
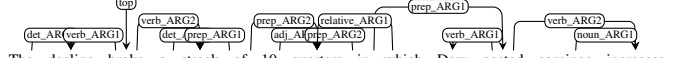


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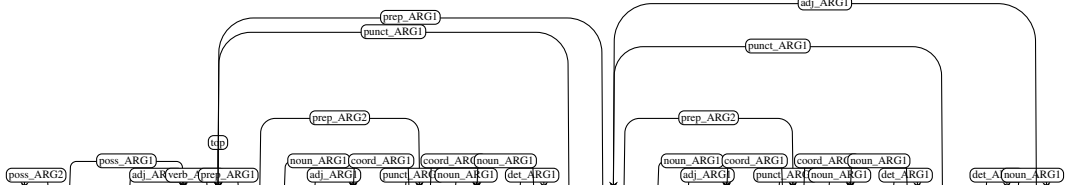
[191926001]

  
Dow Chemical Co. said third-quarter net income slipped 6.8 % from a record year-ago quarter .

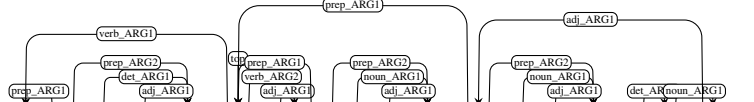
[191926002]

  
The decline broke a streak of 10 quarters in which Dow posted earnings increases .

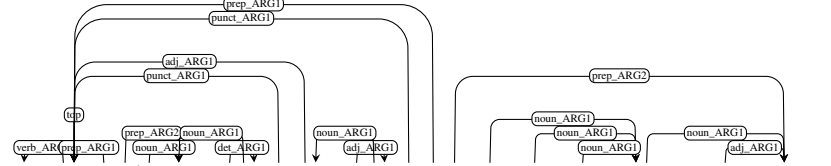
[191926003]

  
Dow 's third-quarter net fell to \$ 589 million , or \$ 3.29 a share , from \$ 632 million , or \$ 3.36 a share , a year ago .


[191926004]

  
Sales in the latest quarter rose 2 % to \$ 4.25 billion from \$ 4.15 billion a year earlier .

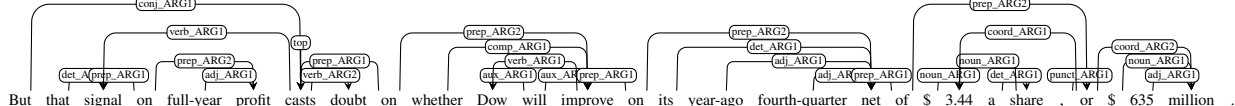
[191926005]

  
Dow closed at \$ 94.625 a share , up 75 cents , in New York Stock Exchange composite trading .

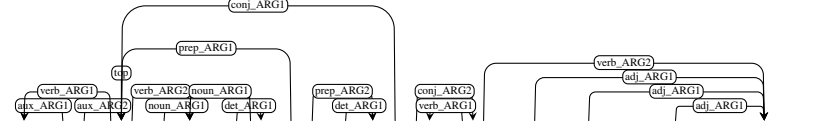
[191926006]

  
A spokeswoman said Dow is comfortable with Wall Street expectations that full-year earnings will total about \$ 14.60 a share , compared with last year 's record net of \$ 2.4 billion , or \$ 12.76 a share .

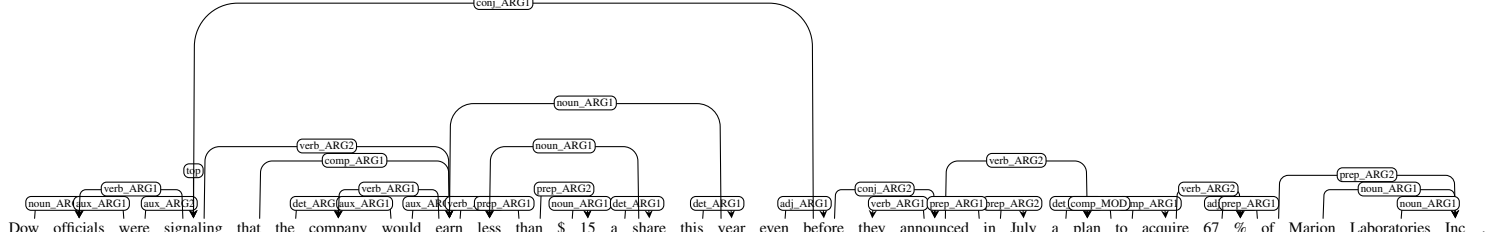
[191926007]

  
But that signal on full-year profit casts doubt on whether Dow will improve on its year-ago fourth-quarter net of \$ 3.44 a share , or \$ 635 million .

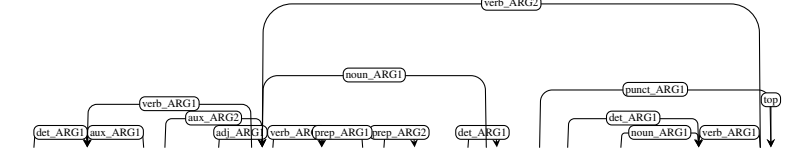
[191926008]

  
Dow would earn \$ 14.85 a share for the year if it equaled that year-ago fourth-quarter performance .


[191926009]

  
Dow officials were signaling that the company would earn less than \$ 15 a share this year even before they announced in July a plan to acquire 67 % of Marion Laboratories Inc .

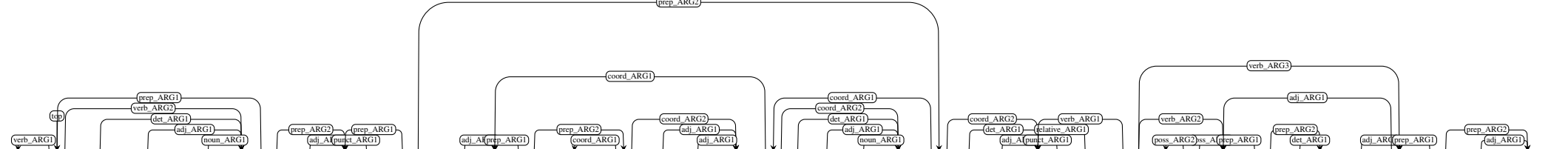
[191926010]

  
That acquisition could further dilute earnings per share this year , the company spokeswoman said .


[191926011]

  
Dow has n't said exactly what impact the Marion acquisition will have on 1989 earnings .

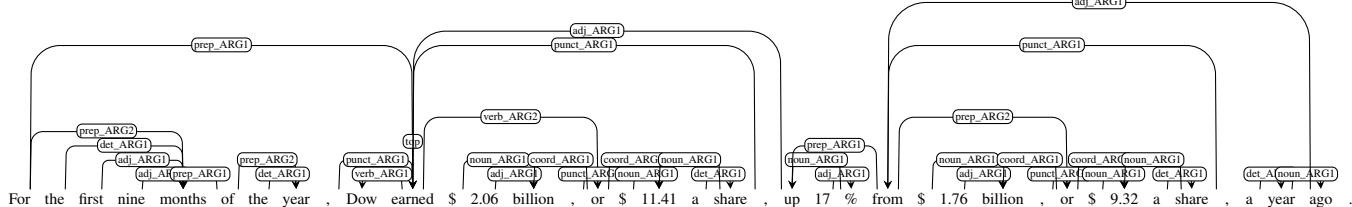
[191926012]

  
Dow blamed the third-quarter earnings drop on several factors , including softer prices for polyethylene and other basic chemicals , a slower U.S. economy and a stronger dollar , which made Dow 's exports from the U.S. more expensive to overseas customers .

[191926013]

  
Another problem was a 7 % increase in operating costs at a time when revenue was rising by only 2 % .

[191926014]

  
For the first nine months of the year , Dow earned \$ 2.06 billion , or \$ 11.41 a share , up 17 % from \$ 1.76 billion , or \$ 9.32 a share , a year ago .

[191926015]

