

fc 17708

CAPITAL RESEARCH COMPANY
BALANCE SHEET
US DOLLARS

CURRENT ASSETS:	AS OF 6/30/97	AS OF 6/30/96
Cash & Investment Securities Available for Sale	65,302,043	41,324,778
Intercompany Receivables	23,118,091	18,250,573
Receivables - Others	970,643	529,280
Prepaid Expenses	148,993	95,987
Total Current Assets	<u>89,539,770</u>	<u>60,200,618</u>
PROPERTY AT COST:		
Furniture & Equipment	4,903,796	4,254,876
Leasehold Improvements	7,141,907	5,916,636
Computer Software	26,711	17,677
Work in Process	4,801	0
Sub-Total Property at Cost	<u>12,077,215</u>	<u>10,189,189</u>
Accumulated Depr & Amort	<u>(4,893,663)</u>	<u>(4,929,393)</u>
Total Property - Net	<u>7,183,552</u>	<u>5,259,796</u>
OTHER ASSETS:		
Deposits and Sundry Assets	<u>1,113,127</u>	<u>985,901</u>
Total Other Assets	<u>1,113,127</u>	<u>985,901</u>
TOTAL ASSETS	<u>97,836,449</u>	<u>66,446,315</u>

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CAPITAL RESEARCH COMPANY
BALANCE SHEET
US DOLLARS

CURRENT LIABILITIES:	As of 6/30/97	As of 6/30/96
Intercompany Payables	6,667,164	4,831,377
Accounts Payable - Other	259,244	276,270
Accrued Comp & Emp Benefits	2,127,655	1,012,863
Accrued Income Taxes	1,016,348	617,125
Other Accrued Exp & Deferrals	656,746	685,689
Total Current Liabilities	<u>10,727,157</u>	<u>7,423,324</u>
ACCRUED POSTRETIREMENT BENEFIT	860,586	662,067
DEFERRED INCOME TAXES	<u>(693,318)</u>	<u>(724,059)</u>
Total Liabilities	<u>10,894,425</u>	<u>7,361,332</u>
EQUITY:		
Capital Stock From Affiliated	1,000	1,000
Paid-In Surplus From Affiliate	1,500	1,500
Retained Earnings	86,965,122	59,308,140
Net Unrealized Appr on Invest	<u>(25,598)</u>	<u>(225,657)</u>
Total Equity	<u>86,942,024</u>	<u>59,084,983</u>
TOTAL LIABILITIES & EQUITY	<u>97,836,449</u>	<u>66,446,315</u>

CAPITAL RESEARCH COMPANY
STATEMENT ON INCOME
US DOLLARS

OPERATING REVENUES:	FYE 6/30/97	FYE 6/30/96
Intercompany Revenues	<u>223,293,213</u>	<u>170,838,676</u>
Total Operating Revenues	<u>223,293,213</u>	<u>170,838,676</u>
OPERATING EXPENSES:		
Employee Compensation	82,325,160	60,919,542
Employee Benefits	6,944,925	5,662,829
Facilities & Communications	4,893,427	5,056,822
Computer Costs	2,425,277	2,051,774
Professional & Outside Svc	1,487,577	1,107,119
Sales & Dealer Expenses	6,395	13,884
Travel & Business Meetings	3,157,063	2,598,883
Other Operating Expenses	367,726	398,301
Intercompany Expenses	<u>17,470,459</u>	<u>16,313,752</u>
Total Operating Expenses	<u>119,078,009</u>	<u>94,122,906</u>
Income from Operations	<u>104,215,204</u>	<u>76,715,770</u>
OTHER INCOME & EXPENSE:		
Interest Income - Net	2,773,018	1,943,037
Gain/(Loss) on Investments	0	19,074
Other - Net	<u>832,241</u>	<u>760,457</u>
Total Other Income & Expense	<u>3,605,259</u>	<u>2,722,568</u>
Income Before Taxes	<u>107,820,463</u>	<u>79,438,338</u>
Income Taxes	<u>44,218,740</u>	<u>33,030,849</u>
Net Income	<u>63,601,723</u>	<u>46,407,489</u>