

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JUNE 24RD 1942
ESTIMATED NET INCOME

RECEIVED
JUN 24 1942
E. O. CONNORS

	Month of May 1942	Month of April 1942	Five Months ended May 31, 1942	Five Months ended May 31, 1941
Smelting department	\$ 15,624	\$ 543	\$150,606	\$ 273,149
Baritan Copper Works	141,943	97,919	500,832	374,137
Lead Refining Department	15,535	5,940	29,656	43,475
Zinc Oxide Department	10,589	24,958	38,375	196,798
White Lead Department	1,272	7,817	50,858	25,941
Miscellaneous Income	3,289	2,009	13,083	47,363
	<u>\$133,460</u>	<u>\$ 89,270</u>	<u>\$686,660</u>	<u>\$1,067,267</u>
Deduct:				
Administrative Expenses	\$ 6,500	\$ 6,500	\$ 35,100	\$ 28,942
Capital Stock Tax	1,875	1,875	9,375	8,333
Miscellaneous Taxes	-	-	408	5,435
Interest-				
Six Per Cent Debentures	40,000	40,000	200,000	200,000
Anaconda Copper Mining Company	9,740	9,740	48,700	61,410
	<u>\$ 58,115</u>	<u>\$ 58,115</u>	<u>\$293,583</u>	<u>\$ 304,120</u>
	\$ 75,345	\$ 31,155	\$393,077	\$ 763,147
Less - Depreciation and Obsolescence	<u>42,552</u>	<u>47,741</u>	<u>245,781</u>	<u>341,485</u>
	\$ 32,793	\$ 16,586	\$147,296	\$ 421,662
Less - Federal Income Tax	<u>18,000</u>	-	<u>81,000</u>	<u>128,900</u>
<u>NET INCOME</u>	<u>\$ 14,793</u>	<u>\$ 16,586</u>	<u>\$ 66,296</u>	<u>\$ 292,762</u>
Add - Net Income of Subsidiary Companies	<u>41</u>	<u>41</u>	<u>356</u>	<u>1,392</u>
<u>CONSOLIDATED NET INCOME</u>	<u>\$ 14,752</u>	<u>\$ 16,627</u>	<u>\$ 65,940</u>	<u>\$ 294,154</u>

CONSOLIDATED SURPLUS ACCOUNT

<u>BALANCE</u> - January 1, 1942	\$ 135,509
<u>ADD</u> - Net Income - Five Months Ended May 31, 1942	<u>65,940</u>
<u>BALANCE</u> - May 31, 1942	<u>\$ 69,569</u>

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JUNE 23RD 1942
ESTIMATED NET INCOME - RABBITAN COPPER WORKS

	Month of May 1942	Month of April 1942	Five Months ended May 31, 1942	Five Months ended May 31, 1941
Profit on Tolls	\$ 79,352	\$ 63,265	\$283,341	\$480,677
Profit on Premiums	53,879	21,081	155,351	247,883
Profit on Sales	5,787	8,791	51,316	118,131
Electro Sheet Department	646	1,710	7,401	22,339
Secondary Metal Department	-	-	-	7,352
Miscellaneous Income	4,007	9,040	30,975	42,276
	<u>\$143,671</u>	<u>\$100,467</u>	<u>\$513,582</u>	<u>\$903,924</u>
Less - General Expenses	\$ 1,000	\$ 1,491	\$ 6,999	\$ 4,992
Selling Expenses	728	1,057	5,751	9,140
Experimental Expenses	-	-	-	15,655
	<u>\$ 1,728</u>	<u>\$ 2,548</u>	<u>\$ 12,750</u>	<u>\$ 29,787</u>
	<u>\$141,943</u>	<u>\$ 97,919</u>	<u>\$500,832</u>	<u>\$874,137</u>
Less - Depreciation	24,371	26,189	127,971	160,153
<u>NET INCOME</u>	<u>\$117,572</u>	<u>\$ 71,730</u>	<u>\$372,861</u>	<u>\$713,984</u>

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INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JUNE 23RD 1942
ESTIMATED NET INCOME - HARTMAN COPPER WORKS

	Month of May 1942	Month of April 1942	Five Months ended May 31, 1942	Five Months ended May 31, 1941
Profit on Tolls	\$ 79,352	\$ 63,265	\$283,341	\$480,677
Profit on Premiums	53,879	21,081	155,351	247,883
Profit on Sales	5,787	8,791	51,316	112,101
Electro Sheet Department	646	1,710	7,401	22,339
Secondary Metal Department	-	-	-	7,352
Miscellaneous Income	4,007	9,040	30,975	42,276
	<u>\$143,671</u>	<u>\$100,467</u>	<u>\$513,582</u>	<u>\$903,924</u>
Less - General Expenses	\$ 1,000	\$ 1,491	\$ 6,999	\$ 4,992
Selling Expenses	728	1,057	5,751	9,140
Experimental Expenses	-	-	-	15,655
	<u>\$ 1,728</u>	<u>\$ 2,548</u>	<u>\$ 12,750</u>	<u>\$ 29,787</u>
	<u>\$141,943</u>	<u>\$ 97,919</u>	<u>\$500,832</u>	<u>\$874,137</u>
Less - Depreciation	24,371	26,189	127,971	160,153
<u>NET INCOME</u>	<u>\$117,572</u>	<u>\$ 71,730</u>	<u>\$372,861</u>	<u>\$713,984</u>

INTERNATIONAL MELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JUNE 23RD 1942

ESTIMATED NET INCOME - LEAD REFINING, ZINC OXIDE AND WHITE LEAD DEPARTMENTS

	Month of May 1942	Month of April 1942	Five Months ended May 31, 1942	Five Months ended May 31, 1941
<u>LEAD REFINING DEPARTMENT</u>				
Operating Income	\$ 15,535	\$ 5,940	\$ 29,656	\$ 43,475
Less - Depreciation	<u>1,695</u>	<u>1,800</u>	<u>16,764</u>	<u>15,597</u>
<u>NET INCOME</u>	<u>\$ 17,230</u>	<u>\$ 4,140</u>	<u>\$ 12,892</u>	<u>\$ 27,878</u>
<u>ZINC OXIDE DEPARTMENT</u>				
Sales of Zinc Oxide	\$ 64,411	\$ 65,702	\$ 441,055	\$ 1,093,590
Cost of Sales	<u>75,000</u>	<u>90,660</u>	<u>499,430</u>	<u>1,290,388</u>
	\$ 10,589	\$ 24,958	\$ 58,375	\$ 196,798
Less - Depreciation	<u>728</u>	<u>807</u>	<u>5,021</u>	<u>16,494</u>
<u>NET INCOME</u>	<u>\$ 11,317</u>	<u>\$ 25,765</u>	<u>\$ 63,396</u>	<u>\$ 213,692</u>
Pounds of Zinc Oxide Sold	766,150	849,878	5,285,509	17,362,952
Sales Price	8.407¢	7.731¢	8.345¢	6.293¢
Cost of Sales	9.787¢	10.667¢	9.445¢	7.432¢
<u>WHITE LEAD DEPARTMENT</u>				
Sales of Lead Products	\$ 78,020	\$128,611	\$ 635,404	\$ 579,008
Cost of Sales	<u>79,292</u>	<u>120,794</u>	<u>584,546</u>	<u>553,067</u>
	\$ 1,272	\$ 7,817	\$ 50,858	\$ 25,941
Less - Depreciation	<u>1,740</u>	<u>2,996</u>	<u>15,509</u>	<u>15,044</u>
<u>NET INCOME</u>	<u>\$ 3,012</u>	<u>\$ 4,821</u>	<u>\$ 35,349</u>	<u>\$ 10,897</u>
Pounds of Lead Products Sold	844,145	1,720,042	7,400,700	7,211,795
Sales Price	9.242¢	8.589¢	8.586¢	8.028¢
Cost of Sales	9.393¢	7.809¢	7.898¢	7.609¢

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JUNE 23RD 1942

NET CURRENT AND OTHER ASSETS - MAY 31ST 1942

CURRENT ASSETS:

Supplies			\$1,300,925
Metals:			
In Process			2,552,826
Finished:			
Lead	11,259,397 lbs. @ 4.785¢	\$ 538,821	
Copper	14,905,532 lbs. @ 9.110¢	1,357,891	
Silver	2,103,539 oss. @ 44.511¢	936,310	
Gold	18,580 oss. @ \$34.134	634,210	
By-Products		90,216	
		<u>\$3,557,448</u>	
Reserve for Freight and Refining		229,997	3,327,451
Manufactured Products:			
Lead Products		\$ 302,918	
Zinc Oxide - Finished		322,400	
Haritan Copper Works - Electro Sheet Department		<u>7,282</u>	632,600
Accounts Receivable:			
Tolls		\$ 843,332	
Zinc Oxide		66,816	
Others		<u>644,328</u>	
		<u>\$1,554,476</u>	
Reserve for Doubtful Accounts		45,029	1,509,447
Cash			<u>238,541</u>
			\$9,561,791

CURRENT LIABILITIES:

Taxes		\$ 673,921	
Interest		269,797	
Accounts Payable:			
Inter-company:			
Anaconda Sales Company		274,841	
Anaconda Copper Mining Company - Notes Payable		2,500,000	
Others		22,259	
Other Accounts Payable		<u>1,224,140</u>	
Wages Payable		134,308	5,099,266

NET CURRENT ASSETS

\$4,462,531

OTHER ASSETS:

Advances to sundry mining companies, including advances on ores, less reserve	\$ 299,972		
Instalment house and land sales and other accounts receivable, less reserve	<u>55,146</u>	<u>355,118</u>	

BALANCE - NET CURRENT AND OTHER ASSETS:

\$4,817,649

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JUNE 30, 1942
SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of May 1942	Five Months ended May 31, 1942	Five Months ended May 31, 1941	Per Cent Increase -Decrease
<u>SMELTER PRODUCTION:</u>				
Copper - lbs. - Tooele:				
Custom	442,641	2,793,631	1,003,840	178.3
Toll	1,567,537	8,344,518	17,867,942	54.9
Miami:				
Custom	295,183	1,783,777	2,358,428	24.3
Toll	6,680,885	32,779,557	24,474,979	33.9
	<u>8,986,246</u>	<u>45,401,483</u>	<u>45,705,189</u>	.7
Lead - lbs. - Tooele	2,309,955	21,553,577	24,383,246	13.4
<u>SCRAP COPPER RECEIVED AT PERTH AMBOY:</u>				
Total	1,375,876	7,976,617	15,573,890	48.8
Less - Fabricators' Toll	<u>1,003,173</u>	<u>6,839,025</u>	<u>7,180,481</u>	4.8
Custom	<u>372,703</u>	<u>1,037,592</u>	<u>8,393,409</u>	87.6
<u>REFINERY PRODUCTION:</u>				
Copper - Gross	40,313,585	155,133,619	237,453,993	34.6
Less - Toll Scrap	<u>1,003,173</u>	<u>6,839,025</u>	<u>7,180,481</u>	4.8
	<u>39,310,412</u>	<u>148,294,594</u>	<u>230,273,512</u>	+35.6
Lead - lbs.	3,813,255	36,943,532	38,118,593	3.1
Silver - ozs.	1,142,759	6,267,897	6,807,619	7.9
Gold - ozs.	12,667	73,624	100,711	25.9
<u>SALES:</u>				
Copper - lbs.				
Tooele	275,484	1,775,504	5,300,000	66.5
Miami	-	2,200,000	1,990,000	10.6
Raritan - Refinery	<u>392,865</u>	<u>1,228,384</u>	<u>6,017,293</u>	79.0
	<u>668,349</u>	<u>5,203,888</u>	<u>13,307,293</u>	9.9
Lead - lbs.	3,635,562	19,193,669	30,277,544	30.0
<u>DELIVERIES</u>				
Copper - lbs.				
Tooele	530,020	1,880,020	7,150,000	75.7
Miami	120,000	2,450,000	3,950,000	38.0
Raritan - Refinery	<u>342,865</u>	<u>1,109,790</u>	<u>14,812,966</u>	92.5
	<u>992,885</u>	<u>5,439,810</u>	<u>25,912,966</u>	79.0
Lead - lbs.	2,671,114	20,739,242	29,861,378	30.5
<u>ZINC OXIDE:</u>				
Production - lbs.	1,002,600	6,645,787	18,007,095	63.1
Deliveries - lbs.	766,200	5,285,715	17,364,502	59.0