Vice-Pres. and Gen. Mgr.: Henry H. Pease. Sec.: T. P. Scott, Treas.: F. M. Fisher, Compt.; C. K. McAllister, Asst. Compt.; R. V. Pierce, Glenn O. Kidd, Asst Sec.; George Craig, Asst. Treas.

Directors: J. B. Warriner, Wm. Jay Turner, E. B. Leisenring, R. H. Knode, E. W. Clark, R. V. White, G. L. Ohrstrom, W. F. Carey, W. F. Kurtz.

Annual Meeting: Fourth Tuesday in March.

Office: 123 So. Broad St., Philadelphia, Pa.

Production Statistics, years ended Dec. 31 (net tons):

	Company	By Lessees
1942	3,057,855	794,002
1941	2,582,924	668,026
1940	2,423,620	631,192
1939	2,602,068	548,640
1938	2,413,761	7,277
1937	2,508,948	117,881

Income Account, years ended Dec. 31:

	1942	1941
Coal revenue	$18,018,305	$13,919,213
Coal expenses	17,034,665	13,057,600
Depreciation	140,746	120,036
Prov. doubt. accts.	cr 171,400	cr 74,000
Profit before gen. exp., etc.	1,014,294	815,576
General expenses	85,289	81,327
Taxes	380,127	319,971
Interest expense	1,459	2,100
Income tax res.	124,638	--------
Net profit	422,781	412,178

	1942	1941
Deficit, Jan. 1	2,457,414	2,869,593
[1]Debits	449,038	
Deficit, Dec. 31	2,482,671	2,457,414

[1]Charge-off investment and advances to Amboy Lehigh Coal Co. (a subsidiary) due to liquidation.

Balance Sheet, as of Dec. 31:

Assets:	1942	1941
Cash	$840,142	$688,171
Receivables, net	1,184,223	761,098
Coal stock	387,386	738,527
Mat. & supplies	332,165	384,627
Due fr. affil.	19,276	86,661
Total current	$2,763,392	$2,659,884
Plant & equip.	3,802,764	3,958,359
Depreciation	1,451,719	1,550,686
Net property	2,351,045	2,407,673
Inv. & adv. subs.	5,000	108,000
Other invests.	22,300	17,300
Due fr. subs. not curr.	1,680,754	1,797,429
[2]Stripp. exp. def.	626,622	840,058
Susp. debit acc.	129,718	150,157
Oth. accts. rec.	369,832	264,362
Other assets	[1]213,510	77,145
Total	$8,101,173	$8,319,002
Liabilities:		
Accts. pay., etc.	$844,535	$727,224
Due affil. cos.	33,570	56,212
Accrued taxes	252,589	114,051

Liabilities (cont'd)	1942	1941
Other payables	32,918	348,583
Compens. claims	53,215	57,107
Total current	$1,216,827	$1,203,177
Advances, etc.	5,190,465	5,929,680
Suspense credits	3,473	4,315
Work comp. ins.	210,075	136,140
Tax reserve	7,147	7,089
Equip. purch., etc.	16,031	48,949
Royal. payable	168,464	172,390
Compens. claims	110,978	101,748
Empl. war bd. fd.	139,397	--------
[3]Capital stock	3,000,500	3,000,500
Capital surplus	520,487	172,449
Earned deficit	2,482,671	2,457,414
Total	$8,101,173	$8,319,002
Net curr. assets	$1,546,565	$1,456,707

[1]Includes $139,397 U. S. War Bond Fund collected from Employees.

[2]After reserve for stripping expenses: 1942, $5,057,069; 1941, $4,099,550.

[3]50,000 no par shares.

Note: Capital surplus increased $348,038 in 1942 from reserve provided in 1937 for liquidation of subsidiary.

Accounts certified by Lybrand, Ross Bros. & Montgomery.

Capital Stock: 1. Lehigh Navigation Coal Co., Inc., capital stock; no par:

Authorized and outstanding, 50,000 shares; no par.

All owned by Lehigh Coal & Navigation Co.

PITTSBURGH PLATE GLASS COMPANY

CAPITAL STRUCTURE

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1942	Earned per Sh. 1941	Divs. per Sh. 1942	Divs. per Sh. 1941	Call Price	Price Range 1942	Price Range 1932–42
1. Common	$25	2,208,723 shs.	$5.09	$6.82	$3.50	$5.00	---	86½–55¼	147½–12½

HISTORY

Incorporated in Pennsylvania Aug. 24, 1883 and reincorporated in Pennsylvania Nov. 3, 1920 upon merger with the Patton-Pitcairn Co. and Columbia Chemical Co., both incorporated in Pennsylvania in Nov., 1920. For details of stock issued in 1920 see Capital Stock—Issued. The Patton-Pitcairn Co. was a holding company owning all of the outstanding stocks of (1) Patton Paint Co. of Milwaukee, in which Pittsburgh Plate Glass purchased a 49% stock interest in 1900 and subsequently acquired a majority (2) Rennous, Kleinle & Co., brush manufacturers of Baltimore, in which Pittsburgh Plate Glass acquired a 48% stock interest in 1900 and subsequently acquired a majority (3) Pitcairn Varnish Co., and (4) Corona Chemical Co. In the latter two concerns, Pittsburgh Plate Glass acquired a majority stock interest as a result of stock dividends received. These subsidiaries owned the entire capital stocks of Red Wing Linseed Oil Co. and several smaller sub-companies. At the time of merger, Pittsburgh Plate Glass owned 54% of the capital stock of Patton-Pitcairn Co. Columbia Chemical Co. was first organized in 1899 by John Pitcairn, then Chairman of the Board of Directors of Pittsburgh Plate Glass Co. Its alkali plant at Barberton, O. began production in 1900.

Upon formation of the company in 1883 the first commercial plate glass factory in the United States was constructed at Creighton, Pa.

In 1895 additional plate glass factories were acquired, including those of Diamond Plate Glass Co., with factories at Kokomo and Elwood, Ind.

Seven branch warehouses were inaugurated in 1896 and shortly thereafter the business was expanded to include the distribution of all kinds of sheet and window glass purchased from others.

In 1902 began the production of plate glass at Courcelles, Belgium. (Closed early in 1940, after German invasion of Belgium.)

In 1907 began operation of a plate glass factory at Ford City, Pa. and in 1909 at Crystal City, Mo.

Production of sheet and window glass began in 1907 at Mount Vernon, O., through acquisition of the plant of Chambers Window Glass Co. Additional sheet and window glass factories were built in 1914 at Clarksburg, W. Va.

In 1922 dissolved Red Wing Linseed Oil Co. and acquired its linseed oil and other properties.

At Creighton, Pa. late in 1924 completed the first unit of a new polished plate glass plant operating by a continuous process and in 1926 completed the second unit.

In May, 1924 completed construction of a Portland cement plant at Fultonham, O., with a daily capacity of 2,500 barrels. In May, 1927 plant capacity was increased to 5,000 barrels daily at a cost of about $1,500,000.

In early 1924 began the sale of nitrocellulose lacquers. In the same year increased the productive capacity of its Portland, Ore. paint factories and acquired the factories of Sunset Paint Co. of Los Angeles. In 1927 completed a four-year expansion program at the Milwaukee lacquer plant. In 1929 began operation of a lacquer plant at Newark, N. J.

In late 1927 the company and a subsidiary of E. I. du Pont de Nemours each acquired a 50% stock interest in Pittsburgh Safety Glass Co. (name subsequently changed to Duplate Corp.), which constructed a $1,000,000 plant at Creighton, Pa. for the manufacture of safety glass, using the company's plate glass and du Pont's plastic interlayer. In 1931 acquired full control of Duplate Corp.

In June, 1928 acquired Ditzler Color Co. of Detroit, manufacturers of automobile finishes.

In July, 1929 completed the rebuilding and modernization of its Ford City, Pa. plate glass plant at a cost of $5,500,000 and in Mar., 1930 completed a similar program at the Crystal City, Mo. plate glass plant. These plants replaced old ones at these locations. In June, 1931 completed a plant at Ford City to manufacture Carrara glass, heavy polished plate glass and spectacle and special glasses.

In 1928-29 began production of sheet and window glass under a new process at Clarksburg, W. Va., and Mt. Vernon, O. In 1929 began operation of a new sheet and window glass plant at Henryetta, Okla. In 1934 additions were made to all three window glass plants.

In 1929 began production of "Wallhide," a new interior paint.

In 1931, jointly with American Cyanamid Co., formed Southern Alkali Corp. (see appended statement) (in which the company owns a 51% stock interest through Columbia Development Corp. and American Cyanamid 49%). This company completed a $7,000,000 soda ash and caustic soda plant at Corpus Christi, Tex. in Oct., 1934. In Mar., 1938, Southern Alkali completed construction of a liquid chlorine plant at this location.

In Aug., 1936 began operation of a new liquid chlorine plant at the Barberton, O., factory of the Columbia Chemical Division and in Nov., 1936 at this location began operation of a bicarbonate of soda factory. In Oct., 1937 capacity of the liquid chlorine plant at Barberton was doubled.

In 1936 began fabricating safety glass at Crystal City, Mo.

In 1937 constructed a resin plant at Milwaukee and acquired the factory and business of The Thresher Varnish Co. at Dayton, O.

In Mar., 1937, jointly with Corning Glass Works (see general index) formed Pittsburgh Corning Corp. to manufacture glass building blocks, glass tile, etc., at a newly-constructed plant at Port Allegany, Pa. Each company owns 50% of the $900,000 outstanding capital stock of this concern.

In 1938 exercised an option to purchase 96,000 shares of American Cyanamid Co. class B stock at $20 per share under an option issued in 1931.

On June 10, 1938 dissolved Duplate Corp., a wholly-owned subsidiary, manufacturing safety glass, and acquired its assets.

SUBSIDIARIES

Parent functions chiefly as an operating company, the principal subsidiaries being Columbia Development Corp., which holds securities (incl. those of Southern Alkali Corp.), non-current receivables, etc.; and the Belgian subsidiary, which operates the plate glass plant in that country. As of Dec. 31, 1942, owned 100% of the voting control of the following:

Allied Paint & Glass Co.
Altoona Glass & Paint Co., Inc.
Canonsburg Paint & Glass Co.
Charleroi & Belle Vernon R.R. Co. (Inactive)
Crystal City Mining Co. (Inactive)
Columbia Development Corp.
  Southern Alkali Corp. (51%)
    Southern Minerals Corp. (26.32%)
    Southern Pipeline Corp. (100%)
  Southern Minerals Corp. (37.58%)
Geneva Paint & Glass Co.
Ivoroid Mixed Paint Co. (Inactive)
H. W. Johns Paint Mfg. Co. (Inactive)
Kingston Paint & Glass Co., Inc.
Nevius Paints, Inc.
Patton Paint Corp. (Inactive)
Pittsburgh Plate Glass Co. of Michigan
Pittsburgh Plate Glass Co. (Tenn.)
Poughkeepsie Paint & Glass Co., Inc. (formerly Thomas V. Lackaye Paint & Glass Co.)
Queen City Paint & Glass Co.
The Rainey Stores, Inc.
The Regal Mirror Co.
Sewickley Hardware & Paint Co.
Societe Anonyme des Glaces de Courcelles (Belgium)
Sunset Paint Corp. (Inactive)
The Thresher Varnish Co.
Triplex Corp.
Uniontown Paint & Glass Co.
Wesco Paint & Glass Co., Inc.

As of Dec. 31, 1942, owned less than 100% of the voting control of the following subsidiaries:

Gurley-Comstock Corp. (53.125%)
Southern Condensate Corp. (51%)
E. J. White Paint & Glass Co., Inc. (87.5%)

In addition, had voting control of Joseph J. Ball, Inc. (inactive), by reason of holding all its preferred stock. This preferred assumed voting control upon dividend default.

Owns 50% of voting control of Pittsburgh Corning Corp. (see History).

BUSINESS & PRODUCTS

Principal industries served are the automobile, which consumes the company's safety glass and finishes, and the building, which uses paints, varnishes, brushes, window glass, plate glass and mirrors.

Ranks as one of the two leading producers of plate glass (capacity 100,000,000 sq. ft. yearly), which is used principally by the automobile industry in the form of safety glass which comprises two sheets of plate glass pressed together with a plastic interlayer. Plate glass is also used for store fronts, mirrors, etc. Ranks as one of the leading producers of sheet or window glass, sold under the trade name Pennvernon. Chief raw materials of this division are soda ash, sand, limestone and vinyl plastic.

Ranks as one of the leading producers of paint, varnish, lacquer and brushes, which are sold in large quantities to automobile companies and other industrial consumers as well as for general trade purposes in painting of new houses and in home rehabilitation. Chief raw materials of this division are linseed oil and other solvents, colors, metallic pigments, etc.

Ranks as one of the leading producers of soda ash, which is used in the manufacture of glass, soap, oil, textiles, drugs, pulp and paper, and in water softening, purification processes and cleaning operations, and of caustic soda, which is used in the manufacture of soap, chemicals, rayon, lye, textiles, and in petroleum refining and rubber reclaiming. Other products of the chemical division include (1) liquid chlorine, used largely in the production of chemicals, textiles and pulp, and in water purification (2) modified sodas (3) special alkalis (4) calcium chloride (5) whiting (6) Hennig's purifier, used for desulphurizing pig and cast iron (7) salt for industrial uses (8) Col-Rec, used for coal treatment, and (9) Calcene, used for rubber compounding. Principal raw materials of this division are salt and limestone.

PLAINTIFF'S EXHIBIT
tabbies
U-680

Relatively minor divisions of the business comprise the manufacture of Portland cement, dry colors, insecticides, fungicides and seed grain disinfectants. Products are distributed through 111 warehouses and stores located throughout the country.

Although company is primarily a producer of civilian goods, the production of direct and indirect war materials has, since the outbreak of the war, become a substantial portion of its business.

PRINCIPAL PLANTS & PROPERTIES

For details on property acquisition, construction, etc., see History.

Plate glass manufacturing plants are located at Creighton and Ford City, Pa.; Crystal City, Mo., and Courcelles, Belgium (closed early in 1940, after German invasion of Belgium). Plate glass from the Creighton and Crystal City plants is used in the fabrication of the company's safety glass. Window glass factories are located at Henryetta, Okla.; Mount Vernon, O., and Clarksburg, W. Va.

Paints are manufactured at Milwaukee, Wis.; Detroit, Mich.; Newark, N. J.; Portland, Ore.; Dayton, O., Houston, Texas, and Los Angeles, Cal. Varnishes and lacquers are produced at Milwaukee, Dayton, Detroit, Newark, Houston and Los Angeles. Linseed oil mills are operated at Red Wing, Minn., and Newark, N. J. Paint and other brushes are produced at Baltimore, Md., and Keene, N. H. A store front metal factory is located at Kokomo, Ind.

Alkalis and other chemicals are produced at Barberton, O., and through a subsidiary, Southern Alkali Corp., at Corpus Christi, Tex.

Other activities include a cement plant at Zanesville, O. (2,000,000 bbls. yearly capacity), the manufacture of dry colors, insecticides, fungicides and seed germ disinfectants at Milwaukee; coal mines at Creighton, Pa.; sand mines at Crystal City, Mo.; limestone quarries at Fultonham, O., and gas properties and gas lines at Ford City, Pa. In addition, 113 warehouses and stores are operated for the distribution of glass, paint, etc. Research laboratories are located as follows: Glass at Creighton, paints at Milwaukee, Newark and Detroit, chemicals at Barberton.

Pittsburgh Corning Corp., a 50% owned company, has a glass block producing plant at Port Allegany, Pa.

Status of Belgian Property and Business: Concerning the condition of the Belgian subsidiary's property, the following statement was made in the annual report for 1942.

"No information is available as to the condition of the plate glass plant at Courcelles, Belgium. The company continues to carry this property on its books at a nominal value of $1."

MANAGEMENT

Officers

Clarence M. Brown, Chairman
H. S. Wherrett, Vice-Chairman
R. L. Clause, President
H. B. Higgins, Exec. Vice-President
E. T. Asplundh, Vice-President
J. H. Herov, Vice-President
F. W. Judson, Vice-President
E. D. Griffin, Vice-President
J. A. Wilson, Mgr. Glass Mfg.
W. V. Simmons, Treasurer
H. B. Brown, Secretary
S. M. Campbell, Comptroller
Leland Hazard, General Counsel

Directors

Clarence M. Brown, Chairman, Philadelphia.
E. T. Asplundh, Barberton, O.
R. L. Clause, Pittsburgh
E. D. Griffin, Pittsburgh
J. H. Herov, New York
H. B. Higgins, Pittsburgh
Richard K. Mellon, Pittsburgh
Harold F. Pitcairn, Philadelphia
Raymond Pitcairn, Philadelphia
R. B. Tucker, Pittsburgh.
H. S. Wherrett, Pittsburgh

Member of Executive Committee.

General Counsel: Leland Hazard.

Annual Meeting: First Wednesday in April.

No. of Stockholders: Dec. 31, 1942, 7,638.

No. of Employees: Dec. 31, 1942, 16,056.

General Office: Grant Bldg., Pittsburgh.

INCOME ACCOUNTS

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Taken from reports to Securities and Exchange Commission)

	1942	1941	1940	1939	1938	1937	1936
Net sales	$106,836,345	$128,004,011	$97,940,631	$83,189,821	$64,355,034	$93,315,307	$86,110,486
Cost of goods sold	58,883,339	63,248,845	48,932,785	45,366,945	36,404,244	48,133,452	44,699,676
Other manufacturing costs	12,793,068	17,190,218	14,427,406	9,927,435	10,020,006	9,742,449	9,670,414
Selling, general & admin. expenses	17,271,800	18,788,709	16,247,149	15,107,549	13,026,900	15,307,872	14,896,702
Operating profit	17,888,138	28,779,239	18,333,291	12,787,692	4,903,884	20,131,735	16,843,693
Interest and dividends received	1,109,911	1,298,334	1,037,223	822,293	770,923	856,204	650,011
Royalties received	59,317	98,262	118,535	146,701	326,460	776,381	604,256
Proceeds, sale of license rights	--------	--------	--------	--------	1,582,500	--------	--------
Other income	148,898	305,017	834,091	756,588	608,248	880,006	712,156
Gross income	19,208,264	30,479,852	20,323,140	14,513,274	8,192,015	22,644,327	18,810,116
Income deductions	458,132	307,674	687,729	1,227,539	159,445	74,385	39,528
Balance	18,748,132	30,172,178	19,635,411	13,285,734	8,032,570	22,569,942	18,770,598
Federal income taxes	7,000,000	6,750,000	4,955,024	2,337,940	$1,543,663	3,793,960	3,185,727
State income taxes	361,000	1,183,000	186,450	181,383			
Federal excess profits tax	152,800	7,250,000	700,000				
Post-war refund—excess profit tax	cr 2,800			--------	--------	--------	--------
Surtax on undistributed profits	--------	--------	--------	--------	--------	488,013	263,077
Net income to surplus	11,237,132	14,989,178	13,793,937	10,766,412	6,488,907	18,287,969	15,321,834
Earned surplus beginning of year	53,767,156	51,056,658	48,420,987	47,313,306	44,406,388	41,140,663	37,198,836
Other surplus credits	--------	--------	--------	36,170	188,283	--------	435,238
Dividends	7,707,389	10,961,175	10,909,174	8,672,811	3,770,272	13,928,415	11,783,121
Other surplus charges	--------	1,317,505	249,093	669	--------	1,093,829	32,124
Earned surplus, end of year	$57,296,899	$53,767,156	$51,056,658	$49,442,609	$47,313,307	$44,406,388	$41,140,663
SUPPLEMENTARY P & L DATA							
Depreciation, depletion & amort.	$5,544,677	$4,066,610	$4,840,643	$4,427,430	$4,192,317	$3,839,401	$3,592,502
Maintenance and repairs	4,897,842	4,621,271	3,806,036	3,599,361	3,466,080	4,239,289	3,648,534
Taxes, other than income	2,604,340	3,138,459	2,431,757	2,368,451	2,343,674	2,412,060	1,403,789
Rents	456,525	469,634	510,290	475,149	457,857	403,383	368,510
Royalties	176,844	194,651	166,559	115,534	109,755	144,861	123,106
Provision for bad debts (net)	223,537	275,495	268,903	264,610	192,359	165,120	88,946
Losses from retirement of property	Not stated	Not stated	Not stated	499,978	--------	513,852	842,282
Parent company's net sales	$98,986,541	$116,028,062	$88,637,378	$76,306,295	$58,498,638	$84,702,218	$77,886,003
Parent company's net income	11,241,884	14,437,062	13,063,369	10,054,832	6,030,247	17,511,665	14,776,698
Equity in earnings of subs. consol.	758,018	1,816,351	1,686,187	1,647,403	1,396,832	2,552,971	2,024,847
Dividends from subs. consolidated	751,961	1,244,221	1,042,752	744,452	860,824	2,191,984	1,474,365
Equity in earnings of subs. not cons.	628,514	675,720	585,333	502,614	395,103	686,351	267,681
Dividends from subs. not consolidated	217,190	287,325	158,050	87,325	--------	531,750	201,244

Gross sales less discounts, returns and allowances and includes following sales to unconsolidated subsidiaries: 1936, $136,500; 1937, $242,256; 1938, $108,431; 1939, $61,704; 1940, $25,059; 1941, $28,874; 1942, $201,071.

Includes related portions of items shown under "Supplementary P & L Data" below statement.

Includes equity in aggregate net earnings of non-consolidated subsidiaries: 1936, $267,681; 1937, $686,351; 1938, $395,103; 1939, $502,614; 1940, $427,883. As of Jan. 1, 1941, company adopted policy of taking up income from subsidiaries only when received as dividends, and eliminated previously recorded equity in undistributed surplus of such subsidiaries. Company's share of undistributed net profits of non-consolidated subsidiaries for 1942 was $342,393 (1941, $388,385), which amount was not included in income account. Also see note.

In 1940 included $500,000 and in 1939, $1,000,000 provision for pensions and relief.

In 1936, 1938 and 1939 represents net adjustments of securities and investments.

In 1941, consisted of adjustment to eliminate equity in undistributed surplus of subsidiaries not consolidated. Also see note.

In 1939 comprised: Net adjustment of value of marketable securities and miscellaneous investments, $233,373; Wisconsin dividend privilege tax paid for stockholders, $15,720; total, $249,092.

In 1937, comprised: Adjustment of foreign subsidiary's property, $563,895; net adjustment of marketable securities and miscellaneous investments, $489,238; miscellaneous surplus charges, $40,696; total, $1,093,829.

Including amortization but excluding depreciation charged to reserve for contingencies: 1936, $3,890; 1937, $7,556; 1938, $6,891; 1939, $4,081.

Includes provisional charges for repairs and maintenance: 1936, $1,234,381; 1937, $1,346,365; 1938, $1,154,092; 1939, $1,499,473; 1940, $1,638,517; 1941, $1,901,247; 1942, $1,569,524. Does not include amounts charged to reserve for contingencies as follows: 1935, $48,315; 1936, $38,270; 1937, $52,143; 1938, $29,390; 1939, $52,117.

1940 and prior years reflected in above accounts in other income or income deductions. See note.

1940: After excluding $1,021,622 surplus of foreign subsidiary previously consolidated.

General Note: Foreign subsidiary (Belgian), previously consolidated, was not consolidated in 1940-42, incl. In 1939 the operations of this subsidiary were included for only eleven months to Nov. 30 as company's fiscal year was changed. The results were converted at the average of semi-monthly rates of exchange prevailing during the twelve months ended Nov. 30, 1939. The difference arising through conversion of the accounts is shown in this statement under income deductions.

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET AS OF DEC. 31
(Taken from reports to Securities and Exchange Commission)

ASSETS	1942	1941	1940	1939	1938	1937	1936
Cash	$13,871,430	$11,289,770	$12,286,604	$10,476,880	$12,125,917	$6,258,410	$7,738,864
U. S. Government securities	5,992,820	5,836,730	2,511,372	5,321,656	614,833	3,138,585	10,261,342
Other marketable securities	5,115,646	7,607,600	11,358,001	8,673,209	6,912,852	4,940,737	4,881,427
Notes & accts. receiv. accrued, etc.	8,395,952	11,608,068	9,689,079	8,609,286	7,274,797	6,965,104	7,747,708
Inventories	25,650,115	25,455,005	21,5[illegible]3,920	20,385,039	19,742,728	23,890,164	16,528,772
Total current assets	$59,025,963	$61,797,173	$57,384,056	$53,465,871	$46,671,107	$45,191,000	$47,158,112
Sec. & advances to unconsol. subs.	$7,331,710	$7,809,792	$7,743,511	$7,127,810	$6,242,823	$6,875,196	$4,896,272
Invest in foreign subs. not consol.	1	1	1				
Miscellaneous investments	4,007,430	3,805,987	948,131	1,114,251	1,375,126	1,081,457	677,438
Non-current notes & accounts (net)	853,429	1,170,800	1,051,062	742,380	501,978	539,779	576,857
Property, plant & equip.	124,837,675	121,174,100	--------	--------	--------	--------	--------
Less: Deprec., depl. & amort. res.	59,444,116	54,720,350	--------	--------	--------	--------	--------
Less: Extraord. obsol. res.	1,353,949	1,353,949	--------	--------	--------	--------	--------
Net property	64,039,610	65,099,801	61,419,995	60,603,223	62,358,536	63,391,636	60,271,439
Patents	1	1	22	8,486	8,988	11,400	13,783
Deferred charges	1,288,381	1,705,065	1,095,934	1,090,529	988,577	1,033,442	845,073
Total	$136,546,025	$141,388,710	$129,642,713	$124,150,550	$118,147,136	$118,123,994	$114,438,975

BALANCE SHEETS (cont'd)

LIABILITIES	1942	1941	1940	1939	1938	1937	1936
Accounts payable, trade	$2,730,316	$3,383,172	$3,051,028	$2,992,189	$2,387,441	$2,486,016	$3,518,609
Notes payable	18,315	18,500	204,600	121,113	146,360	183,609	221,717
Accrued taxes	10,302,789	17,685,013	7,189,334	3,853,089	3,731,004	5,348,255	4,386,830
Other payables and accruals	1,274,240	1,418,353	1,516,927	1,425,941	1,255,973	1,453,746	1,320,494
Total current liabilities	$14,325,640	$22,505,037	$11,941,888	$8,392,332	$8,520,778	$9,471,625	$9,447,740
Collected on installment sales	$96,886	$369,092	$639,708	$909,113	$1,114,177	$1,407,218	$1,152,703
Deferred credits	167,547	188,043	174,710	173,155	122,132	145,608	48,810
Reserve for contingencies	4,931,365	4,931,365	4,931,365	4,931,365	5,003,107	4,611,442	4,687,613
Insurance reserve	2,348,905	2,208,691	1,983,316	1,796,324	1,674,211	1,998,996	1,855,143
Pension and relief reserve	--------	--------	2,042,188	2,000,000	1,000,000	1,000,000	1,000,000
Reserve for maint. & repairs, etc.	1,633,174	1,930,079	1,641,053	1,544,132	1,424,472	1,506,322	1,538,418
Minority interest	2,534	3,297	5,826	5,920	5,852	5,670	6,810
Capital stock (par $25)	55,218,075	54,960,950	54,701,000	54,430,600	53,969,100	53,570,825	53,561,075
Surplus	57,821,899	54,292,156	51,581,658	49,967,609	47,313,307	44,406,388	41,140,663
Total	$136,546,025	$141,388,710	$129,642,713	$124,150,550	$118,147,136	$118,123,994	$114,438,975
Net current assets	$44,700,323	$39,292,136	$45,442,168	$45,073,539	$40,150,329	$35,719,375	$37,710,372
PROPERTY ACCT.—ANALYSIS							
Additions at cost	$4,725,459	$8,931,543	$7,648,160	$3,191,739	$3,633,490	$8,489,151	$6,554,145
Retirements or sales	1,067,126	1,876,934	1,990,764	518,043	469,874	889,735	1,282,571
Depreciation and depletion	--------	52,705,620	4,840,643	4,429,009	4,196,716	3,915,323	3,593,891
Other additions	4,241	cr 6,123	--------	--------	--------	cr 563,895	--------
DEPR., DEPL. & AMORT. RES.—ANALYSIS							
Charged to profit & loss	$5,510,539	$4,966,610	--------	--------	--------	--------	--------
Charged to other accounts	4,241	51,351,671	--------	--------	--------	--------	--------
Retirements, renewals & replace.	825,152	1,506,170	--------	--------	--------	--------	--------
Other additions	34,138	239	--------	--------	--------	--------	--------

Lower of cost or market. Market value, Dec. 31, 1942, $5,993,903.

Lower of cost or market. Market value, Dec. 31, 1942, $5,234,320.

After reserves (1942, $1,211,472).

At less than cost or market. At Dec. 31, 1942, consisted of: Finished goods, $12,141,000; work in process, $2,246,206; raw materials, $6,141,333; supplies (including repair parts), $5,121,577; total, $25,650,115.

1942: Consists of: Securities of subsidiaries not consolidated, $5,688,500; due from subsidiaries not consolidated, $1,642,710; total, $7,331,210.

1942:

Used in business:	Property	Reserves
Land	$7,034,243	$1,677,029
Buildings	36,084,543	15,418,192
Mach. & equip.	75,762,907	39,791,291
Construction	1,493,744	--------
Unused facilities	953,240	557,681
Other property	3,508,999	1,999,922
Total	$124,837,675	$59,444,116

1940 and prior years property carried at depreciated cost. Annual provisions for depreciation and depletion were credited to asset accounts (see changes shown below balance sheet). See note (c) below.

Includes subscriptions under officers and employees' stock purchase plan: 1936, $982,182; 1937, $1,251,128; 1938, $974,192; 1939, $787,475; 1940, $517,075; 1941, $257,125; 1942, $96,886.

Includes capital surplus: 1935, $3,003; 1936, $2,862; 1937, written off; 1938, nil; 1939-42 (paid-in), $525,000. Amounts invested in treasury stock: 1936, $752,025; 1937, $742,275; 1938, $520,000; 1939, $390,000; 1940, $260,000; 1941, $130,000; 1942, nil.

1941: Represents adjustments to restate property accounts at appraised value at Dec. 31, 1936, plus subsequent additions at cost; credits to depreciation reserve, $51,351,671; net credit to reserve for extraordinary obsolescence reserve, $1,353,949.

1940 and prior years: Credited to asset accounts. Includes amounts charged to contingency reserve (note [illegible] to consolidated income account).

At net carrying value of investment in and advances to and from subsidiary (see General Note (b) below).

Depreciation Policy: Provision for depreciation of depreciable assets was made at various annual rates, which are based on the estimated useful lives of the respective items. Computed composite annual depreciation rates for 1942, based on provisions for year and balances in adjusted property accounts at beginning of year, plus one-half of net additions for year, follow: Used in business: land improvements, 4.18%; buildings, 3.06%; machinery and equipment, 5.81%; not in operation: buildings, 21.40%; machinery and equipment, 4.84%; other real estate land and dwellings for employees (including land and dwellings under contract of sale), and investment property: land improvements, 3.50%; buildings and building equipment, 1.97%; machinery and equipment, 0.02%.

Provision for depletion of salt, limestone, clay and coal deposits for 1941 was equivalent to cost of such resources recovered during year, that cost being computed on basis of ratio of resources recovered to total recoverable resources estimated by company's engineers.

General Notes

(a) Accounts certified by Haskins & Sells.

(b) Above consolidated statements include all subsidiaries whose business policies and operations are directed by the parent through its organization (excludes Southern Alkali Corp. 51% owned). In 1937, 1938 and 1939 accounts of one foreign subsidiary included as of Nov. 30th. In 1939 net current assets of foreign subsidiary were converted at rate of exchange prevailing at Nov. 30, 1939. The fixed assets were converted generally on the basis of dollar cost.

Company's only foreign subsidiary (Belgian) was not consolidated in 1940-42, incl. Earned surplus of this subsidiary was eliminated from consolidated earned surplus as of Dec. 31, 1939, and net carrying value of the investment and advances to and from this subsidiary is now stated at $1.

(c) Prior to 1941, it was general policy of company and subsidiaries to credit provision for depreciation, provided for on basis of cost of the property direct to related property accounts. In 1941, company and subsidiaries completed major portion of analyses of their accounts so as to restate property at cost, and to segregate amounts of accrued depreciation.

FINANCIAL & OPERATING DATA

Statistical Record	1942	1941	1940	1939	1938	1937	1936
Earned per share	$5.09	$6.82	$6.30	$4.94	$3.01	$8.53	$7.15
Dividends per share	$3.50	$5.00	$5.00	$4.00	$1.75	$6.50	$8.00
Price range	86½–53¼	96¼–55	104¼–65	117–90	115½–55	147½–77	140–98¼
Net assets per share	$51.18	$49.70	$48.57	$47.95	$46.92	$45.72	$44.20
Number of shares	2,208,723	2,198,438	2,188,040	2,177,224	2,158,764	2,142,833	2,142,443
Financial and Operating Ratios							
Current assets÷curr. liabilities	4.12	2.75	4.81	6.37	7.16	4.77	4.99
% cash & securities to curr. assets	42.32	40.02	45.58	45.77	42.11	31.72	48.52
% inventory to curr. assets	43.46	41.19	37.54	38.13	42.30	52.86	35.05
% net curr. assets to net worth	39.54	35.96	42.76	43.17	39.64	36.45	39.82
Capitalization:							
% common stock & surplus	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Sales÷inventory	4.16	5.03	4.55	4.08	3.26	3.91	5.21
Sales÷receivables	12.72	11.03	10.11	9.66	8.85	13.40	11.11
% sales to net property	166.83	196.63	159.46	137.27	103.20	147.21	142.87
% sales to total assets	78.24	90.53	75.55	67.01	54.47	79.00	75.25
% net income to total assets	8.23	10.60	10.64	8.67	5.49	15.48	13.39
% net income to net worth	9.94	13.72	12.98	10.31	6.41	18.66	16.18
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Costs, goods & mfg.	67.09	62.84	64.69	66.47	72.14	62.02	63.14
Sell., gen. & adm. exp.	16.17	14.68	16.59	18.16	20.24	16.40	17.30
Operating profit	16.74	22.48	18.72	15.37	7.62	21.57	19.56
Proceeds, sale of license rights	----	--------	----	----	2.46	----	----
Other income	1.23	1.33	2.03	2.08	2.65	2.69	2.28
Gross income	17.97	23.81	20.75	17.45	12.73	24.27	21.84
Income deductions	0.43	0.24	0.70	1.48	.25	.08	.05
Net income before income taxes, etc.	17.54	23.57	20.05	15.97	12.48	24.19	21.80
Provision for taxes on income	7.03	11.86	5.96	3.03	2.40	4.59	4.00
Net income	10.51	11.71	14.09	12.94	10.08	19.60	17.79

CAPITAL STOCK

1. Pittsburgh Plate Glass Co. stock; par $25:

AUTHORIZED—2,600,000 shares; issued, 2,208,723 shares; outstanding, Dec. 31, 1942, 2,208,723 shares; par $25 (changed from $100 par Oct. 9, 1923, four $25 par shares issued in exchange for each $100 par share).

Dividend Record (in $)

($100 par shares)

1883-98	Nil	1899	5.00	1900-06	6.00
[1]1907-17	7.00	1918	10.00	1919	7.25
[2]1920	12.00	1921	8.00	1922	13.00
[3]1923-26	12.00	1927	13.00	1928	6.00

($25 par shares)

[4]1928	0.50	1929	3.00	1930	2.00
1931	1.75	1932	0.75	1933	0.70
1934	1.30	1935	2.90	1936	6.00
1937	6.50	1938	1.75	1939	4.00
1940-41	5.00	1942	3.50	[5]1943	1.50

[1]Plus 10% in stock Apr., 1917.
[2]Plus 20% in stock Dec., 1920.
[3]Plus 30% in stock Jan., 1923.
[4]Plus 10% in stock Dec. 1, 1928.
[5]To July 2.

Dividends payable quarterly Apr. 1, etc., to stock of record about Mar. 10, etc.

PREEMPTIVE RIGHTS—As provided by the statutes of the Commonwealth of Pennsylvania.

LISTED—Pittsburgh Stock Exchange; also traded in unlisted section of New York Curb Exchange.

TRANSFER AGENTS—Peoples-Pittsburgh Trust Co., Pittsburgh; City Bank Farmers Trust Co., New York.

REGISTRARS—Union Trust Co., Pittsburgh; Guaranty Trust Co., New York.

ISSUED—Upon reincorporation in 1920, 307,342 shares of new $100 par stock were issued as follows: 247,500 shares to holders of old $100 par common on a share for share basis; 1,540 shares to holders of old 12% preferred on the basis of two shares for each share held; 47,728 shares to stockholders of Columbia Chemical Co. on the basis of 8/10 of a share for each share held; 10,574 shares to minority stockholders (46%) of Patton-Pitcairn Co. on a share for share basis.

PRICE RANGE—	1942	1941	1940
Stock	86½-53¼	96¼-55	104¼-65