



CONSOLIDATED STATEMENT OF INCOME

(\$ Thousands)

	2005					2006				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
Operating revenue	\$ 3,159,111	\$ 3,428,632	\$ 3,698,093	\$ 4,023,346	\$ 14,309,182	\$ 4,239,017	\$ 4,686,775	\$ 4,954,818	\$ 5,349,868	\$ 19,230,478
Interest & other income	188,553	46,220	80,101	92,895	407,769	65,492	63,590	70,699	86,935	286,716
Expenses:										
Cost of goods sold & services	2,409,123	2,553,046	2,761,591	2,915,617	10,639,377	2,999,639	3,259,437	3,369,574	3,585,393	13,214,043
Research & engineering	121,220	121,635	128,266	134,392	505,513	129,406	170,891	149,537	169,482	619,316
Marketing	11,790	14,052	13,477	14,645	53,964	15,148	16,694	17,632	26,230	75,704
General & administrative	79,703	85,047	83,920	100,607	349,277	90,397	100,782	109,158	124,720	425,057
Interest	46,562	50,437	50,637	49,454	197,090	47,844	61,421	62,351	63,300	234,916
Income from Continuing Operations before taxes and minority interest	679,266	650,635	740,303	901,526	2,971,730	1,022,075	1,141,140	1,317,265	1,467,678	4,948,158
Taxes on income	137,696	162,123	174,953	207,155	681,927	256,651	278,419	317,434	337,064	1,189,568
Income from Continuing Operations before minority interest	541,570	488,512	565,350	694,371	2,289,803	765,424	862,721	999,831	1,130,614	3,758,590
Minority interest	(17,133)	(15,311)	(24,547)	(33,817)	(90,808)	(42,913)	(5,821)	(7)	2	(48,739)
Income from Continuing Operations	524,437	473,201	540,803	660,554	2,198,995	722,511	856,900	999,824	1,130,616	3,709,851
Income (Loss) from Discontinued Operations	(1,028)	9,000	-	-	7,972	-	-	-	-	-
Net income	\$ 523,409	\$ 482,201	\$ 540,803	\$ 660,554	\$ 2,206,967	\$ 722,511	\$ 856,900	\$ 999,824	\$ 1,130,616	\$ 3,709,851

Average Shares Outstanding ('000) ⁽¹⁾

Basic	1,178,666	1,177,482	1,179,640	1,178,516	1,178,576	1,180,344	1,184,357	1,183,683	1,178,347	1,181,683
Assuming dilution	1,227,530	1,225,964	1,231,846	1,233,520	1,229,715	1,240,694	1,246,077	1,243,966	1,238,047	1,242,196

Diluted Earnings per Share ⁽¹⁾

Continuing Operations - before charges	\$ 0.32	\$ 0.39	\$ 0.43	\$ 0.52	\$ 1.67	\$ 0.59	\$ 0.73	\$ 0.81	\$ 0.92	\$ 3.04
Continuing Operations - charges	0.11	-	0.01	0.02	0.14	-	(0.03)	-	-	(0.03)
Continuing Operations	\$ 0.43	\$ 0.39	\$ 0.44	\$ 0.54	\$ 1.81	\$ 0.59	\$ 0.69	\$ 0.81	\$ 0.92	\$ 3.01
Discontinued Operations	-	0.01	-	-	0.01	-	-	-	-	-
Net Income ⁽²⁾	\$ 0.43	\$ 0.40	\$ 0.44	\$ 0.54	\$ 1.82	\$ 0.59	\$ 0.69	\$ 0.81	\$ 0.92	\$ 3.01

Depreciation & Amortization (incl. MCSD costs)

	\$ 328,465	\$ 326,516	\$ 337,107	\$ 358,881	\$ 1,350,969	\$ 354,603	\$ 375,042	\$ 392,765	\$ 439,000	\$ 1,561,410
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(1) 2005 amounts restated for the 2 for 1 stock split executed on April 7, 2006.

(2) Amounts may not add due to rounding.