Consolidated Statements of Income

For the years ended October 29, 1976, and October 31, 1975 (000 omitted)

	1976	1975
Revenues:		
Commissions and floor brokerage	$ 52,797	$ 63,843
Trading profits and underwriting (Note 4)	55,209	54,932
Fees, interest, dividends and other	27,368	17,383
	$135,374	$136,158
Expenses:		
Employee compensation and benefits	$ 55,372	$ 47,094
Floor brokerage and clearance fees	11,210	20,646
Interest (Note 4)	23,020	25,911
Other	31,522	27,048
	$121,124	$120,699
Income before gain on investment securities and taxes on income	$ 14,250	$ 15,459
Gain on investment securities	1,323	888
Taxes on income (Note 6)	(8,046)	(9,330)
Net income	$ 7,527	$ 7,017
Per share of common stock (Note 11)		
Primary	$5.16	$4.84
Fully diluted	$3.99	$3.80

The accompanying notes are an integral part of these statements.

Consolidated Balance Sheets

October 29, 1976, and October 31, 1975 (000 omitted)

Assets	1976	1975
Cash	$ 9,091	$ 12,034
Deposits with clearing organizations	$ 4,376	$ 4,002
Money market instruments and trading securities, at market (Notes 3 and 13)—		
Commercial paper	$ 388,755	$ 464,479
U. S. Government obligations	316,577	233,398
Certificates of deposit	125,500	51,609
Bankers' acceptances	105,395	141,856
Corporate securities	28,502	23,619
Municipal securities	18,193	8,393
	$ 982,922	$ 923,354
Money market instruments and trading securities purchased under agreements to resell (Note 3)	$ 212,799	$ 126,692
Receivables from customers, less reserve of $290,000 in 1976 and $535,000 in 1975	146,698	127,684
Receivables from brokers and dealers	48,007	45,795
Accrued interest, syndicate settlements, dividends, floor brokerage and other receivables	11,996	13,446
Investment securities, at estimated fair value—cost $3,463,000 in 1976 and $3,711,000 in 1975	4,509	4,151
Exchange memberships, at adjusted cost—market $2,383,000 in 1976 and $1,712,000 in 1975	1,756	1,656
Office equipment and leasehold improvements, at cost, less accumulated depreciation and amortization of $3,432,000 in 1976 and $2,962,000 in 1975	3,709	2,637
Other assets	1,073	1,173
	$1,426,936	$1,262,624

The accompanying notes are an integral part of these statements.

Liabilities and Stockholders' Equity	1976	1975
Money market instruments and trading securities sold under agreements to repurchase (Note 4)	$ 784,273	$ 709,752
Collateral loans secured by firm and customer securities (Note 3)	381,272	258,752
Securities sold, not yet purchased, at market	38,760	39,048
Payables to brokers and dealers	38,932	44,740
Payables to customers	81,572	102,307
Bank overdrafts	147	8,357
Accounts payable and accrued liabilities	36,156	38,925
	$1,361,112	$1,201,881
Senior subordinated term loan of subsidiary (Note 7)	$ 3,700	$ 3,000
Liabilities subordinated to the claims of general creditors (Note 8)	$ 20,399	$ 23,513
Stockholders' equity (Note 9)—		
Class A, voting common stock, $.10 par value; authorized 1,600,000 shares; issued 1,564,920 shares; outstanding 1,178,708 shares in 1976 and 1,237,816 shares in 1975	$ 157	$ 157
Class B, voting common stock, $.10 par value; authorized 2,600,000 shares; issued and outstanding 282,819 shares in 1976 and 1975	28	28
Class C, voting common stock, $.10 par value; authorized 1,000,000 shares; issued 881,162 shares; outstanding 128,997 shares in 1976 and 55,122 shares in 1975	88	88
Additional paid-in capital	7,638	6,808
Retained earnings (Notes 8 and 12)	53,913	46,386
	$ 61,824	$ 53,467
Less—		
Treasury stock, at cost	17,455	16,866
Notes due from stockholders (Note 10)	2,644	2,371
Total stockholders' equity	$ 41,725	$ 34,230
Total subordinated liabilities and stockholders' equity	$ 65,824	$ 60,743
	$1,426,936	$1,262,624

The accompanying notes are an integral part of these statements.

Consolidated Statements of Changes in Stockholders' Equity

For the years ended October 29, 1976, and October 31, 1975 (000 omitted)

	1976		
	Common Stock		
	Class A Voting	Class B Voting	Class C Voting
Balance—Beginning of Year	$157	$28	$88
Net income	—	—	—
Proceeds from—			
Sales of treasury stock	—	—	—
Collection on notes due from stockholders	—	—	—
Cost of treasury stock purchased	—	—	—
Additions to notes due from stockholders	—	—	—
Issuance of Class B voting stock	—	—	—
Balance—End of Year	$157	$28	$88

1976					1975
Additional Paid-in Capital	Retained Earnings	Treasury Stock	Notes due from Stockholders	Total Stockholders' Equity	Total Stockholders' Equity
$6,808	$46,386	$(16,866)	$(2,371)	$34,230	$27,535
—	7,527	—	—	7,527	7,017
830	—	1,200	—	2,030	1,203
—	—	—	261	261	105
—	—	(1,789)	—	(1,789)	(1,524)
—	—	—	(534)	(534)	(274)
—	—	—	—	—	168
$7,638	$53,913	$(17,455)	$(2,644)	$41,725	$34,230

The accompanying notes are an integral part of these statements.

Consolidated Statements of Changes in Financial Position

For the years ended October 29, 1976, and October 31, 1975 (000 omitted)

	1976	1975
Funds Provided By:		
Net income	$ 7,527	$ 7,017
Add (deduct)—Items not requiring the outlay of funds—		
Depreciation and amortization	726	549
Unrealized change in the market value of investment securities	(781)	(987)
Increase in permanent impairment of stock exchange memberships	176	—
Provided from operations	$ 7,648	$ 6,579
Collections of stockholders' notes	261	105
Sales of treasury stock net of shareholder notes issued	1,496	929
Issuance of Class B voting common stock	—	168
Increases in:		
Collateral loans secured by firm and customer securities	122,520	—
Money market instruments and trading securities sold under agreements to repurchase	74,521	213,009
Payables to customers	—	32,228
Accounts payable and accrued liabilities	—	9,946
Bank overdrafts	—	6,846
Senior subordinated term loan of subsidiary	700	3,000
Decreases in:		
Cash	2,943	—
Receivables from customers	—	13,957
Accrued interest, syndicate settlements, dividends, floor brokerage and other receivables	1,450	—
Investment securities (cost)	248	—
Other changes, net	132	653
Total funds provided	$211,919	$287,420

The accompanying notes are an integral part of these statements.

	1976	1975
Funds Applied To:		
Purchases of treasury stock	$ 1,789	$ 1,524
Purchases of office equipment and leasehold improvements, net	1,798	979
Decreases in:		
Payables to customers	20,735	—
Bank overdrafts	8,210	—
Payables to brokers and dealers	5,808	19,567
Liabilities subordinated to the claims of general creditors	3,114	5,184
Accounts payable and accrued liabilities	2,769	—
Securities sold, not yet purchased	288	22,906
Collateral loans secured by firm and customer securities	—	21,291
Increases in:		
Money market instruments and trading securities purchased under agreements to resell	86,107	72,009
Money market instruments and trading securities	59,568	130,099
Receivables from customers	19,014	—
Receivables from brokers and dealers	2,069	1,435
Deposits with clearing organizations	374	2,094
Exchange memberships (cost)	276	688
Accrued interest, syndicate settlements, dividends, floor brokerage and other receivables	—	4,870
Cash	—	4,469
Investment securities (cost)	—	305
Total funds applied	$211,919	$287,420

The accompanying notes are an integral part of these statements.

Notes to Consolidated Financial Statements

October 29, 1976, and October 31, 1975

(1) Accounting Policies:

(a) The consolidated financial statements include the accounts of The Becker and Warburg-Paribas Group Incorporated (BWP) and its subsidiary companies, all of which are wholly owned. All material intercompany accounts and transactions are eliminated. Foreign currency items are translated into U.S. dollars at year-end exchange rates. The gains and losses from translation, which are not material, are included in consolidated income.

(b) Money market instruments and trading securities are held for resale to customers and are valued at market. Money market instruments sold under delayed delivery contracts are valued at amortized cost, which will be equivalent to subsequent sales price.

(c) Investment securities generally represent long-term investments in securities which at the time the investments are made, may be restricted or nonmarketable. These securities are carried at estimated fair value as determined by management. In the determination of estimated fair value, the following guidelines are observed.

1. Marketable securities are valued at the quoted market price or at quoted market less an appropriate discount, when it is felt that the public market cannot absorb the entire position at the quoted market price.

2. Restricted securities are valued at the quoted market price of their marketable equivalents, less an appropriate discount.

3. When an objective measure of fair value is not readily obtainable due to nonmarketability, estimated fair value is measured by bona fide sales of the same securities or similar securities by the same issuer, application of an earnings multiple or other significant factors.

(d) Money market instrument and security transactions and related revenues and expenses are recorded in the accounts on settlement date.

(e) The Company's fiscal year ends on the last Friday of October.

(f) Exchange memberships are carried at cost, adjusted for permanent impairment in value.

(g) Office equipment is depreciated over a ten-year period using the sum-of-the-years-digits method. Leasehold improvements are amortized over the lesser of the estimated economic life of the improvements or the remaining lease term.

(h) Income tax expense is computed on reported income adjusted for permanent differences in computing taxes payable under applicable tax laws. Certain income or expense items are accounted for in different periods for financial reporting purposes than for income tax purposes. Appropriate provisions are made in the consolidated financial statements for deferred taxes in recognition of these timing differences. The investment tax credit is accounted for as a reduction of the provision for income taxes in the year realized.

(i) Provision is made for net unrealized losses on contractual commitments.

(j) Underwriting fees are recognized on the offering date of the security. Private placement, consulting and other fees are recognized upon completion of a project as billed.

(2) Voting Trust:

Becker Securities Corporation (BSC) a wholly owned subsidiary, is engaged in business as a member firm of the New York Stock Exchange, Inc. The capital stock of BSC is held by a voting trust which vests the voting power of BSC's capital stock in voting trustees. The Amalgamation Agreement (see Note 9) provides that the stock of BSC will be held by voting trustees so long as BSC is engaged in business as a member firm of the New York Stock Exchange, Inc. or any other national securities exchange and the constitution or rules of any such exchange restrict control by foreign parties over the management or policies of its member firms.

(3) Collateral Loans:

Collateral loans represent borrowings payable on demand made at the market rate of interest to brokers and dealers. At October 29, 1976, the Company had pledged $311,431,000 of firm-owned money market instruments and trading securities, money market instruments and trading securities purchased under agreements to resell with a carrying value of $4,600,000, and $96,663,000 of customer securities to secure collateral loans of $381,272,000.

(4) Repurchase Agreements:

Repurchase agreements consist of the sale of money market instruments and trading securities with an agreement to repurchase at a future date. As of October 29, 1976, the market value of money market instruments and trading securities covered by such agreements was $784,999,000. Of this amount, $178,078,000 was purchased under agreements to resell at a future date.

Gross trading profits from the purchase and sale of money market instruments and trading securities are included in "trading profits and underwriting." Interest costs associated with repurchase transactions in these instruments of $41,375,000 in 1976 and $46,335,000 in 1975 are offset against such trading profits.

(5) Pension Plan:

The Company has a noncontributory pension plan covering substantially all of its employees. The net assets of the pension fund exceeded the actuarially computed value of the vested benefits at the end of 1976 and 1975. The general policy is to fund pension costs accrued. Total pension expenses for the fiscal year ended October 29, 1976, and October 31, 1975, were $1,082,000 and $1,268,000, respectively. Pension expense includes normal cost plus interest on past-service costs.

The pension plan will be amended effective November 1, 1976, in order to comply with the Employee Retirement Income Security Act of 1974 and to incorporate certain other changes. The Company does not anticipate such amendments will have a significant effect on future results of operations.

(6) Taxes on Income:

Income tax expense includes the following components for 1976 and 1975 (000 omitted):

	Federal	State and Local	Total
1976			
Current	$6,154	$1,214	$7,368
Deferred	597	81	678
	$6,751	$1,295	$8,046
1975			
Current	$6,932	$1,844	$8,776
Deferred	531	23	554
	$7,463	$1,867	$9,330

The sources of the deferred taxes in 1976 and 1975 and the tax effect of each are as follows (000 omitted):

	1976	1975
Unrealized security gains	$318	$482
Income from investment partnerships	137	18
Other, net	223	54
Total deferred provisions	$678	$554

(7) Senior Subordinated Term Loan of Subsidiary:

The senior subordinated term loan of BSC was borrowed under a $5,000,000 commitment with a bank which expires December 27, 1977, and bears interest at 125% of the greater of the bank's base rate on 90 day loans to responsible and substantial commercial borrowers in effect from time to time or one-half of one percent above an alternative rate (as defined in the agreement) through December 26, 1977, and 130% of the greater of the aforementioned rates thereafter. The loan is senior to all other subordinated borrowings of BSC and is not a liability of BWP or any other BWP subsidiary.

This loan is payable in six equal semi-annual installments beginning June 27, 1978. Under the terms of the senior subordinated term loan agreement as amended, BSC is required, among other things, to maintain net worth of at least $12,800,000 and "net capital" of not less than 7% of "aggregate debit items" and a ratio of "net capital to allowable capital" of at least 40% (as those terms are defined). As of October 29, 1976, BSC had a net worth of $16,703,000, net capital of $16,638,000 which was equal to 11.2% of aggregate debit items pursuant to SEC rule 15c3-3 and a ratio of "net capital to allowable capital" (as defined) of 58.6%.

(8) Liabilities Subordinated to the Claims of General Creditors:

Below is a summary of subordinated liabilities at the end of each year (000 omitted):

	1976	1975
Capital Note	$18,000	$18,000
Senior subordinated term loan	—	3,500
Cash subordination agreements (Amounts payable under deferred compensation agreements)	1,282	1,381
Junior subordinated debentures	1,117	632
	$20,399	$23,513

The Capital Note, which bears interest at the rate of 10%, will mature when the Company's earnings allocable to Class A and B shares after October 25, 1974, aggregate $20,000,000 but not later than October 31, 1980.

The senior subordinated term loan was prepaid in 1976.

In 1976, the Company entered into a $10,000,000 Credit Agreement with a bank which expires December 31, 1978. No borrowings have been made under such agreement. Under terms of the agreement, the Company must maintain consolidated net worth of $32,000,000.

Subordinated deferred compensation bears interest at the rate of 8% and is payable in annual installments. Deferred compensation of $381,000 has an indefinite maturity and the remainder matures in 1983. Under the terms of the subordination agreements, either the Company or

the lender may terminate the agreement upon giving six months prior written notice.

Junior subordinated debentures arise from the purchase by the Company of a stockholder's shares when he ceases to be an officer or employee (see Note 10) and bear interest at rates varying from 8% to 9%.

(9) Capital Stock:

Effective July 3, 1974, the Company entered into an Amalgamation Agreement (Agreement) with S. G. Warburg & Co. Ltd. (Warburg), Paribas International (Paribas) and Warburg-Paribas (W-P). W-P is jointly owned by Warburg and Paribas. Pursuant to the Agreement, 138,346 Class A shares were issued and placed in escrow pending the resolution of certain claims outstanding as of December 27, 1974. Ultimately such shares will be issued to Class A holders as of December 27, 1974, as an adjustment of the terms of the Agreement or will be returned to the Company and canceled. W-P owns all outstanding Class B shares. Upon termination of the escrow, in order to prevent dilution of the equity ratios contemplated in the Agreement, W-P will purchase an additional number of shares of Class B stock equal to 25% of the number of escrow shares not canceled.

The Agreement provides that, subject to certain conditions, including regulatory approval, W-P will acquire a number of shares which will bring its ownership to 50% of the then outstanding shares of the Company. This acquisition will occur when the Company's earnings allocable to Class A and B shares after October 25, 1974, aggregate $20,000,000 but not later than October 31, 1980. Such shares will be acquired by means of purchases from shareholders and/or from the Company. Thereafter, W-P may, under certain conditions, acquire or make a tender offer for additional shares.

The Agreement also provides that all shares sold by the Company to employees subsequent to December 27, 1974, will be Class C shares. Immediately prior to the additional acquisition by W-P, the Company will acquire from W-P one share of Class B stock for every four shares of Class A acquired by the Company through that date at various prices as determined by the Agreement. As of October 29, 1976, the Company is committed to purchase 22,724 shares of Class B stock at a cost of $622,000.

(10) Stockholder Agreements:

Under various agreements, the Company sells stock to its officers and employees at net asset value, as defined. These agreements provide for the purchase by the Company of a stockholder's shares when he ceases to be an officer or employee. Certain officers, who have been designated by the Board of Directors as employed in a "senior managerial capacity," are entitled to purchase common stock under management share agreements. These management share agreements, which contain more restrictive conditions than those agreements governing the regular sale of the Company's stock, provide for payment of 10% in cash and a 15-year note. The balances on these notes mature in varying amounts in the years 1980 through 1990. At October 29, 1976, there were 91 of these notes outstanding, resulting from the sale of 159,870 and 35,750 shares of Class A and Class C common stock, respectively. These notes bear interest at rates varying from 5% to 8%.

(11) Earnings Per Share:

Primary earnings per share is computed using a weighted average of Class A, B and C shares outstanding net of 138,346 shares held in escrow (see Note 9).

As further discussed in Note 9, the Amalgamation Agreement provides that, subject to certain conditions, including regulatory approval, W-P will bring its ownership in the Company to 50%. Fully diluted earnings per share has been computed on the assumption that all escrow shares will be issued and that the Company will attain earnings of $20,000,000 allocable to Class A and B shares (see Note 9) and will issue 494,370 shares in connection with the Amalgamation Agreement.

(12) Net Capital Requirements:

Certain of the Company's domestic subsidiaries are subject to the uniform net capital rule promulgated by the SEC. BSC has elected to comply with the alternative capital computation provided in the rule and must maintain net capital equal to 4% of "aggregate debit items" (as those terms are defined by the rule). Also, as a member of the New York Stock Exchange, Inc., BSC is subject to the Exchange's Growth and Business Reduction Capital Requirements. Under such rules, a member firm must reduce its business if net capital is less than 6% of aggregate debit items and its expansion may be restricted if net capital is less than 7% of aggregate debit items. Refer to Note 7 for BSC's capital position as of October 29, 1976. Pursuant to the uniform net capital rule, the ratio of "aggregate indebtedness" to "net capital" of certain other domestic subsidiaries must not exceed 15 to 1 (as those terms are defined by the rule). As of October 29, 1976, the net capital ratio was less than 5 to 1 for all subsidiaries computing the ratio.

(13) Commitments:

In the normal course of business, certain subsidiaries of the Company enter into underwriting and delayed delivery

commitments. Open underwriting and delayed delivery commitments as of October 29, 1976, were approximately $852,015,000. Included in the foregoing amount is $87,162,000 of firm owned money market instruments and trading securities sold under delayed delivery contracts.

As of October 29, 1976, a subsidiary of the Company had entered into "matched repurchase" agreements at contract amounts aggregating $728,168,000 which are not reflected in the accompanying financial statements. A matched repurchase agreement consists of a purchase of U.S. Government obligations or certificates of deposit with an agreement to resell at a specific future date and a sale of the same instrument with an agreement to repurchase at the same future date. The principal amount of the contract prices of the purchase-resale and the sale-repurchase are all equal in amount.

The minimum rental commitments under noncancelable leases of the Company and its subsidiaries are as follows:

Fiscal year ending on the last Friday of October:

1977	$4,229,000
1978	4,111,000
1979	3,842,000
1980	2,714,000
1981	2,516,000

Five year period ending on the last Friday of October:

1986	$11,596,000
1991	2,883,000

Included in the foregoing data are finance leases of an immaterial amount. Total rent expense, including monthly rentals, in 1976 and 1975 was $6,281,000 and $4,529,000 respectively.

(14) Contingent Liabilities:

Under the terms of the Amalgamation Agreement the Company and its subsidiaries are responsible for certain contingent liabilities of the former A. G. Becker & Co. Incorporated (Becker). In this regard Becker is a defendant in several lawsuits, and the Company and its subsidiaries are responsible for contingent liabilities arising out of this litigation. Six of these litigations involve class actions, which are frequently brought for the alleged benefit of a large number of plaintiffs, name many securities dealers as defendants and typically seek large amounts in damages. The Company and its subsidiaries also are defendants in other litigation. In the present opinion of management, after considering the advice of legal counsel, these actions will have no material adverse effect on the Company's financial position.

At October 29, 1976, a subsidiary of the Company was contingently liable on security drafts deposited for immediate credit of approximately $9,900,000.

A subsidiary Company has obtained $23,000,000 in letters of credit and has utilized $17,000,000 of these letters to meet margin requirements of a clearing organization as of October 29, 1976.

Auditors' Report

To the Board of Directors
and Stockholders of
The Becker and Warburg-Paribas
Group Incorporated:

We have examined the consolidated balance sheets of THE BECKER AND WARBURG-PARIBAS GROUP INCORPORATED (a Delaware corporation) AND SUBSIDIARIES as of October 29, 1976, and October 31, 1975, and the related consolidated statements of income, changes in stockholders' equity and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As explained in Note 1 to the consolidated financial statements, investment securities are carried at estimated fair value. Accordingly, investment securities not readily marketable amounting to $2,723,000 as of October 29, 1976, and $2,192,000 as of October 31, 1975, have been valued at estimated fair value as determined by management. We have reviewed the procedures applied by management in valuing such investments and have inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair value involves subjective judgment which is not susceptible to substantiation by auditing procedures.

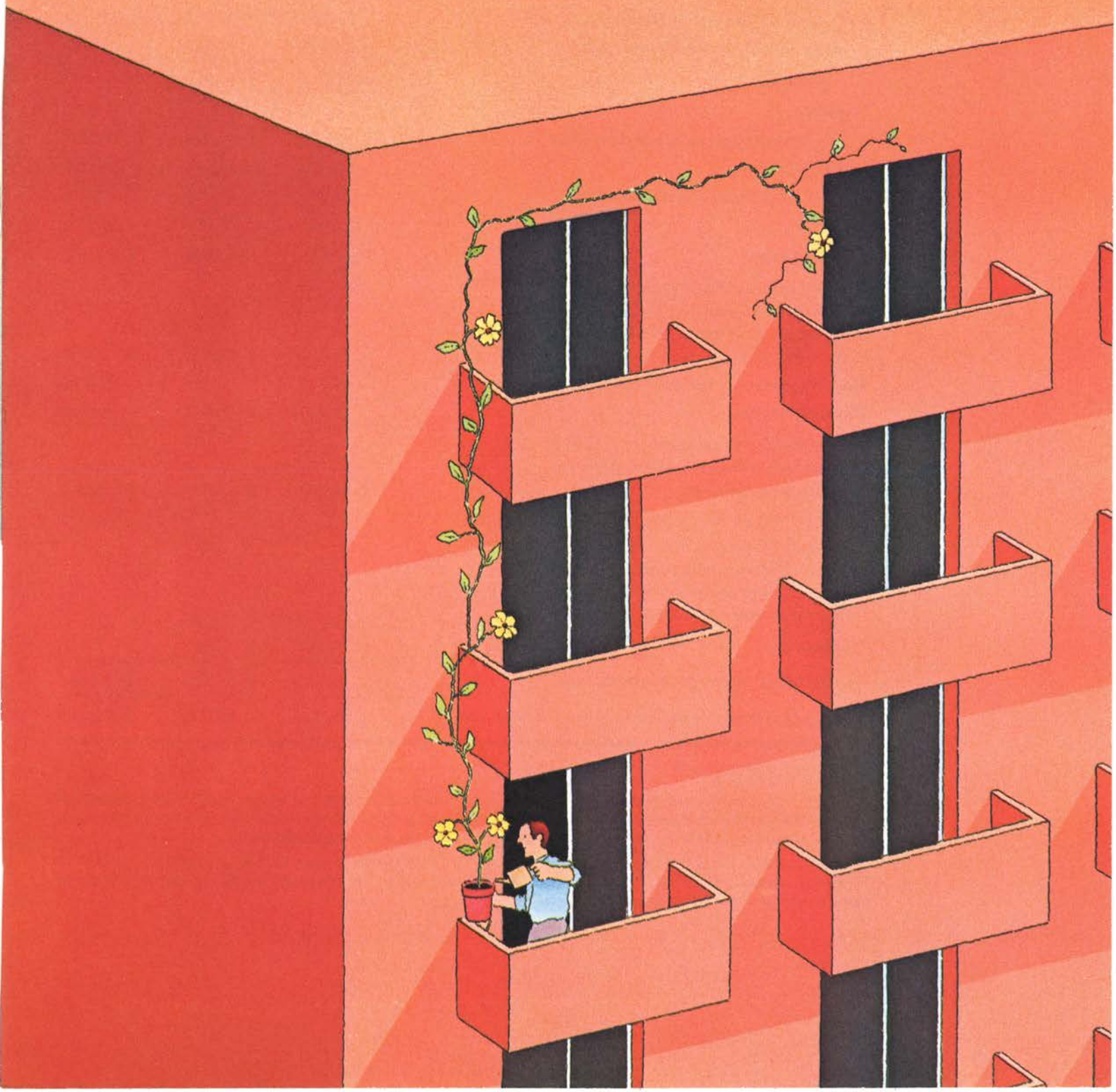
In our opinion, subject to the effect of the valuation of certain investment securities by management as described in the preceding paragraph, the aforementioned financial statements present fairly the financial position of The Becker and Warburg-Paribas Group Incorporated and Subsidiaries as of October 29, 1976, and October 31, 1975, and the results of their operations and the changes in their financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis during the periods.

ARTHUR ANDERSEN & CO.

Chicago, Illinois,
December 17, 1976.

Adam Smith on man in a free market

"Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it."



Ten Year Financial Summary

(000 omitted)

Fiscal Year Ended	October 29, 1976	October 31, 1975	October 25, 1974
Revenues:			
Commissions and floor brokerage	$ 52,797	$ 63,843	$ 54,155
Trading profits and underwriting	55,209	54,932	40,074
Fees, interest, dividends and other	27,368	17,383	11,852
Revenues	$135,374	$136,158	$106,081
Expenses:			
Employee compensation and benefits	$ 55,372	$ 47,094	$ 34,499
Interest	23,020	25,911	27,069
Floor brokerage and clearance fees	11,210	20,646	16,986
Other	31,522	27,048	19,778
Expenses	$121,124	$120,699	$ 98,332
Operating Income Before Gain (Loss) on Investment Securities, Taxes on Income, Extraordinary Items and Cumulative Effect of a Change in Accounting Principle	$ 14,250	$ 15,459	$ 7,749
Gain (Loss) on Investment Securities[1]	1,323	888	(2,176)
Taxes on income	(8,046)	(9,330)	(3,746)
Income Before Extraordinary Items and Cumulative Effect of a Change in Accounting Principle	$ 7,527	$ 7,017	$ 1,827
Extraordinary Items, Net of Federal Income Taxes	—	—	—
Cumulative Effect on Prior Years (to October 27, 1972) of changing to a different method of carrying investment securities, net of related income taxes of $2,550,000	—	—	—
Net Income	$ 7,527	$ 7,017	$ 1,827
Stockholders' equity at fiscal year end	$ 41,725	$ 34,230	$ 27,535
Total subordinated liabilities and stockholders' equity	$ 65,824	$ 60,743	$ 56,232

Explanatory Notes:

1. In 1973, the Company adopted the practice of carrying investment securities at estimated fair value. Accordingly, the 1973-1976 gains and losses on investment securities are comprised of increases and decreases in both realized and unrealized gains or losses. All prior year amounts consist solely of realized gains or losses.

2. The Company changed its fiscal year end from December 31 to October 31 as of October 31, 1967, and, in 1972, the Company adopted a fiscal year ending on the last Friday in October. The operating results for 1967 include the results for November and December of 1966.

October 26, 1973	October 27, 1972	October 31, 1971	October 31, 1970	October 31, 1969	October 31, 1968	October 31, 1967
Audited					Unaudited	
$46,256	$41,024	$33,609	$24,492	$23,965	$25,202	$17,075
22,012	21,558	25,158	20,715	19,194	16,251	12,158
10,585	6,963	5,329	4,724	5,538	4,509	3,485
$78,853	$69,545	$64,096	$49,931	$48,697	$45,962	$32,718
$30,930	$29,667	$27,985	$22,349	$22,344	$18,584	$13,386
13,554	7,436	6,335	8,483	8,708	6,964	5,743
13,261	11,985	8,669	6,554	6,014	7,215	5,282
16,549	14,584	12,877	9,509	9,449	6,429	4,823
$74,294	$63,672	$55,866	$46,895	$46,515	$39,192	$29,234
$ 4,559	$ 5,873	$ 8,230	$ 3,036	$ 2,182	$ 6,770	$ 3,484
(315)	495	(39)	6,831	337	9,731	3,450
(2,553)	(3,415)	(4,286)	(2,664)	(1,259)	(4,468)	(2,622)
$ 1,691	$ 2,953	$ 3,905	$ 7,203	$ 1,260	$12,033	$ 4,312
(1,558)	(616)	—	—	—	—	—
5,450	—	—	—	—	—	—
$ 5,583	$ 2,337	$ 3,905	$ 7,203	$ 1,260	$12,033	$ 4,312
$32,236	$28,393	$25,367	$21,245	$20,683	$16,720	$12,167
$33,858	$30,278	$26,877	$21,973	$21,152	$17,123	$12,167

3. The data in the above Financial Summary for the 1967-1976 fiscal years have been prepared on a consistent basis. The data for the years 1969-1976 have been examined by independent public accountants; the data for 1967 and 1968 were prepared by the Company's management and are unaudited.

Board of Directors

Co-Chairmen

Pierre Moussa
President, Chief Operating Officer, Banque de Paris et des Pays-Bas (Paris)

Geoffrey C. Seligman
Deputy Chairman and Chief Executive Officer, S. G. Warburg & Co. Ltd. (London)

Rudolph A. Peterson
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*Paul R. Judy
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