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 June 30, 1995

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

For the transition period from ________ to ________

Commission file number 1-9148

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

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

P.O. Box 120070, 100 First Stamford Place, Stamford, Connecticut 06912-0070
(Address of principal executive offices)(Zip Code)

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

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

Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 41,577,671 shares of $1 par value Pittston Services Group Common Stock and 8,484,708 shares of $1 par value Pittston Minerals Group Common Stock as of August 1, 1995.

Part I - Financial Information

The Pittston Company and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)

	June 30, 1995	Dec. 31, 1994
ASSETS	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 38,921	42,318
Short-term investments, at lower of cost or market	26,921	25,162
Accounts receivable (net of estimated amount uncollectible: 1995 - $16,138; 1994 -$15,734)	383,471	376,792
Inventories, at lower of cost or market	47,586	34,153
Prepaid expenses	37,156	27,700
Deferred income taxes	52,796	55,850
Total current assets	586,851	561,975
Property, plant and equipment, at cost (net of depletion and amortization: 1995 - $416,125; 1994 - $394,660)	462,630	445,834
Intangibles, net of amortization	331,416	329,441
Deferred pension assets	121,405	118,953
Deferred income taxes	81,299	84,214
Other assets	176,065	197,361
Total assets	$1,759,666	1,737,778
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 25,430	13,323
Current maturities of long-term debt	11,217	13,748
Accounts payable	250,749	252,615
Accrued liabilities	279,640	294,784

Total current liabilities	567,036	574,470
Long-term debt, less current maturities	162,532	138,071
Postretirement benefits other than pensions	219,599	218,738
Workers' compensation and other claims	130,888	138,793
Deferred income taxes	20,118	19,036
Other liabilities	188,244	200,855
Shareholders' equity:		
Preferred stock, par value $10 per share: Authorized: 2,000 shares		
$31.25 Series C Cumulative Convertible Preferred Stock:		
Issued: 1995 - 140 shares; 1994 - 153 shares	1,399	1,526
Pittston Services Group common stock, par value $1 per share:		
Authorized: 100,000 shares;		
Issued: 1995 - 41,571 shares; 1994 - 41,595 shares	41,571	41,595
Pittston Minerals Group common stock, par value $1 per share:		
Authorized 20,000 shares;		
Issued: 1995 - 8,484 shares; 1994 - 8,390 shares	8,484	8,390
Capital in excess of par value	395,686	420,470
Retained earnings	137,650	107,739
Equity adjustment from foreign currency translation	(18,616)	(14,276)
Employee benefits trust, at market value	(94,925)	(117,629)
Total shareholders' equity	471,249	447,815
Total liabilities and shareholders' equity	$1,759,666	1,737,778

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales	$ 184,211	202,149	379,951	378,891
Operating revenues	527,556	457,351	1,030,900	868,404
Net sales and operating revenues	711,767	659,500	1,410,851	1,247,295
Costs and expenses:				
Cost of sales	180,860	189,044	374,800	378,825
Operating expenses	441,009	369,935	870,125	716,179
Selling, general and administrative expenses	65,063	62,906	126,621	118,156
Restructuring and other charges	-	-	-	90,806
Total costs and expenses	686,932	621,885	1,371,546	1,303,966
Other operating income	11,150	5,834	19,282	10,835
Operating profit (loss)	35,985	43,449	58,587	(45,836)
Interest income	842	552	1,652	1,208
Interest expense	(3,710)	(2,644)	(6,744)	(5,209)
Other income (expense), net	(1,455)	(1,732)	(2,196)	(4,067)
Income (loss) before income taxes	31,662	39,625	51,299	(53,904)
Provision (credit) for income taxes	7,054	11,587	12,626	(18,374)
Net income (loss)	24,608	28,038	38,673	(35,530)
Preferred stock dividends, net	(1,093)	(1,257)	(1,176)	(2,263)
Net income (loss) attributed to common shares	$ 23,515	26,781	37,497	(37,793)
Pittston Services Group:				
Net income attributed to common shares	$ 19,974	21,288	33,569	31,799
Net income per common share	$ .53	.56	.89	.84
Cash dividend per common share	$ .05	.05	.10	.10
Pittston Minerals Group:				
Net income (loss) attributed to common shares	$ 3,541	5,493	3,928	(69,592)
Net income (loss) per common share:				
Primary	$ .45	.72	.51	(9.20)

Fully diluted	$	.45	.67	.51	(9.20)
Cash dividends per common share	$	.1625	.1625	.3250	.3250

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30	
	1995	1994
Cash flows from operating activities:		
Net income (loss)	$ 38,673	(35,530)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Noncash charges and other write-offs	-	46,793
Depreciation, depletion and amortization	51,893	47,191
Provision (credit) for deferred income taxes	6,543	(17,389)
Provision (credit) for pensions, noncurrent	(1,730)	642
Provision for uncollectible accounts receivable	1,999	1,766
Equity in earnings of unconsolidated affiliates, net of dividends received	(8)	(2,248)
Other operating, net	(1,427)	1,171
Change in operating assets and liabilities net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(8,678)	(38,610)
Increase in inventories	(13,432)	(9,095)
Increase in prepaid expenses	(9,371)	(2,619)
(Decrease) increase in accounts payable and accrued liabilities	(11,337)	23,963
Decrease in other assets	704	4,632
Increase (decrease) in other liabilities	(14,532)	10,661
Increase (decrease) in workers' compensation and other claims, noncurrent	(7,903)	11,608
Other, net	(1,120)	(314)
Net cash provided by operating activities	30,274	42,622
Cash flows from investing activities:		
Additions to property, plant and equipment	(55,353)	(42,276)
Property, plant and equipment pending lease financing	(50)	2,047
Proceeds from disposal of property, plant and equipment	10,481	1,562
Acquisitions, net of cash acquired, and related contingent payments	(2,410)	(157,294)
Other, net	1,825	5,575
Net cash used by investing activities	(45,507)	(190,386)
Cash flows from financing activities:		
Additions to debt	33,940	112,737
Reductions of debt	(7,911)	(33,916)
Repurchase of stock of the Company	(7,808)	(2,953)
Proceeds from exercise of stock options	2,490	4,703
Proceeds from preferred stock issuance, net of cash expenses	-	77,359
Cost of Services Stock Proposal	-	(4)
Dividends paid	(8,875)	(8,065)
Net cash provided by financing activities	11,836	149,861
Net increase (decrease) in cash and cash equivalents	(3,397)	2,097
Cash and cash equivalents at beginning of period	42,318	32,412
Cash and cash equivalents at end of period	$ 38,921	34,509

See accompanying notes to consolidated financial statements.

The Pittston Company and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(In thousands, except per share and employee amounts)

(1) The Pittston Company (the "Company") prepares consolidated financial statements in addition to separate financial statements for the Pittston Minerals Group (the "Minerals Group") and the Pittston Services Group (the "Services Group"). The Services Group consists of the Burlington Air Express Inc. ("Burlington"), Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of the Company. The Minerals Group consists of the Coal and Mineral Ventures operations of the Company. The Company's capital structure includes two issues of common stock, Pittston Minerals Group Common Stock ("Minerals Stock") and Pittston Services Group Common Stock ("Services Stock"), which are designed to provide shareholders with separate securities reflecting the performance of the Minerals Group and Services Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting either Group or the Company as a whole. Holders of Services Stock and Minerals Stock are shareholders of the Company, which is responsible for all its liabilities. Financial developments affecting the Services Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of both Groups.

(2) The average number of shares outstanding used in the earnings per share computations were as follows:

	Second Quarter		Six Months	
	1995	1994	1995	1994
Services Stock	37,916	37,739	37,912	37,715
Minerals Stock:				
Primary	7,811	7,644	7,764	7,565
Fully diluted	9,988	10,148	10,038	9,905

The average number of shares outstanding used in the earnings per share computations do not include the shares of Services Stock and Minerals Stock held in the Company's Employee Benefits Trust which totaled 3,684 (3,793 in 1994) and 659 (739 in 1994), respectively, at June 30, 1995.

(3) The amounts of depreciation, depletion and amortization of property, plant and equipment in the second quarter and six month periods were $19,955 ($17,262 in 1994) and $39,334 ($34,618 in 1994), respectively.

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

	Second Quarter		Six Months	
	1995	1994	1995	1994
Interest	$ 4,049	2,750	7,082	5,816
Income taxes	$ 6,647	4,567	16,474	11,514

On January 14, 1994, a wholly owned indirect subsidiary of the Company completed the acquisition of substantially all of the coal mining operations and coal sales contracts of Addington Resources, Inc. ("Addington Acquisition") for $157,324. The acquisition was accounted for as a purchase; accordingly, the purchase price was allocated to the underlying assets and liabilities based on their respective estimated fair values at the date of acquisition. The fair value of assets acquired was $173,959 and liabilities assumed was $138,518. The excess of the purchase price over the fair value of the assets acquired and liabilities

assumed was $121,883 and is being amortized over a period of forty years. The results of operations of the acquired company have been included in the Company's results of operations since the date of acquisition.

The acquisition was financed by the issuance of $80,500 of $31.25 Series C Cumulative Convertible Preferred Stock, which is convertible into Minerals Stock, and additional debt under existing credit facilities. This financing has been attributed to the Minerals Group. In March 1994, the additional debt incurred for the Addington Acquisition was refinanced with a portion of a five-year term loan.

During the six months ended June 30, 1995 and 1994, capital lease obligations of $2,886 and $1,968, respectively, were incurred for leases of property, plant and equipment. In addition, during the six months ended June 30, 1994, the Company assumed capital lease obligations of $16,210 as part of the Addington Acquisition.

In June 1995, the Company sold its rights under certain coal reserve leases and the related equipment for $2,800 in cash and notes totaling $2,882. The cash proceeds have been included in the Consolidated Statement of Cash Flows as "Cash flow from investing activities: Proceeds from disposals of property, plant and equipment".

In March 1995, the Company sold surplus coal reserves for cash of $2,878 and a note receivable of $2,317. The cash proceeds have been included in the Consolidated Statement of Cash Flows as "Cash flow from investing activities: Proceeds from disposals of property, plant and equipment".

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

(5) Restructuring and other charges - After a review of the economic viability of certain metallurgical coal assets in the first quarter of 1994, management determined that four underground mines were no longer economically viable and should be closed resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power Company under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

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

Of the four underground mines, two have ceased coal production (one in the first half of 1995), while the remaining two mines are expected to cease coal production during the remainder of 1995. In 1994

the Company reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994 and final reclamation and environmental work is in process. At the beginning of 1994, there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities has been reduced by 78% to approximately 165 employees at June 30, 1995.

(6) 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 Company and the BHS segment for the first six months of 1995 and 1994 by $1,949 and $2,149, respectively and for the second quarter of 1995 and 1994 by $825 and $1,029, respectively. The effect of this change increased net income per common share of the Services Group for the first six months of 1995 and 1994 by $.03 and for the second quarter of 1995 and 1994 by $.01 and $.02, respectively.

(7) On April 15, 1994, the Company redeemed all of the $27,811 of 9.2% Convertible Subordinated Debentures due July 1, 2004, at a premium of $767. The premium and other charges related to the redemption have been included in the Consolidated Statement of Operations for the six months ended June 30, 1994, under the caption "Other income (expense), net".

(8) Certain prior period amounts have been reclassified to conform to current period financial statement presentation.

(9) All adjustments have been made which are, in the opinion of management, necessary to a fair presentation of results of operations for the periods reported herein. All such adjustments are of a normal recurring nature.

The Pittston Company and Subsidiaries
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
	(In thousands)			
Revenues:				
Burlington	$ 341,950	302,266	665,894	563,750
Brink's	154,543	128,183	303,634	251,948
BHS	31,063	26,902	61,372	52,706
Coal	179,987	198,380	371,270	371,796
Mineral Ventures	4,224	3,769	8,681	7,095
Consolidated revenues	$ 711,767	659,500	1,410,851	1,247,295
Operating profit (loss):				
Burlington	$ 14,406	20,770	22,464	29,780
Brink's	10,236	10,216	17,619	16,349
BHS	9,411	7,897	18,316	15,463
Coal	5,810	8,395	7,121	(99,444)
Mineral Ventures	576	314	1,491	68
Segment operating profit (loss)	40,439	47,592	67,011	(37,784)
General corporate expense	(4,454)	(4,143)	(8,424)	(8,052)
Consolidated operating profit (loss)	35,985	43,449	58,587	(45,836)

RESULTS OF OPERATIONS

In the second quarter of 1995, The Pittston Company (the "Company") reported net income of $24.6 million compared with $28.0 million in the second quarter of 1994. Operating profit totaled $36.0 million in the 1995 second quarter compared with $43.4 million in the prior year second quarter. Net income and operating profit in the 1994 second quarter benefited from unusually strong operating profits at Burlington Air Express Inc. ("Burlington") due to substantial additional volumes of freight directed to Burlington during a nationwide trucking strike in the second quarter of 1994, which added an estimated $8 million to the quarter's operating profit and $5 million to net income.

In the first six months of 1995, the Company reported a net income of $38.7 million compared with a net loss of $35.5 million in the first six months of 1994. Operating profit totaled $58.6 million in the first six months of 1995 compared to an operating loss of $45.8 million in the prior year period. The net loss and operating loss in the first six months of 1994 included charges totaling $58.1 million and $90.8 million, respectively, attributable to the Company's Coal operations for asset writedowns and accruals for costs related to facility shutdowns. Net income in the first half of 1995 was positively impacted by improved results from the Brink's, Incorporated ("Brink's"), Brink's Home Security, Inc. ("BHS") and Pittston Mineral Ventures businesses, partially offset by lower results at Burlington. The 1995 first half was also impacted by lower nonoperating expenses and higher net interest expense compared with the same period of last year.

BURLINGTON

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

(Dollars in thousands, except per pound/shipment amounts)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues:				
Airfreight				
Domestic U.S.	$ 127,816	148,900	257,855	272,539
International	160,813	121,583	312,489	232,951
Total airfreight	288,629	270,483	570,344	505,490
Other	53,321	31,783	95,550	58,260
Total revenues	341,950	302,266	665,894	563,750
Operating expenses	299,645	253,417	589,237	482,942
Selling, general and administrative	28,744	28,836	55,562	52,501
Total costs and expenses	328,389	282,253	644,799	535,443
Other operating income	845	757	1,369	1,473
Operating profit	$ 14,406	20,770	22,464	29,780
Depreciation and amortization	$ 4,907	4,161	9,702	8,233
Cash capital expenditures	$ 6,185	5,801	13,500	11,009
Airfreight shipment growth rate (a)	6.4%	13.0%	6.2%	10.4%
Airfreight weight growth rate (a):				
Domestic U.S.	(12.5%)	39.3%	(4.1%)	21.5%
International	21.7%	20.2%	25.1%	24.5%
Worldwide	2.3%	30.3%	9.0%	22.9%
Worldwide airfreight weight (pounds)	322,978	315,672	644,366	591,257
Worldwide airfreight shipments	1,322	1,243	2,538	2,389
Worldwide average airfreight yield (revenue per pound)	$ 0.894	0.857	0.885	0.855
Worldwide average airfreight revenue per shipment	$ 218	218	225	212
Worldwide average airfreight weight per shipment (pounds)	244	254	254	247

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

Burlington reported an operating profit of $14.4 million in the 1995 second quarter, a $6.4 million decrease from the $20.8 million reported in the second quarter of 1994. The second quarter of 1994 benefitted from significant additional domestic freight as a result of the nationwide trucking strike, which added an estimated $8 million to the quarter's operating profit. Worldwide revenues rose 13% to $342.0 million in the current year quarter from $302.3 million in the prior year second quarter. Worldwide airfreight revenues increased $18.1 million or 7% to $288.6 million in the 1995 second quarter from $270.5 million in the prior year quarter. The increase was principally from an increase in international weight shipped, which more than offset the decrease in domestic U.S. weight shipped attributable to the

positive impact of last year's trucking strike, and an increase in worldwide average airfreight yields (revenue per pound). Other revenues, which includes customs clearance and other import related services, as well as ocean freight services, increased $21.5 million or 68% to $53.3 million in the second quarter of 1995 from $31.8 million in the prior year quarter, as a result of an increase in international shipment volume.

Total airfreight weight shipped worldwide increased 2% to 323.0 million pounds in the current year quarter from 315.7 million pounds in the prior year quarter. Worldwide average airfreight yields increased by 4% to $.894 in the 1995 second quarter from $.857 in the same period a year earlier. The increase in international volume combined with other factors, including favorable impact of foreign currency translation, resulted in a 32% increase in international airfreight revenue.

Domestic airfreight revenues decreased by 14% to $127.8 million in the 1995 second quarter from $148.9 million in the prior year second quarter. The decrease was the result of a nearly 13% decrease in domestic weight shipped and a modest decrease in average yields. The second quarter of 1994 benefited from significant additional domestic freight volume resulting from a nationwide trucking strike in the U.S. Domestic volume, excluding the favorable impact of last year's trucking strike, declined modestly due to the sluggish domestic economy. Burlington continues to adjust its domestic dedicated lift capacity to match volume requirements and also to take measures to reduce its fleet and station costs.

International airfreight revenues increased by 32% to $160.8 million in the 1995 second quarter from $121.6 million in the prior year second quarter. The increase was primarily due to a 22% increase in weight shipped and to a lesser extent increase in international yields. Improving economic conditions internationally and aggressive expansion of company-owned operations in Europe and Latin America were largely responsible for the rapid growth. Selective price increases on U.S. exports were introduced during the quarter to partially mitigate commercial lift cost increases. Burlington continued to expand its global freight service network by establishing company-owned operations in the Philippines and expansion of operations in Mexico.

Operating profit in the first half of 1995 for Burlington was $22.5 million, a $7.3 million decrease from the $29.8 million operating profit reported in the first half of 1994, which benefited from significant additional domestic freight as a result of the nationwide trucking strike which added an estimated $8 million to the quarter's operating profit. Worldwide revenues rose 18% to $665.9 million in the current year period from $563.8 million in the first six months of 1994. The $102.1 million increase in revenues resulted principally from a 9% increase in worldwide airfreight pounds shipped.

Domestic airfreight revenues decreased by 5% or $14.7 million to $257.8 in the first half of 1995 compared to the first half of 1994. The decrease was due to a 4% decrease in domestic volume and a 1% decrease in domestic yields. The decrease in volume was due primarily to the impact of the U.S. trucking strike in the second quarter of 1994 which added substantial additional volume.

International airfreight revenues of $312.5 million in the first six months of 1995 were $79.5 million or 34% higher than the $233.0 million reported in the prior year first half. The increase was primarily due to a 25% increase in weight shipped compared to the prior year period. The increase in volume can be largely attributed to improved economic conditions in the international markets and expansion of company-owned operations.

Other revenue, which includes import transactions such as customs clearance and import related services, as well as ocean freight services, increased 64% or $37.3 million to $95.6 million, due to an increase in an increase in international shipment volume and a continued expansion of ocean freight services.

BRINK'S

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

(In thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues	$ 154,543	128,183	303,634	251,948
Operating expenses	125,014	101,693	248,224	204,503
Selling, general and administrative	19,981	18,046	38,964	34,200
Total costs and expenses	144,995	119,739	287,188	238,703
Other operating income	688	1,772	1,173	3,104
Operating profit	$ 10,236	10,216	17,619	16,349
Depreciation and amortization	$ 5,340	5,108	10,496	10,120
Cash capital expenditures	$ 5,685	3,738	11,476	6,733
Revenues:				
North America (United States and Canada)	$ 92,551	82,334	180,981	161,819
International subsidiaries	61,992	45,849	122,653	90,129
Total revenues	$ 154,543	128,183	303,634	251,948
Operating profit:				
North America (United States and Canada)	$ 7,010	5,241	12,526	9,445
International operations	3,226	4,975	5,093	6,904
Total operating profit	$ 10,236	10,216	17,619	16,349

Brink's operating profit of $10.2 million in the second quarter of 1995 was essentially unchanged from the prior year. The revenue increase of $26.4 million or 21% in the 1995 second quarter was offset by increased operating expenses and selling, general and administrative expenses of $25.3 million and decreased other operating income of $1.1 million.

Revenues from North American operations (United States and Canada) increased $10.2 million or 12% to $92.5 million in the 1995 second quarter from $82.3 million in the prior year quarter. North American operating profit increased $1.8 million or 34% to $7.0 million in the current year quarter from $5.2 million in the second quarter of 1994. The profit improvement primarily resulted from rising volumes and increased market penetration in the armored car business, which includes ATM servicing.

Revenues from international subsidiaries increased $16.1 million or 35% to $62.0 million in the 1995 second quarter from $45.8 million in the 1994 second quarter. The increase is primarily due to higher revenues in Brazil as well as the favorable impact of foreign currency translations. Operating profits from international subsidiaries and minority owned affiliates declined $1.7 million to $3.2 million in the current year quarter from $5.0 million in the prior year second quarter. The earnings decline was primarily due to lower results from Brink's share of its Mexican affiliate operations, in which Brink's has a 20% equity interest. Results in Mexico decreased to a loss of $.6 million from the profit of $1.3 million recorded in the second quarter of 1994. The Mexican operation continues to be adversely impacted by the local recession and extraordinarily high interest rates. Local management has begun implementing a program designed to restore profitability to what is the largest armored car company in Mexico. Brink's Brazil, a wholly-owned subsidiary, was essentially break-even in the 1995 second quarter compared to a $.7 million operating profit in the 1994 second quarter partially as a result of wage increases granted in advance of price increases which were implemented in June and July of 1995.

Brink's operating profit increased $1.3 million to $17.6 million in the first six months of 1995 from $16.3 million in the first six months of 1994 with an increase in revenues of $51.7 million, partially offset by an increase in operating expenses and selling, general and administrative expenses of totaling $48.5 million, and a decrease in other operating income of $1.9 million.

Revenue from North American operations increased 12% to $181.0 million in the first half of 1995 from $161.8 million in the prior year period. North American operating profit increased $3.1 million to $12.5 million from $9.4 million. The increase in operating profit was largely attributable to increases in the armored car business which includes ATM servicing and to a lesser extent to increases in the diamond and jewelry and coin and currency processing businesses, partially offset by lower air courier results.

Revenue from international subsidiaries increased $32.5 million or 36% to $122.7 million, while operating profit from international subsidiaries and affiliates decreased $1.8 million or 26% to $5.1 million in the first half of 1995. The increase in revenue is primarily due to higher revenues in Brazil as well as the favorable impact of foreign currency translation. The decline in operating profit was primarily attributable to operations in Mexico, partially offset by an increase reported in Brazil. Brink's share of its Mexican affiliates results was a $1.0 million loss in the first six months of 1995 compared to a $1.7 million profit reported in the same period of 1994. Brink's Brazil reported an operating profit of $.9 million in the first half of 1995 compared to $.1 million in the prior year period.

BHS

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

(Dollars in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues	$ 31,063	26,902	61,372	52,706
Operating expenses	16,350	14,825	32,664	28,734
Selling, general and administrative	5,302	4,180	10,392	8,509
Total costs and expenses	21,652	19,005	43,056	37,243
Operating profit	$ 9,411	7,897	18,316	15,463
Depreciation and amortization	$ 5,331	4,429	10,420	8,262
Cash capital expenditures	$ 9,214	8,125	19,141	16,664
Annualized service revenues (a)			$ 95,810	78,856
Number of subscribers:				
Beginning of period	332,434	275,873	318,029	259,551
Installations	19,290	18,291	38,362	37,977
Disconnects, net	(5,184)	(4,546)	(9,851)	(7,910)
End of period	346,540	289,618	346,540	289,618

(a) Annualized service revenue is 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.

Operating profit of BHS increased $1.5 million to $9.4 million in the second quarter of 1995 from $7.9 million in the second quarter of 1994. In the first half of 1995, operating profit increased $2.8 million to $18.3 million from $15.5 million in the first half of 1994. The increase in operating profit for the second quarter and first half of 1995 compared to the similar periods in 1994 reflected higher monitoring revenues due to an average subscriber base that was approximately 20% higher for the quarter and year to date 1995, compared to similar periods in 1994, slightly offset

by higher account servicing and administrative costs. Net new subscribers totaled approximately 14,100 and 28,500 in the second quarter and first six months of 1995, respectively, compared with approximately 13,700 and 30,000 in the second quarter and first six months of 1994, respectively. Subscribers at June 30, 1995 totaled 346,540.

COAL

The following is a table of selected financial data for the Coal operations on a comparative basis:

(In thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales	$ 179,987	198,380	371,270	371,796
Cost of sales	177,978	186,385	368,945	373,659
Selling, general and administrative expenses	5,622	6,742	11,702	12,963
Restructuring and other charges	-	-	-	90,806
Total costs and expenses	183,600	193,127	380,647	477,428
Other operating income	9,423	3,142	16,498	6,188
Operating profit (loss)	$ 5,810	8,395	7,121	(99,444)
Coal sales (tons):				
Metallurgical	2,244	2,415	4,633	4,876
Utility and industrial	4,025	4,779	8,528	8,387
Total coal sales	6,269	7,194	13,161	13,263
Production/purchased (tons)				
Deep	984	1,174	2,041	2,622
Surface	3,276	3,931	7,129	7,004
Contract	508	643	1,041	1,126
	4,768	5,748	10,211	10,752
Purchased	1,765	1,413	3,502	2,786
Total	6,533	7,161	13,713	13,538

Operations - Coal operations had an operating profit totaling $5.8 million in the second quarter of 1995 compared to an operating profit of $8.4 million in the second quarter of 1994. Included in the current quarter results are a pretax gain of $5.3 million from the disposition of surplus coal reserves and a $2.5 million benefit from a favorable litigation decision which reduced previously expensed employee benefit costs.

Sales volume of 6.3 million tons in the second quarter of 1995 was 13% or .9 million tons less than the 7.2 million tons sold in the 1994 second quarter. The decrease reflected weaker steam coal markets and the timing of metallurgical coal shipments. Steam coal sales volume declined 16% or .8 million tons to 4.0 million tons and metallurgical coal sales volume declined by 6% or .1 million tons to 2.3 million tons compared to the second quarter of 1994. Steam coal sales represented 64% of total volume in the second quarter of 1995, compared to 67% in the prior year quarter.

Production in the second quarter of 1995 totaled 4.8 million tons, a 17% decrease compared to the second quarter of 1994, principally reflecting the scheduled reduction in underground mine production during 1994 and early 1995 and the idling of surface steam coal mines including a surface mine in Kentucky in the second quarter. Surface production accounted for approximately 70% of total production in the second quarters of 1995 and 1994. Productivity of 36.1 tons per man day represented a 3% increase over the comparable period in 1994. Domestic steam coal markets continue to be depressed, with spot pricing at exceptionally low levels.

Coal margin (realization less current production costs of coal sold) of $9.4 million or $1.50 per ton for the second quarter of 1995, decreased $10.4 million or $1.26 per ton from the prior year second quarter. This was caused by a 9%

or $2.33 per ton increase in average current production costs of coal sold to $27.13 per ton partially offset by a 4% or $1.07 per ton increase in the average realization to $28.63 per ton. Coal operations continued to incur higher than expected costs at several mines during the quarter, thereby increasing the average cost of coal mined. The increase in average cost per ton was primarily caused by: (i) 17% reduction in company production; (ii) higher costs incurred at mines idled or scheduled to close; (iii) increased costs for purchased coal; and (iv) temporarily less favorable mining and geological conditions occurring at several surface mines. Several remediation efforts have been undertaken, including the closure during the current quarter of one surface mine in Virginia.

Excluding the positive impact from both the sale of surplus coal reserves and the favorable employee benefits litigation decision, Coal operations incurred an operating loss of $2.0 million in the second quarter of 1995. As part of its strategy to achieve positive operating profit on a sustainable basis for the long-term, the following steps are being implemented: (i) reduction of overhead; (ii) evaluation of non-strategic assets for sale; (iii) improvement of margin at continuing operations; (iv) review of unprofitable mines for possible closure; and (v) review of new mine openings to take advantage of specific market opportunities.

Coal operations had an operating profit of $7.1 million in the first six months of 1995 compared to an operating loss of $99.4 million in the prior year period. The 1994 first six months operating loss included $90.8 million of charges for asset writedowns and accruals for costs related to facilities which are being closed (discussed further below) and $6.7 million of operating losses incurred during the first half related to those facilities.

Sales volume of 13.2 million tons in the first half of 1995, was .1 million tons less than the 13.3 million tons sold in the first half of 1994. Steam coal sales increased by .1 million tons to 8.5 million tons and metallurgical coal sales declined by .2 million tons to 4.6 million tons compared to the prior year. Steam coal sales represented 65% of total volume in the first half of 1995, compared to 63% in the prior year.

Production in the first half of 1995 totaled 10.2 million tons, a 5% decrease compared to the first half of 1994, principally reflecting the scheduled reduction in underground mine production during 1994 and early 1995 and the idling of surface steam coal mines. Surface production accounted for 71% and 66% of total production in the first half of 1995 and 1994, respectively. Productivity of 36 tons per man day represented a 9% increase over the comparable period in 1994.

Coal operations reached contract agreements with most of its metallurgical customers for the coal year that began April 1, 1995 calling for price increases of approximately $4.00 to $5.50 per metric ton, depending upon coal quality. These price increases had the effect of realigning pricing to levels in effect prior to last year's unusually large decline. Sales volume is expected to decline modestly from the level in the prior contract year. The price increases were in effect during a portion of the 1995 second quarter as a result of the timing of metallurgical coal shipments and were partially offset by the higher costs of purchased coal as well as increased transportation costs.

Restructuring and Other charges - As a result of the continuing long-term decline of the metallurgical coal markets, in the first quarter of 1994, management determined that four underground mines were no longer economically viable and should be closed, resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

As a result of these decisions, the Coal operations incurred pretax charges of $90.8 million ($58.1 million after tax) in the first quarter of 1994 which included a reduction in the carrying value of these assets and related accruals for mine closure costs. These charges included asset writedowns of $46.5 million which reduced the book carrying value of such assets to what management believes to be their net realizable value based on either estimated sales or leasing of such property to unrelated third parties. In addition, the charges included $3.8 million for required lease payments owed to lessors for machinery and equipment that would be idled as a result of the mine and facility closures. The charges also included $19.3 million for mine and plant closure costs which represented estimates of reclamation and other environmental costs to be incurred to bring the properties in compliance with federal and state mining and environmental laws. This accrual was required due to the premature closing of the mines. The accrual also included $21.2 million of contractually or statutorily required employee severance and other benefit costs associated with

termination of employees at these facilities and costs associated with inactive employees at these facilities. Such employee benefits include severance payments, medical insurance, workers' compensation and other benefits and have been calculated in accordance with contractually (collective bargaining agreements signed by certain coal subsidiaries included in the Coal operations) and legally required employee severance and other benefits.

Of the four underground mines, two have ceased coal production (one in the first half of 1995), while the remaining two mines are expected to cease coal production during the remainder of 1995. In 1994, Coal operations reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994, and final reclamation and environmental work is in process. At the beginning of 1994 there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities has been reduced by 78% to approximately 165 employees at June 30, 1995.

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

The following table analyzes the changes in liabilities during 1994 and 1995 for facility closure costs recorded as restructuring and other charges:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1993 (a)	$ 3,092	28,434	34,217	65,743
Additions	3,836	19,290	21,193	44,319
Payments (b)	3,141	9,468	12,038	24,647
Balance as of December 31, 1994	3,787	38,256	43,372	85,415
Payments (c)	1,018	6,294	4,198	11,510
Balance as of June 30, 1995	$ 2,769	31,962	39,174	73,905

(a) These amounts represent the remaining liabilities for facility closure costs recorded as restructuring and other charges in prior years. The original charges included $5,094 for leased machinery and equipment, $52,243 principally for incremental facility closing costs including reclamation and $54,108 for employee benefit costs, primarily workers' compensation, which will continue to be paid for several years.

(b) These amounts represent total cash payments made during 1994 for these charges. Of the total payments made, $14,494 was for liabilities recorded in years prior to 1994 and $10,153 was for liabilities recorded in 1994.

(c) Payments made in the first six months of 1995 included $6,401 related to pre-1994 liabilities and $5,109 for liabilities recorded in the first quarter of 1994.

During the next twelve months, expected cash funding of these charges is approximately $15 to $20 million. Management estimates that the remaining liability for leased machinery and equipment will be fully paid over the next two years. The liability for mine and plant closure costs is expected to be satisfied over the next ten years of which approximately 70% is expected to be paid over the first three years. The liability for employee related costs, which is

primarily workers' compensation, is estimated to be 70% settled over the next five years with the balance paid during the following five to ten years.

MINERAL VENTURES

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

(Dollars in thousands, except per ounce data)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales	$ 4,224	3,769	8,681	7,095
Cost of sales	2,882	2,659	5,855	5,166
Selling, general and administrative costs	960	959	1,577	1,931
Total costs and expenses	3,842	3,618	7,432	7,097
Other operating income (expense)	194	163	242	70
Operating profit (loss)	$ 576	314	1,491	68
Stawell Gold Mine:				
PMV's 50% direct share ounces sold	10,646	9,120	21,492	17,820
Average realized gold price per ounce (US$)	$ 394	401	397	396

Operating profit of Mineral Ventures operations increased $.3 million in the 1995 second quarter to $.6 million, from $.3 million in the second quarter of 1994. The Stawell gold mine in western Victoria, Australia, in which Mineral Ventures has a 67% net equity interest, produced 21,379 ounces in the current quarter at an average cost of $293 per ounce compared to 18,879 ounces in the second quarter of 1994 at an average cost of $282.

In the first six months of 1995, operating profit of Mineral Ventures increased $1.4 million to $1.5 million from $.1 million in the first six months of 1994. The increase in operating profit was primarily the result of increased production at the Stawell Gold Mine. An operator accident that occurred in the 1994 first quarter hindered production in 1994 and also contributed to higher operating costs for the period. The Stawell gold mine produced 42,576 ounces in the first six months of 1995 compared with 35,734 ounces in the comparable period of 1994. Mineral Ventures is continuing exploration projects in Nevada and Australia with its joint venture partner.

Successful exploration efforts indicate an increase of approximately 68,000 ounces of additional proven and probable gold reserves at the Stawell mine. At June 30, 1995, remaining proven and probable gold reserves are estimated at 480,000 ounces.

FOREIGN OPERATIONS

A portion of the Company's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Since the financial results of the Company are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. The Company's international activity is not concentrated in any single currency, which limits the risks of foreign rate fluctuations. In addition, foreign currency rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Company routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Company uses foreign exchange forward contracts to hedge the risks associated with certain transactions denominated in currencies other than the functional currency. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged. In addition, cumulative translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. Subsidiaries in Brazil operate in such a highly inflationary economy.

Additionally, the Company is subject to other risks customarily associated with doing business in foreign countries, including economic conditions, 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.

OTHER OPERATING INCOME

Other operating income primarily includes the Company's share of net income of unconsolidated affiliates, which are substantially attributable to equity affiliates of Brink's, royalty income and gains and losses from sales of coal assets. The $5.4 million increase in other operating income in the second quarter of 1995 compared to the second quarter of 1994 is primarily attributable to the $5.3 million gain on the sale of surplus coal reserves. Other operating income for the first half of 1995 increased $8.5 million to $19.3 million from $10.8 million in the prior year. The $2.5 million decrease in equity in earnings of unconsolidated affiliates was more than offset by gains of $8.3 million on the dispositions of surplus coal reserves.

CORPORATE EXPENSES

General corporate expenses increased $.4 million to $4.5 million for the 1995 second quarter from $4.1 million in the 1994 second quarter. In the first six months of 1995, general corporate expenses were $8.4 million compared with the $8.1 million in the prior year period.

INTEREST EXPENSE

Interest expense increased $1.1 million to $3.7 million in the second quarter of 1995 from $2.6 million in the prior year quarter. Interest expense totaled $6.7 million in the first six months of 1995 compared with $5.2 million in the first half of 1994. The increase in the 1995 quarter and six month periods is due to higher interest rates on higher average debt balances.

OTHER INCOME (EXPENSE), NET

Other net expense for the first six months of 1995 decreased $1.9 million to a net expense of $2.2 million from a net expense of $4.1 million. The 1994 first half included expenses of $1.2 million recognized on the Company's redemption of its 9.2% Convertible Subordinated Debentures.

FINANCIAL CONDITION

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CASH PROVIDED BY OPERATIONS

Cash provided by operating activities during the first six months of 1995 totaled $30.3 million compared with $42.6 million in the first six months of 1994. The decrease in cash provided occurred, despite higher net income, partially as a result of additional investment in working capital at Burlington. Such requirements primarily reflected initial working capital needs of recently acquired foreign subsidiaries, a relatively larger seasonal volume increase and increased international revenues, which tend to have longer payment terms. Cash provided by operating activities in the first six months of 1994 was negatively impacted by the integration of operating activities of Addington which required cash to finance working capital. Net income, noncash charges and changes in operating assets and liabilities in the 1994 first half were significantly affected by after-tax restructuring and other charges of $58.1 million which had minimal effect in the first half on cash generated by operations.

CAPITAL EXPENDITURES

Cash capital expenditures for the first six months of 1995 totaled $55.4 million. Of that amount, $13.5 million was spent by Burlington, $11.5 million was spent by Brink's, $19.1 million was spent by BHS, $9.7 million was spent by Coal and $1.1 million was spent by Mineral Ventures. Expenditures incurred by BHS in the first half of 1995 were primarily for customer installations, representing the expansion in the subscriber base. For the full year 1995, capital expenditures are estimated to approximate $150 million. The foregoing amounts exclude equipment expenditures that have been or are expected to be financed through capital and operating leases, and any acquisition expenditures. Increased expenditures in 1995 are expected at Burlington to support new airfreight stations and implementation of positive tracking systems and at BHS resulting from continued expansion of the subscriber base.

OTHER INVESTING ACTIVITIES

All other investing activities in the first six months of 1995 provided net cash of $9.8 million which primarily relates to proceeds from disposal of property, plant and equipment. In January 1994, the Company paid approximately $157 million in cash for the acquisition of substantially all the coal mining operations and coal sales contracts of Addington. The purchase price of the acquisition was financed through the issuance of $80.5 million of a new series of convertible preferred stock, which is convertible into Pittston Minerals Group Common Stock, and additional debt under revolving credit agreements.

FINANCING

The Company intends to fund its capital expenditure requirements during the remainder of 1995 primarily with anticipated cash flows from operating activities and 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 Minerals Group. The Company has a $350 million revolving credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100 million term loan, which matures in May 2000. The Facility also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million until May 2000. As of June 30, 1995, borrowings of $100 million were outstanding under the term loan portion of the Facility and $28.6 million of additional borrowings was outstanding under the remainder of the facility. The Company, on behalf of the Minerals Group, maintains agreements with financial institutions whereby it has the right to sell certain coal receivables with recourse to those institutions. In June 1995, coal receivables of approximately $10 million were sold under these agreements.

DEBT

Outstanding debt, including borrowings under revolving credit agreements, aggregated $199.2 million at June 30, 1995, up from $165.1 million at year-end 1994. Cash proceeds from operating activities, other investing activities and the proceeds from the exercise of stock options were not sufficient to fund capital expenditures, the repurchase of stock and dividends payments, resulting in additional borrowings under the Company's revolving credit agreements.

On April 15, 1994, the Company redeemed all outstanding 9.2% Convertible Subordinated Debentures due July 1, 2004. The principal amount outstanding was $27.8 million and the premium paid to call the debt totaled $.8 million. The Company used cash provided under its revolving credit agreements to redeem the debentures. The premium paid in addition to other charges related to the redemption are included in the Company's Consolidated Statement of Operations for the six months ended June 30, 1994.

CAPITALIZATION

In January 1994, the Company issued $80.5 million (161,000 shares) of a new series of cumulative preferred stock, convertible into Minerals Stock. The cumulative convertible preferred stock, which is attributable to the Minerals Group, pays an annual cumulative dividend of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefor, when, as and if declared by the Board of Directors (the "Board") of the Company, which commenced March 1, 1994, and bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon.

In July 1994, the Board of Directors of the Company authorized the repurchase from time to time of up to $15 million of the new series of cumulative convertible preferred stock. As of June 30, 1995, 21,020 shares at a total cost of $8.4 million were repurchased of which 12,670 shares at a cost of $5.0 million were repurchased in the first half of 1995.

The Company is also authorized to repurchase up to 1,250,000 shares of Pittston Services Group Common Stock ("Services Stock") and 250,000 shares of Pittston Minerals Group Common Stock ("Minerals Stock"), not to exceed $43 million. As of June 30, 1995 a total of 376,100 ($9.0 million) of Services Stock and 38,500 shares ($.8 million) of Minerals Stock have been acquired pursuant to the authorization. During the six months ended June 30, 1995 120,000 shares of Services Stock were repurchased at a total cost of $2.8 million. No shares of Minerals Stock were repurchased in the first six months of 1995.

DIVIDENDS

The Board intends to declare and pay dividends on Services Stock and Minerals Stock based on earnings, financial condition, cash flow and business requirements of the Services Group and Minerals Group, respectively. Since the Company remains subject to Virginia law limitations on dividends and to dividend restrictions in its public debt and bank credit agreements, financial developments of 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, which is adjusted by net income or losses and other equity transactions, as defined in the Company's Articles of Incorporation. At June 30, 1995 the Available Minerals Dividend Amount was at least $20.8 million.

During the 1995 and 1994 six month periods, the Board declared and paid cash dividends of 10 cents per share of Services Stock and 32.5 cents per share of Minerals Stock. Dividends paid on the cumulative convertible preferred stock in the first six months of 1995 were $2.3 million. Preferred dividends included on the Company's Statement of Operations for the six months ended June 30, 1995, are net of $1.0 million which was the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock.

Pittston Services Group
BALANCE SHEETS
(In thousands)

	June 30, 1995	Dec. 31, 1994
ASSETS	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 34,065	38,610
Short-term investments, at lower of cost or market	2,346	2,041
Accounts receivable (net of estimated amount uncollectible: 1995 - $14,244; 1994 - $13,854)	294,533	267,869
Receivable - Pittston Minerals Group	21,324	32,170
Inventories, at lower of cost or market	4,243	4,006
Prepaid expenses	27,209	16,311
Deferred income taxes	22,929	25,325
Total current assets	406,649	386,332
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1995 - $251,947; 1994 - $234,722)	254,518	225,372
Intangibles, net of amortization	212,316	208,792
Deferred pension assets	43,787	43,150
Deferred income taxes	1,699	1,323
Other assets	60,778	75,707
Total assets	$ 979,747	940,676

	June 30, 1995	Dec. 31, 1994
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Short-term borrowings	$ 25,430	13,323
Current maturities of long-term debt	6,541	6,194
Accounts payable	185,275	175,844
Accrued liabilities	125,220	137,555
Total current liabilities	342,466	332,916
Long-term debt, less current maturities	56,660	49,896
Postretirement benefits other than pensions	5,919	5,761
Workers' compensation and other claims	10,512	9,929
Deferred income taxes	31,240	34,090
Payable - Pittston Minerals Group	18,223	23,186
Other liabilities	30,777	28,487
Shareholder's equity	483,950	456,411
Total liabilities and shareholder's equity	$ 979,747	940,676

See accompanying notes to financial statements.

Pittston Services Group
STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Operating revenues	$ 527,556	457,351	1,030,900	868,404
Operating expenses	441,009	369,935	870,125	716,179
Selling, general and administrative expenses	56,557	53,558	109,701	99,921
Total costs and expenses	497,566	423,493	979,826	816,100
Other operating income	1,533	2,529	2,542	4,577
Operating profit	31,523	36,387	53,616	56,881
Interest income	1,456	590	2,973	1,212
Interest expense	(1,674)	(1,406)	(3,174)	(3,175)
Other income (expense), net	(1,236)	(1,514)	(1,766)	(3,630)
Income before income taxes	30,069	34,057	51,649	51,288
Provision for income taxes	10,095	12,769	18,080	19,489
Net income	$ 19,974	21,288	33,569	31,799
Per common share:				
Net income	$ .53	.56	.89	.84
Cash dividends	$ .05	.05	.10	.10
Average shares outstanding	37,916	37,739	37,912	37,715

See accompanying notes to financial statements.

Pittston Services Group
STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30	
	1995	1994
Cash flows from operating activities:		
Net income	$ 33,569	31,799
Adjustments to reconcile net income to net cash provided by operating activities:		
Noncash charges and other write-offs	-	306
Depreciation and amortization	30,723	26,717
Provision (credit) for deferred income taxes	(1,042)	1,539
Provision for pensions, noncurrent	23	1,467
Provision for uncollectible accounts receivable	1,899	1,634
Equity in earnings of unconsolidated affiliates, net of dividends received	234	(2,178)
Other operating, net	1,323	1,314
Change in operating assets and liabilities:		
Increase in accounts receivable	(28,563)	(22,031)
Increase in inventories	(237)	(876)
Increase in prepaid expenses	(10,813)	(1,532)
(Decrease) increase in accounts payable and accrued liabilities	(1,035)	29,202
Decrease (increase) in other assets	(277)	3,773
Decrease (increase) in other liabilities	1,105	(816)
Other, net	(536)	(157)
Net cash provided by operating activities	26,373	70,161
Cash flows from investing activities:		
Additions to property, plant and equipment	(44,331)	(34,509)
Property, plant and equipment pending lease financing	(50)	2,047
Proceeds from disposal of property, plant and equipment	1,531	1,267
Acquisitions, net of cash acquired, and related contingent payments	(1,688)	(63)
Other, net	2,066	(2,287)
Net cash used by investing activities	(42,472)	(33,545)
Cash flows from financing activities:		
Additions to debt	14,740	26,171
Reductions of debt	(3,571)	(33,666)
Payments (to) from - Minerals Group	5,846	(28,777)
Repurchase of stock of the Company	(2,786)	(2,552)
Proceeds from exercise of stock options	1,288	3,756
Proceeds from sale of stock to Minerals Group	-	322
Dividends paid	(3,963)	(3,768)
Cost of Services Stock Proposal	-	(2)
Net cash provided (used) by financing activities	11,554	(38,516)
Net increase (decrease) in cash and cash equivalents	(4,545)	(1,900)
Cash and cash equivalents at beginning of period	38,610	30,271
Cash and cash equivalents at end of period	$ 34,065	28,371

See accompanying notes to financial statements.

Pittston Services Group
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(In thousands, except per share amounts)

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

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

(2) 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 Company and the BHS segment for the first six months of 1995 and 1994 by $1,949 and $2,149, respectively and for the second quarter of 1995 and 1994 by $825 and $1,029, respectively. The effect of this change increased net income per common share of the Services Group for the first six months of 1995 and 1994 by $.03 and for the second quarter of 1995 and 1994 by $.01 and $.02, respectively.

(3) The amounts of depreciation and amortization of property, plant and equipment in the second quarter and six month period of 1995 totaled $13,573 ($11,582 in 1994) and $26,687 ($22,306 in 1994), respectively.

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

	Second Quarter		Six Months	
	1995	1994	1995	1994
Interest	$ 1,732	1,951	3,425	4,404
Income taxes	$ 19,604	12,054	28,720	18,887

During the six month periods ended June 30, 1995 and 1994, capital lease obligations of $2,886 and $1,222, respectively, were incurred for leases of property, plant and equipment.

(5) On April 15, 1994, the Company redeemed all of the $27,811 9.2% Convertible Subordinated Debentures due July 1, 2004, at a premium of $767. This debt had been attributed to the Services Group. The premium and other charges related to the redemption have been included in the Services Group Statement of Operations in Other income (expense), net.

(6) Certain prior period amounts have been reclassified to conform to current period financial statement presentation.

(7) All adjustments have been made which are, in the opinion of management, necessary to a fair presentation of results of operations for the periods reported herein. All such adjustments are of a normal recurring nature.

Pittston Services Group
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

The financial statements of the Pittston Services Group (the "Services Group") include the balance sheets, results of operations and cash flows of Burlington Air Express Inc. ("Burlington"), Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS"), and a portion of The Pittston Company's (the "Company") corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Services Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be an equitable allocation of such expenses and credits. The accounting policies applicable to the preparation of the Services Group's financial statements may be modified or rescinded at the sole discretion of the Company's Board of Directors (the "Board") without the approval of the shareholders, although there is no intention to do so.

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

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

SEGMENT INFORMATION
(In thousands)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues:				
Burlington	$ 341 950	302,266	665,894	563,750
Brink's	154,543	128,183	303,634	251,948
BHS	31,063	26,902	61,372	52,706
Revenues	$ 527,556	457,351	1,030,900	868,404
Operating profit:				
Burlington	$ 14,406	20,770	22,464	29,780
Brink's	10,236	10,216	17,619	16,349
BHS	9,411	7,897	18,316	15,463
Segment operating profit	34,053	38,883	58,399	61,592
General corporate expense	(2,530)	(2,496)	(4,783)	(4,711)
Operating profit	$ 31,523	36,387	53,616	56,881

RESULTS OF OPERATIONS

In the second quarter of 1995, the Services Group reported net income of $20.0 million or $.53 per share compared with $21.3 million or $.56 per share in the second quarter of 1994. Operating profit totaled $31.5 million in the 1995 second quarter compared with $36.4 million in the prior year second quarter. Net income and operating profit in the 1994 second quarter benefited from unusually strong operating profits at Burlington due to substantial additional volumes of freight directed to Burlington during a nationwide trucking strike in the second quarter of 1994, which added an estimated $8 million to the quarter's operating profit and $5 million to net income. Revenues for the 1995 second quarter increased $70.2 million or 15% compared with the 1994 second quarter, of which $39.7 million was from Burlington, $26.3 million from Brink's and $4.2 million from BHS. Operating expenses and selling general and administrative expenses for the 1995 second quarter increased $74.1 million or 17% compared with the same period last year, of which $46.1 million was from Burlington, $25.3 million was from Brink's and $2.7 million was from BHS.

In the first six months of 1995, the Services Group reported a net income of $33.6 million of $.89 per share compared with net income of $31.8 million or $.84 per share in the first six months of 1994. Operating profit totaled $53.6 million in the first six months of 1995 compared with $56.9 million in the first six months of 1994. Net income and operating profit were positively impacted by improved results from the Brink's and BHS businesses, partially offset by decreased results at Burlington. The 1995 first half was favorably impacted by lower nonoperating and net interest expenses compared with the same period of last year. Revenues for the first six months of 1995 increased $162.5 million or 19% compared with the first six months of 1994, of which $102.1 million was from Burlington, $51.7 million was from Brink's and $8.7 million was from BHS. Operating expenses and selling general and administrative expenses for the first six months of 1995 increased $163.7 million or 20% over the same period last year, of which $109.4 million was from Burlington, $48.5 million from Brink's and $5.8 million from BHS.

BURLINGTON

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

(Dollars in thousands, except per pound/shipment amounts)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues:				
Airfreight				
Domestic U.S.	$ 127,816	148,900	257,855	272,539
International	160,813	121,583	312,489	232,951
Total airfreight	288,629	270,483	570,344	505,490
Other	53,321	31,783	95,550	58,260
Total revenues	341,950	302,266	665,894	563,750
Operating expenses	299,645	253,417	589,237	482,942
Selling, general and administrative	28,744	28,836	55,562	52,501
Total costs and expenses	328,389	282,253	644,799	535,443
Other operating income	845	757	1,369	1,473
Operating profit	$ 14,406	20,770	22,464	29,780
Depreciation and amortization	$ 4,907	4,161	9,702	8,233
Cash capital expenditures	$ 6,185	5,801	13,500	11,009
Airfreight shipment growth rate (a)	6.4%	13.0%	6.2%	10.4%
Airfreight weight growth rate (a):				
Domestic U.S.	(12.5%)	39.3%	(4.1%)	21.5%
International	21.7%	20.2%	25.1%	24.5%
Worldwide	2.3%	30.3%	9.0%	22.9%
Worldwide airfreight weight (pounds)	322,978	315,672	644,366	591,257
Worldwide airfreight shipments	1,322	1,243	2,538	2,389
Worldwide average airfreight yield (revenue per pound)	$ 0.894	0.857	0.885	0.855
Worldwide average airfreight revenue per shipment	$ 218	218	225	212
Worldwide average airfreight weight per shipment (pounds)	244	254	254	247

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

Burlington reported an operating profit of $14.4 million in the 1995 second quarter, a $6.4 million decrease from the $20.8 million reported in the second quarter of 1994. The second quarter of 1994 benefitted from significant additional domestic freight as a result of the nationwide trucking strike, which added an estimated $8 million to the quarter's operating profit. Worldwide revenues rose 13% to $342.0 million in the current year quarter from $302.3 million in the prior year second quarter. Worldwide airfreight revenues increased $18.1 million or 7% to $288.6 million in the 1995 second quarter from $270.5 million in the prior year quarter. The increase was principally from an increase in international weight shipped, which more than offset the decrease in domestic U.S. weight shipped attributable to the positive impact of last year's trucking strike, and an increase in worldwide average airfreight yields (revenue per pound).

Other revenues, which includes customs clearance and other import related services, as well as ocean freight services, increased $21.5 million or 68% to $53.3 million in the second quarter of 1995 from $31.8 million in the prior year quarter, as a result of an increase in international shipment volume.

Total airfreight weight shipped worldwide increased 2% to 323.0 million pounds in the current year quarter from 315.7 million pounds in the prior year quarter. Worldwide average airfreight yields increased by 4% to $.894 in the 1995 second quarter from $.857 in the same period a year earlier. The increase in international volume combined with other factors, including favorable impact of foreign currency translation, resulted in a 32% increase in international airfreight revenue.

Domestic airfreight revenues decreased by 14% to $127.8 million in the 1995 second quarter from $148.9 million in the prior year second quarter. The decrease was the result of a nearly 13% decrease in domestic weight shipped and a modest decrease in average yields. The second quarter of 1994 benefited from significant additional domestic freight volume resulting from a nationwide trucking strike in the U.S. Domestic volume, excluding the favorable impact of last year's trucking strike declined modestly due to the sluggish domestic economy. Burlington continues to adjust its domestic dedicated lift capacity to match volume requirements and also to take measures to reduce its fleet and station costs.

International airfreight revenues increased by 32% to $160.8 million in the 1995 second quarter from $121.6 million in the prior year second quarter. The increase was primarily due to a 22% increase in weight shipped and to a lesser extent increase in international yields. Improving economic conditions internationally and aggressive expansion of company-owned operations in Europe and Latin America were largely responsible for the rapid growth. Selective price increases on U.S. exports were introduced during the quarter to partially mitigate commercial lift cost increases. Burlington continued to expand its global freight service network by establishing company-owned operations in the Philippines and expansion of operations in Mexico.

Operating profit in the first half of 1995 for Burlington was $22.5 million, a $7.3 million decrease from the $29.8 million operating profit reported in the first half of 1994, which benefitted from significant additional domestic freight as a result of the nationwide trucking strike which added an estimated $8 million to the quarter's operating profit. Worldwide revenues rose 18% to $665.9 million in the current year period from $563.8 million in the first six months of 1994. The $102.1 million increase in revenues resulted principally from a 9% increase in worldwide airfreight pounds shipped.

Domestic airfreight revenues decreased by 5% or $14.7 million to $257.8 million in the first half of 1995 compared to the first half of 1994. The decrease was due to a 4% decrease in domestic volume and a 1% decrease in domestic yields. The decrease in volume was due primarily to the impact of the U.S. trucking strike in the second quarter of 1994 which added substantial additional volume.

International airfreight revenues of $312.5 million in the first six months of 1995 were $79.5 million or 34% higher than the $233.0 million reported in the prior year first half. The increase was primarily due to a 25% increase in weight shipped compared to the prior year period. The increase in volume can be largely attributed to improved economic conditions in the international markets and expansion of company-owned operations.

Other revenue, which includes import transactions such as customs clearance and import related services, as well as ocean freight services, increased 64% or $37.3 million to $95.6 million, due to an increase in international shipment volume and a continual expansion of ocean freight services.

BRINK'S

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

(In thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues	$ 154,543	128,183	303,634	251,948
Operating expenses	125,014	101,693	248,224	204,503
Selling, general and administrative	19,981	18,046	38,964	34,200
Total costs and expenses	144,995	119,739	287,188	238,703
Other operating income	688	1,772	1,173	3,104
Operating profit	$ 10,236	10,216	17,619	16,349
Depreciation and amortization	$ 5,340	5,108	10,496	10,120
Cash capital expenditures	$ 5,685	3,738	11,476	6,733
Revenues:				
North America (United States and Canada)	$ 92,551	82,334	180,981	161,819
International subsidiaries	61,992	45,849	122,653	90,129
Total revenues	$ 154,543	128,183	303,634	251,948
Operating profit:				
North America (United States and Canada)	$ 7,010	5,241	12,526	9,445
International operations	3,226	4,975	5,093	6,904
Total operating profit	$ 10,236	10,216	17,619	16,349

Brink's operating profit of $10.2 million in the second quarter of 1995 was essentially unchanged from the prior year. The revenue increase of $26.4 million or 21% in the 1995 second quarter was offset by increased operating expenses and selling, general and administrative expenses of $25.3 million and decreased other operating income of $1.1 million.

Revenues from North American operations (United States and Canada) increased $10.2 million or 12% to $92.5 million in the 1995 second quarter from $82.3 million in the prior year quarter. North American operating profit increased $1.8 million or 34% to $7.0 million in the current year quarter from $5.2 million in the second quarter of 1994. The profit improvement primarily resulted from rising volumes and increased market penetration in the armored car business, which includes ATM servicing.

Revenues from international subsidiaries increased $16.1 million or 35% to $62.0 million in the 1995 second quarter from $45.8 million in the 1994 second quarter. The increase is primarily due to higher revenues in Brazil as well as the favorable impact of foreign currency translations. Operating profits from international subsidiaries and minority owned affiliates declined $1.7 million to $3.2 million in the current year quarter from $5.0 million in the prior year second quarter. The earnings decline was primarily due to lower results from Brink's share of its Mexican affiliate operations, in which Brink's has a 20% equity interest. Results in Mexico decreased to a loss of $.6 million from the profit of $1.3 million recorded in the second quarter of 1994. The Mexican operation continues to be adversely impacted by the local recession and extraordinarily high interest rates. Local management has begun implementing a program designed to restore profitability to what is the largest armored car company in Mexico. Brink's Brazil, a wholly-owned subsidiary, was essentially break-even in the 1995 second quarter compared to a $.7 million operating profit in the 1994 second quarter partially as a result of wage increases granted in advance of price increases which were implemented in June and July of 1995.

Brink's operating profit increased $1.3 million to $17.6 million in the first six months of 1995 from $16.3 million in the first six months of 1994 with an increase in revenues of $51.7 million, partially offset by an increase in operating expenses and selling, general and administrative expenses totaling $48.5 million, and a decrease in other operating income of $1.9 million.

Revenue from North American operations increased 12% to $181.0 million in the first half of 1995 from $161.8 million in the prior year period. North American operating profit increased $3.1 million to $12.5 million from $9.4 million. The increase in operating profit was largely attributable to increases in the armored car business which includes ATM servicing and to a lesser extent to increases in the diamond and jewelry and coin and currency processing businesses, partially offset by lower air courier results.

Revenue from international subsidiaries increased $32.5 million or 36% to $122.7 million, while operating profit from international subsidiaries and affiliates decreased $1.8 million or 26% to $5.1 million in the first half of 1995. The increase in revenue is primarily due to higher revenues in Brazil as well as the favorable impact of foreign currency translation. The decline in operating profit was primarily attributable to operations in Mexico, partially offset by an increase reported in Brazil. Brink's share of its Mexican affiliates results was a $1.0 million loss in the first six months of 1995 compared to a $1.7 million profit reported in the same period of 1994. Brink's Brazil reported an operating profit of $.9 million in the first half of 1995 compared to $.1 million in the prior year period.

BHS

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

(Dollars in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenues	$ 31,063	26,902	61,372	52,706
Operating expenses	16,350	14,825	32,664	28,734
Selling, general and administrative	5,302	4,180	10,392	8,509
Total costs and expenses	21,652	19,005	43,056	37,243
Operating profit	$ 9,411	7,897	18,316	15,463
Depreciation and amortization	$ 5,331	4,429	10,420	8,262
Cash capital expenditures	$ 9,214	8,125	19,141	16,664
Annualized service revenues (a)			$ 95,810	78,856
Number of subscribers:				
Beginning of period	332,434	275,873	318,029	259,551
Installations	19,290	18,291	38,362	37,977
Disconnects, net	(5,184)	(4,546)	(9,851)	(7,910)
End of period	346,540	289,618	346,540	289,618

(a) Annualized service revenue is 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.

Operating profit of BHS increased $1.5 million to $9.4 million in the second quarter of 1995 from $7.9 million in the second quarter of 1994. In the first half of 1995, operating profit increased $2.8 million to $18.3 million from $15.5 million in the first half of 1994. The increase in operating profit for the second quarter and first half of 1995 compared to the similar periods in 1994 reflected higher monitoring revenues due to an average subscriber base that was approximately 20% higher for the quarter and year to date 1995, compared to similar periods in 1994, slightly offset by higher account servicing and administrative costs. Net new subscribers totaled approximately 14,100 and 28,500 in

the second quarter and first six months of 1995, respectively, compared with approximately 13,700 and 30,000 in the second quarter and first six months of 1994, respectively. Subscribers at June 30, 1995 totaled 346,540.

FOREIGN OPERATIONS

A portion of the Company's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Since the financial results of the Company are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. The Company's international activity is not concentrated in any single currency, which limits the risks of foreign rate fluctuations. In addition, foreign currency rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Company routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Company uses foreign exchange forward contracts to hedge the risks associated with certain transactions denominated in currencies other than the functional currency. Realized and unrealized gains and losses on these contracts are deferred and recognized as part of the specific transaction hedged. In addition, cumulative translation adjustments relating to operations in countries with highly inflationary economies are included in net income, along with all transaction gains or losses for the period. Subsidiaries in Brazil operate in such a highly inflationary economy.

Additionally, the Company is subject to other risks customarily associated with doing business in foreign countries, including economic conditions, 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

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Services 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 Services Group. These allocations were $2.5 million in the second quarter of 1995 and 1994 and $4.8 million and $4.7 million in the first six months of 1995 and 1994, respectively.

OTHER OPERATING INCOME

Other operating income decreased $1.0 million to $1.5 million in the 1995 second quarter from $2.5 million in the second quarter of 1994. Other operating income totaled $2.5 million in the first half of 1995 compared with $4.6 million in the first six months of 1994. Other operating income consists primarily of equity earnings of foreign affiliates. These earnings, which are primarily attributable to equity affiliates of Brink's, amounted to $.4 million and $.9 million in the second quarter and first six months of 1995, respectively, compared with $1.8 million and $3.4 million in the second quarter and first half of 1994, respectively. The decrease is due in large part to the $2.7 million decrease in Brink's share of earnings from its affiliate in Mexico in the first six months of 1995 compared to 1994.

INTEREST INCOME

Interest income increased $.9 million to $1.5 million in the second quarter of 1995 from $.6 million in the prior year's second quarter. The increase is attributable to interest earned of $.8 million and $.1 million in the second quarter of 1995 and 1994, respectively, on amounts owed by the Minerals Group. For the six months ended June 30, 1995, interest income increased $1.8 million to $3.0 million from $1.2 million in the first half of 1994. The increase is primarily attributed to $1.5 million of interest income earned from amounts owed by the Minerals Group in the first six months of 1995.

INTEREST EXPENSE

Interest expense increased $.3 million to $1.7 million in the second quarter of 1995 from $1.4 million in the prior year second quarter. Interest expense totaled $3.2 million in the first six months of 1995 and 1994. The increase in the 1995 second quarter was due to higher average interest rates and average debt balances.

OTHER INCOME (EXPENSE), NET
Other net expense for the first six months of 1995 decreased $1.8 million to a net expense of $1.8 million from a net expense of $3.6 million in the first six months of 1994. 1994 included expenses of $1.2 million recognized in the first quarter on the Company's redemption of its 9.2% Convertible Subordinated Debentures.

FINANCIAL CONDITION

A portion of the Company's corporate assets and liabilities has been attributed to the Services Group based upon utilization of the shared services from which assets and liabilities are generated, which management believes to be equitable and a reasonable estimate.

CASH PROVIDED BY OPERATIONS
Cash provided by operating activities during the first six months of 1995 totaled $26.4 million compared with $70.2 million in the first six months of 1994. The decrease in cash provided occurred, despite higher net income and noncash charges, principally as a result of additional investment in working capital at Burlington. Such requirements primarily reflected initial working capital needs of recently acquired foreign subsidiaries, a relatively larger seasonal volume increase and increased international revenues, which tend to have longer payment terms.

CAPITAL EXPENDITURES
Cash capital expenditures for the first six months of 1995 totaled $44.3 million. Of that amount, $19.1 million was spent by BHS, $13.5 million was spent by Burlington and $11.5 million was spent by Brink's. Expenditures incurred by BHS in the first half of 1995 were primarily for customer installations, representing the expansion in the subscriber base. For the full year 1995, capital expenditures are projected to approximate $125 million. The foregoing amounts exclude equipment expenditures that have been or are expected to be financed through capital and operating leases, and any acquisition expenditures. Increased expenditures in 1995 are expected at Burlington to support new airfreight stations and implementation of positive tracking systems and at BHS resulting from continued expansion of the subscriber base.

FINANCING
The Services Group intends to fund its capital expenditure requirements during the remainder of 1995 primarily with anticipated cash flows from operating activities and 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. The Company has a $350 million revolving credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100 million term loan, which matures in May 2000. The Facility also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million until May 2000. Of the total amount outstanding under the Facility at June 30, 1995 $23.4 million was attributed to the Services Group.

DEBT
Outstanding debt totaled $88.6 million at June 30, 1995 up $19.2 million from the $69.4 million reported at year-end. The amount of the $100 million term loan attributed to the Services Group was $23.4 million at June 30, 1995.

On April 15, 1994, the Company redeemed all outstanding 9.2% Convertible Subordinated Debentures due July 1, 2004. The principal amount outstanding was $27.8 million and the premium paid to call the debt totaled $.8 million. The Company used cash provided under its revolving credit agreements to redeem the debentures. The premium paid in addition to other charges related to the redemption are included in the Services Group's Statement of Operations for the six months ended June 30, 1994.

RELATED PARTY TRANSACTIONS
At June 30, 1995 the Minerals Group owed the Services Group $42.3 million, a decrease of $5.9 million from the $48.2 million owed at December 31, 1994.

At June 30, 1995 the Services Group owed the Minerals Group $39.2 million for tax benefits, of which $21.0 million is expected to be paid within one year.

CAPITALIZATION

The Company is also authorized to repurchase up to 1,250,000 shares of Services Stock and 250,000 shares of Minerals Stock, not to exceed $43 million. As of June 30, 1995 a total of 376,100 shares ($9.0 million) of Services Stock have been acquired pursuant to the authorization. During the six months ended June 30, 1995 120,000 shares ($2.8 million) of Services Stock were repurchased.

DIVIDENDS

The Board intends to declare and pay dividends on Services Stock based on earnings, financial condition, cash flow and business requirements of the Services Group. Since the Company remains subject to Virginia law limitations on dividends and to dividend restrictions in its public debt and bank credit agreements, financial developments of the Minerals Group could affect the Company's ability to pay dividends in respect of stock relating to the Services Group.

As a result of the Company's issuance in January 1994 of 161,000 shares of a new series of preferred stock, convertible in to Minerals Stock, the Company pays an annual cumulative dividend of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefore, when, and if declared by the Board which commenced March 1, 1994. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon.

During the 1995 and 1994 six month periods, the Board declared and paid cash dividends of 10 cents per share of Services Stock.

Pittston Minerals Group
BALANCE SHEETS
(In thousands)

	June 30, 1995	Dec. 31, 1994
ASSETS	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 4,856	3,708
Short-term investments, at lower of cost or market	24,575	23,121
Accounts receivable (net of estimated amount uncollectible: 1995 - $1,894; 1994 - $1,880)	88,938	108,923
Inventories, at lower of cost or market:		
Coal	39,022	25,518
Other	4,320	4,629
	43,342	30,147
Prepaid expenses	9,947	11,389
Deferred income taxes	29,867	30,525
Total current assets	201,525	207,813
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1995 - $164,178; 1994 - $159,938)	208,112	220,462
Deferred pension assets	77,618	75,803
Deferred income taxes	92,429	97,945
Coal supply contracts	75,385	82,240
Intangibles, net of amortization	119,100	120,649
Receivable - Pittston Services Group	18,223	23,186
Other assets	39,903	39,414
Total assets	$ 832,295	867,512

	June 30, 1995	Dec. 31, 1994
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 4,676	7,554
Accounts payable	65,474	76,771
Payable - Pittston Services Group	21,324	32,170
Accrued liabilities	154,420	157,229
Total current liabilities	245,894	273,724
Long-term debt, less current maturities	105,872	88,175
Postretirement benefits other than pensions	213,680	212,977
Workers' compensation and other claims	120,376	128,864
Deferred income taxes	1,707	-
Other liabilities	157,467	172,368
Shareholder's equity	(12,701)	(8,596)
Total liabilities and shareholder's equity	$ 832,295	867,512

See accompanying notes to financial statements.

Pittston Minerals Group
STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

		Three Months Ended June 30		Six Months Ended June 30	
		1995	1994	1995	1994
Net sales	$	184,211	202,149	379,951	378,891
Cost and expenses:					
Cost of sales		180,860	189,044	374,800	378,825
Selling, general and administrative expenses		8,506	9,348	16,920	18,235
Restructuring and other charges		-	-	-	90,806
Total costs and expenses		189,366	198,392	391,720	487,866
Other operating income		9,617	3,305	16,740	6,258
Operating profit (loss)		4,462	7,062	4,971	(102,717)
Interest income		154	49	194	100
Interest expense		(2,804)	(1,325)	(5,085)	(2,138)
Other income (expense), net		(219)	(218)	(430)	(437)
Income (loss) before income taxes		1,593	5,568	(350)	(105,192)
Provision (credit) for income taxes		(3,041)	(1,182)	(5,454)	(37,863)
Net income (loss)		4,634	6,750	5,104	(67,329)
Preferred stock dividends, net		(1,093)	(1,257)	(1,176)	(2,263)
Net income (loss) attributed to common shares	$	3,541	5,493	3,928	(69,592)
Net income (loss) per common share:					
Primary	$	.45	.72	.51	(9.20)
Fully diluted	$	.45	.67	.51	(9.20)
Cash dividends	$	.1625	.1625	.3250	.3250
Average common shares outstanding:					
Primary		7,811	7,644	7,764	7,565
Fully diluted		9,988	10,148	10,038	9,905

See accompanying notes to financial statements.

Pittston Minerals Group
STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30	
	1995	1994
Cash flows from operating activities:		
Net income (loss)	$ 5,104	(67,329)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Noncash charges and other write-offs	-	46,487
Depreciation, depletion and amortization	21,170	20,474
Provision (credit) for deferred income taxes	7,585	(18,928)
Credit for pensions, noncurrent	(1,753)	(825)
Provision for uncollectible accounts receivable	100	132
Equity in (earnings) loss of unconsolidated affiliates, net of dividends received	(242)	(70)
Other operating, net	(2,750)	(333)
Change in operating assets and liabilities net of effects of acquisitions and dispositions:		
Decrease (increase) in accounts receivable	19,885	(16,579)
Increase in inventories	(13,195)	(8,219)
Decrease (increase) in prepaid expenses	1,442	(1,087)
Decrease in accounts payable and accrued liabilities	(10,302)	(5,239)
Decrease in other assets	981	859
(Decrease) increase in other liabilities	(15,637)	11,092
(Decrease) increase in workers' compensation and other claims, noncurrent	(8,486)	11,636
Other, net	(1)	(185)
Net cash provided (used) by operating activities	3,901	(28,114)
Cash flows from investing activities:		
Additions to property, plant and equipment	(11,022)	(7,767)
Proceeds from disposal of property, plant and equipment	8,950	295
Acquisitions, net of cash acquired, and related contingent payments	(722)	(157,231)
Other, net	(241)	7,862
Net cash used by investing activities	(3,035)	(156,841)
Cash flows from financing activities:		
Additions to debt	19,200	86,566
Reductions of debt	(4,340)	(251)
Payments (to) from - Services Group	(5,846)	28,777
Repurchase of stock of the Company	(5,022)	(401)
Proceeds from exercise of stock options	1,202	947
Proceeds from sale of stock to Services Group	-	254
Proceeds from the issuance of preferred stock, net of cash expenses	-	77,359
Cost of Services Stock Proposal	-	(2)
Dividends paid	(4,912)	(4,297)
Net cash provided by financing activities	282	188,952
Net increase in cash and cash equivalents	1,148	3,997
Cash and cash equivalents at beginning of period	3,708	2,141
Cash and cash equivalents at end of period	$ 4,856	6,138

See accompanying notes to financial statements.

Pittston Minerals Group
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(In thousands, except per share and employee amounts)

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

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

(2) The amounts of depreciation, depletion and amortization of property, plant and equipment in the second quarter and six month periods of 1995 and 1994 totaled $6,382 ($5,680 in 1994) and $12,647 ($12,312 in 1994), respectively.

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

	Second Quarter		Six Months	
	1995	1994	1995	1994
Interest	$ 3,085	886	5,172	1,516
Income taxes	$ (12,958)	(7,487)	(12,247)	(7,373)

On January 14, 1994, a wholly owned indirect subsidiary of the Minerals Group completed the acquisition of substantially all of the coal mining operations and coal sales contracts of Addington Resources, Inc. ("Addington Acquisition") for $157,324. The acquisition was accounted for as a purchase; accordingly, the purchase price was allocated to the underlying assets and liabilities based on their respective estimated fair values at the date of acquisition. The fair value of assets acquired was $173,959 and liabilities assumed was $138,518. The excess of the purchase price over the fair value of the assets acquired and liabilities assumed was $121,883 and is being amortized over a period of 40 years. The results of operations of the acquired company have been included in the Minerals Group's results of operations since the date of acquisition.

The acquisition was financed by the issuance of $80,500 of $31.25 Series C Cumulative Convertible Preferred Stock, which is convertible into Minerals Stock, and additional debt under existing credit facilities. This financing has been attributed to the Minerals Group. In March 1994, the additional debt incurred for the Addington Acquisition was refinanced with a portion of a five-year term loan.

During the six months ended June 30, 1994, capital lease obligations of $746 were incurred for leases of property, plant and equipment. In addition, during the six months ended June 30, 1994, the Minerals Group assumed capital lease obligations of $16,210 as part of the Addington Acquisition.

In June 1995, the Company sold its rights under certain coal reserve leases and the related equipment for $2,800 in cash and notes totaling $2,882. The cash proceeds have been included in the Consolidated Statement of Cash Flows as "Cash flow from investing activities: Proceeds from disposals of property, plant and equipment".

In March 1995, the Minerals Group sold surplus coal reserves for cash of $2,878 and a note receivable of $2,317. The cash proceeds have been included in the Statement of Cash Flows as "Cash flow from investing activities: Proceeds from disposals of property, plant and equipment".

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

(4) Restructuring and other charges - After a review of the economic viability of certain metallurgical coal assets in the first quarter of 1994, management determined that four underground mines were no longer economically viable and should be closed resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power Company under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

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

Of the four underground mines, two have ceased coal production (one in the first half of 1995), while the remaining two mines are expected to cease coal production in 1995. In 1994 the Company reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994 and final reclamation and environmental work is in process. At the beginning of 1994, there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities has been reduced by 78% to approximately 165 employees at June 30, 1995.

(5) Certain prior period amounts have been reclassified to conform to current period financial statement presentation.

(6) All adjustments have been made which are, in the opinion of management, necessary to a fair presentation of results of operations for the periods reported herein. All such adjustments are of a normal recurring nature.

Pittston Minerals Group
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS
AND FINANCIAL CONDITION

The financial statements of the Pittston Minerals Group (the "Minerals Group") include the balance sheets, results of operations and cash flows of the Coal and Mineral Ventures operations of The Pittston Company (the "Company"), and a portion of the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Minerals Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be an equitable allocation of such expenses and credits. The accounting policies applicable to the preparation of the Minerals Group's financial statements may be modified or rescinded at the sole discretion of the Company's Board of Directors (the "Board") without the approval of the shareholders, although there is no intention to do so.

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 continues to be responsible for all its liabilities. Therefore, financial developments affecting the Minerals Group or the Pittston Services Group (the "Services Group") that affect the Company's financial condition could affect the results of operations and financial condition of both 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 should be read in conjunction with the financial statements and related notes of the Company.

SEGMENT INFORMATION
(In thousands)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales:				
Coal	$ 179,987	198,380	371,270	371,796
Mineral Ventures	4,224	3,769	8,681	7,095
Net sales	$ 184,211	202,149	379,951	378,891
Operating profit (loss):				
Coal	$ 5,810	8,395	7,121	(99,444)
Mineral Ventures	576	314	1,491	68
Segment operating profit (loss)	6,386	8,709	8,612	(99,376)
General corporate expense	(1,924)	(1,647)	(3,641)	(3,341)
Operating profit (loss)	$ 4,462	7,062	4,971	(102,717)

RESULTS OF OPERATIONS

In the second quarter of 1995, the Minerals Group reported net income of $4.6 million compared with $6.8 million in the second quarter of 1994. Operating profit totaled $4.5 million in the 1995 second quarter compared with $7.1 million in the prior year second quarter. The decrease in net income and operating profit in the second quarter was primarily due to weaker steam coal markets and the timing of metallurgical coal shipments.

In the first six months of 1995, the Minerals Group reported net income of $5.1 million compared to a net loss of $67.3 million in the first six months of 1994. Operating profit totaled $5.0 million in the first six months of 1995 compared to an operating loss of $102.7 million in the first six months of 1994. The increase in both operating profit and net income is primarily attributable to the Coal operations whose 1994 results included charges for asset writedowns, accruals for costs related to facility shutdowns and operating losses incurred related to these facilities, which in the aggregate reduced operating profit and net income by $97.5 million and $63.4 million, respectively.

COAL

The following is a table of selected financial data for the Coal operations on a comparative basis:

(In thousands)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales	$ 179,987	198,380	371,270	371,796
Cost of sales	177,978	186,385	368,945	373,659
Selling, general and administrative expenses	5,622	6,742	11,702	12,963
Restructuring and other charges	-	-	-	90,806
Total costs and expenses	183,600	193,127	380,647	477,428
Other operating income	9,423	3,142	16,498	6,188
Operating profit (loss)	$ 5,810	8,395	7,121	(99,444)
Coal sales (tons):				
Metallurgical	2,244	2,415	4,633	4,876
Utility and industrial	4,025	4,779	8,528	8,387
Total coal sales	6,269	7,194	13,161	13,263
Production/purchased (tons)				
Deep	984	1,174	2,041	2,622
Surface	3,276	3,931	7,129	7,004
Contract	508	643	1,041	1,126
	4,768	5,748	10,211	10,752
Purchased	1,765	1,413	3,502	2,786
Total	6,533	7,161	13,713	13,538

Operations - Coal operations had an operating profit totaling $5.8 million in the second quarter of 1995 compared to an operating profit of $8.4 million in the second quarter of 1994. Included in the current quarter results are a pretax gain of $5.3 million from the disposition of surplus coal reserves and a $2.5 million benefit from a favorable litigation decision which reduced previously expensed employee benefit costs.

Sales volume of 6.3 million tons in the second quarter of 1995 was 13% or .9 million tons less than the 7.2 million tons sold in the 1994 second quarter. The decrease reflected weaker steam coal markets and the timing of metallurgical coal shipments. Steam coal sales volume declined 16% or .8 million tons to 4.0 million tons and metallurgical coal sales volume declined by 6% or .1 million tons to 2.3 million tons compared to the second quarter of 1994. Steam coal sales represented 64% of total volume in the second quarter of 1995, compared to 67% in the prior year quarter.

Production in the second quarter of 1995 totaled 4.8 million tons, a 17% decrease compared to the second quarter of 1994, principally reflecting the scheduled reduction in underground mine production during 1994 and early 1995 and the idling of surface steam coal mines including a surface mine in Kentucky in the second quarter. Surface production accounted for approximately 70% of total production in the second quarters of 1995 and 1994. Productivity of 36.1 tons per man day represented a 3% increase over the comparable period in 1994. Domestic steam coal markets continue to be depressed, with spot pricing at exceptionally low levels.

Coal margin (realization less current production costs of coal sold) of $9.4 million or $1.50 per ton for the second quarter of 1995, decreased $10.4 million or $1.26 per ton from the prior year second quarter. This was caused by a 9% or $2.33 per ton increase in average current production costs of coal sold to $27.13 per ton partially offset by a 4% or $1.07 per ton increase in the average realization to $28.63 per ton. Coal operations continued to incur higher than expected costs at several mines during the quarter, thereby increasing the average cost of coal mined. The increase in average cost per ton was primarily caused by: (i) 17% reduction in company production; (ii) higher costs incurred at mines idled or scheduled to close; (iii) increased costs for purchased coal; and (iv) temporarily less favorable mining and geological conditions occurring at several surface mines. Several remediation efforts have been undertaken, including the closure during the current quarter of one surface mine in Virginia.

Excluding the positive impact from both the sale of surplus coal reserves and the favorable employee benefits litigation decision, Coal operations incurred an operating loss of $2.0 million in the second quarter of 1995. As part of its strategy to achieve positive operating profit on a sustainable basis for the long-term, the following steps are being implemented: (i) reduction of overhead; (ii) evaluation of non-strategic assets for sale; (iii) improvement of margin at continuing operations; (iv) review of unprofitable mines for possible closure; and (v) review of new mine openings to take advantage of specific market opportunities.

Coal operations had an operating profit of $7.1 million in the first six months of 1995 compared to an operating loss of $99.4 million in the prior year period. The 1994 first six months operating loss included $90.8 million of charges for asset writedowns and accruals for costs related to facilities which are being closed (discussed further below) and $6.7 million of operating losses incurred during the first half related to those facilities.

Sales volume of 13.2 million tons in the first half of 1995, was .1 million tons less than the 13.3 million tons sold in the first half of 1994. Steam coal sales increased by .1 million tons to 8.5 million tons and metallurgical coal sales declined by .2 million tons to 4.6 million tons compared to the prior year. Steam coal sales represented 65% of total volume in the first half of 1995, compared to 63% in the prior year.

Production in the first half of 1995 totaled 10.2 million tons, a 5% decrease compared to the first half of 1994, principally reflecting the scheduled reduction in underground mine production during 1994 and early 1995 and the idling of surface steam coal mines. Surface production accounted for 71% and 66% of total production in the first half of 1995 and 1994, respectively. Productivity of 36 tons per man day represented a 9% increase over the comparable period in 1994.

Coal operations reached contract agreements with most of its metallurgical customers for the coal year that began April 1, 1995 calling for price increases of approximately $4.00 to $5.50 per metric ton, depending upon coal quality. These price increases had the effect of realigning pricing to levels in effect prior to last year's unusually large decline. Sales volume is expected to decline modestly from the level in the prior contract year. The price increases were in effect during a portion of the 1995 second quarter as a result of the timing of metallurgical coal shipments and were partially offset by the higher costs of purchased coal as well as increased transportation costs.

Restructuring and Other charges - As a result of the continuing long-term decline of the metallurgical coal markets, in the first quarter of 1994, management determined that four underground mines were no longer economically viable and should be closed, resulting in significant economic impairment to three related preparation plants. In addition, it was determined that one surface steam coal mine, the Heartland mine, which provided coal to Alabama Power under a long-term sales agreement, would be closed due to rising costs caused by unfavorable geological conditions.

As a result of these decisions, the Coal operations incurred pretax charges of $90.8 million ($58.1 million after tax) in the first quarter of 1994 which included a reduction in the carrying value of these assets and related accruals for mine closure costs. These charges included asset writedowns of $46.5 million which reduced the book carrying value of such assets to what management believes to be their net realizable value based on either estimated sales or leasing of such property to unrelated third parties. In addition, the charges included $3.8 million for required lease payments owed to lessors for machinery and equipment that would be idled as a result of the mine and facility closures. The charges also included $19.3 million for mine and plant closure costs which represented estimates of reclamation and other environmental costs to be incurred to bring the properties in compliance with federal and state mining and

environmental laws. This accrual was required due to the premature closing of the mines. The accrual also included $21.2 million of contractually or statutorily required employee severance and other benefit costs associated with termination of employees at these facilities and costs associated with inactive employees at these facilities. Such employee benefits include severance payments, medical insurance, workers' compensation and other benefits and have been calculated in accordance with contractually (collective bargaining agreements signed by certain coal subsidiaries included in the Coal operations) and legally required employee severance and other benefits.

Of the four underground mines, two have ceased coal production (one in the first half of 1995), while the remaining two mines are expected to cease coal production during the remainder of 1995. In 1994, Coal operations reached agreement with Alabama Power Company to transfer the coal sales contract serviced by the Heartland mine to another location in West Virginia. The Heartland mine ceased coal production during 1994, and final reclamation and environmental work is in process. At the beginning of 1994 there were approximately 750 employees involved in operations at these facilities and other administrative support. Employment at these facilities has been reduced by 78% to approximately 165 employees at June 30, 1995.

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

The following table analyzes the changes in liabilities during 1994 and 1995 for facility closure costs recorded as restructuring and other charges:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1993 (a)	$ 3,092	28,434	34,217	65,743
Additions	3,836	19,290	21,193	44,319
Payments (b)	3,141	9,468	12,038	24,647
Balance as of December 31, 1994	3,787	38,256	43,372	85,415
Payments (c)	1,018	6,294	4,198	11,510
Balance as of June 30, 1995	$ 2,769	31,962	39,174	73,905

(a) These amounts represent the remaining liabilities for facility closure costs recorded as restructuring and other charges in prior years. The original charges included $5,094 for leased machinery and equipment, $52,243 principally for incremental facility closing costs including reclamation and $54,108 for employee benefit costs, primarily workers' compensation, which will continue to be paid for several years.

(b) These amounts represent total cash payments made during 1994 for these charges. Of the total payments made, $14,494 was for liabilities recorded in years prior to 1994 and $10,153 was for liabilities recorded in 1994.

(c) Payments made in the first six months of 1995 included $6,401 related to pre-1994 liabilities and $5,109 for liabilities recorded in the first quarter of 1994.

During the next twelve months, expected cash funding of these charges is approximately $15 to $20 million. Management estimates that the remaining liability for leased machinery and equipment will be fully paid over the next

two years. The liability for mine and plant closure costs is expected to be satisfied over the next ten years of which approximately 70% is expected to be paid over the first three years. The liability for employee related costs, which is primarily workers' compensation, is estimated to be 70% settled over the next five years with the balance paid during the following five to ten years.

MINERAL VENTURES

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

(Dollars in thousands, except per ounce data)	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Net sales	$ 4,224	3,769	8,681	7,095
Cost of sales	2,882	2,659	5,855	5,166
Selling, general and administrative costs	960	959	1,577	1,931
Total costs and expenses	3,842	3,618	7,432	7,097
Other operating income (expense)	194	163	242	70
Operating profit (loss)	$ 576	314	1,491	68
Stawell Gold Mine:				
PMV's 50% direct share ounces sold	10,646	9,120	21,492	17,820
Average realized gold price per ounce (US$)	$ 394	401	397	396

Operating profit of Mineral Ventures operations increased $.3 million in the 1995 second quarter to $.6 million, from $.3 million in the second quarter of 1994. The Stawell gold mine in western Victoria, Australia, in which Mineral Ventures has a 67% net equity interest, produced 21,379 ounces in the current quarter at an average cost of $293 per ounce compared to 18,879 ounces in the second quarter of 1994 at an average cost of $282.

In the first six months of 1995, operating profit of Mineral Ventures increased $1.4 million to $1.5 million from $.1 million in the first six months of 1994. The increase in operating profit was primarily the result of increased production at the Stawell Gold Mine. An operator accident that occurred in the 1994 first quarter hindered production in 1994 and also contributed to higher operating costs for the period. The Stawell gold mine produced 42,576 ounces in the first six months of 1995 compared with 35,734 ounces in the comparable period of 1994. Mineral Ventures is continuing exploration projects in Nevada and Australia with its joint venture partner.

Successful exploration efforts indicate an increase of approximately 68,000 ounces of additional proven and probable gold reserves at the Stawell mine. At June 30, 1995, remaining proven and probable gold reserves are estimated at 480,000 ounces.

OTHER OPERATING INCOME

Other operating income increased $6.3 million to $9.6 million in the 1995 second quarter from $3.3 million in the second quarter of 1994. Other operating income totaled $16.7 million in the first six months of 1995 a $10.4 million increase over the $6.3 million recorded in the first six months of 1994. Other operating income primarily includes royalty income and gains and losses from sales of coal assets. The increase is principally the result of a $5.3 million and $8.3 million gains from the sales of surplus coal reserves in the second quarter and six month periods of 1995, respectively.

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 allocations were $1.9 million and $1.6 million in the second quarter of 1995 and 1994, respectively, and $3.6 million and $3.3 million in the first six months of 1995 and 1994, respectively.

INTEREST EXPENSE
Interest expense increased $1.5 million to $2.8 million in the second quarter of 1995 from $1.3 million in the prior year quarter. Second quarter interest expense includes $.8 million in 1995 and $.1 million in 1994 on borrowings from the Services Group. Interest expense totaled $5.1 million in the first six months of 1995 and $2.1 million in the first six months of 1994. Interest expense in the first six months of 1995 and 1994 included interest on borrowings from the Services Group totaling $1.5 million and $.1 million, respectively. The increase in the 1995 quarter and six month periods is due to higher average interest rates on higher average debt balances.

INCOME TAXES
Net income in the second quarter and six month periods ended June 30, 1995 includes a tax credit which exceeds the amount calculated based on the statutory federal income tax rate of 35% as a result of the tax benefits of percentage depletion.

FINANCIAL CONDITION
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A portion of the Company's corporate assets and liabilities has ben attributed to the Minerals Group based upon utilization of the shared services from which assets and liabilities are generated, which management believes to be equitable and a reasonable estimate.

Cash Provided by Operations
Cash provided by operating activities during the first six months of 1995 totaled $3.9 million compared to a cash requirement of $28.1 million in the first six months of 1994. Cash used by operating activities in the first six months of 1994 was negatively impacted by the integration of operating activities of Addington which required cash to finance working capital. Net income, noncash charges and changes in operating assets and liabilities in the 1994 first half were significantly affected by after-tax restructuring and other charges of $58.1 million which had minimal effect on cash generated by operations. Of the total $90.8 million of the 1994 first quarter pre-tax charges, $46.5 million was for noncash writedowns of assets and remainder represents liabilities, which are expected to be paid over the next several years.

CAPITAL EXPENDITURES
Cash capital expenditures for the first six months of 1995 totaled $11 million, excluding equipment expenditures that have been or are expected to be financed through operating leases. For the remainder of 1995, capital expenditures, excluding operating leases are projected to be approximately $15 million.

OTHER INVESTING ACTIVITIES
All other investing activities in the first six months of 1995 provided net cash of $8.0 million primarily from cash proceeds received in 1995 from the sale of coal assets. In January 1994, the Company paid approximately $157 million in cash for the acquisition of substantially all the coal mining operations and coal sales contracts of Addington. The purchase price of the acquisition was subsequently financed through the issuance of $80.5 million of a new series of preferred stock, convertible into Minerals Stock, and additional debt under revolving credit agreements.

FINANCING
The Minerals Group intends to fund its capital expenditure requirements during the remainder of 1995 primarily with anticipated cash flows from operating activities and 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 Services Group. The Company has a $350 million revolving credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100 million term loan, which matures in May 2000. The Facility also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million until May 2000. As of June 30, 1995, borrowings of $100 million were outstanding under the term loan portion

of the Facility with $28.6 million of additional borrowings outstanding under the remainder of the facility. Of the total amount outstanding under the Facility, $105.2 million was attributed to the Minerals Group. The Company, on behalf of the Minerals Group, maintains agreements with financial institutions whereby it has the right to sell certain coal receivables with recourse to those institutions. In June 1995, coal receivables of approximately $10 million were sold under these agreements.

DEBT

Outstanding debt totaled $110.5 million at June 30, 1995 up $14.8 million from the $95.7 million reported at year-end. Net cash provided by operating activities was not sufficient to fund capital expenditures and share activity, resulting in additional borrowings under the Company's revolving credit agreements.

RELATED PARTY TRANSACTIONS

At June 30, 1995 the Minerals Group owed the Services Group $42.3 million, a decrease of $5.9 million from the $48.2 million owed at December 31, 1995.

At June 30, 1995 the Services Group owed the Minerals Group $39.2 million for tax benefits, of which $21.0 million is expected to be paid within one year.

CAPITALIZATION

In January 1994, the Company issued $80.5 million (161,000 shares) of a new series of preferred stock, convertible into Minerals Stock, to finance a portion of the Addington Acquisition. Such stock has been attributed to the Minerals Group.

In 1994, the Board authorized the repurchase from time to time of up to $15.0 million of the new series of cumulative convertible preferred stock. As of June 30, 1995, 21,020 shares at a total cost of $8.4 million were repurchased of which 12,670 shares at cost of $5.0 million were repurchased in the first six months of 1995.

The Company is authorized to repurchase up to 1,250,000 shares of Services Stock and 250,000 shares of Minerals Stock, not to exceed $43 million. As of June 30, 1995, 38,500 shares ($.8 million) of Minerals Stock have been acquired pursuant to the authorization. No shares of Minerals Stock were repurchased in the first six months of 1995.

DIVIDENDS

The Board intends to declare and pay dividends on Services Stock and Minerals Stock based on earnings, financial condition, cash flow and business requirements of the Services Group and the Minerals Group, respectively. Since the Company remains subject to Virginia law limitations on dividends and to dividend restrictions in its public debt and bank credit agreements, financial developments of 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, which is adjusted by net income or losses and other equity transactions, as defined in the Company's Articles of Incorporation. At June 30, 1995 the Available Minerals Dividend Amount was at least $20.8 million.

As a result of the Company's issuance in January 1994 of 161,000 shares of a new series of preferred stock, convertible in to Minerals Stock, the Company pays annual cumulative dividends of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available therefore, when, and if declared by the Board which commenced March 1, 1994. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon.

During the 1995 and 1994 six month periods, the Board declared and paid cash dividends of .325 cents per share of Minerals Stock. Dividends paid on the cumulative convertible preferred stock in the first six months of 1995 were $2.3 million. Preferred dividends included on the Minerals Group's Statement of Operations for the six months ended June 30,1995 are net of $1.0 million which was the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock.

Part II - Other Information

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit Number

10* Employment agreement dated as of June 1, 1995, between the Registrant and D. L. Marshall.

11 Statement re Computation of Earnings Per Common Share.

(b) No reports on Form 8-K were filed during the second quarter of 1995.

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*Management contract or compensatory plan or arrangement

SIGNATURE

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

THE PITTSTON COMPANY

August 11, 1995 By G. R. Rogliano

(G. R. Rogliano)
Vice President -
Controllership and Taxes
(Duly Authorized Officer and
Chief Accounting Officer)

The Pittston Company and Subsidiaries Exhibit 11
Computation of Earnings Per Common Share
(In thousands, except per share amounts)

Fully Diluted Earnings Per Common Share: (a)

		Three Months Ended June 30		Six Months Ended June 30	
		1995	1994	1995	1994
PITTSTON SERVICES GROUP:					
Net income attributed to common shares	$	19,974	21,288	33,569	31,799
Average common shares outstanding		37,916	37,739	37,912	37,715
Incremental shares of stock options		323	483	353	505
Pro forma common shares outstanding		38,239	38,222	38,265	38,220
Fully diluted earnings per common share:	$	.52	.56	.88	.83
PITTSTON MINERALS GROUP:					
Net income (loss) attributed to common shares	$	3,541	5,493	3,928	(69,592)
Preferred stock dividends, net		1,093	1,257	1,176	2,263
Fully diluted net income (loss) attributed to common shares	$	4,634	6,750	5,104	(67,329)
Average common shares outstanding		7,811	7,577	7,764	7,565
Incremental shares of stock options		2	67	28	87
Conversion of preferred stock		2,175	2,504	2,246	2,253
Pro forma common shares outstanding		9,988	10,148	10,038	9,905
Fully diluted earnings (loss) per common share:	$	.45 (a)	.67	.51	(9.20)(a)

(a) Antidilutive, therefore the same as primary.

PRIMARY EARNINGS PER SHARE:
Primary earnings per share can be computed from the information on the face of the Consolidated Statements of Operations.

Exhibit 10

As of June 1, 1995

Mr. David L. Marshall
28 Glenmoor Place
Hilton Head Island
South Carolina 29926

Dear David:

This will set forth the terms and conditions of your employment by The Pittston Company (the "Company") from and after the date of this agreement.

1. Employment. The Company agrees to employ you, and you agree to serve in the Company's employ, on and subject to the terms and conditions hereinafter set forth, for the period commencing on the date of this agreement and ending on May 31, 1998 (the "Employment Period"). This agreement shall replace all prior and/or existing employment agreements between the Company and you, including, without limitation, the Agreement dated as of September 1, 1992, the Supplemental Agreement dated February 27, 1984, including any amendments or modifications to such agreements, the Agreement dated as of June 1, 1994 and the Amendment to the June 1, 1994 Agreement dated as of September 16, 1994 (together, the "Prior or Existing Agreements"). As of the effective date of the Employment Period, all such Prior or Existing Agreements shall terminate to the extent they have not already been terminated. It is understood that your employment pursuant to the terms and conditions of this Agreement shall continue notwithstanding your election as of June 1, 1996 to retire, an Early Retirement Date under the Pittston Pension Plan, which election you hereby confirm.

2. Duties. Subject to the further provisions of this Section 2, during the Employment Period you will, as and to the extent hereinafter provided, render services to the Company and, at its request, to one or more of its affiliates ("Affiliates"). All such services will be rendered at the request of and subject to the direction and control of the Chairman of the Board of the Company. Such services may include, among other things, representation of the Company and its Affiliates in the negotiation and completion of mergers and acquisitions and the provision of advice to and consultation with members of management of the Company and its Affiliates with respect to various matters. In addition, you agree, if nominated and elected, to serve as a director of the Company.

During the Employment Period you will use your best efforts to perform faithfully and efficiently the responsibilities assigned to you hereunder, except for temporary periods of illness or incapacity.

It is understood and agreed, with respect to the services to the Company which you shall render pursuant to this Section 2, that

(i) the Chairman of the Board will, insofar as reasonably practicable, consider your convenience in the timing of requests, and your failure or inability, by reason of temporary illness or other cause beyond your control, to respond to such requests during any such temporary period shall not be deemed to constitute a default on your part in the performance hereunder of such services; provided, however, that after June 1, 1996, the number of hours that you will be required to devote to fulfilling your obligations under this Agreement will be fewer than forty hours per calendar month; and

(ii) except as and to the extent that the Chairman of the Board or his designee may otherwise prescribe in writing, you shall not have any authority to negotiate or conclude any contracts on behalf of, or otherwise to bind, the Company or any of its Affiliates.

3. Compensation. (a) During the Employment Period you will receive for all services to be rendered by you pursuant to Section 2 above (i) for the period ending May 31, 1996, a salary at the rate of $150,000 per year and (ii) thereafter a salary at the rate of $40,000 per year, payable in equal installments no less frequently than monthly.

(b) Eligibility for Certain Benefit Plans. In addition to your salary, during the period ending May 31, 1996 you will be entitled to participate in the Company's

Pension-Retirement Plan, Savings-Investment Plan and all other employee benefit plans in which you participate as of the day prior to the Employment Period, in accordance with the terms and conditions of each such plan. On and after June 1, 1996, you will participate in all employee benefit plans in which you will be eligible, but only in accordance with the terms and conditions of each such plan, subject to the provisions of Section 3(d) below. On and after June 1, 1996, the Company will provide you with $300,000 of group term life insurance.

(c) Supplemental Retirement Benefit. You have been provided with a Supplemental Retirement Benefit pursuant to which you shall be entitled to receive a pension calculated in accordance with the provisions of the Pension-Retirement Plan of The Pittston Company and Its Subsidiaries (the "Pittston Pension Plan") (except that the limitations set forth in Section 13.01(a) thereof and in the second paragraph of Section 13.07 thereof shall be disregarded) with full credit for determining your benefit accrual for the period of your employment with Freeport-McMoRan Inc., the Company or any of their respective Affiliates (as hereinafter defined) or predecessor companies. The amount of such Supplemental Retirement Benefit will be offset by the following:

- the amount of any benefit payable to you in respect to the Freeport-McMoRan Retirement Plan;

- the amount of any benefit payable to you under the Pittston Pension Plan and any other pension plan of the Company; and

- the amount of any general offset specifically set forth in the Pittston Pension Plan (it being understood and agreed that any such offset shall be applied without duplication of any offset (whether in respect of the Social Security taxable wage base or otherwise) taken into account in calculating benefits under such Plan).

For purposes of determining the net Supplemental Retirement Benefit under this Section 3(c), the Supplemental Retirement Benefit before offset and the amount of the benefits which offset the Supplemental Retirement Benefit shall be calculated on an actuarially equivalent basis (i.e., assuming the same frequency of payments (e.g., monthly), the same commencement date for payments, and to the extent feasible the same form of annuity (e.g., single life annuity)).

It is the intention of the parties that payments under this Section 3(c) shall be made to you (or your beneficiary) at such time and in such manner as provided for under the Pittston Pension Plan and that the procedures, terms and provisions of that Plan, generally, shall be applicable hereunder. The obligation of the Company under this Section 3(c) to provide a pension and the obligations of the Company under Section 4 below shall continue in effect notwithstanding the termination (for any reason) of your employment with the Company and its Affiliates.

As used in this Agreement, the term "affiliate" shall have the meaning ascribed thereto in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934 as in effect on the date of this Agreement.

(d) Eligibility for Retiree Medical Benefits. In the event that your employment shall terminate for any reason, or if you shall, at any time, elect to retire on an Early Retirement Date under the Pittston Pension Plan, you shall be deemed to be eligible for early retiree medical coverage under the Company's Comprehensive Medical Expense Benefits Plan (the "Medical Plan"), anything in this Agreement or the Medical Plan to the contrary notwithstanding. The obligation of the Company under this Section 3(d) to provide such coverage shall continue in effect notwithstanding the termination of your employment with the Company and its Affiliates; provided, however, that nothing herein shall affect in any way the Company's right to make future changes in the Medical Plan or to terminate the Plan entirely; and provided, further, that any such change which relates to your eligibility for such coverage under the Plan (including the so-called "rule of 75") or which has the purpose or effect of discriminating against you or your beneficiaries as to benefits under such Plan shall not adversely affect such eligibility or benefits as applicable immediately prior to such change.

(e) Business Expenses. During the Employment Period the Company shall, in accordance with policies then in effect with respect to payments of expenses, pay or reimburse you for all reasonable out-of-pocket travel and other expenses (other than ordinary commuting expenses) incurred by you in performing services hereunder. All such expenses shall be accounted for in such reasonable detail as the Company may require.

4. Supplemental Retirement Benefits; Change in Control. The provisions of this Section 4 shall be

controlling, anything in the other provisions of this Agreement to the contrary notwithstanding.

(a) In the event that a Change in Control (as hereinafter defined in subparagraph (b) of this Section 4 shall occur or the Company's Board of Directors shall in its discretion determine that a Change in Control is anticipated within 90 days from the date of such determination, the Company shall forthwith take such action as shall be necessary or appropriate to activate the trust agreement dated as of September 16, 1994 between the Company and The Chase Manhattan Bank (National Association), as trustee, by the payment in cash to the trustee under such trust agreement of the aggregate amount which A. Foster Higgins & Co. Inc. (or another nationally recognized firm of actuaries selected by the Board) shall determine, on the basis of mortality and other assumptions at the time applicable under the Pittston Pension Plan, to be required to provide all projected benefit obligations to you (or your beneficiary) under Section 3(c) of this Agreement, as of the date the Change in Control occurs or as of the date of such determination, as the case may be. All expenses and income and other taxes in connection with the establishment and operation of such trust shall be paid by the Company.

(b) For purposes of this Section 4, a Change in Control shall be deemed to occur if either (i) any person, or any two or more persons acting as a group, and all affiliates of such person or persons, shall own beneficially more than 20% of the total voting power in the election of directors of the Company of shares of all classes of Common Stock of the Company outstanding (exclusive of shares held by any corporation of which shares representing at least 50% of the ordinary voting power are owned, directly or indirectly by the Company) pursuant to a tender offer, exchange offer or series of purchases or other acquisitions, or any combination of those transactions, or (ii) there shall be a change in the composition of the Company's Board of Directors at any time within two years after any tender offer, exchange offer, merger, consolidation, share exchange, sale of assets or contested election, or any combination of those transactions (a "Transaction"), so that (i) the persons who were directors of the Company immediately before the first such Transaction cease to constitute a majority of the board of directors of the corporation which shall thereafter be in control of the companies or other entities that were parties to or otherwise involved in such first Transaction, or (ii) the number of persons who shall thereafter be directors of such corporation shall be fewer than two-thirds of the number of directors of the Company immediately prior to such first Transaction. A Change in Control shall be deemed to take place upon the first to occur of the events specified in the foregoing clauses (i) and (ii).

(c) In addition to all other rights under applicable law, you shall, from and after the date on which a Change in Control shall occur or be anticipated as provided in subparagraph (b) above, have the right to bring an action to enforce the provisions of this Section 4 by seeking injunctive relief and/or damages, and the Company shall be obligated to pay or reimburse you to the extent that you prevail, in whole or in substantial part, for all reasonable expenses, including attorney's fees, in connection with such action.

(d) The foregoing provisions of this Section 4 shall be construed liberally to the end that accrued benefits under this Section 4 shall be assured to the fullest extent practicable; provided, however, that nothing in this Section 4 shall be construed in a manner that would subject you to current taxation on establishment of the trust.

(e) Nothing in this Section 4 shall of itself be deemed to increase the amount of any accrued benefits to which you shall have become entitled under Section 3(c) of this Agreement. The establishment and activation of the trust agreement referred to in subparagraph (a) of this Section 4 shall not be deemed to relieve the Company of its obligations to you under such Section 3(c) except pro tanto to the extent that amounts in respect thereof are paid under such trust agreement to you.

5. Termination. (a) Death. This agreement shall terminate automatically upon your death.

(b) Cause. The Company may terminate your employment for Cause. For purposes of this agreement, "Cause" means (i) an act or acts of dishonesty or disloyalty on your part which are intended to result in your substantial personal enrichment at the expense of the Company or any of its Affiliates or to adversely affect the business of any of them or (ii) a violation or violations by you of your obligations under Section 8 or Section 9 other than any insubstantial and inadvertent violation remedied by you promptly after receipt of notice thereof given by the Company.

6. Obligations of the Company upon Termination.

(a) Death. If your employment is terminated by reason of your death, this agreement shall terminate without further obligations to your legal representatives under this agreement other than those obligations accrued hereunder at the date of your death.

(b) Cause. If your employment is terminated for Cause, the Company shall pay you your full salary through the date of such termination at the rate in effect at such date., and the Company shall have no further obligations to you under Sections 3(a), (b) or (e) of this agreement; provided, however, that the Company's obligations under Sections 3(c) and (d) shall continue notwithstanding termination under either Section 6(a) or (b).

7. Full Settlement. Subject to full compliance by the Company with all of its obligations under this agreement, this agreement shall be deemed to constitute the settlement of such claims as you might otherwise be entitled to assert against the Company by reason of the termination of your employment for any reason during or after the Employment Period, including, without limitation, all claims for discrimination on the basis of age, sex or race or for any other alleged violation of public policy arising out of such termination. The Company agrees to pay, to the fullest extent permitted by law, all expenses (including, without limitation, counsel fees) which you may reasonably incur as a result of your successful contest, by judicial proceedings or otherwise, of the validity or enforceability of, or liability under, any provision of this agreement. The parties acknowledge and agree that the foregoing constitutes a complete release of all such claims.

8. Covenant Not to Compete. You agree that during the Employment Period and during the period ending two years thereafter (the "Non-Compete Period"), you shall not compete with any business then conducted by the Company or any Affiliate within the Pittston Services Group (the "Business"). For purposes of this Agreement, the term "compete" shall mean engaging in a business as a more than ten percent (10%) stockholder, an officer, a director, an employee, a partner, an agent, a consultant, or any other individual or representative capacity if it involves:

(i) engaging in the Business in competition with the Company or an Affiliate within the Pittston Services Group in any state of the United States in which the Company or any of such Affiliates (which shall mean for purposes of this Section 8 any such Affiliate in which the Company owns, directly or indirectly, an equity interest of twenty percent (20%) or more) operates at anytime during the Non-Compete Period; or

(ii) rendering services or advice pertaining to the Business to or on behalf of any person, firm or corporation which is in competition with the Company or any Affiliate within the Pittston Services Group at any time during the Non-Compete Period in any state of the United States.

In the event the restrictions against engaging in a competitive activity contained in this Section 8 shall be determined by any court of competent jurisdiction to be unenforceable by reason of its extending for too great a period of time or over too great a geographic area or by reason of its being too extensive in any other respect, it shall be interpreted to extend only over the maximum period of time for which it may be enforceable, and over the maximum geographic area as to which it may be enforceable and to the maximum extent in all other respects as to which it may be enforceable, all as determined by such court in such action.

Clauses (i) and (ii), above, are intended by the Company as separate and divisible provisions, and if for any reason any one is held to be invalid or unenforceable, neither the validity nor the enforceability of the other shall thereby be affected.

9. Confidential Information. (a) You acknowledge that in the course of your employment you may receive, have access to, or develop confidential or proprietary information or trade secrets relating to the business of the Company or its Affiliates. You will hold in a fiduciary capacity for the benefit of the Company and such Affiliates all such confidential or proprietary information, secrets, knowledge or data relating to their respective businesses, including, without limitation, information relating to strategic plans, public and shareholder relations, marketing, pricing, purchasing of transportation (ground or air) arrangements, plans or programs, computer programs, communication systems, cost data, or customer lists, obtained by you prior to, during or after the Employment Period, and you will not, during the Employment Period or thereafter, communicate or divulge any such information, secrets, knowledge or data to any other person, firm or corporation without the prior written consent of the

Chairman of the Board of the Company. All records, files, drawings, documents, notes, equipment and the like relating to the business or activities of the Company or any of such Affiliates which you shall prepare or use or come into contact with shall be and remain the sole property of the Company or such Affiliates, as the case may be, and upon termination of your employment with the Company all of such property shall be returned to the Company in accordance with the directions given by it.

(b) Equitable Relief. You acknowledge that the foregoing provisions of Sections 8 and 9 are essential to the Company and are reasonable and necessary to protect the legitimate interests of the Company and its Affiliates and that damages sustained by the breach of such provisions would cause irreparable harm to the Company because of the special services that have been performed by you and that recovery of damages at law would not be an adequate remedy. You further agree that the Company and its Affiliates, in addition to any other remedy which any of them may have under this agreement or at law, shall be entitled to injunctive and other equitable relief to prevent to curtail any breach of any such provision. If any provision of Sections 8 or 9 shall be deemed to be invalid, illegal or unenforceable as written by reason of the extent or duration thereof, or otherwise, the determining body or authority making such determination shall be empowered to reduce such provision so as to be enforceable to the greatest extent possible and, as so reduced, such provision shall then be deemed to be rewritten and enforced as reduced.

(c) The provisions of this Section 9 shall survive the termination of this agreement.

10. Successors. (a) This agreement is personal to you and without the prior written consent of the Company shall not be assignable by you or otherwise than by will or the laws of descent and distribution. This agreement shall inure to the benefit of and be enforceable by your legal representatives.

(b) This agreement shall inure to the benefit of and be binding upon the Company and its successors.

11. Governing Law. This agreement shall be governed by and construed in accordance with the substantive and procedural law of New York without reference to principles of conflict of laws. The parties hereto agree that any dispute hereunder may be submitted to any court of competent jurisdiction in New York and for purposes thereof each party hereto submits to such jurisdiction.

12. Miscellaneous. (a) This agreement contains the entire understanding with you with respect to the subject matter hereof and supersedes any and all prior agreements or understandings, written or oral, relating to such subject matter. This agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. The captions of this agreement are not part of the provisions hereof and shall have no force or effect.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepared, addressed as follows:

If to you:

28 Glenmoor Place
Hilton Head Island
South Carolina 29926

If to the Company:

100 First Stamford Place
P. O. Box 120070
Stamford, CT 06912-0070

Attention: Chairman of the Board

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be deemed to be given when mailed by certified or registered mail, return receipt requested.

(c) The invalidity or unenforceability of any provision of this agreement shall not affect the validity or enforceability of any other provision of this agreement.

(d) The Company may withhold from any amounts payable under this agreement such federal, state or local taxes for which withholding is provided pursuant to any applicable law or regulation.

Please confirm that the foregoing is in accordance

with our agreement.

Very truly yours,

THE PITTSTON COMPANY

By______________________________
Chairman of the Board

I hereby confirm that the foregoing is in accordance with our agreement.

____
David L. Marshall

Dated as of June 1, 1995

This schedule contains summary financial information from The Pittston Company
Form 10-Q for the quarterly period ended June 30, 1995, and is qualified in its
entirety by reference to such financial statements.

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6-MOS
DEC-31-1995
JUN-30-1995
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Pittston Services Group - Primary - .89
Pittston Minerals Group - Primary - .51
Pittston Services Group - Diluted - .89
Pittston Minerals Group - Diluted - .51