

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - MARCH 23RD 1937

NET INCOME

	Month of February 1937	Month of January, 1937	Two Months ended February 28th 1937	T and 2
<u>GROSS OPERATING PROFIT:</u>				
Smelting Department	\$ 7,647	\$ 50,896	\$ 58,543	
Maricopa Copper Works	91,326	132,071	223,397	
Lead Refining Department	5,000	7,418	2,418	
Zinc Oxide Department	20,957	54,561	55,518	
White Lead Department	2,897	2,307	590	
Total	\$ 80,319	\$143,295	\$223,614	
<u>Add - Miscellaneous Income</u>	<u>100</u>	<u>140</u>	<u>240</u>	
	\$ 80,419	\$143,435	\$223,854	
<u>Deduct:</u>				
Administrative Expenses	\$ 3,750	\$ 3,749	\$ 7,499	
Capital Stock Tax	1,042	1,042	2,084	
Miscellaneous Taxes	-	-	-	
Interest:				
Anaconda Copper Mining Company	8,430	9,555	18,185	
Six Per Cent. Debentures	40,000	40,000	80,000	
Total	\$ 53,422	\$ 54,346	\$107,768	
<u>INCOME - Before Depreciation and Federal Income Tax</u>	<u>\$ 26,997</u>	<u>\$ 89,089</u>	<u>\$116,086</u>	
Depreciation	69,704	60,780	130,484	
	\$ 42,707	\$ 28,309	\$ 14,398	
Federal Income Tax	-	-	-	
	\$ 42,707	\$ 28,309	\$ 14,398	
<u>Add - Net Income Subsidiary Companies</u>	<u>904</u>	<u>904</u>	<u>1,808</u>	
<u>CONSOLIDATED NET INCOME</u>	<u>\$ 43,611</u>	<u>\$ 27,405</u>	<u>\$ 16,206</u>	

CONSOLIDATED SURPLUS ACCOUNT

Balance - January 1st 1937

Add - Net Income - Two Months ended February 28th 1937

BALANCE - FEBRUARY 28TH 1937

INTERNATIONAL SMELTING AND REFINING COMPANY
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NET INCOME - SMELTING DEPARTMENT

	Month of February 1937	Month of January 1937	Two Months ended Feb. 28th 1937	Two Months ended Feb. 29th 1936
<u>GROSS OPERATING PROFIT:</u>				
Tooele Lead Plant	\$ 232	\$12,810	\$13,042	\$12,567
Tooele Copper Plant	19,491	3,217	16,274	19,625
Tooele Sulphide Concentrator	14,197	16,216	30,413	-
Miami Plant	<u>25,000</u>	<u>29,186</u>	<u>54,186</u>	<u>3,527</u>
Total	\$19,938	\$61,429	\$81,367	\$35,719
Add - Miscellaneous Income	<u>1,800</u>	<u>1,815</u>	<u>3,615</u>	<u>3,500</u>
Total	<u>\$21,738</u>	<u>\$63,244</u>	<u>\$84,982</u>	<u>\$39,219</u>
Deduct:				
Expenses - Operating Treasury	\$ 1,200	\$ 1,203	\$ 2,403	\$ 2,000
Shut Down Expenses	1,300	1,294	2,594	27,806
Outside Exploration	2,000	2,090	4,090	3,548
General Expenses	50	100	150	155
Selling Commission	<u>9,541</u>	<u>7,661</u>	<u>17,202</u>	<u>6,248</u>
Total	<u>\$14,091</u>	<u>\$12,348</u>	<u>\$26,439</u>	<u>\$39,757</u>
INCOME BEFORE DEPRECIATION	\$ 7,647	\$50,896	\$58,543	\$ 1,462
Depreciation	<u>29,624</u>	<u>24,040</u>	<u>53,664</u>	<u>11,926</u>
<u>NET INCOME</u>	<u>\$21,977</u>	<u>\$26,856</u>	<u>\$ 4,879</u>	<u>\$12,404</u>

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NET INCOME - RHAMTAN COPPER WORKS

	Month of February 1937	Month of January, 1937	Two Months ended February 28th 1937	Two Months ended February 29th 1936
<u>GROSS OPERATING PROFIT:</u>				
Profit on Tolls	\$ 45,627	\$ 59,122	\$104,749	\$ 42,945
Profit on Premiums	40,234	31,302	71,536	37,853
Profit on Sales - Refinery Department	2,779	2,729	5,508	1,811
Profit on Sales - Secondary Department	2,402	36,385	38,987	50,486
Electro Sheet Department	588	539	1,127	5,414
Total	\$ 90,454	\$129,199	\$219,653	\$ 42,729
<u>ADD:</u>				
Miscellaneous Earnings	5,026	7,495	12,521	7,325
	\$ 95,480	\$136,694	\$232,174	\$ 50,054
<u>DEDUCT:</u>				
General Expenses	\$ 1,223	\$ 2,242	\$ 3,467	\$ 5,414
Experimental Expenses	2,729	2,381	5,110	6,202
	\$ 3,954	\$ 4,623	\$ 8,577	\$ 11,616
<u>INCOME - Before Depreciation</u>	\$ 91,526	\$132,071	\$223,597	\$ 38,438
Depreciation	33,129	29,495	62,624	30,656
<u>NET INCOME</u>	\$ 58,397	\$102,576	\$160,973	\$ 7,782
<u>SECONDARY DEPARTMENT</u>				
Pounds Copper Sold	6,031,196	8,101,151	14,132,347	8,859,266
Sales Price	12.832¢	10.444¢	11.463¢	9.080¢
Cost of Sales	12.791¢	9.992¢	11.187¢	9.492¢

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - MARCH 23RD 1937

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

	Month of February 1937	Month of January, 1937	Two Months ended Feb. 28, 1937	Two Months ended Feb. 29, 1936
<u>LEAD REFINING DEPARTMENT:</u>				
Gross Profit	\$ 5,000	\$ 7,418	\$ 2,418	\$ 12,049
Depreciation	<u>1,135</u>	<u>982</u>	<u>2,117</u>	<u>2,572</u>
Net Income	<u>\$ 3,865</u>	<u>\$ 8,400</u>	<u>\$ 4,535</u>	<u>\$ 9,477</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$210,221	\$212,183	\$422,404	\$418,349
Cost of Sales	<u>231,178</u>	<u>246,744</u>	<u>477,922</u>	<u>467,260</u>
Income - Before Depreciation	\$ 20,957	\$ 34,561	\$ 55,518	\$ 49,011
Depreciation	<u>3,668</u>	<u>3,871</u>	<u>7,539</u>	<u>7,721</u>
Net Income	<u>\$ 24,625</u>	<u>\$ 38,432</u>	<u>\$ 63,057</u>	<u>\$ 56,722</u>
Pounds Zinc Oxide Sold	4,016,805	4,167,350	8,174,155	8,399,350
Sales Price	5.227¢	5.091¢	5.168¢	4.981¢
Cost of Sales	5.878¢	6.014¢	5.939¢	5.656¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$ 60,181	\$ 70,329	\$130,510	\$138,725
Cost of Sales	<u>63,078</u>	<u>68,022</u>	<u>131,100</u>	<u>130,481</u>
Income - Before Depreciation	\$ 2,897	\$ 2,307	\$ 590	\$ 8,244
Depreciation	<u>2,148</u>	<u>2,392</u>	<u>4,540</u>	<u>4,529</u>
Net Income	<u>\$ 5,045</u>	<u>\$ 83</u>	<u>\$ 5,130</u>	<u>\$ 3,715</u>
Pounds White Lead Sold	999,100	1,112,850	2,111,955	1,670,910
Sales Price	5.943¢	5.991¢	5.979¢	5.618¢
Cost of Sales	6.097¢	6.017¢	5.997¢	4.931¢

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - MARCH 23RD 1937
NET CURRENT AND OTHER ASSETS - FEBRUARY 28TH 1937

CURRENT ASSETS:

Supplies					\$ 904,085
Metals:					
In Process					1,077,614
Finished:					
Lead	11,942,714	lbs.	4.849%	\$ 579,179	
Copper	33,709,561	lbs.	9.806%	3,305,758	
Silver	1,940,485.49	oss.	52.448%	1,017,760	
Gold	12,867.343	oss.	\$34.0113	437,635	
By-Products				435,400	
				\$5,775,732	
Less - Reserve for Freight, Refining and Unearned Tolls				769,823	5,005,909
Manufactured Products:					
Lead Products				\$ 230,432	
Zinc Oxide Inventory				761,012	
Raritan Copper Works - Sheet Copper				44,911	1,036,355
Accounts Receivable:					
T o l l s				\$ 714,385	
Zinc Oxide				235,597	
Other Accounts Receivable				278,218	1,228,200
Marketable Securities - at cost					884,970
C a s h					172,995
					<u>\$10,310,128</u>

CURRENT LIABILITIES:

Taxes Accrued		\$ 20,844	
Interest Accrued		109,284	
Accounts Payable:			
Inter-company		3,802,878	
Other Accounts Payable		1,203,889	
Wages Payable		134,471	5,271,366

BALANCE - NET CURRENT ASSETS

\$ 5,038,762

OTHER ASSETS:

Advances to sundry mining companies, including			
advances on ores, less reserve		\$ 32,447	
Installment house and land sales and other accounts			
receivable, less reserve		313,813	346,260

BALANCE - NET CURRENT AND OTHER ASSETS

\$ 5,385,022

INTERNATIONAL SMELTING AND REFINING COMPANY

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	<u>Month of February 1937</u>	<u>Two Months ended Feb. 28th 1937</u>	<u>Two Months ended Feb. 27th 1936</u>	<u>Percent Increase comp. br</u>
<u>SMELTER PRODUCTION</u>				
Copper - Lbs. - Total	4,253,308	9,106,183	6,015,708	51.4
Miami	7,352,072	16,133,126	844,778	1789.5
	<u>11,605,372</u>	<u>25,237,243</u>	<u>6,860,478</u>	167.6
Lead - Lbs. - Total	7,061,370	11,804,313	7,233,163	55.0
<u>CONAP COPPER RECEIVED AT FIFTH ARROYO</u>				
Recoverable Contents - Lbs.	7,338,995	12,921,095	9,054,592	42.7
<u>REFINERY PRODUCTION</u>				
Copper - Lbs.	34,340,383	65,870,000	37,759,606	74.4
Lead - Lbs.	7,888,282	14,012,045	17,962,119	22.0
Silver - Oms.	1,308,798	2,400,638	2,268,996	5.8
Gold - Oms.	14,635	26,280	22,494	16.6
<u>S A L E S</u>				
Copper - Lbs.	5,968,938	19,145,489	12,687,006	50.9
Lead - Lbs.	4,634,348	13,883,054	15,433,777	10.0
<u>DELIVERIES</u>				
Copper - Lbs.	11,896,961	22,632,192	10,678,589	112.1
Lead - Lbs.	7,682,168	15,039,801	12,064,084	24.7
<u>ZINC OXIDE</u>				
Production - Lbs.	2,492,000	2,177,833	10,458,196	21.8
Deliveries - Lbs.	3,929,800	8,087,130	8,378,071	5.7

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