

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM U-3A-2

Statement by Holding Company Claiming Exemption Under
Rule U-3A-2 from the Provisions of the Public Utility
Holding Company Act of 1935

To Be Filed Annually Prior to March 1

MINNESOTA POWER & LIGHT COMPANY

(Name of company)

hereby files with the Securities Exchange Commission, pursuant to Rule 2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935, and submits the following information:

1. Name, State of organization, location and nature of business of claimant and every subsidiary thereof, other than any exempt wholesale generator (EWG) or foreign utility company in which claimant directly or indirectly holds an interest.

Name -----	State of Organization -----	Location -----	Nature of Business -----
Minnesota Power & Light Company	Minnesota	Duluth, MN	Electric Utility
Superior Water, Light and Power Company	Wisconsin	Superior, WI	Electric, Gas and Water Utility
Energy Land, Incorporated	Wisconsin	Duluth, MN	Tugboat Leasing
BNI Coal, Ltd.	North Dakota	Bismarck, ND	Coal Mining
Minnesota Paper, Incorporated	Minnesota	Duluth, MN	Paper Manufacturing
RendField Land Company, Inc.	Minnesota	Duluth, MN	Land Holding
Capital Re Corporation	Delaware	New York, NY	Financial Guaranty Reinsurance
Rainy River Energy Corporation	Minnesota	Duluth, MN	Steam Generation - Sold
UtilEquip, Incorporated	Minnesota	Duluth, MN	Equipment Manufacturing
Synertec, Incorporated	Minnesota	Duluth, MN	Venture Investor in energy efficiency, pollution control and energy conservation activities
Superior Recycled Fiber Corporation	Minnesota	Duluth, MN	Pulp production from recycled office scrap paper
Minnesota Pulp, Incorporated	Minnesota	Duluth, MN	Pulp production from recycled office scrap paper
Minnesota Pulp II, Incorporated	Minnesota	Duluth, MN	Pulp production from recycled office scrap paper
Lakeview Financial Corporation 1	Minnesota	Duluth, MN	Financial Investments
Upper Minnesota Properties, Inc.	Minnesota	Duluth, MN	Affordable Housing Project
Upper Minnesota Properties-Meadowlands, Inc.	Minnesota	Duluth, MN	Affordable Housing Project

Upper Minnesota Properties-Irving, Inc.		Minnesota	Duluth, MN	Affordable Housing Project
Topeka Group Incorporated		Minnesota	Duluth, MN	Diversification Activities
Pelican Utility Company		Florida	Apopka, FL	Inactive
Heater Utilities, Incorporated		North Carolina	Cary, NC	Water and Wastewater Treatment Utility
Heater of Seabrook, Inc.	South	Seabrook Carolina	Water and Wastewater Island, SC	Treatment Utility
Brookwood Water Corporation	North	Fayetteville, Carolina	NC	Water Utility
Upstate Heater Utilities, Inc.	South	Carolina	Anderson, SC	Water Utility
Southern States Utilities, Inc.		Florida	Apopka, FL	Water and Wastewater Treatment Utility
Lehigh Acquisition Corporation		Delaware	Lehigh Acres, FL	Subdivider, Developer
Lehigh Corporation		Florida	Lehigh Acres, FL	Subdivider, Developer
Lehigh Building Supply, Inc.		Florida	Lehigh Acres, FL	Distributive Trades
News-Star Publications, Inc.		Florida FL	Lehigh Acres,	Newspaper Publisher
Lehigh Land and Investment, Inc.		Florida FL	Lehigh Acres,	Real Estate Agent
Lehigh Country Club, Inc.		Florida FL	Lehigh Acres,	Recreation Services
Cliffside Properties, Inc.		California FL	Lehigh Acres,	Resort Operations
Home at Lehigh, Inc.		Florida	Lehigh Acres, FL	Construction Company
Meridian Mortgage Services, Inc.		Florida FL	Lehigh Acres,	Mortgage Broker
Interlachen Lake Estates, Inc.		Florida FL	Lehigh Acres,	Subdivider, Developer
Sundowner Properties, Inc.		Pennsylvania FL	Lehigh Acres,	Subdivider, Developer
Atlas Construction Services Corporation		New York FL	Lehigh Acres,	Real Estate Operator
Orange State Property Services, Inc.		Florida FL	Lehigh Acres,	Property Management
LRC of Georgia, Inc.		Georgia	McDonough, GA	Real Estate Operator
SRC of Florida, Inc.		Florida	Homosassa Springs, FL	Subdivider, Developer
Able Land Services, Inc.		Florida	Lehigh Acres, FL	Land Management
Enterprise Lehigh, Inc.		Florida	Lehigh Acres, FL	Subdivider, Developer
East L.A. Services Corp.		Florida	Lehigh Acres, FL	Sanitation Services
FiberCore, Incorporated		Minnesota	Duluth, MN	Fiberoptics - Sold

Minnesota Paper, Inc. is a 50 percent participant in a joint venture with Pentair Duluth Corp. in Lake Superior Paper Industries (LSPI), a papermill in Duluth, MN. Minnesota Paper, Inc. accounts for the

investment in LSPI by the equity method.

Minnesota Power & Light Company has a 21.4 percent ownership interest in Capital Re Corporation (Capital Re). Capital Re is an investment accounted for by the equity method and is not considered a subsidiary in the consolidation of Minnesota Power & Light Company.

UtilEquip, Incorporated owns 82.5 percent of Reach All Partnership (Reach All), an equipment manufacturer in Duluth, MN. Reach All is accounted for by the equity method.

Substantially all of the assets of Rainy River Energy Corporation were sold in 1991. Substantially all of the assets of FiberCore, Incorporated were sold in 1988.

These companies each contributed less than 1 percent of consolidated net income for the year ended December 31, 1994.

These companies each consisted of less than 1 percent of consolidated assets at December 31, 1994.

Topeka Group Incorporated has an 80 percent ownership interest in Lehigh Acquisition Corporation.

Lehigh Acquisition Corporation has a 60 percent stock ownership in this corporation.

Superior Recycled Fiber Corporation owns 76 percent of Superior Recycled Fiber Industries Joint Venture, a pulp production plant in Duluth, MN. The remaining 24 percent is owned by LSPI Fiber Co., a partnership. Minnesota Pulp II, Inc., a wholly owned subsidiary of Minnesota Pulp, Incorporated, owns 50 percent of LSPI Fiber Co.

Corporation dissolved in 1994.

Lehigh Corporation has a 98 percent stock ownership in this corporation.

Corporation in process of dissolution.

Corporation sold in 1994.

Lehigh Corporation has a 97 percent stock ownership in this corporation.

Lehigh Corporation has an 80 percent stock ownership in this corporation.

Lehigh Corporation owns 100 percent of J. W. Ford, Inc., an investment accounted for under the equity method. J. W. Ford, Inc., owns 50 percent of Joel/Bell Property, Inc., a land management company in Lehigh Acres, FL.

SRC of Florida, Inc. is a 50 percent partner in Guardian Title of Lehigh, a title company in Lehigh Acres, FL, and is a 50 percent participant in Greenbriar Lakes Joint Venture which is involved in land management in Lehigh Acres, FL.

Cliffside Properties, Inc., owns 50 percent of Admiral Lehigh Resort, Ltd. Partnership, a resort operation in Lehigh Acres, FL.

2. A brief description of the properties of claimant and each of its subsidiary public utility companies used for the generation, transmission, and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmission lines, producing fields, gas manufacturing plants, and electric and gas distribution facilities, including all such properties which are outside the State in which claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such State.

Claimant - Minnesota Power & Light Company

Reference is made to Annual Report Form 10-K (File No. 1-3548), filed by the claimant with the Commission on March 25, 1994, for the fiscal year ended December 31, 1993, particularly pages 22, 23, 31, and 34, which is hereby incorporated by reference in this statement.

Subsidiary - Superior Water, Light and Power Company

Same reference as under claimant.

3. The following information for the last calendar year with respect to claimant and each of its subsidiary public utility companies:

(a) Number of kWh of electric energy sold (at retail or wholesale), and Mcf. of natural or manufactured gas distributed at retail.

	Electricity	Gas
Minnesota Power & Light Company	8,382,001,627	None
Superior Water, Light and Power Company	543,264,448	21,868,847
Southern States Utilities, Inc.	None	27,679 (Liquefied Propane Gas)

(b) Number of kWh of electric energy and Mcf. of natural or manufactured gas distributed at retail outside the State in which each such company is organized.

None

(c) Number of kWh of electric energy and Mcf. of natural or manufactured gas sold at wholesale outside the State in which each such company is organized, or at the State line.

	Electricity	Gas
Minnesota Power & Light Company	543,810,000	None
Superior Water, Light and Power Company	None	None
Southern States Utilities, Inc.	None	None

(d) Number of kWh of electric energy and Mcf. of natural or manufactured gas purchased outside the State in which each company is organized or at the State line.

	Electricity	Gas
Minnesota Power & Light Company	3,997,963,726	None
Superior Water, Light and Power Company	556,925,288	None
Southern States Utilities, Inc.	None	None

Purchased only liquefied propane gas and all such purchases were made from local distributors and delivered in Florida.

4. The following information for the reporting period with respect to claimant and each interest it holds directly or indirectly in an EWG or a foreign utility company, stating monetary amounts in United States dollars:

Not applicable to Minnesota Power & Light Company

EXHIBITS

Exhibit A is the consolidating balance sheet of claimant and its subsidiary companies as of the close of such calendar year, together with a consolidating statement of income and consolidating statement of retained earnings of the claimant and its subsidiary companies for the last calendar year.

Exhibit A-1 is the consolidating financial statements for Topeka Group Incorporated (Topeka Group). These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-2 is the consolidating financial statements for Lehigh Acquisition Corporation which are combined with Topeka Group. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-3 is the consolidating financial statements for Heater Utilities, Incorporated. These statements are combined in the consolidated financial statements for Topeka Group. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-4 is the consolidating financial statements for RendField Land Company. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-5 is the consolidating financial statements for Synertec, Incorporated. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-6 is the consolidating financial statements for Superior Recycled Fiber Corporation which are combined with Synertec, Incorporated. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-7 is the consolidating financial statements for Upper Minnesota Properties, Inc. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-8 is the consolidating financial statements for Minnesota Pulp, Incorporated. These statements are combined in the consolidating financial statements of Minnesota Power & Light Company which are filed as Exhibit A.

Exhibit A-9 is a list of abbreviations used in the Exhibits.

Exhibit B is the Financial Data Schedule.

Exhibit C is not applicable to Minnesota Power & Light Company.

The above-named claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 24th day of February 1995.

MINNESOTA POWER & LIGHT COMPANY

(Name of claimant)

By D. G. Gartzke

Senior Vice President -
Finance and Chief Financial Officer

Attest:

Philip R. Halverson

General Counsel and Corporate Secretary

Name, title, and address of officer to whom notices and correspondence concerning this statement should be addressed:

David G. Gartzke Senior Vice President - Finance and Chief Financial Officer

(Name)

(Title)

Minnesota Power & Light Company
30 West Superior Street
Duluth, Minnesota 55802

(Address)

MINNESOTA POWER CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A
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	CONSOLIDATED	ELIMINATIONS	MPL	SWL	CNTG
PLANT AND OTHER ASSETS					
ELECTRIC -U100	1185045,556	2,480,981	1159568,319	22,996,256	0
ELECTRIC MISCELLANEOUS -U175	21948,451	0	16628,382	5,320,069	0
GAS -U400	12017,376	775,307	0	11,242,069	0
COAL -U550,551	33067,304	0	0	0	0
COMMON -U500	0	5,168,711-	0	5,168,711	0
TOTAL ELECTRIC OPERATIONS	1252078,687	1,912,423-	1176196,701	44,727,105	0
WATER -U300	366840,557	1,912,423	0	15,669,606	349,258,528
WATER MISCELLANEOUS -U350	11131,230	0	0	0	11,131,230
TOTAL WATER OPERATIONS	377971,787	1,912,423	0	15,669,606	360,389,758
PULP -N300	78484,000	1,158,413	0	0	0
AFFORD HOUSING AND OTHE-N350	6345,677	0	0	0	0
TOTAL INVEST OPERATIONS	84829,677	1,158,413	0	0	0
TOTAL PLANT	1714880,151	1,158,413	1176196,701	60,396,711	360,389,758
ACCUMULATED DEPREC-U600,N600	582075,214-	0	452050,959-	22,921,793-	84,716,267-
CONSTRUCTION IN PRO-U710,711	27619,002	0	21736,180	129,303	5,753,519
NET PLANT	1160423,939	1,158,413	745881,922	37,604,221	281,427,010
SECURITIES INVESTES-N900,905	144053,181	0	137891,460	0	82,563
EQUITY INVESTMENTS -N910	109370,524	9,166,738-	72054,167	0	0
REAL ESTATE -N400	24091,033	0	0	0	24,091,033
GOODWILL -N700	1884,796	0	0	0	1,884,796
OTHER -N500	2564,303	0	2435,486	0	128,817
INV IN SUBSIDIARIES -N200	3-	249,109,467-	249109,466	0	1-
TOTAL PLANT AND ASSETS	1442387,773	257,117,792-	1207372,501	37,604,221	307,614,218
CURRENT ASSETS (A)					
CASH -110	20605,204	1	3845,010	214,665	6,812,528
WORKING FUNDS -150	244,143	0	233,118	11,025	0
TEMP CASH INVESTMENTS -200	1996,921	1,900,000-	1980,040	0	426,537
RESTRICTED CASH -115	4154,573	0	0	0	4,154,572
TRADING SECURITIES -250	74045,797	490,275-	74536,072	0	0
CUSTOMER ACCTS REC -321	52146,687	0	35916,239	4,631,450	8,280,729
RESERVE FOR UNCOL ACT-322	1041,479-	0	432,261-	251,091-	358,128-
OTHER ACCOUNTS RECEIVABLE					
NOTES RECEIVABLE -310	35430,964	0	266,262	0	105,753
OTHER ACCOUNTS REC -409	26223,517	421,559-	5325,332	355,628	4,112,258
ACCTS REC FROM ASSOC -432	0	115,483,307-	54723,036	7,222	44,729,841
FUEL STOCK -500	7726,644	0	7651,459	75,185	0
PLANT & OPER SUPPLIES -610	17428,791	0	9953,787	612,758	964,582
MERCHANDISE -620	1428,315	0	1428,315	0	0
STORES EXPENSE UNDIST-630	179,171-	0	91,929-	87,242-	0
PREPAYMENTS -700	12806,664	0	9981,051	889,169	1,431,417
OTHER CUR & ACCR ASSETS-900	7809,895	0	4580,659	206,117	2,957,919
FUNDS HELD BY TRUSTEE-145	0	0	0	0	0
INTEREST DEP & OTHER -120	0	0	0	0	0
TOTAL CURRENT ASSETS	260827,465	118,295,140-	209896,190	6,664,886	73,618,008
ALLOW GAIN CAP SALE -255	0	0	0	0	0
OTHER -200	99271,505	177,959-	77576,146	3,876,159	14,428,672
TOTAL DEFERRED DEBITS	99271,505	177,959-	77576,146	3,876,159	14,428,672
TOTAL ASSETS	1802486,743	375,590,891-	1494844,837	48,145,266	395,660,898

	ENLD	MPAP	CNRD	BNI	RAIN
PLANT AND OTHER ASSETS					
ELECTRIC -U100	0	0	0	0	0
ELECTRIC MISCELLANEOUS -U175	0	0	0	0	0
GAS -U400	0	0	0	0	0
COAL -U550,551	0	0	0	33,067,304	0
COMMON -U500	0	0	0	0	0

TOTAL ELECTRIC OPERATIONS	0	0	0	33,067,304	0
WATER -U300	0	0	0	0	0
WATER MISCELLANEOUS -U350	0	0	0	0	0
TOTAL WATER OPERATIONS	0	0	0	0	0
PULP -N300	0	0	0	0	0
AFFORD HOUSING AND OTHE-N350	0	234,035	355,303	0	0
TOTAL INVEST OPERATIONS	0	234,035	355,303	0	0
TOTAL PLANT	0	234,035	355,303	33,067,304	0
ACCUMULATED DEPREC-U600,N600	0	0	4,060	17,598,323	0
CONSTRUCTION IN PRO-U710,711	0	0	0	0	0
NET PLANT	0	234,035	351,243	15,468,981	0
SECURITIES INVESTES-N900,905	4,651,226	0	0	1,344,844	0
EQUITY INVESTMENTS -N910	0	35,967,095	0	0	0
REAL ESTATE -N400	0	0	0	0	0
GOODWILL -N700	0	0	0	0	0
OTHER -N500	0	0	0	0	0
INV IN SUBSIDIARIES -N200	0	0	0	0	0
TOTAL PLANT AND ASSETS	4,651,226	36,201,130	351,243	16,813,825	0
CURRENT ASSETS (A)					
CASH -110	5,743	2,220	65,587	778,286	13,749
WORKING FUNDS -150	0	0	0	0	0
TEMP CASH INVESTMENTS -200	0	0	0	1,490,344	0
RESTRICTED CASH -115	0	0	0	0	0
TRADING SECURITIES -250	0	0	0	0	0
CUSTOMER ACCTS REC -321	0	0	0	3,318,270	0
RESERVE FOR UNCOL ACT-322	0	0	0	0	0
OTHER ACCOUNTS RECEIVABLE					
NOTES RECEIVABLE -310	0	35,058,949	0	0	0
OTHER ACCOUNTS REC -409	0	0	2,824,247	0	0
ACCTS REC FROM ASSOC -432	1,910,289	3,805,641	4,049,695	0	540,793
FUEL STOCK -500	0	0	0	0	0
PLANT & OPER SUPPLIES -610	0	0	0	2,159,665	0
MERCHANDISE -620	0	0	0	0	0
STORES EXPENSE UNDIST-630	0	0	0	0	0
PREPAYMENTS -700	0	6,775	0	487,298	0
OTHER CUR & ACCR ASSETS-900	0	0	0	48,466	0
FUNDS HELD BY TRUSTEE-145	0	0	0	0	0
INTEREST DEP & OTHER -120	0	0	0	0	0
TOTAL CURRENT ASSETS	1,916,032	38,873,585	6,939,529	8,282,329	554,542
ALLOW GAIN CAP SALE -255	0	0	0	0	0
OTHER -200	0	0	9,848	3,441,933	0
TOTAL DEFERRED DEBITS	0	0	9,848	3,441,933	0
TOTAL ASSETS	6,567,258	75,074,715	7,300,620	28,538,087	554,542

CNSY

PLANT AND OTHER ASSETS					
ELECTRIC -U100	0				
ELECTRIC MISCELLANEOUS -U175	0				
GAS -U400	0				
COAL -U550,551	0				
COMMON -U500	0				
TOTAL ELECTRIC OPERATIONS	0				
WATER -U300	0				
WATER MISCELLANEOUS -U350	0				
TOTAL WATER OPERATIONS	0				
PULP -N300	77,325,587				
AFFORD HOUSING AND OTHE-N350	845,836				
TOTAL INVEST OPERATIONS	78,171,423				
TOTAL PLANT	78,171,423				
ACCUMULATED DEPREC-U600,N600	4,713,985				

CONSTRUCTION IN PRO-U710,711		0

NET PLANT		73,457,438
SECURITIES INVESTES-N900,905		0
EQUITY INVESTMENTS -N910		0
REAL ESTATE -N400		0
GOODWILL -N700		0
OTHER -N500		0
INV IN SUBSIDIARIES -N200		0

TOTAL PLANT AND ASSETS		73,457,438
CURRENT ASSETS (A)		
CASH -110		8,767,934
WORKING FUNDS -150		0
TEMP CASH INVESTMENTS -200		0
RESTRICTED CASH -115		1
TRADING SECURITIES -250		0
CUSTOMER ACCTS REC -321		0
RESERVE FOR UNCOL ACT-322		0
OTHER ACCOUNTS RECEIVABLE		
NOTES RECEIVABLE -310		0
OTHER ACCOUNTS REC -409	14,016,242	
ACCTS REC FROM ASSOC -432	4,779,010	
FUEL STOCK -500		0
PLANT & OPER SUPPLIES -610	3,738,000	
MERCHANDISE -620		0
STORES EXPENSE UNDIST-630		0
PREPAYMENTS -700		0
OTHER CUR & ACCR ASSETS-900		0
FUNDS HELD BY TRUSTEE-145		0
INTEREST DEP & OTHER -120		0

TOTAL CURRENT ASSETS		31,301,187

ALLOW GAIN CAP SALE -255		0
OTHER -200	42,521	

TOTAL DEFERRED DEBITS		42,521

TOTAL ASSETS		104,801,146
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MINNESOTA POWER CONSOLIDATED BALANCE SHEET
DECEMBER 1994

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	LFC1	CNUP	CNPI
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PLANT AND OTHER ASSETS			
ELECTRIC -U100	0	0	0
ELECTRIC MISCELLANEOUS -U175	0	0	0
GAS -U400	0	0	0
COAL -U550, 551	0	0	0
COMMON -U500	0	0	0
TOTAL ELECTRIC OPERATIONS	0	0	0
WATER -U300	0	0	0
WATER MISCELLANEOUS -U350	0	0	0
TOTAL WATER OPERATIONS	0	0	0
PULP -N300	0	0	0
AFFORD HOUSING AND OTHE-N350	0	4,910,503	0
TOTAL INVEST OPERATIONS	0	4,910,503	0
TOTAL PLANT	0	4,910,503	0
ACCUMULATED DEPREC-U600, N600	0	69,828-	0
CONSTRUCTION IN PRO-U710, 711	0	0	0
NET PLANT	0	4,840,675	0
SECURITIES INVESTES-N900, 905	83,088	0	0
EQUITY INVESTMENTS -N910	0	0	10,516,000
REAL ESTATE -N400	0	0	0
GOODWILL -N700	0	0	0
OTHER -N500	0	0	0
INV IN SUBSIDIARIES -N200	0	0	0
TOTAL PLANT AND ASSETS	83,088	4,840,675	10,516,000
CURRENT ASSETS (A)			
CASH -110	16,428	56,818	26,234
WORKING FUNDS -150	0	0	0
TEMP CASH INVESTMENTS -200	0	0	0
RESTRICTED CASH -115	0	0	0
TRADING SECURITIES -250	0	0	0
CUSTOMER ACCTS REC -321	0	0	0
RESERVE FOR UNCOL ACT-322	0	0	0
OTHER ACCOUNTS RECEIVABLE			
NOTES RECEIVABLE -310	0	0	0
OTHER ACCOUNTS REC -409	51	11,318	0
ACCTS REC FROM ASSOC -432	3,242	208,674	725,865
FUEL STOCK -500	0	0	0
PLANT & OPER SUPPLIES -610	0	0	0
MERCHANDISE -620	0	0	0
STORES EXPENSE UNDIST-630	0	0	0
PREPAYMENTS -700	0	10,953	0
OTHER CUR & ACCR ASSETS-900	16,734	0	0
FUNDS HELD BY TRUSTEE-145	0	0	0
INTEREST DEP & OTHER -120	0	0	0
TOTAL CURRENT ASSETS	36,455	287,763	752,099
ALLOW GAIN CAP SALE -255	0	0	0
OTHER -200	0	74,184	0
TOTAL DEFERRED DEBITS	0	74,184	0
TOTAL ASSETS	119,543	5,202,622	11,268,099
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MINNESOTA POWER CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A
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	CONSOLIDATED	ELIMINATIONS	MPL	SWL	CNTG
CAPITALIZATION					
COMMON EQUITY (C)					
COMMON STK&PD IN CAP -090	371178,007	130,501,325-	371178,006	5,800,000	62,765,345
LOAN TO LEV ESOP -210	76726,415-	0	76726,415-	0	0
UNREAL GAINS INVEST -215	5409,660-	0	5409,660-	0	0
RETAINED EARNINGS -400	272646,014	117,925,989-	272646,007	11,288,941	85,583,056
PREFERRED STOCK (P)					
5% -100	11491,693	0	11491,693	0	0
\$7.36 SERIES -210	17054,910	0	17054,910	0	0
\$8.90 SERIES 220	0	0	0	0	0
\$6.70 SERIES -250	10000,000	0	10000,000	0	0
\$9.125 SERIES -320	0	0	0	0	0
\$7.125 SERIES -330	10000,000	0	10000,000	0	0
LONG-TERM DEBT (D)					
BONDS -100	493207,214	1,150,000-	407705,000	5,800,000	80,852,214
BOND FUNDS HELD BY TRUST	0	0	0	0	0
OTHER LONG-TERM DEBT -700	109535,638	649,709-	13966,059	7,350,000	36,502,600
UNAMORT PREM ON DEBT -850	0	0	0	0	0
UNAMORT DISC ON DEBT -860	1426,088-	0	1426,088-	0	0
TOTAL CAPITALIZATION	1211551,313	250,227,023-	1030479,512	30,238,941	265,703,215
CURRENT LIABILITIES (L)					
NOTES PAYABLE -100	54098,180	1,900,000-	53443,000	1,900,000	655,180
CURRENT MATURITIES -200	12813,737	1,799,708	0	0	2,026,602
ACCOUNTS PAYABLE					
ACCOUNTS PAYABLE -310	36792,329	615,935-	23108,113	936,983	4,697,239
ACCOUNTS PAY TO ASSOC-320	0	115,957,163-	60446,864	2,456,107	3,830,256
ACCURED TAXES					
FEDERAL INCOME TAXES -401	4128,584-	364,109	4400,812-	33,835-	278,521-
STATE INCOME TAXES -450	1182,446-	112,152	677,652	1,119-	119,807-
OTHER ACCRUED TAXES -500	41133,253	0	37043,036	59,957	3,516,728
ACCRD DIVIDEND & INTEREST					
INTEREST ACCRUED -610	13355,079	0	9767,745	285,408	2,985,492
DIVIDENDS DECLARED -620	800,123	0	800,123	0	0
MATURED INTEREST -630	1,709	0	1,709	0	0
OTHER					
CUSTOMER DEPOSITS -910	2717,609	0	189,803	12,436	2,515,370
TAX COLLECTIONS PAY -920	755,979	0	579,454	176,525	0
MISC CURR & ACCR LIAB-930	20325,279	1-	15213,606	1,191,296	2,680,972
TOTAL CURRENT LIABILITIE	177482,247	116,197,130-	196870,293	6,983,758	22,509,511
CONTR IN AID OF CONST F-300					
CONTR IN AID OF CONST F-300	87035,552	0	0	1,000,016	86,035,535
ACCUM DEF INC TXS(H254)-100	156458,772	0	132907,500	4,595,451	1,630,015
ACC DEF INV TAX CREDITS-200	35982,161	0	33681,478	1,063,797	1,236,886
OTHER					
MINORITY INTEREST -900	14394,812	9,166,738-	0	0	5,226,216
CUST ADV FOR CONSTR -910	2387,987	0	651,874	1,736,113	0
OTHER DEF CREDITS -920	112186,668	0	95246,949	2,527,190	13,319,520
LOST TIME RESERVE -930	5007,231	0	5007,231	0	0
TOTAL DEFERRED CREDITS	413453,183	9,166,738-	267495,032	10,922,567	107,448,172
TOTAL LIAB & CAPITALIZATION	1802486,743	375,590,891-	1494844,837	48,145,266	395,660,898
	ENLD	MPAP	CNRD	BNI	RAIN

CAPITALIZATION					
COMMON EQUITY (C)					
COMMON STK&PD IN CAP -090	2,500	14,501,000	4,487,500	2,027,426	500,000
LOAN TO LEV ESOP -210	0	0	0	0	0
UNREAL GAINS INVEST -215	0	0	0	0	0
RETAINED EARNINGS -400	2,562,340	16,084,823	7,464,963-	10,820,908	1,111,098-
PREFERRED STOCK (P)					
5% -100	0	0	0	0	0

\$7.36 SERIES	-210	0	0	0	0	0
\$8.90 SERIES	220	0	0	0	0	0
\$6.70 SERIES	-250	0	0	0	0	0
\$9.125 SERIES	-320	0	0	0	0	0
\$7.125 SERIES	-330	0	0	0	0	0
LONG-TERM DEBT (D)						
BONDS	-100	0	0	0	0	0
BOND FUNDS HELD BY TRUST		0	0	0	0	0
OTHER LONG-TERM DEBT	-700	0	0	0	10,257,548	0
UNAMORT PREM ON DEBT	-850	0	0	0	0	0
UNAMORT DISC ON DEBT	-860	0	0	0	0	0
		-----	-----	-----	-----	-----
TOTAL CAPITALIZATION		2,564,840	30,585,823	2,977,463-	23,105,882	611,098-
		-----	-----	-----	-----	-----
CURRENT LIABILITIES (L)						
NOTES PAYABLE	-100	0	0	0	0	0
CURRENT MATURITIES	-200	0	0	3,551,180	1,113,035	0
ACCOUNTS PAYABLE						
ACCOUNTS PAYABLE	-310	0	0	50,890	676,866	0
ACCOUNTS PAY TO ASSOC	-320	194,536	35,835,012	7,692,734	250,173	1,131,630
ACCRUED TAXES						
FEDERAL INCOME TAXES	-401	18,190-	82,460	59,931	169,357	47,340
STATE INCOME TAXES	-450	192,180	851,016-	265,750-	16,038	13,330-
OTHER ACCRUED TAXES	-500	0	1,233	7,731	545,698	0
ACCRD DIVIDEND & INTEREST						
INTEREST ACCRUED	-610	0	0	0	249,473	0
DIVIDENDS DECLARED	-620	0	0	0	0	0
MATURED INTEREST	-630	0	0	0	0	0
OTHER						
CUSTOMER DEPOSITS	-910	0	0	0	0	0
TAX COLLECTIONS PAY	-920	0	0	0	0	0
MISC CURR & ACCR LIAB	-930	0	0	500,000	739,405	0
		-----	-----	-----	-----	-----
TOTAL CURRENT LIABILITIE		368,526	35,067,689	11,596,716	3,760,045	1,165,640
		-----	-----	-----	-----	-----
CONTR IN AID OF CONST F	-300	0	0	0	0	0
ACCUM DEF INC TXS(H254)	-100	3,633,892	9,404,271	1,318,633-	596,084	0
ACC DEF INV TAX CREDITS	-200	0	0	0	0	0
OTHER						
MINORITY INTEREST	-900	0	0	0	0	0
CUST ADV FOR CONSTR	-910	0	0	0	0	0
OTHER DEF CREDITS	-920	0	16,932	0	1,076,076	0
LOST TIME RESERVE	-930	0	0	0	0	0
		-----	-----	-----	-----	-----
TOTAL DEFERRED CREDITS		3,633,892	9,421,203	1,318,633-	1,672,160	0
		-----	-----	-----	-----	-----
TOTAL LIAB & CAPITALIZATION		6,567,258	75,074,715	7,300,620	28,538,087	554,542
		=====	=====	=====	=====	=====

CNSY

CAPITALIZATION						
COMMON EQUITY (C)						
COMMON STK&PD IN CAP	-090	28,231,266				
LOAN TO LEV ESOP	-210	0				
UNREAL GAINS INVEST	-215	0				
RETAINED EARNINGS	-400	419,088-				
PREFERRED STOCK (P)						
5%	-100	0				
\$7.36 SERIES	-210	0				
\$8.90 SERIES	220	0				
\$6.70 SERIES	-250	0				
\$9.125 SERIES	-320	0				
\$7.125 SERIES	-330	0				
LONG-TERM DEBT (D)						
BONDS	-100	0				
BOND FUNDS HELD BY TRUST		0				
OTHER LONG-TERM DEBT	-700	39,343,244				
UNAMORT PREM ON DEBT	-850	0				
UNAMORT DISC ON DEBT	-860	0				

TOTAL CAPITALIZATION		67,155,422				

CURRENT LIABILITIES (L)						
NOTES PAYABLE	-100	0				

CURRENT MATURITIES	-200	4,026,348
ACCOUNTS PAYABLE		
ACCOUNTS PAYABLE	-310	7,899,921
ACCOUNTS PAY TO ASSOC	-320	3,555,608
ACCRUED TAXES		
FEDERAL INCOME TAXES	-401	161,614-
STATE INCOME TAXES	-450	814,662-
OTHER ACCRUED TAXES	-500	41,260-
ACCRD DIVIDEND & INTEREST		
INTEREST ACCRUED	-610	0
DIVIDENDS DECLARED	-620	0
MATURED INTEREST	-630	0
OTHER		
CUSTOMER DEPOSITS	-910	0
TAX COLLECTIONS PAY	-920	0
MISC CURR & ACCR LIAB	-930	0

TOTAL CURRENT LIABILITIE		14,464,341

CONTR IN AID OF CONST F	-300	0
ACCUM DEF INC TXS(H254)	-100	4,847,907
ACC DEF INV TAX CREDITS	-200	0
OTHER		
MINORITY INTEREST	-900	18,333,476
CUST ADV FOR CONSTR	-910	0
OTHER DEF CREDITS	-920	0
LOST TIME RESERVE	-930	0

TOTAL DEFERRED CREDITS		23,181,383

TOTAL LIAB & CAPITALIZATION		104,801,146
		=====

MINNESOTA POWER CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A
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	LFC1	CNUP	CNPI
	-----	-----	-----
CAPITALIZATION			
COMMON EQUITY (C)			
COMMON STK&PD IN CAP -090	10,000	2,124,189	10,052,099
LOAN TO LEV ESOP -210	0	0	0
UNREAL GAINS INVEST -215	0	0	0
RETAINED EARNINGS -400	2,498-	499,330	84,244
PREFERRED STOCK (P)			
5% -100	0	0	0
\$7.36 SERIES -210	0	0	0
\$8.90 SERIES 220	0	0	0
\$6.70 SERIES -250	0	0	0
\$9.125 SERIES -320	0	0	0
\$7.125 SERIES -330	0	0	0
LONG-TERM DEBT (D)			
BONDS -100	0	0	0
BOND FUNDS HELD BY TRUST	0	0	0
OTHER LONG-TERM DEBT -700	0	2,765,896	0
UNAMORT PREM ON DEBT -850	0	0	0
UNAMORT DISC ON DEBT -860	0	0	0
TOTAL CAPITALIZATION	7,502	5,389,415	10,136,343
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CURRENT LIABILITIES (L)			
NOTES PAYABLE -100	0	0	0
CURRENT MATURITIES -200	0	296,864	0
ACCOUNTS PAYABLE			
ACCOUNTS PAYABLE -310	1	10,370	27,886
ACCOUNTS PAY TO ASSOC-320	111,620	76,518	376,104
ACCRUED TAXES			
FEDERAL INCOME TAXES -401	8	10,760-	51,943
STATE INCOME TAXES -450	412	22,800-	92,396-
OTHER ACCRUED TAXES -500	0	130	0
ACCRD DIVIDEND & INTEREST			
INTEREST ACCRUED -610	0	66,961	0
DIVIDENDS DECLARED -620	0	0	0
MATURED INTEREST -630	0	0	0
OTHER			
CUSTOMER DEPOSITS -910	0	0	0
TAX COLLECTIONS PAY -920	0	0	0
MISC CURR & ACCR LIAB-930	0	0	0
TOTAL CURRENT LIABILITIE	112,041	417,283	363,537
	-----	-----	-----
CONTR IN AID OF CONST F-300	0	0	0
ACCUM DEF INC TXS(H254)-100	0	605,934-	768,219
ACC DEF INV TAX CREDITS-200	0	0	0
OTHER			
MINORITY INTEREST -900	0	1,858	0
CUST ADV FOR CONSTR -910	0	0	0
OTHER DEF CREDITS -920	0	0	0
LOST TIME RESERVE -930	0	0	0
TOTAL DEFERRED CREDITS	0	604,076-	768,219
	-----	-----	-----
TOTAL LIAB & CAPITALIZATION	119,543	5,202,622	11,268,099
	=====	=====	=====

MINNESOTA POWER CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A
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		CONSOLIDATED	ELIMINATIONS	MPL	SWL	CNTG
		-----	-----	-----	-----	-----
REVENUE - ELECTRIC	R100	407,491,808	20,167,115-	402,950,211	24,708,712	0
- ELECT MISC	T513	9,231,438	12,588,487-	21,765,538	77,298-	0
- GAS	R400	9,455,807	0	0	9,455,807	0
- COAL	R500, R501	26,999,023	0	0	0	0
- AFDC	T101	3,934	0	3,934	0	0
		-----	-----	-----	-----	-----
TOTAL ELECTRIC OPERATIONS		453,182,010	32,755,602-	424,719,683	34,087,221	0
		-----	-----	-----	-----	-----
- WATER	R300	68,003,295	0	0	4,487,648	63,515,647
- WATER MISC	R380	23,000,251	0	0	0	23,000,251
- AFDC	T102	220,647	0	0	0	220,647
		-----	-----	-----	-----	-----
TOTAL WATER OPERATIONS		91,224,193	0	0	4,487,648	86,736,545
		-----	-----	-----	-----	-----
- INVESTMENT	T300	8,258,217	2,135,102-	6,876,214	0	676,911
- PULP	T520	52,856,915	0	0	0	0
- REAL ESTATE	T711	31,653,105	0	0	0	31,653,105
- OTHER	T530	607,513	0	0	0	151,229
- EQUITY IN SUBS	T200	0	26,354,344-	26,354,343	0	0
		-----	-----	-----	-----	-----
TOTAL INV AND OTHER INCOME		93,375,750	28,489,446-	33,230,557	0	32,481,245
		-----	-----	-----	-----	-----
TOTAL OPER REVENUE AND INCOME		637,781,953	61,245,048-	457,950,240	38,574,869	119,217,790
		-----	-----	-----	-----	-----
OPERATING EXPENSES						
FUEL	E100	69,905,952	0	69,905,952	0	0
PURCHASED POWER	E200	87,781,139	17,318,331-	87,781,138	17,318,332	0
OPERATION	E305, T512, 350	145,548,877	15,379,888-	61,400,880	9,680,180	28,280,018
MAINTENANCE	E405	27,471,642	0	20,544,805	1,069,945	4,115,836
DEPRECIATION	E500, T590	50,236,181	40,000	33,634,777	1,861,570	8,812,887
PROPERTY TAXES	E610, T570	38,373,226	0	33,328,176	793,377	3,905,078
OTHER TAXES	E620, T571	8,974,307	0	4,376,041	456,672	3,558,598
ADMIN AND GENERAL	E310	77,888,159	0	46,111,609	3,654,668	24,634,513
MINORITY INTEREST	T511	2,033,096	508,000	0	0	2,541,123
INTEREST EXPENSE						
INTEREST ON LTD	I100	44,452,174	0	27,980,132	999,011	10,965,981
OTHER INTEREST EXP	I340	6,762,414	2,192,485-	5,140,432	264,698	955,030
AMORT OF DEBT EXP	I300	1,479,030	0	1,429,184	49,846	0
AFDC-DEBT	I200	623,236-	0	389,473-	0	233,763-
		-----	-----	-----	-----	-----
TOTAL OPERATING EXPENSES		560,282,961	34,342,704-	391,243,653	36,148,299	87,535,301
		-----	-----	-----	-----	-----
INCOME FROM EQUITY INVESTMENT		5,299,242	508,000	8,138,142	0	0
		-----	-----	-----	-----	-----
OPERATING INCOME		82,798,234	26,394,344-	74,844,729	2,426,570	31,682,489
INCOME TAX EXP	E700, T400, 6, 7	21,465,250-	16,000	13,511,750-	866,921-	8,675,703-
		-----	-----	-----	-----	-----
INCOME BEFORE EXTRAORDINARY		61,332,984	26,378,344-	61,332,979	1,559,649	23,006,786
EXTRAORDINARY ITEM	X100	0	0	0	0	0
		-----	-----	-----	-----	-----
NET INCOME		61,332,984	26,378,344-	61,332,979	1,559,649	23,006,786
PREFERRED DIVIDENDS	V100	3,200,467-	0	3,200,467-	0	0
TAX BENEFITS OF ESOP DIV	P500	0	0	0	0	0
		-----	-----	-----	-----	-----
EARNINGS AVAILABLE FOR COMMON		58,132,517	26,378,344-	58,132,512	1,559,649	23,006,786
COMMON DIVIDENDS	V200	56,663,380-	0	56,663,380-	0	0
ADJ TO RETAINED EARNINGS	V300	0	0	0	0	0
BEGIN RETAINED EARNINGS	C425	271,176,872	0	271,176,872	0	0
		-----	-----	-----	-----	-----
ENDING RETAINED EARNINGS		272,646,009	26,378,344-	272,646,004	1,559,649	23,006,786
		=====	=====	=====	=====	=====
		-----	-----	-----	-----	-----
		ENLD	MPAP	CNRD	BNI	RAIN
		-----	-----	-----	-----	-----
REVENUE - ELECTRIC	R100	0	0	0	0	0
- ELECT MISC	T513	0	0	0	0	131,685
- GAS	R400	0	0	0	0	0
- COAL	R500, R501	0	0	0	26,999,023	0
- AFDC	T101	0	0	0	0	0

TOTAL ELECTRIC OPERATIONS		0	0	0	26,999,023	131,685
- WATER	R300	0	0	0	0	0
- WATER MISC	R380	0	0	0	0	0
- AFDC	T102	0	0	0	0	0
TOTAL WATER OPERATIONS		0	0	0	0	0
- INVESTMENT	T300	131,969	1,793,842	194,232	116,002	0
- PULP	T520	0	0	0	0	0
- REAL ESTATE	T711	0	0	0	0	0
- OTHER	T530	0	0	52,066-	0	0
- EQUITY IN SUBS	T200	0	0	0	0	0
TOTAL INV AND OTHER INCOME		131,969	1,793,842	142,166	116,002	0
TOTAL OPER REVENUE AND INCOME		131,969	1,793,842	142,166	27,115,025	131,685
OPERATING EXPENSES						
FUEL	E100	0	0	0	0	0
PURCHASED POWER	E200	0	0	0	0	0
OPERATION	E305, T512, 350	0	0	0	16,815,679	0
MAINTENANCE	E405	0	0	0	1,741,056	0
DEPRECIATION	E500, T590	0	0	840	1,351,533	0
PROPERTY TAXES	E610, T570	0	1,118	6,419	24,417	0
OTHER TAXES	E620, T571	0	0	0	582,996	0
ADMIN AND GENERAL	E310	7,736	311,714	237,816	1,274,331	267,738
MINORITY INTEREST	T511	0	0	0	0	0
INTEREST EXPENSE						
INTEREST ON LTD	I100	0	0	0	1,031,745	0
OTHER INTEREST EXP	I340	0	1,955,223	630,680	3,338	10
AMORT OF DEBT EXP	I300	0	0	0	0	0
AFDC-DEBT	I200	0	0	0	0	0
TOTAL OPERATING EXPENSES		7,736	2,268,055	875,755	22,825,095	267,748
INCOME FROM EQUITY INVESTMENT		0	1,527,500	5,166,109-	0	0
OPERATING INCOME		124,233	1,053,287	5,899,698-	4,289,930	136,063-
INCOME TAX EXP	E700, T400, 6, 7	15,787	91,469-	2,492,113	1,153,680-	68,418
INCOME BEFORE EXTRAORDINARY		140,020	961,818	3,407,585-	3,136,250	67,645-
EXTRAORDINARY ITEM	X100	0	0	0	0	0
NET INCOME		140,020	961,818	3,407,585-	3,136,250	67,645-
PREFERRED DIVIDENDS	V100	0	0	0	0	0
TAX BENEFITS OF ESOP DIV	P500	0	0	0	0	0
EARNINGS AVAILABLE FOR COMMON		140,020	961,818	3,407,585-	3,136,250	67,645-
COMMON DIVIDENDS	V200	0	0	0	0	0
ADJ TO RETAINED EARNINGS	V300	0	0	0	0	0
BEGIN RETAINED EARNINGS	C425	0	0	0	0	0
ENDING RETAINED EARNINGS		140,020	961,818	3,407,585-	3,136,250	67,645-

CNSY

REVENUE - ELECTRIC	R100	0
- ELECT MISC	T513	0
- GAS	R400	0
- COAL	R500, R501	0
- AFDC	T101	0
TOTAL ELECTRIC OPERATIONS		0
- WATER	R300	0
- WATER MISC	R380	0
- AFDC	T102	0
TOTAL WATER OPERATIONS		0
- INVESTMENT	T300	588,265
- PULP	T520	52,856,915
- REAL ESTATE	T711	0

- OTHER	T530	403,576
- EQUITY IN SUBS	T200	0

TOTAL INV AND OTHER INCOME		53,848,756

TOTAL OPER REVENUE AND INCOME		53,848,756

OPERATING EXPENSES		
FUEL	E100	0
PURCHASED POWER	E200	0
OPERATION	E305, T512, 350	44,690,000
MAINTENANCE	E405	0
DEPRECIATION	E500, T590	4,459,984
PROPERTY TAXES	E610, T570	312,000
OTHER TAXES	E620, T571	0
ADMIN AND GENERAL	E310	1,313,820
MINORITY INTEREST	T511	1,016,000-
INTEREST EXPENSE		
INTEREST ON LTD	I100	3,364,777
OTHER INTEREST EXP	I340	8
AMORT OF DEBT EXP	I300	0
AFDC-DEBT	I200	0

TOTAL OPERATING EXPENSES		53,124,589

INCOME FROM EQUITY INVESTMENT		0

OPERATING INCOME		724,167
INCOME TAX EXP	E700, T400, 6, 7	348,663-

INCOME BEFORE EXTRAORDINARY		375,504
EXTRAORDINARY ITEM	X100	0

NET INCOME		375,504
PREFERRED DIVIDENDS	V100	0
TAX BENEFITS OF ESOP DIV	P500	0

EARNINGS AVAILABLE FOR COMMON		375,504
COMMON DIVIDENDS	V200	0
ADJ TO RETAINED EARNINGS	V300	0
BEGIN RETAINED EARNINGS	C425	0

ENDING RETAINED EARNINGS		375,504
		=====

MINNESOTA POWER CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A
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	LFC1	CNUP	CNPI
REVENUE - ELECTRIC R100	0	0	0
- ELECT MISC T513	0	0	0
- GAS R400	0	0	0
- COAL R500, R501	0	0	0
- AFDC T101	0	0	0
TOTAL ELECTRIC OPERATIONS	0	0	0
- WATER R300	0	0	0
- WATER MISC R380	0	0	0
- AFDC T102	0	0	0
TOTAL WATER OPERATIONS	0	0	0
- INVESTMENT T300	9,939	5,944	0
- PULP T520	0	0	0
- REAL ESTATE T711	0	0	0
- OTHER T530	0	104,774	0
- EQUITY IN SUBS T200	0	0	1
TOTAL INV AND OTHER INCOME	9,939	110,718	1
TOTAL OPER REVENUE AND INCOME	9,939	110,718	1
OPERATING EXPENSES			
FUEL E100	0	0	0
PURCHASED POWER E200	0	0	0
OPERATION E305, T512, 350	0	62,010	0
MAINTENANCE E405	0	0	0
DEPRECIATION E500, T590	0	74,589	0
PROPERTY TAXES E610, T570	0	2,641	0
OTHER TAXES E620, T571	0	0	0
ADMIN AND GENERAL E310	0	63,231	10,981
MINORITY INTEREST T511	0	27-	0
INTEREST EXPENSE			
INTEREST ON LTD I100	0	110,529	0
OTHER INTEREST EXP I340	5,480	0	0
AMORT OF DEBT EXP I300	0	0	0
AFDC-DEBT I200	0	0	0
TOTAL OPERATING EXPENSES	5,480	312,973	10,981
INCOME FROM EQUITY INVESTMENT	0	0	291,709
OPERATING INCOME	4,459	202,255-	280,729
INCOME TAX EXP E700, T400, 6, 7	1,703-	702,207	109,885-
INCOME BEFORE EXTRAORDINARY	2,756	499,952	170,844
EXTRAORDINARY ITEM X100	0	0	0
NET INCOME	2,756	499,952	170,844
PREFERRED DIVIDENDS V100	0	0	0
TAX BENEFITS OF ESOP DIV P500	0	0	0
EARNINGS AVAILABLE FOR COMMON	2,756	499,952	170,844
COMMON DIVIDENDS V200	0	0	0
ADJ TO RETAINED EARNINGS V300	0	0	0
BEGIN RETAINED EARNINGS C425	0	0	0
ENDING RETAINED EARNINGS	2,756	499,952	170,844

MINNESOTA POWER & LIGHT COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 1994

Exhibit A
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	Consolidated Total -----	Eliminations and Adjustments -----	Minnesota Power & Light Company -----	Superior Water, Light and Power Company -----
RETAINED EARNINGS				
Balance at beginning of period	\$271,176,874	\$(107,347,646)	\$271,176,874	\$11,329,292
Add				
Net Income (Loss)				
Statement of Income	61,332,979	(26,378,349)	61,332,979	1,559,649
	-----	-----	-----	-----
Total	332,509,853	(133,725,995)	332,509,853	12,888,941
	-----	-----	-----	-----
Deduct				
Dividends - Cash				
5% Preferred Stock				
(\$5.00 per share)	566,770		566,770	
Serial Preferred Stock				
(\$7.36 per share)	1,251,200		1,251,200	
Serial (A) Preferred Stock				
(\$6.70 per share)	669,996		669,996	
Serial (A) Preferred Stock				
(\$7.125 per share)	712,500		712,500	
Common Stock	56,663,380	(15,800,000)	56,663,380	1,600,000
	-----	-----	-----	-----
Total Deduction from Earnings	59,863,846	(15,800,000)	59,863,846	1,600,000
	-----	-----	-----	-----
Balance at close of period	\$272,646,007	\$(117,925,995)	\$272,646,007	\$11,288,941
	-----	-----	-----	-----

	Consolidated Topeka Group -----	Energy Land, Incorporated -----	Minnesota Paper, Incorporated -----	Consolidated RendField -----
RETAINED EARNINGS				
Balance at beginning of period	\$74,576,270	\$2,422,320	\$15,123,005	\$(4,057,378)
Add				
Net Income (Loss)				
Statement of Income	23,006,786	140,020	961,818	(3,407,585)
	-----	-----	-----	-----
Total	97,583,056	2,562,340	16,084,823	(7,464,963)
	-----	-----	-----	-----
Deduct				
Dividends - Cash				
5% Preferred Stock				
(\$5.00 per share)				
Serial Preferred Stock				
(\$7.36 per share)				
Serial (A) Preferred Stock				
(\$6.70 per share)				
Serial (A) Preferred Stock				
(\$7.125 per share)				
Common Stock	12,000,000			
	-----	-----	-----	-----
Total Deduction from Earnings	12,000,000			
	-----	-----	-----	-----
Balance at close of period	\$85,583,056	\$2,562,340	\$16,084,823	\$(7,464,963)
	-----	-----	-----	-----

BNI Coal, Ltd. -----	Rainy River Energy, Inc. -----	Consolidated Synertec -----
----------------------------	--------------------------------------	-----------------------------------

RETAINED EARNINGS

Balance at beginning of period	\$9,884,658	\$(1,043,453)	\$(794,592)
Add			
Net Income (Loss)			
Statement of Income	3,136,250	(67,645)	375,504
	-----	-----	-----
Total	13,020,908	(1,111,098)	(419,088)
	-----	-----	-----
Deduct			
Dividends - Cash			
5% Preferred Stock			
(\$5.00 per share)			
Serial Preferred Stock			
(\$7.36 per share)			
Serial (A) Preferred Stock			
(\$6.70 per share)			
Serial (A) Preferred Stock			
(\$7.125 per share)			
Common Stock	2,200,000		
	-----	-----	-----
Total Deduction from Earnings	2,200,000		
	-----	-----	-----
Balance at close of period	\$10,820,908	\$(1,111,098)	\$(419,088)
	-----	-----	-----

Common dividends from Superior Water, Light and Power Company, Topeka Group and BNI Coal of \$1,600,000, \$12,000,000 and \$2,200,000, respectively.

MINNESOTA POWER & LIGHT COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 1994

Exhibit A
Page 8 of 8

	Lakeview Financial Corporation -----	Consolidated Upper Minnesota Properties -----	Consolidated Minnesota Pulp -----
RETAINED EARNINGS			
Balance at beginning of period	\$(5,254)	\$ (622)	\$ (86,600)
Add			
Net Income (Loss)			
Statement of Income	2,756	499,952	170,844
	-----	-----	-----
Total	(2,498)	499,330	84,244
	-----	-----	-----
Deduct			
Dividends - Cash			
5% Preferred Stock			
(\$5.00 per share)			
Serial Preferred Stock			
(\$7.36 per share)			
Serial (A) Preferred Stock			
(\$6.70 per share)			
Serial (A) Preferred Stock			
(\$7.125 per share)			
Common Stock			
	-----	-----	-----
Total Deduction from Earnings			
	-----	-----	-----
Balance at close of period	\$(2,498)	\$499,330	\$ 84,244
	-----	-----	-----

TOPEKA GROUP CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-1
Page 1 of 3

	CONSOLIDATED	ELIMINATIONS	TOPEKA GROUP	ELAG	FIBERCORE
UTILITY PLANT (U)					
-WATER -300	349,258,528	165,686-	0	0	0
-GAS -400	0	0	0	0	0
TOTAL GROSS PLANT	349,258,528	165,686-	0	0	0
ACCUM DEPRECIATION -600	83,361,576-	0	0	0	0
CONSTR WORK IN PROGRESS-710	5,753,519	0	0	0	0
NET UTILITY PLANT	271,650,471	165,686-	0	0	0
NONUTIL PROP & INVESTMENTS(N)					
NONUTILITY & OTHER					
NONUTILITY PLANT -100	11,132,061	0	830	1,582,192	0
ACCUM-DEPR NONUTILITY-600	1,354,691-	0	830-	1,353,861-	0
GOODWILL -700	1,884,796	0	1,884,796	0	0
OTHER -950	24,219,020	0	127,987	0	0
INVESTMENTS -900	82,563	0	0	0	0
INVEST IN ASSOC CO. -200	1-	108,264,449-	108,264,448	0	0
TOTAL NONUTIL PROP & INV	35,963,748	108,264,449-	110,277,231	228,331	0
CURRENT ASSETS (A)					
CASH					
CASH -110	6,812,528	0	515,893	239,050	1,384
WORKING FUNDS -150	0	0	0	0	0
TEMP CASH INVESTMENTS -200	426,537	0	0	0	0
RESTRICTED CASH -115	4,154,572	0	0	0	0
TRADE ACCOUNTS RECEIVABLE					
CUSTOMER ACCOUNTS REC-321	8,280,729	0	0	0	0
ACCUM PROV UNCOL ACT -322	358,128-	0	0	0	0
OTHER ACCOUNTS RECEIVABLE					
NOTES RECEIVABLE -310	105,753	0	97,500	0	0
OTHER ACCTS REC -409	4,112,258	0	0	207,815	0
ACCTS REC FROM ASSOC -432	44,729,842	45,456,829-	79,144,012	307,161	557
FUEL STOCK -500	0	0	0	0	0
MATERIALS & SUPPLIES					
PLANT & OPER SUPPLIES-610	964,582	0	0	0	0
MERCHANDISE -620	0	0	0	0	0
STORES EXPENSE UNDIST-630	0	0	0	0	0
PREPAYMENTS -700	1,431,417	0	28,674	0	0
OTHER					
OTH CUR & ACCR ASSETS-900	2,957,919	0	0	78,184	0
FUNDS HELD BY TRUSTEE-145	0	0	0	0	0
INTEREST DEP & OTHER -120	0	0	0	0	0
TOTAL CURRENT ASSETS	73,618,009	45,456,829-	79,786,079	832,210	1,941
ACCUM DEF INC TAXES H-254	19,113,678	0	208,606	0	0
OTHER -200	14,428,672	0	207,103	0	0
TOTAL DEFERRED DEBITS	33,542,350	0	415,709	0	0
TOTAL ASSETS	414,774,578	153,886,964-	190,479,019	1,060,541	1,941

	LAC	HEATER	SSU
UTILITY PLANT (U)			
-WATER -300	0	42,965,015	306,459,198
-GAS -400	0	0	0
TOTAL GROSS PLANT	0	42,965,015	306,459,198
ACCUM DEPRECIATION -600	0	12,478,612-	70,882,963-
CONSTR WORK IN PROGRESS-710	0	0	5,753,519
NET UTILITY PLANT	0	30,486,403	241,329,754
NONUTIL PROP & INVESTMENTS(N)			
NONUTILITY & OTHER			
NONUTILITY PLANT -100	0	33,295	9,515,744
ACCUM-DEPR NONUTILITY-600	0	0	0

GOODWILL	-700	0	0	0
OTHER	-950	24,091,033	0	0
INVESTMENTS	-900	0	82,563	0
INVEST IN ASSOC CO.	-200	0	0	0
		-----	-----	-----
TOTAL NONUTIL PROP & INV		24,091,033	115,858	9,515,744
		-----	-----	-----
CURRENT ASSETS (A)				
CASH				
CASH	-110	4,262,457	486,325	1,307,421
WORKING FUNDS	-150	0	0	0
TEMP CASH INVESTMENTS	-200	0	426,537	0
RESTRICTED CASH	-115	0	0	4,154,572
TRADE ACCOUNTS RECEIVABLE				
CUSTOMER ACCOUNTS REC-321		0	947,235	7,333,494
ACCUM PROV UNCOL ACT -322		0	31,342-	326,785-
OTHER ACCOUNTS RECEIVABLE				
NOTES RECEIVABLE	-310	0	8,253	0
OTHER ACCTS REC	-409	3,463,783	197,474	243,186
ACCTS REC FROM ASSOC	-432	1,351,230	536,278	8,847,433
FUEL STOCK	-500	0	0	0
MATERIALS & SUPPLIES				
PLANT & OPER SUPPLIES-610		235,677	377,332	351,572
MERCHANDISE	-620	0	0	0
STORES EXPENSE UNDIST-630		0	0	0
PREPAYMENTS	-700	0	1,322,391	80,352
OTHER				
OTH CUR & ACCR ASSETS-900		2,495,881	7,893	375,961
FUNDS HELD BY TRUSTEE-145		0	0	0
INTEREST DEP & OTHER -120		0	0	0
		-----	-----	-----
TOTAL CURRENT ASSETS		11,809,028	4,278,376	22,367,206
		-----	-----	-----
ACCUM DEF INC TAXES H-254		0	0	18,905,072
OTHER	-200	0	0	14,221,569
		-----	-----	-----
TOTAL DEFERRED DEBITS		0	0	33,126,641
		-----	-----	-----
TOTAL ASSETS		35,900,061	34,880,637	306,339,345
		=====	=====	=====

TOPEKA GROUP CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-1
Page 2 of 3

	CONSOLIDATED	ELIMINATIONS	TOPEKA GROUP	ELAG	FIBERCORE
CAPITALIZATION					
COMMON EQUITY (C)					
COMMON STK&PD IN CAP -090	62,765,345	90,013,993-	62,765,345	263,928	5,125,000
CAPITAL STOCK EXPENSE-300	0	0	0	0	0
RETAINED EARNINGS -400	85,583,056	23,476,672-	85,583,055	567,816	4,976,047-
PREFERRED STOCK (P)					
5% SERIES -100	0	0	0	0	0
\$7.36 SERIES -210	0	0	0	0	0
\$8.90 SERIES -220	0	0	0	0	0
\$8.30 SERIES -310	0	0	0	0	0
\$9.125 SERIES -320	0	0	0	0	0
LONG-TERM DEBT (D)					
BONDS	80,852,214	0	0	0	0
BONDS HELD BY TRUSTEE	0	0	0	0	0
OTHER LONG-TERM DEBT -700	36,502,600	29,896,250-	30,000,000	0	0
UNAMORT PREM ON DEBT -850	0	0	0	0	0
UNAMORT DISC ON DEBT -860	0	0	0	0	0
TOTAL CAPITALIZATION	265,703,215	143,386,915-	178,348,400	831,744	148,953
CURRENT LIABILITIES (L)					
NOTES PAYABLE -100	655,180	0	0	31,826	0
CURRENT MATURITIES -200	2,026,602	0	0	0	0
ACCOUNTS PAYABLE					
ACCOUNTS PAYABLE -310	4,697,241	0	3	93,452	0
ACCTS PAY TO ASSOC CO-320	3,830,256	15,560,579-	10,143,604	75,612	210,638
ACCRUED TAXES					
FEDERAL INCOME TAXES -401	278,521-	0	15,732	3,968-	341,079-
STATE INCOME TAXES -450	119,807-	0	96,946-	0	16,571-
OTHER ACCRUED TAXES -500	3,516,728	0	255	0	0
ACCRD DIVIDENDS & INTEREST					
INTEREST ACCRUED -610	2,985,492	0	1,174,505	0	0
DIVIDENDS DECLARED -620	0	0	0	0	0
MATURED INTEREST -630	0	0	0	0	0
OTHER					
CUSTOMER DEPOSITS -910	2,515,370	0	0	0	0
TAX COLLECTIONS PAY -920	0	0	0	0	0
MISC CURR & ACCR LIAB-930	2,680,972	0	419,351	41,965	0
TOTAL CURRENT LIABILITIES	22,509,513	15,560,579-	11,656,504	238,887	147,012-
CONTR IN AID OF CONST F-300					
CONTR IN AID OF CONST F-300	86,035,535	0	0	0	0
ACCUM DEF INCOME TAXES -100					
ACCUM DEF INCOME TAXES -100	20,743,693	0	387,549	10,090-	0
ACC DEF INV TAX CREDITS-200					
ACC DEF INV TAX CREDITS-200	1,236,886	0	0	0	0
OTHER					
MINORITY INTEREST -900	5,226,216	5,226,216	0	0	0
CUST ADV FOR CONSTR -910	0	0	0	0	0
OTHER DEF CREDITS -920	13,319,520	165,686-	86,566	0	0
LOST TIME RESERVE -930	0	0	0	0	0
TOTAL DEFERRED CREDITS	126,561,850	5,060,530	474,115	10,090-	0
TOTAL LIABILITY & CAPITAL	414,774,578	153,886,964-	190,479,019	1,060,541	1,941

LAC

HEATER

SSU

CAPITALIZATION

COMMON EQUITY (C)

COMMON STK&PD IN CAP -090	5,952,410	5,840,250	72,832,405
CAPITAL STOCK EXPENSE-300	0	0	0
RETAINED EARNINGS -400	20,178,664	2,361,345	5,344,894
PREFERRED STOCK (P)			
5% SERIES -100	0	0	0
\$7.36 SERIES -210	0	0	0
\$8.90 SERIES -220	0	0	0
\$8.30 SERIES -310	0	0	0
\$9.125 SERIES -320	0	0	0
LONG-TERM DEBT (D)			
BONDS	0	0	80,852,214

BONDS HELD BY TRUSTEE	0	0	0
OTHER LONG-TERM DEBT -700	0	12,202,600	24,196,250
UNAMORT PREM ON DEBT -850	0	0	0
UNAMORT DISC ON DEBT -860	0	0	0
	-----	-----	-----
TOTAL CAPITALIZATION	26,131,074	20,404,195	183,225,763
	-----	-----	-----
CURRENT LIABILITIES (L)			
NOTES PAYABLE -100	623,354	0	0
CURRENT MATURITIES -200	0	15,457	2,011,144
ACCOUNTS PAYABLE			
ACCOUNTS PAYABLE -310	394,744	300,616	3,908,429
ACCTS PAY TO ASSOC CO-320	1,242,825	411,240	7,306,916
ACCRUED TAXES			
FEDERAL INCOME TAXES -401	32,424-	83,218	0
STATE INCOME TAXES -450	0	6,290-	0
OTHER ACCRUED TAXES -500	495,516	324,539	2,696,418
ACCRD DIVIDENDS & INTEREST			
INTEREST ACCRUED -610	0	0	1,810,987
DIVIDENDS DECLARED -620	0	0	0
MATURED INTEREST -630	0	0	0
OTHER			
CUSTOMER DEPOSITS -910	598,571	219,125	1,697,673
TAX COLLECTIONS PAY -920	0	0	0
MISC CURR & ACCR LIAB-930	572,213	651,969	995,475
	-----	-----	-----
TOTAL CURRENT LIABILITIES	3,894,799	1,999,874	20,427,042
	-----	-----	-----
CONTR IN AID OF CONST F-300	0	13,397,757	72,637,779
ACCUM DEF INCOME TAXES -100	0	921,189-	21,287,423
ACC DEF INV TAX CREDITS-200	0	0	1,236,886
OTHER			
MINORITY INTEREST -900	0	0	0
CUST ADV FOR CONSTR -910	0	0	0
OTHER DEF CREDITS -920	5,874,188	0	7,524,452
LOST TIME RESERVE -930	0	0	0
	-----	-----	-----
TOTAL DEFERRED CREDITS	5,874,188	12,476,568	102,686,540
	-----	-----	-----
TOTAL LIABILITY & CAPITAL	35,900,061	34,880,637	306,339,345
	=====	=====	=====

TOPEKA GROUP CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-1
Page 3 of 3

	CONSOLIDATED	ELIMINATIONS	TOPEKA GROUP	ELAG	FIBERCORE
REVENUE - ELECTRIC R-100	0	0	0	0	0
- WATER -300	63,515,647	0	0	0	0
- GAS -400	0	0	0	0	0
TOTAL OPERATING REVENUE	63,515,647	0	0	0	0
OPERATING EXPENSES (E)					
FUEL FOR GENERATION -100	0	0	0	0	0
PURCHASE & INTER POWER -200	0	0	0	0	0
OTHER OPERATION -300	31,891,940	0	0	0	0
MAINTENANCE -410	3,764,958	0	0	0	0
DEPRECIATION -500	8,411,576	0	0	0	0
INCOME TAXES					
FEDERAL INCOME TAXES -710	344,765-	0	0	0	0
STATE INCOME TAXES -720	9,735-	0	0	0	0
DEF INV TAX CREDITS -750	41,002-	0	0	0	0
DEFERRED INCOME TAXES-770	690,901	0	0	0	0
PROPERTY TAXES -610	3,905,078	0	0	0	0
OTHER TAXES -620	3,473,856	0	0	0	0
TOTAL OPERATING EXPENSES	51,742,807	0	0	0	0
OPERATING INCOME	11,772,840	0	0	0	0
OTHER INCOME & DEDUCTIONS (T)					
EQUITY IN EARN OF SUBS -200	0	23,851,983-	23,851,983	0	0
ALLOW FOR FUNDS-EQUITY -100	220,647	0	0	0	0
INVESTMENT INCOME -300	676,911	3,139,104-	3,088,755	15,779	0
GAIN ON SALE OF SUB -505	0	0	0	0	0
MISCELLANEOUS INCOME -500	30,403,940	2,541,123-	943,987-	621,683	0
INCOME TAXES - INVEST -400	2,495,789-	0	2,283,651-	0	0
- MISC -600	5,884,515-	0	2,685,062	289,287-	0
TOTAL OTHER INC & DEDUCT	22,921,194	29,532,210-	26,398,162	348,175	0
INCOME BEFORE INTEREST	34,694,034	29,532,210-	26,398,162	348,175	0
INTEREST CHARGES (I)					
INTEREST EXPENSE					
INTEREST ON LTD -100	10,965,981	3,139,104-	3,132,000	7,807	0
AMORT OF DEBT EXPENSE-300	0	0	0	0	0
OTHER INTEREST EXP -340	955,030	0	259,377	0	0
ALLOW FOR FUNDS - DEBT -200	233,763-	0	0	0	0
TOTAL INTEREST CHARGES	11,687,248	3,139,104-	3,391,377	7,807	0
INCOME BEFORE EXTRAORD ITEM	23,006,786	26,393,106-	23,006,785	340,368	0
EXTRAORD GAIN REPAY OF DEBT NET OF MINOR INT \$2,415,457	0	0	0	0	0
NET INCOME	23,006,786	26,393,106-	23,006,785	340,368	0

	LAC	HEATER	SSU
REVENUE - ELECTRIC R-100	0	0	0
- WATER -300	0	8,832,828	54,682,819
- GAS -400	0	0	0
TOTAL OPERATING REVENUE	0	8,832,828	54,682,819
OPERATING EXPENSES (E)			
FUEL FOR GENERATION -100	0	0	0
PURCHASE & INTER POWER -200	0	0	0
OTHER OPERATION -300	0	4,951,616	26,940,324
MAINTENANCE -410	0	101,764	3,663,194
DEPRECIATION -500	0	1,286,373	7,125,203
INCOME TAXES			

FEDERAL INCOME TAXES -710	0	586,090	930,855-
STATE INCOME TAXES -720	0	103,929	113,664-
DEF INV TAX CREDITS -750	0	60-	40,942-
DEFERRED INCOME TAXES-770	0	274,583-	965,484
PROPERTY TAXES -610	0	216,122	3,688,956
OTHER TAXES -620	0	439,947	3,033,910
		-----	-----
TOTAL OPERATING EXPENSES	0	7,411,198	44,331,610
		-----	-----
OPERATING INCOME	0	1,421,630	10,351,209
		-----	-----
OTHER INCOME & DEDUCTIONS (T)			
EQUITY IN EARN OF SUBS -200	0	0	0
ALLOW FOR FUNDS-EQUITY -100	0	0	220,647
INVESTMENT INCOME -300	0	131,626	579,855
GAIN ON SALE OF SUB -505	0	0	0
MISCELLANEOUS INCOME -500	13,408,100	181,957	19,677,310
INCOME TAXES - INVEST -400	0	47,204-	164,934-
- MISC -600	691,064-	56,816	7,646,042-
		-----	-----
TOTAL OTHER INC & DEDUCT	12,717,036	323,195	12,666,836
		-----	-----
INCOME BEFORE INTEREST	12,717,036	1,744,825	23,018,045
		-----	-----
INTEREST CHARGES (I)			
INTEREST EXPENSE			
INTEREST ON LTD -100	11,415	1,051,033	9,902,830
AMORT OF DEBT EXPENSE-300	0	0	0
OTHER INTEREST EXP -340	0	17,855	677,797
ALLOW FOR FUNDS - DEBT -200	0	0	233,763-
		-----	-----
TOTAL INTEREST CHARGES	11,415	1,068,888	10,346,864
		-----	-----
INCOME BEFORE EXTRAORD ITEM	12,705,621	675,937	12,671,181
EXTRAORD GAIN REPAY OF DEBT			
NET OF MINOR INT \$2,415,457	0	0	0
		-----	-----
NET INCOME	12,705,621	675,937	12,671,181
		=====	=====

LEHIGH ACQUISITION CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	COMBINED ENTITIES	PURCHASE ACCOUNTING ADJUSTMENTS	
		DR	CR
ASSETS			
Cash and cash equivalents	9,367,928		
Inventory and supplies	235,677		
Residential construction in progress	786,761		
Trade and miscellaneous accounts rec	525,829		
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels	3,353,905	48,170	
Timeshare	851,277	2,317	
Commercial notes	2,919,518		
Total contracts receivable-postacq	7,124,700	50,487	
Contracts receivable-preacquisition	8,514,393	9,786,578	15,363,017
Due from affiliates:			
Water and wastewater connections	1,347,388		
Tax share			
Other	16,857,514		
Total due from affiliates	18,204,902		
Investments/advances to subsidiaries			
Property and equipment	7,113,111	1,956,943	
Less accum depreciation	(4,552,383)	141,707	1,917,210
Less bargain differential-PP&E		29,075	866,286
Net property and equipment	2,560,728	2,127,725	2,783,496
Land, land improvements and CIP	32,381,287	4,380,536	
Less bargain differential-land		2,978,800	29,962,015
Net land, land improvements	32,381,287	7,359,336	29,962,015
Investment in joint venture	20,161		
Other assets	1,807,179		
	81,529,545		28,784,402
LIAB, CAP STOCK AND R/E (DEFICIT)			
Trade accounts payable	387,424		
Customer Deposits	598,571		
Accrued expenses:			
Real estate taxes	495,516		
Other	572,213		
Total accrued expenses	1,067,729		
Due to affiliates:			
Utility fee credit	800,000		
Tax share	1,046,900		
Other	50		
Total due to affiliates	1,846,950		
Contingency reserves	4,855,621		425,661
Deferred income	227,764		254,396
Income taxes payable	1,575,000		

Notes payable	623,354		
Minority interest	110,746		

Common stock and R/E (deficit):			
Common stock	22,600		
Capital in excess of par value	81,312,351	56,219,827	
Retained earnings (deficit)	(11,098,565)		26,755,368
	-----	-----	-----
Total C/S and R/E (deficit)	70,236,386	56,219,827	26,755,368
	-----	-----	-----
	81,529,545	28,784,402	
	=====	=====	=====

COMBINED ENTITIES
ADJUSTED FOR
PURCHASE ADJUSTMTS

LEHIGH
ACQUISITION
CORPORATION

ASSETS

Cash and cash equivalents	9,367,928	101,812
Inventory and supplies	235,677	
Residential construction in progress	786,761	
Trade and miscellaneous accounts rec	525,829	
Contracts receivable-postacquisition:		
Homesites, net of allowance for cancels	3,402,075	
Timeshare	853,594	
Commercial notes	2,919,518	
	-----	-----
Total contracts receivable-postacq	7,175,187	
	-----	-----
Contracts receivable-preacquisition	2,937,954	
Due from affiliates:		
Water and wastewater connections	1,347,388	
Tax share		1,046,900
Other	16,857,514	
	-----	-----
Total due from affiliates	18,204,902	1,046,900
	-----	-----
Investments/advances to subsidiaries		40,771,929
Property and equipment	9,070,054	5,286
Less accum depreciation	(6,327,886)	(449)
Less bargain differential-PP&E	(837,211)	
	-----	-----
Net property and equipment	1,904,957	4,837
	-----	-----
Land, land improvements and CIP	36,761,823	
Less bargain differential-land	(26,983,215)	
	-----	-----
Net land, land improvements	9,778,608	
	-----	-----
Investment in joint venture	20,161	
Other assets	1,807,179	(98,059)
	-----	-----
	52,745,143	41,827,419
	=====	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable	387,424	7,320
Customer Deposits	598,571	
Accrued expenses:		
Real estate taxes	495,516	
Other	572,213	
	-----	-----
Total accrued expenses	1,067,729	
	-----	-----
Due to affiliates:		
Utility fee credit	800,000	
Tax share	1,046,900	
Other	50	16,853,624
	-----	-----
Total due to affiliates	1,846,950	16,853,624

Contingency reserves	5,281,282	
Deferred income	482,160	
Income taxes payable	1,575,000	(1,164,599)
Notes payable	623,354	
Minority interest	110,746	
Common stock and R/E (deficit):		
Common stock	22,600	117
Capital in excess of par value	25,092,524	5,952,293
Retained earnings (deficit)	15,656,803	20,178,664
	-----	-----
Total C/S and R/E (deficit)	40,771,927	26,131,074
	-----	-----
	52,745,143	41,827,419
	=====	=====

	ELIMINATIONS AND ADJUSTMENTS	CONSOLIDATED LEHIGH ACQUISITION CORPORATION
	-----	-----

ASSETS

Cash and cash equivalents		9,469,740
Inventry and supplies		235,677
Residential construction in progress		786,761
Trade and miscellaneous accounts rec		525,829
Contracts receivable-postacquisition:		
Homesites, net of allowance for cancels		3,402,075
Timeshare		853,594
Commercial notes		2,919,518
	-----	-----
Total contracts receivable-postacq		7,175,187
	-----	-----
Contracts receivable-preacquisition		2,937,954
Due from affiliates:		
Water and wastewater connections		1,347,388
Tax share	(1,046,900)	
Other	(16,853,672)	3,842
	-----	-----
Total due from affiliates	(17,900,572)	1,351,230
	-----	-----
Investments/advances to subsidiaries	(40,771,929)	
Property and equipment		9,075,340
Less accum depreciation		(6,328,335)
Less bargain differential-PP&E		(837,211)
	-----	-----
Net property and equipment		1,909,794
	-----	-----
Land, land improvements and CIP		36,761,823
Less bargain differential-land		(26,983,215)
	-----	-----
Net land, land improvements		9,778,608
	-----	-----
Investment in joint venture		20,161
Other assets		1,709,120
	-----	-----
	(58,672,501)	35,900,061
	=====	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable		394,744
Customer Deposits		598,571
Accrued expenses:		
Real estate taxes		495,516
Other		572,213
	-----	-----
Total accrued expenses		1,067,729
	-----	-----
Due to affiliates:		
Utility fee credit		800,000

Tax share	(1,046,900)	
Other	(16,853,674)	
	-----	-----
Total due to affiliates	(17,900,574)	800,000
	-----	-----
Contingency reserves		5,281,282
Deferred income		482,160
Income taxes payable		410,401
Notes payable		623,354
Minority interest		110,746
Common stock and R/E (deficit):		
Common stock	(22,600)	117
Capital in excess of par value	(25,092,524)	5,952,293
Retained earnings (deficit)	(15,656,803)	20,178,664
	-----	-----
Total C/S and R/E (deficit)	(40,771,927)	26,131,074
	-----	-----
	(58,672,501)	35,900,061
	=====	=====

LEHIGH ACQUISITION CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	COMBINED ENTITIES	PURCHASE ACCOUNTING ADJUSTMENTS	
		DR	CR
Revenues:			
Lots with roads only	1,426,842		
Builder lots (serviced)	1,479,108	37,794	
Less estimated uncollectible sales	(284,191)		
Net homesite sales	2,621,759	37,794	
Commercial/bulk land sales	6,595,975		
Timeshare sales	94,658		
Residential sales	3,683,935		
Discount earned on acquired receivables	1,903,564		3,809,662
Bargain differential earned:			
Lots with roads only			465,394
Builder lots (serviced)			585,220
Timeshare			
Commercial/bulk land		351,194	1,928,186
Receivables			
Property and equipment			29,075
Total bargain differential earned		351,194	3,007,875
Finance income	936,843		
Operating revenues - subsidiaries	3,386,440		307,683
Other revenues	5,547,296	3,159	39,864
Total revenues	24,770,470	392,147	7,165,084
Cost of Sales:			
Lots with roads only	586,833		3,633
Builder lots (serviced)	518,612	364,947	
Commercial/bulk land sales	3,078,058		315,107
Timeshare sales	14,075		14,075
Residential sales	3,413,959		
Total cost of sales	7,611,537	364,947	332,815
Expenses:			
Selling expenses	2,798,339		
Property taxes	1,536,671		
General and administrative expenses	2,813,484		55,266
Operating expenses - subsidiaries	2,418,475		18,067
Other expenses	510,976		6,666
Depreciation	417,568		141,707
Interest expense	11,415		
Total expenses	10,506,928		221,706
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	6,652,005	757,094	7,719,605
Provision for (reduction) income taxes:			
Current	1,115,900		
Deferred	(896,600)		
	219,300		
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	6,432,705	757,094	7,719,605
Minority interest	(59,920)		
Net income (loss) before equity in			

earnings of consolidated subsidiaries	6,372,785	757,094	7,719,605
Equity in earnings of subsidiaries			
	-----	-----	-----
Net income (loss)	6,372,785	757,094	7,719,605
R/E (deficit) begin of period	(9,550,497)		19,792,857
Dividends from (advances to) subs	(7,920,853)		
	-----	-----	-----
R/E (deficit) end of period	(11,098,565)		26,755,368
	=====	=====	=====

	COMBINED ENTITIES ADJUSTED FOR PURCHASE ADJUSTMTS	LEHIGH ACQUISITION CORPORATION
	-----	-----
Revenues:		
Lots with roads only	1,426,842	
Builder lots (serviced)	1,441,314	
Less estimated uncollectible sales	(284,191)	
	-----	-----
Net homesite sales	2,583,965	
	-----	-----
Commercial/bulk land sales	6,595,975	
Timeshare sales	94,658	
Residential sales	3,683,935	
Discount earned on acquired receivables	5,713,226	
Bargain differential earned:		
Lots with roads only	465,394	
Builder lots (serviced)	585,220	
Timeshare		
Commercial/bulk land	1,576,992	
Receivables		
Property and equipment	29,075	
	-----	-----
Total bargain differential earned	2,656,681	
	-----	-----
Finance income	936,843	8,150
Operating revenues - subsidiaries	3,694,123	
Other revenues	5,584,001	101,548
	-----	-----
Total revenues	31,543,407	109,698
	-----	-----
Cost of Sales:		
Lots with roads only	583,200	
Builder lots (serviced)	883,559	
Commercial/bulk land sales	2,762,951	
Timeshare sales		
Residential sales	3,413,959	
	-----	-----
Total cost of sales	7,643,669	
	-----	-----
Expenses:		
Selling expenses	2,798,339	
Property taxes	1,536,671	
General and administrative expenses	2,758,218	267,310
Operating expenses - subsidiaries	2,400,408	
Other expenses	504,310	
Depreciation	275,861	299
Interest expense	11,415	
	-----	-----
Total expenses	10,285,222	267,609
	-----	-----
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	13,614,516	(157,911)
Provision for (reduction) income taxes:		
Current	1,115,900	353,305
Deferred	(896,600)	118,459
	-----	-----
	219,300	471,764
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	13,395,216	(629,675)
Minority interest	(59,920)	
	-----	-----

Net income (loss) before equity in earnings of consolidated subsidiaries	13,335,296	(629,675)
Equity in earnings of subsidiaries		13,335,296
	-----	-----
Net income (loss)	13,335,296	12,705,621
R/E (deficit) begin of period	10,242,360	15,223,043
Dividends from (advances to) subs	(7,920,853)	(7,750,000)
	-----	-----
R/E (deficit) end of period	15,656,803	20,178,664
	=====	=====

	ELIMINATIONS AND ADJUSTMENTS	CONSOLIDATED LEHIGH ACQUISITION CORPORATION
	-----	-----
Revenues:		
Lots with roads only		1,426,842
Builder lots (serviced)		1,441,314
Less estimated uncollectible sales		(284,191)
	-----	-----
Net homesite sales		2,583,965
	-----	-----
Commercial/bulk land sales		6,595,975
Timeshare sales		94,658
Residential sales		3,683,935
Discount earned on acquired receivables		5,713,226
Bargain differential earned:		
Lots with roads only		465,394
Builder lots (serviced)		585,220
Timeshare		
Commercial/bulk land		1,576,992
Receivables		
Property and equipment		29,075
	-----	-----
Total bargain differential earned		2,656,681
	-----	-----
Finance income		944,993
Operating revenues - subsidiaries		3,694,123
Other revenues		5,685,549
	-----	-----
Total revenues		31,653,105
	-----	-----
Cost of Sales:		
Lots with roads only		583,200
Builder lots (serviced)		883,559
Commercial/bulk land sales		2,762,951
Timeshare sales		
Residential sales		3,413,959
	-----	-----
Total cost of sales		7,643,669
	-----	-----
Expenses:		
Selling expenses		2,798,339
Property taxes		1,536,671
General and administrative expenses		3,025,528
Operating expenses - subsidiaries		2,400,408
Other expenses		504,310
Depreciation		276,160
Interest expense		11,415
	-----	-----
Total expenses		10,552,831
	-----	-----
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries		13,456,605
Provision for (reduction) income taxes:		
Current		1,469,205
Deferred		(778,141)
	-----	-----
		691,064
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries		12,765,541
Minority interest		(59,920)

Net income (loss) before equity in earnings of consolidated subsidiaries	-----	-----
		12,705,621
Equity in earnings of subsidiaries	(13,335,296)	
	-----	-----
Net income (loss)	(13,335,296)	12,705,621
R/E (deficit) begin of period	(10,242,360)	15,223,043
Dividends from (advances to) subs	7,920,853	(7,750,000)
	-----	-----
R/E (deficit) end of period	(15,656,803)	20,178,664
	=====	=====

COMBINED ENTITIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE

12 MONTHS ENDED

31-Dec-94
31-Dec-94

	LEHIGH CORPORATION AND SUBSIDIARIES	COMBINED WEBB GROUP	ORANGE STATE PROPERTY SERVICES, INC
	-----	-----	-----
ASSETS			
Cash and cash equivalents	9,316,507	51,421	
Inventory and supplies	235,677		
Residential construction in progress	786,761		
Trade and miscellaneous accounts rec	525,829		
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels	3,107,589	246,316	
Timeshare	851,277		
Commercial notes	2,919,518		
Total contracts receivable-postacq	6,878,384	246,316	
Contracts receivable-preacquisition	9,130,421	(616,028)	
Due from affiliates:			
Water and wastewater connections	1,347,388		
Tax share			
Other	14,802,436	1,632,415	
Total due from affiliates	16,149,824	1,632,415	
Investments/advances to subsidiaries			
Property and equipment	7,113,111		
Less accum depreciation	(4,552,383)		
Less bargain differential-PP&E			
Net property and equipment	2,560,728		
Land, land improvements and CIP	32,257,204	124,083	
Less bargain differential-land			
Net land, land improvements	32,257,204	124,083	
Investment in joint venture	3,409		
Other assets	1,188,879	586,900	
	79,033,623	2,025,107	
	=====	=====	=====
LIAB, CAP STOCK AND R/E (DEFICIT)			
Trade accounts payable	378,929	8,495	
Customer Deposits	592,284	6,287	
Accrued expenses:			
Real estate taxes	389,444	106,072	
Other	570,527	1,537	
Total accrued expenses	959,971	107,609	
Due to affiliates:			
Utility fee credit	800,000		
Tax share	837,600	168,800	
Other			
Total due to affiliates	1,637,600	168,800	
Contingency reserves	4,855,621		
Deferred income	227,764		
Income taxes payable	1,575,000		
Notes payable	623,354		

Minority interest	110,746		
Common stock and R/E (deficit):			
Common stock	500	20,500	
Capital in excess of par value	71,290,534	9,339,164	
Retained earnings (deficit)	(3,218,680)	(7,625,748)	
	-----	-----	-----
Total C/S and R/E (deficit)	68,072,354	1,733,916	
	-----	-----	-----
	79,033,623	2,025,107	
	=====	=====	=====

ATLAS
CONSTRUCTION
SERVICES

LRC OF
GEORGIA

SRC OF
FLORIDA

ASSETS	-----	-----	-----
Cash and cash equivalents			
Inventory and supplies			
Residential construction in progress			
Trade and miscellaneous accounts rec			
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels			
Timeshare			
Commercial notes			
	-----	-----	-----
Total contracts receivable-postacq			
	-----	-----	-----
Contracts receivable-preacquisition			
Due from affiliates:			
Water and wastewater connections			
Tax share			
Other	109,089		313,574
	-----	-----	-----
Total due from affiliates	109,089		313,574
	-----	-----	-----
Investments/advances to subsidiaries			
Property and equipment			
Less accum depreciation			
Less bargain differential-PP&E			
	-----	-----	-----
Net property and equipment			
	-----	-----	-----
Land, land improvements and CIP			
Less bargain differential-land			
	-----	-----	-----
Net land, land improvements			
	-----	-----	-----
Investment in joint venture			16,752
Other assets			31,400
	-----	-----	-----
	109,089		361,726
	=====	=====	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable			
Customer Deposits			
Accrued expenses:			
Real estate taxes			
Other	149		
	-----	-----	-----
Total accrued expenses	149		
	-----	-----	-----
Due to affiliates:			
Utility fee credit			
Tax share			40,500
Other		50	
	-----	-----	-----
Total due to affiliates		50	40,500
	-----	-----	-----
Contingency reserves			

Deferred income
Income taxes payable
Notes payable
Minority interest

Common stock and R/E (deficit):

Common stock	1,000	500	100
Capital in excess of par value	124,712	449,490	108,451
Retained earnings (deficit)	(16,772)	(450,040)	212,675
	-----	-----	-----
Total C/S and R/E (deficit)	108,940	(50)	321,226
	-----	-----	-----
	109,089		361,726
	=====	=====	=====

TOTAL
COMBINED
ENTITIES

ASSETS

Cash and cash equivalents	9,367,928
Inventory and supplies	235,677
Residential construction in progress	786,761
Trade and miscellaneous accounts rec	525,829
Contracts receivable-postacquisition:	
Homesites, net of allowance for cancels	3,353,905
Timeshare	851,277
Commercial notes	2,919,518

Total contracts receivable-postacq	7,124,700

Contracts receivable-preacquisition	8,514,393
Due from affiliates:	
Water and wastewater connections	1,347,388
Tax share	
Other	16,857,514

Total due from affiliates	18,204,902

Investments/advances to subsidiaries	
Property and equipment	7,113,111
Less accum depreciation	(4,552,383)
Less bargain differential-PP&E	

Net property and equipment	2,560,728

Land, land improvements and CIP	32,381,287
Less bargain differential-land	

Net land, land improvements	32,381,287

Investment in joint venture	20,161
Other assets	1,807,179

	81,529,545
	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable	387,424
Customer Deposits	598,571
Accrued expenses:	
Real estate taxes	495,516
Other	572,213

Total accrued expenses	1,067,729

Due to affiliates:	
Utility fee credit	800,000
Tax share	1,046,900
Other	50

Total due to affiliates	1,846,950

Contingency reserves	4,855,621
Deferred income	227,764
Income taxes payable	1,575,000
Notes payable	623,354
Minority interest	110,746
Common stock and R/E (deficit):	
Common stock	22,600
Capital in excess of par value	81,312,351
Retained earnings (deficit)	(11,098,565)

Total C/S and R/E (deficit)	70,236,386

	81,529,545
	=====

COMBINED ENTITIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE

12 MONTHS ENDED

31-Dec-94
31-Dec-94

	LEHIGH CORPORATION AND SUBSIDIARIES	COMBINED WEBB GROUP	ORANGE STATE PROPERTY SERVICES, INC
	-----	-----	-----
Revenues:			
Lots with roads only	1,426,842		
Builder lots (serviced)	1,479,108		
Less estimated uncollectible sales	(284,191)		
Net homesite sales	2,621,759		
Commercial/bulk land sales	6,595,975		
Timeshare sales	94,658		
Residential sales	3,683,935		
Discount earned on acquired receivables	1,549,959	353,605	
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
Total bargain differential earned			
Finance income	895,791	41,052	
Operating revenues - subsidiaries	2,592,509	318,092	338,773
Other revenues	5,547,296		
Total revenues	23,581,882	712,749	338,773
Cost of Sales:			
Lots with roads only	586,833		
Builder lots (serviced)	518,612		
Commercial/bulk land sales	3,078,058		
Timeshare sales	14,075		
Residential sales	3,413,959		
Total cost of sales	7,611,537		
Expenses:			
Selling expenses	2,771,658	26,681	
Property taxes	1,510,414	22,855	3,402
General and administrative expenses	2,809,110	4,374	
Operating expenses - subsidiaries	2,179,372	18,067	216,536
Other expenses	510,976		
Depreciation	394,644		22,924
Interest expense	11,415		
Total expenses	10,187,589	71,977	242,862
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	5,782,756	640,772	95,911
Provision for (reduction) income taxes:			
Current	879,100	168,800	27,500
Deferred	(675,100)	(168,800)	(21,300)
	204,000		6,200
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	5,578,756	640,772	89,711
Minority interest	(59,920)		
Net income (loss) before equity in earnings of consolidated subsidiaries	5,518,836	640,772	89,711

Equity in earnings of subsidiaries

Net income (loss)	5,518,836	640,772	89,711
R/E (deficit) begin of period	(1,237,516)	(8,266,520)	331,142
Dividends from (advances to) subs	(7,500,000)		(420,853)
R/E (deficit) end of period	(3,218,680)	(7,625,748)	

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SERVICES

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FLORIDA

Revenues:

Lots with roads only
Builder lots (serviced)
Less estimated uncollectible sales

Net homesite sales

Commercial/bulk land sales
Timeshare sales
Residential sales
Discount earned on acquired receivables

Bargain differential earned:

Lots with roads only
Builder lots (serviced)
Timeshare
Commercial/bulk land
Receivables
Property and equipment

Total bargain differential earned

Finance income
Operating revenues - subsidiaries
Other revenues

137,066

Total revenues

137,066

Cost of Sales:

Lots with roads only
Builder lots (serviced)
Commercial/bulk land sales
Timeshare sales
Residential sales

Total cost of sales

Expenses:

Selling expenses
Property taxes
General and administrative expenses
Operating expenses - subsidiaries
Other expenses
Depreciation
Interest expense

4,500

Total expenses

4,500

Income (loss) before income taxes,
minority interest, and equity in
earnings of subsidiaries

132,566

Provision for (reduction) income taxes:

Current
Deferred

40,500

(31,400)

9,100

Income (loss) before minority
interest and equity in earnings of
consolidated subsidiaries

123,466

Minority interest

Net income (loss) before equity in
earnings of consolidated subsidiaries

123,466

Equity in earnings of subsidiaries

Net income (loss)			123,466
R/E (deficit) begin of period	(16,772)	(450,040)	89,209
Dividends from (advances to) subs			
R/E (deficit) end of period	(16,772)	(450,040)	212,675

TOTAL
COMBINED
ENTITIES

Revenues:

Lots with roads only	1,426,842
Builder lots (serviced)	1,479,108
Less estimated uncollectible sales	(284,191)
Net homesite sales	2,621,759
Commercial/bulk land sales	6,595,975
Timeshare sales	94,658
Residential sales	3,683,935
Discount earned on acquired receivables	1,903,564

Bargain differential earned:

Lots with roads only
Builder lots (serviced)
Timeshare
Commercial/bulk land
Receivables
Property and equipment

Total bargain differential earned

Finance income	936,843
Operating revenues - subsidiaries	3,386,440
Other revenues	5,547,296
Total revenues	24,770,470

Cost of Sales:

Lots with roads only	586,833
Builder lots (serviced)	518,612
Commercial/bulk land sales	3,078,058
Timeshare sales	14,075
Residential sales	3,413,959
Total cost of sales	7,611,537

Expenses:

Selling expenses	2,798,339
Property taxes	1,536,671
General and administrative expenses	2,813,484
Operating expenses - subsidiaries	2,418,475
Other expenses	510,976
Depreciation	417,568
Interest expense	11,415
Total expenses	10,506,928

Income (loss) before income taxes,
minority interest, and equity in
earnings of subsidiaries

6,652,005

Provision for (reduction) income taxes:

Current	1,115,900
Deferred	(896,600)
	219,300

Income (loss) before minority
interest and equity in earnings of
consolidated subsidiaries

6,432,705

Minority interest

(59,920)

Net income (loss) before equity in
earnings of consolidated subsidiaries

6,372,785

Equity in earnings of subsidiaries

Net income (loss)	6,372,785
R/E (deficit) begin of period	(9,550,497)
Dividends from (advances to) subs	(7,920,853)
R/E (deficit) end of period	(11,098,565)

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LEHIGH CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	HOME AT LEHIGH, INC. (98% ownership)	LEHIGH BUILDING SUPPLY, INC.	OTHER LEHIGH CORPORATION SUBSIDIARIES
	-----	-----	-----
ASSETS			
Cash and cash equivalents	259,018	27,395	196,532
Inventory and supplies		223,514	
Residential construction in progress	694,736		
Trade and miscellaneous accounts rec		27,170	198,541
Contracts receivable-postacquisition: Homesites, net of allowance for cancels Timeshare Commercial notes			
Total contracts receivable-postacq	-----	-----	-----
Contracts receivable-preacquisition			
Due from affiliates: Water and wastewater connections Tax share Other	15,400	13,200	65,100
			798,904
Total due from affiliates	-----	-----	-----
	15,400	13,200	864,004
Investments/advances to subsidiaries			
Property and equipment Less accum depreciation Less bargain differential-PP&E	564,427 (82,027)	979,710 (530,149)	1,416,774 (1,093,693)
Net property and equipment	-----	-----	-----
	482,400	449,561	323,081
Land, land improvements and CIP Less bargain differential-land			631,449
Net land, land improvements	-----	-----	-----
			631,449
Investment in joint venture			
Other assets	60,003	30,100	(7,305)
	-----	-----	-----
	1,511,557	770,940	2,206,302
	=====	=====	=====
LIAB, CAP STOCK AND R/E (DEFICIT)			
Trade accounts payable	189,971	42,349	34,983
Customer Deposits	562,954		10
Accrued expenses: Real estate taxes Other			14,158
	79,657	35,657	46,106
Total accrued expenses	-----	-----	-----
	79,657	35,657	60,264
Due to affiliates: Utility fee credit Tax share Other			16,800
	41,756	984,258	232,403
Total due to affiliates	-----	-----	-----
	41,756	984,258	249,203
Contingency reserves	26,195		
Deferred income			1,457
Income taxes payable			

Notes payable	620,916	49,533	4,470
Minority interest	(686)		111,432
Common stock and R/E (deficit):			
Common stock	490	500	3,525
Capital in excess of par value	250,783	37,927	4,148,358
Retained earnings (deficit)	(260,479)	(379,284)	(2,407,400)
-----	-----	-----	-----
Total C/S and R/E (deficit)	(9,206)	(340,857)	1,744,483
-----	-----	-----	-----
	1,511,557	770,940	2,206,302
=====	=====	=====	=====

TOTAL LEHIGH
CORPORATION
AND
SUBSIDIARIES

LEHIGH
CORPORATION

ELIMINATIONS

ASSETS

Cash and cash equivalents	8,833,562		9,316,507
Inventory and supplies	12,163		235,677
Residential construction in progress	92,025		786,761
Trade and miscellaneous accounts rec	304,090	(3,972)	525,829
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels	3,107,589		3,107,589
Timeshare	851,277		851,277
Commercial notes	2,980,968	(61,450)	2,919,518
-----	-----	-----	-----
Total contracts receivable-postacq	6,939,834	(61,450)	6,878,384
-----	-----	-----	-----
Contracts receivable-preacquisition	9,130,421		9,130,421
Due from affiliates:			
Water and wastewater connections	1,347,388		1,347,388
Tax share		(93,700)	
Other	15,261,947	(1,258,415)	14,802,436
-----	-----	-----	-----
Total due from affiliates	16,609,335	(1,352,115)	16,149,824
-----	-----	-----	-----
Investments/advances to subsidiaries	28,151,625	(28,151,625)	
Property and equipment	4,206,954	(54,754)	7,113,111
Less accum depreciation	(2,848,349)	1,835	(4,552,383)
Less bargain differential-PP&E			
-----	-----	-----	-----
Net property and equipment	1,358,605	(52,919)	2,560,728
-----	-----	-----	-----
Land, land improvements and CIP	31,354,284	271,471	32,257,204
Less bargain differential-land			
-----	-----	-----	-----
Net land, land improvements	31,354,284	271,471	32,257,204
-----	-----	-----	-----
Investment in joint venture	3,409		3,409
Other assets	1,106,081		1,188,879
-----	-----	-----	-----
	103,895,434	(29,350,610)	79,033,623
=====	=====	=====	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable	111,626		378,929
Customer Deposits	29,320		592,284
Accrued expenses:			
Real estate taxes	375,286		389,444
Other	413,079	(3,972)	570,527
-----	-----	-----	-----
Total accrued expenses	788,365	(3,972)	959,971
-----	-----	-----	-----
Due to affiliates:			
Utility fee credit	800,000		800,000
Tax share	914,500	(93,700)	837,600
Other		(1,258,417)	
-----	-----	-----	-----

Total due to affiliates	1,714,500	(1,352,117)	1,637,600
	-----	-----	-----
Contingency reserves	4,829,426		4,855,621
Deferred income	(45,164)	271,471	227,764
Income taxes payable	1,575,000		1,575,000
Notes payable	9,885	(61,450)	623,354
Minority interest			110,746
Common stock and R/E (deficit):			
Common stock	500	(4,515)	500
Capital in excess of par value	71,290,534	(4,437,068)	71,290,534
Retained earnings (deficit)	23,591,442	(23,762,959)	(3,218,680)
	-----	-----	-----
Total C/S and R/E (deficit)	94,882,476	(28,204,542)	68,072,354
	-----	-----	-----
	103,895,434	(29,350,610)	79,033,623
	=====	=====	=====

LEHIGH CORPORATION AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	HOME AT LEHIGH, INC. (98% ownership)	LEHIGH BUILDING SUPPLY, INC.	OTHER LEHIGH CORPORATION SUBSIDIARIES
	-----	-----	-----
Revenues:			
Lots with roads only			
Builder lots (serviced)	371,572		
Less estimated uncollectible sales			
Net homesite sales	371,572		
Commercial/bulk land sales			
Timeshare sales			
Residential sales	3,683,935		
Discount earned on acquired receivables			
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
Total bargain differential earned			
Finance income			
Operating revenues - subsidiaries	15,862	1,087,094	1,908,936
Other revenues	67,241	79,052	30,321
Total revenues	4,138,610	1,166,146	1,939,257
Cost of Sales:			
Lots with roads only			
Builder lots (serviced)			
Commercial/bulk land sales			
Timeshare sales			
Residential sales	3,413,959		
Total cost of sales	3,413,959		
Expenses:			
Selling expenses	305,363		
Property taxes		20,713	14,722
General and administrative expenses	360,519		
Operating expenses - subsidiaries		1,072,958	1,525,797
Other expenses			
Depreciation	46,068	43,720	70,502
Interest expense		7,858	26,189
Total expenses	711,950	1,145,249	1,637,210
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	12,701	20,897	302,047
Provision for (reduction) income taxes:			
Current	(15,400)	(13,200)	(6,800)
Deferred	15,400	13,200	51,300
			44,500
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	12,701	20,897	257,547
Minority interest	(254)		(59,666)
Net income (loss) before equity in			

earnings of consolidated subsidiaries	12,447	20,897	197,881
Equity in earnings of subsidiaries			
	-----	-----	-----
Net income (loss)	12,447	20,897	197,881
R/E (deficit) begin of period	(272,926)	(400,181)	(2,577,234)
Dividends from (advances to) subs			(28,047)
	-----	-----	-----
R/E (deficit) end of period	(260,479)	(379,284)	(2,407,400)
	=====	=====	=====
			TOTAL LEHIGH
	LEHIGH		CORPORATION
	CORPORATION	ELIMINATIONS	AND
	-----	-----	SUBSIDIARIES

Revenues:			
Lots with roads only	1,426,842		1,426,842
Builder lots (serviced)	1,107,536		1,479,108
Less estimated uncollectible sales	(284,191)		(284,191)
	-----	-----	-----
Net homesite sales	2,250,187		2,621,759
	-----	-----	-----
Commercial/bulk land sales	6,595,975		6,595,975
Timeshare sales	94,658		94,658
Residential sales			3,683,935
Discount earned on acquired receivables	1,549,959		1,549,959
	-----	-----	-----
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
	-----	-----	-----
Total bargain differential earned			
	-----	-----	-----
Finance income	920,326	(24,535)	895,791
Operating revenues - subsidiaries		(419,383)	2,592,509
Other revenues	5,509,310	(138,628)	5,547,296
	-----	-----	-----
Total revenues	16,920,415	(582,546)	23,581,882
	-----	-----	-----
Cost of Sales:			
Lots with roads only	586,833		586,833
Builder lots (serviced)	518,612		518,612
Commercial/bulk land sales	3,078,058		3,078,058
Timeshare sales	14,075		14,075
Residential sales			3,413,959
	-----	-----	-----
Total cost of sales	4,197,578		7,611,537
	-----	-----	-----
Expenses:			
Selling expenses	2,466,295		2,771,658
Property taxes	1,474,979		1,510,414
General and administrative expenses	2,448,591		2,809,110
Operating expenses - subsidiaries		(419,383)	2,179,372
Other expenses	649,604	(138,628)	510,976
Depreciation	236,189	(1,835)	394,644
Interest expense	1,903	(24,535)	11,415
	-----	-----	-----
Total expenses	7,277,561	(584,381)	10,187,589
	-----	-----	-----
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	5,445,276	1,835	5,782,756
Provision for (reduction) income taxes:			
Current	914,500		879,100
Deferred	(755,000)		(675,100)
	-----	-----	-----
	159,500		204,000
	-----	-----	-----
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	5,285,776	1,835	5,578,756
Minority interest			(59,920)
	-----	-----	-----

Net income (loss) before equity in earnings of consolidated subsidiaries	5,285,776	1,835	5,518,836
Equity in earnings of subsidiaries	7,195,571	(7,195,571)	
	-----	-----	-----
Net income (loss)	12,481,347	(7,193,736)	5,518,836
R/E (deficit) begin of period	18,610,095	(16,597,270)	(1,237,516)
Dividends from (advances to) subs	(7,500,000)	28,047	(7,500,000)
	-----	-----	-----
R/E (deficit) end of period	23,591,442	(23,762,959)	(3,218,680)
	=====	=====	=====

OTHER LEHIGH CORPORATION SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	LEHIGH LAND & INVESTMENT, INC. -----	CLIFFSIDE PROPERTIES INC. -----	NEWS-STAR PUBLICATIONS, INC. (60% ownership) -----
ASSETS			
Cash and cash equivalents			95,425
Inventory and supplies			
Residential construction in progress			
Trade and miscellaneous accounts rec			91,225
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels			
Timeshare			
Commercial notes			
Total contracts receivable-postacq	-----	-----	-----
Contracts receivable-preacquisition			
Due from affiliates:			
Water and wastewater connections			
Tax share		65,000	
Other		798,904	
Total due from affiliates	-----	863,904	-----
Investments/advances to subsidiaries			
Property and equipment			211,837
Less accum depreciation			(101,432)
Less bargain differential-PP&E			
Net property and equipment	-----	-----	110,405
Land, land improvements and CIP			
Less bargain differential-land			
Net land, land improvements	-----	-----	-----
Investment in joint venture			
Other assets		(23,800)	995
	-----	840,104	298,050
	=====	=====	=====
LIAB, CAP STOCK AND R/E (DEFICIT)			
Trade accounts payable			7,234
Customer Deposits			
Accrued expenses:			
Real estate taxes			2,350
Other			7,512
Total accrued expenses	-----	-----	9,862
Due to affiliates:			
Utility fee credit			
Tax share			
Other			37,200
Total due to affiliates	-----	-----	37,200
Contingency reserves			
Deferred income			1,457
Income taxes payable			

Notes payable			4,470
Minority interest			93,015

Common stock and R/E (deficit):			
Common stock	500	1,000	1,500
Capital in excess of par value	2,493,054	909,424	32,187
Retained earnings (deficit)	(2,493,554)	(70,320)	111,125
	-----	-----	-----
Total C/S and R/E (deficit)		840,104	144,812
	-----	-----	-----
		840,104	298,050
	=====	=====	=====

	ABLE LAND SERVICES, INC.	ENTERPRISE LEHIGH, INC. 80% ownership	LEHIGH COUNTRY CLUB, INC.
	-----	-----	-----

ASSETS

Cash and cash equivalents	99,321	1,786	
Inventory and supplies			
Residential construction in progress			
Trade and miscellaneous accounts rec	107,316		
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels			
Timeshare			
Commercial notes			
	-----	-----	-----
Total contracts receivable-postacq			
	-----	-----	-----
Contracts receivable-preacquisition			
Due from affiliates:			
Water and wastewater connections			
Tax share		100	
Other			
	-----	-----	-----
Total due from affiliates		100	
	-----	-----	-----
Investments/advances to subsidiaries			
Property and equipment	1,204,937		
Less accum depreciation	(992,261)		
Less bargain differential-PP&E			
	-----	-----	-----
Net property and equipment	212,676		
	-----	-----	-----
Land, land improvements and CIP		631,449	
Less bargain differential-land			
	-----	-----	-----
Net land, land improvements		631,449	
	-----	-----	-----
Investment in joint venture			
Other assets	15,600	(100)	
	-----	-----	-----
	434,913	633,235	
	=====	=====	=====

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable	25,490	2,259	
Customer Deposits		10	
Accrued expenses:			
Real estate taxes	11,808		
Other	38,594		
	-----	-----	-----
Total accrued expenses	50,402		
	-----	-----	-----
Due to affiliates:			
Utility fee credit			
Tax share	16,800		
Other	195,203		
	-----	-----	-----
Total due to affiliates	212,003		

Contingency reserves	-----	-----	-----
Deferred income			
Income taxes payable			
Notes payable			
Minority interest	8,488	9,929	
Common stock and R/E (deficit):			
Common stock	485	40	
Capital in excess of par value	92,411	621,282	
Retained earnings (deficit)	45,634	(285)	
	-----	-----	-----
Total C/S and R/E (deficit)	138,530	621,037	
	-----	-----	-----
	434,913	633,235	
	=====	=====	=====

TOTAL OTHER
LEHIGH
CORPORATION
SUBSIDIARIES

ASSETS

Cash and cash equivalents	196,532	
Inventory and supplies		
Residential construction in progress		
Trade and miscellaneous accounts rec	198,541	
Contracts receivable-postacquisition:		
Homesites, net of allowance for cancels		
Timeshare		
Commercial notes		

Total contracts receivable-postacq		

Contracts receivable-preacquisition		
Due from affiliates:		
Water and wastewater connections		
Tax share	65,100	
Other	798,904	

Total due from affiliates	864,004	

Investments/advances to subsidiaries		
Property and equipment	1,416,774	
Less accum depreciation	(1,093,693)	
Less bargain differential-PP&E		

Net property and equipment	323,081	

Land, land improvements and CIP	631,449	
Less bargain differential-land		

Net land, land improvements	631,449	

Investment in joint venture		
Other assets	(7,305)	

	2,206,302	
	=====	

LIAB, CAP STOCK AND R/E (DEFICIT)

Trade accounts payable	34,983	
Customer Deposits	10	
Accrued expenses:		
Real estate taxes	14,158	
Other	46,106	

Total accrued expenses	60,264	

Due to affiliates:		
Utility fee credit		

Tax share	16,800
Other	232,403

Total due to affiliates	249,203

Contingency reserves	
Deferred income	1,457
Income taxes payable	
Notes payable	4,470
Minority interest	111,432
Common stock and R/E (deficit):	
Common stock	3,525
Capital in excess of par value	4,148,358
Retained earnings (deficit)	(2,407,400)

Total C/S and R/E (deficit)	1,744,483

	2,206,302
	=====

OTHER LEHIGH CORPORATION SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	LEHIGH LAND & INVESTMENT, INC. -----	CLIFFSIDE PROPERTIES INC. -----	NEWS-STAR PUBLICATIONS, INC. (60% ownership) -----
Revenues:			
Lots with roads only			
Builder lots (serviced)			
Less estimated uncollectible sales			
Net homesite sales	-----	-----	-----
Commercial/bulk land sales	-----	-----	-----
Timeshare sales			
Residential sales			
Discount earned on acquired receivables			
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
Total bargain differential earned	-----	-----	-----
Finance income			
Operating revenues - subsidiaries			732,646
Other revenues			
Total revenues	-----	-----	732,646
Cost of Sales:			
Lots with roads only			
Builder lots (serviced)			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Total cost of sales	-----	-----	-----
Expenses:			
Selling expenses			
Property taxes			2,350
General and administrative expenses			
Operating expenses - subsidiaries			514,920
Other expenses			
Depreciation			18,079
Interest expense			8,665
Total expenses	-----	-----	544,014
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries			188,632
Provision for (reduction) income taxes:			
Current		(65,000)	41,500
Deferred		65,000	
	-----	-----	41,500
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries			147,132
Minority interest			(58,853)
Net income (loss) before equity in	-----	-----	-----

earnings of consolidated subsidiaries			88,279
Equity in earnings of subsidiaries			
Net income (loss)			88,279
R/E (deficit) begin of period	(2,493,554)	(70,320)	22,846
Dividends from (advances to) subs			
R/E (deficit) end of period	(2,493,554)	(70,320)	111,125
	=====	=====	=====
	ABLE LAND SERVICES, INC.	ENTERPRISE LEHIGH, INC. 80% ownership	LEHIGH COUNTRY CLUB, INC.
	-----	-----	-----
Revenues:			
Lots with roads only			
Builder lots (serviced)			
Less estimated uncollectible sales			
Net homesite sales			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Discount earned on acquired receivables			
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
Total bargain differential earned			
Finance income			
Operating revenues - subsidiaries	1,176,290		
Other revenues	30,321		
Total revenues	1,206,611		
Cost of Sales:			
Lots with roads only			
Builder lots (serviced)			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Total cost of sales			
Expenses:			
Selling expenses			
Property taxes	12,372		
General and administrative expenses			
Operating expenses - subsidiaries	1,010,521	356	
Other expenses			
Depreciation	52,423		
Interest expense	17,524		
Total expenses	1,092,840	356	
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	113,771	(356)	
Provision for (reduction) income taxes:			
Current	16,800	(100)	
Deferred	(13,800)	100	
	3,000		
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	110,771	(356)	
Minority interest	(884)	71	

Net income (loss) before equity in earnings of consolidated subsidiaries	109,887	(285)	
Equity in earnings of subsidiaries			
Net income (loss)	109,887	(285)	
R/E (deficit) begin of period	(64,253)		28,047
Dividends from (advances to) subs			(28,047)
R/E (deficit) end of period	45,634	(285)	

TOTAL OTHER
LEHIGH
CORPORATION
SUBSIDIARIES

Revenues:

Lots with roads only			
Builder lots (serviced)			
Less estimated uncollectible sales			
Net homesite sales			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Discount earned on acquired receivables			

Bargain differential earned:

Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			

Total bargain differential earned

Finance income			
Operating revenues - subsidiaries	1,908,936		
Other revenues	30,321		
Total revenues	1,939,257		

Cost of Sales:

Lots with roads only			
Builder lots (serviced)			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			

Total cost of sales

Expenses:

Selling expenses			
Property taxes	14,722		
General and administrative expenses			
Operating expenses - subsidiaries	1,525,797		
Other expenses			
Depreciation	70,502		
Interest expense	26,189		
Total expenses	1,637,210		

Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries

302,047

Provision for (reduction) income taxes:

Current	(6,800)		
Deferred	51,300		
	44,500		

Income (loss) before minority interest and equity in earnings of consolidated subsidiaries

257,547

Minority interest

(59,666)

Net income (loss) before equity in earnings of consolidated subsidiaries	197,881
Equity in earnings of subsidiaries	
Net income (loss)	197,881
R/E (deficit) begin of period	(2,577,234)
Dividends from (advances to) subs	(28,047)
R/E (deficit) end of period	(2,407,400)

=====

OTHER FLORIDA SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	INTERLACHEN LAKES ESTATES	SUNDOWNER PROPERTIES, INC.	
	-----	-----	-----
ASSETS			
Cash and cash equivalents	32,806	18,615	
Inventory and supplies			
Residential construction in progress			
Trade and miscellaneous accounts rec			
Contracts receivable-postacquisition:			
Homesites, net of allowance for cancels	145,712	100,604	
Timeshare			
Commercial notes			
Total contracts receivable-postacq	----- 145,712 -----	----- 100,604 -----	
Contracts receivable-preacquisition	(337,010)	(279,018)	
Due from affiliates:			
Water and wastewater connections			
Tax share			
Other	857,872	774,543	
Total due from affiliates	----- 857,872 -----	----- 774,543 -----	
Investments/advances to subsidiaries			
Property and equipment			
Less accum depreciation			
Less bargain differential-PP&E			
Net property and equipment	----- ----- -----	----- ----- -----	----- ----- -----
Land, land improvements and CIP	60,659	63,424	
Less bargain differential-land			
Net land, land improvements	----- 60,659 -----	----- 63,424 -----	----- ----- -----
Investment in joint venture			
Other assets	325,000	261,900	
	----- 1,085,039 =====	----- 940,068 =====	----- ----- =====
LIAB, CAP STOCK AND R/E (DEFICIT)			
Trade accounts payable	8,495		
Customer Deposits	1,100	5,187	
Accrued expenses:			
Real estate taxes	51,708	54,364	
Other	725	812	
Total accrued expenses	----- 52,433 -----	----- 55,176 -----	----- ----- -----
Due to affiliates:			
Utility fee credit			
Tax share	96,200	72,600	
Other			
Total due to affiliates	----- 96,200 -----	----- 72,600 -----	----- ----- -----
Contingency reserves			
Deferred income			
Income taxes payable			
Notes payable			

Minority interest

Common stock and R/E (deficit):			
Common stock	20,000	500	
Capital in excess of par value	2,089,677	7,249,487	
Retained earnings (deficit)	(1,182,866)	(6,442,882)	
	-----	-----	-----
Total C/S and R/E (deficit)	926,811	807,105	
	-----	-----	-----
	1,085,039	940,068	
	=====	=====	=====

	ELIMINATIONS	COMBINED WEBB GROUP
	-----	-----

ASSETS

Cash and cash equivalents		51,421
Inventory and supplies		
Residential construction in progress		
Trade and miscellaneous accounts rec		
Contracts receivable-postacquisition:		
Homesites, net of allowance for cancels		246,316
Timeshare		
Commercial notes		
	-----	-----
Total contracts receivable-postacq		246,316
	-----	-----
Contracts receivable-preacquisition		(616,028)
Due from affiliates:		
Water and wastewater connections		
Tax share		
Other		1,632,415
	-----	-----
Total due from affiliates		1,632,415
	-----	-----
Investments/advances to subsidiaries		
Property and equipment		
Less accum depreciation		
Less bargain differential-PP&E		
	-----	-----
Net property and equipment		
	-----	-----
Land, land improvements and CIP		124,083
Less bargain differential-land		
	-----	-----
Net land, land improvements		124,083
	-----	-----
Investment in joint venture		
Other assets		586,900
	-----	-----
		2,025,107
	=====	=====
LIAB, CAP STOCK AND R/E (DEFICIT)		
Trade accounts payable		8,495
Customer Deposits		6,287
Accrued expenses:		
Real estate taxes		106,072
Other		1,537
	-----	-----
Total accrued expenses		107,609
	-----	-----
Due to affiliates:		
Utility fee credit		
Tax share		168,800
Other		
	-----	-----
Total due to affiliates		168,800
	-----	-----
Contingency reserves		

Deferred income
Income taxes payable
Notes payable
Minority interest

Common stock and R/E (deficit):

Common stock	20,500
Capital in excess of par value	9,339,164
Retained earnings (deficit)	(7,625,748)

Total C/S and R/E (deficit)	-----	-----	1,733,916
-----------------------------	-------	-------	-----------

-----	-----	2,025,107
=====	=====	=====

OTHER FLORIDA SUBSIDIARIES CONSOLIDATING BALANCE SHEET AS OF
INCOME STATEMENT FOR THE 12 MONTHS ENDED

31-Dec-94
31-Dec-94

	INTERLACHEN LAKES ESTATES	SUNDOWNER PROPERTIES, INC.	
	-----	-----	-----
Revenues:			
Lots with roads only			
Builder lots (serviced)			
Less estimated uncollectible sales			
Net homesite sales	-----	-----	-----
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Discount earned on acquired receivables	169,836	183,769	
Bargain differential earned:			
Lots with roads only			
Builder lots (serviced)			
Timeshare			
Commercial/bulk land			
Receivables			
Property and equipment			
Total bargain differential earned	-----	-----	-----
Finance income	23,057	17,995	
Operating revenues - subsidiaries	209,983	108,109	
Other revenues			
Total revenues	----- 402,876	----- 309,873	-----
Cost of Sales:			
Lots with roads only			
Builder lots (serviced)			
Commercial/bulk land sales			
Timeshare sales			
Residential sales			
Total cost of sales	-----	-----	-----
Expenses:			
Selling expenses	14,129	12,552	
Property taxes	15,461	7,394	
General and administrative expenses	2,861	1,513	
Operating expenses - subsidiaries	9,883	8,184	
Other expenses			
Depreciation			
Interest expense			
Total expenses	----- 42,334	----- 29,643	-----
Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries	360,542	280,230	
Provision for (reduction) income taxes:			
Current	96,200	72,600	
Deferred	(96,200)	(72,600)	
Income (loss) before minority interest and equity in earnings of consolidated subsidiaries	360,542	280,230	
Minority interest			
Net income (loss) before equity in earnings of consolidated subsidiaries	----- 360,542	----- 280,230	-----

Equity in earnings of subsidiaries

Net income (loss)	360,542	280,230	
R/E (deficit) begin of period	(1,543,408)	(6,723,112)	
Dividends from (advances to) subs			
R/E (deficit) end of period	(1,182,866)	(6,442,882)	

ELIMINATIONS	COMBINED WEBB GROUP
--------------	------------------------

Revenues:

Lots with roads only		
Builder lots (serviced)		
Less estimated uncollectible sales		
Net homesite sales		
Commercial/bulk land sales		
Timeshare sales		
Residential sales		
Discount earned on acquired receivables		353,605
Bargain differential earned:		
Lots with roads only		
Builder lots (serviced)		
Timeshare		
Commercial/bulk land		
Receivables		
Property and equipment		
Total bargain differential earned		
Finance income		41,052
Operating revenues - subsidiaries		318,092
Other revenues		
Total revenues		712,749

Cost of Sales:

Lots with roads only		
Builder lots (serviced)		
Commercial/bulk land sales		
Timeshare sales		
Residential sales		
Total cost of sales		

Expenses:

Selling expenses		26,681
Property taxes		22,855
General and administrative expenses		4,374
Operating expenses - subsidiaries		18,067
Other expenses		
Depreciation		
Interest expense		
Total expenses		71,977

Income (loss) before income taxes, minority interest, and equity in earnings of subsidiaries		640,772
--	--	---------

Provision for (reduction) income taxes:		
Current		168,800
Deferred		(168,800)

Income (loss) before minority interest and equity in earnings of consolidated subsidiaries		640,772
Minority interest		

Net income (loss) before equity in earnings of consolidated subsidiaries		640,772
---	--	---------

Equity in earnings of subsidiaries

Net income (loss)	-----	-----
		640,772
R/E (deficit) begin of period		(8,266,520)
Dividends from (advances to) subs		
	-----	-----
R/E (deficit) end of period		(7,625,748)
	=====	=====

HEATER UTILITIES, INC.
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1994

Exhibit A-3
Page 1 of 3

	HEATER UTILITIES	HEATER OF SEABROOK	BROOKWOOD WATER CORP.	UPSTATE HEATER
ASSETS				
PROPERTY AND EQUIPMENT				
Utility plant	\$31,036,581	\$7,917,611	\$6,267,067	\$1,269,767
Non utility property	33,295			
	-----	-----	-----	-----
	31,069,876	7,917,611	6,267,067	1,269,767
	-----	-----	-----	-----
Less:				
Acquisition adjustment (net)	(3,581,776)	98,241	74,028	(116,503)
Accumulated depreciation	(8,365,964)	(1,849,442)	(1,960,582)	(302,625)
	-----	-----	-----	-----
	(11,947,740)	(1,751,201)	(1,886,554)	(419,128)
	-----	-----	-----	-----
INVESTMENTS				
Other Investments	618,841			
Investments In Subs.	3,491,542			
	-----	-----	-----	-----
	4,110,383	0	0	0
	-----	-----	-----	-----
CURRENT ASSETS				
Cash	448,528	2,831	17,576	7473
Working funds	9,167			750
Investment in CD's	256,316	100,221	20,000	50,000
Customer accounts receivable	548,166	211,163	152,231	35,674
less allowances for doubtful accounts	(21,399)	(6,292)	(1,677)	(1,975)
Notes receivable	4,186,269		8,253	
Other accounts receivable	186,998	808	9,139	529
Accts. receivable from Assoc. Companies	254,339			
Installation materials and supplies	300,737	37,160	27,490	11,946
Prepaid expenses	902,035	183,475	182,467	54,414
Other current and accrued assets			950	
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	7,071,156	529,366	416,430	158,811
	-----	-----	-----	-----
REGULATORY ASSETS				
			1,320	5,623
TOTAL ASSETS				
	\$30,303,674	\$6,695,776	\$4,798,263	\$1,015,073
	=====	=====	=====	=====

	ELIMINATIONS	TOTAL
ASSETS		
PROPERTY AND EQUIPMENT		
Utility plant		\$46,491,025
Non utility property		33,295
	-----	-----
	0	46,524,320
	-----	-----
Less:		
Acquisition adjustment (net)		(3,526,010)
Accumulated depreciation		(12,478,612)
	-----	-----
	0	(16,004,622)
	-----	-----
INVESTMENTS		
Other Investments		618,841
Investments In Subs.	(3,491,542)	0
	-----	-----
	(3,491,542)	618,841
	-----	-----

CURRENT ASSETS

Cash		476,408
Working funds		9,917
Investment in CD's		426,537
Customer accounts receivable		947,235
less allowances for doubtful accounts		(31,342)
Notes receivable	(4,186,269)	8,253
Other accounts receivable	(0)	197,474
Accts. receivable from Assoc. Companies	(254,339)	0
Installation materials and supplies		377,332
Prepaid expenses		1,322,391
Other current and accrued assets		950
	-----	-----
TOTAL CURRENT ASSETS	(4,440,608)	3,735,154
	-----	-----

REGULATORY ASSETS

6,943

TOTAL ASSETS	(\$7,932,150)	\$34,880,636
	=====	=====

HEATER UTILITIES, INC.
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 1994

Exhibit A-3
Page 2 of 3

	HEATER UTILITIES	HEATER OF SEABROOK	BROOKWOOD WATER CORP.	UPSTATE HEATER
LIABILITIES AND SHAREHOLDERS' EQUITY				
SHAREHOLDERS' EQUITY				
Capital stock, par value \$1.00 per share--authorized 13,500 shares, issued and outstanding 13,500 shares	\$13,500	\$1,000	\$7,500	\$1,000
Additional paid in capital	5,826,750	2,241,745	212,024	456,430
Retained Earnings	2,618,655	(332,365)	746,668	(99,773)
	-----	-----	-----	-----
	8,458,905	1,910,380	966,193	357,656
LONG-TERM DEBT	12,202,600	2,527,186	1,181,072	478,012
CURRENT LIABILITIES				
Accounts payable to vendors	234,750	44,979	41,830	1,483
Accts. payable to Assoc. Companies		(70,959)	221,293	58,349
Accounts payable to MP&L	387,706	323	665	121
Income taxes payable - Federal	161,067	(16,854)	(12,533)	(2,806)
Income taxes payable - State	(5,845)	4,744	(3,970)	(1,219)
Taxes other than income	177,924	97,168	28,893	20,554
Customer deposits	72,848	117	146,151	9
Other accrued expenses	484,842	21,890	105,861	1,638
Current portion of long-term debt	15,457			
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	1,528,751	81,407	528,190	78,130
C.I.A.C.	8,897,717	2,124,971	2,311,368	63,701
ACCUM. DEFERRED INC. TAXES	(790,272)	21,210	(190,903)	25,980
REGULATORY LIABILITIES	5,974	30,622	2,344	11,594
	-----	-----	-----	-----
	\$30,303,674	\$6,695,776	\$4,798,263	\$1,015,073
	=====	=====	=====	=====

ELIMINATIONS TOTAL

LIABILITIES AND SHAREHOLDERS' EQUITY	
SHAREHOLDERS' EQUITY	
Capital stock, par value \$1.00 per share--authorized 13,500 shares, issued and outstanding 13,500 shares	(\$9,500) \$13,500
Additional paid in capital	(2,910,199) 5,826,750
Retained Earnings	(571,843) 2,361,342

	(3,491,542) 8,201,592
LONG-TERM DEBT	(4,186,269) 12,202,600
CURRENT LIABILITIES	
Accounts payable to vendors	323,043
Accts. payable to Assoc. Companies	(208,683) (0)
Accounts payable to MP&L	388,815
Income taxes payable - Federal	(45,656) 83,218
Income taxes payable - State	(6,290)
Taxes other than income	324,539
Customer deposits	219,125
Other accrued expenses	614,231
Current portion of long-term debt	15,457

TOTAL CURRENT LIABILITIES	(254,339) 1,962,138

C.I.A.C.		13,397,757
ACCUM. DEFERRED INC. TAXES		(933,985)
REGULATORY LIABILITIES		50,534
	-----	-----
	(\$7,932,150)	\$34,880,636
	=====	=====

HEATER UTILITIES, INC.
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 1994

Exhibit A-3
Page 3 of 3

	HEATER UTILITIES	HEATER OF SEABROOK	BROOKWOOD WATER CORP.	UPSTATE HEATER
Operating Revenues				
Water	\$5,131,515	\$736,758	\$1,324,611	\$336,205
Sewer	464,547	532,007		
Other	115,777	89,126	72,680	29,602
	-----	-----	-----	-----
Total Operating Revenues	5,711,839	1,357,891	1,397,291	365,807
	-----	-----	-----	-----
Operating Revenue Deductions				
Operations and Maintenance	2,006,369	473,638	536,752	152,908
Administrative and General	1,143,402	229,702	392,854	117,755
Taxes Other Than Income	306,873	38,320	81,518	13,236
Property Taxes	110,105	69,800	18,050	18,167
Depreciation	904,075	173,322	161,030	47,947
	-----	-----	-----	-----
Total Operating Revenue Deductions	4,470,824	984,781	1,190,204	350,013
	-----	-----	-----	-----
Income From Operations	1,241,015	373,110	207,087	15,794
	-----	-----	-----	-----
Other Income				
Interest Income	85,036	26,401	13,611	6578
Other Non-Utility income	141,269	35,846	40,261	2436
Other Income Deductions				
Interest Expense	695,856	220,534	110,755	41,743
Other Non-Utility Deductions	32,534	1,734	3,500	89
	-----	-----	-----	-----
Total Other Income and Income Deductions	502,084	160,022	60,382	32,817
	-----	-----	-----	-----
Net Income (Loss) Before Income Taxes	738,931	213,088	146,705	(17,023)
Estimated Income Taxes	292,585	78,868	39,470	(5,158)
Net Profit (Loss)	\$446,346	\$134,220	\$107,235	(\$11,865)
	=====	=====	=====	=====

TOTAL

Operating Revenues	
Water	\$7,529,090
Sewer	996,554
Other	307,184

Total Operating Revenues	8,832,828

Operating Revenue Deductions	
Operations and Maintenance	3,169,667
Administrative and General	1,883,713
Taxes Other Than Income	439,947
Property Taxes	216,122
Depreciation	1,286,373

Total Operating Revenue Deductions	6,995,822

Income From Operations	1,837,006

Other Income	
Interest Income	131,626
Other Non-Utility income	219,813
Other Income Deductions	
Interest Expense	1,068,888
Other Non-Utility Deductions	37,856

Total Other Income and Income Deductions	----- 755,305 -----
Net Income (Loss) Before Income Taxes	1,081,701
Estimated Income Taxes	405,764
Net Profit (Loss)	\$675,937 =====

REDFIELD CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-4
Page 1 of 2

	CONSOLIDATED	ELIMINATIONS	REND	UTIL
	-----	-----	-----	-----
NONUTIL PROP & INVESTMENTS(N)				
NONUTILITY & OTHER				
NONUTILITY PLANT -100	355,303	0	355,303	0
ACCUM DEPR-NONUTIL-600	4,060-	0	4,060-	0
OTHER -950	0	0	0	0
SECURITIES INVEST - 900	0	0	0	0
EQUITY INVESTMENTS - 910	0	0	0	0
INVEST IN SUBSIDIARIES-200	0	564,629	564,629-	0
	-----	-----	-----	-----
TOTAL NONU PROP & INVEST	351,243	564,629	213,386-	0
	-----	-----	-----	-----
CURRENT ASSETS (A)				
CASH				
CASH -110	65,587	0	63,475	2,113
OTHER ACCOUNTS RECEIVABLE				
NOTES RECEIVABLE -310	0	0	0	0
OTHER ACCOUNTS REC -409	2,824,247	0	0	2,824,247
ACCTS REC FROM ASSOC -432	4,049,695	8,351,039-	8,607,900	3,792,834
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	6,939,529	8,351,039-	8,671,375	6,619,194
	-----	-----	-----	-----
ACCUM DEF INC TAXES H-254				
OTHER -200	1,988,945	0	61,864	1,927,081
	9,848	0	9,848	0
	-----	-----	-----	-----
TOTAL DEFERRED DEDITS	1,998,793	0	71,712	1,927,081
	-----	-----	-----	-----
TOTAL ASSETS	9,289,565	7,786,410-	8,529,701	8,546,275
	=====	=====	=====	=====
CAPITALIZATION				
COMMON EQUITY (C)				
COMMON STK&PD IN CAP-090	4,487,500	6,397,500-	4,487,500	6,397,500
CAPITAL STOCK EXP-300	0	0	0	0
RETAINED EARNINGS-400	7,464,963-	6,962,129	7,464,963-	6,962,129-
LONG-TERM DEBT D-700	0	0	0	0
	-----	-----	-----	-----
TOTAL CAPITALIZATION	2,977,463-	564,629	2,977,463-	564,629-
	-----	-----	-----	-----
CURRENT LIABILITIES (L)				
CURRENT MATURITITES - 200				
ACCOUNTS PAYABLE	3,551,180	0	0	3,551,180
ACCOUNTS PAY TO ASSOC-322	50,890	0	50,890	1
ACCRUED TAXES	7,692,734	8,351,039-	11,485,569	4,558,204
FEDERAL INCOME TAXES -401	59,931	0	12,668-	72,599
STATE INCOME TAXES -450	265,750-	0	25,072-	240,678-
OTHER ACCRUED TAXES -500	7,731	0	7,731	0
MISC CURRENT LIAB -930	500,000	0	0	500,000
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIE	11,596,716	8,351,039-	11,506,450	8,441,306
	-----	-----	-----	-----
ACCUM DEF INC TAXES F-100				
	670,312	0	714	669,598
	-----	-----	-----	-----
TOTAL LIAB & CAPITALIZATION	9,289,565	7,786,410-	8,529,701	8,546,275
	=====	=====	=====	=====

REDFIELD CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-4
Page 2 of 2

	CONSOLIDATED	ELIMINATIONS	REND	UTIL
	-----	-----	-----	-----
OTHER INCOME & DEDUCTIONS (T)				
EQUITY IN EARN OF SUBS -200	0	3,180,778	3,180,778-	0
ALLOW FOR FUNDS-EQUITY -100	0	0	0	0
INVESTMENT INCOME -300	194,232	0	905	193,328
EARNINGS FROM REACHALL -542	5,166,109-	0	0	5,166,109-
ALLOW-GAIN ON CAP SALE -543	0	0	0	0
OTHER MISCELLANEOUS INC-500	297,141-	0	99,223-	197,919-
INCOME TAXES - INVEST -400	80,357-	0	375-	79,982-
- MISC -600	2,572,470	0	166,158	2,406,312
	-----	-----	-----	-----
TOTAL OTHER INC & DEDUCT	2,776,905-	3,180,778	3,113,313-	2,844,370-
	-----	-----	-----	-----
INCOME BEFORE INTEREST CHARGE	2,776,905-	3,180,778	3,113,313-	2,844,370-
	-----	-----	-----	-----
OTHER INTEREST EXPENSE	630,680	0	294,272	336,407
	-----	-----	-----	-----
NET INCOME	3,407,585-	3,180,778	3,407,585-	3,180,777-
	=====	=====	=====	=====

SYNERTEC CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-5
Page 1 of 2

	CONSOLIDATED	ELIMINATIONS	SYNR	CNSR
	-----	-----	-----	-----
ASSETS				
CURRENT ASSETS (A)				
CASH	8,767,934	2	539,087	8,228,847
RESTRICTED CASH	1	0	0	1
ACCOUNTS RECEIVABLE				
MINNESOTA POWER	4,472,829	0	4,472,829	0
SUP REC FIB CORP	306,181	10,177,759-	6,318,821	4,165,118
OTHER	14,016,242	0	52,366	13,963,875
NOTES RECEIVABLE - SRF	0	1-	0	0
INVENTORY	3,738,000	0	0	3,738,000
PREPAYMENTS	0	0	0	0
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	31,301,187	10,177,758-	11,383,103	30,095,841
	-----	-----	-----	-----
INVESTMENTS IN SUB	0	24,273,484-	24,273,484	0
LEASE RECEIVABLE	3,382,940	0	795,940	2,587,000
DEFERRED COST	42,521	0	42,521	0
CWIP AND OTH ASSETS	70,074,498	328,184-	16,911	70,385,771
	-----	-----	-----	-----
TOTAL ASSETS	104,801,146	34,779,426-	36,511,959	103,068,612
	=====	=====	=====	=====
LIABILITIES AND STOCKHOLDER'S EQUITY				
CURRENT LIABILITIES (L)				
ACCOUNTS PAYABLE				
MINNESOTA POWER	3,377,652	0	3,377,651	0
SUP REC FIB CORP	1-	10,177,760-	3,858,938	6,318,821
OTHER	7,899,920	0	0	7,899,920
CURRENT MATURITIES	4,026,348	0	645,313	3,381,035
NOTES PAY-LSPI FIBER	0	1-	0	0
NOTES PAYABLE - MP	177,958	0	177,958	0
ACC INCOME TAXES	976,276-	134,696-	45,340-	796,239-
ACCRUED OTHER TAXES	41,260-	0	0	41,260-
ACCRUED INT PAY	0	0	0	0
ACCRUED OTH LIAB	0	0	0	0
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	14,464,341	10,312,457-	8,014,520	16,762,277
	-----	-----	-----	-----
LONG TERM DEBT	39,343,244	0	0	39,343,244
DEFERRED INCOME TAXES	4,847,907	0	3,113	4,844,794
MINORITY INTEREST	18,333,476	0	0	18,333,476
	-----	-----	-----	-----
TOTAL LIABILITIES	76,988,968	10,312,457-	8,017,633	79,283,791
	-----	-----	-----	-----
STOCKHOLDER'S EQUITY				
COMMON STOCK, WITHOUT PAR				
5000 SHARES AUTHORIZED				
ISSUED AND OUTST	28,231,266	23,302,655-	28,231,266	23,302,655
RET EARNINGS	419,088-	1,164,314-	263,060	482,166
	-----	-----	-----	-----
TOTAL STOCKHOLDER'S EQ	27,812,178	24,466,969-	28,494,326	23,784,821
	-----	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	104,801,146	34,779,426-	36,511,959	103,068,612
	=====	=====	=====	=====

SYNERTEC CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-5
Page 2 of 2

		CONSOLIDATED -----	ELIMINATIONS -----	SYNR -----	CNSR -----
INCOME					
PULP REVENUE	-T520	52,856,915	0	0	52,856,915
EQUITY IN SUB EARNINGS-T200		0	717,101-	717,101	0
INTEREST	-T300	588,265	0	27,739	560,526
MISCELLANEOUS	-T535	403,576	0	0	403,576
TOTAL INCOME		----- 53,848,756 -----	----- 717,101- -----	----- 744,840 -----	----- 53,821,017 -----
EXPENSES					
PULP VARIABLE COSTS	-T539	37,315,000	0	0	37,315,000
PULP FIXED COSTS	-T540	7,375,000	0	0	7,375,000
DEPRECIATION	-T595	4,459,984	10,000-	9,984	4,460,000
LABOR	-T563	648,005	0	387,761	260,244
INTEREST	-I100-I340	3,364,785	0	8	3,364,777
PROPERTY TAXES	-T570	312,000	0	0	312,000
MISCELLANEOUS	-T562	665,815	0	258,088	407,728
TOTAL EXPENSES		----- 54,140,589 -----	----- 10,000- -----	----- 655,841 -----	----- 53,494,749 -----
INCOME (LOSS) BEFORE TAXES		291,833-	707,101-	88,999	326,268
MINORITY INTEREST	-T511	1,016,000	0	0	1,016,000
INC TAX (EXP) BENEF	-T401-420	348,663-	4,000-	262,504	607,167-
	T610 620 640 650	0	0	0	0
NET INCOME (LOSS)		----- 375,504 =====	----- 711,101- =====	----- 351,503 =====	----- 735,101 =====

SUPERIOR RECYCLED FIBER CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-6
Page 1 of 2

	CONSOLIDATED	ELIMINATIONS	SRFC	SRJV
	-----	-----	-----	-----
ASSETS				
CURRENT ASSETS (A)				
CASH -110	8,228,847	0	1,847	8,227,000
RESTRICTED CASH -115	1	0	1	0
ACCOUNTS RECEIVABLE				
ASSOCIATED COMPANIES -436	4,165,118	769,874-	4,165,118	769,874
OTHER -409	13,963,875	0	13,540,980	422,895
NOTES RECEIVABLE -310	0	0	0	0
INVENTORY -610	3,738,000	0	0	3,738,000
PREPAYMENTS -700	0	0	0	0
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	30,095,841	769,874-	17,707,946	13,157,769
INVEST IN JOINT VENTURE -N200	0	62,028,641-	62,028,641	0
DEFERRED COST -H200	0	0	0	0
NONUTILITY PLANT -N100	75,066,771	830,229-	0	75,897,000
ACCUMULATED DEPRECIATION-N600	4,681,000-	0	0	4,681,000-
OTHER ASSETS N-N950	2,587,000	0	0	2,587,000
	-----	-----	-----	-----
TOTAL ASSETS	103,068,612	63,628,744-	79,736,587	86,960,769
	=====	=====	=====	=====
LIABILITIES AND STOCKHOLDER'S EQUITY				
CURRENT LIABILITIES (L)				
ACCOUNTS PAYABLE				
ASSOC COMPANIES -322	6,318,821	769,873-	7,088,694	0
OTHER -310	7,899,920	0	1,301,268	6,598,652
CURRENT MATURITIES -200	3,381,035	0	3,381,035	0
NOTES PAYABLE -100	0	0	0	0
ACCR INC TAXES -401-450	796,239-	341,567-	454,672-	0
ACCRUED OTHER TAXES -500	41,260-	0	41,260-	0
ACCRUED INTEREST -610	0	0	0	0
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	16,762,277	1,111,440-	11,275,065	6,598,652
LONG TERM DEBT -D700	39,343,244	0	39,343,244	0
DEFERRED INCOME TAXES -F100	4,844,794	0	4,844,794	0
MINORITY INTEREST -F900	18,333,476	18,333,476	0	0
OTH DEFERRED CREDITS -F920	0	0	0	0
	-----	-----	-----	-----
TOTAL LIABILITIES	79,283,791	17,222,036	55,463,103	6,598,652
	-----	-----	-----	-----
STOCKHOLDER'S EQUITY				
COMMON STOCK, WITHOUT PAR, 50 SHARES ISSUED AND OUTSTANDING -C090				
	23,302,655	85,540,117-	23,302,655	85,540,117
RET EARNINGS -C400-INCELIM	482,166	4,689,337	970,829	5,178,000-
	-----	-----	-----	-----
TOTAL STOCKHOLDER'S EQUITY	23,784,821	80,850,780-	24,273,484	80,362,117
	-----	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	103,068,612	63,628,744-	79,736,587	86,960,769
	=====	=====	=====	=====

SUPERIOR RECYCLED FIBER CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-6
Page 2 of 2

		CONSOLIDATED -----	ELIMINATIONS -----	SRFC -----	SRJV -----
INCOME					
PULP REVENUE	-T520	52,856,915	34,247,223-	42,368,138	44,736,000
EQUITY IN JV EARNINGS	-T200	0	3,474,000	3,474,000-	0
INTEREST	-T300	560,526	0	294,526	266,000
MISCELLANEOUS	-T535	403,576	0	403,576	0
		-----	-----	-----	-----
TOTAL INCOME		53,821,017	30,773,223-	39,592,240	45,002,000
		-----	-----	-----	-----
EXPENSES					
COST OF PULP	-T565	1-	34,247,223-	34,247,223	0
PULP VARIABLE COSTS	-T539	37,315,000	0	0	37,315,000
PULP FIXED COSTS	-T540	7,375,000	0	0	7,375,000
DEPRECIATION	-T590,T595	4,460,000	30,000-	0	4,490,000
LABOR	-T563	260,244	0	260,244	0
INTEREST	-I100	3,364,777	0	3,364,777	0
PROPERTY TAXES	-T570	312,000	0	0	312,000
MISCELLANEOUS	-T562	407,728	0	407,728	0
		-----	-----	-----	-----
TOTAL EXPENSES		53,494,748	34,277,223-	38,279,972	49,492,000
		-----	-----	-----	-----
INCOME (LOSS) BEFORE TAXES		326,269	3,504,000	1,312,268	4,490,000-
MINORITY INTEREST	-T511	1,016,000	1,016,000	0	0
INCOME TAX (EXPENSE) BENEFIT		607,167-	12,000-	595,167-	0
	-T410,420,610,620				
		-----	-----	-----	-----
NET INCOME (LOSS)		735,102	4,508,000	717,101	4,490,000-
		=====	=====	=====	=====

UPPER MINNESOTA PROPERTIES CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-7
Page 1 of 2

	CONSOLIDATED	ELIMINATIONS	UMPI	IRV	MEAD
	-----	-----	-----	-----	-----
NONUTIL PROP & INVESTMENTS(N)					
NONUTILITY & OTHER					
NONUTILITY PLANT -100	4,169,695	0	0	4,169,695	0
ACCUM DEPR-NONUTIL-600	69,828-	0	0	53,422-	16,406-
OTHER -950	740,808	0	0	0	740,808
SECURITIES INVEST - 900	0	0	0	0	0
INVEST IN SUBSIDIARIES-200	0	2,666,581-	2,666,581	0	0
	-----	-----	-----	-----	-----
TOTAL NONU PROP & INVEST	4,840,675	2,666,581-	2,666,581	4,116,273	724,402
	-----	-----	-----	-----	-----
CURRENT ASSETS (A)					
CASH -110	56,818	0	100	24,742	31,976
OTHER ACCOUNTS RECEIVABLE					
NOTES RECEIVABLE -310	0	0	0	0	0
OTHER ACCOUNTS REC -409	11,318	0	0	10,892	426
ACCTS REC FROM ASSOC -432	208,674	221,574-	229,007	190,040	11,200
PREPAYMENTS -700	10,953	0	0	10,953	0
	-----	-----	-----	-----	-----
TOTAL CURRENT ASSETS	287,763	221,574-	229,107	236,627	43,602
	-----	-----	-----	-----	-----
ACCUM DEF INC TAXES H-254	889,954	0	0	841,507	48,447
OTHER -200	74,184	0	0	64,536	9,647
	-----	-----	-----	-----	-----
TOTAL DEFERRED DEBITS	964,138	0	0	906,043	58,094
	-----	-----	-----	-----	-----
TOTAL ASSETS	6,092,576	2,888,155-	2,895,688	5,258,943	826,098
	=====	=====	=====	=====	=====
CAPITALIZATION					
COMMON STK&PD IN CAP-090	2,124,189	2,134,189-	2,124,189	2,099,074	35,115
RETAINED EARNINGS-400	499,331	532,392-	499,331	501,767	30,625
LONG-TERM DEBT D-700	2,765,896	0	0	2,103,830	662,066
	-----	-----	-----	-----	-----
TOTAL CAPITALIZATION	5,389,416	2,666,581-	2,623,520	4,704,671	727,806
	-----	-----	-----	-----	-----
CURRENT LIABILITIES (L)					
CURRENT MATURITITES - 200	296,864	0	0	239,297	57,567
ACCOUNTS PAYABLE	10,368	0	0	8,168	2,200
ACCOUNTS PAY TO ASSOC-322	76,518	221,574-	277,758	7,496	12,838
ACCRUED TAXES					
FEDERAL INCOME TAXES -401	10,760-	0	170-	9,750-	840-
STATE INCOME TAXES -450	22,800-	0	5,420-	13,640-	3,740-
OTHER ACCRUED TAXES -500	130	0	0	0	130
INTEREST ACCRUED - 610	66,961	0	0	41,882	25,079
	-----	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	417,281	221,574-	272,168	273,453	93,234
	-----	-----	-----	-----	-----
ACCUM DEF INC TAXES F-100	284,020	0	0	280,820	3,200
	-----	-----	-----	-----	-----
MINORITY INTEREST F-900	1,858	0	0	0	1,858
	-----	-----	-----	-----	-----
TOTAL LIAB & CAPITALIZATION	6,092,575	2,888,155-	2,895,688	5,258,944	826,098
	=====	=====	=====	=====	=====

UPPER MINNESOTA PROPERTIES CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-7
Page 2 of 2

		CONSOLIDATED	ELIMINATIONS	UMPI	IRV	MEAD
		-----	-----	-----	-----	-----
INCOME						
EQUITY IN SUB EARNS	-T200	0	532,392-	532,392	0	0
RENTAL- RESIDENTIAL	-T700	102,409	0	0	61,130	41,279
MISCELLANEOUS	-T710	2,365	0	0	1,696	669
INVESTMENT	-T300	5,944	0	0	5,944	0
		-----	-----	-----	-----	-----
		110,718	532,392-	532,392	68,770	41,948
		-----	-----	-----	-----	-----
EXPENSES						
MAINTENANCE	-T800	9,563	0	0	5,161	4,402
UTILITIES	-T830	18,733	0	0	11,957	6,777
INSURANCE	-T840	7,000	0	0	4,598	2,403
DEPRECIATION	-T595	74,589	0	0	57,424	17,164
INTEREST	-I100	110,529	0	0	78,824	31,705
OPERATIONS	-T860	26,714	0	0	20,121	6,593
PROPERTY TAXES	-T850	2,641	0	0	2,641	0
ADMINISTRATIVE	-T531	3,060	0	2,241	619	200
LABOR	-T532	60,172	0	53,102	3,936	3,134
		-----	-----	-----	-----	-----
		313,001	0	55,343	185,281	72,378
		-----	-----	-----	-----	-----
INCOME (LOSS) BEFORE TAXES						
AND MINORITY INTEREST		202,283-	532,392-	477,049	116,511-	30,430-
INCOME TAX (EXPENSE) BENEFIT						
		702,207	0	22,903	618,277	61,027
MINORITY INTEREST						
		27	0	0	0	27
		-----	-----	-----	-----	-----
NET INCOME		499,951	532,392-	499,952	501,766	30,624
		=====	=====	=====	=====	=====

MINNESOTA PULP CONSOLIDATED BALANCE SHEET
DECEMBER 1994

Exhibit A-8
Page 1 of 2

	CONSOLIDATED	ELIMINATIONS	MNPI	MNP2
	-----	-----	-----	-----
NONUTIL PROP & INVESTMENTS(N)				
NONUTILITY & OTHER				
NONUTILITY PLANT -100	0	0	0	0
ACCUM DEPR-NONUTIL-600	0	0	0	0
SECURITIES INVEST - 900	0	0	0	0
EQUITY INVESTMENTS - 910	10,516,000	0	210,320	10,305,680
INVEST IN SUBSIDIARIES-200	0	9,857,778-	9,857,778	0
	-----	-----	-----	-----
TOTAL NONU PROP & INVEST	10,516,000	9,857,778-	10,068,098	10,305,680
	-----	-----	-----	-----
CURRENT ASSETS (A)				
CASH -110	26,234	0	26,234	0
OTHER ACCOUNTS RECEIVABLE				
NOTES RECEIVABLE -310	0	0	0	0
OTHER ACCOUNTS REC -409	0	0	0	0
ACCTS REC FROM ASSOC -432	725,865	656,339-	1,028,523	353,680
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	752,099	656,339-	1,054,757	353,680
	-----	-----	-----	-----
ACCUM DEF INC TAXES H-254				
OTHER -200	0	0	0	0
	-----	-----	-----	-----
TOTAL DEFERRED DEBITS	0	0	0	0
	-----	-----	-----	-----
TOTAL ASSETS	11,268,099	10,514,117-	11,122,855	10,659,360
	=====	=====	=====	=====
CAPITALIZATION				
COMMON STK&PD IN CAP-090	10,052,099	9,690,994-	10,052,100	9,690,993
RETAINED EARNINGS-400	84,244	166,784-	84,244	166,785
LONG-TERM DEBT D-700	0	0	0	0
	-----	-----	-----	-----
TOTAL CAPITALIZATION	10,136,343	9,857,778-	10,136,344	9,857,778
	-----	-----	-----	-----
CURRENT LIABILITIES (L)				
CURRENT MATURITITES - 200	0	0	0	0
ACCOUNTS PAYABLE	27,885	0	5,322-	33,208
ACCOUNTS PAY TO ASSOC-322	376,104	656,339-	729,785	302,658
ACCRUED TAXES				
FEDERAL INCOME TAXES -401	51,943	0	6,984-	58,927
STATE INCOME TAXES -450	92,396-	0	2,788-	89,608-
OTHER ACCRUED TAXES -500	0	0	0	0
INTEREST ACCRUED - 610	0	0	0	0
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	363,536	656,339-	714,691	305,185
	-----	-----	-----	-----
ACCUM DEF INC TAXES F-100	768,219	0	271,822	496,397
	-----	-----	-----	-----
TOTAL LIAB & CAPITALIZATION	11,268,098	10,514,117-	11,122,857	10,659,360
	=====	=====	=====	=====

MINNESOTA PULP CONSOLIDATED STATEMENT OF INCOME
YEAR TO DATE AS OF DECEMBER 1994

Exhibit A-8
Page 2 of 2

	CONSOLIDATED	ELIMINATIONS	MNPI	MNP2
	-----	-----	-----	-----
OTHER INCOME & DEDUCTIONS (T)				
EQUITY IN EARN OF SUBS -200	1	166,784-	166,785	0
ALLOW FOR FUNDS-EQUITY -100	0	0	0	0
INVESTMENT INCOME -300	0	0	0	0
EARNINGS FROM LSPI FIBER 543	291,709	0	5,834	285,875
OTHER MISCELLANEOUS INC-500	10,981-	0	9,807-	1,174-
INCOME TAXES - INVEST -400	0	0	0	0
- MISC -600	109,885-	0	8,031	117,916-
	-----	-----	-----	-----
TOTAL OTHER INC & DEDUCT	170,844	166,784-	170,843	166,785
	-----	-----	-----	-----
INCOME BEFORE INTEREST CHARGE	170,844	166,784-	170,843	166,785
	-----	-----	-----	-----
OTHER INTEREST EXPENSE	0	0	0	0
	-----	-----	-----	-----
NET INCOME	170,844	166,784-	170,843	166,785
	=====	=====	=====	=====

Abbreviations Used In Exhibits

Exhibit A

Minnesota Power & Light Company (MPL)
Superior Water, Light and Power Company (SWL)
Consolidated Topeka Group (CNTG)
Energy Land, Incorporated (ENLD)
Minnesota Paper, Incorporated (MPAP)
Consolidated RendField (CNRD)
BNI Coal, Ltd. (BNI)
Rainy River Energy Corporation (RAIN)
Consolidated Synertec (CNSY)
Lakeview Financial Corporation 1 (LFC1)
Consolidated Upper Minnesota Properties (CNUP)
Minnesota Pulp, Incorporated (MNPI)

Exhibit A-1

Topeka Group Incorporated (Topeka Group)
East L.A. Services Corp. (ELAG)
Fibercore, Incorporated (Fibercore)
Lehigh Acquisition Corporation (LAC)
Heater Utilities, Incorporated (Heater)
Southern States Utilities, Inc. (SSU)

Exhibit A-3

Heater Utilities, Incorporated (Heater Utilities)
Heater of Seabrook, Inc. (Heater of Seabrook)
Brookwood Water Corporation (Brookwood Water Corp.)
Upstate Heater Utilities, Inc. (Upstate Heater)

Exhibit A-4

RendField Land Company, Inc. (REND)
UtilEquip, Incorporated (UTIL)

Exhibit A-5

Synertec, Incorporated (SYNR)
Consolidated Superior Recycled Fiber (CNSR)

Exhibit A-6

Superior Recycled Fiber Corporation (SRFC)
Superior Recycled Fiber Industries Joint Venture (SRJV)

Exhibit A-7

Upper Minnesota Properties, Inc. (UMPI)
Upper Minnesota Properties - Irving, Inc. (IRV)
Upper Minnesota Properties - Meadowlands, Inc. (MEAD)

Exhibit A-8

Minnesota Pulp, Inc. (MNPI)
Minnesota Pulp II, Inc. (MNP2)

OPUR3

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM MINNESOTA POWER'S CONSOLIDATED BALANCE SHEET AND STATEMENT OF INCOME FOR THE PERIOD ENDED DECEMBER 31, 1994, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR	
	DEC-31-1994
	JAN-01-1994
	DEC-31-1994
	PER-BOOK
	1,807,798
637,782	
	61,333