SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 1996

[ ] 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 (I.R.S. Employer
incorporation or organization) Identification No.)

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

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

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

Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 41,573,743 shares of $1 par value Pittston Brink's Group Common Stock, 20,718,972 shares of $1 par value Pittston Burlington Group Common Stock and 8,405,908 shares of $1 par value Pittston Minerals Group Common Stock as of November 11, 1996.

Part I - Financial Information
The Pittston Company and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)

	September 30, 1996	December 31, 1995
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 54,623	52,823
Short-term investments, at lower of cost or market	2,223	29,334
Accounts receivable (net of estimated amount uncollectible: 1996 - $15,986; 1995 - $16,075)	427,322	421,246
Inventories, at lower of cost or market	41,400	46,399
Prepaid expenses	31,990	31,556
Deferred income taxes	49,841	55,335
Total current assets	607,399	636,693
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1996 - $455,500; 1995 - $437,346)	519,743	486,168
Intangibles, net of amortization	317,382	327,183
Deferred pension assets	124,059	123,743
Deferred income taxes	64,686	72,343
Other assets	155,586	161,242
Total assets	$ 1,788,855	1,807,372

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Short-term borrowings	$ 35,645	37,063
Current maturities of long-term debt	5,092	7,280
Accounts payable	238,966	263,444
Accrued liabilities	290,410	286,701
Total current liabilities	570,113	594,488
Long-term debt, less current maturities	149,967	133,283
Postretirement benefits other than pensions	225,110	219,895
Workers' compensation and other claims	116,235	125,894
Deferred income taxes	13,633	17,213
Other liabilities	130,738	194,620
Shareholders' equity:		
Preferred stock, par value $10 per share:		
Authorized: 2,000 shares $31.25 Series C Cumulative Convertible Preferred Stock		
Issued: 1996 - 115,360 shares; 1995 - 136,280 shares	1,154	1,362
Pittston Brink's Group common stock, par value $1 per share:		
Authorized: 100,000,000 shares		
Issued: 1996 - 41,573,743 shares; 1995 - 41,573,743 shares	41,574	41,574
Pittston Burlington Group common stock, par value $1 per share:		
Authorized: 50,000,000 shares		
Issued: 1996 - 20,766,572 shares; 1995 - 20,786,872 shares	20,766	20,787
Pittston Minerals Group common stock, par value $1 per share:		
Authorized: 20,000,000 shares		
Issued: 1996 - 8,405,908 shares; 1995 - 8,405,908 shares	8,406	8,406
Capital in excess of par value	417,071	401,633
Retained earnings	250,385	188,728
Equity adjustment from foreign currency translation	(20,546)	(20,705)
Employee benefits trust, at market value	(135,751)	(119,806)
Total shareholders' equity	583,059	521,979
Total liabilities and shareholders' equity	$ 1,788,855	1,807,372

See accompanying notes to consolidated financial statements.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	1996	1995	1996	1995
Net sales	$ 177,195	177,702	522,715	557,653
Operating revenues	609,678	574,751	1,759,654	1,605,651
Net sales and operating revenues	786,873	752,453	2,282,369	2,163,304
Costs and expenses:				
Cost of sales	167,907	167,261	531,128	542,061
Operating expenses	502,222	476,614	1,465,739	1,346,739
Restructuring and other charges, including litigation accrual	-	-	(35,650)	-
Selling, general and administrative expenses	74,711	68,381	218,033	195,002
Total costs and expenses	744,840	712,256	2,179,250	2,083,802
Other operating income	3,684	3,135	13,742	22,417
Operating profit	45,717	43,332	116,861	101,919
Interest income	880	902	2,216	2,554
Interest expense	(3,409)	(3,665)	(10,533)	(10,409)
Other expense, net	(2,506)	(1,817)	(6,912)	(4,013)
Income before income taxes	40,682	38,752	101,632	90,051
Provision for income taxes	11,638	9,153	28,542	21,779
Net income	29,044	29,599	73,090	68,272
Preferred stock dividends, net	146	(521)	(773)	(1,697)
Net income attributed to common shares	$ 29,190	29,078	72,317	66,575
Pittston Brink's Group:				
Net income attributed to common shares	$ 15,841	14,613	41,714	36,124
Net income per common share	$ .41	.38	1.09	.95
Cash dividend per common share	$ .025	.023	.075	.069
Pittston Burlington Group:				
Net income attributed to common shares	$ 10,705	10,524	23,214	22,582
Net income per common share	$ .56	.55	1.21	1.19
Cash dividends per common share	$ .06	.054	.18	.162
Pittston Minerals Group:				
Net income attributed to common shares	$ 2,644	3,941	7,389	7,869
Net income per common share:				
Primary	$ .33	.51	.94	1.01
Fully diluted	$ .25	.45	.82	.96
Cash dividends per common share	$ .1625	.1625	.4875	.4875

See accompanying notes to consolidated financial statements.

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

	Nine Months Ended September 30 1996	1995
Cash flows from operating activities:		
Net income	$ 73,090	68,272
Adjustments to reconcile net income to net cash provided by operating activities:		
Noncash charges and other write-offs	24,259	-
Depreciation, depletion and amortization	82,880	78,710
Provision for aircraft heavy maintenance	23,980	19,226
Provision for deferred income taxes	10,496	8,564
Provision (credit) for pensions, noncurrent	1,043	(2,729)
Provision for uncollectible accounts receivable	5,313	3,741
Equity in earnings of unconsolidated affiliates, net of dividends received	(1,364)	1,516
Other operating, net	5,401	(559)
Change in operating assets and liabilities net of effects of acquisitions:		
Increase in accounts receivable	(14,644)	(49,547)
Decrease (increase) in inventories	4,999	(12,601)
Increase in prepaid expenses	(1,105)	(5,136)
(Decrease) increase in accounts payable and accrued liabilities	(23,046)	12,113
(Increase) decrease in other assets	(7,622)	43
Decrease in other liabilities	(49,437)	(17,335)
Decrease in workers' compensation and other claims, noncurrent	(9,659)	(13,500)
Other, net	338	(1,464)
Net cash provided by operating activities	124,922	89,314
Cash flows from investing activities:		
Additions to property, plant and equipment	(116,294)	(81,325)
Aircraft heavy maintenance	(15,215)	(11,406)
Proceeds from disposal of property, plant and equipment	12,496	18,525
Acquisitions, net of cash acquired, and related contingent payments	(971)	(3,727)
Other, net	6,519	2,908
Net cash used by investing activities	(113,465)	(75,025)
Cash flows from financing activities:		
Additions to debt	20,375	18,482
Reductions of debt	(9,510)	(13,752)
Repurchase of stock of the Company	(8,268)	(10,606)
Proceeds from exercise of stock options	3,101	2,954
Proceeds from stock purchased by benefit plans	362	767
Dividends paid	(13,242)	(13,284)
Cost of Brink's Stock Proposal	(2,475)	-
Net cash used by financing activities	(9,657)	(15,439)
Net increase (decrease) in cash and cash equivalents	1,800	(1,150)
Cash and cash equivalents at beginning of period	52,823	42,318
Cash and cash equivalents at end of period	$ 54,623	41,168

See accompanying notes to consolidated financial statements.

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

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

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

	Third Quarter		Nine Months	
	1996	1995	1996	1995
Brink's Stock	38,264	37,916	38,158	37,914
Burlington Stock	19,283	18,958	19,161	18,957
Minerals Stock:				
Primary	7,926	7,804	7,872	7,781
Fully diluted	9,819	9,964	9,920	10,013

The average number of shares outstanding used in the earnings per share computations do not include the shares of Brink's Stock, Burlington Stock and Minerals Stock held in the Company's Employee Benefits Trust which totaled 3,256 (3,628 in 1995), 1,389 (1,814 in 1995) and 446 (619 in 1995), respectively, at September 30, 1996.

(3) The amounts of depreciation, depletion and amortization of property, plant and equipment in the third quarter and nine month periods of 1996 totaled $22,609 ($20,443 in 1995) and $66,423 ($59,777 in 1995), respectively.

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

	Third Quarter		Nine Months	
	1996	1995	1996	1995
Interest	$ 3,264	3,103	11,285	10,185
Income taxes	$ 7,567	1,193	15,749	17,667

During the nine months ended September 30, 1996 and 1995, capital lease obligations of $2,130 and $4,486, respectively, were incurred for leases of property, plant and equipment.

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 Statements of Cash Flows as "Cash flows from investing activities: Proceeds from disposal 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 Statements of Cash Flows as "Cash flows from investing activities: Proceeds from disposal of property, plant and equipment".

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

In late March 1996, a settlement was reached in the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: $25,845 upon dismissal of the Evergreen Case in March 1996 and the remainder of $24,000 in installments of $7,000 in August 1996 and $8,500 in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Company. The amount previously escrowed and accrued was included in "Short-term investments" and "Accrued liabilities" on the Company's balance sheet. The second payment of $7,000 was paid in the third quarter of 1996 and was funded through cash provided by operating activities. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. Separate lawsuits against each of the UMWA and the Bituminous Coal Operators Association, previously reported, have also been dismissed.

As a result of the settlement of these cases at an amount lower than previously accrued in 1993, the Company recorded a pretax benefit of $35,650 ($23,173 after tax) in the first quarter of 1996 in its consolidated financial statements.

(6) As of January 1, 1996, the Company implemented a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable.

In accordance with SFAS No. 121, the Company grouped its long-lived assets at the lowest level for which there are identifiable cash flows that are independent of the cash flows of other groups of assets, and determined the recoverability of such assets by comparing the sum of the expected undiscounted future cash flows with the carrying amount of the assets. The impact of adopting SFAS No. 121 resulted in a pretax charge to earnings as of January 1, 1996 for the Company's Coal operations of $27,839 ($18,095 after tax), of which $24,203 was included in cost of sales and $3,636 was included in selling, general and administrative expenses. Assets for which the impairment loss was recognized consisted of property, plant and equipment, advanced royalties and goodwill. These assets primarily related to mines scheduled for closure in the near term and idled facilities and related equipment. Based on current mining plans, geological conditions, and current assumptions related to future realization and costs, the sum of the expected undiscounted future cash flows was less than the carrying amount of the assets, and accordingly, an impairment loss was recognized. The loss was calculated based on the excess of the carrying value of the assets over the present value of estimated expected future cash flows, using a discount rate commensurate with the risks involved. The adoption of SFAS No. 121 had no impact on the Brink's and Burlington Groups' financial statements as of January 1, 1996.

(7) 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 nine months of 1996 and 1995 by $3,472 and $3,204, respectively, and for the third quarter of 1996 and 1995 by $1,296 and $1,255, respectively. The effect of this change increased net income per common share of the Brink's Group for the first nine months of 1996 and 1995 by $.06 and $.05, respectively, and by $.02 for both the third quarter 1996 and 1995.

(8) During the quarter and nine months ended September 30, 1996, the Company purchased 10,320 and 20,920 shares of its Series C Cumulative Convertible preferred stock, respectively. Preferred dividends included on the statement of operations for the quarter and nine months ended September 30, 1996, are net of $1,020 and $2,120, respectively, which is the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock. During the quarter and nine months ended September 30, 1995, the Company purchased 3,700 and 16,370 shares, respectively, of its preferred stock. Preferred dividends for the third quarter and first nine months of 1995 were net of $535 and $1,579, respectively, which was the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock.

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

(10) All adjustments have been made which are, in the opinion of management, necessary for 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
(In Thousands)

	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Revenues:				
Burlington	$ 377,656	365,793	1,093,017	1,031,687
Brink's	192,491	176,507	551,756	480,141
BHS	39,531	32,451	114,881	93,823
Coal	172,603	173,985	507,967	545,255
Mineral Ventures	4,592	3,717	14,748	12,398
Consolidated revenues	$ 786,873	752,453	2,282,369	2,163,304
Operating profit (loss):				
Burlington	$ 20,466	17,449	45,479	39,913
Brink's	16,033	12,263	37,935	29,882
BHS	11,509	10,386	34,012	28,702
Coal	5,393	8,075	14,960	15,196
Mineral Ventures	(324)	(816)	1,425	675
Segment operating profit	53,077	47,357	133,811	114,368
General corporate expense	(7,360)	(4,025)	(16,950)	(12,449)
Consolidated operating profit	$ 45,717	43,332	116,861	101,919

RESULTS OF OPERATIONS

In the third quarter of 1996, The Pittston Company (the "Company") reported net income of $29.0 million compared with $29.6 million in the third quarter of 1995. Operating profit totaled $45.7 million in the 1996 third quarter compared with $43.3 million in the prior year third quarter. Increased operating profits at Brink's Home Security, Inc. ("BHS") ($1.1 million), Brink's, Incorporated ("Brink's") ($3.8 million) and Burlington Air Express Inc. ("Burlington") ($3.0 million) as well as a decrease in operating loss at Pittston Mineral Ventures ("Mineral Ventures") ($0.5 million) were only partially offset by lower operating profits at Coal operations ($2.7 million) and higher general corporate expenses ($3.3 million) of which, $2.7 million related to the relocation of the Company's corporate headquarters to Richmond, Virginia.

In the first nine months of 1996, the Company reported net income of $73.1 million compared with $68.3 million in the first nine months of 1995. Operating profit totaled $116.9 million in the first nine months of 1996 compared with $101.9 million in the 1995 nine month period. Net income and operating profit in the first nine months of 1996 included two non-recurring items which impacted the Company's Coal operations: a benefit from the settlement of the Evergreen lawsuit at an amount lower than previously accrued ($35.7 million or $23.2 million after tax) and a charge related to the implementation of a new accounting standard regarding the impairment of long-lived assets ($27.8 million or $18.1 million after tax). Increased operating profits in the first nine months of 1996 achieved at BHS ($5.3 million), Brink's ($8.1 million), Burlington ($5.6 million) and Mineral Ventures ($0.8 million) were partially offset by a decrease in operating profit at Coal operations ($0.2 million) as well as higher general corporate expenses ($4.5 million), of which, $2.9 million related to the relocation of the Company's corporate headquarters.

Burlington

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

(In thousands - except per pound/shipment amounts)		Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Revenues:					
Expedited freight services:					
Domestic U.S.	$	142,506	133,430	405,238	389,712
International		175,516	179,281	517,692	509,526
Total expedited freight services	$	318,022	312,711	922,930	899,238
Customs clearances		34,496	32,308	100,473	80,592
Ocean and other (a)		25,138	20,774	69,614	51,857
Total revenues	$	377,656	365,793	1,093,017	1,031,687
Operating profit:					
Domestic U.S.	$	11,783	8,781	25,520	20,261
International		8,683	8,668	19,959	19,652
Total operating profit	$	20,466	17,449	45,479	39,913
Depreciation and amortization	$	5,143	4,957	15,957	14,659
Cash capital expenditures	$	10,495	6,299	25,609	19,799
Expedited freight services shipment growth rate (b)		(0.5%)	8.2%	2.8%	5.8%
Expedited freight services weight growth rate (b):					
Domestic U.S.		6.7%	(4.3%)	5.0%	(4.2%)
International		(1.7%)	31.9%	4.5%	30.6%
Worldwide		2.2%	12.1%	4.7%	11.5%
Expedited freight services weight (million pounds)		362.0	354.0	1,059.2	1,011.3
Expedited freight services shipments (thousands)		1,294	1,300	3,914	3,808
Expedited freight services average:					
Yield (revenue per pound)	$	.879	.883	.871	.889
Revenue per shipment	$	246	241	236	236
Weight per shipment (pounds)		280	272	271	266

(a) Primarily international ocean freight.
(b) Compared to the same period in the prior year.

Burlington's third quarter worldwide operating profit amounted to $20.5 million, an increase of $3.0 million (17%) from the level reported in the third quarter of 1995. Worldwide revenues increased by 3% to $377.7 million from $365.8 million in the 1995 quarter. The $11.9 million growth in revenues principally reflects a 2% increase in worldwide expedited freight services pounds shipped, which reached 362.0 million pounds in the third quarter of 1996, and a 12% increase in other revenues (primarily customs clearance and ocean). Worldwide expenses amounted to $357.2 million, $8.8 million (3%) higher than in the third quarter of 1995.

Domestic expedited freight services revenue of $142.5 million was $9.1 million (7%) higher than the prior year quarter. Domestic operating profit increased to $11.8 million in the third quarter of 1996 from $8.8 million in the prior year quarter. Operating profit benefited from stable pricing and higher volumes in the aerospace, electronics and consumer products segments, partially offset by declines in the automotive sector. Domestic average yields continued to be modestly higher than the levels of late 1995 and early 1996.

During the quarter, Burlington benefited from the initiation in mid September of a 4.2(cents) per pound surcharge on domestic shipments. This surcharge is designed to partially offset some of the cost increases experienced by Burlington's domestic operations during 1996. These costs include the reimposition of a Federal Excise Tax on air cargo, higher jet fuel prices, a Federal Fuel Tax and new FAA-mandated security and maintenance requirements.

International expedited freight services revenue of $175.5 million in the third quarter decreased slightly from the $179.3 million reported in the comparable quarter in 1995. Revenues from other activities, primarily international, which include transactions such as import related services as well as ocean freight services, increased 12% or $6.6 million to $59.6 million. International operating profit amounted to $8.7 million in the third quarter of 1996, unchanged from the 1995 quarter. International expedited freight services pricing slightly decreased from the third quarter of 1995 as overseas price weakness was only partially offset by improvement in U.S. export pricing.

Burlington's worldwide operating profit amounted to $45.5 million in the first nine months of 1996, an increase of $5.6 million (14%) from the level reported in the first nine months of 1995. Worldwide revenues increased by 6% to $1,093.0 million from $1,031.7 million in the 1995 nine months. The $61.3 million growth in revenues principally reflects a 5% increase in worldwide expedited freight services pounds shipped, reaching 1,059.2 million pounds in the third quarter of 1996, and a 28% increase in other revenues (primarily customs clearance and ocean), partially offset by a 2% decline in the worldwide average yield. Worldwide expenses amounted to $1,047.5 million, $55.7 million (6%) higher than in the first nine months of 1995.

Domestic expedited freight services revenue of $405.2 million in the first nine months of 1996 was $15.5 million (4%) higher than the prior year period. Domestic operating profit increased to $25.5 million in the first nine months of 1996 from $20.3 million in the prior year period. The higher operating profit reflected higher volume, lower average transportation costs, primarily the benefit of reduced Federal Excise Tax liabilities for the first nine months of the year, partially offset by lower average yields and higher fuel costs. The lower domestic average yield for the first nine months of 1996 versus the same 1995 period was due to lower average pricing and sales mix for Burlington's overnight service.

International expedited freight services revenue of $517.7 million in the first nine months of 1996 represented an $8.2 million (2%) increase over the $509.5 million reported in the comparable period in 1995. Revenues from other activities increased 28% or $37.6 million to $170.1 million. International operating profit amounted to $20.0 million in the first nine months of 1996, a 2% increase from the first nine months of 1995, principally due to a 5% increase in international expedited freight service weight shipped, increased margin from import services and ocean freight and lower average transportation costs, partially offset by lower average yields.

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

(In thousands)		Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Revenues:					
North America (United States and Canada)	$	106,156	97,103	308,271	278,084
International		86,335	79,404	243,485	202,057
Total revenues	$	192,491	176,507	551,756	480,141
Operating expenses		154,527	142,105	447,177	390,328
Selling, general and administrative		23,579	21,551	68,122	60,516
Total costs and expenses		178,106	163,656	515,299	450,844
Other operating income (expense)		1,648	(588)	1,478	585
Operating profit:					
North America (United States and Canada)	$	9,292	8,226	23,383	20,752
International		6,741	4,037	14,552	9,130
Total operating profit	$	16,033	12,263	37,935	29,882
Depreciation and amortization	$	6,522	5,757	18,259	16,253
Cash capital expenditures	$	8,514	4,234	24,518	15,710

Brink's worldwide consolidated revenues totaled $192.5 million in the third quarter of 1996 compared with $176.5 million in the third quarter of 1995. Brink's operating profit of $16.0 million represented a $3.8 million (31%) increase over the $12.3 million operating profit reported in the prior year quarter. Other operating income increased $2.2 million to $1.6 million, from a prior year quarter net loss of $0.6 million.

Revenues from North American operations (United States and Canada) increased $9.1 million, or 9%, to $106.2 million in the 1996 third quarter from $97.1 million in the prior year quarter. North American operating profit increased $1.1 million, or 13%, to $9.3 million in the current year quarter from $8.2 million in the third quarter of 1995. The operating profit improvement was primarily due to improved armored car operations, which includes ATM servicing, and money processing and reflects operating efficiencies.

Revenues from international subsidiaries increased $6.9 million to $86.3 million in the 1996 third quarter from $79.4 million in the 1995 quarter. Substantially all the increase in international revenues was due to the consolidation of the results of Brink's Colombia, in which Brink's increased its ownership from 47% to 51% during the third quarter of 1995. Operating profits from international subsidiaries and minority-owned affiliates amounted to $6.7 million in the current year quarter compared to $4.0 million in the prior year third quarter. The earnings increase for the third quarter of 1996 reflected higher operating profits in Latin America which more than offset lower results in Europe, primarily Holland. Latin America's increase in operating profits reflects a $1.2 million benefit from the consolidation of Colombia's operating profits. Brazil's (100% owned) operating profits amounted to $1.7 million in the third quarter of 1996, compared to $1.9 million in the third quarter of 1995. The $1.1 million in equity earnings generated by Brink's Mexican affiliate (20% owned) was an improvement over the $1.2 million loss recorded in the third quarter of 1995, as the benefits of workforce reductions, cost controls and operational improvements continue to be realized.

Brink's worldwide consolidated revenues totaled $551.8 million in the first nine months of 1996 compared with $480.1 million in the first nine months of 1995. Brink's operating profit of $37.9 million in the first nine months of 1996 represented an $8.1 million (27%) increase over the $29.9 million operating profit reported in the prior year period. The revenue increase of $71.6 million (15%) in the first nine months of 1996 was only partially offset by a corresponding increase in operating expenses and selling, general and administrative expenses of $64.5 million (14%). Other operating income increased $0.9 million to $1.5 million, from $0.6 million in the prior year.

Revenues from North American operations (United States and Canada) increased $30.2 million, or 11%, to $308.3 million in the first nine months of 1996 from $278.1 million in the same period of 1995. North American operating profit increased $2.6 million (13%) to $23.4 million in the current year period from $20.8 million in the same period of 1995. The operating profit improvement for the nine months of 1996 primarily resulted from improved armored car operations, which includes ATM servicing, and money processing and reflects operating efficiencies.

Revenues from international subsidiaries increased $41.4 million to $243.5 million in the first nine months of 1996 from $202.1 million in the first nine months of 1995. Consolidation of the results of Brink's Colombia accounted for approximately half of the increase in international revenues for the nine-month comparative period. Operating profits from international subsidiaries and minority-owned affiliates amounted to $14.6 million in the current year period compared to $9.1 million in the prior year period. Higher operating profits in Latin America more than offset lower results in Europe, primarily France and Holland. Latin America's increase in operating profits includes a $3.1 million benefit from the consolidation of the results of Brink's Colombia. The consolidation of this now 51% owned subsidiary had a de minimus effect on the Brink's Group net income. Brazil (100% owned) achieved increases in revenue and operating profit of $10.7 million and $1.9 million, respectively, for the first nine months of 1996 compared to the same period in 1995. Revenues for Brink's Brazil were $89.6 million and $79.0 million for the first nine months of 1996 and 1995, respectively, and operating profits were $4.7 million and $2.8 million for the first nine months of 1996 and 1995, respectively. Equity in earnings from Brink's Mexican affiliate (20% owned) amounted to $2.1 million compared with a $2.2 million loss recorded in the first nine months of 1995.

BHS

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

(In thousands)		Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Revenues	$	39,531	32,451	114,881	93,823
Operating expenses		20,452	16,051	59,810	48,715
Selling, general and administrative		7,570	6,014	21,059	16,406
Total costs and expenses		28,022	22,065	80,869	65,121
Operating profit	$	11,509	10,386	34,012	28,702
Depreciation and amortization	$	6,936	5,469	20,745	15,889
Cash capital expenditures	$	14,702	11,882	44,751	31,023
Annualized recurring revenues (a)				$ 121,254	100,862
Number of subscribers:					
Beginning of period		412,591	346,540	378,659	318,029
Installations		23,327	20,580	72,030	58,942
Disconnects		(8,125)	(5,917)	(22,896)	(15,768)
End of period		427,793	361,203	427,793	361,203

(a) Annualized recurring 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.

Revenues for BHS increased by $7.1 million (22%) to $39.5 million in the third quarter of 1996 from $32.5 million in the 1995 quarter. In the first nine months of 1996, revenues for BHS increased by $21.1 million (22%) to $114.9 million from $93.8 million in the first nine months of 1995. The increase in revenues was predominantly from higher ongoing monitoring and services revenues, caused by an 18% growth in the subscriber base for the nine months. As a result of such growth, annualized recurring revenues in force at the end of the third quarter of 1996 grew 20% over the amount in effect at the end of the third quarter of 1995. The total amount of installation revenue in the third quarter and first nine months of 1996 also grew by 24% and 26%, respectively, over the amount recorded in the same periods of 1995, largely as a result of the increased volume of installations. Revenue per installation decreased from amounts achieved in the first half of this year due to the competitive environment in the marketplace.

Operating profit of $11.5 million in the third quarter of 1996 represented an increase of $1.1 million (11%) compared to the $10.4 million earned in the 1995 third quarter. In the first nine months of 1996, operating profit increased $5.3 million (19%) to $34.0 million from $28.7 million earned in the first nine months of 1995. The increase in operating profit largely stemmed from the growth in the subscriber base and higher average monitoring and services revenues, somewhat offset by higher depreciation and increased account servicing and administrative expenses, which are a consequence of the larger subscriber base. In addition, installation and marketing costs incurred and expensed during the third quarter increased by $0.9 million from the prior year period.

The subscriber base on September 30, 1996, totaled 427,793 customers, 18% higher than the balance at the end of the third quarter of 1995. Annualized recurring revenues amounted to $121.3 million at September 30, 1996, 20% higher than September 30, 1995. The favorable change reflects the increased subscriber base as well as higher average monthly revenues, principally generated by customer service contracts.

Coal

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

	Three Months Ended September 30		Nine Months Ended September 30	
(In thousands)	1996	1995	1996	1995
Net sales	$ 172,603	173,985	507,967	545,255
Cost of sales	164,251	164,032	520,367	532,977
Selling, general and administrative	4,985	5,394	19,366	17,096
Restructuring and other charges, including litigation accrual	-	-	(35,650)	-
Total costs and expenses	169,236	169,426	504,083	550,073
Other operating income	2,026	3,516	11,076	20,014
Operating profit	$ 5,393	8,075	14,960	15,196
Coal sales (tons):				
Metallurgical	1,979	1,950	5,978	6,583
Utility and industrial	3,837	3,943	11,240	12,471
Total coal sales	5,816	5,893	17,218	19,054
Production/purchased (tons):				
Deep	924	984	2,977	3,025
Surface	2,764	3,143	8,351	10,272
Contract	408	459	1,261	1,500
	4,096	4,586	12,589	14,797
Purchased	1,380	1,289	4,365	4,791
Total	5,476	5,875	16,954	19,588

Coal operations generated an operating profit of $5.4 million in the third quarter of 1996, compared to $8.1 million generated in the 1995 third quarter. Included in the current quarter's results is a $0.7 million reduction in expenses resulting from the recently enacted Commonwealth of Virginia law providing refundable credits for coal produced in Virginia. The third quarter of 1995 included a pretax gain of $1.5 million for the disposition of highwall mining equipment.

Coal operations had an operating profit of $15.0 million in the first nine months of 1996 compared to an operating profit of $15.2 million in the prior year period. Operating profit for the first nine months of 1996 included a benefit from the Virginia tax credit of $2.4 million, and a benefit of $35.7 million from the settlement of the Evergreen lawsuit at an amount lower than previously accrued in 1993. These benefits were mostly offset by a $27.8 million charge related to the implementation of a new accounting standard regarding the impairment of long-lived assets (discussed further below). The charge is included in cost of sales ($24.2 million) and selling, general and administrative expenses ($3.6 million). Operating profit in the first nine months of 1995 included a pretax gain of $9.8 million from the sale of coal assets.

The operating profit of Coal operations, excluding the effects of the Evergreen settlement and the implementation of SFAS 121, is analyzed as follows:

(In thousands, except per ton amounts)		Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Net coal sales	$	170,301	173,032	502,759	543,265
Current production cost of coal sold		156,027	154,341	471,050	507,519
Coal margin		14,274	18,691	31,709	35,746
Non-coal margin		620	33	1,476	339
Other operating income (net)		2,026	3,516	10,930	20,014
Margin and other income		16,920	22,240	44,115	56,099
Other costs and expenses:					
Idle equipment and closed mines		266	3,933	729	8,493
Inactive employee cost		6,275	4,838	20,758	15,314
General and administrative		4,986	5,394	15,478	17,096
Total other costs and expenses		11,527	14,165	36,965	40,903
Operating profit (adjusted as stated above)	$	5,393	8,075	7,150	15,196
Coal margin per ton:					
Realization	$	29.28	29.36	29.20	28.51
Current production cost of coal sold		26.83	26.19	27.36	26.63
Coal margin	$	2.45	3.17	1.84	1.88

Sales volume of 5.8 million tons in the 1996 third quarter was 0.1 million tons less than the 5.9 million tons sold in the prior year quarter. Third quarter steam coal sales which represent 66% of the total volume of coal sales, decreased by 0.1 million tons, to 3.8 million tons.

Total coal margin of $14.3 million for the third quarter of 1996 represented a decrease of $4.4 million from the comparable period in 1995. The decrease in coal margin reflects a $.72 per ton (23%) decrease in the average coal margin and a 1% decrease in sales volume. Coal margin per ton decreased to $2.45 per ton in the current quarter from $3.17 per ton for the comparable 1995 quarter as a $0.08 per ton (0.3%) decrease in realization was augmented by a $0.64 per ton increase in current production cost of coal sold. The decrease in realization was primarily attributable to lower steam coal pricing. However, while steam coal spot pricing remains at low levels, the majority of Coal operations' steam coal sales were, and continue to be, sold under long term contracts at prices which are somewhat higher than steam coal spot prices. The current production cost of coal sold increase of $0.64 per ton to $26.83 per ton in the third quarter of 1996 over the third quarter of 1995 was due to higher surface mine and purchased coal costs, partially offset by lower company deep mine and contract coal costs.

Production in the 1996 third quarter totaled 4.1 million tons, an 11% decrease compared to the 4.6 million tons produced in the 1995 third quarter. The decline primarily reflected lower surface mine production, which was caused by exhaustion of reserves at certain mines, idling of a mine subsequent to the third quarter of 1995 and the sale of Coal operations' Ohio operations at the end of 1995. Third quarter surface production accounted for 67% and 69% of total production in 1996 and 1995, respectively. Overall productivity of 38.1 tons per man day represented a 3% decrease from 1995 levels as decreases in surface mine productivity more than offset increases in deep mine productivity. The Coal operations will reactivate a coal preparation and loading facility and open three new underground coal mines in southwest Virginia. When in full operation in early 1997, the mines will produce approximately 1.0 million tons annually of premium grade metallurgical coal. Based on current reserve estimates, it is anticipated that the mines will have an operating life of six to eight years.

Non-coal margin in the third quarter of 1996 increased by $0.6 million from the third quarter of 1995. The increase reflected the impact of a favorable change in natural gas prices. Other operating income, reflecting sales of properties and equipment and third party royalties, amounted to $2.0 million in the third quarter of 1996, $1.5 million less than the third quarter of 1995. The higher level of income recorded in the 1995 third quarter reflects $1.5 million of income generated from the disposition of highwall mining equipment.

Idle equipment and closed mine costs decreased by $3.7 million in the 1996 third quarter. Idle equipment expenses were reduced from the prior year level as a result of Coal operations' improved equipment management program. Inactive employee costs, which primarily represent long term employee liabilities for pension and retiree medical cost, increased by $1.4 million to $6.3 million in the third quarter of 1996 primarily due to the use of lower long term interest rates to calculate the present value of the long term liabilities as compared to the 1995 period.

Sales volume of 17.2 million tons in the first nine months of 1996 was 1.9 million tons less than the 19.1 million tons sold in the same 1995 period. Metallurgical coal sales decreased by 0.6 million tons (9%) to 6.0 million tons and steam coal sales decreased by 1.2 million tons (10%) to 11.2 million tons compared to the prior year period. Steam coal sales represented 65% of the total sales volume for the nine months ended 1996 and 1995.

Total coal margin of $31.7 million for the first nine months of 1996 represented a decrease of $4.0 million from the comparable period in 1995. The decline in coal margin reflects a $0.73 per ton (3%) increase in the current production cost of coal sold which was partially offset by a $0.69 per ton (2%) increase in realization. The increase in realization was mostly due to the timing of the improved metallurgical pricing for the contract year that began in April 1, 1995, the full effect of which was not realized until after the first half of 1995.

The current production cost of coal sold for the first nine months of 1996 increased by $0.73 per ton compared to the prior year period, as higher company surface mine and purchased coal costs were only partially offset by lower company deep mine and contract coal costs. Production for the year-to-date 1996 period totaled 12.6 million tons, a decrease of 15% from the comparable 1995 period. Surface mine production accounted for 66% and 69% of the total volume produced in the 1996 and 1995 periods, respectively. Productivity of 37.2 tons per man day represents a slight decrease from the 1995 period.

Non-coal margin for the first nine months of 1996 increased by $1.1 million from the first nine months of 1995 reflecting higher gas prices. Other operating income, including litigation settlements, sales of properties and equipment and third party royalties, amounted to $10.9 million in the third quarter of 1996, $9.1 million less than the third quarter of 1995. The higher level of income recorded in the 1995 period reflects $9.8 million income from the sale of coal assets.

Idle equipment and closed mine costs decreased by $7.8 million in the first nine months of 1996. Idle equipment expenses were reduced from the prior period level as a result of Coal operations' improved equipment management program. Inactive employee costs, which primarily represent long term employee liabilities for pension and retiree medical cost, increased by $5.4 million to $20.8 million in the first nine months of 1996. The unfavorable variance is due to the use of lower long term interest rates to calculate the present value of the long term liabilities in 1996. In addition, the 1995 nine month results include a benefit of $2.5 million from a favorable litigation decision.

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

In late March 1996, a settlement was reached in the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: $25.8 million upon dismissal of the Evergreen Case in March 1996 and the remainder of $24.0 million in installments of $7.0 million in August 1996 and $8.5 million in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Coal operations. The second payment of $7.0 million was paid in the third quarter of 1996 and was funded through cash provided by operating activities. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. Separate lawsuits against each of the UMWA and the Bituminous Coal Operators Association, previously reported, have also been dismissed.

As a result of the settlement of these cases at an amount lower than previously accrued in 1993, the Company recorded a pretax benefit of $35.7 million ($23.2 million after tax) in the first quarter of 1996 in its consolidated financial statements.

As of January 1, 1996, the Company implemented a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount for an asset may not be recoverable.

In accordance with SFAS No. 121, the Company grouped its long-lived assets at the lowest level for which there are identifiable cash flows that are independent of the cash flows of other groups of assets, and determined the recoverability of such assets by comparing the sum of the expected undiscounted future cash flows with the carrying amount of the assets. The impact of adopting SFAS No. 121 resulted in a pretax charge to earnings as of January 1, 1996 for the Company's Coal operations of $27.8 million ($18.1 million after tax), of which $24.2 million was included in cost of sales and $3.6 million was included in selling, general and administrative expenses. Assets for which the impairment loss was recognized consisted of property, plant and equipment, advanced royalties and goodwill. These assets primarily related to mines scheduled for closure in the near term and idled facilities and related equipment. Based on current mining plans, geological conditions, and current assumptions related to future realization and costs, the sum of the expected undiscounted future cash flows was less than the carrying amount of the assets, and accordingly, an impairment loss was recognized. The loss was calculated based on the excess of the carrying value of the assets over the present value of estimated expected future cash flows, using a discount rate commensurate with the risks involved.

Coal operations continued cash funding for charges recorded in prior years for facility closure costs recorded as restructuring and other charges. The following table analyzes the changes in liabilities during the first nine months of 1996 for such costs:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1995	$ 1,218	28,983	36,077	66,278
Payments	652	4,218	3,369	8,239
Balance as of September 30, 1996	$ 566	24,765	32,708	58,039

In April 1996, the Commonwealth of Virginia enacted into law the "Coalfield Employment Enhancement Tax Credit." The new law, which is effective from January 1, 1996 through December 31, 2001, provides Virginia coal producers with a refundable credit against taxes imposed by the Commonwealth for coal produced in Virginia. The credit ranges from $.40 per ton for surface coal to $1 to $2 per ton of underground coal mined, depending upon seam thickness, with certain modifications to the surface and deep mined credit rates based on employment levels. The credit can be utilized under a predetermined schedule beginning with the 1999 tax year through the 2008 tax year. At current production levels, Coal operations estimates it will generate approximately $4.0 million in tax credits in 1996 to be realized in future years according to the regulations.

Mineral Ventures

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

(Dollars in thousands, except per ounce data)	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Net sales	$ 4,592	3,717	14,748	12,398
Cost of sales	3,657	3,229	10,761	9,084
Selling, general and administrative	1,045	1,047	2,784	2,624
Total costs and expenses	4,702	4,276	13,545	11,708
Other operating (expense) income, net	(214)	(257)	222	(15)
Operating (loss) profit	$ (324)	(816)	1,425	675
Stawell Gold Mine:				
Mineral Ventures's 50% direct share:				
Ounces sold	10,775	8,737	35,375	30,229
Ounces produced	10,756	8,918	34,738	30,206
Average per ounce sold (US$):				
Realization	$ 424	413	415	405
Cash cost	$ 321	293	289	358

The operating loss from Mineral Ventures' operations, primarily a 67% direct and indirect interest in the Stawell gold mine in western Victoria, Australia, amounted to $0.3 million in the third quarter, compared to an operating loss of $0.8 million in the third quarter of 1995. This reduction in operating loss reflects a 23% increase in ounces sold, higher realized gold prices per ounce sold, partially offset by 10% higher costs than the prior year period. Operating costs in the 1996 third quarter were negatively impacted by four lost-time accidents, two late in the second quarter, that resulted in production shortfalls and higher operating cost as compared to the first half of 1996 and the 1995 third quarter. In the third quarter of 1995, costs and production were negatively impacted by adverse geological conditions. Operating profit for the first nine months increased $0.7 million to $1.4 million from the comparable period in 1995 as volume, price and cost all improved from the prior year.

During the second quarter, the Australian joint venture in which Mineral Ventures owns a 34% direct interest, formally announced that the Silver Swan nickel deposit in Australia (50% owned by the Australian joint venture) will be developed as an underground mine with production expected to commence in mid-1997. As of September 30, 1996, the main production shaft has reached 809 meters. In addition, exploration drilling has indicated the presence of a previously unknown area of high grade mineralization (approximately 8 -10% nickel) some 100 meters to the south of Silver Swan and 750 meters below the surface. However, at this time, sufficient data has not been developed to determine whether this area will be commercially significant.

Foreign Operations
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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, current conditions in Mexico where the Brink's Group has an affiliate (20% owned), indicate that that economy may be considered highly inflationary by early 1997.

Other Operating Income
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Other operating income includes the Company's share of net income of unconsolidated affiliates, primarily equity affiliates of Brink's, royalty income and gains and losses from sales of coal assets. Other operating income in the third quarter of 1996 increased $0.5 million to $3.7 million from $3.1 million in the third quarter of 1995, and in the first nine months of 1996 decreased $8.7 million to $13.7 million from $22.4 million in the first nine months of 1995. The decrease in the first nine months of 1996 from the comparable period of 1995 is largely due to lower gains from the sales of coal assets as results in the first nine months of 1995 included an $8.3 million gain on the sale of coal reserves and $1.5 million gain on the disposition of highwall mining equipment. Brink's share of the reported results of its equity affiliates for the third quarter and first nine months of 1996 increased $2.2 million and $1.0 million, respectively, compared with the same periods for the prior year. The results of Brink's equity affiliates in the third quarter and first nine months of 1995 included $0.2 million and $1.2 million, respectively, in equity income from Colombia which became a consolidated subsidiary during the third quarter of 1995, subsequent to an additional investment bringing Brink's ownership to a majority interest in the operation. The consolidation of this now 51% owned subsidiary had a de minimus effect on the Brink's Group's net income.

Corporate Expenses
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The Company's corporate office was relocated to Richmond, Virginia during September 1996. The costs of this move, including moving expenses, employee relocation, severance pay and temporary employee costs, amounted to $2.9 million year-to-date with $2.7 million in the third quarter.

Interest Expense

Interest expense decreased $0.3 million to $3.4 million in the third quarter of 1996 from $3.7 million in the prior year quarter, and in the first nine months of 1996 increased $0.1 million to $10.5 million from $10.4 million in the first nine months of 1995.

Other Income (Expense), Net

Other net expense for the third quarter of 1996 increased $0.7 million to a net expense of $2.5 million from a net expense of $1.8 million in the third quarter of 1995, and in the first nine months of 1996 increased $2.9 million to a net expense of $6.9 million from a net expense of $4 million in the same period a year earlier. Higher minority interest expense at Brink's contributed to the increased expense for the current year quarter and nine month periods. In addition, other net expense in the first nine months of 1996 includes a loss for the termination of an overseas sublease agreement at Burlington.

FINANCIAL CONDITION

Cash Provided by Operations

Cash provided by operating activities during the first nine months of 1996 totaled $124.9 million compared with $89.3 million in the first nine months of 1995. Net income, noncash charges and changes in operating assets and liabilities in the first nine months of 1996 were significantly affected by two non-recurring items, a benefit from the settlement of the Evergreen case at an amount less than originally accrued and a charge related to the implementation of SFAS 121; these items had no effect on cash generated by operations except that the second settlement payment of $7.0 million was paid from operating cash in the 1996 third quarter. The initial payment of $25.8 million related to the Evergreen case settlement was entirely funded by an escrow account previously established by the Company. The amount previously escrowed and accrued was included in "Short-term investments" and "Accrued liabilities" on the Company's balance sheet.

Capital Expenditures

Cash capital expenditures for the first nine months of 1996 totaled $116.3 million, $35.0 million higher than in the comparable period in 1995. Of the 1996 amount, $25.7 million was spent by Burlington, $24.5 million was spent by Brink's, $44.8 million was spent by BHS, $14.1 million was spent by Coal, $2.0 million was spent by Mineral Ventures and $5.2 million consisted of corporate expenditures, the majority of which related to the purchase of the Company's new corporate headquarters. For the full year 1996, company-wide capital expenditures are projected to be between $165.0 million and $180.0 million. The foregoing amounts exclude equipment expenditures that have been or are expected to be financed through capital and operating leases. Increased full-year expenditures in 1996 compared to 1995 are largely attributable to Burlington to support new airfreight stations and implementation of new information systems, BHS resulting from continued expansion of the subscriber base and Brink's in support of business expansion.

Other Investing Activities

All other investing activities in the first nine months of 1996 provided net cash of $2.8 million, primarily from the disposal of property, plant and equipment and other investing assets, net of expenditures for aircraft heavy maintenance.

Financing

The Company intends to fund its capital expenditure requirements during the remainder of 1996 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 and also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million. During the second quarter of 1996, the maturity date of both the term loan and revolving credit portion of the Facility was extended to May 31, 2001. As of September 30, 1996, borrowings of $100 million were outstanding under the term loan portion of the Facility and $15.6 million of additional borrowings were outstanding under the remainder of the facility. The Company also maintains agreements with financial institutions whereby it has the right to sell certain coal receivables, with recourse, to those institutions. As of September 30, 1996, no coal receivables were sold under such agreements.

Debt
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Outstanding debt, including borrowings under revolving credit agreements, aggregated $190.7 million at September 30, 1996, up from $177.6 million at year-end 1995. Cash provided from operating activities, other investing activities and the exercise of stock options were not sufficient to fund capital expenditures, dividend payments, purchase of Company stock and the cost of the Brink's Stock proposal, resulting in additional borrowings.

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

Brink's Stock, Burlington Stock and Pittston Minerals Group Common Stock ("Minerals Stock") were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, Burlington Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups.

The redesignation of the Company's Services Stock as Brink's Stock and the distribution of Burlington Stock as a result of the approval of the Brink's Stock Proposal and the distribution of Minerals Stock in July 1993 (the "Services Stock Proposal") did not result in any transfer of assets and liabilities of the Company or any of its subsidiaries. Holders of all three classes of stock are shareholders of the Company, which continues to be responsible for all its liabilities. Therefore, financial developments affecting the Brink's Group, the Burlington Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. The changes in the capital structure of the Company had no effect on the Company's total capital, except as to expenses incurred in the execution of the Brink's Stock Proposal. Since the approval of the Brink's Stock Proposal including the earlier Services Stock Proposal, capitalization of the Company has been affected by the share activity related to each of the classes of common stock.

In November 1995, the Board authorized a revised share repurchase program which allows for the purchase, from time to time, of up to 1,500,000 shares of Brink's Stock, 1,500,000 shares of Burlington Stock and 1,000,000 shares of Minerals stock, not to exceed an aggregate purchase price of $45.0 million. As of September 30, 1996, 20,300 shares of Burlington Stock at a total cost of $0.4 million were purchased under the program. Between October 1, 1996 and November 11, 1996, the Company purchased 47,600 shares of Burlington Stock at a total cost of $0.9 million.

In 1994, the Board authorized the purchase from time to time of up to $15 million of the Company's Series C Cumulative Convertible preferred stock. In November 1995, the Board authorized an increase in the remaining authority to $15 million. No share purchases were made in 1995 subsequent to the increased authorization. During the third quarter and the Company purchased 10,320 and 20,920 shares, respectively, of its Series C Cumulative Convertible preferred stock at a total cost of $3.9 million and $7.9 million, respectively.

Dividends
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The Board intends to declare and pay dividends on Brink's Stock, Burlington Stock and Minerals Stock based on the earnings, financial condition, cash flow and business requirements of the Brink's Group, Burlington 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, losses by one Group could affect the Company's ability to pay dividends in respect of stock relating to the other Group. Dividends on Minerals Stock are also limited by the Available Minerals Dividend Amount as defined in the Company's Articles of Incorporation. At September 30, 1996, the Available Minerals Dividend Amount was at least $21.4 million.

During the first nine months of 1996 and 1995, the Board declared and the Company paid cash dividends of 48.75 cents per share of Minerals Stock. During the first nine months of 1996, the Board declared and the Company paid dividends of 7.5 cents per share of Brink's Stock and 18 cents per share of Burlington Stock. In the first nine months of 1995, the Board declared and the Company paid dividends of 15 cents per share of Services Stock which has been attributed: 6.9 cents for each share of Brink's Stock and 16.2 cents for each share of Burlington Stock, which reflects the distribution of one-half share of Burlington Stock for each share of Services Stock. Dividends paid on the Series C Cumulative Convertible preferred stock in the first nine months of 1996 and 1995 were $2.9 million and $3.3 million, respectively. Preferred dividends included on the Company's Statement of Operations for the nine months ended September 30, 1996 and 1995, are net of $2.1 million and $1.6 million, respectively, which was the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock.

Pittston Brink's Group
BALANCE SHEETS
(In thousands)

		September 30, 1996	December 31, 1995
		(Unaudited)	
ASSETS			
Current assets:			
Cash and cash equivalents	$	25,575	21,977
Short-term investments, at lower of cost or market		2,223	3,288
Accounts receivable (net of estimated amount uncollectible: 1996 - $4,693; 1995 - $3,756)		121,314	113,790
Receivable - Pittston Minerals Group		1,782	3,945
Inventories, at lower of cost or market		2,616	2,795
Prepaid expenses		12,674	10,380
Deferred income taxes		12,655	13,146
Total current assets		178,839	169,321
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1996 - $236,394; 1995 - $214,424)		245,286	214,653
Intangibles, net of amortization		28,055	28,893
Investment in and advances to unconsolidated affiliates		29,092	28,406
Deferred pension assets		34,049	33,923
Deferred income taxes		1,517	1,081
Other assets		10,384	8,449
Total assets	$	527,222	484,726
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	$	3,541	4,858
Current maturities of long-term debt		2,192	4,117
Accounts payable		29,780	35,460
Accrued liabilities		96,956	86,006
Total current liabilities		132,469	130,441
Long-term debt, less current maturities		5,786	5,795
Postretirement benefits other than pensions		3,985	3,475
Workers' compensation and other claims		10,786	11,292
Deferred income taxes		35,056	37,529
Payable - Pittston Minerals Group		6,967	7,844
Minority interests		22,470	21,361
Other liabilities		8,424	8,184
Shareholders' equity		301,279	258,805
Total liabilities and shareholders' equity	$	527,222	484,726

See accompanying notes to financial statements.

Pittston Brink's Group
STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Operating revenues	$ 232,022	208,958	666,637	573,964
Operating expenses	174,979	158,155	506,987	439,043
Selling, general and administrative expenses	33,706	28,708	95,065	80,456
Total costs and expenses	208,685	186,863	602,052	519,499
Other operating income (expense), net	1,648	(588)	1,478	585
Operating profit	24,985	21,507	66,063	55,050
Interest income	719	491	1,708	1,476
Interest expense	(424)	(527)	(1,410)	(1,478)
Other expense, net	(1,462)	(1,260)	(3,634)	(2,502)
Income before income taxes	23,818	20,211	62,727	52,546
Provision for income taxes	7,977	5,598	21,013	16,422
Net income	$ 15,841	14,613	41,714	36,124
Per common share:				
Net income	$ .41	.38	1.09	.95
Cash dividends	$ .025	.023	.075	.069
Average shares outstanding	38,264	37,916	38,158	37,914

See accompanying notes to financial statements.

Pittston Brink's Group
STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine months Ended September 30 1996	1995
Cash flows from operating activities:		
Net income	$ 41,714	36,124
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,077	32,219
(Credit) provision for deferred income taxes	(1,877)	146
Provision (credit) for pensions, noncurrent	1,189	(289)
Provision for uncollectible accounts receivable	3,221	1,987
Equity in earnings of unconsolidated affiliates, net of dividends received	(971)	1,642
Other operating, net	4,633	1,781
Change in operating assets and liabilities:		
Increase in accounts receivable	(10,745)	(19,308)
Decrease (increase) in inventories	180	(578)
Increase in prepaid expenses	(2,294)	(1,777)
Increase in accounts payable and accrued liabilities	5,574	10,821
Increase in other assets	(3,404)	(944)
Increase (decrease) in other liabilities	430	(7)
Other, net	87	280
Net cash provided by operating activities	76,814	62,097
Cash flows from investing activities:		
Additions to property, plant and equipment	(71,146)	(46,835)
Proceeds from disposal of property, plant and equipment	2,878	2,244
Other, net	1,068	(1,191)
Net cash used by investing activities	(67,200)	(45,782)
Cash flows from financing activities:		
Additions to debt	1,882	2,000
Reductions of debt	(6,916)	(4,080)
Payments from (to) - Minerals Group	2,163	(9,936)
Proceeds from exercise of stock options	909	1,174
Proceeds from stock purchased by benefit plans	89	395
Dividends paid	(2,905)	(2,668)
Repurchase of common stock	-	(2,301)
Cost of Brink's Stock Proposal	(1,238)	-
Net cash used by financing activities	(6,016)	(15,416)
Net increase in cash and cash equivalents	3,598	899
Cash and cash equivalents at beginning of period	21,977	20,226
Cash and cash equivalents at end of period	$ 25,575	21,125

See accompanying notes to financial statements.

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

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

The Company provides holders of Pittston Brink's Group Common Stock ("Brink's Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Brink's Group in addition to consolidated financial information of the Company. Holders of Brink's Stock are shareholders of the Company, which is responsible for all its liabilities. Therefore, financial developments affecting the Pittston Burlington Group (the "Burlington Group"), Pittston Minerals Group (the "Minerals Group") or the Brink's Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. Accordingly, the Company's consolidated financial statements must be read in conjunction with the Brink's 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 Brink's Group and the BHS segment for the first nine months of 1996 and 1995 by $3,472 and $3,204, respectively, and for the third quarter of 1996 and 1995 by $1,296 and $1,255, respectively. The effect of this change increased net income per common share of the Brink's Group for the first nine months of 1996 and 1995 by $.06 and $.05, respectively, and by $.02 for both the third quarters of 1996 and 1995.

(3) Depreciation and amortization of property, plant and equipment in the third quarter and nine month period of 1996 totaled $13,142 ($10,846 in 1995) and $38,118 ($31,097 in 1995), respectively.

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

	Third quarter 1996	Third quarter 1995	Nine months 1996	Nine months 1995
Interest	$ 414	565	1,416	1,523
Income taxes	$ 8,246	2,878	23,791	13,379

During the nine month period ended September 30, 1996 and 1995, capital lease obligations of $1,575 and $150, respectively, were incurred for leases of property, plant and equipment.

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

(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 for a fair presentation of results of operations for the periods reported herein. All such adjustments are of a normal recurring nature.

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

The financial statements of the Pittston Brink's Group (the "Brink's Group") include the balance sheets, results of operations and cash flows of the Brink's, Incorporated ("Brink's") and Brink's Home Security, Inc. ("BHS") operations of the Pittston Company (the "Company"), and a portion of the Company's corporate assets and liabilities and related transactions which are not separately identified with operations of a specific segment. The Brink's Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate 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 Brink's 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 Brink's Group Common Stock ("Brink's Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Brink's Group in addition to consolidated financial information of the Company. Holders of Brink's Stock are shareholders of the Company, which continues to be responsible for all its liabilities. Therefore, financial developments affecting the Pittston Minerals Group (the "Minerals Group"), the Pittston Burlington Group (the "Burlington Group") or the Brink's Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. Accordingly, the Company's consolidated financial statements must be read in conjunction with the Brink's Group's financial statements.

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

SEGMENT INFORMATION
(In thousands)

		Three Months Ended September 30		Nine Months Ended September 30	
		1996	1995	1996	1995
Revenues:					
Brink's	$	192,491	176,507	551,756	480,141
BHS		39,531	32,451	114,881	93,823
Revenues	$	232,022	208,958	666,637	573,964
Operating profit:					
Brink's	$	16,033	12,263	37,935	29,882
BHS		11,509	10,386	34,012	28,702
Segment operating profit		27,542	22,649	71,947	58,584
General corporate expense		(2,557)	(1,142)	(5,884)	(3,534)
Operating profit	$	24,985	21,507	66,063	55,050

RESULTS OF OPERATIONS

Net income totaled $15.8 million or $.41 per share in the third quarter of 1996 compared with $14.6 million in the third quarter of 1995. Operating profit for the 1996 third quarter increased to $25.0 million from $21.5 million in the third quarter of 1995. The increase in net income and operating profit for the 1996 third quarter compared with the same period of 1995 was attributable to improved operating earnings for both the Brink's and BHS businesses, partially offset by increased general corporate expenses primarily related to the relocation of the Company's corporate headquarters to Richmond, Virginia, which resulted in additional pretax expenses of $1.0 million in the third quarter of 1996. Net income in 1995's third quarter benefited from a lower than normal quarterly tax rate which was required to adjust to the effective nine month tax rate. Revenues for the 1996 third quarter compared to the 1995 third quarter increased $23.1 million or 11% consisting of $16.0 million and $7.1 million from Brink's and BHS, respectively. Operating expenses and selling, general and administrative expenses for the 1996 third quarter increased $21.8 million or 12% compared with the same period last year, of which $14.4 million was from Brink's, $6.0 million was from BHS and $1.4 million was from general corporate expenses. Other net operating income of $1.6 million amounted to a $2.2 million increase from a $0.6 million net loss recorded in the third quarter of 1995.

In the first nine months of 1996, net income totaled $41.7 million compared with $36.1 million in the first nine months of 1995. Operating profit for the first nine months of 1996 increased to $66.1 million from $55.1 million in the same period of 1995. The increase in net income and operating profit for the first nine months of 1996 compared with the same period of 1995 was attributable to improved operating earnings for both Brink's and BHS businesses, only partially offset by increased general corporate expenses. Revenues for the first nine months of 1996 increased $92.7 million or 16% compared with the first nine months of 1995, consisting of $71.6 million from Brink's and $21.1 million from BHS. Operating expenses and selling, general and administrative expenses for the first nine months of 1996 increased $82.6 million or 16% compared with the same period last year, which represented $64.5 million from Brink's, $15.7 million from BHS and $2.4 million from general corporate expenses. Other net expense of $3.6 million amounted to a $1.1 million increase from $2.5 million recorded in the first nine months of 1995.

Brink's

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

(In thousands)		Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Revenues:					
North America (United States and Canada)	$	106,156	97,103	308,271	278,084
International		86,335	79,404	243,485	202,057
Total revenues	$	192,491	176,507	551,756	480,141
Operating expenses		154,527	142,105	447,177	390,328
Selling, general and administrative		23,579	21,551	68,122	60,516
Total costs and expenses		178,106	163,656	515,299	450,844
Other operating income (expense)		1,648	(588)	1,478	585
Operating profit:					
North America (United States and Canada)	$	9,292	8,226	23,383	20,752
International		6,741	4,037	14,552	9,130
Total operating profit	$	16,033	12,263	37,935	29,882
Depreciation and amortization	$	6,522	5,757	18,259	16,253
Cash capital expenditures	$	8,514	4,234	24,518	15,710

Brink's worldwide consolidated revenues totaled $192.5 million in the third quarter of 1996 compared with $176.5 million in the third quarter of 1995. Brink's operating profit of $16.0 million represented a $3.8 million (31%) increase over the $12.3 million operating profit reported in the prior year quarter. Other operating income increased $2.2 million to $1.6 million, from a prior year quarter net loss of $0.6 million.

Revenues from North American operations (United States and Canada) increased $9.1 million, or 9%, to $106.2 million in the 1996 third quarter from $97.1 million in the prior year quarter. North American operating profit increased $1.1 million, or 13%, to $9.3 million in the current year quarter from $8.2 million in the third quarter of 1995. The operating profit improvement was primarily due to improved armored car operations, which includes ATM servicing, and money processing and reflects operating efficiencies.

Revenues from international subsidiaries increased $6.9 million to $86.3 million in the 1996 third quarter from $79.4 million in the 1995 quarter. Substantially all the increase in international revenues was due to the consolidation of the results of Brink's Colombia, in which Brink's increased its ownership from 47% to 51% during the third quarter of 1995. Operating profits from international subsidiaries and minority-owned affiliates amounted to $6.7 million in the current year quarter compared to $4.0 million in the prior year third quarter. The earnings increase for the third quarter of 1996 reflected higher operating profits in Latin America which more than offset lower results in Europe, primarily Holland. Latin America's increase in operating profits reflects a $1.2 million benefit from the consolidation of Colombia's operating profits. Brazil's (100% owned) operating profits amounted to $1.7 million in the third quarter of 1996, compared to $1.9 million in the third quarter of 1995. The $1.1 million in equity earnings generated by Brink's Mexican affiliate (20% owned) was an improvement over the $1.2 million loss recorded in the third quarter of 1995, as the benefits of workforce reductions, cost controls and operational improvements continue to be realized.

Brink's worldwide consolidated revenues totaled $551.8 million in the first nine months of 1996 compared with $480.1 million in the first nine months of 1995. Brink's operating profit of $37.9 million in the first nine months of 1996 represented an $8.1 million (27%) increase over the $29.9 million operating profit reported in the prior year period. The revenue increase of $71.6 million (15%) in the first nine months of 1996 was only partially offset by a corresponding increase in operating expenses and selling, general and administrative expenses of $64.5 million (14%). Other operating income increased $0.9 million to $1.5 million, from $0.6 million in the prior year.

Revenues from North American operations (United States and Canada) increased $30.2 million, or 11%, to $308.3 million in the first nine months of 1996 from $278.1 million in the same period of 1995. North American operating profit increased $2.6 million (13%) to $23.4 million in the current year period from $20.8 million in the same period of 1995. The operating profit improvement for the nine months of 1996 primarily resulted from improved armored car operations, which includes ATM servicing, and money processing and reflects operating efficiencies.

Revenues from international subsidiaries increased $41.4 million to $243.5 million in the first nine months of 1996 from $202.1 million in the first nine months of 1995. Consolidation of the results of Brink's Colombia accounted for approximately half of the increase in international revenues for the nine-month comparative period. Operating profits from international subsidiaries and minority-owned affiliates amounted to $14.6 million in the current year period compared to $9.1 million in the prior year period. Higher operating profits in Latin America more than offset lower results in Europe, primarily France and Holland. Latin America's increase in operating profits includes a $3.1 million benefit from the consolidation of the results of Brink's Colombia. The consolidation of this now 51% owned subsidiary had a de minimus effect on the Brink's Group net income. Brazil (100% owned) achieved increases in revenue and operating profit of $10.7 million and $1.9 million, respectively, for the first nine months of 1996 compared to the same period in 1995. Revenues for Brink's Brazil were $89.6 million and $79.0 million for the first nine months of 1996 and 1995, respectively, and operating profits were $4.7 million and $2.8 million for the first nine months of 1996 and 1995, respectively. Equity in earnings from Brink's Mexican affiliate (20% owned) amounted to $2.1 million compared with a $2.2 million loss recorded in the first nine months of 1995.

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

(In thousands)	Three Months Ended September 30 1996	1995	Nine Months Ended September 30 1996	1995
Revenues	$ 39,531	32,451	114,881	93,823
Operating expenses	20,452	16,051	59,810	48,715
Selling, general and administrative	7,570	6,014	21,059	16,406
Total costs and expenses	28,022	22,065	80,869	65,121
Operating profit	$ 11,509	10,386	34,012	28,702
Depreciation and amortization	$ 6,936	5,469	20,745	15,889
Cash capital expenditures	$ 14,702	11,882	44,751	31,023
Annualized recurring revenues (a)			$ 121,254	100,862
Number of subscribers:				
Beginning of period	412,591	346,540	378,659	318,029
Installations	23,327	20,580	72,030	58,942
Disconnects	(8,125)	(5,917)	(22,896)	(15,768)
End of period	427,793	361,203	427,793	361,203

(a) Annualized recurring 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.

Revenues for BHS increased by $7.1 million (22%) to $39.5 million in the third quarter of 1996 from $32.5 million in the 1995 quarter. In the first nine months of 1996, revenues for BHS increased by $21.1 million (22%) to $114.9 million from $93.8 million in the first nine months of 1995. The increase in revenues was predominantly from higher ongoing monitoring and services revenues, caused by an 18% growth in the subscriber base for the nine months. As a result of such growth, annualized recurring revenues in force at the end of the third quarter of 1996 grew 20% over the amount in effect at the end of the third quarter of 1995. The total amount of installation revenue in the third quarter and first nine months of 1996 also grew by 24% and 26%, respectively, over the amount recorded in the same periods of 1995, largely as a result of the increased volume of installations. Revenue per installation decreased from amounts achieved in the first half of this year due to the competitive environment in the marketplace.

Operating profit of $11.5 million in the third quarter of 1996 represented an increase of $1.1 million (11%) compared to the $10.4 million earned in the 1995 third quarter. In the first nine months of 1996, operating profit increased $5.3 million (19%) to $34.0 million from $28.7 million earned in the first nine months of 1995. The increase in operating profit largely stemmed from the growth in the subscriber base and higher average monitoring and services revenues, somewhat offset by higher depreciation and increased account servicing and administrative expenses, which are a consequence of the larger subscriber base. In addition, installation and marketing costs incurred and expensed during the third quarter increased by $0.9 million from the prior year period.

The subscriber base on September 30, 1996, totaled 427,793 customers, 18% higher than the balance at the end of the third quarter of 1995. Annualized recurring revenues amounted to $121.3 million at September 30, 1996, 20% higher than September 30, 1995. The favorable change reflects the increased subscriber base as well as higher average monthly revenues, principally generated by customer service contracts.

Foreign Operations

A portion of the Brink's Group's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Because the financial results of the Brink's Group are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. The Brink's Group's international activity is not concentrated in any single currency, which limits the risks of foreign currency rate fluctuations. In addition, foreign currency rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Brink's Group routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such transactions, the Brink's Group 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. 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. A subsidiary in Brazil operates in such a highly inflationary economy. Additionally, current conditions in Mexico where the Brink's Group has an affiliate (20% owned), indicate that that economy may be considered highly inflationary by early 1997.

Additionally, the Brink's Group 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 Brink's Group cannot be predicted.

Corporate Expenses

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Brink's Group based on utilization and other methods and criteria which management believes to be a reasonable and equitable estimate of the costs attributable to the Brink's Group. These allocations were $2.6 million and $1.1 million for the third quarter of 1996 and 1995, respectively and $5.9 million and $3.5 million for the first nine months of 1996 and 1995, respectively.

The Company's corporate office was relocated to Richmond, Virginia during September 1996. The costs of this move for the first nine months of 1996, including moving expenses, employee relocation, severance pay and temporary employee costs, amounted to $2.9 million. Approximately $1.0 million of these costs were attributed to the Brink's Group.

Other Operating Income (Expense), Net

Other net operating income increased $2.2 million to income of $1.6 million in the 1996 third quarter from a loss of $0.6 million in the 1995 third quarter. In the first nine months of 1996, other net operating income amounted to $1.5 million, increasing $0.9 million from other net operating income of $0.6 million in the first nine months of 1995. Other operating income consists primarily of equity earnings of foreign affiliates. These equity earnings, which are primarily attributable to equity affiliates of Brink's, amounted to income of $1.5 million and an expense of $0.7 million for the third quarter of 1996 and 1995, respectively, and income of $1.1 million and $0.1 million in the first nine months of 1996 and 1995, respectively. Increases in Brink's share of equity earnings is partially due to a significant improvement in the earnings of Brink's Mexican affiliate. The results of Brink's equity affiliates in the third quarter and first nine months of 1995 included $0.2 million and $1.2 million, respectively, in equity income from Colombia which became a consolidated subsidiary during the third quarter of 1995, subsequent to an additional investment bringing Brink's ownership to a majority interest in the operation.

Other Income (Expense), Net

Other net expense for the third quarter of 1996 increased by $0.2 million to a net expense of $1.5 million from $1.3 million in the third quarter of 1995 and for the first nine months of 1996 increased by $1.1 million to a net expense of $3.6 million from $2.5 million for the first nine months of 1995. The higher level of other expense for the third quarter and first nine months of 1996 primarily reflects increased charges for minority interest, mainly as a result of the consolidation of Brink's Colombia.

Income Taxes

The third quarter of 1995 reflected a lower than normal quarterly tax rate required to adjust to the effective nine month tax rate.

FINANCIAL CONDITION

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

Cash Provided by Operating Activities

Cash provided by operating activities amounted to $76.8 million in the first nine months of 1996, representing a $14.7 million favorable change from the prior year period. The increase in cash flow reflects higher net income and noncash charges as well as a reduction in funding requirements for net operating assets and liabilities.

Capital Expenditures

Cash capital expenditures for the first nine months of 1996 and 1995 totaled $71.1 million and $46.8 million, respectively, excluding equipment expenditures that have been or are expected to be financed through capital and operating leases, and any acquisition expenditures. In 1996, BHS and Brink's spent $44.8 million and $24.5 million, respectively, and $1.8 million was allocated to the Brink's Group for corporate expenditures primarily relating to the purchase of the Company's new corporate office building. Expenditures incurred by BHS in the first nine months of 1996 were primarily for customer installations, representing the expansion in the subscriber base. For the full year of 1996, capital expenditures excluding expenditures that have been or are expected to be financed through capital and operating leases are estimated to be between $95.0 million and $100.0 million. Increased expenditures in 1996 are expected at BHS resulting from continued expansion of the subscriber base, and at Brink's in support of business expansion.

Financing

The Brink's Group intends to fund its capital expenditure requirements during the remainder of 1996 primarily with anticipated cash flows from operating activities and through operating and capital leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements or short-term borrowing arrangements or repayments 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 and also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million. During the second quarter of 1996, the maturity date of both the term loan and revolving credit portion of the Facility was extended to May 31, 2001. Of the total amount outstanding under the Facility at September 30, 1996, none was attributed to the Brink's Group.

Debt

Outstanding debt at quarter end totaled $11.5 million, $3.3 million lower than the $14.8 million reported at December 31, 1995. Cash flow from operating activities and a repayment of borrowings by the Minerals Group were more than sufficient to fund investing activities, dividend payments and the cost of the Brink's Stock proposal, as well as enable the Brink's Group to reduce debt.

Related Party Transactions

At September 30, 1996, under an interest bearing borrowing arrangement, the Minerals Group owed the Brink's Group $15.8 million, a decrease of $2.1 million from the $17.9 million owed at December 31, 1995.

At September 30, 1996, in accordance with the Company's tax allocation policy, the Brink's Group owed the Minerals Group $21.0 million for tax benefits, a decrease of $0.8 million from the $21.8 million owed at December 31, 1995. Of the total amount of tax benefits owed the Minerals Group at September 30, 1996, $14.0 million is expected to be paid within one year.

Capitalization

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

Brink's Stock, Burlington Stock and Pittston Minerals Group Common Stock ("Minerals Stock") were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, Burlington Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups.

The redesignation of the Company's Services Stock as Brink's Stock and the distribution of Burlington Stock as a result of the approval of the Brink's Stock Proposal and the distribution of Minerals Stock in July 1993 (the "Services Stock Proposal") did not result in any transfer of assets and liabilities of the Company or any of its subsidiaries. Holders of all three classes of stock are shareholders of the Company, which continues to be responsible for all its liabilities. Therefore, financial developments affecting the Brink's Group, the Burlington Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. The changes in the capital structure of the Company had no effect on the Company's total capital, except as to expenses incurred in the execution of the Brink's Stock Proposal. Since the approval of the Brink's Stock Proposal and the earlier Services Stock Proposal, capitalization of the Company has been affected by the share activity related to each of the classes of common stock.

In November 1995, the Board authorized, subject to shareholder approval of the Brink's Stock Proposal, a revised share repurchase program which allows for the purchase, from time to time, of up to 1,500,000 shares of Brink's Stock, 1,500,000 shares of Burlington Stock and 1,000,000 shares of Minerals Stock, not to exceed an aggregate purchase price of $45.0 million. As of September 30, 1996, no shares of Brink's Stock were purchased under the program. Between October 1, 1996 and November 11, 1996, the Company purchased 47,600 shares of Burlington Stock at a total cost of $0.9 million.

In 1994, the Board authorized the purchase from time to time of up to $15 million of the Company's Series C Cumulative Convertible preferred stock. In November 1995, the Board authorized an increase in the remaining authority to $15 million. No share purchases were made in 1995 subsequent to the increased authorization. During the third quarter and first nine months of 1996, the Company purchased 10,320 and 20,920 shares, respectively, of its Series C Cumulative Convertible preferred stock at a total cost of $3.9 million and $7.9 million, respectively.

Dividends

The Board intends to declare and pay dividends on Brink's Stock based on earnings, financial condition, cash flow and business requirements of the Brink's 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 or the Burlington Group could affect the Company's ability to pay dividends in respect of stock relating to the Brink's Group.

During the first nine months of 1996, the Board declared and the Company paid cash dividends of 7.5 cents per share of Brink's Stock. During the first nine months of 1995, the Board declared and the Company paid cash dividends of 15 cents per share of Services Stock of which 6.9 cents per share was attributed to Brink's Stock.

The Company pays an annual cumulative dividend on its Series C Cumulative Convertible preferred stock of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available when, and if declared by the Board of Directors of the Company. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon. In the first nine months of 1996 and 1995, dividends paid on the Series C Cumulative Convertible preferred stock were $2.9 million and $3.3 million, respectively.

Pittston Burlington Group
BALANCE SHEETS
(In thousands)

	September 30, 1996	December 31, 1995
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 24,517	25,847
Accounts receivable (net of estimated amount uncollectible: 1996 - $9,761; 1995 - $10,373)	225,481	219,681
Receivable - Pittston Minerals Group	5,356	5,910
Inventories, at lower of cost or market	2,076	1,684
Prepaid expenses	12,552	13,603
Deferred income taxes	8,265	11,512
Total current assets	278,247	278,237
Property, plant and equipment, at cost (net of accumulated depreciation and amortization: 1996 - $61,407; 1995 - $56,269)	97,551	72,171
Intangibles, net of amortization	177,472	180,739
Deferred pension assets	9,356	10,427
Deferred income taxes	17,328	12,875
Other assets	14,320	17,628
Total assets	$ 594,274	572,077
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 32,104	32,181
Current maturities of long-term debt	2,739	1,964
Accounts payable	151,756	157,770
Accrued liabilities	72,289	62,311
Total current liabilities	258,888	254,226
Long-term debt, less current maturities	27,429	26,697
Postretirement benefits other than pensions	3,050	2,713
Deferred income taxes	268	1,996
Payable - Pittston Minerals Group	6,143	8,029
Other liabilities	4,395	6,563
Shareholders' equity	294,101	271,853
Total liabilities and shareholders' equity	$ 594,274	572,077

See accompanying notes to financial statements.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	1996	1995	1996	1995
Operating revenues	$ 377,656	365,793	1,093,017	1,031,687
Operating expenses	327,242	318,459	958,752	907,696
Selling, general and administrative expenses	32,730	31,491	95,636	89,444
Total costs and expenses	359,972	349,950	1,054,388	997,140
Other operating income	224	464	966	1,833
Operating profit	17,908	16,307	39,595	39,380
Interest income	628	1,026	2,177	3,014
Interest expense	(944)	(1,238)	(2,984)	(3,461)
Other expense, net	(597)	(338)	(1,939)	(862)
Income before income taxes	16,995	15,757	36,849	35,071
Provision for income taxes	6,290	5,233	13,635	12,489
Net income	$ 10,705	10,524	23,214	22,582
Per common share:				
Net income	$ .56	.55	1.21	1.19
Cash dividends	$ .06	.054	.18	.162
Average shares outstanding	19,283	18,958	19,161	18,957

See accompanying notes to financial statements.

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

	Nine months Ended September 30 1996	1995
Cash flows from operating activities:		
Net income	$ 23,214	22,582
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	16,129	14,744
Provision for aircraft heavy maintenance	23,980	19,226
Credit for deferred income taxes	(2,757)	(2,767)
Provision for pensions, noncurrent	1,115	195
Provision for uncollectible accounts receivable	1,841	1,654
Equity in earnings of unconsolidated affiliates, net of dividends received	(171)	(141)
Other operating, net	1,522	714
Change in operating assets and liabilities net of effects of acquisitions:		
Increase in accounts receivable	(7,642)	(47,547)
(Increase) decrease in inventories	(392)	212
Decrease (increase) in prepaid expenses	1,113	(4,977)
(Decrease) increase in accounts payable and accrued liabilities	(21,410)	9,105
Increase in other assets	(870)	(439)
(Decrease) increase in other liabilities	(1,308)	1,581
Other, net	(509)	(905)
Net cash provided by operating activities	33,855	13,237
Cash flows from investing activities:		
Additions to property, plant and equipment	(27,486)	(19,900)
Proceeds from disposal of property, plant and equipment	5,899	169
Aircraft heavy maintenance	(15,215)	(11,406)
Acquisitions, net of cash acquired, and related contingent payments	(225)	(1,693)
Other, net	2,566	2,922
Net cash used by investing activities	(34,461)	(29,908)
Cash flows from financing activities:		
Additions to debt	2,878	16,482
Reductions of debt	(1,361)	(558)
Payments from - Minerals Group	554	3,746
Proceeds from exercise of stock options	2,183	578
Proceeds from stock purchased by benefit plans	110	195
Dividends paid	(3,479)	(3,268)
Repurchase of common stock	(372)	(1,134)
Cost of Brink's Stock Proposal	(1,237)	-
Net cash (used) provided by financing activities	(724)	16,041
Net decrease in cash and cash equivalents	(1,330)	(630)
Cash and cash equivalents at beginning of period	25,847	18,384
Cash and cash equivalents at end of period	$ 24,517	17,754

See accompanying notes to financial statements.

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

(1) The financial statements of the Pittston Burlington Group (the "Burlington Group") include the balance sheets, results of operations and cash flows of the Burlington Air Express Inc. ("Burlington") 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 Burlington Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be a reasonable and equitable allocation of such expenses and credits.

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

(2) Depreciation and amortization of property, plant and equipment in the third quarter and nine months periods of 1996 and 1995 totaled $3,594 ($3,386 in 1995) and $11,247 ($9,822 in 1995), respectively.

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

	Third quarter 1996	Third quarter 1995	Nine months 1996	Nine months 1995
Interest	$ 1,238	845	3,793	3,312
Income taxes	$ 7,320	2,601	15,881	20,821

During the nine month period ended September 30, 1996 and 1995, capital lease obligations of $61 and $4,284, respectively, were incurred for leases of property, plant and equipment.

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

(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 for a fair presentation of results of operations for the periods reported herein. All such adjustments are of a normal recurring nature.

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

The financial statements of the Pittston Burlington Group (the "Burlington Group") include the balance sheets, results of operations and cash flows of the Burlington Air Express Inc. ("Burlington") 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 Burlington Group's financial statements are prepared using the amounts included in the Company's consolidated financial statements. Corporate allocations reflected in these financial statements are determined based upon methods which management believes to be an equitable allocation of such expenses and credits. The accounting policies applicable to the preparation of the Burlington 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 Burlington Group Common Stock ("Burlington Stock") separate financial statements, financial reviews, descriptions of business and other relevant information for the Burlington Group in addition to consolidated financial information of the Company. Holders of Burlington 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"), the Pittston Brink's Group (the "Brink's Group") or the Burlington Group that affect the Company's financial condition could affect the results of operations and financial condition any of the Groups. Accordingly, the Company's consolidated financial statements must be read in conjunction with the Burlington Group's financial statements.

The following discussion is a summary of the key factors management considers necessary in reviewing the Burlington 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 September 30		Nine Months Ended September 30	
		1996	1995	1996	1995
Revenues:					
Burlington	$	377,656	365,793	1,093,017	1,031,687
Operating profit:					
Burlington	$	20,466	17,449	45,479	39,913
General corporate expense		(2,558)	(1,142)	(5,884)	(3,533)
Operating profit	$	17,908	16,307	39,595	36,380

RESULTS OF OPERATIONS

In the third quarter of 1996, the Burlington Group reported net income of $10.7 million, or $.56 per share, compared with $10.5 million, or $.55 per share, in the third quarter of 1995. Operating profit totaled $17.9 million in the 1996 third quarter compared with $16.3 million in the prior year third quarter. Increases in general corporate expenses were primarily related to the relocation of the Company's Corporate headquarters to Richmond, Virginia, which resulted in additional pretax expenses of $1.0 million in the third quarter of 1996. Results in 1995's third quarter benefited from a lower than normal quarterly tax rate which was required to adjust to the effective nine month tax rate. Revenues increased $11.9 million or 3%, compared with the 1995 third quarter. Operating expenses and selling, general and administrative expenses for the 1996 quarter increased $10.0 million, or 3%, compared with the same 1995 period.

In the first nine months of 1996, the Burlington Group reported net income of $23.2 million, or $1.21 per share, compared with $22.6 million, or $1.19 per share, in the first nine months of 1995. Operating profit totaled $39.6 million in the first nine months of 1996 compared with $39.4 million in the prior year nine month period. Revenues increased $61.3 million or 6%, compared with the same nine month period of 1995. Operating expenses and selling, general and administrative expenses for the 1996 nine month period increased $57.2 million, or 6%, compared with the same period last year.

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

(In thousands - except per pound/shipment amounts)		Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Revenues:					
Expedited freight services:					
Domestic U.S.	$	142,506	133,430	405,238	389,712
International		175,516	179,281	517,692	509,526
Total expedited freight services	$	318,022	312,711	922,930	899,238
Customs clearances		34,496	32,308	100,473	80,592
Ocean and other (a)		25,138	20,774	69,614	51,857
Total revenues	$	377,656	365,793	1,093,017	1,031,687
Operating profit:					
Domestic U.S.	$	11,783	8,781	25,520	20,261
International		8,683	8,668	19,959	19,652
Total operating profit	$	20,466	17,449	45,479	39,913
Depreciation and amortization	$	5,143	4,957	15,957	14,659
Cash capital expenditures	$	10,495	6,299	25,609	19,799
Expedited freight services shipment growth rate (b)		(0.5%)	8.2%	2.8%	5.8%
Expedited freight services weight growth rate (b):					
Domestic U.S.		6.7%	(4.3%)	5.0%	(4.2%)
International		(1.7%)	31.9%	4.5%	30.6%
Worldwide		2.2%	12.1%	4.7%	11.5%
Expedited freight services weight (million pounds)		362.0	354.0	1,059.2	1,011.3
Expedited freight services shipments (thousands)		1,294	1,300	3,914	3,808
Expedited freight services average:					
Yield (revenue per pound)	$	.879	.883	.871	.889
Revenue per shipment	$	246	241	236	236
Weight per shipment (pounds)		280	272	271	266

(a) Primarily international ocean freight.
(b) Compared to the same period in the prior year.

Burlington's third quarter worldwide operating profit amounted to $20.5 million, an increase of $3.0 million (17%) from the level reported in the third quarter of 1995. Worldwide revenues increased by 3% to $377.7 million from $365.8 million in the 1995 quarter. The $11.9 million growth in revenues principally reflects a 2% increase in worldwide expedited freight services pounds shipped, which reached 362.0 million pounds in the third quarter of 1996, and a 12% increase in other revenues (primarily customs clearance and ocean). Worldwide expenses amounted to $357.2 million, $8.8 million (3%) higher than in the third quarter of 1995.

Domestic expedited freight services revenue of $142.5 million was $9.1 million (7%) higher than the prior year quarter. Domestic operating profit increased to $11.8 million in the third quarter of 1996 from $8.8 million in the prior year quarter. Operating profit benefited from stable pricing and higher volumes in the aerospace, electronics and consumer products segments, partially offset by declines in the automotive sector. Domestic average yields continued to be modestly higher than the levels of late 1995 and early 1996. During the quarter, Burlington benefited from the initiation in mid September of a 4.2(cents) per pound surcharge on domestic shipments. This surcharge is designed to partially offset some of the cost increases experienced by Burlington's domestic operations during 1996. These costs include the reimposition of a Federal Excise Tax on air cargo, higher jet fuel prices, a Federal Fuel Tax and new FAA-mandated security and maintenance requirements.

International expedited freight services revenue of $175.5 million in the third quarter decreased slightly from the $179.3 million reported in the comparable quarter in 1995. Revenues from other activities, primarily international, which include transactions such as import related services as well as ocean freight services, increased 12% or $6.6 million to $59.6 million. International operating profit amounted to $8.7 million in the third quarter of 1996, unchanged from the 1995 quarter. International expedited freight services pricing slightly decreased from the third quarter of 1995 as overseas price weakness was only partially offset by improvement in U.S. export pricing.

Burlington's worldwide operating profit amounted to $45.5 million in the first nine months of 1996, an increase of $5.6 million (14%) from the level reported in the first nine months of 1995. Worldwide revenues increased by 6% to $1,093.0 million from $1,031.7 million in the 1995 nine months. The $61.3 million growth in revenues principally reflects a 5% increase in worldwide expedited freight services pounds shipped, reaching 1,059.2 million pounds in the third quarter of 1996, and a 28% increase in other revenues (primarily customs clearance and ocean), partially offset by a 2% decline in the worldwide average yield. Worldwide expenses amounted to $1,047.5 million, $55.7 million (6%) higher than in the first nine months of 1995.

Domestic expedited freight services revenue of $405.2 million in the first nine months of 1996 was $15.5 million (4%) higher than the prior year period. Domestic operating profit increased to $25.5 million in the first nine months of 1996 from $20.3 million in the prior year period. The higher operating profit reflected higher volume, lower average transportation costs, primarily the benefit of reduced Federal Excise Tax liabilities for the first nine months of the year, partially offset by lower average yields and higher fuel costs. The lower domestic average yield for the first nine months of 1996 versus the same 1995 period was due to lower average pricing and sales mix for Burlington's overnight service.

International expedited freight services revenue of $517.7 million in the first nine months of 1996 represented an $8.2 million (2%) increase over the $509.5 million reported in the comparable period in 1995. Revenues from other activities increased 28% or $37.6 million to $170.1 million. International operating profit amounted to $20.0 million in the first nine months of 1996, a 2% increase from the first nine months of 1995, principally due to a 5% increase in international expedited freight service weight shipped, increased margin from import services and ocean freight and lower average transportation costs, partially offset by lower average yields.

Foreign Operations
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A portion of the Burlington Group's financial results is derived from activities in several foreign countries, each with a local currency other than the U.S. dollar. Since the financial results of the Burlington Group are reported in U.S. dollars, they are affected by the changes in the value of the various foreign currencies in relation to the U.S. dollar. The Burlington Group's international activity is not concentrated in any single currency, which limits the risks of foreign currency rate fluctuations. In addition, foreign currency rate fluctuations may adversely affect transactions which are denominated in currencies other than the functional currency. The Burlington Group routinely enters into such transactions in the normal course of its business. Although the diversity of its foreign operations limits the risks associated with such

transactions, the Burlington Group 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. A subsidiary in Brazil operates in such a highly inflationary economy.

Additionally, the Burlington Group 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 Burlington Group cannot be predicted.

Corporate Expenses

A portion of the Company's corporate general and administrative expenses and other shared services has been allocated to the Burlington 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 Burlington Group. These allocations were $2.6 million and $1.1 million for the third quarter of 1996 and 1995, respectively, and $5.9 million and $3.5 million for the first nine months of 1996 and 1995, respectively.

The Company's corporate office was relocated to Richmond, Virginia during September 1996. The costs of this move for the first nine months of 1996, including moving expenses, employee relocation, severance pay and temporary employee costs, amounted to $2.9 million. Approximately $1.0 million of these costs were attributed to the Burlington Group.

Other Income (Expense), Net

Other net expense for the third quarter of 1996 increased $0.3 million to $0.6 million as compared to the third quarter of 1995. For the first nine months of 1996 other net expense increased by $1.0 million to a net expense of $1.9 million from $0.9 million for the first nine months of 1995. Other net expense in the first nine months of 1996 included a loss for the termination of an overseas sublease agreement at Burlington.

Income Taxes

The third quarter of 1995 reflected a lower than normal quarterly tax rate required to adjust to the effective nine month tax rate.

FINANCIAL CONDITION

A portion of the Company's corporate assets and liabilities has been attributed to the Burlington 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 nine months of 1996 totaled $33.9 million compared with $13.2 million in the first nine months of 1995. The increase in cash generated occurred principally as a result of higher noncash charges and a reduction in funding requirements for operating assets and liabilities.

Capital Expenditures

Cash capital expenditures for the first nine months of 1996 totaled $27.5 million, $25.7 million of which was spent by Burlington and $1.8 million of which was allocated to the Burlington Group for corporate expenditures primarily relating to the purchase of the Company's new corporate office building. For the full year 1996, capital expenditures are projected to be between $45.0 million and $50.0 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. These expenditures will be primarily for maintenance and replacement, when necessary, of current business operations, including information systems and, to a lesser extent, for business expansion.

Other Investing Activities

Other investing activities required $7.0 million of cash compared to cash requirements of $10.0 million in the 1995 nine month period. Aircraft heavy maintenance outlays were $15.2 million and $11.4 million in the first nine months of 1996 and 1995, respectively. Cash proceeds from the disposal of assets increased by $5.7 million compared to the prior year period.

Financing

The Burlington Group intends to fund its capital expenditure requirements during the remainder of 1996 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 or repayments 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 and also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million. During the second quarter of 1996, the maturity date of both the term loan and revolving credit portion of the Facility was extended to May 31, 2001. Of the total outstanding under the Facility at September 30, 1996, none was attributed to the Burlington Group.

Debt

Outstanding debt totaled $62.3 million at September 30, 1996, an increase of $1.4 million from the $60.8 million reported at December 31, 1995.

Related Party Transactions

At September 30, 1996, under an interest bearing borrowing arrangement, the Minerals Group owed the Burlington Group $19.4 million, a $0.5 million decrease from the $19.9 million owed at December 31, 1995.

At September 30, 1996, in accordance with the Company's tax allocation policy, the Burlington Group owed the Minerals Group $20.1 million for tax benefits, a decrease of $1.9 million from the $22.0 million owed at December 31, 1995. Of the total amount of tax benefits owed the Minerals Group at September 30, 1996, $14.0 million is expected to be paid within one year.

Capitalization

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

Brink's Stock, Burlington Stock and the Pittston Minerals Group Common Stock ("Minerals Stock") were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, Burlington Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups.

The redesignation of the Company's Services Stock as Brink's Stock and the distribution of Burlington Stock as a result of the approval of the Brink's Stock Proposal and the distribution of Minerals Stock in July 1993 (the "Services Stock Proposal") did not result in any transfer of assets and liabilities of the Company or any of its subsidiaries. Holders of all three classes of stock are shareholders of the Company, which continues to be responsible for all its liabilities. Therefore, financial developments affecting the Brink's Group, the Burlington Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. The changes in the capital structure of the Company had no effect on the Company's total capital, except as to expenses incurred in the execution of the Brink's Stock Proposal. Since the approval of the Brink's Stock Proposal and the earlier Service Stock Proposal, capitalization of the Company has been affected by the share activity related to each of the classes of common stock.

In November 1995, the Board authorized, subject to shareholder approval of the Brink's Stock Proposal, a revised share repurchase program which allows for the purchase, from time to time, of up to 1,500,000 shares of Brink's Stock, 1,500,000 shares of Burlington Stock and 1,000,000 shares of Minerals stock, not to exceed an aggregate purchase price of $45.0 million. As of September 30, 1996, 20,300 shares of Burlington Stock at a total cost of $0.4 million have been purchased under the program. Between October 1, 1996 and November 11, 1996, the Company purchased 47,600 shares of Burlington Stock at a total cost of $0.9 million.

In 1994, the Board authorized the purchase from time to time of up to $15 million of the Company's Series C Cumulative Convertible preferred stock. In November 1995, the Board authorized an increase in the remaining authority to $15 million. No share purchases were made in 1995 subsequent to the increased authorization. During the third quarter and first nine months of 1996, the Company purchased 10,320 and 20,920 shares, respectively, of its Series C Cumulative Convertible preferred stock a total cost of $3.9 and $7.9 million, respectively.

Dividends
- ---------
The Board intends to declare and pay dividends on Burlington Stock based on earnings, financial condition, cash flow and business requirements of the Burlington 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 or the Brink's Group could affect the Company's ability to pay dividends in respect of stock relating to the Burlington Group.

During the first nine months of 1996 the Board declared and paid cash dividends of 18 cents per share of Burlington Stock. During the first nine months of 1995, the Board declared and the Company paid cash dividends of 15 cents per share of Services Stock of which 16.2 cents per share was attributed to the Burlington Stock after taking into account the one-half share distribution of Burlington Stock for each Services Stock share.

The Company pays an annual cumulative dividend on its Series C Cumulative Convertible preferred stock of $31.25 per share payable quarterly, in cash, in arrears, out of all funds of the Company legally available when, and if declared by the Board of Directors of the Company. Such stock also bears a liquidation preference of $500 per share, plus an amount equal to accrued and unpaid dividends thereon. In the first nine months of 1996 and 1995, dividends paid on the Series C Cumulative Convertible preferred stock were $2.9 million and $3.3 million, respectively.

Pittston Minerals Group
BALANCE SHEETS
(In thousands)

	September 30, 1996	December 31, 1995
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,531	4,999
Short-term investments, at lower of cost or market	-	26,046
Accounts receivable (net of estimated amount uncollectible: 1996 - $1,532; 1995 - $1,946)	80,527	87,775
Inventories, at lower of cost or market:		
Coal	32,554	37,329
Other	4,154	4,591
	36,708	41,920
Prepaid expenses	6,764	7,573
Deferred income taxes	28,921	30,677
Total current assets	157,451	198,990
Property, plant and equipment, at cost (net of accumulated depreciation, depletion and amortization: 1996 - $157,699; 1995 - $166,653)	176,906	199,344
Deferred pension assets	80,653	79,393
Deferred income taxes	67,530	80,699
Coal supply contracts	55,350	63,455
Intangibles, net of amortization	111,855	117,551
Receivable - Pittston Brink's Group	6,967	7,844
Receivable - Pittston Burlington Group	6,143	8,029
Other assets	46,441	43,304
Total assets	$ 709,296	798,609
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term bank borrowings	$ -	24
Current maturities of long-term debt	161	1,199
Accounts payable	57,430	70,214
Payable - Pittston Brink's Group	5,356	3,945
Payable - Pittston Burlington Group	1,782	5,910
Accrued liabilities	121,165	138,384
Total current liabilities	185,894	219,676
Long-term debt, less current maturities	116,752	100,791
Postretirement benefits other than pensions	218,075	213,707
Workers' compensation and other claims	105,449	114,602
Reclamation	43,642	47,126
Other liabilities	51,805	111,386
Shareholders' equity	(12,321)	(8,679)
Total liabilities and shareholders' equity	$ 709,296	798,609

See accompanying notes to financial statements.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	1996	1995	1996	1995
Net sales	$ 177,195	177,702	522,715	557,653
Cost and expenses:				
Cost of sales	167,907	167,261	531,128	542,061
Restructuring and other charges, including litigation accrual	-	-	(35,650)	-
Selling, general and administrative expenses	8,275	8,182	27,332	25,102
Total costs and expenses	176,182	175,443	522,810	567,163
Other operating income	1,812	3,259	11,298	19,999
Operating profit	2,825	5,518	11,203	10,489
Interest income	187	178	507	372
Interest expense	(2,694)	(2,693)	(8,315)	(7,778)
Other expense, net	(449)	(219)	(1,339)	(649)
Income (loss) before income taxes	(131)	2,784	2,056	2,434
Credit for income taxes	(2,629)	(1,678)	(6,106)	(7,132)
Net income	2,498	4,462	8,162	9,566
Preferred stock dividends, net	146	(521)	(773)	(1,697)
Net income attributed to common shares	$ 2,644	3,941	7,389	7,869
Per common share:				
Net income				
Primary	$ .33	.51	.94	1.01
Fully diluted	$ .25	.45	.82	.96
Cash dividends	$ .1625	.1625	.4875	.4875
Average common shares outstanding				
Primary	7,926	7,804	7,872	7,781
Fully diluted	9,819	9,964	9,920	10,013

See accompanying notes to financial statements.

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

	Nine months Ended September 30 1996	1995
Cash flows from operating activities:		
Net income	$ 8,162	9,566
Adjustments to reconcile net income to net cash provided by operating activities:		
Noncash charges and other write-offs	24,259	-
Depreciation, depletion and amortization	27,674	31,747
Provision for deferred income taxes	15,130	11,185
Credit for pensions, noncurrent	(1,261)	(2,635)
Provision for uncollectible accounts receivable	251	100
Equity in earnings of unconsolidated affiliates, net of dividends received	(222)	15
Other operating, net	(754)	(3,054)
Change in operating assets and liabilities net of effects of acquisitions and dispositions:		
Decrease in accounts receivable	3,743	17,308
Decrease (increase) in inventories	5,211	(12,235)
Decrease in prepaid expenses	76	1,618
Decrease in accounts payable and accrued liabilities	(7,210)	(7,813)
(Increase) decrease in other assets	(3,348)	1,426
Decrease in other liabilities	(48,559)	(18,909)
Decrease in workers' compensation and other claims, noncurrent	(9,153)	(14,456)
Other, net	254	118
Net cash provided by operating activities	14,253	13,981
Cash flows from investing activities:		
Additions to property, plant and equipment	(17,662)	(14,590)
Proceeds from disposal of property, plant and equipment	3,719	16,112
Acquisitions, net of cash acquired, and related contingent payments	(746)	(1,078)
Other, net	2,885	220
Net cash (used) provided by investing activities	(11,804)	664
Cash flows from financing activities:		
Additions to debt	15,615	-
Reductions of debt	(1,233)	(9,114)
Payments (to) from - Brink's Group	(2,163)	9,936
Payments to - Burlington Group	(554)	(3,746)
Repurchase of stock	(7,896)	(7,171)
Proceeds from exercise of stock options	9	1,202
Proceeds from stock purchased by benefit plans	163	177
Dividends paid	(6,858)	(7,348)
Net cash used by financing activities	(2,917)	(16,064)
Net decrease in cash and cash equivalents	(468)	(1,419)
Cash and cash equivalents at beginning of period	4,999	3,708
Cash and cash equivalents at end of period	$ 4,531	2,289

See accompanying notes to financial statements.

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

(1) The financial statements of the Pittston Minerals Group (the "Minerals Group") include the balance sheets, results of operations and cash flows of 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, the Pittston Brink's Group (the "Brink's Group") or the Pittston Burlington Group (the "Burlington Group") that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. Accordingly, the Company's consolidated financial statements must be read in conjunction with the Minerals Group's financial statements.

(2) Depreciation, depletion and amortization of property, plant and equipment in the third quarter and nine month periods of 1996 and 1995 totaled $5,873 ($6,211 in 1995) and $17,058 ($18,858 in 1995), respectively.

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

	Third quarter		Nine months	
	1996	1995	1996	1995
Interest	$ 2,263	2,486	8,253	7,658
Income taxes	$ (7,999)	(4,286)	(23,923)	(16,533)

During the nine month period ended September 30, 1996 and 1995, capital lease obligations of $494 and $52, respectively, were incurred for leases of property, plant and equipment.

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 flows from investing activities: Proceeds from disposal 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 flows from investing activities: Proceeds from disposal of property, plant and equipment".

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

In late March 1996, a settlement was reached in the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: $25,845 upon dismissal of the Evergreen Case in March 1996 and the remainder of $24,000 in installments of $7,000 in August 1996 and $8,500 in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Minerals Group. The amount previously escrowed and accrued was included in "Short-term investments" and "Accrued liabilities" on the Minerals Group's balance sheet. The second payment of $7,000 was paid in the third quarter of 1996 and was funded through cash provided by operating activities. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. Separate lawsuits against each of the UMWA and the Bituminous Coal Operators Association, previously reported, have also been dismissed.

As a result of the settlement of these cases at an amount lower than previously accrued in 1993, the Minerals Group recorded a pretax benefit of $35,650 ($23,173 after tax) in the first quarter of 1996 in its financial statements.

(5) As of January 1, 1996, the Minerals Group implemented a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable.

In accordance with SFAS No. 121, the Minerals Group grouped its long-lived assets at the lowest level for which there are identifiable cash flows that are independent of the cash flows of other groups of assets, and determined the recoverability of such assets by comparing the sum of the expected undiscounted future cash flows with the carrying amount of the assets. The impact of adopting SFAS No. 121 resulted in a pretax charge to earnings as of January 1, 1996 for the Minerals Group's Coal operations of $27,839 ($18,095 after tax), of which $24,203 was included in cost of sales and $3,636 was included in selling, general and administrative expenses. Assets for which the impairment loss was recognized consisted of property, plant and equipment, advanced royalties and goodwill. These assets primarily related to mines scheduled for closure in the near term and idled facilities and related equipment. Based on current mining plans, geological conditions, and current assumptions related to future realization and costs, the sum of the expected undiscounted future cash flows was less than the carrying amount of the assets, and accordingly, an impairment loss was recognized. The loss was calculated based on the excess of the carrying value of the assets over the present value of estimated expected future cash flows, using a discount rate commensurate with the risks involved.

(6) During the quarter and nine months ended September 30, 1996, the Company purchased 10,320 and 20,920 shares, respectively, of its Series C Cumulative Convertible Preferred Stock. Preferred dividends included on the statement of operations for the quarter and nine months ended September 30, 1996, are net of $1,020 and $2,120, respectively, which is the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock. During the quarter and nine months ended September 30, 1995, the Company purchased 3,700 and 16,370 shares, respectively, of its preferred stock. Preferred dividends for the third quarter and first nine months of 1995 are net of $535 and $1,579, respectively, which was the excess of the carrying amount of the preferred stock over the cash paid to holders of the preferred stock.

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

(8) All adjustments have been made which are, in the opinion of management, necessary for 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, the Pittston Brink's Group (the "Brink's Group") or the Pittston Burlington Group (the "Burlington Group") that affect the Company's financial condition could affect the results of operations and financial condition of any of the Groups. Accordingly, the Company's consolidated financial statements must be read in conjunction 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 September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Net sales:				
Coal	$ 172,603	173,985	507,967	545,255
Mineral Ventures	4,592	3,717	14,748	12,398
Net sales	$ 177,195	177,702	522,715	557,653
Operating profit (loss):				
Coal	$ 5,393	8,075	14,960	15,196
Mineral Ventures	(324)	(816)	1,425	675
Segment operating profit	5,069	7,259	16,385	15,871
General corporate expense	(2,244)	(1,741)	(5,182)	(5,382)
Operating profit	$ 2,825	5,518	11,203	10,489

RESULTS OF OPERATIONS

In the third quarter of 1996, the Minerals Group reported net income of $2.5 million or $.33 per common share ($.25 on a fully diluted basis) compared to $4.5 million or $.51 per share ($.45 on a fully diluted basis) in the third quarter of 1995. Operating profit totaled $2.8 million in the 1996 third quarter compared to $5.5 million in the prior year quarter. Net sales decreased $0.5 million (0.3%), compared with the 1995 third quarter. Cost of sales and selling, general and administrative expenses for the 1996 period increased $0.7 million (0.4%), compared with the same period of 1995. Net income and operating expenses were impacted by a $0.8 million pre-tax increase in general corporate expenses related to the relocation of the Company's corporate headquarters to Richmond, Virginia.

In the first nine months of 1996, the Minerals Group reported net income of $8.2 million or $.94 per share ($.82 per share on a fully diluted basis), compared to net income of $9.6 million or $1.01 per share ($.96 per share on a fully diluted basis) in the first nine months of 1995. Operating profit totaled $11.2 million in the first nine months of 1996 compared with $10.5 million in the first nine months of the prior year. Net sales during the 1996 nine month period decreased $34.9 million (6%) compared to the corresponding period in 1995. In the first nine months of 1996, operating profits included two significant non-recurring items (related to Coal operations): a $35.7 million benefit from the settlement of the Evergreen lawsuit at an amount lower than previously accrued ($23.2 million after tax) and a $27.8 million charge related to the implementation of a new accounting standard regarding the impairment of long-lived assets ($18.1 million after tax).

Coal

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

(In thousands)	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Net sales	$ 172,603	173,985	507,967	545,255
Cost of sales	164,251	164,032	520,367	532,977
Selling, general and administrative	4,985	5,394	19,366	17,096
Restructuring and other charges, including litigation accrual	-	-	(35,650)	-
Total costs and expenses	169,236	169,426	504,083	550,073
Other operating income	2,026	3,516	11,076	20,014
Operating profit	$ 5,393	8,075	14,960	15,196
Coal sales (tons):				
Metallurgical	1,979	1,950	5,978	6,583
Utility and industrial	3,837	3,943	11,240	12,471
Total coal sales	5,816	5,893	17,218	19,054
Production/purchased (tons):				
Deep	924	984	2,977	3,025
Surface	2,764	3,143	8,351	10,272
Contract	408	459	1,261	1,500
	4,096	4,586	12,589	14,797
Purchased	1,380	1,289	4,365	4,791
Total	5,476	5,875	16,954	19,588

Coal operations generated an operating profit of $5.4 million in the third quarter of 1996, compared to $8.1 million generated in the 1995 third quarter. Included in the current quarter's results is a $0.7 million reduction in expenses resulting from the recently enacted Commonwealth of Virginia law providing refundable credits for coal produced in Virginia. The third quarter of 1995 included a pretax gain of $1.5 million for the disposition of highwall mining equipment.

Coal operations had an operating profit of $15.0 million in the first nine months of 1996 compared to an operating profit of $15.2 million in the prior year period. Operating profit for the first nine months of 1996 included a benefit from the Virginia tax credit of $2.4 million, and a benefit of $35.7 million from the settlement of the Evergreen lawsuit at an amount lower than previously accrued in 1993. These benefits were mostly offset by a $27.8 million charge related to the implementation of a new accounting standard regarding the impairment of long-lived assets (discussed further below). The charge is included in cost of sales ($24.2 million) and selling, general and administrative expenses ($3.6 million). Operating profit in the first nine months of 1995 included a pretax gain of $9.8 million from the sale of coal assets.

The operating profit of Coal operations, excluding the effects of the Evergreen settlement and the implementation of SFAS 121, is analyzed as follows:

(In thousands, except per ton amounts)		Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Net coal sales	$	170,301	173,032	502,759	543,265
Current production cost of coal sold		156,027	154,341	471,050	507,519
Coal margin		14,274	18,691	31,709	35,746
Non-coal margin		620	33	1,476	339
Other operating income (net)		2,026	3,516	10,930	20,014
Margin and other income		16,920	22,240	44,115	56,099
Other costs and expenses:					
Idle equipment and closed mines		266	3,933	729	8,493
Inactive employee cost		6,275	4,838	20,758	15,314
General and administrative		4,986	5,394	15,478	17,096
Total other costs and expenses		11,527	14,165	36,965	40,903
Operating profit (adjusted as stated above)	$	5,393	8,075	7,150	15,196
Coal margin per ton:					
Realization	$	29.28	29.36	29.20	28.51
Current production cost of coal sold		26.83	26.19	27.36	26.63
Coal margin	$	2.45	3.17	1.84	1.88

Sales volume of 5.8 million tons in the 1996 third quarter was 0.1 million tons less than the 5.9 million tons sold in the prior year quarter. Third quarter steam coal sales which represent 66% of the total volume of coal sales, decreased by 0.1 million tons, to 3.8 million tons.

Total coal margin of $14.3 million for the third quarter of 1996 represented a decrease of $4.4 million from the comparable period in 1995. The decrease in coal margin reflects a $.72 per ton (23%) decrease in the average coal margin and a 1% decrease in sales volume. Coal margin per ton decreased to $2.45 per ton in the current quarter from $3.17 per ton for the comparable 1995 quarter as a $0.08 per ton (0.3%) decrease in realization was augmented by a $0.64 per ton increase in current production cost of coal sold. The decrease in realization was primarily attributable to lower steam coal pricing. However, while steam coal spot pricing remains at low levels, the majority of Coal operations' steam coal sales were, and continue to be, sold under long term contracts at prices which are somewhat higher than steam coal spot prices. The current production cost of coal sold increase of $0.64 per ton to $26.83 per ton in the third quarter of 1996 over the third quarter of 1995 was due to higher surface mine and purchased coal costs, partially offset by lower company deep mine and contract coal costs.

Production in the 1996 third quarter totaled 4.1 million tons, an 11% decrease compared to the 4.6 million tons produced in the 1995 third quarter. The decline primarily reflected lower surface mine production, which was caused by exhaustion of reserves at certain mines, idling of a mine subsequent to the third quarter of 1995 and the sale of Coal operations' Ohio operations at the end of 1995. Third quarter surface production accounted for 67% and 69% of total production in 1996 and 1995, respectively. Overall productivity of 38.1 tons per man day represented a 3% decrease from 1995 levels as decreases in surface mine productivity more than offset increases in deep mine productivity. The Coal operations will reactivate a coal preparation and loading facility and open three new underground coal mines in southwest Virginia. When in full operation in early 1997, the mines will produce approximately 1.0 million tons annually of premium grade metallurgical coal. Based on current reserve estimates, it is anticipated that the mines will have an operating life of six to eight years.

Non-coal margin in the third quarter of 1996 increased by $0.6 million from the third quarter of 1995. The increase reflected the impact of a favorable change in natural gas prices. Other operating income, reflecting sales of properties and equipment and third party royalties, amounted to $2.0 million in the third quarter of 1996, $1.5 million less than the third quarter of 1995. The higher level of income recorded in the 1995 third quarter reflects $1.5 million of income generated from the disposition of highwall mining equipment.

Idle equipment and closed mine costs decreased by $3.7 million in the 1996 third quarter. Idle equipment expenses were reduced from the prior year level as a result of Coal operations' improved equipment management program. Inactive employee costs, which primarily represent long term employee liabilities for pension and retiree medical cost, increased by $1.4 million to $6.3 million in the third quarter of 1996 primarily due to the use of lower long term interest rates to calculate the present value of the long term liabilities as compared to the 1995 period.

Sales volume of 17.2 million tons in the first nine months of 1996 was 1.9 million tons less than the 19.1 million tons sold in the same 1995 period. Metallurgical coal sales decreased by 0.6 million tons (9%) to 6.0 million tons and steam coal sales decreased by 1.2 million tons (10%) to 11.2 million tons compared to the prior year period. Steam coal sales represented 65% of the total sales volume for the nine months ended 1996 and 1995.

Total coal margin of $31.7 million for the first nine months of 1996 represented a decrease of $4.0 million from the comparable period in 1995. The decline in coal margin reflects a $0.73 per ton (3%) increase in the current production cost of coal sold which was partially offset by a $0.69 per ton (2%) increase in realization. The increase in realization was mostly due to the timing of the improved metallurgical pricing for the contract year that began in April 1, 1995, the full effect of which was not realized until after the first half of 1995.

The current production cost of coal sold for the first nine months of 1996 increased by $0.73 per ton compared to the prior year period, as higher company surface mine and purchased coal costs were only partially offset by lower company deep mine and contract coal costs. Production for the year-to-date 1996 period totaled 12.6 million tons, a decrease of 15% from the comparable 1995 period. Surface mine production accounted for 66% and 69% of the total volume produced in the 1996 and 1995 periods, respectively. Productivity of 37.2 tons per man day represents a slight decrease from the 1995 period.

Non-coal margin for the first nine months of 1996 increased by $1.1 million from the first nine months of 1995 reflecting higher gas prices. Other operating income, including litigation settlements, sales of properties and equipment and third party royalties, amounted to $10.9 million in the third quarter of 1996, $9.1 million less than the third quarter of 1995. The higher level of income recorded in the 1995 period reflects $9.8 million income from the sale of coal assets.

Idle equipment and closed mine costs decreased by $7.8 million in the first nine months of 1996. Idle equipment expenses were reduced from the prior period level as a result of Coal operations' improved equipment management program. Inactive employee costs, which primarily represent long term employee liabilities for pension and retiree medical cost, increased by $5.4 million to $20.8 million in the first nine months of 1996. The unfavorable variance is due to the use of lower long term interest rates to calculate the present value of the long term liabilities in 1996. In addition, the 1995 nine month results include a benefit of $2.5 million from a favorable litigation decision.

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

In late March 1996, a settlement was reached in the Evergreen Case. Under the terms of the settlement, the coal subsidiaries which had been signatories to earlier National Bituminous Coal Wage Agreements agreed to make various lump sum payments in full satisfaction of all amounts allegedly due to the Trust Funds through January 31, 1996, to be paid over time as follows: $25.8 million upon dismissal of the Evergreen Case in March 1996 and the remainder of $24.0 million in installments of $7.0 million in August 1996 and $8.5 million in each of 1997 and 1998. The first payment was entirely funded through an escrow account previously established by the Coal operations. The second payment of $7.0 million was paid in the third quarter of 1996 and was funded through cash provided by operating activities. In addition, the coal subsidiaries agreed to future participation in the UMWA 1974 Pension Plan. Separate lawsuits against each of the UMWA and the Bituminous Coal Operators Association, previously reported, have also been dismissed.

As a result of the settlement of these cases at an amount lower than previously accrued in 1993, the Company recorded a pretax benefit of $35.7 million ($23.2 million after tax) in the first quarter of 1996 in its consolidated financial statements.

As of January 1, 1996, the Company implemented a new accounting standard, Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". SFAS No. 121 requires companies to review long-lived assets and certain identifiable intangibles to be held and used by an entity for impairment whenever circumstances indicate that the carrying amount for an asset may not be recoverable.

In accordance with SFAS No. 121, the Company grouped its long-lived assets at the lowest level for which there are identifiable cash flows that are independent of the cash flows of other groups of assets, and determined the recoverability of such assets by comparing the sum of the expected undiscounted future cash flows with the carrying amount of the assets. The impact of adopting SFAS No. 121 resulted in a pretax charge to earnings as of January 1, 1996 for the Company's Coal operations of $27.8 million ($18.1 million after tax), of which $24.2 million was included in cost of sales and $3.6 million was included in selling, general and administrative expenses. Assets for which the impairment loss was recognized consisted of property, plant and equipment, advanced royalties and goodwill. These assets primarily related to mines scheduled for closure in the near term and idled facilities and related equipment. Based on current mining plans, geological conditions, and current assumptions related to future realization and costs, the sum of the expected undiscounted future cash flows was less than the carrying amount of the assets, and accordingly, an impairment loss was recognized. The loss was calculated based on the excess of the carrying value of the assets over the present value of estimated expected future cash flows, using a discount rate commensurate with the risks involved.

Coal operations continued cash funding for charges recorded in prior years for facility closure costs recorded as restructuring and other charges. The following table analyzes the changes in liabilities during the first nine months of 1996 for such costs:

	Leased Machinery and Equipment	Mine and Plant Closure Costs	Employee Termination, Medical and Severance Costs	Total
Balance as of December 31, 1995	$ 1,218	28,983	36,077	66,278
Payments	652	4,218	3,369	8,239
Balance as of September 30, 1996	$ 566	24,765	32,708	58,039

In April 1996, the Commonwealth of Virginia enacted into law the "Coalfield Employment Enhancement Tax Credit." The new law, which is effective from January 1, 1996 through December 31, 2001, provides Virginia coal producers with a refundable credit against taxes imposed by the Commonwealth for coal produced in Virginia. The credit ranges from $.40 per ton for surface coal to $1 to $2 per ton of underground coal mined, depending upon seam thickness, with certain modifications to the surface and deep mined credit rates based on employment levels. The credit can be utilized under a predetermined schedule beginning with the 1999 tax year through the 2008 tax year. At current production levels, Coal operations estimates it will generate approximately $4.0 million in tax credits in 1996 to be realized in future years according to the regulations.

Mineral Ventures

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

(Dollars in thousands, except per ounce data)	Three Months Ended September 30 1996	Three Months Ended September 30 1995	Nine Months Ended September 30 1996	Nine Months Ended September 30 1995
Net sales	$ 4,592	3,717	14,748	12,398
Cost of sales	3,657	3,229	10,761	9,084
Selling, general and administrative	1,045	1,047	2,784	2,624
Total costs and expenses	4,702	4,276	13,545	11,708
Other operating (expense) income, net	(214)	(257)	222	(15)
Operating (loss) profit	$ (324)	(816)	1,425	675
Stawell Gold Mine:				
Mineral Ventures's 50% direct share:				
Ounces sold	10,775	8,737	35,375	30,229
Ounces produced	10,756	8,918	34,738	30,206
Average per ounce sold (US$):				
Realization	$ 424	413	415	405
Cash cost	$ 321	293	289	358

The operating loss from Mineral Ventures' operations, primarily a 67% direct and indirect interest in the Stawell gold mine in western Victoria, Australia, amounted to $0.3 million in the third quarter, compared to an operating loss of $0.8 million in the third quarter of 1995. This reduction in operating loss reflects a 23% increase in ounces sold, higher realized gold prices per ounce sold, partially offset by 10% higher costs than the prior year period. Operating costs in the 1996 third quarter were negatively impacted by four lost-time accidents, two late in the second quarter, that resulted in production shortfalls and higher operating cost as compared to the first half of 1996 and the 1995 third quarter. In the third quarter of 1995, costs and production were negatively impacted by adverse geological conditions. Operating profit for the first nine months increased $0.7 million to $1.4 million from the comparable period in 1995 as volume, price and cost all improved from the prior year.

During the second quarter, the Australian joint venture in which Mineral Ventures owns a 34% direct interest, formally announced that the Silver Swan nickel deposit in Australia (50% owned by the Australian joint venture) will be developed as an underground mine with production expected to commence in mid-1997. As of September 30, 1996, the main production shaft has reached 809 meters. In addition, exploration drilling has indicated the presence of a previously unknown area of high grade mineralization (approximately 8 -10% nickel) some 100 meters to the south of Silver Swan and 750 meters below the surface. However, at this time, sufficient data has not been developed to determine whether this area will be commercially significant.

Other Operating Income

Other operating income for the third quarter of 1996 decreased $1.5 million to $1.8 million from $3.3 million in the 1995 third quarter and in the first nine months of 1996 decreased $8.7 million to $11.3 million from $20.0 million in the first nine months of 1995. Other operating income principally includes royalty income and gains and losses from sales of coal assets. The 1995 third quarter reflects $1.5 million of income generated from the disposition of highwall mining equipment and additionally, the first nine months of 1995 included a pretax gain of $8.3 million related to the disposition of coal reserves. The first nine months of 1996 included $3.0 million from favorable litigation settlements.

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 $2.2 million and $1.7 million for the third quarter of 1996 and 1995, respectively, and $5.2 million and $5.4 million for the first nine months of 1996 and 1995, respectively.

The Company's corporate office was relocated to Richmond, Virginia during September 1996. The costs of this relocation for the first nine months of 1996, including moving expenses, employee relocation, severance pay and temporary employee costs, amounted to $2.9 million. Approximately $0.9 million of these costs were attributed to the Minerals Group.

Interest Expense

Interest expense was $2.7 million in both the third quarter of 1996 and 1995, and increased $0.5 million in the first nine months of 1996 to $8.3 million from $7.8 million in the first nine months of 1995. The increase in interest expense in the first nine months of 1996 is the result of higher average debt balances.

Income Taxes

Net income in the third quarter and first nine months of 1996 and 1995 includes a tax credit which exceeds the amount calculated based on the statutory federal income tax rate of 35% primarily as a result of the tax benefits of percentage depletion.

FINANCIAL CONDITION

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

Cash Provided by Operating Activities

Operating activities for the first nine months of 1996 provided cash of $14.3 million, an increase of $0.3 million over the 1995 comparable period. Net income, noncash charges and changes in operating assets and liabilities in the first nine months of 1996 were significantly affected by two nonrecurring items, a benefit from the settlement of the Evergreen case at an amount less than originally accrued and a charge related to the implementation of SFAS 121. These items had no effect on cash generated by operations except that the second settlement payment of $7.0 million was paid from operating cash in the third quarter. The initial payment of $25.8 million related to the Evergreen case settlement was entirely funded by an escrow account previously established by the Company. The amount previously escrowed and accrued was included in "Short-term investments" and "Accrued liabilities" on the Minerals Group's balance sheet.

Capital Expenditures

Cash capital expenditures for the first nine months of 1996 and 1995 totaled $17.7 million and $14.6 million, respectively, excluding equipment expenditures that have been or are expected to be financed through capital and operating leases. In 1996, Mineral Ventures and Coal operations spent $2.0 million and $14.1 million, respectively, and $1.6 million was allocated to the Minerals Group for corporate expenditures primarily related to the purchase of the Company's new corporate office building. For the full year of 1996, capital expenditures, excluding expenditures that have been or are expected to be financed through capital and operating leases, are estimated to be between $25.0 million and $30.0 million.

Other Investing Activities

All other investing activities in the first nine months of 1996 provided net cash of $5.9 million, largely as a result of proceeds from the disposal of property, plant and equipment.

Financing

The Minerals Group intends to fund its capital expenditure requirements during the remainder of 1996 primarily with anticipated cash flows from operating activities and through operating and capital leases if the latter are financially attractive. Shortfalls, if any, will be financed through the Company's revolving credit agreements, other borrowing arrangements or borrowings from the Brink's and Burlington Groups. The Company has a $350 million revolving credit agreement with a syndicate of banks (the "Facility"). The Facility includes a $100 million term loan and also permits additional borrowings, repayments, and reborrowings of up to an aggregate of $250 million. During the second quarter of 1996, the maturity date of both the term loan and revolving credit portion of the Facility was extended to May 31, 2001. As of September 30, 1996, borrowings of $100 million were outstanding under the term loan portion of the Facility and $15.6 million of additional borrowings were outstanding under the remainder of the Facility. Of the total borrowings outstanding under the Facility, all were attributed to the Minerals Group.

Debt

Total debt outstanding at September 30, 1996 was $116.9 million, an increase of $14.9 million from the year-end 1995 amount. Borrowings to fund capital expenditures and net costs related to share activity during the first nine months of 1996 were made under the Company's revolving credit agreements.

Related Party Transactions

At September 30, 1996, under interest bearing borrowing arrangements, the Minerals Group owed the Brink's Group $15.8 million, a decrease of $2.1 million from the $17.9 million owed at December 31, 1995. The Minerals Group also owed the Burlington Group $19.4 million at the end of the third quarter of 1996, $0.5 million lower than the $19.9 million owed at year-end 1995.

At September 30, 1996, in accordance with the Company's tax allocation policy, the Brink's Group owed the Minerals Group $21.0 million and the Burlington Group owed the Minerals Group $20.1 million for tax benefits. Payments of $14.0 million from each Group are expected to be made within one year.

Capitalization

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

Brink's Stock, Burlington Stock and Minerals Stock were designed to provide shareholders with separate securities reflecting the performance of the Brink's Group, Burlington Group and Minerals Group, respectively, without diminishing the benefits of remaining a single corporation or precluding future transactions affecting any of the Groups.

The redesignation of the Company's Services Stock as Brink's Stock and the distribution of Burlington Stock as a result of the approval of the Brink's Stock Proposal and the distribution of Minerals Stock in July 1993 (the "Services Stock Proposal") did not result in any transfer of assets and liabilities of the Company or any of its subsidiaries. Holders of all three classes of stock are shareholders of the Company, which continues to be responsible for all its liabilities. Therefore, financial developments affecting the Brink's Group, the Burlington Group or the Minerals Group that affect the Company's financial condition could affect the results of operations and financial condition of all three Groups. The changes in the capital structure of the Company had no effect on the Company's total capital, except as to expenses incurred in the execution of the Brink's Stock Proposal. Since the approval of the Brink's Stock Proposal and the earlier Services Stock Proposal, capitalization of the Company has been affected by the share activity related to each of the classes of common stock.

In November 1995, the Board authorized, subject to shareholder approval of the Brink's Stock Proposal, a revised share repurchase program which allows for the purchase, from time to time, of up to 1,500,000 shares of Brink's Stock, 1,500,000 shares of Burlington Stock and 1,000,000 shares of Minerals Stock, not to exceed an aggregate purchase price of $45.0 million. As of September 30, 1996, no shares of Minerals Stock have been purchased under the program. Between October 1, 1996 and November 11, 1996, the Company purchased 47,600 shares of Burlington Stock at a total cost of $0.9 million.

In 1994, the Board authorized the purchase from time to time of up to $15 million of the Company's Series C Cumulative Convertible preferred stock. In November 1995, the Board authorized an increase in the remaining authority to $15 million. No share purchases were made in 1995 subsequent to the increased authorization. During the third quarter and first nine months of 1996, the Company purchased 10,320 and 20,920 shares, respectively, of its Series C Cumulative Convertible preferred stock a total cost of $3.9 million and $7.9 million, respectively.

Dividends

The Board intends to declare and pay dividends on Brink's Stock, Burlington Stock and Minerals Stock based on earnings, financial condition, cash flow and business requirements of the each of the Groups, 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 September 30, 1996 the Available Minerals Dividend Amount was at least $21.4 million.

During the first nine months of 1996 and 1995, the Board declared and the Company paid cash dividends of 48.75 cents per share of Minerals Stock. Dividends paid on the Series C Cumulative Convertible preferred stock in the first nine months of 1996 and 1995 totaled $2.9 million and $3.3 million, respectively. Preferred dividends included on the Minerals Group's Statement of Operations for the nine months ended September 30, 1996 and 1995, are net of $2.1 million and $1.6 million, respectively, 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	
11	Statement re Computation of Per Shares Earnings.

(b) No reports on Form 8-K were filed during the third quarter of 1996.

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

November 14, 1996

By G. R. Rogliano

(G. R. Rogliano)
Senior Vice President
(Duly Authorized Officer and
Chief Accounting Officer)

Exhibit 11

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

Fully Diluted Earnings Per Common Share:

	Three Months Ended September 30		Nine Months Ended September 30	
	1996	1995	1996	1995
Pittston Brink's Group:				
Net income attributed to common shares	$ 15,841	14,613	41,714	36,124
Average common shares outstanding	38,264	37,916	38,158	37,914
Incremental shares of stock options	586	376	590	361
Pro forma shares outstanding	38,850	38,292	38,748	38,275
Fully diluted earnings per common share:	$ .41	.38	1.08	.94
Pittston Burlington Group:				
Net income attributed to common shares	$ 10,705	10,524	23,214	22,582
Average common shares outstanding	19,283	18,958	19,161	18,957
Incremental shares of stock options	435	188	471	181
Pro forma common shares outstanding	19,718	19,146	19,632	19,138
Fully diluted earnings per common share	$ .54	.55	1.18	1.18
Pittston Minerals Group:				
Net income attributed to common shares	$ 2,644	3,941	7,389	7,869
Preferred stock dividends, net	(146)	521	773	1,697
Fully diluted net income attributed to common shares	$ 2,498	4,462	8,162	9,566
Average common shares outstanding	7,926	7,804	7,872	7,781
Incremental shares of stock options	52	23	52	23
Conversion preferred stock	1,841	2,137	1,996	2,209
Pro forma common shares outstanding	9,819	9,964	9,920	10,013
Fully diluted earnings per common share:	$ .25	.45 (a)	.82	.96

(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.

This schedule contains summary financial information from The Pittston Company Form 10Q for the quarterly period ended September 30, 1996, and is qualified in its entirety by reference to such financial statements.

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9-MOS
DEC-31-1996
SEP-30-1996
54,623
2,223
404,285
15,986
41,400
607,399
975,243
455,500
1,788,855
570,113
149,967
70,746
0
1,154
511,159
1,788,855
522,715
2,282,369
531,128
1,996,867
(35,650)
5,314
10,533
101,632
28,542
73,090
0
0
0
73,090
0
0

Pittston Brink's Group - Primary - 1.09
Pittston Burlington Group - Primary - 1.21
Pittston Minerals Group - Primary - .94
Pittston Brink's Group - Diluted - 1.09
Pittston Burlington Group - Diluted - 1.21
Pittston Minerals Group - Diluted - .82