

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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FILER

MILWAUKEE LAND COMPANY

CIK: **831115** | IRS No.: **361487580** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **N-30D** | Act: **40** | File No.: **811-05517** | Film No.: **96620514**

Business Address
547 W JACKSON BLVD
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CHICAGO IL 60661
3122940497

MILWAUKEE
LAND
COMPANY

=====

1996 SEMI-ANNUAL REPORT

To Our Shareholders:

For the six months ended June 30, 1996, the net decrease in net assets resulting from operations was \$1,269,972, primarily due to the net change in unrealized depreciation in investments which totaled \$1,333,543, net of tax, compared to net unrealized appreciation of \$241,523 for the similar period of 1995.

Net investment income for the six months ended June 30, 1996 totaled \$14,877, compared to \$53,949 for the similar period of 1995, or a decrease of \$39,072. The decrease is attributable primarily to higher operating expenses, principally those related to acquisition searches.

The net realized gain from sales of investments for the six months ended June 30, 1996 amounted to \$48,694, net of tax, compared to a loss of \$44,940 in the similar period of 1995. Together, net investment income and realized gains on sales of investments for the first six months of 1996 totaled \$63,571, net of tax, or \$.04 per share, compared to \$9,009, or \$.01 per share for the similar period of 1995. Income per share of common stock is based on the weighted average number of common shares outstanding.

The Company's principal investments in securities of nonaffiliates at June 30, 1996 consisted of direct obligations of the U.S. Government (U.S. Treasury Notes and Bills) and high yield corporate obligations. At June 30, 1996, 40% of the Company's net assets were invested in U.S. Government securities, 16% were invested in high yield corporate obligations and .1% in cash equivalents. The current yield on U.S. Government securities at June 30, 1996 was 7.20% with a yield to maturity of 7.04%. The current yield on high yield corporate obligations was 9.72% with a yield to maturity of 9.77%. The average maturity of the Company's investment in securities of nonaffiliates is 2.6 years and the current yield is 7.14%.

At the Annual Meeting of Stockholders held on August 6, 1996, the Company's stockholders voted to: (i) elect Edwin Jacobson as a Class III director for a term of three years and (ii) ratify the Board of Directors' selection of Ernst & Young LLP as independent auditors for the Company for 1996.

The Company continues to actively search for one or more acquisitions of an operating business. Any acquisition that would result in the Company's ceasing to be an "investment company" within the meaning of the Investment Company Act of 1940 (which the Company believes would be a desirable result) would require approval by the Company's shareholders.

Sincerely,

/s/ Edwin Jacobson

August 21, 1996

MILWAUKEE LAND COMPANY
STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 1996
(UNAUDITED)

<TABLE>
<CAPTION>

ASSETS		<C>
<S>		
Investments at Value:		
Nonaffiliates (cost \$9,891,001).....		\$ 9,806,961
Affiliates (cost \$12,294,768).....		7,146,109

Total Investments.....		16,953,070
Cash.....		10,366
Receivables		
Management fees- affiliate.....	\$ 212,503	
Note Receivable- affiliate.....	1,073,141	
Accrued interest.....	228,505	
Other.....	51,662	

Total Receivables.....		1,565,811
Deferred tax asset.....		815,141
Prepaid and deferred expenses and other assets.....		7,314
Total assets.....		-----
		19,351,702
LIABILITIES		
Directors and officers.....		5,625
Allowance for claims and liabilities.....		1,347,789
Other.....		223,725
Deferred tax liability.....		75,685

Total Liabilities.....		1,652,824

NET ASSETS.....		\$17,698,878
		=====
COMMON SHARES OUTSTANDING.....		1,671,238
		=====
NET ASSET VALUE PER COMMON SHARE.....	\$	10.59
		=====

</TABLE>

See accompanying Notes to Financial Statements

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MILWAUKEE LAND COMPANY
STATEMENT OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 1996
(UNAUDITED)

<TABLE>
<CAPTION>

<S>	<C>	<C>
Investment Income:		
Interest.....	\$ 374,127	
Management fee from affiliate.....	212,503	

Total Investment Income.....		\$ 586,630
Expenses:		
Compensation and benefits.....	209,069	
Directors' fees and expenses.....	14,956	
Professional fees.....	130,006	
Advisory fees.....	9,833	
Custodian fees.....	3,203	
Taxes.....	6,281	
Insurance.....	29,843	
Facility expense allocation.....	18,564	
General and administrative expenses.....	140,481	

Total Expenses.....		562,236

Investment Income Before Taxes.....		24,394
Provision for Income Taxes.....		9,517

Net Investment Income.....		14,877
Net Realized and Unrealized Gain(Loss) on Investments:		
Net realized gain on sales of investments....	79,844	
Net change in unrealized appreciation/ depreciation on investments:		
Nonaffiliates.....	(173,759)	
Affiliates.....	(2,012,852)	

Net change in unrealized appreciation/ depreciation on investments.....	(2,186,611)	

Net Realized and Unrealized (Loss) on Investments Before Taxes.....	(2,106,767)	
Income Tax Benefit.....	(821,918)	

Net Realized and Unrealized (Loss) on Investments.....		(1,284,849)

Net Decrease in Net Assets Resulting From Operations.....		\$ (1,269,972)
		=====

</TABLE>

See accompanying Notes to Financial Statements

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MILWAUKEE LAND COMPANY

STATEMENT OF CHANGES IN NET ASSETS

Six Months Ended June 30, 1996 and Year Ended December 31, 1995
(unaudited)

<TABLE>
<CAPTION>

	Period Ended	
	6/30/96	12/31/95
	-----	-----
<S>	<C>	<C>
Operations:		
Net investment income, net of taxes.....	\$ 14,877	\$ 122,543
Net realized gain (loss) on sales of		

investments, net of taxes.....	48,694	(52,728)
Net change in unrealized depreciation/appreciation on investments, net of taxes.....	(1,333,543)	(4,090,796)
	-----	-----
Net Decrease in Net Assets Resulting From Operations.....	(1,269,972)	(4,020,981)
Net Assets at Beginning of Year.....	18,968,850	22,989,831
	-----	-----
Net Assets at End of Period (including undistributed net investment income of \$10,199,527 at June 30, 1996 and \$10,184,650 at December 31, 1995)....	\$17,698,878	\$18,968,850
	=====	=====

</TABLE>

See accompanying Notes to Financial Statements

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MILWAUKEE LAND COMPANY

SCHEDULE OF INVESTMENTS
June 30, 1996
(unaudited)

<TABLE>
<CAPTION>

NON-AFFILIATES FIXED INCOME SECURITIES	PRINCIPAL AMOUNT	VALUE
	-----	-----
<S>	<C>	<C>
U.S. TREASURY OBLIGATIONS -- 39.61%		

U.S. Treasury notes, 6.875% due 10/31/96	\$ 835,000	\$ 838,783
U.S. Treasury bills, due 12/21/96.....	1,690,000	1,646,952
U.S. Treasury notes, 6.125% due 3/31/98.	750,000	750,472
U.S. Treasury notes, 6.375% due 1/15/99.	1,600,000	1,605,248
U.S. Treasury notes, 6.875% due 7/31/99.	1,500,000	1,521,330
U.S. Treasury notes, 5.75% due 10/31/00.	665,000	647,750

Total U.S. Treasury Obligations (cost \$7,056,797).....		7,010,535

CORPORATE OBLIGATIONS -- 15.67%

Navistar Finl Sr Sub Nt, 8.875%, due 11/15/98.....	150,000	150,000
Revlon Consumer Prods Corp Sr Nt, 9.500%, due 6/01/99.....	150,000	150,000
Unisys Corp Nt, 10.625%, due 10/1/99....	200,000	200,000
Penn Central Corp Sub Nt. 10.625% due 4/15/00.....	150,000	162,367
Sifto Canada Inc Gtd Sr Secd Nt, 8.500% due 7/15/00.....	200,000	196,000
Armco Inc. Sr Nt, 9.375%, due 11/01/00..	250,000	242,500
Reliance Group Hldgs Inc Sr Nt, 9.000%, due 11/15/00.....	150,000	148,500
Stone Consol Corp Sr.Nt, 10.25%, due 12/15/00.....	200,000	206,250
Sequa Corp Sr Nt, 8.750%, due 12/15/01..	250,000	240,938
Repap Wis Inc 1st Priority Sr Secd Nt, 9.25, due 2/01/02.....	200,000	187,000
Penn Traffic Co New Sr Nt, 10.250%, due 2/15/02.....	150,000	136,500
Century Communications Sr Nt, 9.750%,		

due 2/15/02.....	200,000	199,000
Owens II Inc Sr Sub Nt, 10.500%, due 6/15/02.....	200,000	204,500
Rogers Cablesystems Ltr Sr Secd 2nd Priority Nt. 9.625% due 8/1/02.....	200,000	198,000
CTC Mansfield Fdg Corp Sec Lease Oblig, 10.250%, due 3/30/03.....	149,000	152,174

Total Corporate Obligations (cost \$2,811,507).....		2,773,729
MONEY MARKET FUND -- .13%		

Norwest Cash Investment Fund (cost \$22,697).....		22,697

Total Non-Affiliates (cost \$9,891,001)		9,806,961
AFFILIATES -- 40.38%		

Heartland Partners, L.P. - 1% General Partnership Interest and .5% Class B Limited Partnership Interest (a).....		7,144,609
CMC Heartland Partners - .01% General Partnership Interest (a).....		1,500

Total Affiliates (cost \$12,294,768)...		7,146,109

Total Investments (cost \$22,185,769) - 95.79%.....		16,953,070
OTHER ASSETS AND LIABILITIES, NET - 4.21%		
		745,808

NET ASSETS - 100%.....		\$17,698,878
		=====

</TABLE>

(a) Investments not readily marketable

See Accompanying Notes to Financial Statements

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MILWAUKEE LAND COMPANY

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(unaudited)

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Milwaukee Land Company (the "Company") registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a non-diversified, closed-end management investment company on March 23, 1988. Prior to June 30, 1993 the Company was a wholly owned subsidiary of Chicago Milwaukee Corporation ("CMC").

Security valuation:

Investments are stated at value. Securities traded on securities exchanges

or on the NASDAQ National Market System are valued at the last sales price on the principal exchange or market on which they are traded or listed or, if there has been no sale that day, at the mean of closing bid and asked prices. Fixed-income securities are valued at the most recent bid quotation. Short-term securities are valued at amortized cost, which approximates market value. Other securities for which prices are not readily available are valued at a fair value as determined by the Board of Directors for reporting purposes under the 1940 Act.

The Company's investment in the Class B limited partnership interest (the "Class B Interest") of Heartland Partners, L.P. is not publicly traded, and accordingly there are no available market quotations. On December 7, 1995, the Board of Directors of the Company changed the methodology for valuing the Class B Interest.

In making its determination of a fair value for the Class B Interest, the Board of Directors of the Company considered an imputed value based on the market value of the publicly traded Class A limited partnership interest in Heartland Partners, L.P. (the "Units") and the operating results of Heartland Partners, L.P. The Board of Directors of the Company determined that operating losses of Heartland Partners, L.P. could cause anomalous results in the application of the valuation methodology which had been utilized for the Class B Interest. Therefore, the Board of Directors adopted an alternate method of imputing value based on the market value of the publicly traded Units. Under the new methodology, the percentage change in the market value of the publicly traded Units from June 30, 1990, is applied to the initial cost of the Class B Interest (approximately \$9.6 million) to the date of valuation.

Due to the inherent uncertainty of valuation, the recorded value of the Class B Interest and the general partnership interests in Heartland Partners, L.P. and CMC Heartland Partners on the Company's financial statements may differ from values that would have been used had a ready market existed for these interests, and the difference could be material.

The change in methodology adopted by the Board resulted in a decrease in the value of the Class B Interest of 6.2 million in 1995, and reduced unrealized gains \$4.5 million, net of tax. The effect on the net asset value of the Company at December 31, 1995 is a decrease of \$2.69 per share.

Investment transactions and investment income:

Security transactions are accounted for on the trade date. Realized gains and losses on investment transactions are determined on an identified cost basis. Interest income is recorded on the accrual basis and includes amortization of premium and accretion of discount on securities owned.

MILAUKEE LAND COMPANY

NOTES TO FINANCIAL STATEMENTS-(Continued)
June 30, 1996
(unaudited)

NOTE 2. NET ASSETS

Net assets at June 30, 1996 consisted of the following items:

Common stock - \$0.30 par value per share, authorized 10,000,000 shares, 1,671,238 shares issued and outstanding.....	\$ 501,371
Paid in capital.....	9,973,419
Undistributed net investment income *.....	10,199,527
Undistributed net realized gains on investment transactions *.....	511,668
Net unrealized depreciation on investments *.....	(3,487,107)

Net Assets.....	\$17,698,878
	=====

* Net of tax provision

NOTE 3. INVESTMENT SERVICES

The Company pays advisory fees for investment advisory services under an investment advisory agreement with OFFITBANK, a nonaffiliated investment advisor. For the services rendered by OFFITBANK under the agreement, the Company pays OFFITBANK an annual investment advisory fee equal to .20 of 1% per annum of the value of the portfolio under management. The advisory fee is payable quarterly in arrears based on the average month-end value of the portfolio during such quarter.

NOTE 4. FEDERAL INCOME TAXES

A reconciliation of the statutory federal income tax rate to the effective income tax rate for the six months ended June 30, 1996 is as follows:

Statutory rate.....	34%
Effect of:	
State income taxes.....	6
Difference in tax basis	
investment in affiliate.....	(79)

Effective Rate.....	(39)%

As of June 30, 1996, the Company has deferred tax assets consisting of tax net operating loss ("NOL") carryforwards of approximately \$474,067 and alternative minimum tax credit carryforwards of approximately \$919,000. The NOL carryforwards expire in 2009 and 2010.

Based on cost of investments for federal income tax purposes of \$19,849,496 on June 30, 1996, net unrealized depreciation was \$2,896,426.

MILWAUKEE LAND COMPANY

NOTES TO FINANCIAL STATEMENTS-(Continued)
June 30, 1996
(unaudited)

NOTE 5. INTERESTS IN PARTNERSHIPS AND RELATED TRANSACTIONS

At the close of business on June 27, 1990, CMC and the Company transferred to CMC Heartland Partners ("CMC Heartland") at the direction of Heartland Partners, L.P. ("Heartland"), substantially all of their respective real estate properties and certain miscellaneous assets and liabilities related to those properties.

The Company has a 1% general partnership interest in Heartland which entitles the Company to 1% of Heartland's available cash for distribution and allocation of taxable income and loss. The Company also has a .01% general partnership interest in CMC Heartland which entitles the Company to .01% of CMC Heartland's available cash for distribution and an allocation of taxable income and loss before distributions and allocations are made by Heartland. The Company's interests in Heartland and CMC Heartland, including the Class B Interest in Heartland described below, were included in investments at a value of \$7,146,109 at June 30, 1996.

The Company distributed Units, received from Heartland in the real estate transfer, to CMC which then distributed the Units to its common stockholders on June 30, 1990. The Company, in its capacity as the general partner of Heartland and the managing general partner of CMC Heartland, has full, exclusive and complete discretion to manage the business and affairs of Heartland and CMC Heartland (collectively, the "Partnerships") and is authorized in general to perform all acts necessary or appropriate to carry out the purposes and conduct the business of the Partnerships.

In connection with the real estate transfer, Heartland and CMC Heartland have assumed primary responsibility and liability for the resolution and satisfaction of most of the liabilities for claims remaining under the plan of reorganization

of the predecessor of CMC Real Estate Corporation ("CMCRE"), formerly a wholly owned subsidiary of CMC, and previously named the Chicago, Milwaukee, St. Paul and Pacific Railroad Company (the "Railroad"), certain other contingent liabilities with respect to the properties transferred to CMC Heartland arising after the consummation of such plan, and the costs and expenses incurred in resolving such plan and other contingent liabilities (collectively, the "Plan Liabilities"). CMC was required to contribute to Heartland, over time, cash in the amount of \$18.1 million (the "Deferred Capital Contribution"), plus interest, for settlement of Plan Liabilities. In consideration of such commitment, Heartland issued to CMC the Class B Interest. On August 28, 1990 and February 15, 1991, pursuant to an authorization of the Board of Directors of CMC on May 7, 1990, CMC made additional capital contributions to Heartland of approximately \$3.6 million in the aggregate, representing an increase in CMC's Class B Interest in Heartland. As part of CMC's conversion from a closed-end management investment company to an open-end management investment company, the Class B Interest was transferred to the Company on July 1, 1993. In general, the Class B Interest entitles the holder to .5% of Heartland's available cash for distribution and allocations of taxable income and loss. In addition, items of deduction, loss, credit and expense attributable to the satisfaction of Plan Liabilities are specially allocated 99% to the holder of the Class B Interest and 1% to the Company as the general partner until the aggregate amount of all such items allocated to the Class B Interest equals the aggregate capital contribution with respect to the Class B Interest. If the aggregate amount of such items specially allocated to the holder of the Class B Interest is less than the amounts contributed by such holder to Heartland, such excess will be reflected in the capital account of the Class B Interest.

Effective July 1, 1993, CMC transferred to the Company its rights and obligations under the management agreement with CMC Heartland. Pursuant to the management agreement, CMC Heartland is required to pay to the Company an annual management fee in the amount of \$425,006. On December 29, 1995, the Company advanced CMC Heartland \$648,134 for payment of the management fee accrued through December 31, 1994, (which includes management fees accruing since July 1993). On February 14, 1996, the Company advanced CMC Heartland \$425,006 for payment of the 1995 management fee. Each advance by the Company to CMC Heartland is in the form of a demand note accruing simple interest at the prime rate plus 2.25% (10.50% at June 30, 1996).

For the six months ended June 30, 1996, the Company paid CMC Heartland approximately \$71,000 for staff salary and operating expense allocations.

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MILWAKEE LAND COMPANY

NOTES TO FINANCIAL STATEMENTS-(Continued)
June 30, 1996
(unaudited)

NOTE 6. CONTINGENT LIABILITIES

The Company, by reason of its serving as the general partner of the Partnerships, is liable and responsible to third parties for the Partnerships' liabilities to the extent the assets of the Partnerships are insufficient to satisfy such liabilities. In addition to liabilities incurred as a result of their ongoing real estate business, the Partnerships assumed, in connection with Heartland's spin-off in June, 1990, primary responsibility for certain contingent liabilities related to (i) the plan of reorganization of the Railroad and (ii) the real estate properties conveyed to CMC Heartland in the spin-off (collectively, the "Heartland Assumed Liabilities"). CMC remains liable to third party obligees for the Heartland Assumed Liabilities, and the Partnerships have indemnified CMC from and against any and all damages, costs or expenses that may be incurred in connection therewith. In consideration of the Partnerships' assumption of the Heartland Assumed Liabilities, and in further consideration of the issuance of the Class B Interest to CMC, CMC agreed to contribute to Heartland by December 31, 1993, cash in the aggregate amount of \$18.1 million, plus interest.

Included in the Heartland Assumed Liabilities are known environmental liabilities associated with certain of the properties transferred to the

Partnerships arising out of the activities of the Railroad or certain lessees or other third parties. Further environmental obligations as yet unknown in respect of these properties may become due and owing in the future. A majority of the known environmental matters stem from the use of petroleum products, such as motor oil and diesel fuel, in the operation of a railroad, the primary business activity of the Railroad. The Company and/or the Partnerships have been notified by government agencies of potential liabilities in connection with certain of these real estate properties. Descriptions of the known material environmental matters are included in the reports filed by Heartland with the Securities and Exchange Commission pursuant to the provisions of the Securities Exchange Act of 1934, as amended.

In connection with CMC's conversion to an open-end management investment company and the transactions related thereto, CMC assigned to the Company, and the Company assumed from CMC, any obligation for which CMC is or may become liable (the "MLC Assumed Liabilities") arising out of any matters existing on or occurring prior to the effective time of the conversion other than (i) the Heartland Assumed Liabilities, (ii) liabilities directly related to CMC's business of investing and managing its investment securities, (iii) certain litigation against CMC relating to CMC's preferred stock which was pending against CMC at the time of the conversion but which was subsequently dismissed, or (iv) any liabilities relating to federal, state, local or foreign income or other tax matters. In addition, in connection with the assignment of the MLC Assumed Liabilities and the transfer of the Class B Interest to the Company, CMC contributed to Heartland the balance of the deferred capital contribution in respect of the Class B Interest. Following the consummation of the conversion and the transactions related thereto, CMC will continue to remain liable to third party obligees in connection with the MLC Assumed Liabilities. The Company will indemnify CMC from any and all damages, costs or expenses that CMC may incur in connection with the MLC Assumed Liabilities, although there can be no assurance that the Company will be able to fully satisfy such indemnification obligations.

NOTE 7. INVESTMENT TRANSACTIONS

Investment transactions for the six months ended June 30, 1996 (excluding short-term securities) are as follows:

Purchases.....	\$	2,722,281
Proceeds from sales and maturities.....	\$	4,332,627

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MILWAUKEE LAND COMPANY

NOTES TO FINANCIAL STATEMENTS-(Concluded)
June 30, 1996
(unaudited)

NOTE 8. FINANCIAL HIGHLIGHTS

The table below reflects per share financial highlights and ratios for a share of common stock outstanding during the periods presented.

<TABLE>
<CAPTION>

	Six Months Ended 6/30/96	1995	1994	1993	1992
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
PER SHARE OPERATING PERFORMANCE					
Net Asset Value, Beginning					

of period.....	\$ 11.35	\$ 13.76	\$ 13.39	\$ 6.59	\$ 6.42
Net Investment Income.....	.01	.07	.05	.02	.17
Net (Losses)/Gains on Securities (realized and unrealized).....	(.77)	(2.48)	.32	.81	---
Total From Investment Operations.....	(.76)	(2.41)	.37	.83	.17
Capital Contribution From CMC.....	---	---	---	5.97	---
Less Distributions: From Net Investment Income to Common Shareholders.....	---	---	---	---	---
Total Distributions.....	---	---	---	---	---
Net Asset Value, End of Period.....	\$ 10.59	\$ 11.35	\$ 13.76	\$ 13.39	\$ 6.59
Per Share Market Value, End of Period.....	\$ 6.75	\$ 7.38	\$ 8.00	6.50	N/A
Total Investment Return:					
Market (a).....	(16.95)%	(7.81)%	23.08%	(10.34)%	N/A
Net Asset Value (a).....	(13.39)%	(17.51)%	2.76%	103.19%	2.65%

RATIOS/SUPPLEMENTAL DATA

Net Assets, End of Period.....	\$ 17,698,878	\$18,968,850	\$20,989,831	\$22,377,842	\$11,013,637
Ratio of:					
Expenses to Average Net Assets (a).....	(2.66)%	4.17%	5.82%	6.52%	3.4%
Net Investment Income to Average Net Assets (a).....	.16%	.53%	.36%	.17%	2.6%
Portfolio Turnover Rate.....	16.49%	35.16%	24.25%	99.64%	2.24%

(a) Annualized returns for 1996

</TABLE>

MILWAUKEE LAND COMPANY

BOARD OF DIRECTORS

ROBERT S. DAVIS

Consultant

CLARENCE G. FRAME

Chairman of the Board

Milwaukee Land Company

EDWIN JACOBSON

President and Chief Executive Officer

Milwaukee Land Company

EZRA K. ZILKHA

President, Zilkha & Sons, Inc.

OFFICERS

CLARENCE G. FRAME

Chairman of the Board

EDWIN JACOBSON

President and Chief Executive Officer

LEON F. FIORENTINO

Vice President - Finance,

Secretary and Treasurer

LAWRENCE S. ADELSON

Vice President and General Counsel

THOMAS F. REDLER
Assistant Treasurer and
Assistant Secretary

MILWAUKEE LAND COMPANY

A closed-end management
investment company traded on the
American Stock Exchange, symbol
MWK.

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Dividend Disbursing Agent
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