

MEMORANDUM FOR DIRECTORS' MEETING - DECEMBER 28TH 1937

NET INCOME

|                                         | Month of<br>November<br>1937 | Month of<br>October<br>1937 | Eleven Mos.<br>ended Nov.<br>30th 1937 | Eleven Mos.<br>ended Nov.<br>30th 1936 |
|-----------------------------------------|------------------------------|-----------------------------|----------------------------------------|----------------------------------------|
| <u>GROSS OPERATING PROFIT:</u>          |                              |                             |                                        |                                        |
| Smelting Department                     | \$ 31,444                    | \$ 4,586                    | \$ 359,786                             | \$ 190,359                             |
| Marion Copper Works                     | 76,462                       | 102,364                     | 1,316,631                              | 791,075                                |
| Lead Refining Department                | 11,000                       | 16,170                      | 117,130                                | 38,282                                 |
| Zinc Oxide Department                   | 54,000                       | 4,183                       | 4,720                                  | -                                      |
| White Lead Department                   | 331                          | 3,660                       | 42,496                                 | 96,117                                 |
| Total                                   | \$ 1,075                     | \$ 42,563                   | \$ 1,071,831                           | \$ 756,363                             |
| Add - Miscellaneous Income              | 100                          | 100                         | 100                                    | 2,695                                  |
|                                         | \$ 1,175                     | \$ 42,663                   | \$ 1,069,631                           | \$ 759,058                             |
| <u>Deduct:</u>                          |                              |                             |                                        |                                        |
| Administrative Expenses                 | \$ 4,000                     | \$ 3,931                    | \$ 47,879                              | \$ 43,484                              |
| Capital Stock Tax                       | 1,096                        | 1,096                       | 12,056                                 | 11,079                                 |
| Interest:                               |                              |                             |                                        |                                        |
| Six Per Cent. Debentures                | 40,000                       | 40,000                      | 438,901                                | 439,228                                |
| Anaconda Copper Mining Company          | 9,247                        | 9,553                       | 102,946                                | 94,638                                 |
| Silver Peak Operations (abandoned)      | -                            | -                           | 229,320                                | -                                      |
| Loss on Investments                     | -                            | -                           | 14,000                                 | -                                      |
| Total                                   | \$ 54,343                    | \$ 54,582                   | \$ 845,302                             | \$ 588,429                             |
| <u>INCOME - Before Depreciation</u>     | \$ 55,518                    | \$ 11,919                   | \$ 224,349                             | \$ 170,629                             |
| <u>Depreciation</u>                     | <u>51,133</u>                | <u>68,422</u>               | <u>832,945</u>                         | <u>579,849</u>                         |
|                                         | \$ 106,651                   | \$ 80,341                   | \$ 600,296                             | \$ 408,220                             |
| Add - Net Income - Subsidiary Companies | 160                          | 162                         | 5,433                                  | -                                      |
| <u>CONSOLIDATED NET INCOME</u>          | <u>\$ 106,793</u>            | <u>\$ 80,503</u>            | <u>\$ 615,669</u>                      | <u>\$ 408,220</u>                      |

CONSOLIDATED SURPLUS ACCOUNT

|                                                           |                   |
|-----------------------------------------------------------|-------------------|
| Balance - January 1st 1937                                | \$ 315,021        |
| Add - Net Income - Eleven Months ended November 30th 1937 | 615,669           |
| <u>BALANCE - NOVEMBER 30TH 1937</u>                       | <u>\$ 930,690</u> |

*London, Pa. in L.C.*  
*Balance*

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