PLAINTIFF'S EXHIBIT
ASA-311

FINANCIAL HIGHLIGHTS

(IN ..LIONS, EXCEPT PER SHARE, EMPLOYEE AND STOCKHOLDER AMOUNTS)

FOR THE YEAR ENDED	1992*	1991
Sales	$1,908.5	$1,911.8
Operating income (loss)	$ (41.8)	$ 61.1
Net earnings (loss)	$ (83.1)	$ 46.0
Net earnings (loss) per common share	$ (2.01)	$ 1.12
Dividends per common share	$ 0.80	$ 1.60
AT YEAR-END		
Assets	$2,945.9	$2,953.8
Total debt	$ 868.8	$ 801.6
Common stockholders' equity	$1,357.5	$1,474.8
Common shares outstanding	41.5	41.2
Book value per common share	$ 32.74	$ 35.75
Common stockholders	11,000	12,300
Employees	8,900	9,100

*R...lts for the year include an after-tax provision of $122.1 million, which comprises $56.0 n... .i in costs for the adoption of Statement of Financial Accounting Standards 106 "Employers' Accounting for Postretirement Benefits Other Than Pensions", a $44.0 million charge for environmental costs, and a $21.1 million charge for the reduction in carrying value of certain facilities.

In 1992, Asarco recorded a substantial charge to earnings to adopt a new accounting standard for postretirement benefits, to add to the Company's reserve for environmental costs and to write off certain facilities which will not be used following installation of new technology.

Prior to giving effect to this special provision, the Company's earnings declined about 15% from 1991 levels. This difference is accounted for by the decline in price of several of the Company's principal metals: copper, silver, and gold. There were, of course, other differences between the two years that reflect the changes we re making in the business and the problems we have sometimes encountered in that process.

The most significant of these changes has involved the strategy begun seven years ago of restructuring Asarco from a custom smelter and refiner into an integrated copper and lead mining company. By the end of 1992, we had nearly completed that process. In doing so we have invested $1.3 billion in the acquisition and development of ore reserves and operating properties.

The Company's copper ore reserves have been expanded eight fold during this period and its copper mining production capacity quadrupled. In 1992, with the completion of the expansion projects at the Mission and Ray mines in Arizona, the Company became self sufficient in the supply of copper concentrates to its smelters. As recently as 1985, the Company supplied only 25% of its copper concentrate requirements from internal sources.

Similarly in lead, the Company's ore reserve position has doubled in the last seven years and it now supplies 80% of the lead concentrates for its Glover, Missouri, smelter from its own mines.

The major remaining step in this strategic development program is completion of the modernization and expansion of the El Paso, Texas, copper smelter. This project is scheduled for commissioning in the first quarter of 1993.

Expansion projects at the Mission mine have more than doubled production capacity since 1985 and at Ray the production capacity has been increased by two-thirds since it was acquired in late 1986. The start-up of the most recent and most significant phases of these expansions occurred in 1992. They were not trouble free.

At Mission, we began mining in an area where the ore is hard and the grade low. It was not until midyear that we developed new techniques to treat the hard ore and the mining plan had progressed to where higher grades were available. We lost about 28 million pounds of copper production during this period.

In a similar way equipment start-up problems and severe weather at the Ray mine caused a 12-million-pound shortfall in copper production.

These production shortfalls offset most of the benefit in 1992 of the increased production volume which became available from the expansion projects. In the future, as we resolve these problems, the Company's earnings should benefit in a significant way from the increased production capacity now available.

Some of the weather-related problems which affected the Ray mine in 1992 continued into the early part of the new year. Normal rainfall at Ray is about 17 1/2 inches a year. In 1992, 36 inches fell at the property, eight inches in December alone. In the early part of January 1993, another 14 inches were recorded at the mine. As a consequence, mining operations at Ray and milling operations at the Hayden, Arizona, concentrator were disrupted.

The learning process for new projects and the effects of nature on existing ones are part of the mining business. They make it interesting, but they also make it unpredictable.

[illegible] COMMITTEE

From left to right, front to back, at the site of the new furnace at the El Paso, Texas, copper smelter.
George W. Anderson, Francis R. McAllister, Augustus B. Kinsolving,
Richard de J. Osborne, Robert M. Novotny, John R. Corbett, James J. Kerr,
Robert J. Muth, Robert J. Kupsch, Kevin R. Morano*, Robert J. Bothwell, Jr.

**Kevin R. Morano becomes vice president, finance and chief financial officer and will join the management committee on May 1, 1993.*

The other big variable in the mining business is the market. While strong growth in worldwide copper consumption has provided good support for the copper price, the prices of lead and silver have not been as favorable. The low price of silver, particularly, led to our decision to shut down current mining operations at the Galena silver mine in Idaho. It is being held on a care-and-maintenance basis as is the nearby Coeur mine which was shut in 1991. In February 1993, we decided that we should also shut down temporarily, the Troy, Montana, silver-copper mine. Low prices for lead and silver also affected operations at our East Helena, Montana, lead smelter and our Omaha, Nebraska, refinery. These are the only smelting and refining plants left in the Asarco system which rely on ores and concentrates produced by others for their feed stock. The closure of a number of lead, zinc and silver mines in the United States, Mexico and Peru is limiting the availability of such material for these plants.

We have also been seeking ways to increase the cash return from some of our major investments outside of the United States. We made good progress in 1992 with Southern Peru Copper Corporation (SPCC), a company 52.3% owned by Asarco.

Following the resolution in late 1991 of a long standing dispute between SPCC and the Government of Peru, discriminatory tariffs, exchange rates, taxes and other practices were ended and a program of regular cash distributions to SPCC shareholders began. In December 1991, $60 million was distributed to shareholders, $31 million of that amount to Asarco. Three quarterly dividends, aggregating $15 million were paid in 1992, $8 million to Asarco. SPCC operations were normal in 1992 and cash moved freely in and out of the country. SPCC also began its $300 million, 5-year investment program committed as part of the 1991 agreement with the government. Loan commitments for $70 million have so far been received to support these investment projects. SPCC is seeking a total of $150 million of finance. This level of financing should assure that a share of earnings can continue to be paid out to the shareholders as dividends.

M.I.M. Holdings Limited, Asarco's 17.4% owned associated company in Australia, made good progress in its program to reduce costs and improve productivity. M.I.M.'s earnings improved in fiscal 1992, ended June 30, and it paid out 65% of earnings as dividends. Asarco's share was $9 million.

We continued to work on our program to generate cash from our investment in Mexico Desarrollo Industrial Minero, S.A. de C.V., in which we own a 28.3% interest. We have not been successful to date in finding a buyer for this investment, but we are still actively seeking an alternative which will produce a better cash return.

I referred at the beginning of this letter to the $122 million special charge to earnings made in 1992. The requirement to account for postretirement benefits (SFAS 106) on an accrued-liability basis accounted for $56 million of the charge.

With the completion of the expansion and modernization project at El Paso, now planned for early 1993, we considered it appropriate to reduce the carrying value of certain assets which will not be used following completion of this project. Of the charge, $21 million relates to the write-down of these and certain other facilities.

I have made note each year in this letter of the legacies which a ninety-three-year-old company, like Asarco, carries with it. These legacies are derived from an era when environmental perceptions, regulations and laws were different and available control technologies were less effective than they are today. The remaining $44 million of the special earnings provision was to add to the Company's reserve to meet its future environmental obligations. As a result of developments during 1992, the Company is now able to estimate with the requisite accounting certainty, a substantial portion of the anticipated cost at the sites in which it is now involved. At year end 1992, the Company had a pretax reserve balance of $141 million on its books for future environmental obligations.

Having restructured Asarco into an integrated mining, smelting and refining company in copper and lead, we will now turn our attention to reorganizing management to better reflect the new operating structure and to improving the day-to-day operations. Capital spending, which has totaled more than $850 million in the last five years, will be reduced in 1993 to about $120 million and the process of reducing our level of debt towards our long-term objective of 25% of total capitalization will begin.

We have changed the culture at Asarco in a very fundamental way in recent years. Additional steps aimed at integrating our mining, smelting and refining operations will be completed in the second quarter of 1993. At that time, we will combine the operating management of our metals businesses under two senior executives, one responsible for copper operations and the other for lead, zinc, silver and mineral operations. These changes will complete the process begun two years ago of pushing the day-to-day operating responsibilities down a level in our already quite flat organization.

In this environment of change and continuous improvement, our people at all levels are adapting well and performing superbly.

The Board of Directors joins me in thanking you, our shareholders, for your support during this period of rapid change and restructuring. We believe our strategy has been sound, that our properties are good and that the payoff for shareholders will become increasingly evident in the years ahead.

For the Board of Directors,

Richard de J. Osborne
Chairman of the Board
February 19, 1993

METALS: COPPER

Asarco's mine production of copper rose 24% in 1992, compared with 1991. The higher production reflected the completion of the expansion projects at the Arizona mines. The projects were completed at Mission in late 1991 and Ray in early 1992. Smelter production rose 9%, reflecting the second consecutive year of record production at the Hayden smelter in Arizona and higher production at El Paso. In 1992, the Company became self sufficient in the supply of copper concentrates from its mines to its smelters. Asarco realized an average price for copper of $1.04 per pound in 1992, 3% below the $1.07 a pound it realized in 1991.

Results of the copper operations were adversely affected in 1992 by a decline in prices and lower-than-planned throughput at the mines, which resulted from start-up difficulties with the expansion projects and weather-related problems. New techniques were developed in mid-1992 to address the harder ores encountered at the Mission mine during the year. In 1992, the Ray mine implemented programs to address the effects of the heavy rains. Construction of the new CONTOP furnace at the El Paso, Texas, copper smelter began in May 1992 following receipt of a final permit. Start up of the furnace is expected in early 1993. In late 1992, the Company announced that effective in May 1993, all copper operations will be organized under a single manager with headquarters in Tucson, Arizona.

Western world consumption of copper grew 1.3% to 10.0 million tons in 1992, the seventh consecutive year of record growth. Consumption grew 7.7% in the United States, 1.8% in Europe and declined 11.5% in Japan.

Western world output of refined copper grew 4.7% to 9.8 million tons. The growth reflected a 1.7% increase in mine production from Chile, Indonesia and the United States and the conversion of previous accumulations of copper concentrates into refined form.

Net east-west trade added 310,000 tons of refined copper to western world supply. Exports to the west of 325,000 tons from the Commonwealth of Independent States and 285,000 tons from Poland were partially offset by Chinese imports of 300,000 tons, resulting in a surplus in supply of 137,000 tons in 1992.

Total copper in the hands of producers, consumers and terminal markets rose to a five and a half-week supply at the end of 1992, compared with five weeks in 1991. Total stocks remained low by historical standards.

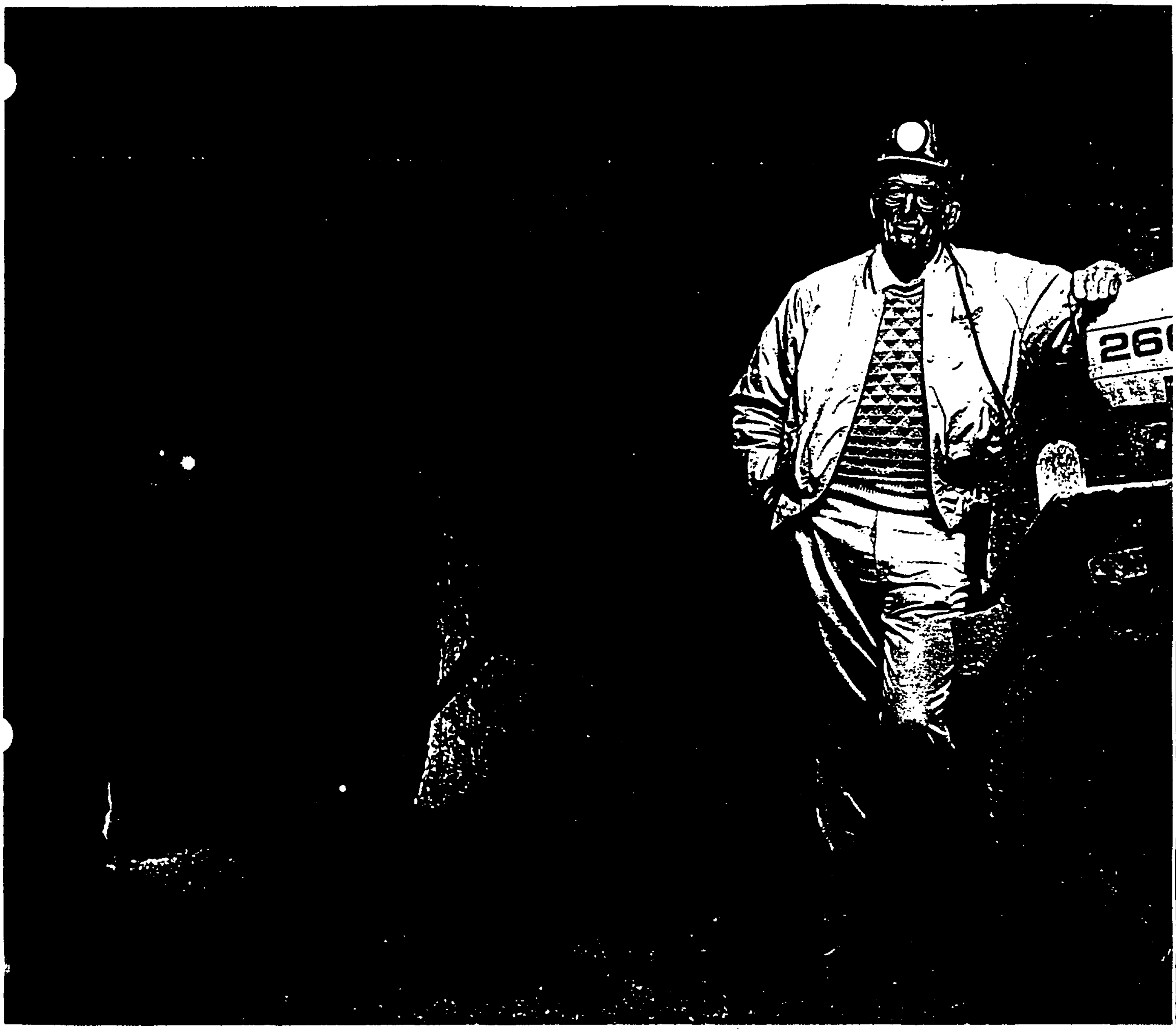
Consumption of copper is expected to increase by 2.5% in 1993 to 10.25 million tons as western world economies continue to recover from their recessionary lows. Production is expected to rise 1.5% in 1993 to 9.9 million tons.

COPPER OPERATIONS

	Asarco Interest (%)	Production (Contained Metal in 000s tons) 1992	1991	1990
MINE				
Mission	100.0	**103.2**	88.5	79.8
Ray	100.0	**165.1**	117.3	121.8
Continental	49.9	**52.4**	50.4	40.9
Others		**17.7**	23.7	23.9
Total		**338.4**	279.9	266.4
Asarco Share		**308.4**	249.4	240.5
SMELTER				
El Paso	100.0	**107.9**	105.9	103.8
Hayden	100.0	**208.4**	184.7	181.5
Total		**316.3**	290.6	285.3
REFINERY				
Amarillo	100.0	**467.2**	450.2	441.5
Ray (SX/EW)	100.0	**42.2**	42.6	40.9
Total		**509.4**	492.8	482.4

COPPER RESERVES

	Mineral Reserves at 12/31/92 (tons in millions)	Grade (%)
MINE		
Mission	565	0.67
Ray	1,120	0.63
Continental	356	0.30

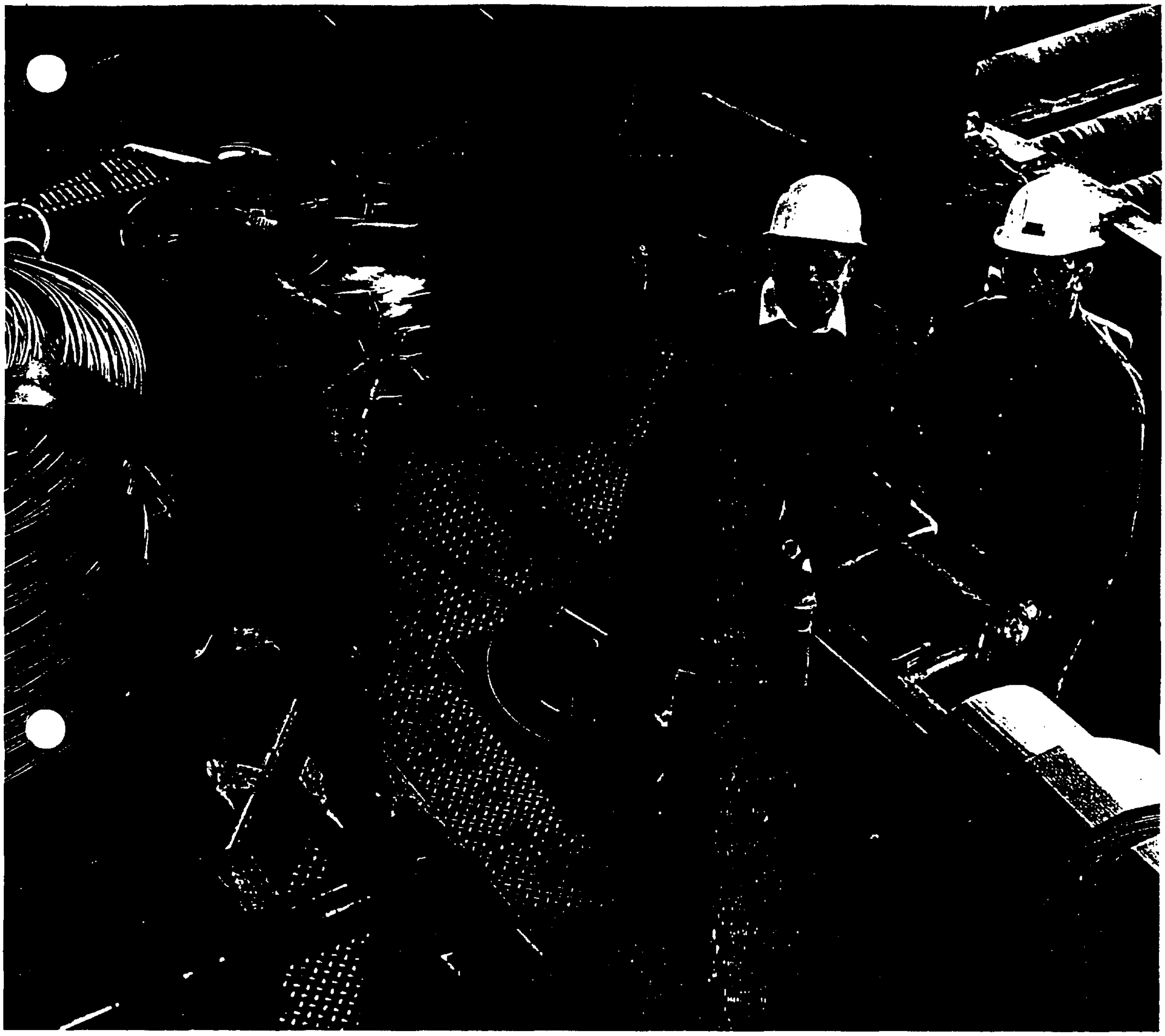


SAFETY

Jimmy L. Bales, general ·anager of the Eastern Mining Department, oversees the operations of four underground zinc mines near Knoxville, Tennessee.

Safety is a way of life in the mining business. It is also a team effort. We spend a great deal of time and attention at Asarco on employee safety. We emphasize the importance of safety at regularly scheduled classes and drills. We have a company-wide program that recognizes the safest operations. Our people appreciate that good safety is good business. At Asarco safety is a company-wide commitment that begins at the top.

Jimmy L. Bales



CUSTOMER SERVICE

Curtis F. Bates (center), general manager of the Southwestern Copper Division, oversees the El Paso, Texas, smelter and the Amarillo, Texas, refinery. Mr. Bates and Micheal D. Owsley (right), Amarillo plant manager, are shown at the copper rod line operation.

When we ask our customers what they think good service is, they answer that they want a quality product, delivered on time, at a fair price. Our goal is to make sure this happens. At the Asarco copper refinery in Amarillo, Texas, we produce more than 460,000 tons of copper annually in the form of cathode, rod, cake and billet. Every order of copper is different in terms of shapes, sizes and quantity. The way in which we respond to the customer, however, is the same. We listen carefully and provide what the customer wants promptly. Our employees share a common goal of providing the highest quality products and support to our customers. To me, that is what good service is all about.

Curtis F. Bates

Asarco's mine production of lead rose 2% in 1992, compared with 1991. Asarco began development of the south ore body at the Sweetwater mine in 1992. The Company's Missouri Lead business increased the supply of concentrates from its own mines to its smelter to 80% in 1992. The Glover smelter/refinery had record production in 1992. The Company's custom smelting and refining circuit in East Helena, Montana, and Omaha, Nebraska, was adversely affected in 1992 by the closure of a number of polymetallic lead-zinc-silver mines in the United States, Mexico and Peru, which limited the availability of high-value lead concentrates. Asarco realized an average price of 26 cents for lead in 1992, the same as in 1991.

In late 1992, the Company also announced that effective in May 1993, all of its lead, zinc, silver and mineral operations will be organized under a single manager, with headquarters in New York.

Western world consumption of lead declined .3% to 4.95 million tons in 1992. Consumption declined .5% in the United States, 3.5% in Europe and 3.4% in Japan. In 1992, 84% of U.S. consumption of lead and 63% of western world consumption was in automobile batteries.

Western world supply of refined lead increased .2% to 4.9 million tons in 1992, compared with 1991. Production in the U.S. declined by 3% to 1.3 million tons, reflecting lower mine output. Net exports of 90,000 tons from the former Socialist Bloc to the west caused a supply surplus of 15,000 tons in 1992.

Refined lead in the hands of western world producers, consumers and the terminal markets at the end of 1992 rose to the equivalent of about seven weeks of supply, compared with five weeks in 1991.

Western world consumption of lead in 1993 is expected to remain at the same 5.0 million-ton level as in 1992. Production of lead, however, is expected to decline by 170,000 tons because of lower mine and secondary production, and despite a continued flow of metal from the Commonwealth of Independent States, inventories are expected to decline in 1993.

LEAD OPERATIONS

	Asarco Interest (%)	Production (Contained Metal in 000s tons) 1992	1991	1990
MINE				
Leadville	52.5	**6.1**	6.4	5.4
Sweetwater	100.0	**50.9**	49.9	34.5
West Fork	100.0	**56.2**	54.5	56.5
Others		**4.1**	5.6	5.8
Total		**117.3**	116.4	102.2
Asarco Share		**113.6**	111.7	98.1
SMELTER				
East Helena	100.0	**71.6**	72.7	68.7
Glover	100.0	**130.1**	129.5	122.6
Total		**201.7**	202.2	191.3
REFINERY				
Glover	100.0	**130.1**	129.5	123.1
Omaha	100.0	**75.0**	78.5	66.9
Total		**205.1**	208.0	190.0

LEAD RESERVES

	Mineral Reserves at 12/31/92 (tons in millions)	Grade (%)
MINE		
Leadville	0.7	3.78
Sweetwater	20.8	4.93
West Fork	7.3	5.65

Asarco's mine production of zinc rose 1% in 1992. Results of the zinc operations improved in 1992 due to the higher price. The average price of a pound of zinc on the LME increased 10% to 56 cents, compared with 51 cents per pound in 1991. The Company placed the zinc mines in Tennessee on a seven-day schedule from five days in the first quarter of 1992. The schedule and the purchase of new mine equipment for the mines are expected to increase production and improve productivity in 1993.

Western world zinc consumption declined .5% in 1992 to 5.9 million tons. Consumption in the United States rose 12% and declined 3.1% in Europe and 8.2% in [illegible]n. Recovering automotive and construction markets in the U.S. were the major factors in higher U.S. consumption.

On the supply side, western world production of slab zinc was 5.9 million tons in 1992, the same as in 1991. Production and consumption of zinc were in balance in 1992. Because of exports by the Commonwealth of Independent States, the zinc market experienced a supply surplus of 225,000 tons. Reported stocks in 1992 increased to the equivalent of a nine-week supply, from six weeks in 1991.

Western world zinc consumption is expected to rise 3% in 1993. Western world supply of slab zinc is expected to decline about 1% in 1993 because of production cutbacks in 1992.

ZINC OPERATIONS

	Asarco Interest (%)	Production (Contained Metal in 000s tons)		
		1992	**1991**	**1990**
MINE				
Leadville	52.5	**16.3**	14.8	14.2
Missouri mines	100.0	**15.3**	15.7	19.2
Tennessee	100.0	**74.9**	73.9	69.5
Quiruvilca-Peru	80.0	**13.6**	15.0	16.9
Total		**120.1**	119.4	119.8
Asarco Share		**109.6**	109.0	109.3

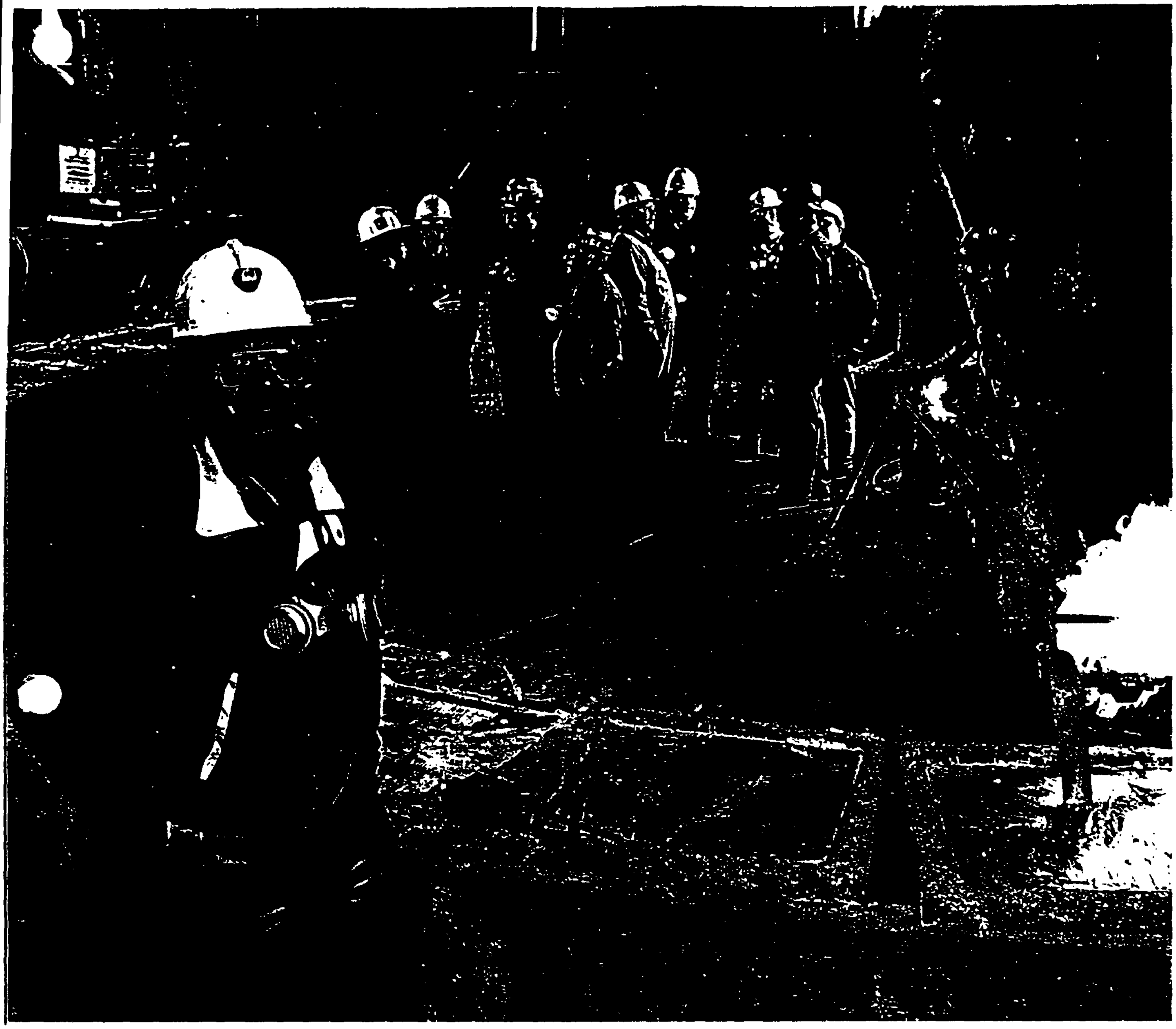
ZINC RESERVES

	Mineral Reserves at 12/31/92 (tons in millions)	Grade (%)
MINE		
Leadville	0.7	8.10
Missouri mines	28.2	0.83
Tennessee	5.5	3.22
Quiruvilca-Peru	5.4	4.24

Robert M. Novotny (left), vice president, operations, is shown above with W. Hoyl Gill, president of Asarco's American Limestone Company subsidiary, at the Forks of the River Quarry outside of Knoxville, Tennessee.

We believe that all operations and activities of Asarco should be conducted responsibly and in a manner designed to protect the health and safety of employees, customers, the public and the environment. Our objective is not only to comply with existing laws, but to support other activities that contribute to environmental protection, responsible resource management and the safety and well-being of our employees, customers and local communities. We have a formal Environmental, Safety and Health Policy, which we take seriously. We are committed to responsible management of the natural resources entrusted to our care.

Robert M. Novotny



EMPLOYEE INVOLVEMENT

Terry E. Erskine, general manager of the Missouri Lead Division, heads the Company's integrated lead business, including two lead mines and a smelter/refinery complex.

Continuously improving our business requires everyone's involvement. At the Asarco Missouri Lead Division the employees make a difference by contributing their knowledge and experience to the process of making lead. Employees work in teams at the Glover smelter/refinery and the Sweetwater and West Fork mines to identify problems and come up with solutions that result in measurable improvements. The collective commitment and teamwork of our people is represented in Asarco's quality statement, which was formulated by our employees and adopted in early 1992. The essential principles of the Asarco quality statement include commitment to continuous improvement, employee involvement, safety, environmental concern and customer satisfaction. The principles, together, add up to empowering people to get the job done and done well.

Terry E. Erskine