the third quarter of 1999 was negatively impacted by lower realizations and higher production costs due primarily to poor grade and recovery. The cash cost per ounce of gold sold increased from $205 in the third quarter of 1998 to $280 in the third quarter of 1999, reflecting higher production costs and the exchange rate impact of a slightly stronger Australian dollar as compared to the third quarter of 1998.

Mineral Ventures generated net sales during the first nine months of 1999 of $9.7 million, a 18% decrease from the $11.9 million reported in the first nine months of 1998, reflecting a year-over-year decline in the market price of gold. For the nine months ended September 30, 1999, Mineral Ventures gold realizations have declined approximately 16% over the year ago price, reflecting the deterioration in the market price of gold during most of the third quarter of 1999. Mineral Ventures generated an operating loss of $4.0 million for the first nine months of 1999 compared to an operating loss of $1.4 million in the same period last year. The cash cost per ounce of gold sold increased from $210 in the first nine months of 1998 to $257 in the same period of 1999. Production costs in the first nine months of 1999 were negatively impacted by a high percentage of low grade ore milled during the first quarter and by inefficiencies resulting from the delay in the installation of a ventilation shaft during the nine month period, which resulted in poor productivity and as mentioned above, the third quarter suffered from poor grade and recovery. Increased equity income from Mining Project Investors ("MPI"), partially offset the increased operating losses of the gold mine.

FOREIGN OPERATIONS

A portion of the Company's financial results is derived from activities in a number of foreign countries located in Europe, Asia and Latin America each with a local currency other than the US dollar. Because the financial results of the Company are reported in US dollars, they are affected by changes in the value of the various foreign currencies in relation to the US dollar. Changes in exchange rates may also adversely affect transactions which are denominated in currencies other than the functional currency. The Company periodically enters into such transactions in the course of its business. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency fluctuations may have on the translated results in any one country. The Company, from time to time, uses foreign currency forward contracts to hedge transactional risks associated with foreign currencies. Translation adjustments of net monetary assets and liabilities denominated in the local currency 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 operates in such a highly inflationary economy.

The Company is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions, political instability, controls on repatriation of earnings and capital, nationalization, 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 third quarters of 1999 and 1998, corporate expenses totaled $5.5 million and $4.9 million, respectively. In the first nine months of 1999, corporate expenses decreased $7.2 million from $23.5 million in the corresponding period of 1998. Corporate expenses in the first nine months of 1998 included $5.8 million of expenses related to a retirement agreement between the Company and its former Chairman and CEO. Corporate expenses in the first nine months of 1998 also include costs associated with a severance agreement with a former member of the Company's senior management.

OTHER OPERATING INCOME, NET
Other operating income, net, generally includes the Company's share of net earnings or losses of unconsolidated affiliates, primarily Brink's equity affiliates, royalty income and gains and losses from foreign currency exchange and from sales of coal assets. Other operating income, net for the three and nine months ended September 30, 1999 was $5.0 million and $14.3 million, respectively, compared to $8.6 million and $14.7 million, respectively, in the three and nine months ended September 30, 1998. The lower level of income in the quarter ended September 30, 1999 versus 1998 is due to gains on the sale of certain coal assets of $5.4 million in 1998 and lower gains from litigation settlements in 1999 partially offset by $1.8 million of higher earnings from Brink's equity affiliates (primarily Mexico). The lower level of income in the first nine months of 1999 primarily relates to higher gains on coal asset sales in 1998 coupled with higher gains from the settlement of litigation in 1998 at Pittston Coal, partially offset by higher equity in earnings at affiliates of Brink's and Mineral Ventures.

INTEREST EXPENSE, NET
Net interest expense decreased $2.0 million (21%) in the third quarter and increased $0.3 million (1%) in the first nine months of 1999. The decrease in the 1999 third quarter was due to lower average interest rates on domestic and foreign borrowings which more than offset higher average borrowings. The slight increase in the first nine months of 1999 versus 1998 was due to higher average borrowings throughout the period which were substantially offset by lower average interest rates in the second and third quarters.

OTHER INCOME/EXPENSE, NET
Other income, net for the third quarter ended September 30, 1999 of $0.1 million decreased $0.9 million from the prior year quarter. Other expense, net was $0.2 million in the first nine months of 1999 as compared to income of $0.6 million last year. Quarter fluctuations reflect the impact of lower net foreign currency translation gains. Year-to-date fluctuations reflect lower gains on sale of assets and net foreign currency translation gains which have been partially offset by a decrease in minority interest expense.

INCOME TAXES
In the 1999 periods presented, the provision for income taxes was less than the statutory federal income tax rate of 35% primarily due to the tax benefits of percentage depletion from Pittston Coal and lower taxes on foreign income, partially offset by provisions for goodwill amortization and state income taxes. The effective tax rate for the Company was lower in the 1999 periods presented compared to 1998 due to the magnitude of the loss before income taxes for Pittston Coal in 1999 and higher than normal expense at the Company's BAX Global operations in 1998. In the 1998 periods presented, the provision for income taxes was more than the statutory federal income tax rate of 35% since the higher than normal expenses caused non-deductible items (principally goodwill amortization) to be a more significant factor in calculating the effective tax rate.

FINANCIAL CONDITION

CASH FLOW REQUIREMENTS
Cash provided by operating activities during the first nine months of 1999 totaled $212.8 million compared with $115.8 million in the first nine months of 1998. This increase resulted from higher cash earnings combined with a decrease in the cash required to fund working capital. The decrease in working capital requirements primarily resulted from reduced sales at the Company's Coal Operations.

INVESTING ACTIVITIES

Cash capital expenditures for the first nine months of 1999 approximated $188.8 million, down from approximately $191.0 million in the comparable period in 1998. Of the 1999 amount of cash capital expenditures, $63.7 million was spent by Brink's, $60.8 million was spent by BHS, $48.6 million was spent by BAX Global, $12.5 million was spent by Pittston Coal and $3.2 million was spent by Mineral Ventures. For the full year of 1999, company-wide cash capital expenditures are projected to range between $230 million and $250 million. The foregoing amounts exclude expenditures that have been or are expected to be financed through capital leases and any acquisition expenditures.

The increase in aircraft heavy maintenance expenditures of $32.9 million was primarily due to the acquisition of ATI in 1998 as well as an overall increase in the costs of heavy maintenance repairs.

During the second quarter of 1998, Pittston Coal disposed of certain Elkay Assets. Total cash proceeds from the sale amounted to approximately $18 million. Investing activities for the nine months ended September 30, 1998 also included the acquisition of ATI for a purchase price of approximately $29 million.

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.

Cash flows provided by financing activities were $15.8 million for the first nine months of 1999, compared with $108.6 million provided by financing activities for the same period in 1998. The 1998 levels reflect additional borrowings of $83.0 million primarily resulting from higher working capital requirements as well as the acquisition of ATI in April 1998. In addition, the 1999 period includes additional borrowings used to finance the purchase of the Company's Preferred Stock (discussed in more detail 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 September 30, 1999 and December 31, 1998 borrowings of $100 million were outstanding under the term loan portion of the Facility and $166.7 million and $91.6 million, respectively, of additional borrowings were outstanding under the remainder of the Facility.

MARKET RISKS AND HEDGING AND DERIVATIVE ACTIVITIES

The Company has activities in a number of foreign countries throughout the world. Operations within these countries expose the Company to a variety of market risks, including the effects of changes in foreign currency exchange rates and interest rates. In addition, the Company consumes and sells certain commodities in its businesses, exposing it to the effects of changes in the prices of such commodities. These financial and commodity exposures are monitored and managed by the Company as an integral part of its overall risk management program. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency rate fluctuations may have on the translated results in any one country. The Company's risk management program considers this favorable diversification effect as it measures the Company's exposure to financial markets and as appropriate, seeks to reduce the potentially adverse effects that the volatility of certain markets may have on its operating results. The Company has not had any material change in its market risk exposures with respect to its interest rate and foreign currency risk since December 31, 1998.

The following table represents the Company's outstanding commodity hedge contracts as of September 30, 1999:

(In thousands, except average contract rates)	Notional Amount	Weighted Average Contract Rate	Estimated Fair Value
Forward gold sale contracts (a)	7	$ 305	$ 38
Forward swap contracts:			
Jet fuel purchases (pay fixed) (b)	18,000	0.4949	1,332
Natural gas (receive fixed) (c)	1,700	2.5700	(213)
Commodity options:			
Jet fuel purchases (collar) (b)	11,300	0.5319 to 0.4499	1,126
Jet fuel purchases (cap) (b)	3,000	0.6125	130
Diesel fuel purchases (cap) (b)	3,000	0.5628	252

(a) Notional amount in ounces of gold.
(b) Notional amount in gallons of fuel.
(c) Notional amount in Btus.

READINESS FOR YEAR 2000: SUMMARY
The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. If not corrected, many date-sensitive applications could fail or create erroneous results by or in the year 2000. The Company understands the importance of having systems and equipment operational through the year 2000 and beyond and is committed to addressing these challenges while continuing to fulfill its business obligations to its customers and business partners. Year 2000 project teams have been established which are intended to make information technology assets, including embedded microprocessors ("IT assets"), non-IT assets, products, services and infrastructure Year 2000 ready.

READINESS FOR YEAR 2000: STATE OF READINESS
The following is a description of the Company's state of readiness for each of its operating units.

Brink's
The Brink's Year 2000 Project Team has divided its Year 2000 readiness program into six phases: (i) inventory, (ii) assessment, (iii) renovation, (iv) validation/testing, (v) implementation and (vi) integration. Worldwide, Brink's is largely in the implementation and integration phases of its Year 2000 readiness program.

Brink's North America
With respect to Brink's North American operations, all core IT systems have been identified, renovation has taken place and the Year 2000 project is currently in the final stages of implementation and integration. The implementation of non-IT systems, which include armored vehicles, closed circuit televisions, videocassette recorders and certain currency processing equipment, is substantially complete as of September 30, 1999. Substantially all of Brink's North America IT systems have been tested and validated as Year 2000 ready. Management currently believes that all its IT and non-IT systems will be Year 2000 ready or that there will be no material adverse effect on operations or financial results due to non-readiness.

Brink's International
All international affiliates have been provided with an implementation plan, prepared by the Global Year 2000 Project Team. In addition, there is senior management sponsorship in all international countries. The implementation plan requires semi-monthly reports as to the status of each category in each country. The categories include core systems, non-core systems, hardware, facilities, special equipment, voice/data systems, etc. Countries in Europe, Latin America and Asia/Pacific are in varying phases of the Year 2000 readiness program. In Europe, core systems have been identified, renovation has taken place and the Year 2000 project is currently in the implementation and integration phases. In both Latin America and Asia/Pacific, most countries are currently in implementation on core systems with a few completing renovation and testing with respect to certain applications. Brink's plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000.

BHS

The BHS Year 2000 Project Team has divided its Year 2000 readiness program into four phases: (i) assessment, (ii) remediation/replacement, (iii) testing and (iv) integration. As of September 30, 1999, BHS has completed the assessment and remediation/replacement phases. Approximately 99% of BHS' IT and non-IT systems had been tested and verified as Year 2000 ready and BHS is currently in the integration phase. BHS plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000.

BAX Global

The BAX Global Year 2000 Project Team has divided its Year 2000 readiness program into five phases: (i) inventory (ii) assess and test, (iii) renovate, (iv) test and verify and (v) implement. During the first nine months of 1999, the inventory and assessment phases of major systems have been completed worldwide. Renovation activities for major systems are complete. Replacement activities for non-compliant components and systems that are not scheduled for renovation are complete. Testing is complete for major systems that have been renovated. BAX Global plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000. As of September 30, 1999, more than 95% of BAX Global's IT and non-IT critical systems have been tested and verified as Year 2000 ready.

Pittston Coal and Mineral Ventures

The Pittston Coal and Mineral Ventures Year 2000 Project Teams have divided their Year 2000 readiness programs into four phases: (i) assessment, (ii) remediation/replacement, (iii) testing and (iv) integration. At September 30, 1999, the majority of the core IT assets are either already Year 2000 ready or in the testing or integration phases. Pittston Coal and Mineral Ventures plan to have completed all phases of their Year 2000 readiness programs on a timely basis prior to Year 2000. As of September 30, 1999, approximately 98% of hardware systems and embedded systems have been tested and verified and/or certified as Year 2000 ready.

The Company

As part of its Year 2000 projects, the Company has sent comprehensive questionnaires to significant suppliers and others with which it does business, regarding their Year 2000 compliance and is in the process of identifying significant problem areas with respect to these business partners. The Company is relying on such third parties' representations regarding their own readiness for Year 2000. This process will be ongoing and efforts with respect to specific problems will depend in part upon the Company's assessment of the risk that any such problems associated with business partners may have a material adverse impact on its operations.

Further, the Company relies upon US and foreign government agencies (particularly the Federal Aviation Administration and customs agencies worldwide), utility companies, rail carriers, telecommunication service companies and other service providers outside of its control. As with most companies, the Company is vulnerable to significant suppliers', customers' and other third parties' inability to remedy their own Year 2000 issues. As the Company cannot control the conduct of its customers, suppliers or other third parties, there can be no guarantee that Year 2000 problems originating with a supplier or other third party will not occur.

READINESS FOR YEAR 2000: COSTS TO ADDRESS

The Company anticipates incurring remediation and acceleration costs for its Year 2000 readiness programs. Remediation includes the identification, assessment, modification and testing phases of its Year 2000 readiness programs. Remediation costs include both the costs of modifying existing software and hardware as well as purchases that replace existing hardware and software that is not Year 2000 ready. Acceleration costs include costs to purchase and/or develop and implement certain information technology systems whose implementation has been accelerated as a result of the Year 2000 readiness issue. Most of the remediation and acceleration costs will be incurred by Brink's and BAX Global.

Projected Year 2000 acceleration and remediation costs have increased by approximately $2 million over previously reported amounts due to the decision to use BAX Global resources on customer focused projects (other than Year 2000) and expand the scope of Year 2000 subcontractors, and due to additional costs incurred in order for the Year 2000 program to remain on schedule.

Total anticipated remediation and acceleration costs are detailed in the table below:

(Dollars in millions)

ACCELERATION		Capital	Expense	Total
Total anticipated Year 2000 costs	$	25.0	3.1	28.1
Incurred through September 30, 1999		23.7	2.6	26.3
Remainder	$	1.3	0.5	1.8

REMEDIATION		Capital	Expense	Total
Total anticipated Year 2000 costs	$	12.4	19.2	31.6
Incurred through September 30, 1999		10.4	17.6	28.0
Remainder	$	2.0	1.6	3.6

TOTAL		Capital	Expense	Total
Total anticipated Year 2000 costs	$	37.4	22.3	59.7
Incurred through September 30, 1999		34.1	20.2	54.3
Remainder	$	3.3	2.1	5.4

READINESS FOR YEAR 2000: THE RISKS OF THE YEAR 2000 ISSUE

The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect results of operations, liquidity and financial condition of the Company.

The following is a description of the Company's risks of the Year 2000 issue for each of its operating units:

Brink's

Brink's believes its most reasonably likely worst case scenario is that it will experience a number of minor system malfunctions and errors in the early days and weeks of the Year 2000 that were not detected during its renovation and testing efforts. Brink's currently believes that these problems will not be overwhelming and are not likely to have a material effect on the Company's operations or financial results. Brink's may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but such expenses are not expected to be material. As noted above, Brink's is vulnerable to significant suppliers', customers' and other third parties' inability to remedy their own Year 2000 issues. As Brink's cannot control the conduct of its suppliers or other third parties, there can be no guarantee that Year 2000 problems originating with a supplier, customer or other third party will not occur. However, Brink's program of communication with major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

BHS

BHS believes its most reasonably likely worst case scenario is that its ability to receive alarm signals from some or all of its customers may be disrupted due to temporary regional service outages sustained by third party electric utilities, local telephone companies, and/or long distance telephone service providers. Such outages could occur regionally, affecting clusters of customers, or could occur at BHS's principal monitoring facility, possibly affecting the ability to provide service to all customers. BHS currently believes that the consequences of these problems will not be overwhelming and are not likely to have a material effect on the Company's operations or financial condition. BHS may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but such expenses are not expected to be material. As noted above, BHS is vulnerable to significant third party electric utility and telephone service providers inability to remedy their own Year 2000 issues. As BHS cannot control the conduct of these third parties, there can be no guarantee that Year 2000 problems originating with a third party will not occur. However, BHS' program of communication with major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

BAX Global

The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect results of operations, liquidity and financial condition of BAX Global. The extent to which such a failure may adversely affect operations is being assessed. BAX Global believes its most reasonably likely worst case scenario is that it will experience a number of minor system malfunctions and errors in the early days and weeks of the Year 2000 that were not detected during its renovation and testing efforts. BAX Global currently believes that these problems will not be overwhelming and are not likely to have a material effect on the Company's operations or financial results. As noted above, BAX Global is vulnerable to significant suppliers', customers' and other third parties' (particularly government agencies such as the Federal Aviation Administration and customs agencies worldwide) inability to remedy their own Year 2000 issues. As BAX Global cannot control the conduct of third parties, there can be no guarantee that Year 2000 problems originating with a supplier, customer or other third party will not occur. However, BAX Global's program of communication with and assessments of major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

Pittston Coal and Mineral Ventures

Pittston Coal and Mineral Ventures believe that their internal information technology systems will be renovated successfully prior to year 2000. Critical systems that would cause the greatest disruption to the organization have been identified and remediated. The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Management currently believes such failures should have no material or significant adverse effect on the results of operations or financial condition of the Company. Pittston Coal and Mineral Ventures believe they have identified their likely worst case scenarios. The likely worst case scenarios, assuming no external failures such as power outages or delays in railroad transportation services, could be delays in invoicing customers and paying of vendors. These likely worst case scenarios, should they occur, are not expected to result in a material impact on the Company's financial statements. The production of coal and gold is not heavily dependent on computer technology and would continue with limited impact.

READINESS FOR YEAR 2000: CONTINGENCY PLAN

The following is a description of the Company's contingency plans for each of its operating units:

Brink's

A contingency planning document, which was developed with the assistance of an external facilitator, has been distributed to Brink's North American operations. Brink's provides a number of different services to its customers and each type of service line was reviewed during the contingency planning sessions. This contingency planning document addresses the issue of what Brink's response would be should a system/device fail, as well as what preparations and actions are required beforehand to ensure continuity of services if those identified systems failed. This includes, in some cases, reverting to paper processes to track and handle packages, additional staff if required and increased supervisory presence. Brink's may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but they are not expected to be material. This contingency planning document was made available to Brink's International operations to use as guidance in developing appropriate contingency plans at each of their locations and for the specific services they provide to their customers.

BHS

BHS has developed a contingency plan for dealing with the most reasonably likely worst case scenario. This contingency planning document addresses the issue of what BHS's response would be should it sustain a service outage encountered by the third party electric utility, local telephone company, and/or primary long distance telephone service provider at its principal monitoring facility. This includes, among other things, the testing of redundant system connectivity routed through multiple switching stations of the local telephone company, and testing of backup electric generators at both BHS's principal and backup monitoring facilities.

BAX Global

During the first quarter of 1999, BAX Global initiated contingency planning for dealing with its most reasonably likely worst case scenario. Contingency planning is divided into three principal parts. At company locations worldwide, specific local plans including alternative methods of delivering services are being developed. Specific plans including prioritization of resources are being written for systems and software packages. A transition management plan is being devised to provide a mechanism for monitoring both internal and external developments worldwide that may impact customer shipments, thereby allowing BAX Global to quickly respond to potential failures. The foundation for BAX Global's Year 2000 readiness program is to ensure that critical systems are renovated/replaced and tested prior to when a Year 2000 failure might occur if the program were not undertaken.

Pittston Coal and Mineral Ventures
During the second quarter of 1999, Pittston Coal and Mineral Ventures initiated contingency planning for dealing with their most reasonably likely worst case scenarios. The foundation for their Year 2000 Programs is to ensure that critical systems are renovated/replaced and tested prior to when a Year 2000 failure might occur if the programs were not undertaken. As of September 30, 1999, critical systems have been tested and verified as Year 2000 ready. In addition, as a normal course of business, Pittston Coal and Mineral Ventures maintain and deploy contingency plans designed to address various other potential business interruptions. These plans may be applicable to address the interruption of support provided by third parties resulting from their failure to be Year 2000 ready.

READINESS FOR YEAR 2000: FORWARD LOOKING INFORMATION
This discussion of the Company's readiness for Year 2000, including statements regarding anticipated completion dates for various phases of the Company's Year 2000 project, estimated costs for Year 2000 readiness, the determination of likely worst case scenarios, actions to be taken in the event of such worst case scenarios and the impact on the Company of any delays or problems in the implementation of Year 2000 initiatives by the Company and/or any public or private sector suppliers and service providers and customers 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, government regulations and/or legislative initiatives, variations in costs or expenses relating to the implementation of Year 2000 initiatives, changes in the scope of improvements to Year 2000 initiatives and delays or problems in the implementation of Year 2000 initiatives by the Company and/or any public or private sector suppliers and service providers and customers.

CONTINGENT LIABILITIES
The Company commenced insurance coverage litigation in 1990, in the United States District Court of the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. The Company was able to conclude the settlement with all of its insurers without a trial. Taking into account the proceeds from the settlement with its insurers, it is the Company's belief that the ultimate amount that it would be liable for related to the remediation of the Tankport site will not significantly adversely impact the Company's results of operations or financial position.

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 Pittston Coal 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.

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

(Dollars in millions, shares in thousands)		Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Brink's Stock:					
Shares		-	35.4	100.0	149.5
Cost	$	-	1.2	2.5	5.6
BAX Stock:					
Shares	$	-	245.7	-	650.6
Cost		-	2.9	-	10.1
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	21.0	0.1
Excess carrying amount (a)	$	-	-	9.2	-

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4.3 million. On March 15, 1999, the Company purchased 0.08 million shares (or 0.8 million depositary shares) of its Convertible Preferred Stock for $21.0 million. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19.2 million, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock.

As of September 30, 1999, the Company had the remaining authority to purchase 0.9 million shares of Brink's Stock; 1.5 million shares of BAX Stock; 1.0 million shares of Minerals Stock and an additional $7.6 million of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22.2 million as of September 30, 1999.

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. In May 1998, the Company reduced the dividend rate on Minerals Stock to 10.0 cents per year per share for shareholders as of the May 15, 1998 record date. As a result of recent financial performance of the Minerals Group and coal industry conditions, as well as consideration of financial condition, cash flow and business requirements, including the Available Minerals Dividend Amount, the Board has declined to declare a quarterly dividend on Minerals Stock since the first quarter of 1999. Dividends on the remaining Convertible Preferred Stock were declared.

During the first nine months of 1999 and 1998, the Board declared and the Company paid cash dividends of 7.50 cents per share of Brink's Stock and 18.00 cents per share of BAX Stock, as well as 2.50 and 21.25 cents, respectively, per share of Minerals Stock. Dividends paid on the Convertible Preferred Stock in the first nine months of 1999 and 1998 were $1.3 million and $2.7 million, respectively.

ACCOUNTING CHANGES

As of January 1, 1999, the Company adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities." SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The Company has determined that capitalized mine development costs for its gold and coal mining operations relate to acquiring and constructing long-lived assets and preparing them for their intended use. Accordingly, the adoption of SOP No. 98-5 had no material impact on the results of operations of the Company.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding coal sales, coal and gold market conditions, idle equipment and closed mine costs, the impact of operating cost increases on steam coal margins, review of capacity requirements, improvement efforts underway in Australia, the intended enhancements from information technology spending, costs of long-term employee liabilities, the outcome and potential financial impact of the coal resources study, status of mining permit approvals, increases in operating costs, projected capital spending 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, the outcome of the coal asset study, new government regulations and/or legislative initiatives, required permits and approvals, judicial decisions, variations in costs or expenses, variations in the spot prices of coal, 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 any public or private sector suppliers and service providers and customers, and delays or problems in the design and implementation of improvements to information systems.

PITTSTON BRINK'S GROUP
BALANCE SHEETS
(IN THOUSANDS)

	September 30 1999	December 31 1998
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 44,381	52,276
Accounts receivable (net of estimated uncollectible amounts: 1999 - $13,767; 1998 - $14,222)	249,445	230,548
Receivable - Pittston Minerals Group	7,103	10,321
Inventories	9,601	9,466
Prepaid expenses and other current assets	21,762	20,778
Deferred income taxes	23,138	23,541
Total current assets	355,430	346,930
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1999 - $339,660; 1998 - $318,382)	523,548	490,727
Intangibles, net of accumulated amortization	62,746	62,706
Deferred pension assets	26,096	28,818
Deferred income taxes	13,232	7,912
Other assets	38,674	39,911
Total assets	$1,019,726	977,004
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 27,492	19,800
Current maturities of long-term debt	41,980	32,062
Accounts payable	47,869	59,608
Accrued liabilities	198,764	195,082
Total current liabilities	316,105	306,552
Long-term debt, less current maturities	62,520	93,345
Postretirement benefits other than pensions	4,577	4,354
Workers' compensation and other claims	11,229	11,229
Deferred income taxes	58,185	53,876
Payable - Pittston Minerals Group	3,922	2,943
Other liabilities	27,995	18,071
Minority interests	25,125	25,224
Commitments and contingent liabilities		
Shareholder's equity	510,068	461,410
Total liabilities and shareholder's equity	$1,019,726	977,004

See accompanying notes to financial statements.

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

	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Operating revenues	$406,054	381,497	1,183,540	1,051,642
Costs and expenses:				
Operating expenses	307,129	289,878	903,509	796,833
Selling, general and administrative expenses	61,753	55,095	178,083	152,355
Total costs and expenses	368,882	344,973	1,081,592	949,188
Other operating income (expense), net	904	(650)	3,198	340
Operating profit	38,076	35,874	105,146	102,794
Interest income	869	913	2,248	2,401
Interest expense	(4,442)	(6,427)	(15,253)	(15,292)
Other income, net	473	1,416	611	1,563
Income before income taxes	34,976	31,776	92,752	91,466
Provision for income taxes	12,945	11,768	34,318	33,851
Net income	$ 22,031	20,008	58,434	57,615
Net income per common share:				
Basic	$ 0.56	0.52	1.50	1.49
Diluted	0.56	0.51	1.49	1.47
Cash dividends per common share	$ 0.025	0.025	0.075	0.075
Weighted average common shares outstanding:				
Basic	39,122	38,797	39,001	38,664
Diluted	39,269	39,180	39,182	39,155
Comprehensive income	$ 20,742	15,867	45,261	49,668

See accompanying notes to financial statements.

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

	Nine Months Ended September 30 1999	1998
Cash flows from operating activities:		
Net income	$ 58,434	57,615
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	76,421	60,050
Provision (credit) for deferred income taxes	901	(3,164)
Provision for pensions, noncurrent	5,617	2,913
Provision for uncollectible accounts receivable	5,720	6,918
Equity in (earnings) loss of unconsolidated affiliates net of dividends received	(2,631)	371
Other operating, net	4,349	5,617
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(14,858)	(27,488)
Increase in inventories	(2,794)	(3,213)
Increase in prepaid expenses and other current assets	(1,623)	(2,392)
(Decrease) increase in accounts payable and accrued liabilities	(9,293)	6,356
Increase in other assets	(3,268)	(2,607)
Decrease in other liabilities	(3,208)	(316)
Other, net	(294)	(8,823)
Net cash provided by operating activities	113,473	91,837
Cash flows from investing activities:		
Additions to property, plant and equipment	(124,557)	(113,274)
Proceeds from disposal of property, plant and equipment	4,659	4,366
Acquisitions, net of cash acquired, and related contingent payments	(429)	(5,526)
Other, net	5,685	(2,038)
Net cash used by investing activities	(114,642)	(116,472)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	11,018	(3,054)
Additions to long-term debt	10,270	14,588
Reductions of long-term debt	(28,793)	(7,749)
Payments from Minerals Group	4,218	19,418
Proceeds from exercise of stock options	1,909	6,103
Dividends paid	(2,834)	(2,768)
Repurchase of common stock	(2,514)	(6,346)
Net cash (used) provided by financing activities	(6,726)	20,192
Net decrease in cash and cash equivalents	(7,895)	(4,443)
Cash and cash equivalents at beginning of period	52,276	37,694
Cash and cash equivalents at end of period	$ 44,381	33,251

See accompanying notes to financial statements.

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

(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 specifically identified with operations of a particular segment. The Brink's Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to provide a reasonable and equitable allocation of such items.

The Company provides to 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 common shareholders of the Company, which continues to be responsible for all its liabilities. Financial impacts arising from the Brink's Group, the Pittston BAX Group (the "BAX Group") or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could therefore affect the results of operations and financial condition of each of the Groups. Since financial developments within one Group could affect other Groups, all shareholders of the Company could be adversely affected by an event directly impacting only one Group. Accordingly, the Company's consolidated financial statements must be read in connection with the Brink's Group's financial statements.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with applicable quarterly reporting regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation. Operating results for the interim periods of 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and related notes included in the Company's annual report on Form 10-K for the year ended December 31, 1998.

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

	Three Months Ended September 30		Nine Months Ended September 30	
Brink's Group	1999	1998	1999	1998
NUMERATOR:				
Net income - Basic and diluted net income per share	$ 22,031	20,008	58,434	57,615
DENOMINATOR:				
Basic weighted average common shares outstanding	39,122	38,797	39,001	38,664
Effect of dilutive securities:				
Stock options	147	383	181	491
Diluted weighted average common shares outstanding	39,269	39,180	39,182	39,155

Options to purchase 1,410 shares of Brink's Stock, at prices between $25.57 and $39.56 per share, and options to purchase 1,164 shares of Brink's Stock, at prices between $26.69 and $39.56 per share, were outstanding during the three and nine months ended September 30, 1999, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 356 shares of Brink's Stock, at prices between $37.06 and $39.56 per share, and options to purchase 333 shares of Brink's Stock, at prices between $38.16 and $39.56 per share, were outstanding during the three and nine months ended September 30, 1998, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

The shares of Brink's Stock held in the Pittston Company Employee Benefits Trust ("Trust") are subject to the treasury stock method and effectively are not included in the basic and diluted net income per share calculations. As of September 30, 1999, 1,691 shares of Brink's Stock (2,126 in 1998) remained in the Trust.

(3) Depreciation and amortization of property, plant and equipment totaled $25,767 and $74,668 in the third quarter and first nine months of 1999, respectively, compared to $20,799 and $58,590 in the third quarter and first nine months of 1998, respectively.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	1999	1998	1999	1998
Interest	$ 4,094	5,575	15,946	14,038
Income taxes	$13,642	6,644	40,156	31,679

During the first quarter of 1998, Brink's recorded the following noncash investing and financing activities 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 borrowings of approximately US $19,000 and capital leases of approximately US $30,000.

(5) 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 by $1,250 and $3,455 for the third quarter and nine month periods of 1998, respectively. The effect of this change increased diluted net income per common share of the Brink's Group by $0.02 and $0.06 in the third quarter and nine month periods of 1998, respectively.

(6) The cumulative impact of foreign currency translation adjustments deducted from shareholder's equity was $50,110 and $36,892 at September 30, 1999 and December 31, 1998, respectively.

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

(In thousands)		Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Brink's Stock:					
Shares		-	35.4	100.0	149.5
Cost	$	-	1,262	2,514	5,617
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	20,980	146
Excess carrying amount (a)	$	-	-	19,201	23

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4,300. On March 15, 1999, the Company purchased 83.9 shares (or 839 depositary shares) of its Convertible Preferred Stock for $20,980. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19,201, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had the remaining authority to purchase 900 shares of Brink's Stock and an additional $7,556 of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22,184 as of September 30, 1999.

(8) As of January 1, 1999, the Brink's Group adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities". SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The adoption of SOP No. 98-5 had no material impact on the results of operations of the Brink's Group.

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 flow 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 specifically identified with operations of a particular 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 provide a reasonable and equitable estimate of costs, assets and liabilities attributable to the Brink's Group.

The Company provides holders of the 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 its liabilities. Therefore, financial developments affecting the Brink's Group, the Pittston BAX Group (the "BAX Group") or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could therefore 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)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Operating revenues:				
Brink's:				
North America	$146,807	136,284	426,531	401,338
Europe	112,330	110,351	327,761	251,073
Latin America	80,931	76,983	236,260	229,823
Asia/Pacific	7,862	6,083	22,727	19,141
Total Brink's	347,930	329,701	1,013,279	901,375
BHS	58,124	51,796	170,261	150,267
Total operating revenues	$406,054	381,497	1,183,540	1,051,642
Operating profit (loss):				
Brink's:				
North America	$ 12,038	13,167	32,087	35,099
Europe	10,062	10,039	22,562	17,252
Latin America	6,580	2,091	21,392	18,122
Asia/Pacific	(1,360)	(702)	(6,221)	88
Total Brink's	27,320	24,595	69,820	70,561
BHS	12,663	13,008	41,000	40,405
Total segment operating profit	39,983	37,603	110,820	110,966
General corporate expense	(1,907)	(1,729)	(5,674)	(8,172)
Total operating profit	$ 38,076	35,874	105,146	102,794

SELECTED FINANCIAL DATA

(In thousands)	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Depreciation and amortization:				
Brink's	$ 13,619	11,718	38,877	32,392
BHS	12,624	9,577	37,319	27,482
General corporate	101	62	225	176
Total depreciation and amortization	$ 26,344	21,357	76,421	60,050
Cash capital expenditures:				
Brink's	$ 19,771	25,969	63,686	53,679
BHS	21,610	21,893	60,848	59,395
General corporate	10	39	23	200
Total cash capital expenditures	$ 41,391	47,901	124,557	113,274

The Brink's Group's net income totaled $22.0 million ($0.56 per share) in the third quarter of 1999 compared with $20.0 million ($0.51 per share) in the third quarter of 1998. Operating profit for the 1999 third quarter of $38.1 million increased 6% from the $35.9 million recorded in the third quarter of 1998. Revenues for the 1999 third quarter increased $24.6 million compared with the 1998 third quarter. Net interest expense in the third quarter of 1999 was $3.6 million, $1.9 million less than net interest expense in the third quarter of 1998. The reduced interest expense was due to lower overall debt levels and to lower interest rates in Venezuela.

In the first nine months of 1999, net income totaled $58.4 million ($1.49 per share) compared with $57.6 million ($1.47 per share) in the first nine months of 1998. Operating profit for the first nine months of 1999 increased to $105.1 million from $102.8 million in the same period of 1998. Revenues for the first nine months of 1999 increased $131.9 million or 12% compared with the first nine months of 1998. Net interest expense increased slightly during the first nine months of 1999 compared with the first nine months of 1998.

BRINK'S

Brink's consolidated revenues totaled $347.9 million in the third quarter of 1999 compared with $329.7 million in the third quarter of 1998. Brink's operating profit of $27.3 million in the third quarter of 1999 represented a $2.7 million (11%) increase versus the $24.6 million of operating profit reported in the prior year quarter. The increase in revenue occurred in all global regions and was partially offset by the impact of the stronger US dollar versus many Latin American and European currencies relative to a year ago. Operating profit increases in Latin America were partially offset by decreases in North America and Asia Pacific, while European operating results remained level with the prior year quarter.

Revenues from North American operations (United States and Canada) increased $10.5 million (8%) to $146.8 million in the 1999 third quarter from $136.3 million in the prior year's quarter. North American operating profit decreased $1.1 million to $12.0 million in the current year quarter. Revenue increases stemmed from growth in the armored car operations, which include ATM services. The margin contributed by the increased revenue was more than offset by increased selling, general and administrative expenses, primarily representing increased information technology expenditures in North America. The increased information technology spending is intended to enhance Brink's capabilities in transportation of valuables, ATM servicing, money processing and air courier operations as well as to implement communication improvements.

Revenues from European operations amounted to $112.3 million, representing an increase of $2.0 million (2%) versus the same quarter last year. European operating profit for the 1999 third quarter of $10.1 million was only slightly greater than operating profit in the same quarter last year, as improved results on a local currency basis were offset by the strengthened US dollar relative to European currencies.

In Latin America, revenues in the third quarter of 1999 of $80.9 million increased $3.9 million (5%) from the comparable period of 1998 despite a significant devaluation in Brazilian currency. Despite overall difficult economic conditions in Latin America, operating profit of $6.6 million for the third quarter of 1999 increased $4.5 million from operating profit achieved in the comparable 1998 quarter. Profitability grew in Brazil and at Brink's 20% owned Mexican affiliate, which had reported a loss in the third quarter of 1998. In addition, Brink's subsidiary in Argentina significantly reduced the level of losses associated with its startup. Operations have also benefited from cost reduction measures and other actions which have been taken during 1999 in response to weaker business conditions.

Revenues from Asia/Pacific operations of $7.9 million increased by $1.8 million from the third quarter of 1998. The operating loss from Asia/Pacific subsidiaries and affiliates in the third quarter of 1999 was $1.4 million, compared to an operating loss of $0.7 million in the prior year quarter. The operating loss was primarily due to costs associated with the business expansion in Australia; efforts are currently underway to improve that situation.

Brink's consolidated revenues totaled $1,013.3 million in the first nine months of 1999, up 12% compared with $901.4 million in the first nine months of 1998. The increase in revenue occurred in all global regions and was partially offset by the impact of the stronger US dollar versus many Latin American currencies, relative to a year ago. Brink's operating profit of $69.8 million in the first nine months of 1999 represented a $0.7 million decrease compared to the prior year period.

Revenues from North American operations increased $25.2 million (6%) to $426.5 million in the first nine months of 1999 from $401.3 million in the same period of 1998. North American operating profit decreased $3.0 million to $32.1 million in the current year period. The increase in revenues for the first nine months of 1999 primarily resulted from continued growth in armored car operations, which include ATM services. The decrease in operating profit is primarily due to increased expenditures on information technology. The increased information technology spending is intended to enhance Brink's capabilities in transportation of valuables, ATM servicing, money processing and air courier operations as well as to implement communication improvements.

Revenues and operating profit from European operations amounted to $327.8 million and $22.6 million, respectively, in the first nine months of 1999. These amounts represented increases of $76.7 million and $5.3 million, respectively, from the comparable period of 1998. The increase in revenue for 1999 was primarily due to the acquisition of nearly all the remaining shares of Brink's affiliate in France in the first quarter of 1998 as well as the acquisition of the remaining 50% interest of Brink's affiliate in Germany late in the second quarter of 1998. The operating profit increase was primarily due to the improved results from operations and Brink's increased ownership position in France which more than offset unfavorable results in Germany. There were also improvements in several other countries, including Belgium which was adversely impacted during 1998 by industry-wide labor issues.

In Latin America, revenues increased 3% to $236.3 million and operating profits increased 18% to $21.4 million from the first nine months of 1998 to the comparable 1999 period, despite a significant devaluation in the Brazilian currency. The increase in operating profits was primarily due to improved operating performance in Brazil, Brink's 20% affiliate in Mexico and the reduced loss level associated with operations in Argentina, partially offset by lower results from Venezuela, Chile and Colombia due to weaker business conditions.

Revenues from Asia/Pacific operations of $22.7 million for the first nine months of 1999 represented an increase of 19% from the comparable period of 1998. The operating loss for the first nine months of 1999 was $6.2 million, compared to operating profit of $0.1 million for the first nine months of 1998. The operating loss was primarily due to costs associated with the business expansion in Australia.

BHS
Selected financial data for BHS on a comparative basis:

(Dollars in thousands)	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Monitoring and service	$ 19,355	18,268	57,797	53,602
Net marketing, sales and installation	(6,692)	(5,260)	(16,797)	(13,197)
Operating profit	12,663	13,008	41,000	40,405
Monthly recurring revenues (a)			16,545	14,512
Number of subscribers:				
Beginning of period	614,380	547,658	585,565	511,532
Installations	26,941	28,891	79,616	84,198
Disconnects	(13,124)	(10,330)	(36,984)	(29,511)
End of period	628,197	566,219	628,197	566,219

(a) Monthly 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 $6.3 million (12%) to $58.1 million in the third quarter of 1999 compared to the 1998 third quarter. In the first nine months of 1999, revenues for BHS increased $20.0 million (13%) to $170.3 million. The increase in revenues was due to increased monitoring and service fee revenues, reflecting an 11% increase in the subscriber base as well as higher average monitoring fees. As a result of such growth, monthly recurring revenues at September 30, 1999 grew 14% versus those as measured at September 30, 1998.

Operating profit in the third quarter of 1999 decreased $0.3 million (3%) compared to the 1998 third quarter. In the first nine months of 1999, operating profit increased $0.6 million (1%) to $41.0 million. Operating profit in the third quarter and first nine months of 1999, as compared to the same 1998 periods, reflected increases of $1.4 million and $3.6 million, respectively, in the up-front net cost of marketing, sales and installation related to gaining new subscribers. The increases in up-front net cost in both the quarter and year to date periods were due to higher levels of sales and marketing costs as a consequence of the continuing competitive environment in the residential security market. The increase in the up-front net cost was only partially offset, in the three month period, by the favorable impact of a $1.1 million increase in operating profit attributable to monitoring and service activities (resulting from growth of 11% in the subscriber base combined with higher average monitoring fees, partially offset by higher disconnect expense). In the year to date period as compared to the prior year period, the increased profitability in monitoring and service activities more than offset the higher up-front cost of gaining new subscribers.

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 three and nine month periods ended September 30, 1998 by $1.3 million and $3.5 million, respectively. The effect of this change increased diluted net income per common share of the Brink's Group by $0.02 and $0.06 in the three and nine month periods ended September 30, 1998, respectively.

FOREIGN OPERATIONS
A portion of the Brink's Group financial results is derived from activities in a number of foreign countries located in Europe, Asia and Latin America, each with a local currency other than the US dollar. Because the financial results of the Brink's Group are reported in US dollars, they are affected by changes in the value of the various foreign currencies in relation to the US dollar. Changes in

exchange rates may also adversely affect transactions, which are denominated in currencies other than the functional currency. Brink's periodically enters into such transactions in the course of its business. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency fluctuations may have on the translated results in any one country. Brink's, from time to time, uses foreign currency forward contracts to hedge transactional risks associated with foreign currencies. Translation adjustments of net monetary assets and liabilities denominated in the local currency relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. The economy in Venezuela, where the Brink's Group has a subsidiary, is 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, political instability, controls on repatriation of earnings and capital, nationalization, 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 upon utilization and other methods and criteria which management believes result in an equitable and reasonable estimate of the cost attributable to the Brink's Group. These attributions were $1.9 million and $1.7 million in the third quarter of 1999 and 1998, respectively, and $5.7 million and $8.2 million in the first nine months of 1999 and 1998, respectively. Corporate expenses in the first nine months of 1998 included additional expenses of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $2.0 million of the $5.8 million of expenses were attributed to the Brink's Group. Corporate expenses in the first nine months of 1998 also included costs associated with a severance agreement with a former member of the Company's senior management.

OTHER OPERATING INCOME, NET
Other operating income, net consists primarily of net equity earnings of Brink's foreign affiliates. The increase in net equity earnings in the third quarter and first nine months of 1999, as compared to the same periods in 1998, is primarily due to the level of equity earnings of Brink's 20% owned affiliate in Mexico. The Mexican affiliate reported a loss in both the third quarter and nine months of 1998 and profits for the comparable periods of 1999.

INTEREST EXPENSE, NET
As compared to the prior year periods, interest expense, net decreased $1.9 million and increased $0.1 million during the three and nine month periods ended September 30, 1999, respectively. The decrease in interest expense, net in the third quarter of 1999 was due to lower overall debt levels and to lower interest rates in Venezuela. The increase in net interest expense during the first nine months of 1999 was largely due to higher average interest rates and higher average foreign borrowings in the first quarter of 1999, partially offset by lower debt levels and lower interest rates during the second and third quarters of 1999.

OTHER INCOME, NET
Other income, net which generally includes foreign translation gains and losses and minority interest expense or income, decreased $0.9 million and $1.0 million during the three and nine months ended September 30, 1999, respectively, versus the same periods of 1998. The 1999 third quarter includes lower foreign exchange gains as compared with the same period of 1998. In addition to lower foreign exchange gains, the first nine months of 1999 include lower gains on sales of assets partially offset by lower minority interest expense as compared with the first nine months of 1998.

INCOME TAXES
In both the 1999 and 1998 periods presented, the provision for income taxes exceeded the statutory federal income tax rate of 35% due to provisions for state income taxes, 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 Brink's Group based upon utilization of the shared services from which assets and liabilities are generated. Management believes this attribution to provide a reasonable and equitable estimate of the assets and liabilities attributable to the Brink's Group.

CASH FLOW REQUIREMENTS

Cash provided by operating activities in the first nine months of 1999 totaled $113.5 million compared to $91.8 million in the same period of 1998 due to higher cash earnings and slightly lower working capital requirements.

INVESTING ACTIVITIES

Cash capital expenditures for the first nine months of 1999 totaled $124.6 million, of which $60.8 million was spent by BHS and $63.7 million was spent by Brink's. Expenditures incurred by BHS were primarily for customer installations, representing the expansion of the subscriber base, while expenditures incurred by Brink's were primarily for expansion, replacement or maintenance of assets used in ongoing business operations, expansion or replacement of facilities and investment in information systems and related equipment. For the full year of 1999, cash capital expenditures for the Brink's Group are expected to range between $155 million and $165 million. The foregoing amounts exclude expenditures that have been or are expected to be financed through capital leases or acquisition expenditures.

FINANCING

The Brink's Group intends to fund cash capital expenditures through cash flow from operating activities. Shortfalls, if any, will be financed through the Company's revolving credit agreements, other borrowing arrangements or repayments from the Minerals Group (as described below under "Related Party Transactions").

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 September 30, 1999 and December 31, 1998, borrowings of $100.0 million were outstanding under the term loan and $166.7 million and $91.6 million, respectively, of additional borrowings were outstanding under the revolving portion of the Facility. No portion of the total amount outstanding under the Facility at September 30, 1999 or at December 31, 1998 was attributed to the Brink's Group.

Financing activities for the nine months ended September 30, 1999 primarily reflect scheduled repayments of long-term debt largely attributable to borrowings in France and Venezuela and lower repayments from the Minerals Group due to lower average intercompany borrowings.

RELATED PARTY TRANSACTIONS

At September 30, 1999, under an interest bearing borrowing arrangement, the Minerals Group owed the Brink's Group $16.1 million compared to the $20.3 million owed at December 31, 1998. At September 30, 1999 and December 31, 1998, the Brink's Group owed the Minerals Group $12.9 million for tax payments representing Minerals Group tax benefits utilized by the Brink's Group in accordance with the Company's tax sharing policy, of which $9.0 million is expected to be paid within one year.

MARKET RISKS AND HEDGING AND DERIVATIVE ACTIVITIES

The Brink's Group has activities in a number of foreign countries throughout the world. Operations within these countries expose the Brink's Group to a variety of market risks, including the effects of changes in foreign currency exchange rates and interest rates. These financial exposures are monitored and managed by the company as an integral part of its overall risk management program. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency rate fluctuations may have in any one country on the translated results. The Brink's Group risk management program considers this favorable diversification effect as it measures the Brink's Group exposure to financial markets and as appropriate, seeks to reduce the potentially adverse effects that the volatility of certain markets may have on its operating results. The Brink's Group has not had any material change in its market risk exposures with respect to interest rate, commodity and foreign currency risk since December 31, 1998.

READINESS FOR YEAR 2000: SUMMARY

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. If not corrected, many date-sensitive applications could fail or create erroneous results by or in the year 2000. The Brink's Group understands the importance of having systems and equipment operational through the year 2000 and beyond and is committed to addressing these challenges while continuing to fulfill its business obligations to its customers and business partners. Both BHS and Brink's have established Year 2000 Project Teams intended to make their information technology assets, including embedded microprocessors ("IT assets"), non-IT assets, products, services and infrastructure Year 2000 ready.

READINESS FOR YEAR 2000: STATE OF READINESS

Brink's

The Brink's Year 2000 Project Team has divided its Year 2000 readiness program into six phases: (i) inventory, (ii) assessment, (iii) renovation, (iv) validation/testing, (v) implementation and (vi) integration. Worldwide, Brink's is largely in the implementation and integration phases of its Year 2000 readiness program.

Brink's North America

With respect to Brink's North America operations, all core IT systems have been identified, renovation has taken place and the Year 2000 project is currently in the final stages of implementation and integration. The implementation of non-IT systems, which include armored vehicles, closed circuit televisions, videocassette recorders and certain currency processing equipment, is substantially complete as of September 30, 1999. Substantially all of Brink's North America IT systems have been tested and validated as Year 2000 ready. Management currently believes that all its IT and non-IT systems will be Year 2000 ready or that there will be no material adverse effect on operations or financial results due to non-readiness.

Brink's International

All international affiliates have been provided with an implementation plan, prepared by the Global Year 2000 Project Team. In addition, there is senior management sponsorship in all international countries. The implementation plan requires semi-monthly reports as to the status of each category in each country. The categories include core systems, non-core systems, hardware, facilities, special equipment, voice/data systems, etc. Countries in Europe, Latin America and Asia/Pacific are in varying phases of the Year 2000 readiness program. In Europe, core systems have been identified, renovation has taken place and the Year 2000 project is currently in the implementation and integration phases. In both Latin America and Asia/Pacific, most countries are currently in implementation on core systems with a few completing renovation and testing with respect to certain applications. Brink's plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000.

BHS

The BHS Year 2000 Project Team has divided its Year 2000 readiness program into four phases: (i) assessment, (ii) remediation/replacement, (iii) testing and (iv) integration. As of September 30, 1999, BHS has completed the assessment and remediation/replacement phases. Approximately 99% of BHS' IT and non-IT systems had been tested and verified as Year 2000 ready and BHS is currently in the integration phase. BHS plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000.

Brink's Group

As part of their Year 2000 projects, both BHS and Brink's North America have sent comprehensive questionnaires to significant suppliers, and others with which they do business, regarding their Year 2000 compliance and both are in the process of identifying significant problem areas with respect to these business partners. Brink's International operations also have programs in place. The Brink's Group is relying on such third parties' representations regarding their own readiness for Year 2000. This process will be ongoing and efforts with respect to specific problems will depend in part upon the assessment of the risk that any such problems associated with business partners may have a material adverse impact on operations.

Further, the Brink's Group relies upon government agencies (US and foreign), utility companies, telecommunication service companies and other service providers outside of its control. As with most companies, the companies of the Brink's Group are vulnerable to significant suppliers', customers' and other third parties' inability to remedy their own Year 2000 issues. As the Brink's Group cannot control the conduct of its suppliers or other third parties, there can be no guarantee that Year 2000 problems originating with a supplier or other third party will not occur.

READINESS FOR YEAR 2000: COSTS TO ADDRESS

The Brink's Group anticipates incurring remediation and acceleration costs for its Year 2000 readiness program. Remediation includes identification, assessment, modification and testing phases of its Year 2000 readiness program. Remediation costs include the costs of modifying existing software and hardware as well as purchases that replace existing hardware and software that is not Year 2000 ready. Most of these costs will be incurred by Brink's. Acceleration costs include costs to purchase and/or develop and implement certain information technology systems whose implementation has been accelerated as a result of the Year 2000 readiness issue. Again, most of these costs will be incurred by Brink's but were included in the normal budget cycle. Brink's does not separately track the internal costs incurred for Year 2000, but these costs are principally the related payroll for the information systems group and are also included in the normal budget cycle. Additional IT initiatives, unrelated to Year 2000, are continuing.

Total anticipated remediation and acceleration costs are detailed in the table below:

(Dollars in millions)

ACCELERATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 3.8	0.7	4.5
Incurred through September 30, 1999	3.6	0.6	4.2
Remainder	$ 0.2	0.1	0.3

REMEDIATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 9.6	3.3	12.9
Incurred through September 30, 1999	8.4	2.4	10.8
Remainder	$ 1.2	0.9	2.1

TOTAL	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 13.4	4.0	17.4
Incurred through September 30, 1999	12.0	3.0	15.0
Remainder	$ 1.4	1.0	2.4

READINESS FOR YEAR 2000: THE RISKS OF THE YEAR 2000 ISSUE

The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect results of operations, liquidity and financial condition of the Brink's Group.

Brink's believes its most reasonably likely worst case scenario is that it will experience a number of minor system malfunctions and errors in the early days and weeks of the Year 2000 that were not detected during its renovation and testing efforts. Brink's currently believes that these problems will not be overwhelming and are not likely to have a material effect on the company's operations or financial results. Brink's may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but such expenses are not expected to be material. As noted above, Brink's is vulnerable to significant suppliers', customers' and other third parties inability to remedy their own Year 2000 issues. As Brink's cannot control the conduct of its suppliers or other third parties, there can be no guarantee that Year 2000 problems originating with a supplier, customer or other third party will not occur. However, Brink's program of communication with major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

BHS believes its most reasonably likely worst case scenario is that its ability to receive alarm signals from some or all of its customers may be disrupted due to temporary regional service outages sustained by third party electric utilities, local telephone companies, and/or long distance telephone service providers. Such outages could occur regionally, affecting clusters of customers, or could occur at BHS's principal monitoring facility, possibly affecting the ability to provide service to all customers. BHS currently believes that the consequences of these problems will not be overwhelming and are not likely to have a material effect on the company's operations or financial condition. BHS may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but such expenses are not expected to be material. As noted above, BHS is vulnerable to significant third party electric utility and telephone service providers inability to remedy their own Year 2000 issues. As BHS cannot control the conduct of these third parties, there can be no guarantee that Year 2000 problems originating with a third party will not occur. However, BHS' program of communication with major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

READINESS FOR YEAR 2000: CONTINGENCY PLAN
A contingency planning document, which was developed with the assistance of an external facilitator, has been distributed to Brink's North American operations. Brink's provides a number of different services to its customers and each type of service line was reviewed during the contingency planning sessions. This contingency planning document addresses the issue of what Brink's response would be should a system/device fail, as well as what preparations and actions are required beforehand to ensure continuity of services if those identified systems failed. This includes, in some cases, reverting to paper processes to track and handle packages, additional staff if required and increased supervisory presence. Brink's may experience some additional personnel expenses related to minimizing the impact of potential Year 2000 failures, but they are not expected to be material. This contingency planning document was made available to Brink's International operations to use as guidance in developing appropriate contingency plans at each of their locations and for the specific services they provide to their customers.

BHS has developed a contingency plan for dealing with the most reasonably likely worst case scenario. This contingency planning document addresses the issue of what BHS's response would be should it sustain a service outage encountered by the third party electric utility, local telephone company, and/or primary long distance telephone service provider at its principal monitoring facility. This includes, among other things, the testing of redundant system connectivity routed through multiple switching stations of the local telephone company, and testing of backup electric generators at both BHS's principal and backup monitoring facilities.

READINESS FOR YEAR 2000: FORWARD LOOKING INFORMATION
This discussion of the Brink's Group companies' readiness for Year 2000, including statements regarding anticipated completion dates for various phases of the Brink's Group's Year 2000 project, estimated costs for Year 2000 readiness, the determination of likely worst case scenarios, actions to be taken in the event of such worst case scenarios and the impact on the Brink's Group of any delays or problems in the implementation of Year 2000 initiatives by the Brink's Group and/or any public or private sector suppliers and service providers and customers 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, include, but are not limited to, government regulations and/or legislative initiatives, variations in costs or expenses relating to the implementation of Year 2000 initiatives, changes in the scope of improvements to Year 2000 initiatives and delays or problems in the implementation of Year 2000 initiatives by the Brink's Group and/or any public or private sector suppliers and service providers and customers.

CONTINGENT LIABILITIES
The Company commenced insurance coverage litigation in 1990, in the United States District Court of the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. The Company was able to conclude the settlement with all of its insurers without a trial. Taking into account the proceeds from the settlement with its insurers, it is the Company's belief that the ultimate amount that it would be liable for related to the remediation of the Tankport site will not significantly adversely impact the Company's results of operations or financial position.

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 ("Pittston Coal") 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.

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

(Dollars in millions, shares in thousands)		Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Brink's Stock:					
Shares		-	35.4	100.0	149.5
Cost	$	-	1.2	2.5	5.6
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	21.0	0.1
Excess carrying amount (a)	$	-	-	19.2	-

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4.3 million. On March 15, 1999, the Company purchased 0.08 million shares (or 0.8 million depositary shares) of its Convertible Preferred Stock for $21.0 million. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19.2 million, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had the remaining authority to purchase 0.9 million shares of Brink's Stock and an additional $7.6 million of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22.2 million as of September 30, 1999.

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 and/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 nine months of 1999 and 1998, the Board declared and the Company paid cash dividends of 7.50 cents per share of Brink's Stock. Dividends paid on the Convertible Preferred Stock in the first nine months of 1999 and 1998 were $1.3 million and $2.7 million, respectively.

ACCOUNTING CHANGES

As of January 1, 1999, the Brink's Group adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-up Activities". SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The adoption of SOP No. 98-5 had no material impact on the results of operations of the Brink's Group.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding improvement efforts underway in Australia, the readiness for Year 2000, repayment of borrowings from the Minerals Group, the intended enhancements from information technology spending and projected capital spending, 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, variations in costs or expenses, cash flow of the Minerals Group, 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 any public or private sector suppliers, service providers and customers, and delays or problems in the design and implementation of improvements to information systems.

PITTSTON BAX GROUP
BALANCE SHEETS
(IN THOUSANDS)

	September 30 1999	December 31 1998
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 31,793	30,676
Accounts receivable (net of estimated uncollectible amounts: 1999 - $17,670; 1998 - $15,625)	310,535	285,485
Inventories	4,135	4,560
Prepaid expenses and other current assets	15,312	7,789
Deferred income taxes	9,300	9,090
Total current assets	371,075	337,600
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1999 - $115,662; 1998 - $95,409)	215,880	205,371
Intangibles, net of accumulated amortization	181,384	177,969
Deferred income taxes	28,361	33,377
Other assets	24,510	20,981
Total assets	$821,210	775,298
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 39,254	38,749
Current maturities of long-term debt	12,210	3,965
Accounts payable	205,401	190,746
Payable - Pittston Minerals Group	9,000	7,000
Accrued liabilities	81,190	105,481
Total current liabilities	347,055	345,941
Long-term debt, less current maturities	122,034	98,191
Postretirement benefits other than pensions	4,346	3,954
Deferred income taxes	1,489	1,624
Payable - Pittston Minerals Group	10,708	13,355
Other liabilities	20,699	11,963
Commitments and contingent liabilities		
Shareholder's equity	314,879	300,270
Total liabilities and shareholder's equity	$821,210	775,298

See accompanying notes to financial statements.

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

	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Operating revenues	$532,544	460,868	1,482,519	1,296,185
Costs and expenses:				
Operating expenses	464,216	404,628	1,313,093	1,152,124
Selling, general and administrative expenses (including the $15,723 write-off of long-lived assets in the 1998 periods)	52,096	78,996	144,565	166,873
Total costs and expenses	516,312	483,624	1,457,658	1,318,997
Other operating income (expense), net	38	(244)	830	97
Operating profit (loss)	16,270	(23,000)	25,691	(22,715)
Interest income	112	261	693	744
Interest expense	(2,251)	(2,417)	(6,335)	(5,757)
Other expense, net	(364)	(395)	(776)	(961)
Income (loss) before income taxes	13,767	(25,551)	19,273	(28,689)
Provision (credit) for income taxes	5,095	(3,716)	7,129	(4,877)
Net income (loss)	$ 8,672	(21,835)	12,144	(23,812)
Net income (loss) per common share:				
Basic	$ 0.45	(1.13)	0.63	(1.22)
Diluted	0.45	(1.13)	0.63	(1.22)
Cash dividends per common share	$ 0.06	0.06	0.18	0.18
Weighted average common shares outstanding:				
Basic	19,316	19,339	19,180	19,446
Diluted	19,345	19,339	19,206	19,446
Comprehensive income (loss)	$ 9,655	(20,174)	14,317	(22,160)

See accompanying notes to financial statements.

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

	Nine Months Ended September 30 1999	1998
Cash flows from operating activities:		
Net income (loss)	$ 12,144	(23,812)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	29,646	25,840
Non-cash charges and other write-offs	-	20,124
Provision for aircraft heavy maintenance	36,664	27,148
Provision (credit) for deferred income taxes	2,118	(8,242)
Provision for pensions, noncurrent	5,064	2,481
Provision for uncollectible accounts receivable	4,366	10,936
Other operating, net	3,087	3,058
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
(Increase) decrease in accounts receivable	(20,900)	4,804
Decrease (increase) in inventories	425	(2,550)
Increase in prepaid expenses and other current assets	(2,521)	(1,537)
(Increase) decrease in other assets	(1,647)	1,329
Increase in accounts payable and accrued liabilities	4,415	2,067
Increase in other liabilities	3,423	1,873
Other, net	(606)	(1,373)
Net cash provided by operating activities	75,678	62,146
Cash flows from investing activities:		
Additions to property, plant and equipment	(48,623)	(58,773)
Proceeds from disposal of property, plant and equipment	1,895	399
Aircraft heavy maintenance expenditures	(59,601)	(26,708)
Acquisitions, net of cash acquired, and related contingency payments	-	(28,835)
Other, net	265	(1,199)
Net cash used by investing activities	(106,064)	(115,116)
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings	(213)	3,786
Additions to long-term debt	49,104	82,000
Reductions of long-term debt	(14,338)	(17,187)
Proceeds from exercise of stock options	247	1,807
Dividends paid	(3,297)	(3,313)
Repurchase of common stock	-	(10,206)
Net cash provided by financing activities	31,503	56,887
Net increase in cash and cash equivalents	1,117	3,917
Cash and cash equivalents at beginning of period	30,676	28,790
Cash and cash equivalents at end of period	$ 31,793	32,707

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 specifically identified with operations of a particular segment. The BAX Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to provide a reasonable and equitable allocation of such items.

The Company provides to 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 its liabilities. Financial impacts arising from the Pittston Brink's Group (the "Brink's Group"), the BAX Group or the Pittston Minerals Group (the "Minerals Group") that affect the Company's financial condition could therefore affect the results of operations and financial condition of each of the Groups. Since financial developments within one Group could affect other Groups, all shareholders of the Company could be adversely affected by an event directly impacting only one Group. Accordingly, the Company's consolidated financial statements must be read in connection with the BAX Group's financial statements.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with applicable quarterly reporting regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation. Specifically, for the nine months ended September 30, 1999, $3.2 million of pension expenses have been reclassified from selling, general and administrative expenses to operating expenses, as such expenses are related to operations personnel. Operating results for the interim periods of 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and related notes included in the Company's annual report on Form 10-K for the year ended December 31, 1998.

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

BAX Group	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
NUMERATOR:				
Net income (loss) - Basic and diluted net income (loss) per share	$ 8,672	(21,835)	12,144	(23,812)
DENOMINATOR:				
Basic weighted average common shares outstanding	19,316	19,339	19,180	19,446
Effect of dilutive securities:				

Stock options	29	-	26	-
Diluted weighted average common shares outstanding	19,345	19,339	19,206	19,446

Options to purchase 2,017 and 2,263 shares of BAX Stock, at prices between $9.41 and $27.91 per share, were outstanding during the three and nine months ended September 30, 1999, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 2,229 and 2,478 shares of BAX Stock, at prices between $5.78 and $27.91 per share, were outstanding during the three and nine months ended September 30, 1998, respectively, but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive.

The shares of BAX Stock held in the Pittston Company Employee Benefits Trust ("Trust") are subject to the treasury stock method and effectively are not included in the basic and diluted net income (loss) per share calculations. As of September 30, 1999, 1,466 shares of BAX Stock (455 in 1998) remained in the Trust.

(3) Depreciation and amortization of property, plant and equipment totaled $8,259 and $23,683 in the third quarter and first nine months of 1999, respectively, compared to $7,525 and $20,551 in the third quarter and first nine months of 1998, respectively.

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

	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Interest	$ 2,482	2,733	6,309	5,611
Income taxes	$ 612	1,101	10,195	7,139

(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 bank credit agreement and was accounted for as a purchase. The pro forma impact on the BAX Group's total revenues, net income and net income per share had the ATI acquisition occurred as of the beginning of 1998 would not have been material.

(6) During the third quarter of 1998, BAX Global incurred expenses of approximately $36,000, nearly all of which was recorded in selling, general and administrative expenses in the statement of operations. These expenses were comprised of several items. During the third quarter of 1998, BAX Global recorded write-offs for software costs included in property, plant and equipment in accordance with SFAS No. 121 of approximately $16,000. These write-offs consisted of the costs associated with certain in-process software development projects that were canceled during the quarter and unamortized costs of existing software applications which were determined by management to have no future service potential or value. It is management's belief at this time that the current ongoing information technology ("IT") initiatives are necessary and will be successfully completed and implemented. Provisions aggregating $13,000 were recorded on existing receivables during the quarter, primarily to reflect more difficult operating environments in Asia and Latin America. Approximately $7,000 was accrued for severance and other expenses primarily stemming from a realignment of BAX Global's organizational structure.

The additional IT and bad debt expenses are primarily non-cash items and are reflected in the statement of cash flows partially through the non-cash charges and other write-offs line item and the provision for uncollectible accounts receivable line item. Severance costs recorded in the third quarter of 1998 are cash items. At September 30, 1999, BAX Global reversed approximately $100 of the accrued severance representing the unused portion of the initial accrual established at September 30, 1998.

(7) The cumulative impact of foreign currency translation deducted from shareholder's equity was $8,899 and $8,076 at September 30, 1999 and December 31, 1998, respectively.

The cumulative impact of cash flow hedges added to shareholder's equity was $1,662 at September 30, 1999. The cumulative impact of cash flow hedges deducted from shareholder's equity was $1,289 at December 31, 1998.

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

(In thousands)		Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
BAX Stock:					
Shares		-	245.7	-	650.6
Cost	$	-	2,901	-	10,097
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	20,980	146
Excess carrying amount (a)	$	-	-	19,201	23

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4,300. On March 15, 1999, the Company purchased 83.9 shares (or 839 depositary shares) of its Convertible Preferred Stock for $20,980. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19,201, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had the remaining authority to purchase 1,465 shares of BAX Stock and an additional $7,556 of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22,184 as of September 30, 1999.

(9) As of January 1, 1999, the BAX Group adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities". SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The adoption of SOP No. 98-5 had no material impact on the results of operations of the BAX Group.

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 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 provide a reasonable and equitable estimate of the costs 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 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 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)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Operating revenues:				
BAX Global:				
Americas (a)	$318,851	305,435	889,737	872,500
Atlantic	87,690	79,371	260,383	236,459
Pacific	136,847	87,081	369,564	212,859
Eliminations/Other	(10,844)	(11,019)	(37,165)	(25,633)
Total operating revenues	$532,544	460,868	1,482,519	1,296,185
Operating profit (loss):				
BAX Global:				
Americas (b)	$ 23,284	21,461	48,429	43,778
Atlantic	2,686	(218)	6,748	2,583
Pacific	5,429	2,952	16,149	8,058
Other (b), (c)	(13,222)	(45,480)	(39,961)	(68,995)
Segment operating profit (loss)	18,177	(21,285)	31,365	(14,576)
General corporate expense	(1,907)	(1,715)	(5,674)	(8,139)
Total operating profit (loss)	$ 16,270	(23,000)	25,691	(22,715)

(a) Includes Intra-U.S. revenue of $168,082 and $161,824 for the quarters ended September 30, 1999 and 1998, respectively, and $461,584 and $463,103 for the nine months ended September 30, 1999 and 1998, respectively.
(b) Global overhead costs have been reallocated between the Americas and Other in 1999 to more accurately reflect the global services provided and to be consistent with new performance measurements. Prior year's operating profit (loss) for the Americas region and Other have been reclassified to conform to

the current year's classification.
(c) The 1998 periods include additional expenses of approximately $36 million.

SELECTED FINANCIAL DATA

(In thousands)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Depreciation and amortization:				
BAX Global	$ 10,134	9,268	29,420	25,662
General corporate	102	61	226	178
Total depreciation and amortization	$ 10,236	9,329	29,646	25,840
Cash capital expenditures:				
BAX Global	20,142	14,197	48,600	58,607
General corporate	10	40	23	166
Total cash capital expenditures	$ 20,152	14,237	48,623	58,773

BAX Global operates in three geographic regions: the Americas, which includes the domestic and export business of the United States ("US"), Latin America and Canada; the Atlantic which includes Europe and Africa; and the Pacific which includes Asia and Australia. Each region provides both expedited and non-expedited freight services. Revenues and profits on expedited freight services are shared among the origin and destination countries on all export volumes. Accordingly, BAX Global's US business, the region with the largest export volume, significantly impacts the trend of results in BAX Global's worldwide expedited freight services. Non-expedited freight services primarily include supply chain management and ocean freight services. In addition, BAX Global operates a federally certificated airline, Air Transport International ("ATI"). ATI's results, net of intercompany eliminations, are included in the Americas region. Eliminations/other revenues primarily include intercompany revenue eliminations on shared services. Other operating loss primarily consists of global support costs including global IT costs and goodwill amortization. In 1998, other operating loss also includes additional expenses of approximately $36 million as further discussed below.

In the third quarter of 1999, the BAX Group reported net income of $8.7 million ($0.45 per share) as compared to a net loss of $21.8 million ($1.13 per share) in the third quarter of 1998. Results for the third quarter and first nine months of 1998 were adversely affected by the additional expenses of approximately $36 million, discussed below, combined with a related decrease in the effective tax rate which resulted in a lower tax benefit. Revenues increased $71.7 million (16%) compared with the 1998 third quarter, to $532.5 million. Operating expenses and selling, general and administrative expenses for the 1999 third quarter increased $32.7 million (7%) compared with the same quarter last year, which included the majority of the previously mentioned $36 million additional expenses.

In the first nine months of 1999, the BAX Group reported net income of $12.1 million ($0.63 per share) as compared to a net loss of $23.8 million ($1.22 per share) for the same period in 1998. Revenues increased $186.3 million (14%) compared to the first nine months of 1998, to $1,482.5 million. Operating expenses and selling, general and administrative expenses for the first nine months of 1999 increased $138.7 million (11%) compared with the same period of 1998 which included the impact of the $36.0 million of additional expenses. Net income in the first nine months of 1998 was impacted by a decrease in the effective tax rate due to the impact of the $36 million additional expenses, which lowered the tax benefit. Operating profit in the first nine months of 1999 included the benefit of $1.6 million of incentive accrual reversal related to 1998 as such incentives were not paid as a result of a management decision made during the first quarter of 1999. The incentive accrual reversal benefited net income in the 1999 first quarter by approximately $1.0 million or $0.05 per share.

During the third quarter of 1998, the BAX Group incurred additional expenses of approximately $36.0 million, nearly all of which was recorded in selling, general and administrative expenses in the statement of operations. These expenses were comprised of several items. During the third quarter of 1998, BAX Global recorded write-offs for software costs in accordance with SFAS No. 121 of approximately $16.0 million. These write-offs consisted of the costs associated with certain in-process software development projects that were canceled during the quarter and unamortized costs of existing software applications which were determined by management to have no future service potential or value. It is management's belief at this time that the current ongoing information technology ("IT") initiatives are necessary and will be successfully completed and implemented. Provisions aggregating $13.0 million were recorded on existing receivables during the quarter, primarily to reflect more difficult operating environments in Asia and Latin America. Approximately $7.0 million was accrued for severance and other expenses primarily stemming from a realignment of BAX Global's organizational structure. At September 30, 1999, BAX Global reversed approximately $0.1 million of the accrued severance representing the unused portion of the initial accrual established at September 30, 1998.

BAX GLOBAL
Selected financial data for BAX Global on a comparative basis:

	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Revenues by line of business:				
Expedited freight services	$ 447,942	393,424	1,242,613	1,118,352
Non-expedited freight services	84,602	67,444	239,906	177,833
Total revenues	$ 532,544	460,868	1,482,519	1,296,185
Worldwide expedited freight services:				
Weight (millions of pounds)	458.8	417.0	1,298.2	1,201.0
Shipments (thousands)	1,241	1,343	3,649	3,978
Worldwide expedited freight services average:				
Revenue per pound (yield)	$ 0.976	0.943	0.957	0.931
Revenue per shipment	$ 361	293	341	281
Weight per shipment (pounds)	370	311	356	302

BAX Global's worldwide operating revenues increased 16% to $532.5 million in the third quarter of 1999 as compared to $460.9 million in the third quarter of 1998 as the result of increases in revenue in all geographic regions, primarily the Pacific region which increased by approximately 57%. In the current quarter, BAX Global reported an operating profit of $18.2 million as compared to an operating loss of $21.3 million reported in the third quarter of 1998, which was adversely affected by the aforementioned additional expenses of approximately $36 million. The operating profit for the third quarter of 1999 benefited from increases in all geographic regions.

Revenues in the Americas region increased $13.4 million (4%) and operating profit increased $1.8 million (8%) in the third quarter of 1999 as compared to the same period in 1998. The improvement in revenue reflects increased expedited freight services revenues within the US, as well as an increase in US charter business. Expedited freight service revenues within the US increased due to higher domestic yield reflecting the continued expansion of higher yielding Emergency Response ("EMR") product as volume remained essentially unchanged. The improvement in operating profit largely resulted from higher EMR product volumes. These benefits were partially offset by increased station and administrative expenses.

Revenues and operating profit in the Atlantic region increased $8.3 million to $87.7 million and $2.9 million to $2.7 million, respectively, in the third quarter of 1999 as compared to the same 1998 period. Revenue and operating profits were favorably impacted by an increase in expedited freight volume partially offset by lower average yields. The import business in the Atlantic region benefited from the new high technology industry customers in the Pacific region obtained in late 1998 and early 1999. The region also benefited from additional charter and supply chain management business.

Revenues and operating profit in the Pacific increased $49.8 million (57%) to $136.8 million and $2.5 million (84%) to $5.4 million, respectively, in the third quarter of 1999 as compared to a year earlier. Revenues and operating profit in most countries increased, in large part, as a result of higher expedited and supply chain management services due to the continuation of new business from several high technology industry customers obtained during late 1998 and early 1999. These benefits were slightly offset by increased cost of service. The increase in revenue and operating profit was also favorably impacted by the acquisition of the remaining 67% interest in a freight agent in Taiwan in the first quarter of 1999.

Eliminations/other revenue is relatively unchanged from the third quarter of 1998. Other operating loss decreased $32.3 million as a result of the additional expenses of approximately $36 million in the third quarter of 1998 and lower global information technology costs.

BAX Global's worldwide operating revenues increased 14% to $1,482.5 million in the first nine months of 1999 as compared to $1,296.2 million in the first nine months of 1998, with increases in all geographic regions. For the first nine months of 1999, BAX Global reported an operating profit of $31.4 million as compared to an operating loss of $14.6 million reported in the same period of 1998. For the first nine months of 1998, BAX Global's operating results were adversely affected for the aforementioned additional expenses of approximately $36 million. Operating profit in the first nine months of 1999 included the benefit of $1.6 million of incentive accrual reversal related to 1998 as such incentives were not paid as a result of a management decision made during the first quarter of 1999.

Revenues and operating profit in the Americas increased $17.2 million to $889.7 million and $4.7 million to $48.4 million, respectively, in the nine months ended September 30, 1999 as compared to $872.5 million and $43.8 million, respectively, in the same period in 1998. Operating profit in the Americas region included the benefit of approximately $0.3 million related to the aforementioned reversal of incentive compensation accruals. The increase in revenue was primarily due to a full nine months ownership of ATI, which was acquired in April 1998 partially offset by a slight decrease in Intra-US and export revenues. The reduction in US domestic expedited freight revenue was due to lower volume which was only partially offset by the benefit of higher yielding EMR product volume. The increase in operating profit was largely the result of margin improvements on US expedited freight services which reflected higher EMR product volumes as well as lower average transportation costs. Lower transportation costs were favorably impacted by operating efficiencies, the effects of which were partially offset by higher maintenance and fuel costs. The benefits from margin improvements were partially offset by higher administrative expenses. In addition, US transportation costs in the first half of 1998 were negatively impacted by service disruptions due to weather delays and equipment problems.

Revenues and operating profit in the Atlantic region increased $23.9 million to $260.4 million and $4.2 million to $6.7 million, respectively, in the nine months ended September 30, 1999 as compared to the same 1998 period. The increase in revenue was primarily due to an increase in expedited freight volumes largely resulting from growth in export traffic. Additionally, the import business in the Atlantic region benefited from the new high technology industry customers in the Pacific region obtained in late 1998 and early 1999. These benefits were partially offset by lower average yields. In addition, operating profit in this region reflected the benefit of the aforementioned reversal of incentive accrual in the amount of $0.5 million.

Revenues and operating profit in the Pacific increased $156.7 million to $369.6 million and $8.1 million to $16.1 million, respectively, in the nine months ended September 30, 1999 as compared to a year earlier. Revenues and operating profit in most countries increased, in large part, as a result of higher expedited and supply chain management services due to the continuation of new business from several high technology industry customers obtained during late 1998 and early 1999. The increase in revenue and operating profit also reflected the acquisition of the remaining 67% interest in a freight agent in Taiwan in the first quarter of 1999. Operating profit for the 1999 period in the Pacific region was also favorably impacted by $0.8 million relating to the benefit of the aforementioned reversal of incentive compensation while the 1998 period reflected increased provisions for bad debt expense, primarily in India.

Increases in eliminations/other revenue is consistent with increased revenues. Other operating loss decreased $29.0 million due to the additional expenses of approximately $36 million in the third quarter of 1998. In addition, the year to date period as compared to the comparable prior year period reflects higher global administrative expenses partially offset by lower global information technology costs.

FOREIGN OPERATIONS

A portion of the BAX Group financial results is derived from activities in a number of foreign countries located in Europe, Asia and Latin America, each with a local currency other than the US dollar. Because the financial results of the BAX Group are reported in US dollars, they are affected by changes in the value of the various foreign currencies in relation to the US dollar. Changes in exchange rates may also adversely affect transactions, which are denominated in currencies other than the functional currency. BAX Global periodically enters into such transactions in the course of its business. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency fluctuations may have on the translated results in any one country. BAX Global, from time to time, uses foreign currency forward contracts to hedge transactional risks associated with foreign currencies. Translation adjustments of net monetary assets and liabilities denominated in the local currency relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period.

The BAX Group is also subject to other risks customarily associated with doing business in foreign countries, including labor and economic conditions, political instability, controls on repatriation of earnings and capital, nationalization, 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 provide a reasonable and equitable estimate of the costs attributable to the BAX Group. These attributions were $1.9 million and $1.7 million for the third quarter of 1999 and 1998, respectively, and $5.7 million and $8.1 million for the first nine months of 1999 and 1998, respectively. Corporate expenses in the first nine months of 1998 included additional expenses of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $2.0 million of this $5.8 million of expenses were attributed to the BAX Group. Corporate expenses in the first nine months of 1998 also included costs associated with a severance agreement with a former member of the Company's senior management.

INTEREST EXPENSE, NET

Interest expense, net for the three months ended September 30, 1999 was essentially unchanged from the prior year quarter. For the nine months ended September 30, 1999, interest expense, net increased $0.6 million over the same 1998 period primarily due to high average borrowings partially offset by lower average interest rates primarily in the second and third quarters. The increase in borrowings represents higher levels of debt associated with acquisitions and increased IT expenditures, including Year 2000 compliance efforts.

INCOME TAXES

In the 1999 periods presented, the provision for income taxes exceeded the statutory federal income tax rate of 35% due to goodwill amortization and state income taxes, partially offset by lower taxes on foreign income. The 1998 periods presented were impacted by significantly higher expenses which caused non-deductible items (principally goodwill amortization) to be a more significant factor in calculating the effective tax rate. Accordingly, the calculation of expected tax benefits on the pre-tax loss for the third quarter and year-to-date September 30, 1998 was determined using effective tax rates of 14.5% and 17%, respectively.

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 provide a reasonable and equitable estimate of the costs attributable to the BAX Group.

CASH FLOW REQUIREMENTS

Cash provided by operating activities during the first nine months of 1999 totaled $75.7 million as compared to the $62.1 million generated in the first nine months of 1998. The higher level of cash generated from operating activities was largely due to higher cash earnings partially offset by higher working capital requirements primarily representing increases in receivables. Non-cash charges and other write-offs in 1998 primarily include previously capitalized costs associated with the termination and rescoping of certain in-process information technology initiatives.

INVESTING ACTIVITIES

Cash capital expenditures for the first nine months of 1999 and 1998 totaled $48.6 million and $58.8 million, respectively, reflecting a large facility expansion in 1998 and lower levels of expenditures on information technology systems in 1999. For the full year 1999, cash capital expenditures are expected to range between $55 million and $60 million. The foregoing amounts exclude expenditures that have been or are expected to be financed through capital leases and any acquisition expenditures. The increase in aircraft heavy maintenance expenditures of $32.9 million was primarily due to the acquisition of ATI in 1998 as well as an overall increase in the costs of heavy maintenance repairs. Investing activities for the nine months ended on September 30, 1998 included the acquisition of ATI for a purchase price of approximately $29 million.

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 or other borrowing arrangements.

Cash flows received from financing activities were $31.5 million for the first nine months of 1999, compared with $56.9 million for the same period in 1998. The 1998 levels reflect additional borrowings primarily required to fund the acquisition of ATI, capital expenditures and information technology investments as well as stock repurchases.

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 September 30, 1999 and December 31, 1998, borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $166.7 million and $91.6 million, respectively, of additional borrowings were outstanding under the remainder of the Facility. Of the total outstanding amount under the Facility at September 30, 1999 and December 31, 1998, $100.5 million and $60.9 million, respectively, were attributed to the BAX Group.

RELATED PARTY TRANSACTIONS

At September 30, 1999 and December 31, 1998, the Minerals Group had no borrowings from the BAX Group. At September 30, 1999, the BAX Group owed the Minerals Group $19.7 million compared to $20.4 million at December 31, 1998 for tax payments representing Minerals Group tax benefits utilized by the BAX Group in accordance with the Company's tax sharing policy of which $9.0 million is expected to be paid within one year.

MARKET RISKS AND HEDGING AND DERIVATIVE ACTIVITIES

The BAX Group has activities in a number of foreign countries throughout the world. Operations in these countries expose the BAX Group to a variety of market risks, including the effects of changes in foreign currency exchange rates and interest rates. In addition, the BAX Group consumes certain commodities in its business, exposing it to the effects of changes in the prices of such commodities. These financial and commodity exposures are monitored and managed by the company as an integral part of its overall risk management program. The diversity of foreign operations helps to mitigate a portion of the impact that foreign currency rate fluctuations may have on the translated results in any one country. The BAX Group's risk management program considers this favorable diversification effect as it measures the BAX Group's exposure to financial markets and as appropriate, seeks to reduce the potentially adverse effects that the volatility of certain markets may have on its operating results. The BAX Group has not had any material change in its market risk exposures with respect to its interest rate and foreign currency risk since December 31, 1998.

The following table represents the BAX Group's outstanding commodity hedge contracts as of September 30, 1999:

(In thousands, except average contract rates)	Notional Amount	Average Contract Rate	Estimated Fair Value
Forward swap contracts:			
Jet fuel purchases (pay fixed) (a)	18,000	$ 0.4949	$ 1,332
Commodity options:			
Jet fuel purchases (collar) (a)	11,300	0.5319 to 0.4499	1,126
Jet fuel purchases (cap) (a)	3,000	0.6125	130

(a) Notional amount in gallons of fuel.

READINESS FOR YEAR 2000: SUMMARY

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. If not corrected, many date-sensitive applications could fail or create erroneous results by or in the year 2000. The BAX Group understands the importance of having systems and equipment operational through the year 2000 and beyond and is committed to addressing these challenges while continuing to fulfill its business obligations to its customers and business partners. BAX Global has established a year 2000 Project Team intended to make its information technology assets, including embedded microprocessors ("IT assets"), non-IT assets, products, services and infrastructure Year 2000 ready.

READINESS FOR YEAR 2000: STATE OF READINESS

The BAX Global Year 2000 Project Team has divided its Year 2000 readiness program into five phases: (i) inventory (ii) assess and test, (iii) renovate, (iv) test and verify and (v) implement. During the first nine months of 1999, the inventory and assessment phases of major systems have been completed worldwide. Renovation activities for major systems are complete. Replacement activities for non-compliant components and systems that are not scheduled for renovation are complete. Testing is complete for major systems that have been renovated. The BAX Group plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000. As of September 30, 1999, more than 95% of the BAX Group's IT and non-IT critical systems have been tested and verified as Year 2000 ready.

As part of its Year 2000 project, the BAX Group has sent comprehensive questionnaires to significant suppliers and others with whom it does business, regarding their Year 2000 readiness and is in the process of identifying any problem areas with respect to these business partners. The BAX Group is relying on such third parties representations regarding their own readiness for Year 2000. The extent to which potential problems associated with business partners may have a material adverse impact on the BAX Group's operations is being assessed and will continue to be assessed throughout 1999.

Further, the BAX Group relies upon US and foreign government agencies (particularly the Federal Aviation Administration and customs agencies worldwide), utility companies, telecommunication service companies and other service providers outside of its control. As with most companies, the BAX Group is vulnerable to significant suppliers' and other third parties' inability to remedy their own Year 2000 issues. As the BAX Group cannot control the conduct of its customers, suppliers and other third parties, there can be no guarantee that Year 2000 problems originating with a supplier or another third party will not occur.

READINESS FOR YEAR 2000: COSTS TO ADDRESS

The BAX Group anticipates incurring remediation and acceleration costs for its Year 2000 readiness program. Remediation includes the identification, assessment, modification and testing phases of the Year 2000 readiness program.

Remediation costs include both the costs of modifying existing software and hardware as well as purchases that replace existing hardware and software that is not Year 2000 ready. Acceleration costs include costs to purchase and/or develop and implement certain information technology systems whose implementation has been accelerated as a result of the Year 2000 readiness issue.

Projected Year 2000 acceleration and remediation costs have increased by approximately $2 million over previously reported amounts, due to the decision to use BAX Global resources on customer focused projects (other than Year 2000) and expand the scope of Year 2000 subcontractors, and due to additional costs incurred in order for the Year 2000 program to remain on schedule.

Total anticipated remediation and acceleration costs are detailed in the table below:

(Dollars in millions)

ACCELERATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 19.6	2.2	21.8
Incurred through September 30, 1999	19.0	1.8	20.8
Remainder	$ 0.6	0.4	1.0

REMEDIATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 2.8	15.7	18.5
Incurred through September 30, 1999	2.0	15.0	17.0
Remainder	$ 0.8	0.7	1.5

TOTAL	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 22.4	17.9	40.3
Incurred through September 30, 1999	21.0	16.8	37.8
Remainder	$ 1.4	1.1	2.5

READINESS FOR YEAR 2000: THE RISKS OF THE YEAR 2000 ISSUE

The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect results of operations, liquidity and financial condition of the BAX Group. The extent to which such a failure may adversely affect operations is being assessed. The BAX Group believes its most reasonably likely worst case scenario is that it will experience a number of minor system malfunctions and errors in the early days and weeks of the Year 2000 that were not detected during its renovation and testing efforts. The BAX Group currently believes that these problems will not be overwhelming and are not likely to have a material effect on the company's operations or financial results. As noted above, the BAX Group is vulnerable to significant suppliers', customers' and other third parties' (particularly government agencies such as the Federal Aviation Administration and customs agencies worldwide) inability to remedy their own Year 2000 issues. As the BAX Group cannot control the conduct of third parties, there can be no guarantee that Year 2000 problems originating with a supplier, customer or other third party will not occur. However, the BAX Group's program of communication with and assessments of major third parties with whom they do business is intended to minimize any potential risks related to third party failures.

READINESS FOR YEAR 2000: CONTINGENCY PLAN

During the first quarter of 1999, the BAX Group initiated contingency planning for dealing with its most reasonably likely worst case scenario. Contingency planning is divided into three principal parts. At company locations worldwide, specific local plans including alternative methods of delivering services are being developed. Specific plans including prioritization of resources are being written for systems and software packages. A transition management plan is being devised to provide a mechanism for monitoring both internal and external developments worldwide that may impact customer shipments, thereby allowing BAX Global to quickly respond to potential failures. The foundation for the BAX Group's Year 2000 readiness program is to ensure that critical systems are renovated/replaced and tested prior to when a Year 2000 failure might occur if the program were not undertaken. Year 2000 is the number one priority within the BAX Group's IT organization with full support of the BAX Group's Chief Executive Officer.

READINESS FOR YEAR 2000: FORWARD LOOKING INFORMATION

This discussion of the BAX Group's readiness for Year 2000, including statements regarding anticipated completion dates for various phases of the BAX Group's Year 2000 project, estimated costs for Year 2000 readiness, the determination of likely worst case scenarios, actions to be taken in the event of such worst case scenarios and the impact on the BAX Group of any delays or problems in the implementation of Year 2000 initiatives by the BAX Group and/or any public or private sector suppliers and service providers and customers 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, include, but are not limited to, government regulations and/or legislative initiatives, variations in costs or expenses relating to the implementation of Year 2000 initiatives, changes in the scope of improvements to Year 2000 initiatives and delays or problems in the implementation of Year 2000 initiatives by the BAX Group and/or any public or private sector suppliers and service providers and customers.

CONTINGENT LIABILITIES

The Company commenced insurance coverage litigation in 1990, in the United States District Court of the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. The Company was able to conclude the settlement with all of its insurers without a trial. Taking into account the proceeds from the settlement with its insurers, it is the Company's belief that the ultimate amount that it would be liable for related to the remediation of the Tankport site will not significantly adversely impact the Company's results of operations or financial position.

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 ("Pittston Coal") 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.

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

(Dollars in millions, shares in thousands)		Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
BAX Stock:					
Shares	$	-	245.7	-	650.6
Cost		-	2.9	-	10.1
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	21.0	0.1
Excess carrying amount (a)	$	-	-	19.2	-

(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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4.3 million. On March 15, 1999, the Company purchased 0.08 million shares (or 0.8 million depositary shares) of its Convertible Preferred Stock for $21.0 million. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per

share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19.2 million, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had remaining authority to purchase 1.5 million shares of BAX Stock and an additional $7.6 million of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22.2 million as of September 30, 1999.

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 nine months of 1999 and 1998, the Board declared and the Company paid cash dividends of 18.00 cents per share of BAX Stock. Dividends paid on the Convertible Preferred Stock in the first nine months of 1999 and 1998 were $1.3 million and $2.7 million, respectively.

ACCOUNTING CHANGES

As of January 1, 1999, the BAX Group adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities". SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The adoption of SOP No. 98-5 had no material impact on the results of operations of the BAX Group.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding the readiness for Year 2000 and projected capital spending 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, variations in costs or expenses, cash flow of the Minerals Group, 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 any public or private sector suppliers, service providers and customers, and delays or problems in the design and implementation of improvements to information systems.

PITTSTON MINERALS GROUP
BALANCE SHEETS
(IN THOUSANDS)

	September 30 1999	December 31 1998
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,711	942
Accounts receivable (net of estimated uncollectible amounts: 1999 - $4,358; 1998 - $2,275)	66,730	90,311
Receivable - Pittston Brink's Group/BAX Group, net	1,897	-
Inventories:		
Coal inventory	25,828	24,567
Other inventory	4,788	4,177
	30,616	28,744
Prepaid expenses and other current assets	6,420	6,574
Deferred income taxes	18,690	19,863
Total current assets	127,064	146,434
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1999 - $175,630; 1998 - $159,459)	151,051	153,785
Deferred pension assets	90,201	86,897
Deferred income taxes	59,990	58,210
Intangibles, net of accumulated amortization	102,672	104,925
Coal supply contracts	13,911	21,965
Receivable - Pittston Brink's Group/BAX Group, net	14,630	16,298
Other assets	57,156	52,950
Total assets	$616,675	641,464
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 12,428	29,734
Current maturities of long-term debt	598	482
Accounts payable	32,304	33,987
Payable - Pittston Brink's Group/BAX Group, net	-	3,321
Accrued liabilities	90,778	87,737
Total current liabilities	136,108	155,261
Long-term debt, less current maturities	166,863	131,772
Postretirement benefits other than pensions	235,598	231,242
Workers' compensation and other claims	74,379	79,717
Mine closing and reclamation liabilities	32,428	33,147
Other liabilities	31,922	35,977
Commitments and contingent liabilities		
Shareholder's equity	(60,623)	(25,652)
Total liabilities and shareholder's equity	$616,675	641,464

See accompanying notes to financial statements.

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

	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Net sales	$105,510	126,567	305,219	410,873
Cost and expenses:				
Cost of sales	113,283	125,148	324,698	402,590
Selling, general and administrative expenses	8,042	7,599	24,198	24,450
Restructuring and other credits	(851)	-	(851)	-
Total costs and expenses	120,474	132,747	348,045	427,040
Other operating income, net	4,011	9,445	10,242	14,230
Operating profit (loss)	(10,953)	3,265	(32,584)	(1,937)
Interest income	701	323	1,606	937
Interest expense	(2,709)	(2,366)	(7,600)	(7,409)
Other income, net	2	-	1	1
Income (loss) before income taxes	(12,959)	1,222	(38,577)	(8,408)
Credit for income taxes	(6,280)	(816)	(20,605)	(8,406)
Net income (loss)	(6,679)	2,038	(17,972)	(2)
Preferred stock dividends, net (Note 6)	(231)	(886)	17,852	(2,637)
Net income (loss) attributed to common shares (Note 6)	$ (6,910)	1,152	(120)	(2,639)
Net income (loss) per common share (Note 6):				
Basic	$ (0.77)	0.14	(0.01)	(0.32)
Diluted	(0.77)	0.14	(1.87)	(0.32)
Cash dividends per common share	$ -	0.0250	0.0250	0.2125
Weighted average common shares outstanding:				
Basic	9,014	8,370	8,786	8,302
Diluted	9,014	8,371	9,600	8,302
Comprehensive income (loss)	$ (7,552)	411	4,233	(4,219)

See accompanying notes to financial statements.

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

	Nine Months Ended September 30 1999	1998
Cash flows from operating activities:		
Net loss	$ (17,972)	(2)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation, depletion and amortization	27,382	27,200
(Credit) provision for deferred income taxes	(2,273)	4,791
Credit for pensions, noncurrent	(2,949)	(2,308)
Gain on sale of property, plant and equipment and other assets	(186)	(4,108)
Provision for uncollectible accounts receivable	2,389	61
Equity in (earnings) loss of unconsolidated affiliates, net of dividends received	(2)	775
Other operating, net	965	1,620
Change in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease (increase) in accounts receivable	21,314	(40,111)
(Increase) decrease in inventories	(1,797)	7,622
Decrease (increase) in prepaid expenses and other current assets	2,143	(2,020)
Increase in other assets	(2,913)	(3,342)
Increase (decrease) in accounts payable and accrued liabilities	2,496	(24,005)
(Decrease) increase in other liabilities	(471)	2,429
Decrease in workers' compensation and other claims, noncurrent	(5,338)	(6,577)
Other, net	824	(181)
Net cash provided (used) by operating activities	23,612	(38,156)
Cash flows from investing activities:		
Additions to property, plant and equipment	(15,660)	(18,909)
Proceeds from disposal of property, plant and equipment	1,623	18,329
Proceeds from disposition of assets	-	6,772
Other, net	1,125	252
Net cash (used) provided by investing activities	(12,912)	6,444
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings	(17,307)	35,014
Additions to long-term debt	66,150	64,441
Reductions of long-term debt	(31,037)	(43,970)
Payments to Brink's Group	(4,218)	(19,418)
Repurchase of stock (Note 6)	(20,980)	(308)
Dividends paid	(1,539)	(4,249)
Net cash (used) provided by financing activities	(8,931)	31,510
Net increase (decrease) in cash and cash equivalents	1,769	(202)
Cash and cash equivalents at beginning of period	942	3,394
Cash and cash equivalents at end of period	$ 2,711	3,192

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 ("Pittston Coal") 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 specifically identified with operations of a particular segment. The Minerals Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to provide a reasonable and equitable allocation of such items.

The Company provides to holders of Pittston Minerals Group Common Stock ("Minerals Stock") separate financial statements, financial review, descriptions of business and other relevant information for the Minerals Group, in addition to consolidated financial information of the Company. Holders of Minerals Stock are shareholders of the Company, which continues to be responsible for all its liabilities. Financial impacts arising from the Pittston Brink's Group (the "Brink's Group"), the Pittston BAX Group (the "BAX Group") or the Minerals Group that affect the Company's financial condition could therefore affect the results of operations and financial condition of each of the Groups. Since financial developments within one Group could affect other Groups, all shareholders of the Company could be adversely affected by an event directly impacting only one Group. Accordingly, the Company's consolidated financial statements must be read in connection with the Minerals Group's financial statements.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with applicable quarterly reporting regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Certain prior period amounts have been reclassified to conform to the current period's financial statement presentation. Operating results for the interim periods of 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and related notes included in the Company's annual report on Form 10-K for the year ended December 31, 1998.

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

	Three Months Ended September 30		Nine Months Ended September 30	
Minerals Group	1999	1998	1999	1998
NUMERATOR:				
Net income (loss)	$ (6,679)	2,038	(17,972)	(2)
Convertible Preferred Stock dividends, net	(231)	(886)	17,852	(2,637)
Basic net income (loss) per share	(6,910)	1,152	(120)	(2,639)
Effect of dilutive securities: Convertible Preferred Stock dividends, net	-	-	(17,852)	-
Diluted net income (loss) per share	$ (6,910)	1,152	(17,972)	(2,639)

Minerals Group	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
DENOMINATOR:				
Basic weighted average common shares outstanding	9,014	8,370	8,786	8,302
Effect of dilutive securities:				
Stock options	-	1	1	-
Assumed conversion of Convertible Preferred Stock	-	-	813	-
Diluted weighted average common shares outstanding	9,014	8,371	9,600	8,302

Options to purchase 722 shares of Minerals Stock, at prices between $1.56 and $25.74 per share, were outstanding during the three months ended September 30, 1999, 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 698 shares of Minerals Stock, at prices between $1.81 and $25.74 per share, were outstanding during the nine months ended September 30, 1999, but were not included in the computation of diluted net loss per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

Options to purchase 625 shares of Minerals Stock, at prices between $5.63 and $25.74 per share, were outstanding during the three months ended September 30, 1998 but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive. Options to purchase 787 shares of Minerals Stock, at prices between $4.19 and $25.74 per share, were outstanding during the nine months ended September 30, 1998 but were not included in the computation of diluted net loss per share because the effect of all options would be antidilutive.

The conversion of the Convertible Preferred Stock to 460 and 1,764 shares of Minerals Stock has been excluded in the computation of diluted net income (loss) per share in the three months ended September 30, 1999, and in the three and nine months ended September 30, 1998, respectively, because the effect of the assumed conversions would be antidilutive.

The shares of Minerals Stock held in the Pittston Company Employee Benefits Trust ("Trust") are subject to the treasury stock method and effectively are not included in the basic and diluted net income (loss) per share calculations. As of September 30, 1999, 69 shares of Minerals Stock (3 in 1998) remained in the Trust. In October 1999, the Company sold for a promissory note of the Trust, 900 new shares of Minerals Stock at a price equal to the closing value of the stock on the date prior to the issuance.

(3) Depreciation, depletion and amortization of property, plant and equipment totaled $5,645 and $16,885 in the third quarter and first nine months of 1999, respectively, compared to $5,240 and $16,583 in the third quarter and first nine months of 1998, respectively.

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

	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Interest	$ 3,556	2,703	7,522	8,014
Income taxes	$ (5,202)	(4,527)	(18,868)	(16,516)

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(5) The cumulative impact of foreign currency translation deducted from shareholder's equity was $2,802 and $3,919 at September 30, 1999 and December 31, 1998, respectively.

The cumulative impact of cash flow hedges added to shareholder's equity was $1,175 at September 30, 1999. The cumulative impact of cash flow hedges deducted from shareholder's equity was $2,020 at December 31, 1998.

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

(In thousands)	Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Convertible Preferred Stock:				
Shares	-	-	83.9	0.4
Cost	$ -	-	20,980	146
Excess carrying amount (a)	$ -	-	19,201	23

(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.

On March 12, 1999, the Board increased the authority to purchase its Convertible Preferred Stock by $4,300. On March 15, 1999, the Company purchased 83.9 shares (or 839 depositary shares) of its Convertible Preferred Stock for $20,980. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19,201, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had the remaining authority to purchase 1,000 shares of Minerals Stock and an additional $7,556 of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22,184 as of September 30, 1999.

(7) As of January 1, 1999, the Minerals Group adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities." SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The Minerals Group has determined that capitalized mine development costs for its gold and coal mining operations relate to acquiring and constructing long-lived assets and preparing them for their intended use. Accordingly, the adoption of SOP No. 98-5 had no material impact on the results of operations for the Minerals Group.

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

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 ("Pittston Coal") 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 specifically identified with operations of a particular 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 provide a reasonable and equitable estimate of the costs, assets and liabilities 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 its 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") that affect the Company's financial condition could therefore 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)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Net sales:				
Pittston Coal:				
Coal Operations	$ 99,417	121,138	288,540	393,167
Allied Operations (a)	3,046	1,729	6,968	5,796
Total Pittston Coal	102,463	122,867	295,508	398,963
Mineral Ventures	3,047	3,700	9,711	11,910
Net sales	$ 105,510	126,567	305,219	410,873
Operating profit (loss):				
Pittston Coal:				
Coal Operations	$ (8,834)	4,258	(27,862)	1,570
Allied Operations (a)	1,553	1,596	4,263	5,072
Total Pittston Coal	(7,281)	5,854	(23,599)	6,642
Mineral Ventures	(2,001)	(1,084)	(4,029)	(1,409)
Segment operating profit (loss)	(9,282)	4,770	(27,628)	5,233
General corporate expense	(1,671)	(1,505)	(4,956)	(7,170)
Operating profit (loss)	$ (10,953)	3,265	(32,584)	(1,937)

(a)Primarily consists of timber and natural gas operations.

SELECTED FINANCIAL DATA

(In thousands)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Depreciation, depletion and amortization:				
Pittston Coal	$ 8,708	8,402	24,835	25,056
Mineral Ventures	700	632	2,353	1,993
General corporate	88	52	194	151
Total depreciation, depletion and amortization	$ 9,496	9,086	27,382	27,200
Cash capital expenditures:				
Pittston Coal	$ 6,012	5,150	12,486	16,325
Mineral Ventures	897	974	3,154	2,413
General corporate	9	34	20	171
Total cash capital expenditures	$ 6,918	6,158	15,660	18,909

The Minerals Group is primarily engaged in the mining, preparation and marketing of coal, the purchase of coal for resale, the sale or leasing of coal lands to others ("Coal Operations") and has interests in the timber and natural gas businesses ("Allied Operations") through Pittston Coal. The Minerals Group also explores for and acquires mineral assets, primarily gold, through its Mineral Ventures operations.

In the third quarter of 1999, the Minerals Group reported a net loss of $6.7 million compared to a net income of $2.0 million in the third quarter of 1998. In the third quarter of 1999, the operating loss totaled $11.0 million as compared to an operating profit of $3.3 million in the 1998 third quarter. Operating loss in the 1999 quarter includes a $2.4 million benefit on litigation settlements and favorable workers' compensation claim experience. However, this $2.4 million benefit was partially offset by $0.8 million of costs associated with the previously reported salaried staff reduction. Operating profit in the 1998 quarter included a $5.4 million gain on the sale of two idle coal properties in West Virginia and a loading dock in Kentucky and a $2.6 million gain on a litigation settlement. Net sales during the third quarter of 1999 decreased $21.1 million (17%) compared to the corresponding 1998 quarter.

In the first nine months of 1999, the Minerals Group reported a net loss of $18.0 million compared to break-even results in the same period of 1998. In the first nine months of 1999 the operating loss totaled $32.6 million including third quarter net gains of $1.6 million mentioned above as well as a $2.4 million litigation settlement gain in the first quarter of 1999 as compared to an operating loss of $1.9 million in the 1998 period. Operating loss in the 1998 period included a net benefit of approximately $6.0 million related to net gains on the sale of assets and from a gain on a litigation settlement. Net sales during the first nine months of 1999 decreased $105.7 million (26%) compared to the corresponding 1998 period.

PITTSTON COAL
Pittston Coal is comprised of Coal Operations and Allied Operations which are discussed separately below.

Selected financial data for Coal Operations on a comparative basis:

(In thousands)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Coal margin	$ 4,161	7,828	14,567	27,963
Other operating income	2,785	8,725	6,308	11,407
Restructuring and other credits	851	-	851	-
Margin and other income	7,797	16,553	21,726	39,370
Idle equipment and closed mines	2,346	1,008	6,426	4,293

Inactive employee costs	9,435	6,806	27,728	20,501
Selling, general and administrative	4,850	4,481	15,434	13,006
Total other costs and expenses	16,631	12,295	49,588	37,800
Total Coal Operations operating loss	$(8,834)	4,258	(27,862)	1,570

(In thousands)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Coal sales (tons):				
Metallurgical	1,267	1,868	3,761	5,794
Steam	2,138	2,197	6,049	7,432
Total coal sales	3,405	4,065	9,810	13,226

(In thousands)	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Production/purchased (tons):				
Deep	1,108	1,340	3,637	4,097
Surface	1,136	1,551	3,346	5,361
Contract	372	182	1,042	624
	2,616	3,073	8,025	10,082
Purchased	464	834	1,908	2,845
Total	3,080	3,907	9,933	12,927
Coal margin per ton:				
Realization	$ 29.20	29.80	29.41	29.72
Current production costs	27.98	27.87	27.93	27.61
Coal margin	$ 1.22	1.93	1.48	2.11

Coal Operations net sales decreased $21.7 million in the third quarter of 1999 compared to the same period in 1998. This decline is primarily due to a 0.7 million ton reduction (16%) compared to the third quarter of 1998. Steam coal sales in the third quarter of 1999 remained relatively unchanged and metallurgical coal sales declined by 0.6 million tons (32%), to 1.3 million tons when compared to the third quarter 1998. The decline in metallurgical sales was primarily due to continued softness in market conditions resulting from weak export markets for metallurgical coal and a strong US dollar relative to the currencies of other coal exporting nations. Steam coal sales represented 63% and 54% of total volume in the third quarter of 1999 and 1998, respectively, reflecting the impact of the significant decline in metallurgical volumes.

For the third quarter of 1999, Coal Operations generated an operating loss of $8.8 million as compared to an operating profit of $4.3 million for the same period in 1998. Operating loss in the third quarter of 1999 included a $2.4 million benefit of litigation settlements and favorable workers' compensation claim experience. However, this $2.4 million benefit was partially offset by $0.8 million of costs associated with the previously reported salaried staff reduction. Operating profit in the third quarter of 1998 included the previously mentioned $5.4 million gain on sale of assets as well as the $2.6 million gain on a litigation settlement. The lower results were primarily due to a $5.9 million decline in other operating income and a $3.7 million decrease in coal margin. In addition, idle and closed mine expenses and inactive employee costs increased $1.3 million and $2.6 million, respectively, in the third quarter of 1999 compared to the same period in 1998.

Coal margin per ton decreased to $1.22 per ton in the third quarter of 1999 from $1.93 per ton for the 1998 third quarter, primarily due to reduced sales volume and lower realizations on metallurgical sales and, to a lesser extent, higher steam related production costs due to permitting delays discussed below. Metallurgical coal margins were negatively impacted in the third quarter of 1999 by lower realizations per ton primarily resulting from the previously mentioned soft market conditions which negatively impacted annual contract negotiations. In addition, coal margin in the third quarter of 1999 included the benefit of the judgment rendered by the US District Court for the Eastern District of Virginia, regarding the constitutionality of the federal black lung excise tax (as more fully discussed below).

Metallurgical sales in 1999 are expected to continue to be lower than 1998 levels, due to weak market conditions. Metallurgical export sales continue to be negatively impacted by the relative strength of the US dollar versus currencies of other metallurgical coal producing countries as well as an oversupply of metallurgical coal internationally resulting from the lasting effects of the 1998 Asian crisis. In addition, future steam coal margins are expected to be negatively impacted by any failure to receive mining permits in West Virginia on a timely basis (as discussed below), as well as potential increases in operating costs.

Production in the third quarter of 1999 decreased 0.5 million tons over the comparable period in 1998, while purchased coal declined from 0.8 million tons to 0.5 million tons for the third quarter of 1998 and 1999, respectively. Surface production accounted for 46% and 51% of total production in the third quarter of 1999 and 1998, respectively. The decrease in production is attributable to the closing of a surface mine in Kentucky during the third quarter of 1998 and the temporary idlement of a deep mine in West Virginia during the first quarter of 1999.

Other operating income amounted to $2.8 million in the third quarter of 1999 as compared to $8.7 million in the comparable period of 1998. This decrease was primarily due to the previously mentioned $5.4 million gain in sale of assets in 1998.

Idle and closed mine costs increased $1.3 million during the third quarter of 1999 compared to the same period in 1998, primarily as a result of costs associated with the first quarter 1999 idlement of a deep mine producing metallurgical coal, which was idled in response to the previously mentioned weak market conditions. Late in the third quarter of 1999, this mine was reactivated and is now producing at reduced capacity. Barring significant improvements in market conditions, there could be a further review of capacity requirements.

Inactive employee costs, which primarily represent long-term employee liabilities for pension, black lung and retiree medical costs, increased 39% primarily due to higher costs related to certain long-term benefit obligations as a result of reductions in the amortization of actuarial gains, a decrease in the discount rate used to calculate the present value of the liabilities and higher premiums under the Coal Industry Retiree Benefit Act of 1992. Coal Operations anticipates that costs related to certain of these long-term benefit obligations will continue at these higher levels throughout 1999.

Selling, general and administrative expenses increased $0.4 million (8%) over the prior year's quarter largely due to expenses associated with the salaried staff reductions and as a result of provisions related to the bankruptcy of a significant user of Pittston Coal's metallurgical coal.

Pittston Coal management has engaged an outside consultant to perform a comprehensive study of its coal resources. Such study will include an evaluation of the quality, recoverability and economic feasibility of all available reserves. It is currently anticipated that the study will be completed prior to the end of 1999. Management intends to use the results of the study along with its ongoing assessment of current and future coal industry economics to evaluate and, potentially, adjust its current plans to maximize values from specific properties and interests. Decisions to be made by management as a result of this process could affect future earnings and the carrying value of coal-related assets. It is not currently possible to estimate the potential outcome of this assessment or its impact, if any, on the financial position and/or results of operations of the Minerals Group.

As reported in the first two quarters of 1999, a controversy involving an unrelated party with respect to a method of mining called "mountaintop removal" that began in mid-1998 in West Virginia has resulted in a substantial delay in the process of issuing mining permits, including those unrelated to mountaintop removal. As a result, there has been a delay in Vandalia Resources, Inc. ("Vandalia"), a wholly-owned subsidiary of Pittston Coal, being issued, in a timely fashion, mining permits necessary for its uninterrupted mining. Vandalia required the issuance of two permits to ensure uninterrupted production throughout 1999 and a third permit to ensure uninterrupted production throughout 2000. Vandalia obtained the first permit on April 15, 1999. Expedient development under the first permit allowed for uninterrupted production through

September 17, 1999 when permitting delays forced the elimination of 26 jobs and reduced marketable production from Vandalia by 40,000 tons per month. The second permit has been pending since the fall of 1998, and the third permit has been pending since the spring of 1999. Although management believed the second permit was likely to be issued in the fall of 1999 and the third permit would be issued in mid-2000, on October 20, 1999, United States District Court Judge Charles H. Haden, II issued a Memorandum Opinion and Order enjoining the regulatory agencies from approving any further surface mining permits that allowed the placement of excess spoil in intermittent and perennial streams, which includes Vandalia's second and third permits. In an effort to enforce Judge Haden's Order, the Director of the West Virginia Division of Environmental Protection issued an October 21, 1999 Order which provided that no surface mining permits shall be issued which propose fills in intermittent or perennial streams. On October 29, 1999, Judge Haden stayed the enforcement of his October 20, 1999 Memorandum Opinion and Order pending appeal of his Order to the United States Court of Appeals for the Fourth Circuit, and on November 1, 1999, the Director of the West Virginia Division of Environmental Protected rescinded his October 21, 1999 Order. Since Vandalia's second and third permits planned for fills in intermittent and perennial streams, Vandalia is unsure how this activity will affect the issuance of the outstanding permits. Vandalia and other affected parties in West Virginia are currently exploring all legal and legislative remedies that may be available to resolve this matter. If the outstanding permits are not issued prior to the end of January 2000, this most probably will result in additional job and marketable production losses. During the year ended December 31, 1998, Vandalia produced approximately 2.7 million tons of coal resulting in revenues of approximately $81.8 million and contributed significantly to coal margin.

Revenues from Allied Operations increased by $1.3 million and operating profit remained at $1.6 million for the third quarter of 1999 as compared to the same period in 1998. The increase in revenue is due to the start-up of the new chip mill facility.

Coal Operations sales decreased $104.6 million in the first nine months of 1999 compared to the same period in 1998 largely as the result of reduced sales volume, which declined 3.4 million tons from the 13.2 million tons sold in the first nine months of 1998, as well as lower metallurgical coal realizations. Compared to the first nine months of 1998, steam coal sales in the first nine months of 1999 decreased by 1.4 million tons (19%) to 6.0 million tons, and metallurgical coal sales declined by 2.0 million tons (35%), to 3.8 million tons. The steam sales reduction was due primarily to the sale of certain coal assets at the Elkay mining operation in West Virginia ("Elkay Assets") in the second quarter of 1998 and the closing of a surface mine in Kentucky in the third quarter 1998. The decline in metallurgical sales was primarily due to continued softness in market conditions resulting from weak export markets for metallurgical coal and a strong US dollar relative to the currencies of other coal exporting nations. Steam coal sales represented 62% and 56% of total volume in the first nine months of 1999 and 1998, respectively.

For the first nine months of 1999, Coal Operations generated an operating loss of $27.9 million as compared to an operating profit of $1.6 million for the same period in 1998. Operating profit in the 1998 period included a net benefit of approximately $6 million related to net gains on the sale of assets and a gain on a litigation settlement while operating loss in 1999 included the previously mentioned costs associated with salaried staff reductions. The lower results were primarily due to a reduction in coal margin and increases in idle and closed mine cost, inactive employee cost and selling, general and administrative expenses.

Total coal margin for the first nine months of 1999 decreased compared to the 1998 comparable period primarily due to lower sales volume combined with a decrease in coal margin per ton. Coal margin per ton decreased to $1.48 per ton in the first nine months of 1999 from $2.11 per ton for the 1998 period. This overall change was primarily due to a decrease in metallurgical coal margins. Metallurgical coal margins were negatively impacted in the first nine months of 1999 by lower realizations per ton primarily resulting from the previously mentioned soft market conditions. In addition, coal margin per ton in the first nine months of 1998 included an average benefit of $0.10 per ton related to a favorable ruling issued by the US Supreme Court on the unconstitutionality of the Harbor Maintenance Tax while the first nine months of 1999 included the benefit of the judgment rendered by the US District Court for the Eastern District of Virginia, regarding the constitutionality of the federal black lung excise tax on export shipments, since Coal Operations no longer had to accrue the tax (as more fully discussed below).

Production in the first nine months of 1999 decreased 2.1 million tons over the comparable period in 1998, while purchased coal declined from 2.8 million tons for the first nine months of 1998 to 1.9 million tons for the corresponding 1999 period. Surface production accounted for 45% and 54% of total production in the first nine months of 1999 and 1998, respectively, and this reduction reflects the sale of the Elkay Assets as well as the closing of a surface mine in Kentucky. In addition, an underground mine in West Virginia was idled temporarily beginning in the first quarter of 1999, contributing to the decrease in production.

Other operating income, which primarily includes gains and losses on sales of property and equipment and third party royalties, amounted to $6.3 million in the first nine months of 1999 as compared to $11.4 million in the comparable period of 1998. Other operating income in the 1998 period included the previously mentioned gain on sale of assets.

Idle and closed mine costs increased $2.1 million during the first nine months of 1999. The increase was due to the first quarter 1999 idlement of a deep mine producing metallurgical coal, in response to the previously mentioned weak market conditions, as well as additional costs at other idle mines, partially offset by the $2.0 million inventory writedown associated with the sale of the Elkay Assets in 1998.

Inactive employee costs increased 35% from the first nine months of 1998 to the same period in 1999 primarily due to higher costs related to certain long-term benefit obligations as a result of reductions in the amortization of actuarial gains, a decrease in the discount rate used to calculate the present value of the liabilities and higher premiums under the Coal Industry Retiree Benefit Act of 1992.

Selling, general and administrative expenses for the first nine months of 1999 increased $2.4 million over the prior year comparable period, primarily as the result of a provision related to the bankruptcy of a significant user of Pittston Coal's metallurgical coal.

Revenues from the Allied Operations increased $1.2 million and operating profit decreased by $0.8 million for the first nine months of 1999 as compared to the same period in 1998. The lower operating profit in 1999 was largely due to lower timber results.

On February 10, 1999, the US District Court for the Eastern District of Virginia entered a final judgment in favor of certain of the Company's subsidiaries, ruling that the federal black lung excise tax ("FBLET") imposed under Section 4121 of the Internal Revenue Code is unconstitutional as applied to export coal sales and ordering a refund to the subsidiaries of approximately $0.7 million (plus interest) for the FBLET that those companies paid for the quarter ended March 31, 1997. The government did not appeal the judgment before the April 12, 1999 deadline for noticing an appeal. A refund of $0.8 million including interest was received in July, 1999. The Company will seek additional refunds of the FBLET it paid on export coal sales for all open statutory periods. The ultimate amounts and timing of such refunds, if any, cannot be determined at the present time. As a result of this judgment, Pittston Coal no longer has to incur the tax on exported coal sales in 1999. During the first nine months of 1998, such tax amounted to approximately $1.9 million.

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 nine months quarter of 1999 for such costs:

(In thousands)	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1998	$ 8,906	16,307	25,213
Payments	1,373	1,355	2,728
Reversals (a)	-	851	851
Balance as of September 30, 1999	$ 7,533	14,101	21,634

(a)Reversals relate to favorable workers'compensation claim experience.

MINERAL VENTURES

	Three Months Ended September 30 1999	1998	Nine Months Ended September 30 1999	1998
Stawell Gold Mine:				
Mineral Ventures' 50% direct share:				
Ounces sold	10,585	11,796	33,795	34,751
Ounces produced	10,791	11,848	33,886	34,747
Average per ounce sold (US$):				
Realization	$ 288	313	287	341
Cash cost	280	205	257	210

Mineral Ventures primarily consists of a 50% direct interest in the Stawell gold mine ("Stawell") in Western Victoria, Australia. The remaining 50% interest in Stawell is owned by Mining Project Investors ("MPI"). In addition, Mineral Ventures has a 45% ownership interest in its joint venture partner MPI (40% on a fully diluted basis).

Mineral Ventures generated net sales during the third quarter of 1999 of $3.0 million, an 18% decrease from the $3.7 million reported in the third quarter of 1998. The decrease in net sales resulted from the year-over-year decline in the market price of gold and lower sales volume. Operating loss for the third quarter of 1999 was $2.0 million compared to an operating loss of $1.1 million in the same period last year. The operating loss during the third quarter of 1999 was negatively impacted by lower realizations and higher production costs due primarily to poor grade and recovery. The cash cost per ounce of gold sold increased from $205 in the third quarter of 1998 to $280 in the third quarter of 1999, reflecting higher production costs and the exchange rate impact of a slightly stronger Australian dollar as compared to the third quarter of 1998.

Mineral Ventures generated net sales during the first nine months of 1999 of $9.7 million, an 18% decrease from the $11.9 million reported in the first nine months of 1998, reflecting a year-over-year decline in the market price of gold. For the nine months ended September 30, 1999, Mineral Ventures gold realizations have declined approximately 16% over the year ago price, reflecting the deterioration in the market price of gold during most of the third quarter of 1999. Mineral Ventures generated an operating loss of $4.0 million for the first nine months of 1999 compared to an operating loss of $1.4 million in the same period last year. The cash cost per ounce of gold sold increased from $210 in the first nine months of 1998 to $257 in the same period of 1999. Production costs in the first nine months of 1999 were negatively impacted by a high percentage of low grade ore milled during the first quarter and by inefficiencies resulting from the delay in the installation of a ventilation shaft during the nine month period, which resulted in poor productivity and as mentioned above, the third quarter suffered from poor grade and recovery. Increased equity income from MPI partially offset the increased operating losses of the gold mine.

FOREIGN OPERATIONS

A portion of Mineral Ventures' financial results is derived from activities in Australia, which has a local currency other than the US dollar. Because the financial results of Mineral Ventures are reported in US dollars, they are affected by changes in the value of the foreign currency in relation to the US dollar. Rate fluctuations may affect transactions that are denominated in the Australian dollar. Mineral Ventures, from time to time, uses foreign currency forward contracts to hedge a portion of the currency risks associated with these transactions. Mineral Ventures routinely enters into such transactions in the normal course of its business.

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 a reasonable and equitable estimate of the costs attributable to the Minerals Group. These attributions were $1.7 million and $1.5 million for the third quarter of 1999 and 1998, respectively and $5.0 million and $7.2 million for the first nine months of 1999 and 1998, respectively. Corporate expenses in the first nine months of 1998 included additional expenses of approximately $5.8 million related to a retirement agreement between the Company and its former Chairman and CEO. Approximately $1.8 million of this $5.8 million of expenses were attributed to the Minerals Group. Corporate expenses in the first nine months of 1998 also included costs associated with a severance agreement with a former member of the Company's senior management.

OTHER OPERATING INCOME, NET
Other operating income, net which primarily includes gains and losses on sales of property and equipment and royalties, decreased $5.4 million and $4.0 million for the quarter and nine months ended September 30, 1999, respectively, from the prior year periods primarily as a result of the previously mentioned gain on sale of assets in 1998. Other operating income for the third quarter of 1999 and 1998 includes $1.5 million and $2.6 million of gains on litigation settlements, respectively.

INTEREST EXPENSE, NET
Interest expense, net was approximately $2.0 million for both the third quarters of 1999 and 1998 and $6.0 million and $6.5 million for the first nine months of 1999 and 1998, respectively. The fluctuations in interest expense were primarily the result of higher average borrowings in the 1999 periods, the impact of which was offset by lower average interest rates in 1999.

INCOME TAXES
In both the 1999 and 1998 periods presented, a credit for income taxes was recorded due primarily to pre-tax losses and the benefits of percentage depletion.

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 a reasonable and equitable estimate of the costs attributable to the Minerals Group.

CASH FLOW REQUIREMENTS
Cash provided by operating activities approximated $23.6 million in the first nine months of 1999 as compared to cash used of $38.2 million in the first nine months of 1998. Lower cash earnings were more than offset by a decrease in the amount required to fund operating assets and liabilities, primarily due to fluctuations in accounts receivable relating to the revenue decline.

INVESTING ACTIVITIES
Cash capital expenditures for the first nine months of 1999 and 1998 totaled $15.7 million and $18.9 million, respectively. Of the 1999 amount of cash capital expenditures, $12.5 million was spent by Pittston Coal and $3.1 million was spent by Mineral Ventures. For the full year 1999, the Minerals Group's cash capital expenditures are expected to range between $20 million and $25 million. The foregoing amounts exclude expenditures that have been or are expected to be financed through capital or operating leases and any acquisition expenditures. During the first nine months of 1998, Coal Operations disposed of certain Elkay Assets, idle coal properties and the loading dock facility previously discussed for cash proceeds approximating $23 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 Group.

Financing activities in the first nine months of 1999 included the repurchase of 0.08 million shares (or 0.8 million depositary shares) of the Company's Series C Convertible Preferred Stock for approximately $21.0 million. This repurchase was funded through the Facility, as defined below.

Cash used in financing activities was $8.9 million for the first nine months of 1999, compared with cash provided by financing activities of $31.5 million for the same period in 1998. The 1998 levels reflect additional borrowings primarily required to fund operations.

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 September 30, 1999 and December 31, 1998, borrowings of $100.0 million were outstanding under the term loan portion of the Facility and $166.7 million and $91.6 million, respectively, of additional borrowings were outstanding under the remainder of the Facility. Of the outstanding amounts under the Facility at September 30, 1999, and December 31, 1998, $166.2 million and $130.7 million, respectively, were attributed to the Minerals Group.

RELATED PARTY TRANSACTIONS

At September 30, 1999, under an interest bearing borrowing arrangement, the Minerals Group owed the Brink's Group $16.1 million, a decrease of $4.2 million from the $20.3 million owed at December 31, 1998. The Minerals Group did not owe any amounts to the BAX Group at September 30, 1999 or December 31, 1998.

At September 30, 1999 and December 31, 1998, the Brink's Group owed the Minerals Group $12.9 million for tax benefits utilized by the Brink's Group in accordance with the Company's tax sharing policy. Approximately $9.0 million is expected to be paid within one year. Also at September 30, 1999, the BAX Group owed the Minerals Group $19.7 million compared to the $20.4 million at December 31, 1998 for tax benefits utilized by the BAX Group. Approximately $9.0 million is expected to be paid within one year.

MARKET RISKS AND HEDGING AND DERIVATIVE ACTIVITIES

Mineral Ventures has activities in Australia, which has a local currency other than the US dollar. These activities subject Mineral Ventures to certain market risks, including the effects of changes in foreign currency exchange rates. In addition, the Minerals Group consumes and sells certain commodities in its businesses, exposing it to the effects of changes in the prices of such commodities. These financial and commodity exposures are monitored and managed by the Mineral Group as an integral part of its overall risk management program, which seeks to reduce the potentially adverse effects that the volatility of these markets may have on its operating results. The Minerals Group has not had any material changes in its market risk exposures with respect to its interest rate and foreign currency risk since December 31, 1998.

The following table represents the Minerals Group's outstanding commodity hedge contracts as of September 30, 1999:

(In thousands, except average contract rates)	Notional Amount	Average Contract Rate	Estimated Fair Value
Forward gold sale contracts (a)	7	$ 305	$ 38
Forward swap contracts:			
Natural gas (receive fixed) (b)	1,700	2.5700	(213)
Commodity options:			
Diesel fuel purchases (cap) (b)	3,000	0.5628	252

(a) Notional amounts in ounces of gold.
(b) Notional amounts in gallons of fuel.

READINESS FOR YEAR 2000: SUMMARY

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. If not corrected, many date-sensitive applications could fail or create erroneous results by or in the year 2000. The Minerals Group understands the importance of having systems and equipment operational through the year 2000 and beyond and is committed to addressing these challenges while continuing to fulfill its business obligations to its customers and business partners. Both Pittston Coal and Mineral Ventures have established Year 2000 Project Teams intended to make their information technology assets, including embedded microprocessors ("IT assets"), non-IT assets, products, services and infrastructure Year 2000 ready.

READINESS FOR YEAR 2000: STATE OF READINESS

The Minerals Group Year 2000 Project Team has divided its Year 2000 readiness program into four phases: (i) assessment, (ii) remediation/replacement, (iii) testing and (iv) integration. At September 30, 1999, the Minerals Group's core IT assets are either already Year 2000 ready or in the testing or integration phases. The Minerals Group plans to have completed all phases of its Year 2000 readiness program on a timely basis prior to Year 2000. As of September 30, 1999, approximately 98% of hardware systems and embedded systems have been tested and verified and/or certified as Year 2000 ready.

As part of its Year 2000 project, Pittston Coal and Mineral Ventures have sent comprehensive questionnaires to significant suppliers (particularly suppliers of energy and transportation services), customers and others with which they do business, regarding their Year 2000 readiness and are attempting to identify significant problem areas with respect to these business partners. As of September 30, 1999, based on questionnaire responses to date, no potential problems have been identified that would materially affect Minerals Group operations. The Minerals Group is relying on such third parties representations regarding their own readiness for Year 2000. The Minerals Group is assessing and will continue to assess throughout 1999, the extent to which potential problems associated with business partners may have a material adverse impact on its operations.

Further, the Minerals Group relies upon government agencies, utility companies, rail carriers, telecommunication service companies and other service providers outside of the Minerals Group's control. As with most companies, the companies of the Minerals Group are vulnerable to significant suppliers' inability to remedy their own Year 2000 issues. As the Minerals Group cannot control the conduct of its customers, suppliers and other third parties, there can be no guarantee that Year 2000 problems originating with a supplier or another third party will not occur.

READINESS FOR YEAR 2000: COSTS TO ADDRESS

The Minerals Group anticipates incurring remediation and acceleration costs for its Year 2000 readiness programs. Remediation includes the identification, assessment, modification and testing phases of the Year 2000 readiness program. Remediation costs include both the costs of modifying existing software and hardware as well as purchases that replace existing hardware and software that is not Year 2000 ready. Acceleration includes costs to purchase and/or develop and implement certain information technology systems whose implementation has been accelerated as a result of the Year 2000 readiness issue.

Total anticipated remediation and acceleration costs are detailed in the table below:

(Dollars in millions)

ACCELERATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 1.6	0.2	1.8
Incurred through September 30, 1999	1.1	0.2	1.3
Remainder	$ 0.5	-	0.5

REMEDIATION	Capital	Expense	Total
Total anticipated Year 2000 costs	$ -	0.2	0.2
Incurred through September 30, 1999	-	0.2	0.2
Remainder	$ -	-	-

TOTAL	Capital	Expense	Total
Total anticipated Year 2000 costs	$ 1.6	0.4	2.0
Incurred through September 30, 1999	1.1	0.4	1.5
Remainder	$ 0.5	-	0.5

READINESS FOR YEAR 2000: THE RISKS OF THE YEAR 2000 ISSUE
The Minerals Group believes that its internal information technology systems will be renovated successfully prior to year 2000. Critical systems that would cause the greatest disruption to the organization have been identified and remediated. The failure to correct a material Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Management currently believes such failures should have no material or significant adverse effect on the results of operations, liquidity or financial condition of the Minerals Group.

The Minerals Group believes it has identified its likely worst case scenario. The Minerals Group's likely worst case scenario, assuming no external failures such as power outages or delays in railroad transportation services, could be delays in invoicing customers and paying vendors. This likely worst case scenario, should it occur, is not expected to result in a material impact on the Minerals Group's financial statements. The Minerals Group production of coal and gold is not heavily dependent on computer technology and would continue with limited impact.

READINESS FOR YEAR 2000: CONTINGENCY PLAN
During the second quarter of 1999, the Minerals Group initiated contingency planning for dealing with its most reasonably likely worst case scenario. The foundation for the Minerals Group's Year 2000 Program is to ensure that critical systems are renovated/replaced and tested prior to when a Year 2000 failure might occur if the program were not undertaken. As of September 30, 1999, critical systems have been tested and verified as Year 2000 ready. Year 2000 is the number one priority within the Minerals Group's IT organization with full support of the Group's executive management. In addition, as a normal course of business, the Minerals Group maintains and deploys contingency plans designed to address various other potential business interruptions. These plans may be applicable to address the interruption of support provided by third parties resulting from their failure to be Year 2000 ready.

READINESS FOR YEAR 2000: FORWARD LOOKING INFORMATION
This discussion of the Minerals Group's readiness for Year 2000, including statements regarding anticipated completion dates for various phases of the Minerals Group's Year 2000 project, estimated costs for Year 2000 readiness, the determination of likely worst case scenarios, actions to be taken in the event of such worst case scenarios and the impact on the Minerals Group of any delays or problems in the implementation of Year 2000 initiatives by the Minerals Group and/or any public or private sector suppliers and service providers and

customers 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 Minerals Group, include, but are not limited to, government regulations and/or legislative initiatives, variation in costs or expenses relating to the implementation of Year 2000 initiatives, changes in the scope of improvements to Year 2000 initiatives and delays or problems in the implementation of Year 2000 initiatives by the Minerals Group and/or any public or private sector suppliers and service providers and customers.

CONTINGENT LIABILITIES

The Company commenced insurance coverage litigation in 1990, in the United States District Court of the District of New Jersey, seeking a declaratory judgment that all amounts payable by the Company pursuant to the Tankport obligation were reimbursable under comprehensive general liability and pollution liability policies maintained by the Company. The Company was able to conclude the settlement with all of its insurers without a trial. Taking into account the proceeds from the settlement with its insurers, it is the Company's belief that the ultimate amount that it would be liable for related to the remediation of the Tankport site will not significantly adversely impact the Company's results of operations or financial position.

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.

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

(Dollars in millions, shares in thousands)		Three Months Ended September 30 1999	Three Months Ended September 30 1998	Nine Months Ended September 30 1999	Nine Months Ended September 30 1998
Convertible Preferred Stock:					
Shares		-	-	83.9	0.4
Cost	$	-	-	21.0	0.1
Excess carrying amount (a)	$	-	-	19.2	-

(a) The excess of the carrying amount of the Series C 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.

On March 12, 1999, the Board increased the remaining authority to purchase its Convertible Preferred Stock by $4.3 million. On March 15, 1999, the Company purchased 0.08 million shares (or 0.8 million depositary shares) of its Convertible Preferred Stock for $21.0 million. The Convertible Preferred Stock is convertible into Minerals Stock and has an annual dividend rate of $31.25 per share. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1999 are net of $19.2 million, which is the excess of the carrying amount of the Convertible Preferred Stock over the cash paid to the holders of the Convertible Preferred Stock. The cash flow requirements and proceeds and the costs of the Convertible Preferred Stock have been attributed to the Minerals Group.

As of September 30, 1999, the Company had remaining authority to purchase 1.0 million shares of Minerals Stock and an additional $7.6 million of its Convertible Preferred Stock. The remaining aggregate purchase cost limitation for all common stock was $22.2 million as of September 30, 1999.

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. In May 1998, the Company reduced the dividend rate on Minerals Stock to 10.0 cents per year per share for shareholders as of the May 15, 1998 record date. As a result of recent performance of the Minerals Group and coal industry conditions, as well as consideration of financial condition, cash flow and business requirements, including the Available Minerals Dividend Amount, the Board has declined to declare a quarterly dividend on Minerals Stock since the first quarter of 1999. Dividends on the remaining Convertible Preferred Stock were declared.

During the first nine months of 1999 and 1998, the Board declared and the Company paid cash dividends of 2.50 cents and 21.25 cents, respectively, per share of Minerals Stock. Dividends paid on the Convertible Preferred Stock in the first nine months of 1999 and 1998 were $1.3 million and $2.7 million, respectively.

ACCOUNTING CHANGES

As of January 1, 1999, the Company adopted AICPA Statement of Position ("SOP") No. 98-5, "Reporting on the Costs of Start-Up Activities." SOP No. 98-5, which provides guidance on the reporting of start-up costs and organization costs, requires that such costs be expensed as incurred. The Minerals Group has determined that capitalized mine development costs for its gold and coal mining operations relate to acquiring and constructing long-lived assets and preparing them for their intended use. Accordingly, the adoption of SOP No. 98-5 had no material impact on the results of operations.

FORWARD LOOKING INFORMATION

Certain of the matters discussed herein, including statements regarding coal sales, coal and gold market conditions, idle equipment and closed mine costs, the impact of operating cost increases on steam coal margins, review of capacity requirements, costs of long-term employee liabilities, the outcome and potential financial impact of Pittston Coal's coal resources study, status of mining permit approvals, increases in operating costs, readiness for Year 2000, projected capital spending and repayment of borrowings to the Minerals Group, 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, the outcome of Pittston Coal's coal asset study, pricing, and other competitive factors in the industry, new government regulations and/or legislative initiatives, required permits and approvals, judicial decisions, variations in the spot prices of coal, 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 any public or private sector suppliers, service providers and customers.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit
Number

27 Financial Data Schedule

(b) There were no reports on Form 8-K were filed during the third quarter of 1999.

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

Dated: November 12, 1999

By /s/ Robert T. Ritter

Robert T. Ritter
(Vice President -
Chief Financial Officer)

This schedule contains summary financial information from The Pittston Company Form 10Q for the nine months ended September 30, 1999, and is qualified in its entirety by reference to such financial statements.

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9-MOS
DEC-31-1999
SEP-30-1999
78,885
917
622,774
35,795
44,352
844,569
1,521,431
630,952
2,394,992
790,268
351,417
70,872
0
296
693,156
2,394,992
305,219
2,971,278
324,698
2,888,146
(851)
12,475
28,747
73,448
20,842
52,606
0
0
0
52,606
0
0

Pittston Brink's Group - Basic - 1.50 Pittston BAX Group - Basic - 0.63 Pittston Minerals Group - Basic - (0.01) Pittston Brink's Group - Diluted - 1.49 Pittston BAX Group - Diluted - 0.63 Pittston Minerals Group - Diluted - (1.87)